

RECORDATION NO. 20150-M FILED

MAR 1 '01 4-23 PM

TS
SURFACE TRANSPORTATION BOARD

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OF COUNSEL
URBAN A. LESTER

March 1, 2001

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Residual Rights Sharing Agreement, dated as of June 20 1996, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed relates to the Rail Equipment Lease (as extended) which was previously filed with the Board under Recordation Number 20150.

The names and addresses of the parties to the enclosed document are:

Haber
R.M. ~~Haber~~ & Associates, Inc.
1155 Wisteria Drive
Malvern, PA 19355

TPS Leasing Company, LLC
1700 Commerce Street
Dallas, TX 75201

A description of the railroad equipment covered by the enclosed document is:

50 Flatcars SH 200 - SH 249

JJP

Mr. Vernon A. Williams
March 1, 2001
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A short summary of the document to appear in the index follows:

Residual Rights sharing Agreement between TPS Leasing
Company, LLC and R.M. Haber & Associates covering 50
flatcars SH 200 - SH 249.

Also enclosed is a check in the amount of \$27.00 payable to the order of the
Surface Transportation Board covering the required recordation fee and cross-indexing fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/anm
Enclosures

TPS LEASING COMPANY, LLC
1700 Commerce Street - Suite 710 - Dallas, Texas 75201
214/651-1930 Phone 214/651-1932 Fax
(800) 7LS-ETPS Toll Free (800) 757-3877

RESIDUAL RIGHTS SHARING AGREEMENT

RECORDATION NO. 20150-M FILED

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SURFACE TRANSPORTATION BOARD

Date June 20, 1996 Contract No. 05/1204/01L

This Agreement is between R. M. Haber & Associates, Inc. a Pennsylvania corporation ("RMH") and TPS Leasing Company, LLC. a Texas limited liability company ("TPS").

RECITALS

RMH helped provide the Railroad Cars (hereinafter "Equipment") and negotiate the terms of the Agreement of TPS Lease 05/1204/01L (hereinafter "Lease") between Steelton & Highspire Railroad Company and TPS, dated 6/21/96, for 50 railroad Cars listed in Schedule "A" of the Lease.

TPS wishes to provide that under certain circumstances, RMH or its successors or assigns will receive a 25% participation in the Residual Value (hereinafter defined) of the Equipment and/or the Rental Stream (hereinafter defined) from the Equipment.

NOW THEREFORE - TPS and RMH agree as follows:

A. The recitals set forth above, including the definitions set forth are incorporated into this agreement.

B. Residual Value is created if there is a remainder after the equity investment of TPS (\$85,327 Future Valued at 11.14% = \$211,892 at the end of the initial Lease term) plus all costs and expenses incurred by TPS in connection with the Lease pursuant to which the Residual Value has been created have been subtracted from the money received for the sale, release, or casualty of the Equipment at the end of the initial Lease term (96 months), and the initial Lease financing with Transamerica Business Credit Corporation has been fully repaid. (\$1,256,485 at 11.14% interest = 96 payments of \$19,650) Since the present Lease has been reduced and extended at a rate of \$16,664.00 per month for 36 months, and TransAmerica Business Credit has discounted the extended income stream to yield \$225,480.17 to TPS; Residual Value has been created. (\$85,327 Future Valued at 11.14% on 48 Cars for 53 months = \$133,675.59 subtracted from \$225,480.17 = \$91,804.58 x .25 = \$22,951.15 less \$3,537.09 paid to Highspire RR for destroyed Car x .25 = \$22,951.15 - \$884.27 = \$22,066.88 due to RMH) From this date forward RMH is entitled to .25 of any net proceeds paid to TPS after the Note to TransAmerica Business Credit has been retired in full.

C. At any time when residual value has been created with respect to the Equipment RMH shall be entitled to receive an amount equal to the product of .25 (25%) multiplied by Residual Value. Such amount shall be delivered by TPS to RMH within a reasonable period of time after

receipt of TPS of such Residual Value.

D. If at the termination of the initial term of the Lease, the Lessee exercises its right to extend the Lease for a period of time at the Fair Rental Value ("FRV") or the Lessee does not exercise its right to extend the Lease for a period of time, as a result thereof, the Equipment is Leased to another Lessee, then RMH shall be entitled to receive 25% of the Rental Stream received subject to the definition of Residual Value in Paragraph B above. This portion of the Rental Stream shall be delivered by TPS to RMH, within a reasonable period of time after receipt thereof by TPS; provided however that RMH shall not be entitled to receive any portion of the Rental Stream from such Lease until the amount of the Rental Stream received by TPS is equal to the Future Value of \$85,327 at 11.14% (\$211,892 at 96 months) plus all costs and expenses incurred by TPS in connection with the Lease which created the Rental Stream. Rental Stream means the regularly scheduled rental payments discounted at 11.14% under the applicable Lease and excludes any payments received by TPS under any Lease which consists of prepayment penalties, late charges, or other payments under the Lease other than regularly scheduled rental payments.

E. By the execution and delivery of this Agreement, RMH hereby acknowledges that, from and after the date hereof, nothing shall be deemed to cause RMH and TPS to be treated as joint venturers or partners in connection with this transaction. TPS shall be the sole owner of the Equipment or the Lease except as set forth herein. As the owner of the Equipment and Lessor under the Lease, TPS has the sole right to make decisions or grant final authority with respect to such Equipment and such Lease.

F. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, and all of which, when taken together, shall be deemed to be one and the same instrument.

G. This agreement shall be governed by and construed in accordance with the laws of the state of Texas, without giving effect to principals of conflict of law which would require the law of another state to govern the provisions thereof.

H. The parties hereto hereby waive the right to have any disputes which arise, whether directly or indirectly out of the terms of this Agreement to be tried by a jury and acknowledge and agree that any such dispute shall be tried by a judge sitting without a jury.

R. M. Haber & Associates, Inc.

By: *R. M. Haber*
R. M. Haber
Title: President
Date: 2/01/2001
2/26/2001

Barbara A. Scarboro



TPS Leasing Company, LLC

By: *Tom Toland*
Tom Toland
Title: President
Date: 02/01/2001

