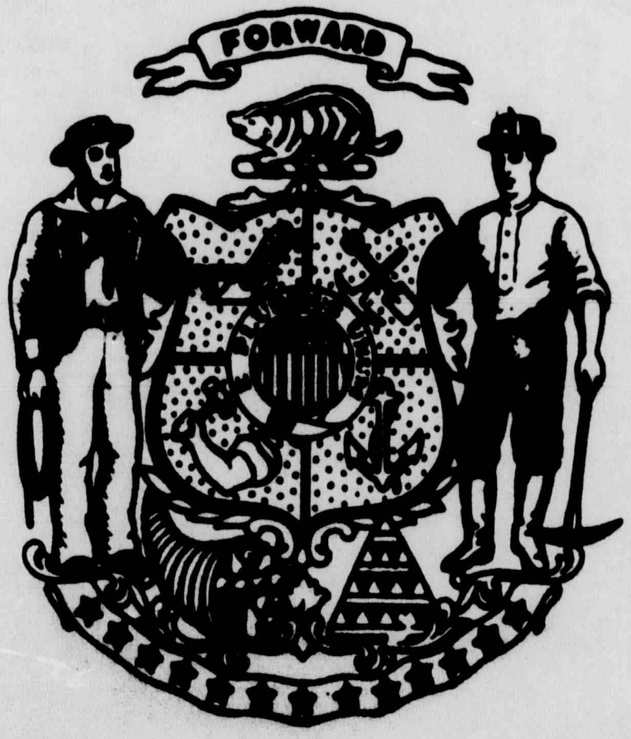
REEL NO. 34

STATE OF WISCONSIN



SECRETARY OF STATE

RAILROAD MORTGAGES

VOL. 34

414.53

PENNSYLVANIA RAILROAD EQUIPMENT

TRUST, SERIES G

LEASE OF RAILROAD EQUIPMENT

DATED DECEMBER 1, 1935

FIDELITY-PHILADELPHIA TRUST COMPANY

TO

THE PENNSYLVANIA RAILROAD COMPANY

AGREEMENT

DATED DECEMBER 1, 1935

EDWIN W. BAINBRIDGE

AND

CHARLES McCALL, Vendors

WITH

FIDELITY-PHILADELPHIA TRUST COMPANY

AND

THE PENNSYLVANIA RAILROAD COMPANY

Lease of Railroad Equipment, dated the first day of December, 1935, between FIDELITY-PHILADELPHIA TRUST COMPANY, of Philadelphia, Pennsylvania, a corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania, Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and THE PENNSYLVANIA RAILROAD COMPANY, a corporation duly organized and existing under the laws of the said Commonwealth (hereinafter called the Company), party of the second part:

WHEREAS, by certain Agreement, bearing date the first day of December, 1935, between Edwin W. Bainbridge and Charles McCall, Vendors, said Fidelity-Philadelphia Trust Company, as Trustee, and The Pennsylvania Railroad Company, a counterpart original whereof is hereto annexed and made a part hereof, there was constituted the "Pennsylvania Railroad Equipment Trust, Series G," and it was agreed that the railroad equipment which said Vendors transfer or cause to be transferred to the Trustee thereunder is to be leased to the Company hereunder; and

WHEREAS, pursuant to the provisions of said Agreement, the railroad equipment hereinafter described has been or will be transferred to the Trustee thereunder, and the title to said railroad equipment vested in the Trustee:

NOW THIS AGREEMENT WITNESSETH:

That the Trustee, acting in pursuance of said Agreement, for and in consideration as well of the sum of one dollar to it paid by the Company at or before the ensealing and delivery hereof, the receipt of which is hereby acknowledged, as of the rents and covenants hereinafter mentioned to be paid, kept and performed by the Company, has let and leased, and does hereby let and lease, to the Company all the railroad equipment of the Pennsylvania Railroad Equipment Trust, Series G

(hereinafter collectively called the Trust Equipment), to wit:

700 Class X-32-a Steel Automobile Box Cars; Numbered 58800 to 59499, both inclusive.

300 Class X-33-a Steel Automobile Box Cars; Numbered 59500 to 59799, both inclusive.

1,700 Class X-31-b (DD) Steel Automobile Box Cars; Numbered 61100 to 62799, both inclusive.

300 Class X-31-c (DD) Steel Automobile Box Cars; Numbered 60800 to 61099, both inclusive.

4,700 Class X-31-a (SD) Steel Box Cars; Numbered 76400 to 81099, both inclusive.

300 Class H-30 Steel Covered Hopper (Cement) Cars; Numbered 254351 to 254650, both inclusive.

2,000 Class G-27 Steel Mill Type Gondola Cars; Numbered 347000 to 348999, both inclusive.

10,000

Together with such other or additional railroad equipment as shall be acquired for said trust and subjected to this Lease as hereinafter provided.

The estimated cost of the railroad equipment above specifically described, when completed, has been certified to the Trustee to be not less than $24,560,000. The cost of the Trust Equipment, whenever referred to herein or in said Agreement, shall mean the actual cost thereof, including only such items as may properly be included in such cost under the accounting rules of the Interstate Commerce Commission.

In case the actual cost of said equipment specifically described shall not amount to at least said sum, then in addition to said equipment above specifically described, there may be acquired by the Vendors and subjected to this Lease (subject, however, to the provisions of Section 5 of Article I of said Agreement) other new railroad equipment, approved as to character by the Trustee, of such cost that the aggregate cost of all the Trust Equipment will be at least said sum; and the Trustee shall execute to the Company a supplemental lease thereof, describing the same, upon and subject to the terms and conditions hereof and of said Agreement, and such additional equipment shall be part of the Trust Equipment, subject to all the terms and conditions hereof and of said Agreement in all respects as though it had been part of the original Trust Equipment herein described.

As and when the Trust Equipment shall from time to time be transferred and delivered to the Trustee under said Agreement and marked in accordance with the provisions of Article Fourth hereof, the same shall be delivered to the Company, and shall upon such delivery to the Company ipso facto and without further deed of lease or transfer pass under and become subject to all the terms and provisions of this Lease, and be deemed a portion of the Trust Equipment leased by the Trustee to the Company hereunder, in all respects as if the same had been so delivered simultaneously with the execution and delivery hereof.

And the Company, in consideration of the premises, by these presents covenants and agrees with the Trustee as follows:

FIRST. The Company hereby accepts (subject to the conditions mentioned in said Agreement) this Lease of all the Trust Equipment, and hereby covenants and

agrees to accept delivery and possession hereunder of the Trust Equipment as hereinbefore provided; and the Company covenants and agrees to pay to the Trustee or its assigns (or in the case of taxes to the proper taxing authority) rent hereunder which shall be sufficient to pay and discharge the following items, when and as the same shall become due and payable:

(a) From time to time, as and when any of the Trust Equipment shall be delivered to the Company, amounts in cash equal to the difference between the cost of the Trust Equipment so delivered, as certified to the Trustee by the President or a Vice-President, or the Treasurer or an Assistant Treasurer, of the Company, and the principal amount of Trust Certificates issuable in respect thereof as provided in Section 2 of Article I of said Agreement, provided that the aggregate of all amounts so paid to the Trustee shall never be less than twenty-five per cent. (25%) of the cost of all the Trust Equipment which shall then and theretofore have been delivered hereunder.

(b) If the aggregate cost of all the Trust Equipment which shall then and theretofore have been delivered hereunder should exceed $24,560,000., an amount which, with all other payments previously made under this clause (b), shall equal such excess.

(c) The necessary and reasonable expenses of the trust, including all expenses connected with the Trust Equipment and this Lease thereof, and with the preparation, issuance and sale of the Trust Certificates.

(d) Any and all taxes, assessments and other governmental charges upon the income or property of the trust, or said Agreement evidencing the same, which the Trustee under said Agreement may be required to pay, and any and all taxes, assessments and other governmental charges (other than Federal income taxes and except such portion of such taxes, assessments or other charges of the Commonwealth of Pennsylvania as may be in the aggregate in excess of five mills per annum on each dollar of the principal of the Trust Certificates) which the Company or the Trustee may be required to pay or to retain from the principal of the Trust Certificates issued as provided in said Agreement (herein called the Trust Certificates) or from the dividends thereon, under any present or future law of the United States of America or of the Commonwealth of Pennsylvania.

(e) The dividend warrants attached to the Trust Certificates when and as the same shall become payable, and, in the case of the issue of temporary Trust Certificates, the dividends payable thereon; also a sum equal to accrued dividends at the warrant rate, from the due date, upon the amount of any installments of rental payable under this paragraph (e) and the following paragraph (f) which shall not be paid when due.

(f) The principal of the Trust Certificates when and as the same shall become payable, whether by declaration or upon the respective dates of maturity thereof, to wit:

December 1, 1936.....	$1,228,000
December 1, 1937.....	1,228,000
December 1, 1938.....	1,228,000
December 1, 1939.....	1,228,000
December 1, 1940.....	1,228,000

December 1, 1941	$1,228,000
December 1, 1942	1,228,000
December 1, 1943	1,228,000
December 1, 1944	1,228,000
December 1, 1945	1,228,000
December 1,1946	1,228,000
December 1, 1947	1,228,000
December 1, 1948	1,228,000
December 1, 1949	1,228,000
December 1, 1950	1,228,000

The Company shall not be required, however, to pay any tax, assessment or other governmental charge so long as the Company shall in good faith and by appropriate legal proceedings contest the validity thereof, unless thereby in the judgment of the Trustee, the rights or interests of the Trustee or of the Trust Certificate holders may be materially endangered; provided that nothing herein shall qualify or affect the right of the Trust Certificate holders to receive full and punctual payment of both dividends and principal without deduction for such taxes, assessments or other governmental charges to the extent provided in subdivision (d) of this Article First.

All rentals payable hereunder shall be payable at the principal office of the Trustee in the City of Philadelphia, Commonwealth of Pennsylvania, in such coin or currency of the United States of America, as at the time of payment, is legal tender for public and private debts.

SECOND. This Lease shall continue in force until the rent so paid hereunder shall furnish moneys sufficient to meet, discharge and cancel all the interests in said Pennsylvania Railroad Equipment Trust, Series G, created in respect of the Trust Equipment, and the dividends thereon, as well as the other payments and charges aforesaid. At the termination of this Lease and after all such payments required hereby shall have been completed and fully made to the Trustee, the Trust Equipment hereby leased, whether the same shall be delivered to the Company simultaneously with or after the execution hereof, shall at the option of the Company be assigned and transferred by the Trustee to the Company or its nominee or nominees, and shall thereupon be and become the absolute property of the Company or its nominee or nominees; provided, however, and it is agreed, that until then the title to none of the Trust Equipment shall pass to or vest in the Company but title to and ownership of all the Trust Equipment shall be reserved to and remain in the Trustee, notwithstanding the delivery of the Trust Equipment to and the possession and use thereof by the Company.

THIRD. Upon the written request of the Company, stating that the use of any of the Trust Equipment is no longer required by the Company, evidenced by a resolution of its Board of Directors, the Trustee may, while the Company is not in default hereunder, execute and deliver a bill of sale assigning and transferring to the purchaser named by the Company the absolute title to any of the Trust Equipment; provided, however, that none of the Trust Equipment shall be so assigned or transferred, unless simultaneously the Trustee shall receive from said purchaser the agreed purchase price thereof and from the Company a sum in cash equal to the difference, if any, between said purchase price and the original cost (as previously

certified pursuant to subdivision (d) of Section 5 of Article I of said Agreement) to the Vendors of the equipment so assigned and transferred, less an amount representing depreciation arising from reasonable wear and tear to be determined by the method at the time in standard railroad practice for determining such depreciation, as certified to the Trustee by the President or a Vice-President of the Company, of the equipment so assigned and transferred. The sums so paid to the Trustee shall be held by it for the equal and proportionate benefit of the bearers and registered owners of the Trust Certificates and dividend warrants, until paid out by the Trustee upon the written request of the Company for the purchase by the Trustee of new railroad rolling stock, free from liens, and upon the delivery of such new equipment to the Trustee accompanied by a bill or bills of sale, an opinion of counsel (who may be counsel to the Company) and a certificate as to delivery and cost in like manner as is provided in Section 5 of Article I of said Agreement. The Company will pay as rental for the trust equipment any additional moneys necessary to be paid to the manufacturers of such new railroad rolling stock, if the cost thereof exceeds sums then in the hands of the Trustee to be applied on account thereof. Any new equipment so acquired and substituted shall be marked in accordance with the provisions of Article Fourth hereof and immediately upon being so marked shall be part of the Trust Equipment, subject to all the terms and conditions hereof and of said Agreement in all respects as though it had been part of the original Trust Equipment herein described, and the Company and the Trustee shall execute, and the Company shall file and/or record, as required by law, a supplemental lease thereof, describing the same, upon and subject to all the terms and conditions hereof. The term "Trust Equipment," wherever used herein, unless otherwise indicated by the context, is intended to include any new equipment so acquired or otherwise subjected to this Lease or required or intended so to be.

FOURTH. At or before the delivery to the Company of each unit of the Trust Equipment, there shall be plainly, distinctly, permanently and conspicuously placed and fastened upon each side of each thereof a metal plate bearing the following words, or such words shall be otherwise plainly, distinctly, permanently and conspicuously marked on each side of each thereof, in either case in letters not less than one inch in height:

"Pennsylvania Railroad Equipment Trust, Series G, Fidelity-Philadelphia Trust Co., Trustee, Owner and Lessor."

Such plate or marks shall be such as to be readily visible and as to indicate plainly the Trustee's ownership of the Trust Equipment. In case, during the continuance of this Lease, any of such plates or marks shall at any time be removed, defaced or destroyed, the Company will immediately cause the same to be restored or replaced. The Company will not change, or permit to be changed, the numbers upon any of the Trust Equipment (nor any numbers which may be substituted as herein provided), except in accordance with a statement of new numbers to be substituted therefor, which previously shall have been filed with the Trustee by the Company. In any such case the new numbers shall be set forth in a Supplemental Lease or in an amendment of this Lease, which shall be recorded in the same manner as this Lease.

The Trust Equipment may be lettered "The Pennsylvania Railroad Company,"

"Pennsylvania," "P. R. R. ," or in some other appropriate manner, for convenience of identification of the leasehold interest of the Company therein; but the Company, during the continuance of this Lease, will not allow the name of any person, association or corporation to be placed on any of the Trust Equipment as a designation which might be interpreted as a claim of ownership thereof by the Company or by any person, association or corporation other than the Trustee.

FIFTH. (a) The Company, during the continuance of this Lease, will maintain and keep all the Trust Equipment in good order and repair, at its own proper cost and charge, and will replace, at its own cost, any of the Trust Equipment that may be worn out, lost or destroyed, by new railroad rolling stock of equal value, the value of the new rolling stock to be figured at cost if that be below market value, or at market value if that be below cost. For the purpose of this Article Fifth the value of such replaced equipment shall be taken to be the cost thereof, determined as provided in Article First hereof, less depreciation accrued thereon, determined as provided in Article Third hereof. The title to all rolling stock procured for such replacement shall be taken in the name of the Trustee, free from liens, and such rolling stock shall be marked in accordance with the provisions of Article Fourth hereof. At the time of every such replacement the Company shall deliver to the Trustee a certificate of the Treasurer or an Assistant Treasurer of the Company stating the value of the Trust Equipment so worn out, lost or destroyed and the cost and the reasonable market value of the equipment with which it is replaced, together with a bill or bills of sale, an opinion of counsel satisfactory to the Trustee (who may be counsel to the Company) and a certificate as to delivery, in like manner as is provided in Section 5 of Article I of said Agreement.

Thereupon, such new equipment shall be deemed part of the Trust Equipment, subject to all the terms and conditions hereof and of said Agreement, as though it had been part of the original Trust Equipment; but the Trustee and the Company shall execute a supplemental lease thereof, describing the same, upon and subject to all the terms and conditions hereof.

(b) The Company covenants and agrees to furnish to the Trustee, whenever required by the Trustee, and at lease once in every year during the continuance of this Lease, an accurate statement of the amount, description and numbers of the Trust Equipment then covered hereby, and the amount, description and numbers of all that may have been worn out, lost or destroyed by accident or otherwise, and the number of units of Trust Equipment repaired during the previous year, and the number of units then undergoing repairs and in the shops for repairs. Together with said statement the Company shall also furnish to the Trustee a statement signed by its Chief of Motive Power or an Assistant Chief of Motive Power, stating that in the case of all of the Trust Equipment repainted during the preceding year, the marks, required by Article Fourth hereof have been preserved, or that the same when repainted has been again marked as required by said Article. The Trustee shall have the right, by its agents, to inspect the Trust Equipment once in every year during the continuance of this Lease.

(c) The Company covenants and agrees to indemnify and protect the Trustee and its assigns in the use of any and all patented inventions employed in and about the Trust Equipment and to comply in all respects with the laws of the United States and of all the states in which the Trust Equipment or any thereof may be operated and

with all lawful acts, rules, regulations and orders of the Interstate Commerce Commission and of all other commissions, boards and other legislative, executive or judicial bodies or officers having power to regulate or supervise any of the Trust Equipment, including, but without limitation, all lawful acts, rules, regulations and orders of any body having competent jurisdiction relating to automatic coupler devices or attachments, air brakes or other appliances; provided, however, that the Company may in good faith contest the validity of any such act, rule, regulation or order or the application thereof to the Trust Equipment or any part thereof, in any reasonable manner which will not, in the judgment of the Trustee, materially endanger the rights or interests of the Trustee or of the holders of the Trust Certificates.

SIXTH. The Company, so long as it shall not be in default under this Lease, shall be entitled to the possession of the Trust Equipment and the use thereof upon the lines of railroad owned or operated by it under lease or otherwise, or over which it has trackage rights, and upon those of any railroad company a majority of whose capital stock is at the time owned by the Company, and also upon connecting and other railroads in the usual interchange of traffic, from and after the delivery of the Trust Equipment by the Trustee to the Company, but only upon and subject to all the terms and conditions of this Lease.

The Company will not either assign or transfer this Lease, or transfer or sublet the Trust Equipment or any part thereof, without the written consent of the Trustee first had and obtained; and the Company shall not, without such written consent, except as hereinbefore provided, part with the possession of, or suffer or allow to pass out of its possession or control, any of the Trust Equipment. A transfer to a railroad company which shall acquire all or substantially all the lines of railroad of the Company, and which shall assume and agree to perform each and all of the obligations and covenants of the Company, hereunder and under said Agreement, shall not be deemed a breach of this covenant, nor shall the appointment of a temporary receiver or receivers, trustee or trustees, for the Company or its property, be deemed such a breach; but the appointment of a permanent receiver or receivers, trustee or trustees, shall be deemed a breech of this covenant. The Trustee shall have the right to declare this Lease terminated in case of any unauthorized assignment or transfer of this Lease or transfer or sublease of the Trust Equipment. The election of the Trustee to terminate this Lease under this clause shall have the same effect as the retaking of the Trust Equipment by the Trustee as hereinafter provided.

Seventh. In case the Company

(1) shall make default in the payment of any part of said rent for more than thirty (30) days after the same shall become due and payable, or

(2) shall make or suffer any unauthorized assignment or transfer of its rights or interest in, or any unauthorized sublease of, or, except as herein authorized, part with the possession of, the Trust Equipment, or any thereof, and shall fail or refuse either to cause such assignment or transfer or sublease to be cancelled by agreement of all parties having any interest therein and recover possession of such Trust Equipment within thirty days after the Trustee shall have demanded in writing such cancellation and recovery of possession, or within said

thirty days to deposit with the Trustee a sum in cash equal to the original cost to the Vendors of the Trust Equipment so assigned or transferred or sub-leased as certified to the Trustee pursuant to Section 5 of Article I of said Agreement (any sum so deposited to be returned to the Company upon the cancellation of such assignment, transfer or sublease, and the recovery of possession by the Company of such Trust Equipment in good condition, subject to ordinary usage), or

(3) shall, for more than ninety (90) days after the Trustee shall have demanded in writing performance thereof, fail or refuse to comply with any other of the terms and covenants herein or in said Agreement on its part to be kept and performed, or to make provision satisfactory to the Trustee for such compliance,

then, in any such case (herein and in said Agreement sometimes called events of default), the Trustee at its option may, and on the request of the holders of a majority in amount of the then outstanding Trust Certificates shall, by its agents, enter upon the railroads and premises of the Company and take possession of all or any part of the Trust Equipment, and withdraw the same from said railroads and premises, retaining all payments which up to that time may have been made on account of rental for the Trust Equipment and otherwise, and shall be entitled to collect, receive and retain all unpaid per diem, mileage or other charges of any kind earned by the Trust Equipment or any thereof, and may lease the Trust Equipment or any part thereof, or sell the same or any part thereof, so far as it may deem necessary or desirable to perform and fulfill the trusts under said Agreement, at public or private sale, for cash or upon credit, in its discretion, and otherwise proceed to enforce its rights and the rights of the owners of interests under said Agreement and under this Lease in the manner therein and herein provided; and upon such taking possession or withdrawal or lease or sale of the Trust Equipment, the Company shall cease to have any rights or remedies in respect of the Trust Equipment under this Lease, but all such rights and remedies shall be deemed thenceforth to have been waived and surrendered by the Company; and no payments theretofore made by the Company for the rent or use of the Trust Equipment, or any of it, shall, in case of the happening of any such event of default and such taking possession, withdrawal, lease or sale by the Trustee, give to the Company any legal or equitable interest or title in or to the Trust Equipment, or any of it, or any cause or right of action, at law or in equity, in respect of the Trust Equipment against the trustee or the owners of interests in said Pennsylvania Railroad Equipment Trust, Series G; and such taking possession or withdrawal or lease or sale of the Trust Equipment by the Trustee shall not be a bar to the recovery by the Trustee from the Company of rentals then or thereafter due and payable, and the Company shall be and remain liable for the same, until such sum shall have been realized as, with the proceeds of the lease or sale of the Trust Equipment, shall be sufficient for the discharge and payment in full of all the various items mentioned in subdivisions (a), (b), (c), (d), (e) and (f) of Article First hereof, whether they shall have then matured or not.

In case the Trustee shall rightfully demand possession of the Trust Equipment in pursuance of this Lease, and shall reasonably designate a point or points upon the railroad of the Company, or upon the railroad of any company a majority of whose capital stock is at the time directly or indirectly owned by the Company, for

the delivery of the Trust Equipment to it, the Company will, at its own expense, forthwith and in the usual manner and at reasonable speed, cause the Trust Equipment to proceed or be drawn to such point or points on said railroads as shall be designated by the Trustee and will there deliver or cause to be delivered the same to the Trustee; or the Trustee at its option may keep the Trust Equipment on any of the lines of railroad or premises of the Company until the Trustee shall have leased, sold or otherwise disposed of the same, and for such purpose the Company agrees to furnish without charge for rent or storage the necessary tracks at any convenient point or points selected by the Trustee. It is hereby expressly covenanted and agreed that the performance of the foregoing covenants is of the essence of the contract and that upon application to any court of equity having jurisdiction in the premises the Trustee shall be entitled to a decree against the Company requiring the specific performance thereof.

The remedies in this Lease and in said Agreement provided in favor of the Trustee and the holders of Trust Certificates, or any of them, shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in their favor existing at law or in equity.

If the Trustee shall exercise any of the powers or remedies conferred upon it hereunder, the Company shall have the right, after all rentals and other sums due hereunder to the Trustee shall have been received by the Trustee, to require title to such of the Trust Equipment as shall not previously have been sold, assigned, transferred or otherwise disposed of by the Trustee to others to be transferred and assigned by the Trustee to the Company free from any further liabilities or obligations to the Trustee hereunder. If after applying all sums of money received by the Trustee in the exercise of such powers or remedies there shall remain any amount due to the Trustee under the provisions of this Lease, the Company hereby agrees to pay to the Trustee the amount of such deficiency. If after applying as aforesaid all sums so received by the Trustee there shall remain a surplus in the possession of the Trustee, such surplus shall be paid to the Company.

EIGHTH. This Lease may be simultaneously executed in several counterparts, each of which, so executed, shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed in their names by their respective Presidents or Vice-Presidents, and sealed with their corporate seals, attested by their respective Secretaries or Assistant Secretaries, as of the day and year first above written.

Signed, sealed, acknowledged and delivered in the presence of:
G. H. ZACHERLE
ALBERT WARD

FIDELITY-PHILADELPHIA TRUST COMPANY,
By
T. E. FRAME,
Vice-President.

(SEAL)

Attest:
H. W. WOODWARD,
Assistant Secretary.

THE PENNSYLVANIA RAILROAD
COMPANY,
By
(SEAL) A. J. COUNTY,
Vice-President

Attest:
J. TANEY WILLCOX,
Secretary.

COMMONWEALTH OF PENNSYLVANIA)
) SS
CITY AND COUNTY OF PHILADELPHIA)

I, G. H. Zacherle, a Notary Public duly commissioned, qualified and acting within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on Jany. 18, 1936, before me the subscriber, a Notary Public as aforesaid, personally appeared T. E. Frame, Vice-President of Fidelity-Philadelphia Trust Company, one of the corporations which executed the foregoing instrument in writing, bearing date of December 1, 1935, whose name is signed thereto, and the said T. E. Frame, to me personally known, being by me duly sworn, did depose and say that he resides in Rydal, in the County of Montgomery, in the State of Pennsylvania; that he is the Vice-President of the said Fidelity-Philadelphia Trust Company; one of the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation; that he knows the contents of the said instrument; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed, sealed and delivered by him as Vice-President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; and that he acknowledged the said foregoing instrument to be the free and voluntary act and deed of the said Fidelity-Philadelphia Trust Company; and that he desired the same to be recorded as such.

T. E. FRAME.

Subscribed and sworn before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

I am not a stockholder, director or officer of said Trust Company.

G. H. ZACHERLE,
Notary Public.

(Notarial)
(Seal)

My commission expires March 6, 1939.

COMMONWEALTH OF PENNSYLVANIA)
) SS.
CITY AND COUNTY OF PHILADELPHIA)

I, J. E. Williams, a Notary Public duly commissioned, qualified and acting within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on Jan. 18, 1936, before me the subscriber, a Notary Public as aforesaid, personally appeared A. J. County, Vice-President of the Pennsylvania Railroad Company, one of the corporations which executed the foregoing instrument in writing, bearing date of December 1, 1935, whose name is signed thereto, and the said A. J. County, to me personally known, being by me duly sworn, did depose and say that he resides in St. Davids, in the County of Delaware, in the

State of Pennsylvania; that he is the Vice-President of said The Pennsylvania Railroad Company, one of the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation; that he knows the contents of the said instrument; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed, sealed and delivered by him as Vice-President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; and that he acknowledged the said foregoing instrument to be the free and voluntary act and deed of said The Pennsylvania Railroad Company; and that he desired the same to be recorded as such.

A. J. COUNTY.

Subscribed and sworn before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

J. E. WILLIAMS,
Notary Public.

(Notarial)
(Seal)

My commission expires March 9, 1939.

This Agreement, dated the first day of December, 1935, by and between EDWIN W. BAINBRIDGE and CHARLES McCALL (hereinafter called the Vendors), of the first part, FIDELITY-PHILADELPHIA TRUST COMPANY, of Philadelphia, Pennsylvania (hereinafter called the Trustee), of the second part, and THE PENNSYLVANIA RAILROAD COMPANY (hereinafter called the Company), of the third part, WITNESSETH as follows:

WHEREAS, the Vendors have contracted to acquire or will acquire or contract to acquire the railroad equipment (hereinafter called the Trust Equipment) specifically described in the Lease of railroad equipment from the Trustee to the Company prefixed to this Agreement, to which Lease reference is hereby made; and

WHEREAS, subscriptions have been or are being secured for the aggregate principal amount of Eighteen million four hundred twenty thousand dollars ($18,420,000.) of the Pennsylvania Railroad Equipment Trust Certificates, Series G, the proceeds to constitute a fund to be furnished to the Vendors to be applied by them in part payment of the purchase price of said Trust Equipment to be acquired by them; and

WHEREAS, said Vendors desire to secure to the parties subscribing to said fund, or their assigns, the payment of the amount thereof in fifteen annual instalments, payable respectively on December 1, in each year, from December 1, 1936, to December 1, 1950, both inclusive, as hereinafter more particularly provided, with dividends to said dates of maturity respectively at the rate of two and three-quarters per cent. (2¾%) per annum from December 1, 1935, payable semi-annually on June 1 and December 1, in each year; and to evidence the rights of the subscribers to said fund by Trust Certificates in substantially the form hereinafter set forth;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND THE MUTUAL COVENANTS HEREIN CONTAINED, THE PARTIES HERETO AGREE AS FOLLOWS:

ARTICLE I.

SECTION 1. The Vendors hereby agree to sell, assign, transfer and set over unto the Trustee, as trustee for the bearers and registered owners of the Trust Certificates hereinafter described, the Trust Equipment described in said Lease prefixed hereto when and as the Trust Equipment or any part thereof is constructed or completed. The Vendors will deliver, or cause to be delivered, the Trust Equipment to the person or persons designated by the Trustee as its agent or agents to receive such delivery, who may be any or more of the officers and agents of the Company, and the certificate of any and every agent so designated shall be conclusive evidence of such delivery. The Trustee and the Company, simultaneously with the execution of this Agreement, have executed and delivered said Lease of all the Trust Equipment.

SECTION 2. Upon the transfer and delivery to the Trustee of any of the Trust Equipment it shall, subject to the provisions of Section 5 of this Article I, issue to the Vendors, or upon their order, for distribution to the several subscribers to said Pennsylvania Railroad Equipment Trust, Series G, such of the certificates to be known as Pennsylvania Railroad Equipment Trust Certificates, Series G, herein called the Trust Certificates, as shall be designated by the Vendors, to a principal amount equal to seventy-five per cent.(75%) of the cost of the Trust Equipment so transferred and delivered to it, or to the greatest multiple of $1,000 contained therein, and make payment to the Vendors, or upon their order, in cash, of the remainder of said cost, out of the instalment of rental payable upon such delivery pursuant to subdivision (a) of Article First of said Lease. Any amount by which seventy-five per cent.(75%) of the cost of such Trust Equipment shall exceed the greatest multiple of $1,000 contained therein shall be adjusted upon the delivery of the next lot of Trust Equipment hereunder.

SECTION 3. In lieu of executing and delivering Trust Certificates against the delivery of Trust Equipment as in Section 2 of this Article I provided, the Trustee shall at any time, upon request of the Vendors, execute and deliver to the Vendors, or upon their order, for distribution to said several subscribers, all the Trust Certificates issuable hereunder, upon the deposit in cash with the Trustee, or to its credit as Trustee hereunder, with such banks, bankers or trust companies as may be designated by the Vendors and approved by the President or a Vice-President, or the Treasurer of the Company, and also approved by the President or a Vice-President, or the Treasurer of the Trustee, of the sum of $18,420,000, or of the proceeds of the Trust Certificates, whichever shall be greater. The Trustee may likewise cause to be deposited with such banks, bankers or trust companies the instalments of rental payable to it on each delivery of Trust Equipment pursuant to subdivisions (a) and (b) of Article First of said Lease, and any sums received by it pursuant to Article Third of said Lease.

Any interest allowed by the Trustee or by said banks, bankers or trust companies upon any monies so deposited, and any premium received by the Trustee over and above the face amount of the Trust Certificates upon the issue thereof, shall, upon completion of delivery of the Trust Equipment as in this Agreement and in said Lease provided, belong to the Company and be paid to it by or upon the

order of the Trustee, so long as the Company shall not be in default hereunder or under said Lease, in lieu of the use of the Trust Equipment for the period before the delivery thereof. The certificates of the banks, bankers or trust companies so designated, stating that they hold a stated amount subject to the order of the Trustee, shall be full protection to the Trustee for its action on the faith thereof. Said banks, bankers or trust companies shall be fully protected in paying said moneys so deposited with them, and any such interest, to or upon the order of the Trustee, and shall be under no obligation to see to the application thereof in accordance with the provisions of this Agreement.

In respect of such Trust Certificates so issued against deposits of cash, the Company will pay to the Trustee all rentals which it would be required by subdivisions (c), (d), (e) and (f) of Article First of the aforementioned Lease to pay to the Trustee (at the same times and in the same amounts and manner) if such Trust Certificates were issued against a proportionate amount of Trust Equipment actually delivered to the Trustee and leased by it to the Company.

SECTION 4. The cash deposited with or to the credit of the Trustee, as in Section 3 of this Article I provided (hereinafter called the Deposited Cash), any instalments of rental paid upon the delivery of Trust Equipment pursuant to subdivisons (a) or (b) of Article First of said Lease, and any sums received by said Trustee pursuant to Article Third of said Lease, shall, until paid out by the Trustee as herein provided, be held for the benefit of the holders of the Trust Certificates. Whenever from time to time any of the Trust Equipment shall be transferred and delivered to the Trustee, the Trustee shall, if requested so to do, subject to the provisions of Section 5 of this Article I, pay to the Vendors, or upon their order, out of the Deposited Cash, an amount equal to seventy-five per cent. (75%) of the cost of the Trust Equipment so transferred and delivered to it, and shall make payment of the remainder thereof out of the instalment of rental payable on such delivery pursuant to subdivision (a) of Article First of said Lease.

If, whenever any of the Trust Equipment shall be transferred and delivered to the Trustee, the aggregate cost of all the Trust Equipment which shall then and theretofore have been delivered should exceed $24,560,000., the Trustee shall, if requested to do so, subject to the provisions of Section 5 of this Article I, make payment to the Vendors, or upon their order, to the extent of such excess, out of the installment of rental payable on such delivery pursuant to sub-division (b) of Article First of said Lease.

SECTION 5. The Trustee shall not issue any Trust Certificates, or pay out any Deposited Cash or sums received by it under sub-divisions (a) or (b) of Article First of said Lease, against the delivery of any of the Trust Equipment, unless and until it shall have received

(a) a certificate of the agent or agents designated by the Trustee to receive delivery of the Trust Equipment, stating that Trust Equipment specified by number in such certificate has been delivered to such agent or agents and marked in accordance with the provisions of Article Fourth of said Lease;

(b) a bill or bills of sale of such Trust Equipment from the manufacturer or owner thereof or the Vendors to the Trustee, containing or

accompanied by a warranty or guaranty to the Trustee that the title to the Trust Equipment described therein is free from all liens or encumbrances;

(c) an opinion of counsel satisfactory to the Trustee (who may be counsel to the Company) that such bill or bills of sale are valid and effective, either alone or in connection with any other instruments executed in connection therewith, to vest in the Trustee, free from all liens and encumbrances, the title so transferred to the Trustee; and

(d) a certificate or certificates as to the cost of such Trust Equipment signed by the Treasurer or an Assistant Treasurer of the Company, which certificates may state either that the cost of such Trust Equipment is an amount therein specified or that the cost of such Trust Equipment is not less than an amount therein specified.

Any certificate as to cost may state that the cost of the Trust Equipment therein referred to is tentatively determined, subject to final adjustment as evidenced by a final certificate or certificates of cost to be delivered to the Trustee. If the aggregate final cost of all the Trust Equipment specifically described in the said Lease should be less than the estimated cost of $24,560,000., the Vendors will acquire and transfer, or cause to be acquired and transferred, to the Trustee, subject to all the terms of this Agreement, other new railroad equipment, approved as to character by the Trustee, of such cost that the aggregate cost of all the Trust Equipment will be at least the said sum.

SECTION 6. The provisions of the preceding sections of this Article I are intended to permit (upon compliance with the conditions and requirements thereof) deliveries from time to time of portions of the Trust Equipment listed in any one item of the description thereof contained in the aforesaid Lease, and the issuance of Trust Certificates or payment out of the Deposited Cash or out of the instalment of rental payable on such delivery pursuant to the subdivisions (a) and (b) of Article First of said Lease, as against such deliveries; and shall not be construed as requiring deliveries of all of the equipment listed in any one item of such description as a condition to such issuance or payment.

SECTION 7. Anything in this Article contained to the contrary notwithstanding, the aggregate principal amount of the Trust Certificates which shall be executed and delivered by the Trustee under this Agreement shall not exceed the sum of eighteen million four hundred twenty thousand dollars ($18,420,000) at any one time outstanding (subject, however, to the provisions of Section 6 of Article II of this Agreement).

ARTICLE II.

SECTION 1. Each of the Trust Certificates shall represent an interest to the amount of one thousand dollars ($1,000) in the trust of the Trust Equipment hereby created, and the holder or registered owner thereof shall be entitled to receive dividends on said amount at the rate of two and three-quarters per cent. (2¾%) per annum from December 1, 1935, payable semi-annually on June 1, and December 1, in each year. The Trust Certificates shall become due and payable as follows:

On December 1,	1936.....	$1,228,000	principal amount.
On "	1937.....	1,228,000	" "
On "	1938.....	1,228,000	" "

On December 1,	1939.....	$1,228,000	principal amount
On "	1940.....	1,228,000	" "
On "	1941.....	1,228,000	" "
On "	1942.....	1,228,000	" "
On "	1943.....	1,228,000	" "
On "	1944.....	1,228,000	" "
On "	1945.....	1,228,000	" "
On "	1946.....	1,228,000	" "
On "	1947.....	1,228,000	" "
On "	1948.....	1,228,000	" "
On "	1949.....	1,228,000	" "
On "	1950.....	1,228,000	" "

The due date of each Trust Certificate shall appear upon its face. The Trust Certificates shall be numbered from 1 consecutively upward to 18,420, both inclusive.

Dividend warrants evidencing the right of the holders of the Trust Certificates to the dividends thereon, shall be annexed to the repective Trust Certificates.

SECTION 2. The Trust Certificates, the dividend warrants to be annexed thereto, and the guaranty to be endorsed thereon by the Company as hereinafter in Article III provided, shall be in substantially the following forms:

(FORM OF TRUST CERTIFICATE.)

$1,000 No.

PENNSYLVANIA RAILROAD EQUIPMENT TRUST

SERIES G

TOTAL ISSUE $18,420,000

Dividends at the Rate of 2¾ Per Cent. per annum.

Payable June 1 and December 1.

Fidelity-Philadelphia Trust Company, of Philadelphia,

Pennsylvania, Trustee

PRINCIPAL HEREOF DUE DECEMBER 1, 19 .

FIDELITY-PHILADELPHIA TRUST COMPANY, Trustee under an Agreement dated December 1, 1935, between Edwin W. Bainbridge and Charles McCall, of the first part, Fidelity-Philadelphia Trust Company, Trustee, of the second part, and The Pennsylvania Railroad Company, of the third part, hereby certifies that the bearer, or, if this certificate be registered, the registered owner hereof, is entitled to an interest of One Thousand Dollars in the PENNSYLVANIA RAILROAD EQUIPMENT TRUST, SERIES G, payable on December 1, 19 , and to dividends thereon at the rate of 2¾ per cent. per annum from December 1,1935, payable semi-annually on June 1 and December 1 in each year, but only upon presentation and surrender as they severally mature, of the dividend warrants hereto attached, both principal and dividends being payable at the office of the Trustee in the City of Philadelphia, Pennsylvania, or at the option of the bearer or registered owner, at its agency in the Borough of Manhattan, The City of New York,(which agency may be the office of The Pennsylvania Railroad Company in said Borough and City), in such coin or currency of the United States of America as, at the time of payment, is legal tender for public and private debts, all without deduction for any tax,

assessment or other governmental charge (other than Federal income taxes and except such portion of such taxes, assessments or other charges of the Commonwealth of Pennsylvania as may be in the aggregate in excess of five mills per annum on each dollar of the principal of this trust certificate) which The Pennsylvania Railroad Company or the Trustee may be required to pay, or to retain therefrom, under any present or future law of the United States of America or the Commonwealth of Pennsylvania, but only from and out of rentals received by the Trustee from a certain Lease of railroad equipment made by Fidelity-Philadelphia Trust Company, Trustee, to The Pennsylvania Railroad Company, dated December 1, 1935.

This certificate is one of an issue of 18,420 certificates for $1,000 each, substantially identical except as to dates of maturity, all issued or to be issued under said Agreement, under which said railroad equipment (or deposited cash in lieu thereof as provided in said Agreement) and said Lease thereof are held by said Trustee in trust for the pro rata benefit of the holders of the interests represented by said certificates, to which Agreement and Lease, filed with the Trustee at its office in the City of Philadelphia, Pennsylvania, reference is made fo a further statement of the rights of the bearer or registered owner hereof thereunder.

This certificate may be registered in the name of the holder hereof at the office of the Trustee in the City of Philadelphia, Pennsylvania, or at its agency in the Borough of Manhattan, The City of New York, and such registration noted hereon by or on behalf of the Trustee. Thereafter title to the interest represented by this certificate shall pass only by transfer at said office or agency unless and until a transfer to bearer shall have been similarly registered and noted hereon. Such registration shall apply only to the principal of this certificate and not to the dividend warrants hereunto attached, which shall continue to be transferable by delivery merely and payable to bearer. Unless so registered every holder hereof by accepting this certificate agrees that for all purposes the bearer hereof shall be treated as the absolute owner hereof.

In case of default in the performance or observance of any of the covenants of The Pennsylvania Railroad Company in said Agreement or Lease contained, the principal amount represented by this certificate may become or be declared due and payable in the manner and with the effect therein provided.

IN WITNESS WHEREOF, the Trustee has caused this certificate to be signed by its President or one of its Vice-Presidents, and its corporate seal to be hereunto affixed and to be attested by its Secretary or an Assistant Secretary, and dividend warrants bearing the facsimile signature of its Treasurer to be attached hereto, as of the first day of December, 1935.

FIDELITY-PHILADELPHIA TRUST COMPANY,
TRUSTEE,

By

President

Attest:

Secretary.

(FORM OF DIVIDEND WARRANT.)

$13.75 No.

Due to the bearer/hereof on the first day of , 19 , on surrender hereof at the office of the undersigned Trustee in Philadelphia, Pa., or at its agency in the Borough of Manhattan, The City of New York, Thirteen and 75/100 Dollars without deduction for Federal or Pennsylvania taxes (other than Federal income taxes except such portion of such taxes, assessments or other charges of the Commonwealth of Pennsylvania as may be in the aggregate in excess of five mills per annum, on each dollar of the principal of the trust certificate from which this warrant has been detached), required to be paid or retained as provided in, and being the semi-annual dividend then due on, certificate No. of the Pennsylvania Railroad Equipment Trust, Series G, payable only out of rentals received by the Trustee under the Lease referred to in said certificate.

FIDELITY-PHILADELPHIA TRUST
COMPANY, TRUSTEE.

By

Treasurer.

(FORM OF GUARANTY.)

The Pennsylvania Railroad Company, for a valuable consideration, hereby unconditionally guarantees to the bearer or registered owner of the within certificate the prompt payment of One Thousand Dollars, being the principal of said certificate, when the same shall become due and payable, whether at the maturity thereof or by declaration or otherwise, and of dividends thereon at the rate of two and three-quarters per cent. per annum on the semi-annual dates mentioned in said certificate and in the dividend warrants thereunto attached, all in such coin or currency of the United States of America as, at the time of payment, is legal tender for public and private debts.

THE PENNSYLVANIA RAILROAD COMPANY,

By

President.

SECTION 3. The Trust Certificates shall be signed in the name and on behalf of the Trustee by its President or one of its Vice-Presidents, and its corporate seal shall be thereunto affixed and attested by its Secretary or one of its Assistant Secretaries. In case any of the officers of the Trustee who shall have signed and sealed any of the Trust Certificates shall cease to be such officers of the Trustee before the Trust Certificates so signed and sealed shall have been issued and delivered by the Trustee, such Trust Certificates shall be adopted by the Trustee and be issued and delivered as though the persons who signed and sealed such Trust Certificates had not ceased to be such officers of the Trustee. The dividend warrants to be thereunto attached shall be authenticated by the facsimile signature of the present or any future Treasurer of the Trustee; the Trustee shall adopt and use for that purpose any such facsimile signature notwithstanding the fact that such Treasurer shall have ceased to be such Treasurer at the time when any such Trust Certificate shall be issued and delivered as

herein provided. Before executing or delivering any Trust Certificates all matured dividend warrants thereto appertaining shall be cut off and cancelled and delivered by the Trustee to the Company.

SECTION 4. Temporary printed trust Certificates, with or without dividend warrants, in such form and denominations as the Trustee may determine, may be issued by the Trustee, having endorsed thereon said guaranty by the Company, which shall be exchangeable upon surrender for definitive engraved or lithographed Trust Certificates, having endorsed thereon said guaranty of the Company, when the same shall have been prepared. Each of such temporary Trust Certificates shall designate the date or dates of maturity of the definitive Trust Certificate or Certificates for which it is exchangeable and until such exchange said temporary Trust Certificates shall be entitled to the same benefit of this Agreement in all respects as said definitive Trust Certificates, including the guaranty of payment by the Company.

SECTION 5. The Trust Certificates shall be negotiable and shall pass by delivery unless registered as to principal in the manner hereinafter provided. Any of the definitive Trust Certificates may be registered in the name of the holder at the office of the Trustee in the City of Philadelphia, Pennsylvania, or at its agency in the Borough of Manhattan, The City of New York (which agency may be the office of The Pennsylvania Railroad Company in said Borough and City), and such registration shall be noted thereon by or on behalf of the Trustee. Thereafter no transfer thereof shall be valid unless made at said office or agency by the registered owner thereof, in person or by his duly authorized attorney, and similarly noted; but the same may be discharged from registration by being in like manner transferred to bearer and thereupon transferability by delivery shall be restored; and such Trust Certificates may again and from time to time be registered or transferred to bearer as before.

Such registration, however, shall not affect the dividend warrants, but every such dividend warrant shall continue to be transferable by delivery merely and shall remain payable to bearer.

Anything to the contrary herein notwithstanding, the parties hereto may deem and treat the bearer of any unregistered Trust Certificate and the bearer of any dividend warrant, as the absolute owner of such Trust Certificate or dividend warrant, as the case may be, for the purpose of receiving payment thereof, and for all other purposes, and shall not be affected by any notice to the contrary. The parties hereto may deem and treat the registered owner of any registered Trust Certificate as the absolute owner of such Trust Certificate for all purposes except payment of dividends, and shall not be affected by any notice to the contrary.

For any registration, transfer or discharge from registration, the Trustee at its option may, and if so requested by the Company shall, require the payment of a sum sufficient to reimburse it for any stamp tax or other governmental charge connected therewith.

SECTION 6. In case any Trust Certificate, or the dividend warrants thereto attached, shall become mutilated or defaced or be lost or destroyed, then on the terms herein set forth, and not otherwise, the Trustee shall, upon the request of the Company, execute and deliver a new Trust Certificate (and the Company shall execute its guaranty thereon), with all unpaid dividend warrants appertaining thereto,

of like maturity, tenor and date, and bearing the same serial number as the one mutilated, defaced, lost or destroyed, in exchange and substitution for, and upon cancellation of, the mutilated or defaced Trust Certificate and warrants, or in lieu of and substitution for the same if lost or destroyed, and make payment of any matured dividend warrants appertaining to the same. The applicant for a new Trust Certificate shall furnish to the Trustee and to the Company evidence to their satisfaction of the loss or destruction of such Trust Certificate or warrants alleged to have been lost or destroyed and of the ownership and authenticity of such mutilated, defaced, lost or destroyed Trust Certificate and warrants, and also such security or indemnity as may be required by the Trustee and by the Company in their discretion; and shall pay all expenses and charges of such substitution or exchange. All Trust Certificates are held and owned upon the express condition that the foregoing provisions are exclusive in respect of the replacement of mutilated, defaced, lost or destroyed Trust Certificates and warrants and shall preclude any and all other rights and remedies, any law or statute now existing or hereinafter enacted to the contrary notwithstanding.

ARTICLE III.

SECTION 1. The Company hereby accepts and becomes bound by all the terms of this Agreement, and hereby covenants and agrees to make payment of the reasonable expenses of the Trustee, and of all taxes, assessments and other governmental charges herein mentioned for which the Trustee may be liable, or which (other than Federal income taxes and except such portion of such taxes, assessments or other charges of the Commonwealth of Pennsylvania as may be in the aggregate in excess of five mills per annum on each dollar of the principal of the Trust Certificates) the Trustee or the Company may be required to pay or to retain from the principal of the Trust Certificates or the dividends payable in respect thereof, under any present or future law of the United States of America or of the Commonwealth of Pennsylvania.

SECTION 2. The Company covenants and agrees and guarantees that the bearer or registered owner of each of the Trust Certificates shall receive the sum of One Thousand Dollars, or, in the case of temporary Trust Certificates, the principal amount therein expressed to be payable, in such coin or currency of the United States of America as, at the time of payment, is legal tender for public and private debts, when and as the same shall become due and payable, whether at the maturity thereof or by declaration or otherwise, and shall receive dividends thereon in like coin or currency at the rate of two and three-quarters per cent. (2¾%) per annum, from December 1, 1935, payable semi-annually on June 1 and December 1 in each year, all without deduction for any tax, assessment or other governmental charge (other than Federal income tax and except such portion of such taxes, assessments or other charges of the Commonwealth of Pennsylvania as may be in the aggregate in excess of five mills per annum on each dollar of the principal of the Trust Certificates) which the Company or the Trustee may be required to pay, or to retain therefrom, under any present or future law of the United States of America or of the Commonwealth of Pennsylvania, and at the times and place and otherwise as expressed in the Trust Certificates and in the dividend warrants thereto attached; and the Company further covenants and agrees

to endorse upon each of the Trust Certificates, at or before the issue and delivery thereof by the Trustee, its guaranty of the prompt payment of the principal thereof and of the dividends thereon, in substantially the form in Section 2 of Article II hereof provided. Said guaranty so endorsed shall be signed in the name and on behalf of the Company by the President or one of its Vice-Presidents, or by such other person or persons as shall have been duly authorized by its Board of Directors to sign for the President and upon behalf of the Company. In case any of the officers of the Company who shall have signed said guaranty shall cease to be such officers of the Company before the Trust Certificates shall have been actually issued and delivered by the Trustee, such guaranty shall nevertheless be as effective and binding upon the Company as though the persons who signed such guaranty had not ceased to be such officers of the Company.

SECTION 3. The Company covenants and agrees that it will pay or cause to be paid or discharged, or make adequate provision for the satisfaction or discharge of, any debt, obligation or claim which, if unpaid, might become a lien or charge upon or against any of the Trust Equipment, except upon the leasehold interest of the Company therein; but this provision shall not require the payment of any such debt, obligation or claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings, unless thereby, in the judgment of the Trustee, the rights or interests of the holders of Trust Certificates may be materially endangered.

SECTION 4. The Company covenants and agrees to pay the expenses incident to the preparation and execution of the Trust Certificates and dividend warrants, including any temporary Trust Certificates to be issued hereunder, or connected with the preparation, execution, recording, registration and filing hereof or of said Lease or of any instruments executed under the provisions hereof or of said Lease in respect of the Trust Equipment or Lease, or any equipment or parts used to replace any of the same. The Company with all convenient speed will cause this Agreement and said Lease, and all supplemental leases and agreements which may be executed under the terms of this Agreement or of said Lease, to be duly filed, refiled, recorded and re-recorded in all states wherein are situated railroad lines owned or operated by the Company under lease or otherwise, or by any railroad company a majority of the capital stock of which is owned by the Company and to which it shall permit the use of any of the Trust Equipment, or lines over which the Company or such a railroad company has trackage rights, and in all states where any of the Trust Equipment shall be delivered, and otherwise as may be required by law, so that this Agreement and said Lease and all/other instruments said may at all times be duly filed and recorded.

SECTION 5. The Company covenants and agrees from time to time to do all such acts and execute all such instruments of further assurance as it shall be reasonably requested by the Trustee to do or execute for the purpose of fully carrying out and effectuating this Agreement and said Lease and the intent thereof.

ARTICLE IV.

SECTION. 1 In order to prevent any accumulation of Trust Certificates or of dividend warrants after maturity, neither the Trustee nor the Company shall directly or indirectly extend or assent to the extension of the time for the payment of any Trust Certificate or dividend warrant, but the same shall be paid and cancelled at maturity, and no Trust Certificate or dividend warrant in substitution therefor shall be issued, and neither the Trustee nor the Company shall directly or indirectly be a party to or approve of any arrangement for purchasing or funding any of said Trust Certificates or dividend warrants, or for an advance or loan upon the same, at or after maturity. In case the time for payment of any Trust Certificate or dividend warrant shall be so extended, whether or not such extension be by or with the consent of the Trustee or the Company, or in case, at or after maturity, any Trust Certificate or dividend warrant shall be purchased or funded, or an advance or loan upon the same shall be made, by or on behalf of the Trustee or the Company or pursuant to any arrangement requested or approved by either of them or to which either of them shall be a party or made with the privity of the Trustee or the Company, such Trust Certificate or dividend warrant shall not be entitled to the benefit of said Lease or of this Agreement, except subject to the prior payment in full of the principal of all other Trust Certificates and dividend warrants, whether the same be then matured or unmatured.

SECTION 2. In case one or more of the events of default described in Article Seventh of said Lease shall happen, the Trustee in its discretion may, and at the request of the bearers or registered owners of a majority in amount of the Trust Certificates then outstanding shall, declare the principal of all the Trust Certificates then outstanding to be due and payable, and thereupon the same shall become and be immediately due and payable. In case one or more of said events of default shall happen (whether the principal of the Trust Certificates shall have been declared due and payable or not), the Trustee may retake possession of the Trust Equipment or any part thereof and may either hold or lease the same or any part thereof, or dispose of the same or any part thereof in such manner, so far as may be necessary to perform the trusts hereunder, at public or private sale, for cash or upon credit, or partly for cash and partly upon credit, as the Trustee may deem most beneficial to the interests of the bearers or registered owners of said Trust Certificates, and upon the written request of the bearers or registered owners of one-quarter in amount of the Trust Certificates at the time outstanding, it shall be the duty of the Trustee, upon being indemnified as hereinafter provided, to take all steps for the protection and enforcement of its rights and the rights of the holders of the Trust Certificates, and to exercise one or more of the powers of entry, sale and lease in said Lease conferred, or to take appropriate judicial proceedings by action, suit or otherwise, as the Trustee being advised by counsel shall deem most expedient in the interest of the holders of the Trust Certificates; but, anything in this Agreement to the contrary notwithstanding, upon proper indemnity to the Trustee, the holders of a majority in amount of the Trust Certificates then outstanding shall have the right from time to time to direct and control the proceedings for any enforcement of said Lease and this Agreement and the sale or lease of the Trust Equipment. The proceeds of such proceedings or lease or sale shall be applied by the Trustee to the payment, after deducting the expenses of the trust and any and all taxes, assessments and other governmental charges which the Trustee may by law be required to pay in respect of the trust or the Trust Certificates aforesaid or the dividends thereon:

(1) of the dividends then due with interest on any overdue dividends

at the rate of two and three-quarters per cent. per annum; and

(2) of the principal of all said outstanding Trust Certificates with interest thereon at the rate of two and three-quarters per cent. per annum from the last preceding dividend date, whether said Certificates or any of them shall then have matured by their terms or not;

all said payments to be in full, if said proceeds shall be sufficient, and if not, then pro rata, without preference of principal over dividends, or of dividends over principal or otherwise (subject, however, to Section 1 of this Article IV), and without regard to the dates of maturity thereof.

The foregoing provisions, however, are subject to the condition that if at any time after the principal of the Trust Certificates shall have been declared and have become due and payable, as hereinbefore provided, but before December 1, 1950, all arrears of rental (with interest upon any overdue installment at the rate of two and three-quarters per cent. per annum), the expenses of the Trustee and all other sums which shall have become due and payable by the Company hereunder or under said Lease (other than the principal of Trust Certificates and rental instalments which shall not at the time have matured according to their terms), shall be paid by the Company before any taking possession, withdrawal, sale or lease by the Trustee of any of the Trust Equipment, and every other default in the observance or performance of any covenant or condition of this Agreement or said Lease shall be made good or secured to the satisfaction of the Trustee, or provision deemed by the Trustee to be adequate shall be made therefor, then and in every such case the Trustee, if so requested by the bearers or registered owners of a majority in principal amount of the Trust Certificates then outstanding and which shall not have then matured according to their terms, shall, by written notice to the Company, waive the default by reason of which the principal of the Trust Certificates shall have been declared and become due and the consequences of such default, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

Neither such retaking possession nor any withdrawal or lease or sale of the Trust Equipment by the Trustee nor any action or failure or omission to act, against the Company or in respect to the Trust Equipment, on the part of the Trustee or on the part of any bearer or registered owner of any Trust Certificate or the bearer of any dividend warrant, nor any delay or indulgence granted to the Company by the Trustee or any such holder, shall affect the obligations of the Company under this Agreement or under said Lease or under its guaranty.

ARTICLE V.

SECTION 1. The Trustee hereby covenants and agrees, so far as reasonably possible, to perform, and to enforce the performance of, all and singular the terms, conditions and covenants of said Lease, including, without limitation, the marking of the Trust Equipment.

SECTION 2. The Trustee covenants and agrees to apply and distribute the rentals received by it under subdivisions (c), (d), (e) and (f) of Article First of said Lease, when and as the same shall be received, for the following purposes, to wit:

(a) to the payment of the necessary and reasonable expenses of the trust connected with the Trust Equipment and said Lease thereof;

(b) to the payment of any and all taxes, assessments and other governmental charges upon the income or property of the trust, or the agreements evidencing the same, which the Trustee may be required to pay; and of any and all taxes, assessments and other governmental charges (other than Federal income taxes and except such portion of such taxes, assessments or other charges of the Commonwealth of Pennsylvania as may be in the aggregate in excess of five mills per annum on each dollar of the principal of the Trust Certificates) which the Trustee may be required to pay or to retain from the principal of the Trust Certificates or from the dividends payable thereon, under any present or future law of the United States of America or of the Commonwealth of Pennsylvania;

(c) to the payment of the dividends payable on the Trust Certificates when and as the same shall become payable; and

(d) to the payment of the principal of the Trust Certificates when and as the same shall become payable according to the terms thereof or hereof.

SECTION 3. The Trustee shall cause to be kept, at an agency in the Borough of Manhattan, the City of New York, books for the registration and transfer of the Trust Certificates, and upon presentation for such purpose the Trustee will register or cause to be registered as hereinbefore provided, and under such reasonable regulations as may be prescribed, any of the Trust Certificates. The Trustee, at all times until the payment of the principal of all the Trust Certificates, shall keep an agency in the Borough of Manhattan in the City of New York, where the Trust Certificates and dividend warrants may be presented for payment. Such agency may be the office of the Company in said Borough and City.

SECTION 4. The Trustee assumes no liability for anything other than its own wilful default, misconduct or gross neglect, or that of its officers. It shall be required to undertake no act or duty in the way of taking care of or taking possession of the Trust Equipment until fully secured against all liability and expenses. No duty of insurance or of repairs or of protection of any of the Trust Equipment is encumbent upon it, nor shall it be responsible for the filing, refiling, recording or re-recording of this Agreement or of said Lease; and the Trustee may issue and deliver Trust Certificates in advance of such filing or recording.

The Trustee shall incur no liability or responsibility by reason of its application of the proceeds of the Trust Certificates and/or of rentals to it under Article First, subdivisions (a) or (b) of the Lease, or any part thereof, from time to time in varying amounts, prior to the completion and delivery of all the Trust Equipment, and/or prior to the final certification to it of the cost of the Trust Equipment, provided such application is made in accordance with the provisions of this Agreement.

In accepting delivery of and making payment for the Trust Equipment hereunder, the Trustee may rely upon and shall be fully protected by the Certificates, bills of sale and opinions of counsel to be furnished to it under Section 5 of Article I of this Agreement.

The Trustee may exercise its powers and perform its duties by or through such attorneys, agents and servants as it shall appoint, and it shall be entitled to the advice of counsel (who may, in cases deemed by the Trustee, in its reasonable discretion, to be appropriate, be counsel to the Company), and shall be protected by the advice of such counsel in anything done or omitted to be done by

it in accordance with such advice. The Trustee shall not be liable or responsible for the neglect, default or misconduct of any attorney, agent or servant appointed and retained by it in the exercise of reasonable care, but nothing in this sentence contained shall limit any liability of the Trustee, pursuant to the first sentence of this Section 4, for acts, neglects or defaults of its officers.

SECTION 5. The Trustee shall be under no obligation to take any action for the execution or enforcement of any of the trusts hereby created unless requested thereunto in writing by the holders of not less than one-quarter in amount of the then outstanding Trust Certificates and upon being satisfactorily indemnified against expense and liability with respect thereto, and also furnished with proof satisfactory to it as to the ownership of the Trust Certificates and dividend warrants in respect of which any notice or request may be made; but neither any such request nor this provision therefor shall affect any discretion herein elsewhere specifically given to the Trustee to determine what action it shall take in respect of any such default, or to take action without request.

SECTION 6. No bearer or registered owner of any Trust Certificate or the bearer of any dividend warrant issued hereunder shall have any right to institute any suit, action or proceeding for the execution or enforcement of the trust hereby created unless, after the aforesaid request in writing by the bearers or registered owners of not less than one-quarter in amount of the then outstanding Trust Certificates shall have been made upon the Trustee, indemnity satisfactory to it provided, and a reasonable time elapsed for action by the Trustee upon such request, it shall decline to institute any proceedings pursuant thereto.

SECTION 7. The Trustee may, for all purposes, conclusively assume that the Company is not in default under the terms hereof until notified in writing to the contrary by the bearers or registered owners of at least one-tenth in amount of the Trust Certificates then outstanding, which notice shall distinctly specify the default desired to be brought to the attention of the Trustee.

SECTION 8. The Trustee shall not incur any liability to anybody in acting upon any notice, consent, order, certificate, warrant, receipt, request or other paper or instrument believed by it to be genuine or authentic, and to be signed by the proper party or parties.

SECTION 9. The Trustee will allow interest upon all moneys received by it under the provisions of this Agreement or of said Lease at the rate generally prevailing among Philadelphia trust companies or allowed by it upon deposits of a similar character.

SECTION 10. The Trustee shall, at least once in each year, if requested by the Company, render to the Company a statement of its said trust and of the accounts relating thereto, and covering such matters as the Company may properly require, and the Vendors and the Company or either of them, may from time to time examine the books and accounts of the Trustee relating to said Trust Certificates and said Lease, to this Agreement and to the acts of the Trustee hereunder.

SECTION 11. The Trustee may resign and be discharged from the trusts created by this Agreement by giving to the Company and to the holders of the Trust Certificates then outstanding notice in writing of such resignation, specifying a date when such resignation shall take effect. Such notice may be given to the holders of the Trust Certificates by publication of the notice at least once in each of three successive calendar weeks prior to the date specified in such notice

in a daily newspaper published in the Borough of Manhattan in the City and State of New York, and in a daily newspaper published in the City of Philadelphia, Pennsylvania. Such resignation shall take effect on the date specified in such notice (which date shall not be less than thirty days after the giving or first publication of such notice), unless previously a successor trustee shall be appointed as hereinafter provided, in which event such resignation shall take effect immediately upon the appointment of such successor trustee.

Any trustee hereunder may be removed at any time by an instrument in writing filed with the Trustee and executed by the holders of a majority in principal amount of the Trust Certificates at the time outstanding.

SECTION 12. In case at any time the Trustee shall resign or shall be removed or otherwise shall become incapable of acting, a successor may be appointed by the bearers or registered owners of a majority in principal amount of the Trust Certificates at the time outstanding, by an instrument or concurrent instruments signed by such Certificate holders or their attorneys in fact duly authorized; but until a new trustee shall be appointed by said Certificate holders as herein authorized, the Company, by an instrument executed under its corporate seal, may appoint a trustee to fill such vacancy. Every such successor trustee, whether appointed by the Certificate holders or by the Company, shall always be a trust company or bank having power so to act and organized under the laws of the United States of America, the Commonwealth of Pennsylvania or the State of New York and having an office either in the City of Philadelphia, Pennsylvania, or in the Borough of Manhattan in The City of New York, and having a capital and surplus aggregating at least five million dollars. After any such appointment by the Company, it shall cause notice of such appointment to be published once a week in each of four successive weeks in a daily newspaper published and of general circulation in the Borough of Manhattan, The City of New York, and in one such newspaper published and of general circulation in the City of Philadelphia, Pennsylvania; but any new trustee so appointed by the Company shall immediately, and without further act, be superseded by a trustee appointed, in the manner above provided, by the bearers or registered owners of a majority in principal amount of the Trust Certificates at the time outstanding.

Any successor trustee appointed hereunder shall execute, acknowledge and deliver to the Company an instrument accepting such appointment hereunder, and thereupon such successor trustee, without any further act, deed or conveyance, shall become vested with title to the trust estate, and with all the rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named as trustee herein, and the trustee ceasing to act shall, on the written request of such successor trustee, assign and transfer the trust estate or cause the trust estate to be assigned and transferred to the successor trustee, and shall thereupon be entitled to the payment of its charges and expenses theretofore incurred. Upon request of such successor trustee, the Company shall execute and deliver such instruments of further assurance as may reasonably be required for more fully and certainly vesting in and comfirming to such successor trustee all the right, title and interest of the predecessor trustee in and to the trust estate and such rights, powers, trusts, duties and obligations. All instruments herein provided for shall be at the cost of the Company.

Any corporation resulting from any merger or consolidation to which the Trustee, or any successor to it, shall be a party, provided such corporation shall be a corporation having power so to act and organized under the Laws of the United States of America, the Commonwealth of Pennsylvania or the State of New York, and shall do business in the City of Philadelphia, Pennsylvania, or the Borough of Manhattan in the City and State of New York, and have a capital and surplus aggregating at least five million dollars, shall be the successor trustee under this agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

ARTICLE VI.

No recourse under any obligation, covenant or agreement of this Agreement, or of the guaranty of the Company respecting any Trust Certificate or dividend warrant issued hereunder, shall be had against any stockholder, officer or director, as such, of the Company, by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise, it being expressly agreed and understood that this Agreement, said Lease and said guaranty are solely corporate obligations, and that no personal liability whatever shall attach to or be incurred by the stockholders, officers or directors, as such, of the Company, or any of them, under or by reason of any of the obligations, covenants or agreements contained in this Agreement, said Lease or the guaranty of the Company respecting any of the Trust Certificates or dividend warrants issued hereunder, or implied therefrom, and that any and all personal liability, either at common law or in equity, or by statute or constitution, of every such stockholder, officer or director, as such, is hereby expressly waived as a condition of and consideration for the execution of this Agreement and the issue of such Trust Certificates and dividend warrants.

ARTICLE VII.

Any request or other instrument required by this Agreement to be signed or executed by bearers or registered owners of Trust Certificates may be in any number of concurrent instruments of similar tenor, and may be executed by such Certificate holders in person, or by an agent or attorney appointed by an instrument in writing. Proof of the execution of any such request or other instrument, or of a writing appointing any such agent or attorney, or of the holding by any person of Trust Certificates, shall be sufficient for any purpose of this Agreement, and shall be conclusive in favor of the Trustee with regard to any action taken by the Trustee under such request or other instrument, if made in the following manner, viz:

(a) the fact and date of the execution by any person of any such request or of any other instrument in writing may be proved by the certificate of any notary public or of any other officer authorized to take, either within or without the Commonwealth of Pennsylvania or the State of New York, acknowledgments of deeds to be recorded in either of said States or in the State where the acknowledgment may be taken, certifying that the persons signing such request or other instrument acknowledged to him the execution thereof; or by the affidavit of a witness to such execution;

(b) the amount of Trust Certificates held by any person executing any

such request or other instrument as a Certificate holder, and the serial numbers of the Trust Certificates held by such person and the date of his holding the same, may be proved by a certificate executed by any trust company, bank, bankers or other depositary wheresoever situated whose certificate shall be deemed by the Trustee to be satisfactory, showing that, at the date therein mentioned, such person had on deposit with such depositary, or exhibited to such depositary, the Trust Certificates numbered and described in such certificate. The Trustee may presume the continuance of any such deposit or holding unless and until it receives proof satisfactory to it to the contrary.

ARTICLE VIII.

At the termination of said Lease to the Company, any moneys remaining in the hands of the Trustee, after paying the principal of and dividends upon the Trust Certificates, and the expenses of the Trustee, including its reasonable compensation, shall be paid to the Company.

ARTICLE IX.

Nothing in this Agreement, expressed or implied, is intended or shall be construed to confer upon, or to give to, any person, firm or corporation other than the parties hereto and the bearers and registered owners of the Trust Certificates and the bearers of the appurtenant dividend warrants, any right, remedy or claim, under or by reason of this Agreement, or of any term, covenants or condition thereof, and all the terms, covenants, conditions, promises and agreements in this Agreement contained shall be for the sole and exclusive benefit of the parties hereto and their successors and of the bearers and registered owners of the Trust Certificates and the bearers of the dividend warrants.

ARTICLE X.

The term "Trustee" as used herein and in said Lease shall be held and construed to mean Fidelity-Philadelphia Trust Company, its successors and assigns; and the word "Company" herein, to mean and include the party of the third part, its successors and assigns. The term "Trust Equipment" wherever used herein or in said Lease, unless otherwise indicated by the context, is intended to include all railroad equipment at any time covered by said Lease or any supplemental lease or this Agreement or required or intended so to be. The term "Trust Certificate" or "Trust Certificates," whenever used herein or in said Lease, includes, unless the context otherwise indicates, both temporary and definitive certificates. The term "state," whenever used herein or in said Lease, shall include the District of Columbia.

In case of the death of either of the Vendors, the other Vendor shall have and discharge all the powers of the Vendors. In case of the death or inability to act of both of the Vendors, the Trustee shall receive and distribute or pay for the account of the original Vendors, to the parties entitled to receive the same from the original Vendors, all Trust Certificates issuable or Deposited Cash or other moneys payable to the original Vendors by the Trustee hereunder. Any action taken by either of the Vendors shall have the same force and effect as if taken by both of them. The Vendors shall incur no liability hereunder, or under any bill of sale, guaranty or warranty executed by them as herein provided, for

anything other than their own wilful default, misconduct or gross neglect. The Vendors shall be entitled to the advice of counsel (who may in appropriate cases be counsel to the Company) and shall be protected by the advice of such counsel in anything done or omitted to be done by them in accordance with such advice.

Whenever, under the provisions hereof, it is necessary or proper for any notice or demand to be given to or made upon the Company, or if at any time it is desired to give any such notice or make any such demand, such notice or demand may be given or made to the Company by depositing a written statement thereof, securely enclosed in a postpaid wrapper, in the United States registered mail, directed to the Company at Philadelphia, Pennsylvania, and an affidavit by any person representing or acting on behalf of the Trustee as to such mailing, having the registry receipt or certificate attached, shall be conclusive evidence of the giving of such notice and the making of such demand.

This Agreement may be simultaneously executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

IN WITNESS WHEREOF the parties of the first part have hereunto set their hands and seals, and the parties of the second and third parts have caused their names to be signed hereto by their respective Presidents or Vice-Presidents, and sealed with their corporate seals, attested by their respective Secretaries or Assistant Secretaries, as of the day and year first above written.

Signed, sealed, acknowledged and delivered in the presence of:

G. H. ZACHERLE

ALBERT WARD

EDWIN W. BAINBRIDGE (SEAL)

CHARLES McCALL (SEAL)

FIDELITY-PHILADELPHIA TRUST COMPANY,

By

(SEAL) T. E. FRAME,

Vice-President.

Attest:

H. W. WOODWARD,

Assistant Secretary.

THE PENNSYLVANIA RAILROAD COMPANY,

By

A. J. COUNTY,

(SEAL) Vice-President

Attest:

J. TANEY WILLCOX,

Secretary.

COMMONWEALTH OF PENNSYLVANIA)
) SS.
CITY AND COUNTY OF PHILADELPHIA)

I, G. H. Zacherle, a Notary Public within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on Jany. 18, 1936, before me the subscriber, a Notary Public as aforesaid, personally appeared Edwin W. Bainbridge and Charles Mc Call, to me known as the Vendors in the foregoing instrument in writing bearing date of December 1, 1935, and acknowledged that they signed, sealed, and delivered the said instrument as their free and voluntary act and deed for the uses and purposes therein set forth, and desired the same to be recorded as such.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal the day and year aforesaid.

(Notarial Seal)

G. H. ZACHERLE,

Notary Public.

My Commission expires March 6, 1939.

COMMONWEALTH OF PENNSYLVANIA)
) SS.
CITY AND COUNTY OF PHILADELPHIA)

I, G. H. Zacherle, a Notary Public duly commissioned, qualified and acting within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on Jany. 18, 1936, before me the subscriber, a Notary Public as aforesaid, personally appeared T. E. FRAME, Vice-President of Fidelity-Philadelphia Trust Company, one of the corporations which executed the foregoing instrument in writing, bearing date of December 1, 1935, whose name is signed thereto, and the said T. E. Frame, to me personally known, being by me duly affirmed, did depose and say that he resides in Rydal, in the County of Montgomery, in the State of Pennsylvania, that he is the Vice-President of the said Fidelity-Philadelphia Trust Company, one of the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation; that he knows the contents of the said instrument; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed, sealed and delivered by him as Vice-President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; and that he acknowledged the said foregoing instrument to be the free and voluntary act and deed of the said Fidelity-Philadelphia Trust Company; and that he desired the same to be recorded as such.

T. E. FRAME.

Subscribed and sworn before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

I am not a stockholder, director or officer of said Trust Company

(Notarial Seal)

G. H. ZACHERLE,

Notary Public

My commission expires March 6, 1939.

COMMONWEALTH OF PENNSYLVANIA)
) SS.
CITY AND COUNTY OF PHILADELPHIA)

I, J. E. Williams, a Notary Public duly commissioned, qualified and acting within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on Jan. 18, 1936, before me the subscriber, a Notary Public as aforesaid, personally appeared A. J. County, Vice-President of The Pennsylvania Railroad Company, one of the corporations which executed the foregoing instrument in writing, bearing date of December 1, 1935, whose name is signed thereto, and the said A. J. County, to me personally known, being by me duly sworn, did depose and say that he resides in St. Davids, in the County of Delaware, in the State of Pennsylvania; that he is the Vice-President of said The Pennsylvania Railroad Company, one of the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation; that he knows the contents of the said instrument; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed, sealed and delivered by him as Vice-President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; and that he acknowledged the said foregoing instrument to be the free and voluntary act and deed of said The Pennsylvania Railroad Company; and that he desired the same to be recorded as such.

A. J. COUNTY.

Subscribed and sworn before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

J. E. WILLIAMS,

Notary Public.

(Notarial)
(Seal)

My commission expires March 9, 1939.

I hereby certify that this a true copy of the original agreement.

J. G. NALON

Assistant Secretary,

The Pennsylvania Railroad Company.

State of Wisconsin) SS.
DEPARTMENT OF STATE)

Received this ..7th..day of ..June..A. D. 1937 at ..3. o'clock P. M. and recorded in Vol. ..34..of ..R. R. Mtgs. Etc.. on page ..1 - 30 Inclusive

Robert L. Siebecker

Assistant Secretary of State

INDENTURE

BETWEEN

PULLMAN-STANDARD CAR MANUFACTURING COMPANY,

LESSOR

AND

MINNEAPOLIS, ST. PAUL & SAULT STE. MARIE RAILWAY COMPANY,

LESSEE

******

SUPPLEMENTAL TO EQUIPMENT LEASE, DATED SEPTEMBER 21ST, 1936

******

DATED JUNE 11TH, 1937

THIS INDENTURE, made and executed as of the 11th day of June, 1937, between PULLMAN-STANDARD CAR MANUFACTURING COMPANY, a corporation organized and existing under the laws of the state of Delaware (hereinafter called Lessor), and MINNEAPOLIS, ST PAUL & SAULT STE. MARIE RAILWAY COMPANY, a corporation organized and existing under the laws of the state of Minnesota and other states (hereinafter called Lessee),

WITNESSETH THAT:

WHEREAS, the parties hereto under date of September 21st, 1936, made an equipment lease covering, among other railway equipment,

199 40-foot, 40 ton capacity, single sheathed box cars, numbered (even numbers only), 135,400, to 135798, both inclusive, except car No. 135584; and

WHEREAS, Lessee has requested Lessor to sell and assign and transfer all Lessor's right, title and interest in and to said 199 box cars to Lessee, and has offered to pay for said cars the sum of Seventy-one Thousand, One Hundred and Ninety-nine and 46/100 ($71,199.46) Dollars, which proposal is acceptable to Lessor;

NOW, THEREFORE, in consideration of the premises and of the sum of Seventy-one Thousand, One Hundred and Ninety-nine and 46/100 ($71,199.46) Dollars, to it in hand paid, receipt of which is hereby acknowledged, said Pullman-Standard Car Manufacturing Company does hereby sell, convey, assign and transfer unto Minneapolis, St. Paul & Sault Ste. Marie Railway Company all its right, title and interest in and to 199 40-foot, 40 ton capacity, single sheathed box cars, numbered (even numbers only), 135,400 to 135,798, both inclusive, excepting Car No. 135,584;

TO HAVE AND TO HOLD all and singular said railroad cars to said Lessee and its assigns for its own use forever.

The said cars shall from and after the date hereof be held and possessed by Lessee free of all of the covenants and restrictions of said equipment lease dated September 21st, 1936, between the parties hereto, and the sum of Seventy-one Thousand, One Hundred and Ninety-nine and 46/100 ($71,199.46) Dollars, received

by Lessor in payment for said cars, together with due allowance of interest thereon, will be credited by Lessor toward payment in reverse order of the last quarterly rental payments provided to be paid by Lessee under the terms of sub-paragraph (b) of Section 2 of said equipment lease. Such interest so allowed will be computed at the rate of four and one-half per cent (4½%) per annum from date said payment is received by Lessor to respective dates of rental payments on which it shall be credited. In all other respects said equipment lease shall remain in full force and effect between the parties thereto.

IN WITNESS WHEREOF, the parties hereto have caused this indenture to be duly executed by their respective officers thereunto duly authorized and have caused their respective corporate seals to be hereto affixed, attested by their respective Secretaries or Assistant Secretaries as of the day and year first above written.

PULLMAN-STANDARD CAR MANUFACTURING COMPANY,

By

(Corporate Seal) C. A. LIDDLE
President

Attest:
J. A. KNOWLTON
Secretary

In the presence of:
I. R. REYNOLDS
B. DEARDORFF

MINNEAPOLIS, ST. PAUL & SAULT STE. MARIE RAILWAY COMPANY,

By

(Corporate Seal) C. T. JAFFRAY
President

Attest:
P. J. STOCK
Secretary

In the presence of:
DOROTHY GREEN
ETHEL EDLUND

STATE OF ILLINOIS,)
)SS.
COUNTY OF COOK.)

I, the undersigned, a Notary Public of said State, in and for and residing in said county, DO HEREBY CERTIFY that on the 7th day of June, 1937, personally appeared before me, C. A. Liddle and J. A. Knowlton, to me personally known to be the identical persons whose names are subscribed to the above instrument in writing, bearing date as of the 11th day of June, 1937, as President and Secretary, respectively, of Pullman-Standard Car Manufacturing Company, a corporation described in said agreement and one of the makers thereof, and being by me duly sworn did depose and say that they are the President and Secretary, respectively, of said Corporation, authorized by said Corporation to execute and acknowledge deeds, contracts and other writings of said Corporation, and that the seal affixed to said instrument is

the corporate seal of said Corporation; that said instrument was signed and sealed by them on behalf of said Corporation, by the authority of its Board of Directors duly given, and they acknowledged the said instrument to be the act and deed of said Corporation, and by them as its President and Secretary, respectively, thereunto duly authorized, voluntarily done and executed, and that they signed, sealed and delivered the said instrument as the free and voluntary act of said Corporation, and as their own free and voluntary act as such President and Secretary, respectively, for the consideration and purpose therein set forth.

Given under my hand and seal of office the day and year first above written.

(Notarial Seal) G. H. CASE.

My commission expires August 13th, 1940.

STATE OF MINNESOTA,)
)SS.
COUNTY OF HENNEPIN.)

I, the undersigned, a Notary Public of said State, in and for and residing in said county, DO HEREBY CERTIFY that on this 5th day of June, 1937, personally appeared before me C. T. Jaffray and P. J. Stock, to me personally known to be the identical persons whose names are subscribed to the above instrument in writing, bearing date as of the 11th day of June, 1937, as President and Secretary, respectively, of Minneapolis, St. Paul & Sault Ste. Marie Railway Company, a corporation described in said agreement and one of the makers thereof, and being by me duly sworn did depose and say that they, respectively reside in Minneapolis, in the State of Minnesota; that they are the President and Secretary, respectively, of said corporation, authorized by said corporation to execute and acknowledge deeds, contracts and other writings of said corporation, and that the seal affixed to said instrument is the corporate seal of said corporation; that said instrument was signed and sealed by them on behalf of said corporation, by its authority duly given, and they acknowledged the said instrument to be the act and deed of said corporation, and by them as its President and Secretary, respectively, thereunto duly authorized, voluntarily done and executed, and that they signed, sealed and delivered the said instrument as the free and voluntary act of said corporation, and as their own free and voluntary act as such President and Secretary, respectively, for the uses and purposes therein set forth.

Given under my hand and notarial seal the day and year first above written.

(Notarial Seal) C. W. ARINE
Notary Public, Hennepin County, Minn.

My commission expires Jan. 12, 1939.

STATE OF WISCONSIN)
) SS.
DEPARTMENT OF STATE)

Received this 23rd day of June A. D. 1937 at 11 o'clock A. M. and recorded in Vol. ✓ 34 of R. R. Mtgs. Etc. on page 31-33, inclusive.

Robert L. Siebecker
Assistant Secretary of State

WISCONSIN CENTRAL RAILWAY

EQUIPMENT TRUST

SERIES C

Lease of Railway Equipment

Dated June 1, 1937

FIRST NATIONAL BANK AND TRUST COMPANY OF MINNEAPOLIS

TO

E. A. WHITMAN,

RECEIVER OF THE PROPERTY OF

WISCONSIN CENTRAL RAILWAY COMPANY

AND

WISCONSIN CENTRAL RAILWAY COMPANY

AGREEMENT

J. P. HOLTON and C. A. PETERSON,

VENDORS

WITH

FIRST NATIONAL BANK AND TRUST COMPANY OF MINNEAPOLIS

AND

E. A. WHITMAN,

RECEIVER OF THE PROPERTY OF

WISCONSIN CENTRAL RAILWAY COMPANY

AND

WISCONSIN CENTRAL RAILWAY COMPANY

LEASE OF RAILWAY EQUIPMENT, dated June 1, 1937, between FIRST NATIONAL BANK AND TRUST COMPANY OF MINNEAPOLIS, a corporation duly organized and existing under the banking laws of the United States of America, Trustee, as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and E. A. WHITMAN, Receiver of the property of WISCONSIN CENTRAL RAILWAY COMPANY, a corporation duly organized and existing under the laws of the State of Wisconsin (hereinafter called the Receiver), party of the second part, and WISCONSIN CENTRAL RAILWAY COMPANY, a corporation duly organized and existing under the laws of the State of Wisconsin (hereinafter called Railway Company), party of the third part:

WHEREAS, E. A. Whitman has been duly appointed Receiver of the Property of Wisconsin Central Railway Company by order of the District Court of the United States for the District of Minnesota, Fourth Division, in a proceeding pending in said Court entitled "Northwestern Fire & Marine Insurance Company, Plaintiff, against Wisconsin Central Railway Company, Defendant," in Equity No. 2581, and said E. A. Whitman has duly qualified and is now acting as Receiver of said Railway Company; and

WHEREAS, by order of said Court dated June 5, 1937, the Receiver was authorized and empowered to enter into and join with the Railway Company in this Lease and to make and carry out the covenants and agreements on his part herein contained.

WHEREAS, by a certain agreement, dated June 1, 1937, between J. P. Holton and C. A. Peterson, Vendors, First National Bank and Trust Company of Minneapolis, as Trustee, and E. A. Whitman, Receiver of the property of Wisconsin Central Railway Company, and Wisconsin Central Railway Company, a corporation, a counterpart original whereof is hereto annexed and made a part hereof, there was constituted "Wisconsin Central Railway Equipment Trust, Series C," and it was agreed that the railway equipment which said Vendors transfer or cause to be transferred to the Trustee thereunder is to be leased to the Receiver hereunder; and

WHEREAS, pursuant to the provisions of said Agreement, the railway equipment hereinafter described has been or will be transferred to the Trustee thereunder, and the title to said railway equipment vested in the Trustee:

NOW THIS AGREEMENT WITNESSETH:

That the Trustee, acting in pursuance of said Agreement, for and in consideration as well of the sum of one dollar to it paid by the Receiver at or before the ensealing and delivery hereof, the receipt of which is hereby acknowledged, as of the rents and covenants hereinafter mentioned to be paid, kept and performed by the Receiver, has let and leased, and does hereby let and lease, to the Receiver all the railway equipment of Wisconsin Central Railway Equipment Trust, Series C (hereinafter and in said Agreement collectively called the Trust Equipment), to-wit:

4 Steam locomotives-4-8-4 type, Nos. 5,000 to 5,--3, both inclusive;

250 50-ton, 50-foot, box cars, Nos. 175,000 to 175,498, both inclusive, (even numbers only);

100 50-ton twin hopper cars, Nos. 66,601 to 66,799, both inclusive, (odd numbers only); and

100 50-ton general service cars, Nos. 66,801 to 66,999, both inclusive, (odd numbers only).

the cost of all said equipment being estimated by the Receiver to be not less than $1,900,000; together with such other or additional railway equipment as shall be acquired for said trust and subjected to this Lease as hereinafter provided.

As and when the Trust Equipment shall from time to time be transferred and delivered to the Trustee under said Agreement and marked in accordance with the provisions of Article Fourth hereof, the same shall be delivered to the Receiver, and shall upon such delivery to the Receiver ipso facto and without further deed of lease or transfer pass under and become subject to all the terms and provisions of this Lease, and be deemed a portion of the Trust Equipment leased by the Trustee to the Receiver hereunder, in all respects as if the same had been so delivered simultaneously with the execution and delivery hereof.

And the Receiver, in consideration of the premises, by these presents covenants and agrees with the Trustee as follows:

First. The cost of the Trust Equipment, whenever used herein or in said Agreement, shall mean the actual cost of the construction or purchase of the Trust Equipment , including all items which may properly be included in such cost under the accounting rules of the Interstate Commerce Commission.

The Receiver hereby accepts (subject to the conditions mentioned in said Agreement) this Lease of all the Trust Equipment, and hereby covenants and agrees to accept delivery and possession hereunder of the Trust Equipment as hereinbefore provided; and the Receiver covenants and agrees to pay to the Trustee or its assigns (or in the case of taxes to the proper taxing authority) rent hereunder which shall be sufficient to pay and discharge the following items, when and as the same shall become due and payable (said rent to be so payable whether or not at the time any of the Trust Equipment shall have been delivered to the Receiver):

(a) From time to time,

(1) As and when Trust Certificates shall be delivered by the Trustee pursuant to Section 2 of Article 1 of said Agreement, amounts in cash not less than 58 per cent of the principal of amount of Trust Certificates so delivered; and

(2) at the request of the Trustee, when the Trustee shall have issued, pursuant to Section 2 of Article 1 of said Agreement, $1,200,000, principal amount, of Trust Certificates, such amounts in cash, if any, as shall be necessary, in addition to any Deposited Cash as defined in Section 3 of Article 1 of said Agreement held by the Trustee, for the Purpose of enabling the Trustee to make the payments required by said Section 3 upon certificates of the Vendors stating that funds are required for the payment of costs necessary in connection with the construction and purchase of the Trust Equipment.

(b) The necessary and reasonable expenses of the trust, including all expenses connected with the Trust Equipment and this Lease.

(c) Any and all taxes, assessments and other governmental charges upon the income or property of the trust, or said Agreement evidencing the same, which the Trustee by law may be required to pay, and any and all taxes, assessments and other governmental charges which the Receiver or the Trustee may be required to pay or to retain from the principal of the Trust Certificates issued as provided in said Agreement (herein called the Trust Certificates) or from the dividends thereon, under any present or future law of the United States of America or any state, county, municipality or other lawful taxing authority therein.

(d) The dividend warrants attached to and the dividends payable on the Trust Certificates when and as the same shall become payable.

(e) The principal of the Trust Certificates when and as the same shall become payable, whether by declaration or upon the respective dates of maturity thereof.

(f) Upon final certification to the Trustee of the cost of the Trust Equipment, the amount of cash, if any, required for the retirement of Trust Certificates as provided in Section 2 of Article II of said Agreement, in addition to the amount of cash at the time held by the Trustee which is applicable to such retirement under the provisions of said Section 2.

(g) If default shall be made in the full payment of any such dividend warrants, dividends or principal when and as the same shall become due and payable, as aforesaid, interest on such unpaid dividends, dividend warrants or principal at the rate of three and one-half per cent (3½%) per annum.

The Receiver shall not be required, however, to pay any tax, assessment or other governmental charge so long as the Receiver shall in good faith and by appropriate legal proceedings contest the validity thereof, unless thereby, in the judgment of the Trustee, the rights or interests of the Trustee or of the Trust Certificate holders may be materially endangered.

All rentals payable hereunder shall be payable at the principal office of the Trustee in the City of Minneapolis, State of Minnesota, in such coin or currency of the United States of America as, at the time of payment, is legal tender for public and private debts.

Anything herein contained to the contrary notwithstanding, the Trustee, in each case of the delivery to it of a set of certificates pursuant to subdivisions (a) and (b) of Section 4 of Article I of said Agreement, shall for all purposes of this Lease and said Agreement accept as the cost of the unit or units of equipment therein described the amount specified in the certificate furnished pursuant to said subdivision (b). In case any certificate furnished pursuant to said subdivision (b) shall state that the cost of the equipment therein referred to is tentatively determined subject to final adjustment, such acceptance shall be subject to the final adjustment, but such certificate shall nevertheless be accepted and acted upon, pending adjustment.

Second. This Lease shall continue in force until the rent so paid hereunder shall furnish moneys sufficient to meet, discharge and cancel all the interests in said Wisconsin Central Railway Equipment Trust, Series C, created in respect of the Trust Equipment, and the dividends thereon, as well as the other payments and charges aforesaid. At the termination of this Lease and after all such payments required hereby shall have been completed and fully made to the Trustee, the Trust Equipment hereby leased, whether the same shall be delivered to the Receiver simultaneously with or after the execution hereof, shall at the option of the Receiver, be assigned and transferred by the Trustee to the Receiver or his nominee or nominees, and shall thereupon be and become the absolute property of the Receiver or his nominee or nominees; provided, however, and it is agreed, that until then the title to none of the Trust Equipment shall pass to or vest in the Receiver but title to and ownership of all the Trust Equipment shall be reserved to and remain in the Trustee, notwithstanding the delivery of the Trust Equipment to, and the possession and use thereof by, the Receiver.

Third. Upon the written request of the Receiver stating that the use of certain of the Trust Equipment described in such request is no longer required by the Receiver, the Trustee may, while the Receiver is not in default hereunder, execute and deliver a bill of sale assigning and transferring to the purchaser named by the Receiver the absolute title to such Trust Equipment; provided, however, that none of the Trust Equipment shall be so assigned or transferred unless simultaneously with the delivery of such bill of sale the Trustee shall receive from said purchaser the agreed purchase price thereof and from the Receiver a sum in cash equal to the amount, if any, by which the cost determined as herein provided, of the Trust Equipment so assigned and transferred, less depreciation, exceeds said purchase price. For all purposes of this Lease and said Agreement, depreciation on the Trust Equipment, or any thereof, shall not exceed an amount equal to 1/3 of 1 per cent of the cost thereof, determined as herein provided, for each

calendar month between the date of delivery of such Trust Equipment to the agent of the Trustee and the date as of which depreciation is to be determined. Simultaneously with the delivery of such written request of the Receiver there shall also be delivered to the Trustee a certificate of the Receiver stating the amount of such agreed purchase price of the Trust Equipment to be assigned and transferred and the amount of such depreciation (not in excess of the amount above stated) accrued upon such Trust Equipment. The sums so paid to the Trustee shall be held by it for the equal and proportionate benefit of the bearers and registered holders of the Trust Certificates and dividend warrants, until paid out by the Trustee upon like written request of the Receiver for the purchase by the Trustee of new railway rolling stock, free from liens, and upon the delivery of such new equipment to the Trustee accompanied by a bill or bills of sale, warranty or warranties, an opinion of counsel and a certificate as to delivery and cost in like manner as is provided in Section 4 of Article I of said Agreement. Any new equipment so acquired and substituted shall be marked in accordance with the provisions of Article Fourth hereof and immediately upon being so marked shall be part of the Trust Equipment, subject to all of the terms and conditions hereof and of said Agreement in all respects as though it had been part of the original Trust Equipment herein described, and the Receiver and the Trustee shall execute, and the Receiver shall file and/or record as required by law, a supplemental lease thereof, describing the same, upon and subject to all the terms and conditions hereof. The term "Trust Equipment," wherever used herein, unless otherwise indicated by the context, is intended to include any new equipment so acquired or otherwise subjected to this Lease or required or intended so to be.

Fourth. At or before the delivery to the Receiver of each unit of the Trust Equipment, there shall be plainly, distinctly, permanently and conspicuously placed and fastened upon each side of each thereof a metal plate bearing the following words, with appropriate changes thereof or additions thereto as from time to time may be required by law in order to protect the interest of the Trustee, or such words shall be otherwise plainly, distinctly, permanently and conspicuously marked on each side of each thereof, in either case in letters not less than one-half inch in size:

"Wisconsin Central Railway Equipment Trust, Series C. First National Bank and Trust Company of Minneapolis, Trustee, Owner and Lessor."

Such plate or marks shall be such as to be readily visible and as to indicate plainly the Trustee's ownership of said equipment. In case, during the continuance of this Lease, and of such plates or marks shall at any time be removed, defaced or destroyed, the Receiver will immediately cause the same to be restored or replaced. The Receiver will not change, or permit to be changed, the numbers upon equipment covered by this Lease (nor any numbers which may be substituted as herein provided), except in accordance with a statement of new numbers to be substituted therefor, which shall previously have been filed with the Trustee by the Receiver.

The Trust Equipment may be lettered, "Minneapolis, St. Paul & Sault Ste. Marie Railway Company" and "Soo Line" or "M., St. P.& S. S. M. Ry. Co." and "Soo Line," and/or "Wisconsin Central Railway Company" or "W. C. Ry. Co.," or in some other appropriate manner, for convenience of identification of the leasehold interest of the Receiver, his successor or successors therein, but the Receiver, during the

continuance of this Lease, will not allow the name of any person, association or corporation to be placed on any of the Trust Equipment as a designation which might be interpreted as a claim of ownership thereof by the Receiver or by any person, association or corporation, other than the Trustee.

Fifth. (a) The Receiver, during the continuance of this Lease, will maintain and keep, at his own cost and expense, all of the Trust Equipment in good order and repair (the damage to be made good including, without limitation, damage by collision, fire or explosion), and will replace, at his own cost, any of the Trust Equipment that may be worn out, lost or destroyed, by a new railway rolling stock of equal value, the value of the new rolling stock to be figured at cost, determined as provided in Article First hereof, if that be below market value, or at market value if that be below such cost. For the purpose of this Article Fifth the value of such replaced equipment shall be taken to be the cost thereof, determined as provided in Article First hereof, less depreciation accrued thereon, computed as provided in Article Third hereof. The Title to all rolling stock procured for such replacement shall be taken in the name of the Trustee, free from liens, and such rolling stock shall be marked in accordance with the provisions of Article Fourth hereof. At the time of every such replacement the Receiver shall deliver to the Trustee a certificate stating the value of the Trust Equipment so worn out, lost or destroyed, determined as herein provided, and the cost and the reasonable market value of the equipment with which it is replaced, together with a bill or bills of sale, warranty or warranties, an opinion of counsel and a certificate as to delivery, in like manner as is provided in Section 4 of Article I of said Agreement.

Thereupon, such new equipment shall be deemed part of the Trust Equipment, subject to all the terms and conditions hereof and of said Agreement, as though it had been originally a part of the Trust Equipment; but the Trustee and the Receiver shall execute a supplemental lease thereof, describing the same, upon and subject to all of the terms and conditions hereof.

(b) The Receiver will, during the continuance of this Lease, keep the Trust Equipment insured against loss or damage by fire in such manner and to such proportion of the value thereof as is customarily insured by the railway company on similar equipment. All of such insurance shall be in an insurance company or companies satisfactory to the Trustee. All the insurance premium or premiums shall and will be paid by the Receiver, and, in default of the Receiver keeping the Trust Equipment so insured, the Trustee without impairment of its rights and remedies by reason of such default may secure appropriate insurance from time to time and pay the premium or premiums therefor, but it shall not be required so to do, and in such event the Receiver shall and will pay to the Trustee the amount of the premium or premiums so paid, with interest at the rate of 6 per cent per annum from the time of payment. In case the Receiver fails to make and maintain such insurance and the Trustee insures the Trust Equipment or any part thereof as above provided, the title to the Trust Equipment shall, notwithstanding the making of all other payments hereunder or under the said Agreement to be made by the Receiver, remain in the Trustee until the repayment of the amount so paid for insurance with interest from the time of payment, and the repayment of such amount is hereby expressly made one of the obligations to be performed before title to the Trust Equipment

shall vest in the Receiver.

Any insurance moneys paid to the Receiver on account of any loss in respect of the Trust Equipment covered by insurance shall forthwith be turned over by the Receiver to the Trustee and shall be held and retained by the Trustee, for the equal and proportionate benefit of the holders of the Trust Certificates and dividend warrants attached thereto, until the replacement or repair, as provided in subdivision (a) of this Article, of the Trust Equipment covered by such insurance. Upon proof satisfactory to the Trustee of the proper replacement or repair of said Trust Equipment, said insurance moneys received by the Trustee shall be applied by the Trustee to the payment of the cost of such replacement or repair or to reimburse the Receiver, to the extent of such funds, for payments made by him in respect of such replacement or repair. A certificate of the Receiver as to the proper replacement or repair of said Trust Equipment, free from lien, shall be full and complete protection to the Trustee.

(c) The Receiver covenants and agrees to furnish to the Trustee, whenever required by the Trustee, and at least once in every year during the continuance of this Lease, an accurate statement, signed by him, of the amount, description and numbers of the Trust Equipment then covered hereby, and the amount, description and numbers of all that may have been worn out, lost or destroyed by accident or otherwise, and the number of units of Trust Equipment repaired during the previous year, and the number of units then undergoing repairs and in the shops for repairs, and the repairs needed on any of the Trust Equipment, specifying the Trust Equipment so in need of repair, classifying the repairs so needed according to a standard classification of repairs, in so far as practicable. Together with said statement the Receiver shall also furnish to the Trustee a statement signed by the Superintendent of Car Department or an Assistant Superintendent or Car Department, stating that in the case of all of the Trust Equipment repainted during the preceding year, the marks required by Article Fourth hereof have been preserved, or that the same when repainted has been again marked as required by said Article. The Trustee shall have the right, by its agents, (but shall not be obligated) to inspect the Trust Equipment once in every year during the continuance of this Lease.

(d) The Receiver covenants and agrees to indemnify and protect the Trustee in the use of any and all patented inventions employed in and about the Trust Equipment and to comply in all respects with the laws of the United States and of all the states in which the Trust Equipment or any thereof may be operated and with all lawful acts, rules, regulations and orders of the Interstate Commerce Commission and of all other commissions, boards and other legislative, executive or judicial bodies or officers having power to regulate or supervise any of the Trust Equipment, including, but without limitation, all lawful acts, rules, regulations and orders of any body having competent jurisdiction relating to automatic coupler devices or attachments, air brakes or other appliances; provided, however, that the Receiver may in good faith contest the validity of any such act, rule, regulation or order or the application thereof to the Trust Equipment or any part thereof, in any reasonable manner which will not, in the judgment of the Trustee, materially endanger the rights or interests of the Trustee or of the bearers and registered holders of the Trust Certificates.

Sixth. The Receiver, so long as he shall not be in default under this Lease, shall be entitled to the possession of the Trust Equipment and the use thereof upon

the lines of railway held by or operated by or for him under lease or otherwise, or over which he has trackage rights, and upon those of any railway or railroad company a majority of whose capital stock is at the time owned or controlled by the Receiver, and also upon connecting and other rail lines in the usual interchange of traffic, from and after the delivery of the Trust Equipment by the Trustee to the Receiver, but only upon and subject to all the terms and conditions of this Lease.

The Receiver will not either assign or transfer this Lease, or transfer or sublet the Trust Equipment or any part thereof, without the written consent of the Trustee first had and obtained; and the Receiver shall not, without such written consent, except as hereinbefore provided, part with the possession of, or suffer or allow to pass out of his possession or control, any of the Trust Equipment. A transfer to a Trustee in bankruptcy or to a railway or railroad company acquiring all or substantially all of the lines of railway of the Receiver, and who or which shall assume and agree to perform each and all of the obligations and covenants of the Receiver hereunder and under said Agreement as provided in Article VIII of said Agreement, shall not be deemed a breach of this covenant.

Seventh. In case the Receiver

(1) shall make default in the payment of any part of said rent and such default shall continue for more than thirty (30) days after the same shall become due and payable, or

(2) shall make or suffer any unauthorized assignment or transfer of his rights or interest in, or any unauthorized sublease of, or, except as herein authorized, part with the possession of, the Trust Equipment, or any thereof, and shall fail or refuse either to cause such assignment or transfer or sublease to be canceled by agreement of all parties having any interest therein and recover possession of such Trust Equipment within thirty days after the Trustee shall have demanded in writing such cancellation and recovery of possession, or within said thirty days to deposit with the Trustee a sum in cash equal to the cost of the Trust Equipment so assigned or transferred or subleased, or the possession of which shall have been so parted with, as certified to the Trustee pursuant to Section 4 of Article I of said Agreement (any sum so deposited to be returned to the Receiver upon the cancellation of such assignment, transfer or sublease, and the recovery of possession by the Receiver of such Trust Equipment in good condition, subject to ordinary usage), or

(3) shall, for more than thirty (30) days after the Trustee shall have demanded in writing performance thereof, fail or refuse to comply with any other of the terms and covenants herein or in said Agreement on his part to be kept and performed, or to make provision satisfactory to the Trustee for such compliance.

then, in any such case (herein and in said Agreement sometimes called events of default), the Trustee may declare this Lease terminated. The election of the Trustee to terminate this Lease under this clause shall have the same effect as the retaking of the Trust Equipment by the Trustee as hereinafter provided. Upon the happening of any event of default, the Trustee may also, by its agents, enter upon the railways and premises of the Receiver and take possession of all or any

part of the Trust Equipment, and withdraw the same from said railways and premises, retaining all payments which up to that time may have been made on account of rental for the Trust Equipment and otherwise, and shall be entitled to collect, receive and retain all unpaid per diem, mileage or other charges of any kind earned by the Trust Equipment or any thereof, and may lease the Trust Equipment or any part thereof, or sell the same or any part thereof, so far as it may deem necessary or desirable to perform and fulfill the trusts under said Agreement, at public sale, for cash or upon credit, in its discretion, and otherwise proceed to enforce its rights and the rights of the owners of interests under said agreement and under this Lease in the manner therein and herein provided; and upon such taking possession or withdrawal or lease or sale of the Trust Equipment, the Receiver shall cease to have any rights or remedies in respect of the Trust Equipment under this Lease, but all such rights and remedies shall be deemed thenceforth to have been waived and surrendered by the Receiver; and no payments theretofore made by the Receiver for the rent or use of the Trust Equipment, or any of it, shall, in case of the happening of any such event of default and such taking possession, withdrawal, lease or sale by the Trustee, give to the Receiver any legal or equitable interest or title in or to the Trust Equipment, or any of it, or any cause or right of action, at law or in equity, in respect of the Trust Equipment against the Trustee or the owners of interests in said Wisconsin Central Railway Equipment Trust, Series C; and such taking possession or withdrawal or lease or sale of the Trust Equipment by the Trustee shall not be a bar to the recovery by the Trustee from the Receiver of rentals then or thereafter due and payable, and the Receiver shall be and remain liable for the same, until such sum shall have been realized as, with the proceeds of the lease or sale of the Trust Equipment, shall be sufficient for the discharge and payment in full of all the various items mentioned in subdivisions (a), (b), (c), (d), (e), (f) and (g) of Article First hereof, whether they shall have then matured or not.

In case the Trustee shall rightfully demand possession of the Trust Equipment in pursuance of this Lease, and shall reasonably designate a point or points upon the railway of the Receiver, or upon the lines of any company a majority of whose capital stock is at the time directly or indirectly owned or controlled by the Receiver, for the delivery of the Trust Equipment to it, the Receiver will, at his own expense, forthwith and in the usual manner and at reasonable speed, cause the Trust Equipment to proceed or be drawn to such point or points on said lines as shall be designated by the Trustee and will there deliver or cause to be delivered the same to the Trustee; or the Trustee at its option may keep the Trust Equipment on any of the lines of railway or premises of the Receiver until the Trustee shall have leased, sold or otherwise disposed of the same, and for such purpose the Receiver agrees to furnish without charge the necessary tracks at any convenient point or points selected by the Trustee. It is hereby expressly covenanted and agreed that the performance of the foregoing covenants is of the essence of the contract and that upon application to any court of equity having jurisdiction in the premises the Trustee shall be entitled to a decree against the Receiver requiring the specific performance thereof.

The remedies in this Lease and in said Agreement provided in favor of the Trustee and the holders of Trust Certificates, or any of them, shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies

in their favor existing at law or in equity, and may be exercised from time to time and as often and in such order as may be deemed expedient by the Trustee. No delay or omission of the Trustee in the exercise of any right or power accruing upon any event of default shall impair any such right or power or shall be construed to be a waiver of such event of default or an acquiescence therein.

If the Trustee shall exercise any of the powers or remedies conferred upon it hereunder, the Receiver shall have the right, after all rentals and other sums due hereunder to the Trustee shall have been received by the Trustee, to require title to such of the Trust Equipment as shall not previously have been sold, assigned, transferred or otherwise disposed of by the Trustee to others to be transferred and assigned by the Trustee to the Receiver free from any further liabilities or obligations to the Trustee hereunder. If after applying all sums of money received by the Trustee in the exercise of such powers or remedies there shall remain any amount due to the Trustee under the provisions of this Lease, the Receiver hereby agrees to pay to the Trustee the amount of such deficiency. If after applying as aforesaid all sums so received by the Trustee there shall remain a surplus in the possession of the Trustee, such surplus shall be paid to the Receiver.

Eighth. The Receiver covenants that prior to the delivery to him of any of the Trust Equipment covered thereby, he will cause this Lease and said Agreement, and all supplemental leases and agreements which may be executed pursuant to the terms hereof and of said Agreement, to be duly filed, registered or recorded and duly refiled, reregistered and rerecorded in each and every jurisdiction wherein any of the Trust Equipment may be used and in every jurisdiction where any of the Trust Equipment shall be delivered and in any other jurisdictions as may be required by law, in order to publish notice of and to protect the Trustee's title to the Trust Equipment and any replacements, and from time to time will perform any other act required by law, and will execute any and all further instruments that reasonably shall be requested by the Trustee for such publication and protection of such title.

Ninth. Until he shall have discharged all his obligations under this Lease, the Receiver shall pay all costs, charges and expenses incident to the performance of all terms and conditions of this Lease and said Agreement on his part to be performed, including, without limiting the generality of the foregoing, all recording and registration taxes and fees, and all expenses incident to the preparation, execution, acknowledgment, filing, refiling, registering, reregistering, recording and rerecording of this Lease and said Agreement and of any instrument of further assurance, and all stamp taxes and other taxes, duties, imposts, assessments, charges, fines and penalties of any kind imposed upon this Lease, said Agreement or the Trust Equipment or the manner of operation thereof, and shall keep the Trust Equipment and all replacements thereof free from any liens which would be an encumbrance upon the Trustee's title thereto.

Tenth. This Lease may be simultaneously executed in several counterparts, each of which, so executed, shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

Eleventh. The Wisconsin Central Railway Company joins in this lease as party of the third part, and covenants and agrees that all covenants and agreements herein binding on the Receiver shall be binding likewise on the said Wisconsin Central Railway Company in all respects, and that wherever the word "Receiver" appears in

in this agreement, the same shall be deemed to include the Wisconsin Central Railway Company, unless the context or express language otherwise requires. All parties hereto covenant and agree that all covenants and agreementspn the part of said Wisconsin Central Railway Company, and the Receiver as such shall be joint and several.

IN WITNESS WHEREOF, the Trustee, acting in accordance with the terms and conditions of said Agreement, and the Receiver and the Railway Company, pursuant to order of said Court, have caused these presents to be duly executed, as of the day and year first above written.

FIRST NATIONAL BANK AND TRUST
COMPANY OF MINNEAPOLIS,
Trustee,
By William S. Stevenson
Vice-President.

(CORPORATE SEAL)

Attest:
H. HENRETTA
Assistant Secretary.

Signed, sealed and delivered by
First National Bank and Trust
Company of Minneapolis in the
presence of:
RAYMOND JOHNSON
WM. W. BERTRAM
Attesting Witnesses.

E. A. WHITMAN
As Receiver of the property of Wisconsin Central Railway Company, but not individually.

Signed, sealed and delivered by
E. A. Whitman in the presence of:
W. G. MILLER
A. J. HOPPER
Attesting Witnesses.

WISCONSIN CENTRAL RAILWAY COMPANY,
By G. W. WEBSTER
Vice-President.

(CORPORATE SEAL)

Attest:
P. J. STOCK
Secretary.

Signed, sealed and delivered by
Wisconsin Central Railway
Company in the presence of:
DOROTHY GREEN
A. M. SHERIDAN
Attesting Witnesses.

STATE OF MINNESOTA)
)SS.
COUNTY OF HENNEPIN.)

I, E. A. Penn, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 18th day of June, 1937, personally appeared before me within said County and in the Presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named William S. Stevenson and H.Henretta, each to me personally known and known to me to be, respectively, a vice president and an assistant secretary of First National Bank and Trust Company of Minneapolis, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instruments as such vice president and assistant secretary, respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and said William J Stevenson and H. Henretta, being by me severally duly sworn, did on oath, each for himself and not one for the other/severally depose and say and acknowledge in the presence of said witnesses that said William J. Stevenson resides in the City of Minneapolis, in the State of Minnesota, and that said H. Henretta resides in the City of Minneapolis, in the State of Minnesota; that said William S. Stevenson, is a vice president and said H. Henretta is an assistant secretary of First National Bank and Trust Company of Minneapolis, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, said William J. Stevenson, vice president, and H. Henretta, assistant secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto by order and authority of the Board of Directors of said corporation; that they and each of them signed their names to, and executed, the foregoing instrument in their respective capacities as vice president and assistant secretary in behalf of said corporation by like order and authority; that they signed, sealed with the corporate seal, executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Hennepin, State of Minnesota, this the day and year in this my certificate first above written.

E. A. PENN

My commission expires.....

E. A. PENN
Notary Public, Hennepin County, Minn.
My Commission Expires August 12, 1943

(Notarial)
(Seal)

STATE OF MINNESOTA,)
)SS.
COUNTY OF HENNEPIN.)

I, C. W. Arine, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on the 21st day of June, 1937, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named E. A. Whitman, Receiver of the property of Wisconsin Central Railway Company, to me personally known and known to me to be the individual described and named in and the identical person who subscribed his name to and whose name is subscribed to and who executed the within and foregoing instrument in writing as such Receiver in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said E. A. Whitman duly acknowledged to me in the presence of said witnesses that he signed, sealed , executed and delivered said instrument as his free and voluntary act and deed, as such receiver, for the consideration, objects, uses and purposes therein mentioned, stated and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand,subscribed my name and affixed my official seal as such Notary Public in said County of Hennepin, State of Minnesota, this the day and year in this my certificate first above written.

My commission expires.....

C. W. ARINE

(Notarial)
(Seal)

C. W. ARINE
Notary Public, Hennepin County, Minn.
My Commission Expires Jan. 12, 1939.

STATE OF MINNESOTA,)
) SS.
COUNTY OF HENNEPIN.)

I, C. W. Arine, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 21st day of June, 1937, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named G. W. Webster and P. J. Stock, each to me personally known and known to me to be, respectively, a vice president and the secretary of Wisconsin Central Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instruments as such vice president and secretary, respectively, in my presence and in the presence of the two witnesses, whose names are hereunto subscribed as such, and said G. W. Webster and P. J. Stock, being by me severally duly sworn, did on oath, each for himself and not one for the other severally depose and say and acknowledge in the presence of said witnesses that said G. W. Webster resides in the City of Minneapolis, in the State of Minnesota, and that said P. J. Stock resides in the City of Minneapolis, in the State of Minnesota; that said G. W. Webster is a vice

president and said P. J. Stock is the secretary of Wisconsin Central Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, said G. W. Webster, vice president, and P. J. Stock, secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto by order and authority of the Executive Committee of the Board of Directors of said corporation; that they and each of them signed their names to, and executed, the foregoing instrument in their respective capacities as vice president and secretary in behalf of said corporation by like order and authority; that they signed, sealed with the corporate seal, executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Hennepin, State of Minnesota, this the day and year in this my certificate first above written.

C. W. ARINE

My Commission expires.....

C. W. ARINE

(Notarial)
(Seal)

Notary Public, Hennepin County, Minn.
My Commission Expires Jan. 12, 1939

THIS AGREEMENT, dated June 1, 1937, by and between J. P. Holton and C. A. Peterson (hereinafter called the Vendors), of the first part, FIRST NATIONAL BANK AND TRUST COMPANY OF MINNEAPOLIS (hereinafter called the Trustee), as Trustee, of the second part, and E. A. WHITMAN, Receiver of the property of WISCONSIN CENTRAL RAILWAY COMPANY (hereinafter called the Receiver), of the third part, and WISCONSIN CENTRAL RAILWAY COMPANY, a corporation (hereinafter called Railway Company) of the fourth part, WITNESSETH as follows:

WHEREAS, the Vendors have contracted or will contract to acquire the railway equipment (hereinafter called the Trust Equipment) specifically described in the prefixed Lease of Railway Equipment from the Trustee to the Receiver and Railway Company/to this Agreement, to which Lease reference is hereby made; and

WHEREAS, subscriptions have been or are being secured, in an amount not exceeding one million two hundred thousand dollars ($1,200,000), to a fund to be known as Wisconsin Central Railway Equipment Trust, Series C, which said fund is to be furnished to the Vendors to be applied by them in payment on account of the cost of the Trust Equipment; and

WHEREAS, the Vendors desire to secure to the subscriber or subscribers to said fund, or their assigns, the payment of the amount thereof in twenty equal semi-annual instalments, payable respectively on December 1st, 1937, June 1st and December 1st in each year from 1938 to 1946, both inclusive, and June 1st, 1947, as hereinafter more particularly provided, with dividends to said dates of maturity respectively as hereinafter provided; and to evidence the rights of the subscriber or subscribers to said fund by Trust Certificates in substantially the form

hereinafter set forth; and

WHEREAS, E. A. Whitman has been duly appointed Receiver of the property of Wisconsin Central Railway Company by order of the District Court of the United States for the District of Minnesota, Fourth Division, in a proceeding pending in said Court entitled "Northwestern Fire and Marine Insurance Company, Plaintiff, against Wisconsin Central Railway Company, Defendant," In Equity No. 2581, and the Receiver has duly qualified as such and is now in possession of and operating the properties of said Railway Company pursuant to the provisions and directions contained in orders of said Court; and

WHEREAS, The Receiver is desirous of securing the use of the Trust Equipment upon and in connection with the properties of Wisconsin Central Railway Company; and

WHEREAS, by order of said Court dated June 5, 1937, the form and terms of this Agreement and of said Lease hereto annexed were approved by said Court and the Receiver was duly authorized and directed to execute and deliver this Agreement and said Lease, to cause the Trust Certificates to be issued and to guarantee the same as herein provided, and otherwise to make and carry out the covenants and agreements on his part herein and in said Lease contained; and

WHEREAS, the Receiver represents that all things necessary to make the guaranty of the Receiver as endorsed upon the Trust Certificates, when said Certificates shall be issued by the Trustee under this agreement, the binding, valid and legal obligation of the Receiver, as herein provided, and to make this Agreement and said Lease a valid, binding and legal agreement and lease, respectively, have been done and performed;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND THE MUTUAL COVENANTS HEREIN CONTAINED, THE PARTIES HERETO AGREE AS FOLLOWS:

ARTICLE I.

SECTION. 1. The Vendors hereby agree to acquire and cause to be sold, assigned, transferred and set over, and do hereby sell, assign, transfer and set over, unto the Trustee, as trustee for the bearers and registered holders of the Trust Certificates hereinafter described, the Trust Equipment described in said Lease prefixed hereto when and as the Trust Equipment or any part thereof is constructed or completed. The Vendors will deliver, or cause to be delivered, the Trust Equipment or any part thereof when and as constructed or completed to the person or persons designated by the Trustee as its agent or agents to receive such delivery, who may be any one or more of the agents of the Receiver, and the certificate of any and every agent so designated shall be conclusive evidence of such delivery. The Trustee and the Receiver, simultaneously with the execution of this Agreement, have executed and delivered said Lease of all the Trust Equipment.

SECTION 2. The Trustee shall at any time, or from time to time, upon request of the Vendors, execute and deliver to the subscriber or subscribers to said fund, as specified in such request, certificates to be known as Wisconsin Central Railway Equipment Trust Certificates, Series C, herein called the Trust Certificates, registered in such name or names as shall be specified in such request, upon the deposit in cash with the Trustee, or to its credit as Trustee hereunder, with such banks, bankers, or trust companies as may be designated by the Vendors and approved by the Receiver, and also approved by the President or a Vice-President or the Cashier of the Trustee, of said fund, or a part thereof equal to the principal amount

and accrued dividends to date of delivery of the Trust Certificates the execution and delivery of which shall be so requested. The Trust Certificates delivered pursuant to this Section 2 shall be delivered in the order of their earliest maturities.

Any interest allowed by the Trustee or said banks, bankers or trust companies upon any moneys so deposited shall be added to said fund and become a part of the Deposited Cash to be disposed of as hereinafter provided. The certificates of the banks, bankers or trust companies so designated, stating that they hold a stated amount subject to the order of the Trustee, shall be full protection to the Trustee for its action on the faith thereof. Said banks, bankers, or trust companies shall be fully protected in paying said moneys so deposited with them, and any such interest, to or upon the order of the Trustee, and shall be under no obligation to see to the application thereof in accordance with the provisions of this Agreement. All moneys paid to the Trustee as accrued dividends upon the original issuance and delivery of any Trust Certificates shall be held by the Trustee until the next ensuing dividend payment date, and thereupon shall be applied by the Trustee to the payment of any dividends then due, as if such moneys were paid to the Trustee by the Receiver as rent pursuant to Article First of said Lease for application as in subparagraph (d) thereof provided.

SECTION 3. The term Deposited Cash, whenever used herein, shall mean and include (a) the cash deposited with or to the credit of the Trustee constituting said fund, or a part thereof, as in Section 2 of this Article I provided (including any interest allowed thereon, but excluding any accrued dividends paid upon the original issuance of Trust Certificates), and (b) all instalments of rental paid pursuant to subdivision (a) of Article First of said Lease. The Deposited Cash shall, until paid out by the Trustee as herein provided, be held for the benefit of the bearers and registered holders of the Trust Certificates. Whenever from time to time funds are required for payment of costs necessary in connection with the construction or purchase of the Trust Equipment, but not more frequently than once in each calendar month, the Trustee shall, upon delivery to it by the Vendors of their certificate stating the date on which the funds will be required and the estimated amounts which the Vendors will be required to pay in connection with the construction or purchase of the Trust Equipment during a period of not exceeding sixty (60) days from and after the date stated in the certificate, pay to the Vendors, or upon their order, to the extent that, and as soon as, the Deposited Cash held by the Trustee is sufficient for the purpose, the aggregate amount specified in such certificate. Any amount so paid shall, if not required for payment of such construction or purchase costs, be repaid to the Trustee, and any amounts so repaid shall again become part of the Deposited Cash.

SECTION 4. Promptly after the completion of any unit or units of the Trust Equipment, the Vendors will deliver to the Trustee, in respect of such Trust Equipment:

(a) a certificate of the agent or agents designated by the Trustee to receive delivery of the Trust Equipment, stating that Trust Equipment specified by numbers in such certificate has been delivered to such agent or agents and marked in accordance with the provisions of Article Fourth of said Lease;

(b) a certificate of the Receiver, certifying that the cost of such Trust Equipment, determined as provided in said Lease, is the amount therein specified;

(c) a bill or bills of sale of such Trust Equipment from the Vendors or the manufacturers thereof to the Trustee, containing or accompanied by a warranty or guaranty of the Vendors or manufacturers to the Trustee that the title to the Trust Equipment described therein is free from any liens or encumbrances; and

(d) an opinion of counsel satisfactory to the Trustee that such bill or bills of sale and deliveries are valid and effective, either alone or in connection with any other instrument executed in connection therewith, to vest in the Trustee, free from all liens and encumbrances, the title so transferred to the Trustee.

Any certificates as to cost may state that the cost of the Trust Equipment therein referred to is tentatively determined, subject to final adjustment, and, in that case, adjustments may be made by certificates thereafter filed.

SECTION 5. Anything in this Article contained to the contrary notwithstanding, the aggregate principal amount of the Trust Certificates which shall be executed and delivered by the Trustee under this Agreement shall not exceed the principal sum of $1,200,000 at any one time outstanding (subject, however, to the provisions of Section 8 of Article II of this Agreement).

ARTICLE II.

SECTION 1. The certificates originally issued hereunder may be temporary printed or lithographed Trust Certificates, without dividend warrants, in fully registered form, may be issued in such denominations as the Vendors from time to time request, shall be dated the day of issue thereof and shall represent an interest to the amount therein specified in the trust hereby created, and the registered holders thereof shall be entitled to receive dividends on said amount at the rate of 3½ per cent per annum from and after June 1st or December 1st, as the case may be, next preceding the date of issue (unless issued June 1st or December 1st, in which case from the date of issue) payable semi-annually on June 1st and December 1st in each year.

Such temporary Trust Certificates shall be exchangeable, upon surrender thereof to the Trustee, at its principal office in the City of Minneapolis and the State of Minnesota, for definitive Trust Certificates, when prepared, entitled to all unmatured dividends, of the same maturity and of equal aggregate principal amount, and until so exchanged each of such temporary Trust Certificates shall be entitled to the benefits of this Agreement as herein provided.

Dividends on the temporary Trust Certificates may be paid by remittance of a check or checks for the amount thereof, sent by mail, postage prepaid, to the registered holders of such Trust Certificates addressed to such holders as their addresses appear ~~on the addresses appear~~ on the transfer registers.

SECTION 2. Anything herein contained to the contrary notwithstanding, the aggregate principal amount of definitive Trust Certificates to be issued and outstanding hereunder after the final certification hereinafter mentioned shall not exceed the largest multiple of $1,000 which is equal to or less than 62 per cent of the total cost of the Trust Equipment duly delivered to the Trustee prior to January

1, 1938, as finally certified to the Trustee pursuant to Section 4 of Article I hereof (subject, however, to the provisions of Section 8 of this Article II). No delivery of Trust Equipment, or of certificates of cost thereof, made after January 1, 1938, shall change the amount of definitive Trust Certificates issuable hereunder.

In case 62 per cent of the total cost of such Trust Equipment, as so certified, is less than the aggregate principal amount of Trust Certificates theretofore issued, there shall be called for retirement, in the manner provided in Article IV of this Agreement, as soon as practicable, a principal amount of Trust Certificates, of the latest maturity or maturities outstanding (whether or not equal to a full maturity thereof) sufficient to reduce the principal amount of Trust Certificates outstanding to the largest multiple of $1,000 which is equal to or less than 62 per cent of the total cost of the Trust Equipment as so certified. The Trustee shall apply to such retirement any Deposited Cash then held by the Trustee and any sums paid to the Trustee as rental under subdivision (f) of Article First of the Lease and still held by the Trustee, and shall not incur any liability in respect of such retirement except to the extent of such moneys.

Any moneys held by the Trustee after surrender and cancellation of all outstanding temporary Trust Certificates, the disposition of which is not herein otherwise provided for, shall be credited against the next instalment or instalments of rental payable under the Lease.

SECTION 3. The definitive Trust Certificates shall be issued in the denomination of $1,000, in bearer form, with dividend warrants thereto attached, and shall also be issued in denominations of $5,000, $10,000 or $20,000, without dividend warrants, registered as to principal and dividends. Each of the definitive Trust Certificates of the denomination of $1,000 shall be dated as of June 1, 1937, and each of the definitive Trust Certificates of an authorized multiple of $1,000 shall be dated the date of its issue. Definitive Trust Certificates shall represent an interest to the extent of their principal amount in the trust of the Trust Equipment hereby created, and the bearer or the registered holder thereof shall be entitled to receive dividends on said amount at the rate of 3½ per cent per annum from June 1, 1937 (or, in the case of definitive Trust Certificates of an authorized multiple of $1,000, from the June 1st or December 1st, as the case may be, next preceding the date of their issue, unless issued on June 1st or December 1st, in which case from the date of issue), payable semi-annually on June 1st and December 1st in each year.

The definitive Trust Certificates of the denomination of $1,000 shall be numbered from M-1 consecutively upwards, and definitive Trust Certificates of other denominations shall be numbered in such manner as the Trustee shall determine.

Dividends on the definitive Trust Certificates of the denomination of $1,000 shall be paid only upon the presentation and surrender of the appropriate dividend warrants thereto appertaining. Dividends on the definitive Trust Certificates of denominations of authorized multiples of $1,000 may be paid by remittance of a check or checks for the amount thereof, sent by mail, postage prepaid, to the registered holders of such Trust Certificates addressed to such holders as their addresses appear on the transfer registers.

SECTION 4. The due date of each Trust Certificate shall appear on its face. One-twentieth of the aggregate principal amount of the entire issue of Trust

Certificates shall become due on December 1st, 1937, June 1st and December 1st in each year from 1938 to 1946, both inclusive, and June 1st, 1947.

SECTION 5. The temporary Trust Certificates, the definitive Trust Certificates of the denomination of $1,000, the dividend warrants to be annexed to definitive Trust Certificates of the denomination of $1,000, and the guaranty to be endorsed on said Trust Certificates by the Receiver as hereinafter in Article III provided, shall be in substantially the forms hereinafter in this Section 5 set forth. The definitive Trust Certificates of the denominations of authorized multiples of $1,000, and the guaranty to be endorsed on such Trust Certificates, shall be substantially in the form, respectively, of the definitive Trust Certificates of the denomination of $1,000, and of the guaranty to be endorsed thereon, hereinafter set forth, with such appropriate omissions, insertions and variations as shall be required.

(Form of Temporary Trust Certificate)

No..... $.....

WISCONSIN CENTRAL RAILWAY

EQUIPMENT TRUST

SERIES C

Total Issue Not to exceed $1,200,000

FIRST NATIONAL BANK AND TRUST COMPANY

OF MINNEAPOLIS

Trustee,

Principal Hereof Due....., 19.....

First National Bank and Trust Company of Minneapolis, as Trustee under an agreement dated as of June 1, 1937, between J. P. Holton and C. A. Peterson, of the first part, First National Bank and Trust Company of Minneapolis, Trustee (hereinafter referred to as "Trustee"), of the second part, E. A. Whitman, Receiver of the property of Wisconsin Central Railway Company (hereinafter referred to as "Receiver") of the third part and Wisconsin Central Railway Company, of the fourth part, hereby certified that ....., or registered assigns, is entitled to an interest of .....Dollars in Wisconsin Central Railway Equipment Trust, Series C, payable on ....., 19....., and to dividends thereon at the rate of 3½ per cent per annum from and after June 1 or December 1, as the case may be, next preceding the date hereof (unless this Trust Certificate shall be dated June 1 or December 1, in which case from the date hereof) to said date of maturity, payable semi-annually thereafter on the first day of June and on the first day of December in each year, both principal and dividends being payable at the principal office of the Trustee in the City of Minneapolis and the State of Minnesota, in such coin or currency of the United States of America as, at the time of payment, is legal tender for public and private debts, all without deduction for any tax, assessment or other governmental charge (other than Federal income taxes) which the Receiver or the Trustee may be required to pay, or to retain therefrom, under any present or future law of the United States of America, or of any State, county, municipality or other lawful taxing authority therein, but only from and out of rentals received by the Trustee from a certain Lease of Railway Equipment made by First National Bank and Trust Company of Minneapolis, Trustee, to the Receiver, dated as of June 1, 1937.

This certificate is one of an issue of certificates in bearer or registered

form in an aggregate principal amount not exceeding $1,200,000, substantially identical except as to denominations, dates and dates of maturity, all issued or to be issued under said Agreement, under which certificates are to be issued by the Trustee from time to time in varying amounts against the payment to the Trustee of the principal amount thereof in cash. Said Agreement provides that the Trustee will pay out such cash, in whole or in part, from time to time and in varying amounts, in advance of delivery and receipt of said railway equipment for the purpose of providing in part for the construction or purchase of said railway equipment. Said Agreement further provides that said railway equipment and said Lease thereof are to be held by the Trustee in trust for the benefit of the bearers and registered holders of said certificates. Reference is hereby made to said Agreement and Lease, filed with the Trustee at its said principal office in the City of Minneapolis, for a further statement of the rights of the bearers and registered holders of said certificates thereunder.

Upon the surrender of this certificate to the Trustee at the principal office of the Trustee in the City of Minneapolis and the State of Minnesota, the registered holder hereof will be entitled to receive a definitive certificate or certificates when prepared of like denomination, of the same maturity, with all unmatured dividend warrants thereto appertaining, and/or a definitive certificate or certificates of the denominations of multiples of $1,000 authorized in said Agreement, of the same maturity, registered as to principal and dividends, and of an equal aggregate principal amount. Until so exchanged, this certificate shall be entitled to the benefits of said Agreement as therein and herein provided.

In case the principal amount of Trust Certificates issued under said Agreement shall be in excess of 62% of the total cost of said railway equipment as certified to the Trustee as provided in said Agreement, a principal amount of Trust Certificates of the latest maturities, sufficient to reduce the principal amount of Trust Certificates outstanding to the largest multiple of $1,000 which is equal to or less than 62% of such cost, shall be retired, and Trust Certificates in the order of the latest maturities are subject to retirement by lot for this purpose, at the principal amount thereof, plus accrued dividends to the date of retirement, upon notice of the designation thereof for retirement published once a week for two successive weeks in a newspaper of general circulation in the City of Minneapolis and the State of Minnesota, all as provided in said Agreement.

As more particularly provided in said Agreement, and on payment, if the Trustee shall require it, of the charges, if any, therein provided for, this certificate is transferable by the registered holder hereof in person, or by duly authorized attorney, on the books of the Trustee at its said principal office in the City of Minneapolis and the State of Minnesota, upon surrender and cancellation of this certificate, and thereupon a new temporary registered certificate or certificates, bearing the same date and of the same maturity and of an equal aggregate principal amount will be issued to the transferee, in exchange herefor. As more particularly provided in said Agreement, and upon payment, if the Trustee shall require it, of the charges, if any, therein provided for, the holder of this temporary certificate may surrender the same to the Trustee, at its said principal office in the City of Minneapolis and the State of Minnesota, in exchange for other temporary certificates, of the denomination of $1,000 or any multiple thereof, bearing the

same date and of the same maturity and of an equal aggregate principal amount. The Trustee and said Receiver shall be entitled to treat the registered holder hereof as the absolute owner hereof for all purposes, and shall not be affected by any notice to the contrary.

In case of default in the performance or observance of any of the covenants of the Receiver in said Agreement or Lease contained, the principal amount represented by this certificate may become or be declared due and payable in the manner and with the effect in said Agreement provided.

IN WITNESS WHEREOF, the Trustee has caused this certificate to be signed by one of its Vice-Presidents, and its corporate seal to be hereunto affixed and to be attested by its Secretary or an Assistant Secretary, this.....day of ....., 1937.

FIRST NATIONAL BANK AND TRUST
COMPANY OF MINNEAPOLIS,
as Trustee,

By.....
Vice-President.

Attest:

.....
Assistant-Secretary.

(Form of Guaranty for Temporary Certificate.)

E. A. WHITMAN, as Receiver of the property of Wisconsin Central Railway Company, but not individually, and Wisconsin Central Railway Company, for a valuable consideration, hereby unconditionally guarantee jointly and severally to the registered owner of the within Certificate the prompt payment of.....Dollars, being the principal of said Certificate, when the same shall become due and payable, whether at the maturity thereof or by declaration or otherwise, and of dividends thereon at the rate of 3½ per cent per annum on the semi-annual dates mentioned in said Certificate.

.....
As Receiver of the Property of Wisconsin
Central Railway Company, but not in-
dividually.

WISCONSIN CENTRAL RAILWAY COMPANY,

By.....
Vice-President.

(Form of Bearer Definitive Trust Certificate.)

No..... $.....

WISCONSIN CENTRAL RAILWAY
EQUIPMENT TRUST
SERIES C
Total Issue not to exceed $1,200,000
Dividends at the Rate of 3½ Per Cent per Annum.
Payable June 1 and December 1.
FIRST NATIONAL BANK AND TRUST COMPANY
OF MINNEAPOLIS,
Trustee.

Principal Hereof Due....., 19.....

First National Bank and Trust Company of Minneapolis, as Trustee under an agreement dated as of June 1, 1937, between J. P. Holton and C. A. Peterson, of the first part, First National Bank and Trust Company of Minneapolis, Trustee (hereinafter referred to as the "Trustee"), of the second part, E. A. Whitman, Receiver of the property of Wisconsin Central Railway Company (hereinafter referred to as the "Receiver"), of the third part, and Wisconsin Central Railway Company, of the fourth part, hereby certify that the bearer hereof is entitled to an interest of ..... Dollars in Wisconsin Central Railway Equipment Trust, Series C, payable on ....., 19....., and to dividends thereon at the rate of 3½ per cent per annum from June 1, 1937, to said date of maturity, payable semi-annually on June first and December first in each year, but only upon presentation and surrender as they severally mature of the dividend warrants hereto attached, both principal and dividends being payable at the principal office of the Trustee in the City of Minneapolis and the State of Minnesota, in such coin or currency of the United States of America as, at the time of payment, is legal tender for public and private debts, all without deduction for any tax, assessment or other governmental charge (other than Federal income taxes) which the Receiver or the Trustee may be required to pay, or to retain therefrom, under any present or future law of the United States of America, or of any State, county, municipality or other lawful taxing authority therein, but only from and out of rentals received by the Trustee from a certain Lease of Railway Equipment made by First National Bank and Trust Company of Minneapolis, Trustee, to the Receiver, dated as of June 1, 1937.

This certificate is one of an issue of certificates, in bearer or registered form, in an aggregate principal amount not exceeding $1,200,000, substantially identical except as to denominations, dates and dates of maturity, all issued or to be issued under said Agreement, under which certificates are to be issued by the Trustee from time to time in varying amounts against the payment to the Trustee of the principal amount thereof in cash. Said Agreement provides that the Trustee will pay out such cash, in whole or in part, from time to time, in varying amounts, in advance of delivery and receipt of said railway equipment for the purpose of providing in part for the construction or purchase of said railway equipment. Said Agreement further provides that said railway equipment and said Lease thereof are to be held by the Trustee in trust for the benefit of the bearers and registered holders of said certificates. Reference is hereby made to said Agreement and Lease, filed with the Trustee at its said office in the City of Minneapolis, for a further statement of the rights of the bearers and registered holders of said certificates thereunder.

In case the principal amount of Trust Certificates issued under said Agreement shall be in excess of 62% of the total cost of said railway equipment as certified to the Trustee as provided in said Agreement, a principal amount of Trust Certificates of the latest maturities, sufficient to reduce the principal amount of Trust Certificates outstanding to the largest multiple of $1,000 which is equal to or less than 62% of such cost, shall be retired, and Trust Certificates in the order of the latest maturities are subject to retirement by lot for this purpose, at the principal amount thereof, plus accrued dividends to the date of

retirement, upon notice of the designation thereof for retirement published once a week for two successive weeks in a newspaper of general circulation in the City of Minneapolis and the State of Minnesota, all as provided in said Agreement.

This certificate and the attached dividend warrants are issued subject to the condition, and every holder of this certificate or of any such dividend warrants, by accepting the same, agrees with every subsequent holder hereof and with the Trustee and the Receiver, that delivery of this certificate or any such dividend warrant by any bearer shall vest title to, and all rights under, the same in the transferee to the same extent for all purposes as would the delivery under like circumstances of a negotiable instrument payable to bearer and the Trustee and the Receiver shall be entitled to treat the bearer hereof or the bearer of such dividend warrant, as the case may be, as the absolute owner hereof or thereof, as the case may be, for all purposes and shall not be affected by any notice to the contrary.

As more particularly provided in said Agreement, and upon payment, if the Trustee shall require it, of the charges, if any, therein provided for, the holder of this certificate may surrender the same to the Trustee, at its said principal office in the City of Minneapolis and the State of Minnesota, for cancellation, together with other certificates issued under said Agreement, of the same maturity, with all unmatured dividend warrants thereto appertaining, in exchange for a registered certificate or certificates of the denominations of $5,000, $10,000, or $20,000, without dividend warrants, of the same maturity, of an equal aggregate principal amount, and such registered certificate or certificates may, in turn, be exchanged for certificates of the denomination of $1,000, with all unmatured dividend warrants thereto appertaining, of the same maturity, of an equal aggregate principal amount.

In case of default in the performance or observance of any of the covenants of the Receiver in said Agreement or Lease contained, the principal amount represented by this certificate may become or be declared due and payable in the manner and with the effect in said Agreement provided.

IN WITNESS WHEREOF, the Trustee has caused this certificate to be signed by one of its Vice-Presidents, and its corporate seal to be hereunto affixed and to be attested by its Secretary or an Assistant Secretary, and dividend warrants bearing the facsimile signature of its Cashier to be attached hereto, as of the first day of June, 1937.

FIRST NATIONAL BANK AND TRUST
COMPANY OF MINNEAPOLIS,
as Trustee,

By.....
Vice-President.

Attest:

.....
Assistant Secretary.

(Form of Dividend Warrant)

..... No.....

Due to the bearer hereof on the .....day of ....., 19....., (unless the certificate hereinafter described shall have been called for previous retirement, and payment thereof duly provided for) on surrender hereof at the

principal office of the undersigned Trustee in the City of Minneapolis and the State of Minnesota, ... Dollars, without deduction for any tax or taxes (other than Federal income taxes) required to be paid or retained as provided in, and being the semi-annual dividend then due on, certificate No..... of Wisconsin Central Railway Equipment Trust, Series C, payable only out of rentals received by the Trustee under the Lease referred to in said certificate.

FIRST NATIONAL BANK AND TRUST
COMPANY OF MINNEAPOLIS,
as Trustee,

By.....
Cashier.

(Form of Guaranty for Bearer Definitive Certificates)

E. A. WHITMAN, as Receiver of the property of Wisconsin Central Railway Company, but not individually, and Wisconsin Central Railway Company, for a valuable consideration, hereby unconditionally guarantee jointly and severally to the bearers of the within Certificate the prompt payment of ..... Dollars, being the principal of said Certificate, when the same shall become due and payable, whether at the maturity thereof or by declaration or otherwise, and of dividends thereon at the rate of 3½ per cent per annum on the semi-annual dates mentioned in said Certificate and in the dividend warrants thereunto attached.

.....
As Receiver of the Property of Wisconsin Central Railway Company, but not individually.

WISCONSIN CENTRAL RAILWAY COMPANY,

By.....
Vice-President.

SECTION 6. The Trust Certificates shall be signed in the name and on behalf of the Trustee by one of its Vice-Presidents, and its corporate seal shall be thereunto affixed and attested by its Secretary or one of its Assistant Secretaries. In case any of the officers of the Trustee who shall have signed and sealed any of the Trust Certificates shall cease to be such officers of the Trustee before the Trust Certificates so signed and sealed shall have been issued and delivered by the Trustee, such Trust Certificates shall be adopted by the Trustee and be issued and delivered as though the persons who signed and sealed such Trust Certificates had not ceased to be such officers of the Trustee. The dividend warrants to be thereunto attached shall be authenticated by the facsimile signature of the present or any future Cashier of the Trustee, and the Trustee may adopt and use for that purpose any such facsimile signature notwithstanding the fact that such Cashier may have ceased to be such Cashier at the time when any such Trust Certificate shall be issued and delivered as herein provided. Before executing or delivering any Trust Certificates the guaranty of the Receiver shall be duly executed thereon as hereinafter in Section 2 of Article III provided, and all matured dividend warrants thereto appertaining shall be cut off and canceled and delivered by the Trustee to the Receiver.

SECTION 7. Temporary Trust Certificates shall be transferable upon presentation thereof for transfer at the principal office of the Trustee in the City of Minneapolis and the State of Minnesota, accompanied by appropriate instruments of assignment or transfer, duly executed by the registered holder of such surrendered temporary Trust Certificate or Certificates. Temporary Trust Certificates shall be exchangeable at said office of the Trustee for temporary Trust Certificates of different denominations as hereinafter provided. Upon surrender of any temporary Trust Certificate or Certificates for transfer or for exchange as aforesaid, the Trustee shall execute and deliver a new temporary registered Trust Certificate or Certificates, of the same date and maturity, in the denomination of $1,000, or such multiples thereof as may be requested by the person entitled to receive the same, and of an equal aggregate principal amount.

Upon surrender to the Trustee of any temporary Trust Certificate for exchange for definitive Trust Certificates, as provided in Section 1 of this Article II, the Trustee, without any charge therefore to the registered holder thereof, and at the option of such registered holder, shall execute and deliver to such registered holder, in exchange therefor, one or more definitive Trust Certificates of like denomination of the same maturity as the surrendered temporary certificates, with all unmatured dividend warrants attached, and/or one or more definitive Trust Certificates of the denominations of authorized multiples of $1,000 of the same maturity as the surrendered temporary certificates, registered as to both principal and dividends, for a like aggregate principal amount.

Definitive Trust Certificates of the denomination of $1,000 and the dividend warrants thereto appertaining shall be in bearer form and shall pass by delivery.

Definitive Trust Certificates of the denominations of authorized multiples of $1,000 shall be registered, as to both principal and dividends, in the name of the holder at the principal office of the Trustee in the City of Minneapolis and the State of Minnesota, and shall be transferable upon presentation thereof for transfer at such office of the Trustee, accompanied by appropriate instruments of assignment and transfer, duly executed by the registered holder of such surrendered Trust Certificate or Certificates.

Anything to the contrary herein notwithstanding, the parties hereto may deem and treat the bearer of any definitive Trust Certificate of the denomination of $1,000 and the bearer of any dividend warrant as the absolute owner of such Trust Certificate or dividend warrant, as the case may be, for the purpose of receiving payment therefor, and for all other purposes, and shall not be affected by any notice to the contrary. The parties hereto may deem and treat the registered holder of any definitive Trust Certificate of the denomination of an authorized multiple of $1,000 and the registered holder of any temporary Trust Certificate as the absolute owner of such Trust Certificate for all purposes, and shall not be affected by any notice to the contrary.

Definitive Trust Certificates of the denomination of $1,000 shall be exchangeable for an equal aggregate principal amount of definitive registered Trust Certificates of denominations of authorized multiples of $1,000 upon the surrender to the Trustee at its said office of such definitive Trust Certificates with all unmatured dividend warrants thereto appertaining for such exchange. Upon surrender of definitive Trust Certificates of the denomination of $1,000 with all unmatured

dividend warrants thereto appertaining, for exchange as aforesaid, the Trustee shall execute and deliver a definitive registered Trust Certificate or Certificates of the denominations of authorized multiples of $1,000, without dividend warrants, of the same maturity and of an equal aggregate principal amount. Definitive Trust Certificates of the denominations of authorized multiples of $1,000 shall be exchangeable at said office of the Trustee for definitive Trust Certificates of the denomination of $1,000, of the same maturity, with all unmatured dividend warrants thereto appertaining, and/or a definitive registered Trust Certificate or Certificates, without dividend warrants, of the denominations of authorized multiples of $1,000, of the same maturity, of an equal aggregate principal amount. Upon surrender of a definitive registered Trust Certificate or Certificates of the denominations of authorized multiples of $1,000 for exchange as aforesaid, the Trustee shall execute and deliver at the option of the holder, new definitive Trust Certificates of the denomination of $1,000, of the same maturity, with all unmatured dividend warrants thereto appertaining, and/or a new definitive registered Trust Certificate or Certificates without dividend warrants, of the denominations of authorized multiples of $1,000, of the same maturity, and of an equal aggregate principal amount.

The Receiver, at the request of the Trustee, shall execute his guaranty upon any temporary or definitive Trust Certificates issued in exchange for or upon transfer of temporary or definitive Trust Certificates as hereinabove in this Section 7 provided.

For any transfer or exchange, the Trustee at its option may, and if so requested by the Receiver shall, require the payment of a sum sufficient to reimburse it for any stamp tax or other governmental charge connected therewith, except in the case of exchange of temporary Trust Certificates for definitive Trust Certificates.

SECTION 8. In case any Trust Certificate, or the dividend warrants thereto attached, shall become mutilated or defaced or be lost, destroyed or stolen, then on the terms herein set forth, and not otherwise, the Trustee shall execute and deliver a new Trust Certificate (and the Receiver shall execute his guaranty thereon), with all unmatured dividend warrants appertaining thereto, of like maturity, tenor and date, and bearing the same serial number as the one mutilated, defaced, lost, destroyed or stolen, in exchange and substitution for, and upon cancellation of, the mutilated or defaced Trust Certificate and warrants, or in lieu of and substitution for the same if lost, destroyed or stolen, and make payment of any matured dividend warrants appertaining to the same. The applicant for a new Trust Certificate shall furnish to the Trustee and to the Receiver evidence to their satisfaction of the loss, destruction or theft of said Trust Certificate or warrants alleged to have been lost, destroyed or stolen and of the ownership and authenticity of such mutilated, defaced, lost, destroyed or stolen Trust Certificate and warrants, and also such security or indemnity as may be required by the Trustee and by the Receiver in their discretion; and shall pay all expenses and charges of such substitution or exchange. All Trust Certificates are held and owned upon the express condition that the foregoing provisions are exclusive in respect of the replacement of mutilated, defaced, lost, destroyed or stolen Trust Certificates and warrants and shall preclude any and all other rights and remedies, any law or

statute now existing or hereinafter enacted to the contrary notwithstanding. Every new Trust Certificate issued pursuant to this Section 8 shall constitute an additional interest in the trust created by this Agreement and an additional contractual obligation on the part of the Receiver to the same extent as if originally created hereunder, whether or not the lost, stolen or destroyed Trust Certificate be at any time found by anyone, and shall be equally entitled to the benefits of said Lease and this Agreement with all other Trust Certificates issued hereunder.

ARTICLE III.

SECTION 1. The Receiver hereby accepts and becomes bound by all the terms of this Agreement, and hereby covenants and agrees to make payment of the reasonable compensation and expenses of the Trustee, and of all taxes, assessments and other governmental charges herein mentioned for which the Trustee may be liable, or which the Trustee or the Receiver may be required to pay or to retain from the principal of the Trust Certificates or the dividends payable in respect thereof, under any present or future law of the United States of America or of any State, county, municipality or other lawful taxing authority therein.

SECTION 2. The Receiver covenants and agrees and unconditionally guarantees that the registered holder of each of the temporary Trust Certificates and each of the definitive Trust Certificates of the denominations of authorized multiples of $1,000, and the bearer of each of the definitive Trust Certificates of the denomination of $1,000 shall receive the principal amount thereof, in such coin or currency of the United States of America as, at the respective times of payment, is legal tender for public and private debts, when and as the same shall become due and payable, whether at the maturity thereof or by declaration or otherwise, (and, if not so paid, with interest thereon at the rate of 3½ per cent per annum); that the registered holder of each temporary Trust Certificate and the registered holder of each definitive Trust Certificate of the denominations of authorized multiples of $1,000 shall receive dividends thereon in like coin or currency at the rate of 3½ per cent per annum from and after June 1 or December 1, as the case may be, next preceding the date thereof (unless such Trust Certificates shall be dated June 1 or December 1, in which case from the date thereof) to the date of maturity of such Certificates, (and, if not so paid, with interest thereon at the rate of 3½ per cent per annum); and that the bearer of each definitive Trust Certificate of the denomination of $1,000 shall receive (but only upon presentation and surrender of the appropriate dividend warrants) dividends thereon in like coin or currency at the rate of 3½ per cent per annum to the date of maturity of such certificate (and, if not so paid, with interest thereon at the rate of 3½ per cent per annum); all without deduction for any tax, assessment or other governmental charge (other than Federal income taxes) which the Receiver or the Trustee may be required to pay, or to retain therefrom, under any present or future law of the United States of America, or of any State, county, municipality or other lawful taxing authority therein; and the Receiver further covenants and agrees to endorse upon each of the Trust Certificates, definitive or tempora ry, at or before the issue and delivery thereof by the Trustee, his unconditional guaranty of the prompt payment of the principal thereof and of the dividends thereon, in substantially the form in Section 5 of Article II hereof provided. The obligations of the Receiver in respect to his unconditional

guaranty of the Trust Cerfificates hereinabove provided for are subject to the provisions of Article VIII hereof.

SECTION 3. The Receiver covenants and agrees that he will promptly pay or cause to be paid or discharged, or make adequate provision for the satisfaction or discharge of, any debt, obligation or claim which, if unpaid, might be or become a lien or charge upon or against any of the Trust Equipment, except upon the leasehold interest of the Receiver therein; but this provision shall not require the payment of any such debt, obligation or claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings unless, in the judgment of the Trustee, such contest would materially endanger the rights or interests of the Trustee or the holders of the Trust Certificates in the Trust Equipment.

SECTION 4. The Receiver covenants and agrees to pay all costs, charges and expenses incident to the performance of all terms and conditions of this Agreement on his part to be performed, including, without limiting the generality of the foregoing, the expenses incident to the preparation, execution and exchange of the Trust Certificates and divident warrants, including the temporary Trust Certificates, or connected with the preparation, execution, recording, registration and filing hereof or of said Lease or of any instruments executed under the provisions hereof or of said Lease in respect of the Trust Equipment or Lease, or any equipment or parts used to replace any of the same.

SECTION 5. The Receiver covenants and agrees from time to time to do all such acts and execute all such instruments of further assurance as he shall be reasonably requested by the Trustee to do or execute for the purpose of fully carrying out and effectuating this Agreement and said Lease and the intent thereof.

ARTICLE IV.

In case Trust Certificates shall be required to be called for retirement pursuant to the provisions of Section 2 of Article II hereof, the Trustee shall cause to be published, at the cost of the Receiver, in a newspaper of general circulation in the City of Minneapolis and the State of Minnesota, once a week for two successive weeks, on any day or days of the week, the first publication to be not less than 30 days and not more than 60 days prior to such retirement date, a notice to the effect that Trust Certificates of a stated principal amount and of a specified maturity or maturities then outstanding will be retired and paid off pursuant to Section 2 of Article II of this Agreement, on a date to be stated in said notice; that there will become and be due and payable on each of such Trust Certificates so to be retired (but only out of moneys paid to the Trustee by the Receiver for the Purpose) at the office of the Trustee at which the Trust Certificates are payable the principal amount thereof, together with accrued dividends to such date; and that from and after such date (unless default is made by the Receiver in providing for such payment) dividends thereon will cease to accrue. In the event that less than all of a single maturity of Trust Certificates are to be so retired, the particular Trust Certificates of such maturity to be retired shall be determined by lot in any manner deemed by the Trustee to be fair, and in such case said notice shall specify the numbers of the particular certificates to be retired. Upon publication of such notice by the Trustee, the Trust Certificates so called for retirement shall become and be due and payable on the date specified in such

notice, together with the dividends accrued thereon to said date, but the Trustee shall incur no liability in respect therof except to the extent that moneys to pay the amount due upon retirement thereof shall be duly paid to it by the Receiver pursuant to Article First of said Lease. A similar notice shall be mailed by the Trustee, postage prepaid, at least 30 days prior to such retirement date, to the registered holders, if any, of registered Trust Certificates which are so to be retired, at their addresses as the same shall appear upon the transfer register, but the mailing of such notice shall not be a condition precedent to such retirement and the failure of the Trustee to mail such notice, or of any such registered holder to receive the same, shall not affect any proceedings with respect to such retirement.

Anything herein to the contrary notwithstanding, in case at the time of any retirement of all or any part of the Trust Certificates, all Trust Certificates called for retirement shall be registered in the name of a single holder, the advertisement of notice of retirement required by this Section may be waived in writing by the registered holder of such Trust Certificates and such waiver, which shall recite the statements required to be included in the notice, the advertisement of which is thereby waived, shall for the purposes hereof have the same effect as the publication of such notice as in this Section required.

From and after the date of retirement designated in such notice so advertised or such waiver, as the case may be (unless default shall be made in the payment of said Trust Certificates with accrued dividends as aforesaid), dividends on the Trust Certificates so designated for retirement shall cease to accrue, and on presentation at said office of the Trustee of any of the Trust Certificates specified in such notice, in accordance with such notice, with all dividend warrants, if any, appertaining to said Trust Certificates, maturing on or after such retirement date, the principal of said Trust Certificates and the dividends accrued thereon to said date shall be paid by the Trustee (but only out of moneys paid to the Trustee by the Receiver for the purpose); provided, however, that if any definitive Trust Certificate of the denomination of $1,000 so presented shall not be accompanied by the dividend warrant maturing on or after the date designated for retirement, such Trust Certificate shall be paid at the retirement price (viz. the principal amount thereof plus dividends accrued thereon to the retirement date) less the dividend represented by such warrant, and such dividends shall be paid to the bearer of such warrant on presentation thereof for payment, and provided further that accrued unpaid dividends represented by warrants which shall have matured prior to the date designated for retirement shall continue to be payable to the respective bearers thereof on presentation for payment. If not so paid upon presentation thereof, such Trust Certificates shall continue to bear dividends at the rate expressed therein.

All expenses in connection with the retirement of the Trust Certificates, or any thereof, shall be paid by the Receiver.

ARTICLE V.

SECTION 1. In order to prevent any accumulation of Trust Certificates or of Dividend warrants after maturity, neither the Trustee nor the Receiver shall directly or indirectly extend or assent to the extension of the time for the payment of any Trust Certificate or dividend warrant, but the same shall be paid and cancelled at

maturity, and no Trust Certificate or dividend warrant in substitution therefor shall be issued, and neither the Trustee nor the Receiver shall directly or indirectly be a party to or approve of any arrangement for purchasing or funding any of said Trust Certificates or dividend warrants, or for an advance or loan upon the same, at or after maturity. In case the time for payment of any Trust Certificate or dividend warrant shall be so extended, whether or not such extension be by or with the consent of the Trustee or the Receiver, or in case, at or after maturity, any Trust Certificate, dividend or dividend warrant shall be purchased or funded, or an advance or loan upon the same shall be made, by or on behalf of the Trustee or the Receiver or pursuant to any arrangement requested or approved by either of them or to which either of them shall be a party or made with the privity of the Trustee or the Receiver, such Trust Certificate, dividend or dividend warrant shall not be entitled to the benefit of said Lease or of this Agreement, except subject to the prior payment in full of the principal of all other Trust Certificates, dividends and dividend warrants, whether the same be then matured or unmatured.

SECTION. 2. In case one or more of the events of default described in Article Seventh of said Lease shall happen, the Trustee in its discretion may, and at the request of the bearers or registered holders of twenty per cent (20%) in principal amount of the Trust Certificates then outstanding shall, declare the principal of all of the Trust Certificates then outstanding to be due and payable, and thereupon the same shall become and be immediately due and payable. In any such case the Trustee may retake possession of the Trust Equipment or any part thereof and may either hold or lease the same or any part thereof, or dispose of the same or any part thereof in such manner (so far as may be necessary to perform the trusts hereunder), at public sale, for cash or upon credit, as the Trustee may deem most beneficial to the interest of the bearers and registered holders of said Trust Certificates. Upon the written request of the bearers or registered holders of twenty per cent (20%) in principal amount of the Trust Certificates at the time outstanding, in case one or more of said events of default shall happen (whether the principal of the Trust Certificates shall have been declared due and payable or not), and upon the Trustee being indemnified to its satisfaction, it shall be the duty of the Trustee to take all steps for the protection and enforcement of its rights and the rights of the bearers and registered holders of the Trust Certificates, and to exercise one or more of the powers of entry, sale or lease in said Lease conferred, or to take appropriate judicial proceedings by action, suit or otherwise, as the Trustee being advised by counsel shall deem most expedient in the interest of the bearers and registered holders of the Trust Certificates; but, anything in this Agreement to the contrary notwithsyanding the bearers or registered holders of a majority in principal amount of the Trust Certificates then outstanding shall have the right from time to time to direct and control the proceedings for any enforcement of said Lease and this Agreement and the sale or lease of the Trust Equipment. The proceeds of such proceedings or lease or sale shall be applied by the Trustee to the payment, after deducting the expenses of the trust and reasonable compensation of the Trustee and all taxes, assessments and other governmental charges which the Trustee may by law be required to pay in respect of the trust or the Trust Certificates aforesaid or the dividends thereon:

(1) of the dividends and dividend warrants then due with interest on any overdue dividends and dividend warrants at the rate of 3½ per cent per annum; and

(2) of the principal of all said outstanding Trust Certificates with interest thereon at the rate of 3½ per cent per annum from the last preceding dividend date, whether said Certificates or any of them shall then have matured by their terms or not;

all of said payments to be in full, if said proceeds shall be sufficient, and if not, then pro rata, without preference of principal over dividends, or of dividends over principal or otherwise (subject, however, to the provisions of Section 1 of this Article V), and without regard to the dates of maturity thereof.

The foregoing provisions, however, are subject to the condition that, if at any time after the principal of the Trust Certificates shall have been declared and have become due and payable, as hereinbefore provided, but before June 1, 1947, all arrears of rental (with interest upon any overdue instalment at the rate of 3½ per cent per annum), the expenses and reasonable compensation of the Trustee and all other sums which shall have become due and payable by the Receiver hereunder or under said Lease (other than the principal of Trust Certificates and rental instalments which shall not at the time have matured according to their terms) shall be paid by the Receiver before any taking possession, withdrawal, sale or lease by the Trustee of any of the Trust Equipment, and every other default in the observance or performance of any covenant or condition of this Agreement or said Lease shall be made good or secured to the satisfaction of the Trustee, or provision deemed by the Trustee to be adequate shall be made therefor, then and in every such case the Trustee, if so requested by the bearers or registered holders of a majority in principal amount of the Trust Certificates then outstanding and which shall not have then matured according to their terms, shall, by written notice to the Receiver, waive the default by reason of which the principal of the Trust Certificates shall have been declared and become due and the consequences of such default, and said Lease shall upon such waiver be and continue in full force and effect, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

Neither such retaking possession nor any withdrawal or lease or sale of the Trust Equipment by the Trustee nor any action or failure or omission to act, against the Receiver or in respect to the Trust Equipment, on the part of the Trustee or on the part of any bearer or registered holder of any Trust Certificate or dividend warrant, nor any delay or indulgence granted to the Receiver by the Trustee or any such bearer or registered holder, shall affect the obligations of the Receiver under this Agreement or under said Lease or under their guaranty.

The Receiver waives presentation and demand in respect of any of the Trust Certificates and dividend warrants and waives notice of presentation and demand and of any default in the payment of principal of and dividends upon the Trust Certificates.

The Trustee may at any time, upon notice in writing to the Receiver, apply to any court of competent jurisdiction for instructions as to the applications and distribution of any funds or property held by it.

ARTICLE VI.

SECTION 1. The Trustee hereby covenants and agrees, so far as reasonably possible, to perform, and to enforce the performance of, all and singular the terms, conditions and covenants of said Lease.

SECTION 2. The Trustee covenants and agrees to apply and distribute the rentals received by it under subdivisions (b), (c), (d), (e) and (g) of Article First of said Lease, when and as the same shall be received, for the following purposes, to-wit:

(a) to the payment of the necessary and reasonable expenses of the trust, including the proper compensation of the Trustee for its services and all expenses connected with the Trust Equipment and said Lease thereof;

(b) to the payment of any taxes, assessments and other governmental charges upon the Trust Equipment which it may by law be required to pay; and to the payment of any and all taxes, assessments and other governmental charges which may by law be charged against the Trustee upon the Trust Certificates or the dividends payable thereunder, or which the Trustee may be required to retain or deduct therefrom or to pay thereon under any present or future law of the United States of America, or of any State, county, municipality, or other lawful taxing authority therein;

(c) to the payment of the dividends payable on the Trust Certificates and of the dividend warrants appurtenant thereto when and as the same shall become payable;

(d) to the payment of the principal of the Trust Certificates when and as the same shall become payable according to the terms thereof or hereof; and

(e) to the payment of interest on any unpaid dividends, dividend warrants or principal at the rate of 3½ per cent per annum.

SECTION 3. The Trustee shall cause to be kept, at its principal office in the City of Minneapolis and the State of Minnesota, books for the registration and transfer of the Trust Certificates, and upon presentation for such purpose the Trustee will register or cause to be registered as hereinbefore provided, and under such reasonable regulations as it may prescribe, any of the Trust Certificates, except definitive Trust Certificates in the denomination of $1,000. The Trustee, at all times until the payment of the principal of all the Trust Certificates, shall keep an office in the City of Minneapolis and the State of Minnesota, where the Trust Certificates and dividend warrants may be presented for payment.

SECTION 4. The Trustee assumes no liability for anything other than its own default, misconduct or neglect, or that of its officers or directors. The Trustee shall not be liable for the delivery of any of the Trust Equipment, or for any defect therein or in the title thereto of the Trustee, nor shall anything herein be construed as a warranty of the Trustee in respect thereof or as a representation of the value thereof, privided such delivery is made in accordance with the provisions of this Agreement. All representations and recitals contained in this Agreement and in said Lease are made by and on behalf of the Receiver, and the Trustee shall be in no way responsible therefor, or for any statement contained therein, and the Trustee makes no representations as to the sufficiency of the security purported to be created hereby nor purports to have any knowledge with

respect thereto, and the Trustee shall not be responsible in any way for the validity hereof, or of said Lease or of the Trust Certificates or the guaranty thereon or the dividend warrants. No duty of insurance of of repairs or of protection of any of the Trust Equipment is incumbent upon the Trustee, nor shall it be responsible for the filing, refiling, recording or rerecording of this Agreement or of said Lease; and the Trustee may issue and deliver Trust Certificates in advance of such filing or recording.

The Trustee shall incur no liability or responsibility by reason of its delivery of Trust Certificates and/or its application of Deposited Cash, from time to time and in varying amounts, prior to the completion and delivery of the Trust Equipment or any thereof, and/ or prior to the final certification to it of the cost of the Trust Equipment, provided such delivery and/or application is made in accordance with the provisions of this Agreement.

The Trustee may exercise its powers and perform its duties hereunder and under said Lease by or through such attorneys, agents and servants as it shall appoint, and it shall be entitled to the advice of counsel (who may, in cases deemed by the Trustee, in its reasonable discretion, to be appropriate, be of counsel for the Receiver), and shall be protected by the advice of such counsel in anything reasonably done, or omitted to be done, by it in good faith in accordance with such advice. The Trustee shall not be liable or responsible for the neglect, default or misconduct of any attorney, agent or servant appointed and retained by it in the exercise of reasonable care, but nothing in this sentence contained shall limit any liability of the Trustee, pursuant to the first sentence of this Section 4, for acts, neglects or defaults of its officers or directors.

SECTION 5. The Trustee shall be under no obligation to take any action for the execution or enforcement of any of the trusts hereby created unless requested thereunto in writing by the bearers or registered holders of not less than twenty per cent (20%) in principal amount of the then outstanding Trust Certificates, and furnished with proof satisfactory to it as to the ownership of the Trust Certificates in respect of which any notice or request may be made; but neither any such request nor this provision therefor shall affect any discretion herein elsewhere specifically given to the Trustee to determine what action it shall take in respect of any such default, or to take action without request.

SECTION 6. No bearer or registered holder of any Trust Certificate or dividend warrant issued hereunder (other than the bearer or registered holder of all Trust Certificates at the time outstanding) shall have any right to institute any suit, action or proceeding for the execution or enforcement of the trust hereby created unless, after the aforesaid request in writing by the bearers or registered holders of not less than twenty per cent (20%) in principal amount of the then outstanding Trust Certificates shall have been made upon the Trustee and a reasonable time elapsed for action by the Trustee upon such request, it shall decline to institute any proceeding pursuant thereto.

SECTION 7. The Trustee may, for all purposes, conclusively assume that the Receiver is not in default under the terms hereof until notified in writing to the contrary by the bearers or registered holders of at least five per cent(5%) in principal amount of the Trust Certificates then outstanding, which notice shall distinctly specify the default desired to be brought to the attention of the Trustee.

SECTION 8. The Trustee shall not incur any liability to anybody in acting upon any notice, consent, order, certificate, warrant, receipt, request or other paper or instrument reasonably believed by it to be genuine or authentic, and to be signed by the proper party or parties and reasonably believed by it to be sufficient.

SECTION 9. The Trustee, in so far as permitted by law, will allow such interest upon all moneys received by it under the provisions of this Agreement or of said Lease as during that time is allowed by it upon deposits of a similar character.

SECTION 10. The Trustee shall, at least once in each year, if requested, render to the Receiver and, if requested, render to any person or persons owning not less than twenty per cent (20%) in principal amount of the Trust Certificates then outstanding, a statement of its said trust and of the accounts relating thereto, and covering such matters as the Receiver or such person or persons may properly require. The Vendors, the Receiver, or any bearer or registered holder of a Trust Certificate may from time to time examine, in person or by his, its or their duly appointed attorney, the books and accounts of the Trustee relating to the Trust Certificates, said Lease and to this Agreement and to the acts of the Trustee thereunder and hereunder.

SECTION 11. The Trustee may resign and be discharged from the trusts created by this Agreement by mailing to the Receiver and to registered holders of the Trust Certificates then outstanding, at their addresses appearing on the registration books, notice in writing of such resignation, specifying a date when it is desired that such resignation shall take effect. Such notice shall be published at lease once in each of three successive calendar weeks prior to the date specified in such notice, on any day or days of the week, in a daily newspaper printed in the English language and published and of general circulation in the City of Minneapolis and the State of Minnesota. Such resignation shall take effect immediately upon, but not prior to, the appointment of, and acceptance of the trust by, such successor trustee as hereinafter provided, whether on, prior to, or subsequent to, the date stated in said notice of resignation.

Any trustee, hereunder may be removed at any time by an instrument in writing by the bearers or registered holders of a majority filed with the Trustee and executed in principal amount of the Trust Certificates at the time outstanding.

SECTION 12. In case at any time the trustee shall resign or shall be removed or otherwise shall become incapable of acting, a successor may be appointed by the bearers or registered holders of a majority in principal amount of the Trust Certificates at the time outstanding, by an instrument or concurrent instruments signed by such bearers or registered holders or their attorneys in fact duly authorized; but until a new trustee shall be appointed by such bearers or registered holders as herein authorized, the Receiver shall, by a suitable written instrument, appoint a trustee to fill such vacancy. Every such successor trustee, whether appointed by the bearers or registered holders of the Trust Certificates or by the Receiver, shall always be a national bank or trust company having power so to act, and having a capital and surplus of at least $2,000,000; if there be such bank or trust company willing, qualified and able to accept the trust upon reasonable and customary terms. After any such appointment by the Receiver, he shall cause notice of such appointment to be published once a week in each of four successive

weeks in a daily newspaper printed in the English language and published and of general circulation in the City of Minneapolis and the State of Minnesota; but any new trustee so appointed by the Receiver shall immediately, and without further act, be superseded by a trustee appointed, in the manner above provided, by the bearers or registered holders of a majority in principal amount of the Trust Certificates at the time outstanding. In the event the Receiver fails to appoint such trustee when a vacancy occurs, the vacancy may be filled by any court having jurisdiction, after due notice and application thereto by the Trustee, the Receiver or any holder of Trust Certificates hereby secured.

Any successor trustee appointed hereunder shall execute, acknowledge and deliver to the Receiver an instrument accepting such appointment hereunder, and thereupon such successor trustee, without any further act, deed or conveyance, shall become vested with title to the trust estate, and with all the rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named as trustee herein, and the trustee ceasing to act shall, on the written request of such successor trustee, assign and transfer the trust estate or cause the trust estate to be assigned and transferred to the successor trustee, and shall thereupon be entitled to the payment of its charges and expenses theretofore incurred. Upon request of such successor trustee, the Receiver shall execute and deliver such instruments of further assurance as may reasonably be required for more fully/and certainly vesting in and confirming to such successor trustee all the right, title and interest of the predecessor trustee in and to the trust estate and such rights, powers, trusts, duties and obligations. All instruments herein provided for shall be at the cost of the Receiver.

Any corporation resulting from any merger or consolidation to which the Trustee, or any successor to it, shall be a party, provided such corporation shall be a corporation having power so to act, shall be the successor trustee under this agreement without the execution or filing of any paper or any further act on the part of the parties hereto, anything herein to the contrary notwithstanding.

SECTION 13. If at any time during the continuance of the trust herein created, any person owning, directly or indirectly, more than five per cent (5%) of the outstanding capital stock of Wisconsin Central Railway Company, or of any railway or railroad corporation which shall succeed to all or substantially all of the lines of railway comprised in the estate of the Receiver, or any of their employees, shall be or become an officer or director of the Trustee, or if any officer or director of the Trustee shall directly or indirectly become the owner of five per cent (5%) or more of the outstanding capital stock of Wisconsin Central Railway Company or of any successor corporation or shall become successor to the Receiver or shall become one of the Receiver's employees and shall not cease to be such officer, director, Receiver, employee or owner, as the case may be, within ten(10) days after the Trustee shall have had notice of such fact, the Trustee shall forthwith resign and a successor Trustee shall be appointed and shall qualify as in this article provided.

SECTION 14. The Trustee shall be entitled to reasonable compensation for all services rendered by it and the Receiver agrees to pay from time to time on demand of the Trustee, such compensation, and to reimburse the Trustee for, and defend and save it harmless against, any and all loss, damage, liability, claims, demands, disbursements and expenses, including counsel fees, which it may incur hereunder or

under said Lease, and to secure the payment thereof the Trustee shall have a lien on the Trust Equipment and the proceeds thereof prior to the rights therein of the bearers and registered holders of Trust Certificates.

The Trustee may become the owner of Trust Certificates and warrants issued hereunder with the same rights which it would have if it were not Trustee. The Trustee shall not be accountable or in any way responsible for or be under any obligation to see to the use, appropriation or application of moneys at any time paid out by it in conformity herewith.

ARTICLE VII.

In case of the death of either of the Vendors, the other Vendor shall have and discharge all the powers of the Vendors. In case of the death or inability to act of both of the Vendors, the Trustee shall receive and distribute or pay for the account of the original Vendors, to the parties entitled to receive the same from the original Vendors, all Trust Certificates issuable or Deposited Cash or other moneys payable to the original Vendors by the Trustee hereunder. Any action taken by either of the Vendors shall have the same force and effect as if taken by both of them. The Vendors shall incur no liability hereunder, or under any bill of sale, guaranty or warranty executed by them as herein provided, for anything other than their own willful default, misconduct or gross neglect. The Vendors shall be entitled to the advice of counsel (who may in appropriate cases be of counsel for the Receiver) and shall be protected by the advice of such counsel in anything done or omitted to be done by them in accordance with such advice.

ARTICLE VIII.

SECTION 1. The obligations of the Receiver under and in respect of this Agreement, said Lease and the guaranty of the Trust Certificates are the obligations of the party of the third part solely as Receiver of the property of Wisconsin Central Railway Company, and not individually, and shall constitute only the general obligations of the estate of which the party of the third part is Receiver. The Receivership wherein the party of the third part is Receiver shall not be terminated nor shall the Receivership estate thereunder be surrendered by the Receiver, or his successor or successors, unless as a condition of such termination or surrender all of the obligations, then existing or to accrue, of the Receiver under this Agreement, said Lease and said guaranty of the Trust Certificates, shall be assumed, as a general obligation, by Wisconsin Central Railway Company or any other corporation that shall succeed to that company in the ownership of substantially all of the lines of railway comprised in the receivership estate, or by any trustee or trustees in bankruptcy or otherwise that shall succeed to the Receiver in the possession of such lines of railway, whether pursuant to any plan of reorganization under Section 77 of the Bankruptcy Act or upon foreclosure or upon dismissal or termination of the Receivership or otherwise. In case of any sale or conveyance of substantially all of said lines of railway, the purchaser or transferee of the purchaser shall not be at liberty to refuse to accept this Agreement, said Lease or said guaranty, or to disaffirm them, but if acquiring substantially all of said lines of railway for the purpose of transferring them to a corporation formed for the purpose of reorganization, any such purchaser shall not incur any personal liability under or in respect of this Agreement, said Lease or said guaranty provided such corporation to which substantially all of said lines of rail-

way are so transferred in such reorganization shall assume, as a general obligation, the payment of the Trust Certificates, principal and dividends , when due, and all obligations of the Receiver under this Agreement, said Lease and said guaranty. In case any corporation or any receiver or receivers in equity or any trustee or trustees in bankruptcy prior to the maturity of the Trust Certificates shall succeed the Receiver in the possession and operation of substantially all of said lines of railway (whether Wisconsin Central Railway Company or any corporation formed for the purpose of reorganization or any other corporation, or any receiver or receivers in equity, or any trustee or trustees in bankruptcy or otherwise appointed to take title to substantially all of said lines of railway) and shall so assume all the obligations of the Receiver then existing and to accrue under this Agreement, said Lease and said guaranty, the Receiver shall thereupon be relieved from all further liability under or in respect to this Agreement, said Lease and said guaranty.

In the event of such termination, surrender or transfer, Wisconsin Central Railway Company, or such other corporation or such receiver or receivers, or such trustee or trustees, as the case may be, acquiring said lines of railway shall execute and cause to be recorded an instrument or instruments supplemental to this Agreement and to said Lease, satisfactory to the Trustee, whereby Wisconsin Central Railway Company or such other corporation or such receiver or receivers, or such trustee or trustees, shall so assume the guaranty of the Receiver of the prompt payment of the principal of and dividends upon the Trust Certificates and all other obligations then existing and to accrue of the Receiver under this Agreement and said Lease and said guaranty, and thereupon Wisconsin Central Railway Company, or such other corporation, or such receiver or receivers, or such trustee or trustees, shall be substituted for the Receiver under this Agreement and under said Lease and said guaranty, with the same effect as if named herein as party of the third part and as if named in said Lease as party of the second part, and, in any such case, any certificate, guaranty, request, order or other instrument required or permitted to be executed, and any act required or permitted to be done, by the Receiver, may be done with like force and effect by the duly authorized officers or agents of said Railway Company or other corporation or by said receiver or receivers or by said trustee or trustees or their duly authorized officers or agents, and for all purposes of this Agreement and said Lease, a resolution of the board of directors or of the executive committee of said Railway Company or such other corporation, or a resolution of such receiver or receivers or of such trustee or trustees, shall be deemed to be the equivalent of comparable action by the Receiver.

ARTICLE IX.

No recourse under any obligation, covenant or agreement of this Agreement or of said Lease or said guaranty shall be had against any stockholder, officer or director, as such, of any corporation which shall succeed the Receiver hereunder, whether by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise, it being expressly agreed and understood that this Agreement, said Lease and said guaranty, when assumed by any such corporation, are solely corporate obligations, and that no personal liability whatever shall attach to or be incurred by any stockholder, officer or director, as such, of any such successor corporation, under or by reason of any of the obligations,

covenants or agreements contained in this Agreement, said Lease or said guaranty, or implied therefrom, and that any and all personal liability, either at common law or in equity, or by statute or constitution,of every such stockholder, officer or director, as such, is hereby expressly waived.

ARTICLE X.

Any request or other instrument required by this Agreement to be signed or executed by bearers or registered holders of Trust Certificates may be in any number of concurrent instruments of similar tenor, and may be executed by such bearers or registered holders in person, or by an agent or attorney appointed by an instrument in writing. Proof of the execution of any such request or other instrument, or of a writing appointing any such agent or attorney, or of the holding by any person of Trust Certificates, shall be sufficient for any purpose of this Agreement (and shall conclusively be deemed to be satisfactory to the Trustee), with regard to any action taken by the Trustee and shall be conclusive in favor of the Trustee under such request or other instrument, if made in the following manner, viz.:

(a) the fact and date of the execution by any person of any such request or of any other instrument in writing may be proved by the certificate of any notary public or of any other officer authorized to take, either within or without the State of Minnesota, acknowledgments of deeds to be recorded in said State or in the State where the acknowledgment may be taken, certifying that the persons signing such request or other instrument acknowledged to him the execution thereof; or by the affidavit of a witness to such execution;

(b) the amount of Trust Certificates held by any person executing any such request or other instrument as a Certificate holder, and the serial numbers of the Trust Certificates held by such person and the date of his holding the same, may be proved by a certificate executed by any trust company, bank, bankers or other depositary wheresoever situated whose certificate shall be deemed by the Trustee to be satisfactory, showing that, at the date therein mentioned, such person had on deposit with such depositary, or exhibited to such depositary, the Trust Certificates numbered and described in such certificate. The Trustee may presume the continuance of any such deposit or holding unless and until it receives proof satisfactory to it to the contrary.

ARTICLE XI.

At the termination of said Lease, any moneys remaining in the hands of the Trustee, after paying the principal of and dividends upon the Trust Certificates, and the expenses of the Trustee, including its reasonable compensation, shall be paid to the Receiver.

ARTICLE XII.

Nothing in this Agreement, expressed or implied, is intended or shall be construed to confer upon, or to give to, any person, firm or corporation other than the parties hereto and their successors and the bearers and registered holders of the Trust Certificates and the bearers of the appurtenant dividend warrants, any right, remedy or claim, under or by reason of this Agreement or of any term,

covenant or condition thereof, and all of the terms, covenants, conditions, promises and agreements in this Agreement contained shall be for the sole and exclusive benefit of the parties hereto and their successors and of the bearers and registered holders of the Trust Certificates and the bearers of the dividend warrants.

ARTICLE XIII.

The term "Trustee" as used herein and in said Lease shall be held and construed to mean First National Bank and Trust Company of Minneapolis, its successors and assigns; and the word "Receiver" herein, to mean E. A. Whitman, Receiver of the property of Wisconsin Central Railway Company, his successors and assigns. The term "Trust Equipment" whenever used herein or in said Lease, unless otherwise indicated by the context, is intended to include all railway equipment at any time covered by said Lease or any supplemental lease or this Agreement or required or intended so to be. The term "Trust Certificate" or "Trust Certificates," whenever used herein or in said Lease, includes, unless the context otherwise indicates, both temporary and definitive certificates. The term "State" whenever used herein or in said Lease shall include the District of Columbia.

Whenever, under the provisions hereof, it is necessary or proper for any notice or demand to be given to or made upon the Receiver, or if at any time it is desired to give any such notice or make any such demand, such notice or demand may be given or made to the Receiver by depositing a written statement thereof, securely enclosed in a postpaid wrapper, in the United States registered mail, directed to the Receiver, 1416 First National-Soo Line Building, Minneapolis, Minnesota, and an affidavit by any person representing or acting on behalf of the Trustee as to such mailing, shall be conclusive evidence of the giving of such notice and the making os such demand.

This Agreement may be simultaneously executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

The Wisconsin Central Railway Company joins in this agreement as party of the fourth part, and covenants and agrees that all covenants and agreements herein binding on the Receiver shall be binding likewise on the said Wisconsin Central Railway Company in all respects, and that wherever the word "Receiver" appears in this agreement, the same shall be deemed to include the Wisconsin Central Railway Company, unless the context or express language otherwise requires. All parties hereto covenant and agree that all covenants and agreements on the part of said Wisconsin Central Railway Company, and the Receiver as such shall be joint and several.

IN WITNESS WHEREOF the parties of the first and third part have hereunto set their hands and seals, and the parties of the second and fourth part have caused their corporate names to be signed hereto by their officers thereunto duly authorized and their corporate seals to be hereto affixed, duly attested, as of the day and year first above written.

J. P HOLTON (L.S.)
C. A. PETERSON (L.S.)

Signed, sealed and delivered by
J. P. Holton and C. A. Peterson
in the presence of:

RAYMOND JOHNSON
WM. W. BERTRAM
Attesting Witnesses.

FIRST NATIONAL BANK AND TRUST
COMPANY OF MINNEAPOLIS,
As Trustee.

(CORPORATE SEAL)

By William J. Stevenson
Vice-President.

Attest:
H. HENRETTA
Assistant Secretary.

Signed, sealed and delivered by
First National Bank and Trust
Company of Minneapolis in the
presence of:
RAYMOND JOHNSON
WM. W. BERTRAM
Attesting Witnesses.

E. A. WHITMAN
As Receiver of the property of
Wisconsin Central Railway
Company, but not individually.

Signed, sealed and delivered by
E. A. Whitman in the presence
of:
W. G. MILLER
A. J. HOPPER.
Attesting Witnesses.

WISCONSIN CENTRAL RAILWAY COMPANY,
By G. W. WEBSTER
Vice-President.

(CORPORATE SEAL)

Attest:
P. J. STOCK.
Secretary

Signed, sealed and delivered by
Wisconsin Central Railway
Company in the presence of:
DOROTHY GREEN
A. M. SHERIDAN
Attesting Witnesses.

STATE OF MINNESOTA,)
) SS.
COUNTY OF HENNEPIN.)

I, E. A. Penn, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands,

tenements and hereditaments in said County, do hereby certify that on the 18th day of June, 1937, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named J. P. Holton and C. A. Peterson, to me personally known and known to me to be the individuals described in and the identical persons who subscribed their names to and who executed the within and foregoing instrument in writing in my presence as parties of the first part thereto and in the presence of the two witnesses whose names are thereunto subscribed as such, and said J. P. Holton and C. A. Peterson severally duly acknowledged to me in the presence of said witnesses that they signed, sealed, executed and delivered said instrument as their free and voluntary act and deed for the consideration, objects, uses and purposes therein stated and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Hennepin, State of Minnesota, this the day and year in this my certificate first above written.

E. A. PENN

(Notarial Seal)

E. A. PENN

My commission expires

Notary Public, Hennepin County, Minn.

My Commission expires August 12, 1943.

STATE OF MINNESOTA,)
) SS.
COUNTY OF HENNEPIN.)

I, E. A. Penn, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 18th day of June, 1937, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named William J. Stevenson and H. Henretta, each to me personally known and known to me to be, respectively, a vice president and an assistant secretary of First National Bank and Trust Company of Minneapolis, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such vice president and assistant secretary, respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and said William J. Stevenson and H. Henretta, being by me severally duly sworn, did on oath, each for himself and not one for the other severally depose and say and acknowledge in the presence of said witnesses that said William J. Stevenson resides in the City of Minneapolis, in the State of Minnesota, and that said H. Henretta resides in the City of Minneapolis, in the State of Minnesota; that said William J. Stevenson is a vice president and said H. Henretta is an assistant secretary of First National Bank and Trust Company of Minneapolis, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, said William J. Stevenson, vice president, and H. Henretta, assistant secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto by order

and authority of the Board of Directors of said corporation that they and each of them signed their names to, and executed, the foregoing instrument in their respective capacities as vice president and assistant secretary in behalf of said corporation by like order and authority; that they signed, sealed with the corporate seal, executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Hennepin, State of Minnesota, this the day and year in this my certificate first above written.

(NOTARIAL SEAL) E. A. PENN.

My commission expires

E. A. PENN

Notary Public, Hennepin County, Minn.

My Commission Expires August 12, 1943.

STATE OF MINNESOTA,)
) SS.
COUNTY OF HENNEPIN.)

I, C. W. Arine, a Notary Public in and for the State and County aforesaid residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on the 21st day of June, 1937, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named E. A. Whitman, Receiver of the property of Wisconsin Central Railway Company, to me personally known and known to me to be the individual described and named in and the identical person who subscribed his name to and whose name is subscribed to and who executed the within and foregoing instrument in writing as such Receiver in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said E. A. Whitman duly acknowledged to me in the presence of said witnesses that he signed, sealed, executed and delivered said instrument as his free and voluntary act and deed, as such Receiver, for the consideration, objects, uses and purposes therein mentioned, stated and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Hennepin, State of Minnesota, this the day and year in this my certificate first above written.

My commission expires

(NOTARIAL SEAL) C. W. ARINE

C. W. ARINE

Notary Public, Hennepin County, Minn.

My Commission Expires Jan. 12, 1939.

STATE OF MINNESOTA,)
) SS.
COUNTY OF HENNEPIN.)

I, C. W. Arine, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 21st day of June, 1937, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named G. W. Webster and P. J. Stock, each to me personally known and known to me to be, respectively, a vice president and the secretary of Wisconsin Central Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing and known to me to be the identical persons who subscribed their names to and who executed said instrument as such vice president and secretary, respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and said G. W. Webster and P. J. Stock, being by me severally duly sworn, did on oath, each for himself and not one for the other severally depose and say and acknowledge in the presence of said witnesses that said G. W. Webster resides in the City of Minneapolis, in the State of Minnesota, and that P. J. Stock resides in the City of Minneapolis, in the State of Minnesota; that said G. W. Webster is a vice president and said P. J. Stock is the secretary of Wisconsin Central Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, said G. W. Webster, vice president, and P. J. Stock, secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto by order and authority of the ~~Executive Committee of the~~ Board of Directors of said Corporation that they and each of them signed their names to, and executed, the foregoing instrument in their respective capacities as vice president and secretary in behalf of said corporation by like order and authority; that they signed, sealed with the corporate seal, executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Hennepin, State of Minnesota, this the day and year in this my certificate first above written.

C. W. ARINE

(NOTARIAL SEAL)

My commission expires

C. W. ARINE

Notary Public, Hennepin County, Minn.

My Commission Expires Jan. 12, 1939.

State of Wisconsin)
)SS.
Department of State)

Received this 24th day of June A. D. 1937 at 10:30 o'clock A. M. and recorded in Vol. 34 of R. R. Mtgs. Etc. on page 34-76 inclusive.

Robert L. Siebecker
Assistant Secretary of State

PENNSYLVANIA RAILROAD GENERAL EQUIPMENT TRUST, SERIES C

LEASE OF RAILROAD EQUIPMENT
Dated October 1, 1924

FIDELTIY TRUST COMPANY
to
THE PENNSYLVANIA RAILROAD COMPANY.

AGREEMENT
DATED OCTOBER 1, 1924

HARRY J. MOORE
AND
JOSIAH B. BARTOW, Vendors
WITH
FIDELTIY TRUST COMPANY
AND
THE PENNSYLVANIA RAILROAD COMPANY

LEASE OF RAILROAD EQUIPMENT, dated the first day of October, 1924, between FIDELITY TRUST COMPANY, of Philadelphia, Pennsylvania, a corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania, Trustee ashereinafter mentioned (hereinafter called the Trustee), party of the first part, and THE PENNSYLVANIA RAILROAD COMPANY, a corporation duly organized and existing under the laws of the said Commonwealth (hereinafter called the Company), party of the second part:

WHEREAS, by certain Agreement, bearing date the first day of October, 1924, between Harry J. Moore and Josiah B. Bartow, Vendors, said Fidelity Trust Company, as Trustee, and The Pennsylvania Railroad Company, a counterpart original whereof is hereto annexed and made a part hereof, there was constituted the "Pennsylvania Railroad General Equipment Trust, Series C," under which the railroad equipment which said Vendors transfer or cause to be transferred to the Trustee thereunder is to be leased to the Company hereunder; and

WHEREAS, pursuant to the provisions of said Agreement, the railroad equipment hereinafter described has been or will be transferred to the Trustee thereunder, and the title to said railroad equipment vested in the Trustee:

NOW THIS AGREEMENT WITNESSETH:

That the Trustee, acting in pursuance of said Agreement, for and in consideration as well of the sum of one dollar to it paid by the Company at or before the ensealing and delivery hereof, the receipt of which is hereby acknowledged, as of the rents and covenants hereinafter mentioned to be paid, kept and performed by the Company, has let and leased, and does hereby let and lease, to the Company all the railroad equipment of the Pennsylvania Railroad General Equipment Trust, Series C (hereinafter collectively called the Trust Equipment), to wit:

10,000 Box Cars, Class X-29; Pressed Steel Car Co., American Car & Foundry Co., Bethlehem Steel Co., and Standard Steel Car Co., Builders; Numbered 90633-92500; 93995-96; 97949-99999; 502000-505948, all numbers inclusive.

Together with such other or additional railroad equipment as shall be acquired for said trust and subjected to this Lease as hereinafter provided.

The estimated cost of the railroad equipment above specifically described, when completed, has been certified to the Trustee to be approximately $21,112,000.

In case the actual cost of said equipment specifically described shall not amount to at least said sum, then in addition to said equipment above specifically described, there may be acquired by the Vendors and subjected to this Lease (subject, however, to the provisions of Section 5 of Article I of said Agreement) other new railroad equipment, approved as to character by the Trustee, of such cost that the aggregate cost of all the Trust Equipment will be at least said sum; and the Trustee shall execute to the Company a supplemental lease thereof, describing the same, upon and subject to the terms and conditions hereof and of said Agreement, and such additional equipment shall be part of the Trust Equipment, subject to all the terms and conditions hereof and of said Agreement in all respects as though it had been part of the original Trust Equipment herein described.

As and when the Trust Equipment shall from time to time be transferred and delivered to the Trustee under said Agreement and marked in accordance with the provisions of Article Fourth hereof, the same shall be delivered to the Company, and shall upon such delivery to the Company IPSO FACTO and without further deed of lease or transfer pass under and become subject to all the terms and provisions of this Lease, and be deemed a portion of the Trust Equipment lease by the Trustee to the Company hereunder, in all respects as if the same had been so delivered simultaneously with the execution and delivery hereof.

And the Company, in consideration of the premises, by these presents covenants and agrees with the Trustee as follows:

FIRST. The Company hereby accepts (subject to the conditions mentioned in said Agreement) this Lease of all the Trust Equipment, and hereby covenants and agrees to accept delivery and possession hereunder of the Trust Equipment as hereinbefore provided; and the Company covenants and agrees to pay to the Trustee or its assigns (or in the case of taxes to the proper taxing authority) rent hereunder which shall be sufficient to pay and discharge the following items, when and as the same shall become due and payable.

(a) From time to time, as and when any of the Trust Equipment shall be delivered to the Company, amounts in cash equal to the difference between the cost of the Trust Equipment so delivered, as certified to the Trustee by the President or a Vice-President, or the Treasurer or an Assistant Treasurer of the Company, and the principal amount of Trust Certificates issuable in respect thereof as provided in Section 2 of Article I of said Agreement, provided that the aggregate of all amounts so paid to the Trustee shall never be less than 25 per cent. of the cost of all the Trust Equipment which shall then and theretofore have been delivered hereunder.

(b) The necessary and reasonable expenses of the trust, including all expenses connected with the Trust Equipment and this Lease thereof.

(c) Any and all taxes, assessments and other governmental charges upon the income or property of the trust, or the agreements evidencing the same, which the Trustee under said Agreement may be required to pay, and any and all taxes, assessments and other governmental charges (other than Federal income taxes) which the Company or the Trustee may be required to pay or to retain from the principal of the Trust Certificates issued as provided in said Agreement (herein called the Trust Certificates) or from the dividends thereon, under any present or future law of the United States of America or of the Commonwealth of Pennsylvania.

(d) The dividend warrants attached to the Trust Certificates when and as the same shall become payable.

(e) The principal of the Trust Certificates when and as the same shall become payable, whether by declaration or upon the respective dates of maturity thereof, to wit:

October 1, 1925	$1,050,000
October 1, 1926	1,050,000
October 1, 1927	1,050,000
October 1, 1928	1,050,000
October 1, 1929	1,050,000
October 1, 1930	1,050,000
October 1, 1931	1,050,000
October 1, 1932	1,050,000
October 1, 1933	1,050,000
October 1, 1934	1,050,000
October 1, 1935	1,050,000
October 1, 1936	1,050,000
October 1, 1937	1,050,000
October 1, 1938	1,050,000
October 1, 1939	1,050,000

The Company shall not be required, however, to pay any tax, assessment or other governmental charge so long as the Company shall in good faith and by appropriate legal proceedings contest the validity thereof, unless thereby, in the judgment of the Trustee, the rights or interests of the Trustee or of the Trust Certificate holders may be materially endangered; provided that nothing herein shall qualify or affect the right of the Trust Certificate holders to receive full and punctual payment of both dividends and principal without deduction for such taxes, assessments or other governmental charges (other than Federal income taxes).

SECOND. This Lease shall continue in force until the rent so paid hereunder shall furnish moneys sufficient to meet, discharge and cancel all the interests in said Pennsylvania Railroad General Equipment Trust, Series C, created in respect of the Trust Equipment, and the dividends thereon, as well as the other payments and charges aforesaid. At the termination of this Lease and after all such payments shall have been completed and fully made to the Trustee, the Trust Equipment hereby leased, whether the same shall be delivered to the Company simultaneously with or after the execution hereof, shall be assigned and transferred by the Trustee to the Company or its nominee or nominees, and shall be and become the absolute property of the Company or its nominee or nominees; provided, however, and it is agreed, that until then the title to none of the Trust Equipment shall pass to or vest in the Company but title to and ownership of all the Trust Equipment shall be reserved to and remain in the Trustee, notwithstanding the

delivery of the Trust Equipment to and the possession and use thereof by the Company.

THIRD. Upon the written request of the Company, stating that the use of any of the Trust Equipment is no longer required by the Company, evidenced by a resolution of its Board of Directors, the Trustee may, while the Company is not in default hereunder, execute and deliver a bill of sale assigning and transferring to the purchaser named by the Company the absolute title to any of the Trust Equipment; provided, however, that none of the Trust Equipment shall be so assigned or transferred, unless simultaneously the Trustee shall receive from said purchaser the agreed purchase price thereof and from the Company a sum in cash equal to the difference, if any, between said purchase price and the original cost to the Vendors of the equipment so assigned and transferred. The sums so paid to the Trustee shall be held by it for the equal and proportionate benefit of the holders of the Trust Certificates and dividend warrants, until paid out by the Trustee upon the written request of the Company for the purchase by the Trustee, from the manufactures, of new railroad rolling stock, free from liens, and upon the delivery of such new equipment to the Trustee accompanied by a bill or bills of sale, an opinion of counsel and a certificate as to delivery and cost in like manner as is provided in Section 5 of Article I of said Agreement. Any new equipment so acquired and substituted shall be marked in accordance with the provisions of Article Fourth hereof and immediately upon being so marked shall be part of the Trust Equipment, subject to all of the terms and conditions hereof and of said Agreement in all respects as though it had been part of the original Trust Equipment herein described, and the Company and the Trustee shall execute a supplemental lease thereof, describing the same, upon and subject to all the terms and conditions hereof. The term "Trust Equipment," wherever used herein, unless otherwise indicated by the context, is intended to include any new equipment so acquired or otherwise subjected to this Lease or required or intended so to be.

FOURTH. At or before the delivery to the Company of each unit of the Trust Equipment, there shall be plainly, distinctly, permanently and conspicuously placed and fastened upon each side of each thereof a metal plate bearing the following words, or such words shall be otherwise plainly, distinctly, permanently and conspicuously marked on each side of each thereof, in either case in letters not less than one inch in height:

"Pennsylvania Railroad General Equipment Trust, Series C. Fidelity Trust Company, Trustee, Owner."

Such plate or marks shall be such as to be readily visible and as to indicate plainly the Trustee's ownership of the Trust Equipment. In case, during the continuance of this Lease, any of such plates or marks shall at any time be removed, defaced or destroyed, the Company will immediately cause the same to be restored or replaced. The Company will not change, or permit to be changed, the numbers upon any of the Trust Equipment (nor any numbers which may be substituted as herein provided), except in accordance with a statement of new numbers to be substituted therefor, which shall previously have been filed with the Trustee by the Company.

The Trust Equipment may be lettered "The Pennsylvania Railroad Company," "Pennsylvania," "P. R. R.," or in some other appropriate manner for convenience of identification of the leasehold interest of the Company therein; but the Company, during the continuance of this Lease, will not allow the name of any person, association or corporation to be placed on any of the Trust Equipment as a designation which might be interpreted as a claim of ownership thereof by the Company or by any person, association or corporation other than the Trustee.

FIFTH. (a) The Company, during the continuance of this Lease, will maintain and keep all of the Trust Equipment in good order and repair, at its own proper cost and charge, and will replace, at its own cost, any of the Trust Equipment that may be worn out, lost or destroyed, by new railroad rolling stock of equal value, the value of the new rolling stock to be figured at cost if that be below market value, or at market value if that be below cost. The title to all rolling stock procured for such replacement shall be taken in the name of the Trustee, free from liens, and such rolling stock shall be marked in accordance with the provisions of Article Fourth hereof. At the time of every such replacement the Company shall deliver to the Trustee a certificate of the President or a Vice-President, or the Treasurer or an Assistant Treasurer of the Company stating the value of the Trust Equipment so worn out, lost or destroyed and the cost and the reasonable market value of such replacement.

(b) The Company covenants and agrees to furnish to the Trustee, whenever required by the Trustee, and at least once in every year during the continuance of this Lease, an accurate statement of the amount, description and numbers of the Trust Equipment then covered hereby, and the amount, description and numbers of all that may have been worn out, lost or destroyed by accident or otherwise, and the number of units of Trust Equipment repaired during the previous year. Together with said statement the Company shall also furnish to the Trustee a statement signed by its Chief of Motive Power or an Assistant Chief of Motive Power, stating that in the case of all of the Trust Equipment repainted during the preceding year, the marks required by Article Fourth hereof have been preserved/or that the same when repainted has been again marked as required by said Article. And the Trustee shall have the right, by its agents, to inspect the Trust Equipment once in every year during the continuance of this Lease.

(c) The Company covenants and agrees to indemnify and protect the Trustee in the use of any and all patented inventions employed in and about the Trust Equipment and to comply in all respects with the laws of the United States and of all the states in which the Trust Equipment or any thereof may be operated and with all lawful acts, rules, regulations and orders of the Interstate Commerce Commission and of all other commissions, boards and other legislative, executive or judicial bodies or officers having power to regulate or supervise any of the Trust Equipment, including all lawful acts, rules, regulations and orders of any body having competent jurisdiction relating to automatic coupler devices or attachments, air brakes or other appliances; provided, however, that the Company may in good faith contest the validity of any such act, rule, regulation or order or the application thereof to the Trust Equipment or any part thereof, in any reasonable manner which will not, in the judgment of the Trustee, materially endanger the rights or interests of the Trustee, or of the holders of the Trust Certificates.

SIXTH. The Company, so long as it shall not be in default under this Lease, shall be entitled to the possession of the Trust Equipment and the use thereof upon the lines of railroad owned or operated by it under lease or otherwise, or over which it has trackage rights, and upon those of any railroad company a majority of whose capital stock is at the time owned by the Company, and also upon connecting and other railroads in the usual interchange of traffic, from and after the delivery of the Trust Equipment by the Trustee to the Company, but only upon and subject to all the terms and conditions of this Lease.

The Company will not either assign or transfer this Lease, or transfer or sublet the Trust Equipment or any part thereof, without the written consent of the Trustee first had and obtained; and the Company shall not, without such written consent, except as hereinbefore provided, part with the possession of, or suffer or allow to pass out of its

possession or control, any of the Trust Equipment. A transfer through insolvency or under judicial process shall be deemed a breach of this covenant. The Trustee shall have the right to declare this Lease terminated in case of any unauthorized assignment or transfer of this Lease or transfer or sublease of the Trust Equipment. The election of the Trustee to terminate this Lease under this clause shall have the same effect as the retaking of the Trust Equipment by the Trustee as hereinafter provided.

SEVENTH. In case the Company

(1) shall make default in the payment of any part of said rent for more than thirty (30) days after the same shall become due and payable, or

(2) shall make or suffer any unauthorized assignment or transfer of its rights or interest in, or any unauthorized sublease of, the Trust Equipment, and shall fail or refuse either to cause such assignment or transfer or sublease to be cancelled by agreement of all parties having any interest therein and recover possession of such Trust Equipment within thirty days after the Trustee shall have demanded in writing such cancellation and recovery of possession, or within said thirty days to deposit with the Trustee a sum in cash equal to the original cost of the Trust Equipment so assigned or transferred or sub-leased as certified to the Trustee by the President or a Vice-President or the Treasurer or an Assistant Treasurer of the Company (any sum so deposited to be returned to the Company upon the cancellation of such assignment, transfer or sublease, and the recovery of possession by the Company of such Trust Equipment), or

(3) shall, for more than ninety (90) days after the Trustee shall have demanded in writing performance thereof, fail or refuse to comply with any other of the terms and covenants herein or in said Agreement on its part to be kept and performed, or to make provision satisfactory to the Trustee for such compliance,

then in any such case (herein and in said Agreement sometimes called events of default), the Trustee may by its agents enter upon the railroads and premises of the Company and take possession of all or any part of the Trust Equipment, and withdraw the same from said railroads and premises, retaining all payments which up to that time may have been made on account of rental for the Trust Equipment and otherwise, and shall be entitled to collect, receive and retain all unpaid per diem, mileage or other charges of any kind earned by the Trust Equipment or any thereof, and may lease the Trust Equipment or any part thereof, or sell the same or any part thereof, so far as may be necessary to perform and fulfill the trusts under said Agreement at public or private sale, for cash or upon credit, in its discretion, and otherwise proceed to enforce its rights and the rights of the owners of interests under said Agreement and under this Lease in the manner therein and herein provided; and upon such taking possession or withdrawal or lease or sale of the Trust Equipment, the Company shall cease to have any rights or remedies in respect of the Trust Equipment under this Lease, but all such rights and remedies shall be deemed thenceforth to have been waiver and surrendered by the Company; and no payments theretofore made by the Company for the rent or use of the Trust Equipment, or any of it, shall, in case of the happening of any such event of default and such taking possession, withdrawal, lease or sale by the Trustee, give to the Company any legal or equitable interest or title in or to the Trust Equipment, or any of it, or any cause or right of action, at law or in equity, in respect of the Trust Equipment against the Trustee or the owners of interests in said Pennsylvania Railroad General Equipment Trust, Series C; and such taking possession or withdrawal or lease or sale of the Trust Equipment by the Trustee shall not be a bar to the recovery by the Trustee from the Company for rentals then or thereafter due and payable, and the

Company shall be and remain liable for the same, until such sum shall have been realized as, with the proceeds of the lease or sale of the Trust Equipment, shall be sufficient for the discharge and payment in full of all the various items mentioned in subdivisions (a), (b), (c), (d) and (e) of Article First hereof, whether they shall have then matured or not.

In case the Trustee shall rightfully demand possession of the Trust Equipment in pursuance of this lease, and shall reasonably designate a point or points upon the railroad of the Company, or upon the railroad of any company a majority of whose capital stock is at the time directly or indirectly owned by the Company, for the delivery of the Trust Equipment to it, the Company will, at its own expense, forthwith and in the usual manner and at reasonable speed, cause the Trust Equipment to proceed or be drawn to such point or points on said railroads as shall be designated by the Trustee and will there deliver or cause to be delivered the same to the Trustee; or the Trustee at its option may keep the Trust Equipment on any of the lines of railroad or premises of the Company until the Trustee shall have leased, sold or otherwise disposed of the same, and for such purpose the Company agrees to furnish without charge for rent or storage the necessary tracks at any convenient point or points selected by the Trustee. It is hereby expressly covenanted and agreed that the performance of the foregoing covenants is of the essence of the contract and that upon application to any court of equity having jurisdiction in the premises the Trustee shall be entitled to a decree against the Company requiring the specific performance thereof.

The remedies in this Lease and in said Agreement provided in favor of the Trustee and the holders of Trust Certificates, or any of them, shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in their favor existing at law or in equity.

EIGHTH. This Lease may be simultaneously executed in fifteen counterparts, each of which, so executed, shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed in their names by their respective Presidents or Vice-Presidents, and sealed with their corporate seals, attested by their respective Secretaries or Assistant Secretaries, as of the day and year first above written.

FIDELTIY TRUST COMPANY,

(CORPORATE SEAL) By

W. G. LITTLETON

Vice-President.

Signed, sealed, acknowledged and delivered
in the presence of:

As to Fidelity Trust Company: Attest:

H. W. WOODWARD,
Assistant Secretary

G. H. Zacherle

A. W. Porter

THE PENNSYLVANIA RAILROAD COMPANY,

As to The Pennsylvania Railroad Company: By

J. S. Hebden

Margaret E. Rutty (CORPORATE SEAL) H. TATNALL (SEAL)
Vice-President.

Attest: LEWIS NEILSON,
Secretary.

COMMONWEALTH OF PENNSYLVANIA)
)SS.
CITY AND COUNTY OF PHILADELPHIA)

I, N. Spering, a Notary Public within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on October 20th, 1924, before me the subscriber, a Notary Public as aforesaid, personally appeared W. G. Littleton, Vice-President of Fidelity Trust Company, one of the corporations which executed the foregoing instrument in writing, bearing date of October 1, 1924, whose name is signed thereto, and the said W. G. Littleton, to me personally known, being by me duly affirmed, did depose and say that he is the Vice-President of the said Fidelity Trust Company, one of the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed and sealed by him as Vice-President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; and that he acknowledged the said foregoing instrument to be the free act and deed of the said Fidelity Trust Company.

W. G. LITTLETON.

Affirmed before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

I am not a stockholder, director or offier of said Trust Company.

N. Spering,

Notary Public.

(Notarial Seal)

My Commission Expires April 1, 1927.

COMMONWEALTH OF PENNSYLVANIA)
)SS.
CITY AND COUNTY OF PHILADELPHIA)

I, N. Spering, a Notary Public within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on Oct. 20, 1924, before me the subscriber, a Notary Public as aforesaid, personally appeared H. Tatnall, Vice-President of The Pennsylvania Railroad Company, one of the corporations which executed the foregoing instrument in writing, bearing date of October 1, 1924, whose name is signed thereto, and the said H. Tatnall, to me personally known, being by me duly affirmed, did depose and say that he is the Vice-President of said The Pennsylvania Railroad Company, one of the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed and sealed by him as Vice-President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; and that he acknowledged the said foregoing instrument to be the free act and deed of said The Pennsylvania Railroad Company.

affirmed before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

N. SPERING,

Notary Public.

(Notarial Seal) My Commission Expired April 1, 1927.

THIS AGREEMENT, dated the first day of October, 1924, by and between HARRY J. MOORE and JOSIAH B. BARTOW (hereinafter called the Vendors), of the first part, FIDELITY TRUST COMPANY, of Philadelphia, Pennsylvania (hereinafter called the Trustee), of the second part, and THE PENNSYLVANIA RAILROAD COMPANY (hereinafter called the Company), of the third part, WITNESSETH as follows:

WHEREAS, the Vendors have contracted or will contract to acquire the railroad equipment specifically described in the form of Lease from the Trustee to the Company prefixed to this Agreement, to which form reference is hereby made; and

WHEREAS, subscriptions have been or are being secured to the amount of fifteen million seven hundred and fifty thousand dollars ($15,750,000) to a fund to be known as the Pennsylvania Railroad General Equipment Trust, Series C, which said fund is to be furnished to the Vendors to be applied by them in part payment of the purchase price of said railroad equipment to be acquired by them; and

WHEREAS, said Vendors desire to secure to the parties subscribing to said fund, or their assigns, the payment of the amount thereof in fifteen annual instalments, payable respectively on October 1 in each year, from October 1, 1925, to October 1, 1939, both inclusive, as hereinafter more particularly provided, with dividends to said dates of maturity respectively at the rate of four and one-half per cent. (4½%) per annum from October 1, 1924, payable semi-annually on April 1 and October 1 in each year; and to evidence the rights of the subscribers to said fund by Trust Certificates in substantially the form hereinafter set forth;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND THE MUTUAL COVENANTS HEREIN CONTAINED, THE PARTIES HERETO AGREE AS FOLLOWS:

ARTICLE 1.

SECTION 1. The Vendors hereby agree to sell, assign, transfer and set over unto the Trustee, as trustee for the holders of the Trust Certificates hereinafter described, the Trust Equipment described in said Lease prefixed hereto. The Vendors will deliver, or cause to be delivered, the Trust Equipment to the person or persons designated by the Trustee as its agent or agents to receive such delivery, who may be any one or more of the officers and agents of the Company, and the certificate of any and every agent so designated shall be conclusive evidence of such delivery. The Trustee and the Company shall simultaneously with the execution of this Agreement execute and deliver said Lease of all the Trust Equipment.

SECTION 2. Upon the transfer and delivery to the Trustee of any of the Trust Equipment it shall, subject to the provisions of Section 5 of this Article 1, issued to the Vendors, or upon their order, for distribution to the several subscribers to said Pennsylvania Railroad General Equipment Trust, Series C, certificates to be known as Pennsylvania Railroad General Equipment Trust Certificates, Series C, herein called the Trust Certificates, of such maturity or maturities as shall be designated by the Vendors, to a principal amount equal to 75 per cent. of the cost of the Trust Equipment so transferred and delivered to it, or to the greatest multiple of $1,000 contained therein, and make payment to the Vendors, or upon their order, in cash, of the remainder of said cost, out of the instalment of rental payable upon such delivery pursuant to subdivision (a) of Article First of said Lease. Any amount by which 75 per cent. of the cost of such Trust Equipment shall exceed the greatest multiple of $1,000 contained therein shall be adjusted upon the delivery of the next lot of Trust Equipment hereunder.

SECTION 3. In lieu of executing and delivering Trust Certificates against the delivery of Trust Equipment as in Section 2 of this Article I provided, the Trustee shall at any time, or from time to time, upon request of the Vendors, execute and deliver to the Vendors, or upon their order, for distribution to said several subscribers, Trust Certificates of such maturity or maturities as shall be designated in such request, upon the deposit in cash with the Trustee, or to its credit as Trustee hereunder, with such banks, bankers or trust companies as may be designated by the Vendors and approved by the President or a Vice-President, or the Treasurer of the Company, and also approved by the President or a Vice-President, or the Treasurer of the Trustee, of said fund, or a part thereof equal to the principal amount of the Trust Certificates the execution and delivery of which shall be so requested. The Trustee may likewise cause to be deposited with such banks, bankers or trust companies the instalments of rental payable to it on each delivery of Trust Equipment pursuant to subdivision (a) of Article First of said Lease, and any sums received by it pursuant to Article Third of said Lease.

Any interest allowed by the Trustee or said banks, bankers or trust companies upon any moneys so deposited shall belong to the Company and be paid to it by or upon the order of the Trustee, so long as it shall not be in default hereunder or under said Lease, in lieu of the use of the Trust Equipment for the period before the delivery thereof. The certificates of the banks, bankers or trust companies so designated, stating that they hold a stated amount subject to the order of the Trustee, shall be full protection to the Trustee for its action on the faith thereof. Said banks, bankers, or trust companies shall be fully protected in paying said moneys so deposited with them, and any such interest, to or upon the order of the Trustee, and shall be under no obligation to see to the application thereof in accordance with the provisions of this Agreement.

SECTION 4. The cash deposited with or to the credit of the Trustee constituting said fund, or a part thereof, as in Section 3 of this Article 1 provided (hereinafter called the Deposited Cash), all instalments of rental paid upon the delivery of Trust Equipment pursuant to subdivision (a) of Article First of said Lease, and any sums received by said Trustee pursuant to Article Third of said Lease, shall until paid out by the Trustee as herein provided, be held for the benefit of the holders of the Trust Certificates. Whenever from time to time any of the Trust Equipment shall be transferred and delivered to the Trustee, the Trustee shall, if requested so to do, subject to the provisions of Section 5 of this Article I, pay to the Vendors, or upon their order, out of the Deposited Cash, an aount equal to 75 per cent. of the cost of the Trust Equipment so transferred and delivered to it, and shall make payment of the remainder thereof out of the instalment of rental payable on such delivery pursuant to subdivision (a) of Article First of said Lease.

SECTION 5. The Trustee shall not issue any Trust Certificates or pay out any Deposited Cash against the delivery of any of the Trust Equipment unless and until it shall have received

(a) a certificate of the agent or agents designated by the Trustee to receive delivery of the Trust Equipment stating that Trust Equipment specified by number in such certificate has been delivered to such agent or agents and marked in accordance with the provisions of Article Fourth of said Lease;

(b) a bill or bills of sale of such Trust Equipment from the manufacturer or owner thereof to the Trustee, containing or accompanied by a warranty or guaranty by the manufacturer or owner to the Trustee that the title to the Trust Equipment described therein is free from any liens or encumbrances;

(c) an opinion of counsel satisfactory to the Trustee (who may be of counsel for the Company) that such bill or bills of sale are valid and effective to vest in the Trustee, free from all liens and encumbrances, the title to transferred to the Trustee; and

(d) a certificate or certificates as to the cost of such Trust Equipment signed by the President or a Vice-President, or the Treasurer or an Assistant Treasurer of the Company, which certificates may state either that the cost of such Trust Equipment is an amount therein specified or that the cost of such Trust Equipment is not less than an amount therein specified, and shall be conclusive evidence of such cost.

SECTION 6. Anything in this Article contained to the contrary notwithstanding, the aggregate principal amount of the Trust Certificates which shall be executed and delivered by the Trustee under this Agreement shall not exceed the sum of fifteen million seven hundred and fifty thousand dollars ($15,750,000) at any one time outstanding.

ARTICLE II.

SECTION 1. Each of the Trust Certificates shall represent an interest to the amount of one thousand dollars ($1,000) in the trust of the Trust Equipment hereby created, and the holder or registered owner thereof shall be entitled to receive dividends on said amount at the rate of four and one-half per cent. (4½%) per annum from October 1, 1924, payable semi-annually on April 1 and October 1 in each year. The Trust Certificates shall become due and payable as follows:

On October 1, 1925.....	$1,050,000	principal	amount.
On October 1, 1926.....	1,050,000	"	"
On October 1, 1927.....	1,050,000	"	"
On October 1, 1928.....	1,050,000	"	"
On October 1, 1929.....	1,050,000	"	"
On October 1, 1930.....	1,050,000	"	"
On October 1, 1931.....	1,050,000	"	"
On October 1, 1932.....	1,050,000	"	"
On October 1, 1933.....	1,050,000	"	"
On October 1, 1934.....	1,050,000	"	"
On October 1, 1935.....	1,050,000	"	"
On October 1, 1936.....	1,050,000	"	"
On October 1, 1937.....	1,050,000	"	"
On October 1, 1938.....	1,050,000	"	"
On October 1, 1939.....	1,050,000	"	"

The due date of each Trust Certificate shall appear upon its face. The Trust Certificates shall be numbered from 1 consecutively upward to 15,750,both inclusive.

Dividend warrants evidencing the right of the holders of the Trust Certificates to the dividends thereon, shall be annexed to the respective Trust Certificates. All dividends on the respective Trust Certificates shall cease after the principal thereof shall have become due.

SECTION 2. The Trust Certificates, the dividend warrants to be annexed thereto, and the guaranty to be endorsed thereon by the Company as hereinafter in Article III provided, shall be in substantially the following forms:

(Form of Trust Certificate)

No.

$1,000

PENNSYLVANIA RAILROAD GENERAL EQUIPMENT TRUST

SERIES C

TOTAL ISSUE $15,750,000

Dividends at the Rate of Four and One-Half Per Cent. per annum. Payable April 1 and October 1.

Fidelity Trust Company, of Philadelphia, Pennsylvania, Trustee.

PRINCIPAL HEREOF DUE OCTOBER 1, 19 .

FIDELITY TRUST COMPANY, Trustee under an Agreement dated October 1, 1924, between Harry J. Moore and Josiah B. Bartow, of the first part, Fidelity Trust Company, Trustee, of the second part, and The Pennsylvania Railroad Company, of the third part, hereby certifies that the bearer, or, if this certificate be registered, the registered owner hereof, is entitled to an interest of One Thousand Dollars in the PENNSYLVANIA RAILROAD GENERAL EQUIPMENT TRUST, SERIES C, payable on October 1, 19 , and to dividends thereon at the rate of four and one-half per cent. per annum from October 1, 1924, to said date of maturity, payable semi-annually on April 1 and October 1 in each year, upon presentation and surrender as they severally mature, of the dividend warrants hereto attached, both principal and dividends being payable at the office of the Trustee in the City of Philadelphia, Pennsylvania, or at the option of the holder or registered owner, at its agency in the Borough of Manhattan in the City and State of New York, in gold coin of the United States of America of or equal to the present standard of weight and fineness, all without deduction for any tax, assessment or other governmental charge (other than Federal income taxes) which The Pennsylvania Railroad Company or the Trustee may be required to pay, or to retain therefrom, under any present or future law of the United States of America or of the Commonwealth of Pennsylvania, but only from and out of rentals received from a certain Lease of Railroad equipment made by Fidelity Trust Company, Trustee, to The Pennsylvania Railroad Company, dated October 1, 1924.

This certificate is one of an issue of 15,750 certificates for $1,000 each, similar except as to dates of maturity, all issued under said Agreement, under which said railroad equipment and said Lease thereof are held by said Trustee in trust for the equal benefit of the holders of the interests represented by said certificates, to which Agreement and Lease, filed with the Trustee at its office in the City of Philadelphia, Pennsylvania, reference is made for a further statement of the rights of the holder hereof thereunder.

This certificate may be registered in the name of the holder hereof at the office of the Trustee in the City of Philadelphia, Pennsylvania, or at its agency in the Borough of Manhattan in the City and State of New York, and such registration noted hereon by or on behalf of the Trustee. Thereafter title to the interest represented by this certificate shall pass only by transfer registered at said office or agency unless and until a transfer to bearer shall have been similarly registered and noted hereon. Such registration shall apply only to the principal of this certificate and not to the dividend warrants hereunto attached, which shall continue to be payable to bearer.

In case of default in the performance or observance of any of the covenants of The Pennsylvania Railroad Company in said Agreement or Lease contained, the principal amount represented by this certificate may become or be declared due and payable in the manner and with the effect therein provided.

IN WITNESS WHEREOF, the Trustee has caused this certificate to be signed by its President or one of its Vice-Presidents, and its corporate seal to be hereunto affixed and to be attested by its Secretary or an Assistant Secretary, and dividend warrants bearing the facsimile signature of its Treasurer to be attached hereto, as of the first day of October, 1924.

FIDELITY TRUST COMPANY, TRUSTEE,

By

President.

Attest:

Secretary.

(Form of Dividend Warrant.)

No.

$22.50

Due to the bearer hereof on the first day of , 19 , on surrender hereof at the office of the undersigned Trustee in Philadelphia, Pa., or at its agency in the Borough of Manhattan, City and State of New York, Twenty-two 50/100 Dollars, without deduction for Federal or Pennsylvania taxes (other than Federal income taxes), being the semi-annual dividend then due on certificate No. of the Pennsylvania Railroad General Equipment Trust, Series C, payable only out of rentals under the Lease referred to in said certificate.

FIDELITY TRUST COMPANY, TRUSTEE,

By

Treasurer

(FORM OF GUARANTY.)

The Pennsylvania Railroad Company, for a valuable consideration, hereby unconditionally guarantees to the holder or registered owner of the within certificate the prompt payment of One Thousand Dollars, being the principal of said certificate, when the same shall become due and payable, whether at the maturity thereof or by declaration or otherwise, and of dividends thereon at the rate of four and one-half per cent. per annum on the semi-annual dates mentioned in said certificate and in the dividend warrants thereunto attached.

THE PENNSYLVANIA RAILROAD COMPANY,

By

President.

SECTION 3. The Trust Certificates shall be signed in the name and on behalf of the Trustee by its President or one of its Vice-Presidents, and its corporate seal shall be thereunto affixed and attested by its Secretary or one of its Assistant Secretaries. The dividend warrants to be thereunto attached shall be authenticated by the facsimile signature of the present or any future Treasurer of the Trustee. Before executing or delivering any Trust Certificates all matured dividend warrants thereto appertaining shall be cut off and cancelled and delivered by the Trustee to the Company.

SECTION 4. Temporary printed Trust Certificates, with or without dividend warrants, in such form and denominations as the Trustee may determine, may be issued by the Trustee, having endorsed thereon said guaranty of the Company, which shall be exchangeable upon surrender for definitive engraved or lithographed Trust Certificates, having endorsed thereon said guaranty of the Company, when the same shall have been prepared. Each of said temporary Trust Certificates shall designate the date or dates of maturity of the definitive Trust Certificate or Certificates for which it is exchangeable and until such exchange said temporary Trust Certificates shall be entitled to the same benefit of this Agreement in all respects as said definitive Trust Certificates, including the guaranty of payment by the Company.

SECTION 5. Any of the definitive Trust Certificates may be registered in the name of the holder at the office of the Trustee in the City of Philadelphia, Pennsylvania, or at its agency in the Borough of Manhattan in the City and State of New York, and such registration shall be noted thereon by or on behalf of the Trustee. Thereafter no transfer thereof shall be valid unless made at said office or agency by the registered owner thereof, in person or by his duly authorized attorney, and similarly noted; but the same may be discharged from registration by being in like manner transferred to bearer; and such Trust Certificates may again and from time to time be registered or transferred to bearer as before.

Such registration, however, shall not affect the dividend warrants, but every such dividend warrant shall continue to be transferable by delivery merely and shall remain payable to bearer.

Anything to the contrary herein notwithstanding, the parties hereto may deem and treat the bearer of any unregistered Trust Certificate and the bearer of any dividend warrant, as the absolute owner of such Trust Certificate or dividend warrant, as the case may be, for the purpose of receiving payment thereof, and for all other purposes, and shall not be affected by any notice to the contrary. The parties hereto may deem and treat the registered owner of any registered Trust Certificate as the absolute owner of such Trust Certificate for all purposes except payment of dividends, and shall not be affected by any notice to the contrary.

For any registration, transfer or discharge from registration, the Trustee at its option may, and if so requested by the Company shall, require the payment of a sum sufficient to reimburse it for any stamp tax or other governmental charge connected therewith.

SECTION 6. In case any Trust Certificate, or the dividend warrants thereto attached, shall become mutilated or defaced or be lost, destroyed or stolen, then on the terms herein set forth, and not otherwise, the Trustee shall execute and deliver a new Trust Certificate (and the Company at the request of the Trustee shall execute its guaranty thereon), with all unmatured dividend warrants appertaining thereto, of like maturity, tenor and date, and bearing the same serial number as the one mutilated, defaced, lost, destroyed or stolen, in exchange and substitution for, and upon cancellation of, the

mutilated or defaced Trust Certificate and warrants, or in lieu of and substitution for the same if lost, destroyed or stolen, and make payment of any matured dividend warrants appertaining to the same. The applicant for a new Trust Certificate shall furnish to the Trustee and to the Company evidence to their satisfaction of the loss, destruction or theft of such Trust Certificate or warrants alleged to have been lost, destroyed or stolen and of the ownership and authenticity of such mutilated, defaced, lost, destroyed or stolen Trust Certificate and warrants, and also such security or indemnity as may be required by the Trustee and by the Company in their discretion; and shall pay all expenses and charges of such substitution or exchange. All Trust Certificates are held and owned upon the express condition that the foregoing provisions are exclusive in respect of the replacement of mutilated, defaced, lost, destroyed or stolen Trust Certificates and warrants and shall preclude any and all other rights and remedies, any law or statute now existing or hereinafter enacted to the contrary notwithstanding.

ARTICLE III.

SECTION 1. The Company hereby accepts and becomes bound by all the terms of this Agreement, and hereby covenants and agrees to make payment of the reasonable expenses of the Trustee, and of all taxes, assessments and other governmental charges herein mentioned for which the Trustee may be liable, or which (other than Federal income taxes) the Trustee or the Company may be required to pay or to retain from the principal of the Trust Certificates or the dividends payable in respect thereof, under any present or future law of the United States of America or of the Commonwealth of Pennsylvania.

SECTION 2. The Company covenants and agrees and guarantees that the holder or registered owner of each of the Trust Certificates shall receive the sum of One Thousand Dollars, in gold coin of the United States of America of or equal to the present standard of weight and fineness, when and as the same shall become due and payable, whether at the maturity thereof or by declaration or otherwise, and shall receive dividends thereon in like gold coin at the rate of four and one-half per cent. (4½%) per annum, from October 1, 1924, to the date of maturity of such certificate, all without deduction for any tax, assessment or other governmental charge (other than Federal income taxes) which the Company or the Trustee may be required to pay, or to retain therefrom, under any present or future law of the United States of America or of the Commonwealth of Pennsylvania, and at the times and place and otherwise as expressed in the Trust Certificates and in the dividend warrants thereto attached; and the Company further covenants and agrees to endorse upon each of the Trust Certificates, at or before the issue and delivery thereof by the Trustee, its guaranty of the prompt payment of the principal thereof and of the dividends thereon, in substantially the form in Section 2 of Article II hereof provided. Said guaranty so endorsed shall be signed in the name and on behalf of the Company by the President or one of its Vice-Presidents, or by such other person or persons as shall have been duly authorized by its Board of Directors to sign for the President and upon behalf of the Company.

SECTION 3. The Company covenants and agrees that it will pay or cause to be paid or discharged, or make adequate provision for the satisfaction or discharge of, any claim which, if unpaid, might become a lien or charge upon or against any of the Trust Equipment, except upon the leasehold interest of the Company therein; but this provision shall not require the payment of any such claim so long as the validity thereof shall

be contested in good faith and by appropriate legal proceedings.

SECTION 4. The Company covenants and agrees to pay the expenses incident to the preparation and execution of the Trust Certificates and dividend warrants, including any temporary Trust Certificates to be issued hereunder, or connected with the preparation, execution, recording, registration and filing hereof or of said Lease or of any instruments executed under the provisions hereof or of said Lease in respect to the Trust Equipment or Lease, or any equipment or parts used to replace any of the same. The Company with all convenient speed will cause this Agreement and said Lease, and all supplemental leases and agreements which may be executed under the terms of this Agreement or of said Lease, to be duly filed and recorded in all states wherein are situated railroad lines owned or operated by the Company under lease or otherwise, or by any railroad company, a majority of the capital stock of which is owned by the Company and to which it shall permit the use of any of the Trust Equipment, or lines over which the Company or such a railroad company has trackage rights, and in all states where any of the Trust Equipment shall be delivered, and otherwise as may be required by law, so that this Agreement and said Lease and all said other instruments may at all times be duly filed and recorded.

SECTION 5. The Company covenants and agrees from time to time to do all such acts and execute all such instruments of further assurance as it shall be reasonably requested by the Trustee to do or execute for the purpose of fully carrying out and effectuating this Agreement and said Lease and the intent thereof.

ARTICLE IV.

SECTION 1. In order to prevent any accumulation of Trust Certificates or of dividend warrants after maturity, neither the Trustee nor the Company shall directly or indirectly extend or assent to the extension of the time for the payment of any Trust Certificate or dividend warrant, but the same shall be paid and cancelled at maturity, and no Trust Certificate or dividend warrant in substitution therefor shall be issued, and neither the Trustee nor the Company shall directly or indirectly be a party to or approve of any arrangement for purchasing or funding any of said Trust Certificates or dividend warrants, or for an advance or loan upon the same, at or after maturity. In case the time for payment of any Trust Certificate or dividend warrant shall be so extended, whether or not such extension be by or with the consent of the Trustee or the Company, or in case, at or after maturity, any Trust Certificates or divident warrants shall be purchased or funded, or an advance or loan upon the same shall be made, by or on behalf of the Trustee or the Company or pursuant to any arrangement requested or approved by either of them or to which either of them shall be a party or made with the privity of the Trustee or the Company, such Trust Certificates and dividend warrants shall not be entitled to the benefit of said Lease or of this Agreement, except subject to the prior payment in full of the principal of all other Trust Certificates and dividend warrants, whether the same be then matured or unmatured.

SECTION 2. In case one or more of the events of default described in Article Seventh of said Lease shall happen, the Trustee in its discretion may, and at the request of the holders of a majority in amount of the Trust Certificates then outstanding shall, declare the principal of all of said Trust Certificates to be due and payable, and thereupon the same shall become and be immediately due and payable. In case one or more of said events of default shall happen (whether the principal of the Trust Certificates shall have been declared due and payable or not), the Trustee may retake possession of the Trust

Equipment or any part thereof and may either hold or lease the same or any part thereof, or dispose of the same or any part thereof in such manner, at public or private sale, for cash or upon credit, as the Trustee may deem most beneficial to the interests of the holders of said Trust Certificates, and upon the written request of the holders of one-quarter in amount of the Trust Certificates at the time outstanding, it shall be the duty of the Trustee, upon being indemnified as hereinafter provided, to take all steps for the protection and enforcement of its rights and the rights of the holders of the Trust Certificates, and to exercise one or more of the powers of entry, sale or lease in said Lease conferred, or to take appropriate judicial proceedings by action, suit or otherwise, as the Trustee being advised by counsel shall deem most expedient in the interest of the holders of the Trust Certificates; but, anything in this Agreement to the contrary notwithstanding, upon proper indemnity to the Trustee, the holders of a majority in amount of the Trust Certificates then outstanding shall have the right from time to time to direct and to control all proceedings for the enforcement of said Lease and this Agreement and the sale or lease of the Trust Equipment. The proceeds of such proceedings or lease or sale shall be applied by the Trustee to the payment, after deducting the expenses of the trust and all taxes, assessments and other governmental charges which the Trustee may by law be required to pay in respect of the trust or the Trust Certificates aforesaid or the dividends thereon:

(1) of the dividend warrants then due with interest on any overdue dividends at the rate of four and one-half per cent. per annum; and

(2) of the principal of all said outstanding Trust Certificates with interest thereon at the rate of four and one-half per cent. per annum from the last preceding dividend date, whether said Certificates or any of them shall then have matured by their terms or not;

all of said payments to be in full, if said proceeds shall be sufficient, and if not, then pro rata, without preference of principal over dividends, or of dividends over principal or otherwise (subject, however, to Section 1 of this Article IV), and without regard to the dates of maturity thereof.

The foregoing provisions, however, are subject to the condition that if at any time after the principal of the Trust Certificates shall have been declared and have become due and payable, as hereinbefore provided, but before October 1, 1939, all arrears of rental (with interest upon any overdue instalment at the rate of four and one-half per cent. per annum), the expenses of the Trustee and all other sums which shall have become due and payable by the Company hereunder or under said Lease (other than the principal of Trust Certificates and rental instalments which shall not at the time have matured according to their terms), shall be paid by the Company before any taking possession, withdrawal, sale or lease by the Trustee of any of the Trust Equipment, and every other default in the observance or performance of any covenant or condition of this Agreement or said Lease shall be made good or secured to the satisfaction of the Trustee, or provision deemed by the Trustee to be adequate shall be made therefor, then and in every such case the Trustee, if so requested by the holders of a majority in principal amount of the Trust Certificates then outstanding and which shall not have then matured according to their terms, shall, by written notice to the Company, waive the default by reason of which the principal of the Trust Certificates shall have been declared and become due and the consequences of such default, but no such waiver shall

extend to or affect any subsequent default or impair any right consequent thereon.

Neither such retaking possession nor any withdrawal or lease or sale of the Trust Equipment by the Trustee nor any action or failure or omission to act, against the Company or in respect to the Trust Equipment, on the part of theTrustee or on the part of any holder of any Trust Certificate or dividend warrant, nor any delay or indulgence granted to the Company by the Trustee or any such holder, shall affect the obligations of the Company under this Agreement or under said Lease or under its guaranty.

ARTICLE V.

SECTION 1. The Trustee hereby covenants and agrees to perform, and, so far as possible, to enforce the performance of all and singular the terms, conditions and covenents of said Lease, including the marking of the Trust Equipment.

SECTION 2. The Trustee covenants and agrees to apply and distribute the rentals received by it under subdivisions (b), (c), (d) and (e) of Article First of said Lease, when and as the same shall be received, for the following purposes, to wit:

(a) to the payment of the necessary and reasonable expenses of the trust connected with the Trust Equipment and said Lease thereof;

(b) to the payment of any and all taxes, assessments and other governmental charges upon the income or property of the trust, or the agreements evidencing the same, which the Trustee may be required to pay, and of any and all taxes, assessments and other governmental charges (other than Federal income taxes) which the Trustee may be required to pay or to retain from the principal of the Trust Certificates or from the dividends payable thereon, under any present or future law of the United States of America or of the Commonwealth of Pennsylvania;

(c) to the payment of the dividend warrants attached to the Trust Certificates when and as the same shall become payable; and

(d) to the payment of the principal of the Trust Certificates when and as the same shall become payable according to the terms thereof or hereof.

SECTION 3. The Trustee shall cause to be kept, at an agency in the Borough of Manhattan in the City and State of New York, books for the registration and transfer of the Trust Certificates, and upon presentation for such purpose the Trustee will register or cause to be registered as hereinbefore provided, and under such reasonable regulations as may be prescribed, any of the Trust Certificates. The Trustee, at all times until the payment of the principal of all the Trust Certificates, shall keep an agency in the Borough of Manhattan in the City and State of New York, where the Trust Certificates and dividends warrants may be presented for payment.

SECTION 4. The Trustee assumes no liability for anything other than its own wilful or gross neglect. It shall be required to undertake no act or duty in the way of taking care of or taking possession of the Trust Equipment until fully secured against all liability. No duty of insurance or of repairs or of protection of any of the trust property, is incumbent upon it, nor shall it be responsible for the filing or recording of this Agreement or of said Lease; and the Trustee may issue and deliver Trust Certificates in advance of such filing or recording.

The Trustee may exercise its powers and perform its duties by or through such attorneys, agents and servants as it shall appoint, and it shall be entitled to the advice of counsel, who may be of counsel for the Company, and shall be protected by the advice of such counsel in anything done or omitted to be done by it in accordance

with such advice. The Trustee shall be answerable only for its own acts, neglects and defaults and not for the default or misconduct of any attorney, agent or servant appointed by it with reasonable care.

SECTION 5. The Trustee shall be under no obligation to take any action for the execution or enforcement of any of the trusts hereby created unless requested thereunto in writing by the holders of not less than one-quarter in amount of the then outstanding Trust Certificates and upon being satisfactorily indemnified against expense and liability with respect thereto, and also furnished with proof satisfactory to it as to the ownership of the Trust Certificates and warrants in respect of which any notice or request may be made; but neither any such request nor this provision therefor shall affect any discretion herein elsewhere specifically given to the Trustee to determine what action it shall take in respect of any such default, or to take action without request.

SECTION 6. No holder of any Trust Certificate or dividend warrant issued hereunder shall have any right to institute any suit, action or proceeding for the execution or enforcement of the trust hereby created unless, after the aforesaid request in writing by the holders of not less than one-quarter in amount of the then outstanding Trust Certificates shall have been made upon the Trustee, indemnity satisfactory to it provided, and a reasonable time elapsed for action by the Trustee upon such request, it shall decline to institute any proceeding pursuant thereto.

SECTION 7. The Trustee may, for all purposes, conclusively assume that the Company is not in default under the terms hereof until notified in writing to the contrary by the holders of at lease one-tenth in amount of the Trust Certificates then outstanding which notice shall distinctly specify the default desired to be brought to the attention of the Trustee.

SECTION 8. The Trustee shall not incur any liability to anybody in acting upon any notice, consent, order, certificate, warrant or other paper or instrument believed by it to be genuine or authentic, and to be signed by the proper party or parties.

SECTION 9. The Trustee will allow interest upon all moneys received by it under the provisions of this Agreement or of said Lease at the rate generally prevailing among Philadelphia trust companies or allowed by it upon deposits of a similar character.

SECTION 10. The Trustee shall, at least once in each year, render to the Company a statement of its said trust and of the accounts relating thereto, and covering such matters as the Company may properly require, and the Vendors and the Company or either of them, may from time to time examine the books and accounts of the Trustee relating to said Trust Certificates and Lease, to this Agreement and to the acts of the Trustee hereunder.

SECTION 11. The Trustee may resign and be discharged from the trusts created by this Agreement by giving to the Company and to the holders of the Trust Certificates then outstanding notice in writing of such resignation, specifying a date when such resignation shall take effect. Such notice may be given to the holders of the Trust Certificates by publication of the notice at lease once in each of three successive calendar weeks prior to the date specified in such notice in a daily newspaper published in the Borough of Manhattan in the City and State of New York, and in a daily newspaper published in the City of Philadelphia, Pennsylvania. Such resignation shall take effect on the date specified in such notice (which date shall not be less than thirty days after the giving or first publication of such notice), unless previously a successor trustee shall be

appointed as hereinafter provided, in which event such resignation shall take effect immediately upon the appointment of such successor trustee.

Any trustee hereunder may be removed at any time by an instrument in writing filed with the Trustee and executed by the holders of a majority in principal amount of the Trust Certificates at the time outstanding.

SECTION 12. In case at any time the Trustee shall resign or shall be removed or otherwise shall become incapable of acting, a successor may be appointed by the holders of a majority in principal amount of the Trust Certificates at the time outstanding, by an instrument or concurrent instruments signed by such Certificate holders or their attorneys in fact duly authorized; but until a new trustee shall be appointed by said Certificate holders as herein authorized, the Company, by an instrument executed under its corporate seal, may appoint a trustee to fill such vacancy. Every such successor trustee, whether appointed by the Certificate holders or by the Company, shall always be a trust company or bank having power so to act and organized under the laws of the United States of America, the Commonwealth of Pennsylvania or the State of New York and having an office either in the City of Philadelphia, Pennsylvania, or in the Borough of Manhattan in the City and State of New York, and having a capital and surplus aggregating at least five million dollars. After any such appointment by the Company, it shall cause notice of such appointment to be published once a week in each of four successive weeks in a daily newspaper published in the Borough of Manhattan in the City and State of New York, and in a daily newspaper published in the City of Philadelphia, Pennsylvania; but any new trustee so appointed by the Company shall immediately, and without further act, be superseded by a trustee appointed, in the manner above provided, by the holders of a majority in principal amount of the Trust Certificates at the time outstanding.

Any successor trustee appointed hereunder shall execute, acknowledge and deliver to the Company an instrument accepting such appointment hereunder, and thereupon such successor trustee, without any further act, deed or conveyance, shall become vested with title to the trust estate, and with all the rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as it originally named as trustee herein, and the trustee ceasing to act shall, on the written request of such successor trustee, assign and transfer the trust estate or cause the trust estate to be assigned and transferred to the successor trustee, and shall thereupon be entitled to the payment of its charges and expenses theretofore incurred. Upon request of such successor trustee, the Company shall execute and deliver such instruments of further assurance as may reasonably be required for more fully and certainly vesting in and confirming to such successor trustee all the right, title and interest of the predecessor trustee in and to the trust estate and such rights, powers, trusts, duties and obligations. All instruments herein provided for shall be at the cost of the Company.

Any corporation resulting from any merger or consolidation to which the Trustee, or any successor to it, shall be a party, provided such corporation shall be a corporation having power so to act and organized under the laws of the United States of America, the Commonwealth of Pennsylvania or the State of New York, and shall do business in the City of Philadelphia, Pennsylvania, or the Borough of Manhattan in the City and State of New York, and have a capital and surplus aggregating at lease five million dollars, shall be the successor trustee under this agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

ARTICLE VI.

No recourse under any obligation, covenant or agreement of this Agreement, or of the guaranty of the Company respecting any Trust Certificate or dividend warrant issued hereunder, shall be had against any stockholder, officer or director of the Company, by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise it being expressly agreed and understood that this Agreement, said Lease and said guaranty are solely corporate obligations, and that no personal liability whatever shall attach to or be incurred by the stockholders, officers or directors of the Company, or any of them, under or by reason of any of the obligations, covenants or agreements contained in this Agreement, said Lease or the guaranty of the Company respecting any of the Trust Certificates or dividend warrants issued hereunder, or implied therefrom, and that any and all personal liability, either at common law or in equity, or by statute or constitution, of every such stockholder, officer or director is hereby expressly waived as a condition of and consideration for the execution of this Agreement and the issue of such Trust Certificates and dividend warrants.

ARTICLE VII.

Any request or other instrument required by this Agreement to be signed or executed by holders of Trust Certificates may be in any number of concurrent instruments of similar tenor, and may be executed by such Certificate holders in person, or by an agent or attorney appointed by an instrument of writing. Proof of the execution of any such request or other instrument, or of a writing appointing any such agent or attorney, or of the holding by any person of Trust Certificates, shall be sufficient for any purpose of this Agreement, and shall be conclusive in favor of the Trustee with regard to any action taken by the Trustee under such request or other instrument, if made in the following manner, viz:

(a) the fact and date of the execution by any person of any such request or of any other instrument in writing may be proved by the certificate of any notary public or of any other officer authorized to take, either within or without the Commonwealth of Pennsylvania or the State of New York, acknowledgments of deeds to be recorded in either of said States or in the State where the acknowledgment may be taken, certifying that the persons signing such request or other instrument acknowledged to him the execution thereof; or by the affidavit of a witness to such execution;

(b) the amount of Trust Certificates held by any person executing any such request or other instrument as a Certificate holder, and the serial numbers of the Trust Certificates held by such person and the date of his holding the same, may be proved by a certificate executed by any trust company, bank, bankers or other depositary wheresoever situated whose certificate shall be deemed by the Trustee to be satisfactory, showing that, at the date therein mentioned, such person had on deposit with such depositary, or exhibited to such depositary, the Trust Certificates numbered and described in such certificate. The Trustee may presume the continuance of any such deposit or holding unless and until it receives proof satisfactory to it to the contrary.

ARTICLE VIII.

At the termination of said Lease to the Company, any moneys remaining in the hands

of the Trustee, after paying the principal of and dividends upon the Trust Certificates, and the expenses of the Trustee, including its reasonable compensation, shall be paid to the Company.

ARTICLE IX.

Nothing in this Agreement, expressed or implied, is intended or shall be construed to confer upon, or to give to, any person, firm or corporation other than the parties hereto and the holders of the Trust Certificates and appurtenant dividend warrants, any right, remedy or claim, under or by reason of this Agreement, or of any term, covenant or condition thereof, and all of the terms, covenants, conditions, promises and agreements in this Agreement contained shall be for the sole and exclusive benefit of the parties hereto and their successors and of the holders of the Trust Certificates and dividend warrants.

ARTICLE X.

The term "Trustee" as used herein and in said Lease shall be held and construed to mean Fidelity Trust Company, its successors and assigns; the word "Company" herein, to mean and include the party of the third part, its successors and assigns; and the words "Certificate holder" and "holder" shall include the plural as well as the singular number. The term "Trust Equipment" whereever used herein or in said Lease, unless otherwise indicated by the context, is intended to include all railroad equipment at any time covered by said Lease, or any supplemental lease or this Agreement or required or intended so to be.

In case of the death of either of the Vendors, the other Vendor shall have and discharge all the powers of the Vendors. In case of the death or inability to act of both of the Vendors, the Trustee shall receive and distribute or pay for the account of the original Vendors, to the parties entitled to receive the same from the original Vendors, all Trust Certificates issuable or Deposited Cash or other moneys payable to the original Vendors by the Trustee hereunder. Any action taken by either of the Vendors shall have the same force and effect as it taken by both of them.

Whenever, under the provisions hereof, it is necessary or proper for any notice or demand to be given to or made upon the Company, or if at any time it is desired to give any such notice or make any such demand, such notice or demand may be given or made to the Company be depositing a written statement thereof, securely enclosed in a postpaid wrapper, in the United States registered mail, directed to the Company at Philadelphia, Pennsylvania and an affidavit by any person representing or acting on behalf of the Trustee as to such mailing, having the registry receipt or certificate attached, shall be conclusive evidence of the giving of such notice and the making of such demand.

This Agreement may be simultaneously executed in fifteen counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

In WITNESS WHEREOF the parties of the first part have hereunto set their hands and seals, and the parties of the second and third parts have caused their names to be signed hereto by their respective Presidents or Vice-Presidents, and sealed with their corporate seals, attested by their respective Secretaries or Assistant Secretaries, as of the day and year first above written.

Signed, sealed, acknowledged and delivered in the presence of:

As to Harry J. Moore and Josiah B. Bartow:

HARRY J. MOORE (SEAL)

JOSIAH B. BARTOW (SEAL)

CHARLES H. STEEL

E. B. SMYTH

As to FIDELITY TRUST Company:
G. H. ZACHERLE
A. W. PORTER

FIDELITY TRUST COMPANY
By
W. G. LITTLETON (SEAL)
Vice-President.
Attest:
H. W. Woodward,
Assistant Secretary.

As to The Pennsylvania Railroad Company:
J. S. HEBDEN
MARGARET E. RUTTY

THE PENNSYLVANIA RAILROAD COMPANY,
By
H. TATNALL (SEAL)
Vice-President
Attest:
LEWIS NEILSON,
Secretary.

COMMONWEALTH OF PENNSYLVANIA)SS.
CITY AND COUNTY OF PHILADELPHIA)

I, N. Spering, a Notary Public within and for the City and Count of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on Oct. 20, 1924, before me the subscriber, a Notary Public as aforesaid, personally appeared Harry J. Moore and Josiah B. Bartow, to me known as the Vendors in the foregoing instrument in writing bearing date October 1, 1924, and acknowledged that they signed, sealed, and delivered the said instrument as their free and voluntary act and deed for the uses and purposes therein set forth, and desired the same to be recorded as such.

In Testimony Whereof, I have hereunto subscribed my name and affixed my notarial seal the day and year aforesaid.

N. Spering
Notary Public
My Commission Expires April 1, 1927.

(Notarial)
(Seal.)

COMMONWEALTH OF PENNSYLVANIA)
)SS.
CITY AND COUNTY OF PHILADELPHIA)

I, N. Spering, a Notary Public within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on Oct. 21, 1924, before me the subscriber, a Notary Public as aforesaid, personallyappeared W. G. Littleton, Vice President of Fidelity Trust Company, one of the corporations which executed the foregoing instrument in writing, bearing date of October 1, 1924, whose name is signed thereto, and the said W. G. Littleton, to me personally known, being by me duly affirmed, did depose and say that he is the Vice-President of the said Fidelity Trust Company, one of the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed and sealed by him as Vice President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; and that he acknowledged the said foregoing instrument to be the free act and deed of the said Fidelity Trust Company.

W. G. Littleton

Affirmed before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

I am not a stockholder, director or office of said Trust Company.

N. Spering
Notary Public.
My Commission Expires April 1, 1927.

(Notarial)
(Seal)

COMMONWEALTH OF PENNSYLVANIA)
)SS
CITY AND COUNTY OF PHILADELPHIA)

I, N. Spering, a Notary Public within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on Oct. 20, 1924, before me the subscriber, a Notary Public as aforesaid, personally appeared H. Tatnall, Vice-President of The Pennsylvania Railroad Company, one of the corporations which executed the foregoing instrument in writing, bearing date of October 1, 1924, whose name is signed thereto, and the said H. Tatnall, to me personally known, being by me duly affirmed, did depose and say that he is the Vice -President of said The Pennsylvania Railroad Company, one of the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed and sealed by him as Vice-President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; and that he acknowledged the said foregoing instrument to be the free act and deed of said The Pennsylvania Railroad Company.

Affirmed before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

N. Spering,
Notary Public

(Notarial)
(Seal)

My Commission Expires April 1, 1927

STATE OF PENNSYLVANIA)
)SS
COUNTY OF PHILADELPHIA)

I DO HEREBY CERTIFY that the United States Internal Revenue stamps required by law have been affixed to one of the original counterparts of the foregoing Agreement and duly cancelled this 20th day of October, 1924.

N. Spering
Notary Public.

(Notarial)
( )
(Seal)

My Commission Expires April 1, 1927.

COMMONWEALTH OF KENTUCKY,

OFFICE OF SECRETARY
OF STATE.

FRANKFORT, KENTUCKY.

I, Emma Guy Cromwell, Secretary of State for the State of Kentucky, hereby certify that the foregoing Equipment Lease and Agreement of the Pennsylvania Railroad Company was produced to me in my office and filed for record on November 8, 1924, whereupon the same was duly recorded in Railroad Equipment Book No. 12, Page 87.

GIVEN UNDER MY HAND
AND SEAL OF OFFICE,
THIS NOVEMBER 8, 1924.
Emma Guy Cromwill
Secretary of State

(COMMONWEALTH OF KENTUCKY)
( )
(SEAL)

State of Wisconsin)
)SS
DEPARTMENT OF STATE)

Received this 17th day of August A. D. 1937 at 10:30 o'clock A. M. and recorded in Vol. 34 of R. R. Mtgs. on page 77-100 Incl.

Robert L. Siebecker
Assistant Secretary of State

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PENNSYLVANIA RAILROAD EQUIPMENT TRUST,
SERIES E

SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT
DATED JANUARY 15, 1935

FIDELITY-PHILADELPHIA TRUST COMPANY,
Trustee,
TO
THE PENNSYLVANIA RAILROAD COMPANY

SUPPLEMENTAL AGREEMENT
DATED JANUARY 15, 1935

EDWIN W. BAINBRIDGE
AND
CHARLES McCALL,
Vendors
WITH
FIDELITY-PHILADELPHIA TRUST COMPANY
Trustee
AND
THE PENNSYLVANIA RAILROAD COMPANY

SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated the 15th day of January, 1935, between FIDELITY-PHILADELPHIA TRUST COMPANY, OF PHILADELPHIA, PA., a corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania, Trustee (hereinafter called the "Trustee"), party of the first part, and THE PENNSYLVANIA RAILROAD COMPANY, a corporation organized and existing under the laws of the said Commonwealth (hereinafter called the "Company"), party of the second part:

WHEREAS, by a certain Agreement bearing date the 15th day of January, 1934, between Edwin W. Bainbridge and Charles McCall, Vendors, Fidelity-Philadelphia Trust Company, as Trustee, and The Pennsylvania Railroad Company, a counterpart original whereof was annexed and made a part of the Lease of Railroad Equipment between the Fidelity-Philadelphia Trust Company, Trustee and The Pennsylvania Railroad Company dated the 15th day of January, 1934, there was constituted the "Pennsylvania Railroad Equipment Trust, Series E", and it was agreed that the railroad equipment which the said Vendors transferred or caused to be transferred ~~or caused to be transferred~~ to the Trustee under the said Agreement bearing date the 15th day of January, 1934, was to be leased to the Company under the said Lease;

WHEREAS, it was recited in the said Lease of Railroad Equipment dated the 15th day of January, 1934, that pursuant to the provisions of the said Agreement dated the 15th day of January, 1934, the railroad equipment described in the said Lease had been or would be transferred to the Trustee under the said Agreement and the title to the said railroad equipment vested in the Trustee;

WHEREAS, all the Trust Equipment covered by the said Lease dated the 15th day of

January, 1934, has been constructed and acquired by the Vendors and sold, assigned, transferred and set over unto the Trustee, as Trustee for the bearers and registered holders of Trust Certificates, as provided in Section 1, of Article I, of the said Agreement dated the 15th day of January, 1934, and leased by the Trustee to the Company under the provisions of the said Lease dated the 15th day of January, 1934, and, with the approval and consent of the registered holder of all the temporary Trust Certificates issued and outstanding under the provisions of the said Agreement dated the 15th day of January, 1934, 500 of the Class X 31A Box Cars, numbered from 69500 to 69999, inclusive, which are a part of the Trust Equipment, were, prior to the said sale, assignment, transfer and setting over unto the Trustee and delivery to the Company as Lessee, equipped with auto-loading devices, by reason whereof the specific description of the Trust Equipment should be amended so that the said 500 Box Cars will be designated as Box Cars of Class X 31;

WHEREAS, by a Supplemental Agreement dated the 15th day of January, 1935, between the Vendors, the Trustee, and the Company, a counter-part original whereof is annexed and made a part hereof, the description of the Trust Equipment has been amended to designate the said 500 Box Cars, numbered from 69500 to 69999, inclusive, title to which has vested in the Trustee, as Trustee for the bearers and registered holders of Trust Certificates under the provisions of the said Agreement dated the 15th day of January, 1934, as Box Cars of Class X 31;

WHEREAS, the cost of the Trust Equipment, being the actual cost of the construction or acquisition of the Trust Equipment including all items properly included in such cost under the accounting rules of the Interstate Commerce Commission, is $16,294,607.2 and the financing value, which means the portion of the cost which represents the maximum amount of definitive Trust Certificates to be issued in respect of the Trust Equipment, is $15,282,000;

WHEREAS, temporary Trust Certificates in the aggregate principal amount of $15,525,000 have been issued by the Trustee, and the proceeds from the sale thereof deposited with the Trustee, as provided in the said Agreement dated the 15th day of January, 1934; all items of rent payable by the Company up to the date of this Supplemental Lease under the terms of the said Lease dated the 15th day of January, 1934, including all items of rent under clause (1), subdivision (a), of Article First, of the said Lease, have been paid; and the cash deposited with the Trustee has, as provided in the said Agreement dated the 15th day of January, 1934, been applied to the extent necessary to pay the cost of the Trust Equipment;

WHEREAS, all the temporary Trust Certificates are held by a single registered holder, and the said registered holder desires to surrender to the Trustee, prior to July 15, 1935, $243,000, principal amount, of temporary Trust Certificates (being the amount of temporary Trust Certificates issued in excess of financing value) for a cash settlement or adjustment under the provisions of Section 2, Article II, of the said Agreement dated the 15th day of January, 1935, and $15,282,000, principal amount, of temporary Trust Certificates in exchange for a like amount (being the aggregate principal amount to be issued in respect of the Trust Equipment) of definitive Trust Certificates, the said definitive Trust Certificates to be dated January 15, 1935, and to provide for the accrual of dividends thereon from July 15, 1935; the said registered holder desires to be paid the net amount of dividends payable on July 15, 1935, on account of the temporary Trust Certificates that will be surrendered, the said net amount to be adjusted on the basis set forth in Section 7 of the said Supplemental Agreement dated the 15th day of January, 1935; and the said registered holder desires the right to require the Company, prior to the surrender of temporary Trust Certificates for definitive Trust Certificates to waive its right to redeem the definitive Trust Certificates, all as specifically set forth and agreed upon in the said Supplemental Agreement dated the 15th day of January, 1935;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and in the said Lease dated the 15th day of January, 1934, the parties hereto agree as follows:

1. The description of the Trust Equipment in the said Lease dated the 15th day of January, 1934, is hereby amended to change the designation of 500 Box Cars of Class X 31A, numbered from 69500 to 69999, inclusive, to Box Cars of Class X 31. As so amended, the description of the Trust Equipment covered by the said Lease dated the 15th day of January, 1934, is as follows:

2000 X 29 Box Cars, steel sheathed, wood lined, length 40' 6'', capacity 50 tons, to be numbered 101325 to 103324, both inclusive;

1000 X 31 Box Cars, steel sheathed, wood lined, length 40' 6", capacity 50 tons, equipped with auto-loading devices to be numbered 60222 to 60721, and 69500 to 69999, all inclusive;

2500 X 31A Box Cars, steel sheathed, wood lined, length 40' 6" capacity 50 tons, without auto-loading devices, to be numbered 67400 to 69499 and 70000 to 70399, all inclusive;

1500 F 30A Flat Cars, steel frame, wood floor, length 50', capacity 70 tons, to be numbered 473765 to 475264, both inclusive.

2. The term "Trust Equipment," wherever used herein and in the said Lease dated the 15th day of January, 1934, unless otherwise indicated by the context, shall mean the Trust Equipment described in the foregoing Section 1 of this Supplemental Lease, together with such other or additional railroad equipment as shall be acquired for the Trust and subjected to the said Lease as therein provided; the word "Agreement", wherever used herein and in the said Lease dated the 15th day of January 1934, unless otherwise indicated by the context, shall include the said Supplemental Agreement dated the 15th day of January, 1935; and the word "Lease", wherever used in the said Lease dated the 15th day of January, 1934, unless otherwise indicated by the context shall include this Supplemental Lease.

3. The consent and approval of the Trustee, as Lessor, and the Company as Lessee, are hereby given to the execution of the said Supplemental Agreement dated the 15th day of January, 1935, a counterpart original of which is annexed and made a part hereof.

4. The Company will pay or credit to the Trustee, prior to the presentation of temporary Trust Certificates in exchange for definitive Trust Certificates, such portion of the rental due under the terms of the said Lease dated the 15th day of January, 1934, as will enable the Trustee to pay, upon the surrender of the temporary Trust Certificates by the registered holder prior to July 15, 1935, the net adjusted amount of dividends payable on July 15, 1935, on account of temporary Trust Certificates, in accordance with the provisions of Section 7 of the said Supplemental Agreement dated the 15th day of January, 1935.

5. Subject to the provisions of this Supplemental Lease, all the covenants, agreements, terms, and stipulations contained in the said Lease dated the 15th day of January, 1934, shall remain in full force and effect, and binding upon the respective parties.

6. This Supplemental Lease shall be simultaneously executed in the same number of counterparts as the original Lease dated the 15th day of January, 1934, each of which

so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed in their names by their respective Presidents or Vice-Presidents, and sealed with their corporate seals, attested by their respective Secretaries or Assistant Secretaries, as of the day and year first above written.

FIDELITY-PHILADELPHIA TRUST COMPANY,

By

T. E. FRAME,

Vice-President.

(Corporate)
( )
(Seal)

Attest:

H. W. WOODWARD,

Assistant Secretary.

THE PENNSYLVANIA RAILROAD COMPANY,

By

A. J. COUNTY,

Vice-President.

(Corporate)
( )
(Seal)

Attest:

J. Taney Willcox,

Secretary.

Signed, sealed, acknowledged
and delivered by both parties
in the presence of:

G. H. Zacherle

F. E. Godfrey

COMMONWEALTH OF PENNSYLVANIA)
)SS
CITY AND COUNTY OF PHILADELPHIA)

I, G. H. Zacherle, a Notary Public duly commissioned, qualified and acting within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on March 25, 1935, before me the subscriber, a Notary Public as aforesaid, personally appeared T. E. Frame, Vice-President of Fidelity-Philadelphia Trust Company, one of the corporations which executed the foregoing instrument in writing, bearing date of January 15, 1935, whose name is signed thereto, and the said T. E. Frame, to me personally known, being by me duly sworn or affirmed, did, depose and say that he resides in Rydal, in the County of Montgomery in the State of Pennsylvania; that he is the Vice-President of the said Fidelity-Philadelphia Trust Company, one of the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation; that he knows the contents of the said instrument; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed, sealed and delivered by him as Vice-President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; and that he acknowledged the said foregoing instrument to be the free and voluntary act and deed of the said Fidelity-Philadelphia Trust Company; and that he desired the same to be recorded as such.

T. E. Frame

Subscribed and sworn or affirmed before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

I am not a stockholder, director or officer of said Trust Company.

G. H. ZACHERLE,

Notary Public
My Commission Expires

(Notarial)
( )
(Seal)

My Commission Expires March 6, 1939

In the Courts of Common Pleas of Philadelphia County

STATE OF PENNSLYVANIA)
)SS
COUNTY OF PHILADELPHIA)

I, JOHN M. SCOTT, Prothonotary of the Courts of Common Pleas of said County, which are Courts of Record having a common seal, being the officer authorized by the laws of the State of Pennsylvania to make the following Certificate, acting by my Principal Deputy, Meredith Hanna, or my Second Deputy, John J. Hoerr, do Certify, That G. H. Zacherle Esquire, before whom the annexed affidavit was made, was at the time of so doing a Notary Public for the Commonwealth of Pennsylvania, residing in the County of Philadelphia, duly commissioned and qualified to administer oaths and affirmations and to take acknowledgments and proofs of Deeds or Conveyances for lands, tenements and hereditaments to be recorded in said State of Pennsylvania, and to all whose acts, as such, full faith and credit are and ought to be given, as well in Courts of Judicature as elsewhere; and that I am well acquainted with the handwriting of the said Notary Public and verily believe the signature thereto is genuine, and that said oath or affirmation purports to be taken in all respects as required by the laws of the State of Pennsylvania

The impression of the seal of the Notary Public is not required by law to be filed in this office.

IN TESTIMONEY WHEREOF, I have hereunto set my hand affixed the seal of said Court, this 26 day of MARCH in the year of our Lord one thousand nine hundred thirty-five (1935)

(COURTS OF COMMON)
( )
(PLEAS SEAL)

JOHN M. SCOTT, Prothonotary

By JOHN J. HOERR, Second Deputy Prothonotary

Durante Absentia, Secundum Legem.

COMMONWEALTH OF PENNSYLVANIA)
)SS
CITY AND COUNTY OF PHILADELPHIA)

I, J. E. WILLIAMS a Notary Public dulycommissioned, qualified and acting within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on 18th March, 1935 before me the subscriber, a Notary Public as aforesaid, personally appeared A. J. County, Vice-President of The Pennsylvania Railroad Company, one of the corporations which executed the foregoing instrument in writing, bearing date of January 15, 1935, whose name is signed thereto, and the said A. J. County to me personally known, being by me duly sworn, did depose and say that he resides in St. Davids, in the County of Delaware, in the State of Pennsylvania; that he is the Vice-President of said The Pennsylvania Railroad Company, one of the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation; that he knows the contents of the said instrument; that one of the seal affixed to the said instrument was signed, sealed and delivered by him as Vice-President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; and that he acknowledged the said foregoing instrument to be the free and voluntary act and deed of said The Pennsylvania Railroad Company; and that he desired the same to be recorded as such.

A. J. County

Subscribed and sworn before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

J. E. Williams

(Notarial) Notary Public.
( )
(Seal) My Commission Expires March 9, 1939.

In the Courts of Common Pleas of Philadelphia County

STATE OF PENNSYLVANIA)
)SS
COUNTY OF PHILADELPHIA,)

I, JOHN M. SCOTT, Prothonotary of the Courts of Common Pleas of said County, which are Courts of Record having a common seal, being the officer authorized by the laws of the State of Pennsylvania to make the following Certificate, acting by my Principal Deputy, Meredith Hanna, or my Second Deputy, John. J. Hoerr, do Certify, That J. E. Williams, Esquire, before whom the annexed affidavit was made, was at the time of so doing a NOTARY PUBLIC for the Commonwealth of Pennsylvania, residing in the County of Philadelphia, duly commissioned and qualified to administer oaths and affirmations and to take acknowledgments and proofs of Deeds or Conveyances for lands, tenements and hereditaments to be recorded in said State of Pennsylvania, and to all whose acts, as such, full faith and credit are and ought to be given, as well in Courts of Judicature as elsewhere; and that I am well acquainted with the handwriting of the said NOTARY PUBLIC and verily believe the signature thereto is genuine, and that said oath or affirmation, purports to be taken in all respects as required by the laws of the State of Pennsylvania.

The impression of the seal of the Notary Public is not required by law to be filed in this office.

IN TESTIMONEY WHEREOF, Ihave hereunto set my hand and affixed the seal of said Court, this 28 day of MARCH in the year of our Lord one thousand nine hundred thirty-five (1935)

(COURTS OF COMMON PLEAS) JOHN M. SCOTT, Prothonotary
(SEAL) By JOHN J. HOERR, Second Deputy Prothonotary
Durante Absentia, Secundum Legem

This SUPPLEMENTAL AGREEMENT, dated the 15th day of January, 1935, by and between EDWIN W. BAINBRIDGE AND CHARLES McCALL (hereinafter called the "Vendors"), of the first part, FIDELITY-PHILADELPHIA TRUST COMPANY, of PHILADELPHIA, PENNSYLVANIA (hereinafter called the "Trustee"), as Trustee, of the second part, and THE PENNSYLVANIA RAILROAD COMPANY (hereinafter called the "Company"), of the third part, Witnesseth as follows:

WHEREAS, in an Agreement dated the 15th dayof January, 1934, by and between the Vendors, the Trustee, and the Company, it was recited that the Vendors had contracted or would contract to acquire the railroad equipment (therein called the "Trust Equipment") specifically described in the Lease of Railroad Equipment from the Trustee to the Company, dated the 15th day of January, 1934, prefixed to the said Agreement; that subscriptions had been or were being secured in an amount not exceeding Seventeen Million Dollars ($17,000,000) to a fund to be known as Pennsylvania Railroad Equipment Trust, Series "E", which said fund would be furnished to the Vendors to be applied by them in payment on account of the cost of the Trust Equipment; and that the vendors desired to secure to the subscriber or subscribers to the said fund, or their assigns, the payment of the amount thereof in installments with dividends to the dates of maturity, all as specifically provided in the said Agreement, and to evidence the rights of the subscriber or subscribers to said fund by Trust Certificates;

WHEREAS, by the said Agreement dated the 15th day of January, 1934, the Vendors agreed to sell, assign, transfer and set over unto the Trustee, as Trustee for the bearers and registered holders of Trust Certificates, the Trust Equipment described in the said Lease from the Trustee to the Company when and as the Trust Equipment or any part thereof was constructed or completed, and the Trustee agreed, upon the request of the Vendors, to execute and deliver to the subscriber or subscribers to the said fund certificates to be known as Pennsylvania Railroad Equipment Trust Certificates, Series "E", the said certificates to be called Trust Certificates, all as specifically provided and set forth in the said Agreement;

WHEREAS, the Vendors have acquired and sold, assigned, transferred and set over unto the Trustee, as Trustee for the bearers and registered holders of Trust Certificates, the Trust Equipment covered by the said Agreement, dated the 15th day of January, 1934; and the Trustee, at the request of the Vendors, and upon the deposit of cash as required by Section 2, of Article I, of the said Agreement, dated the 15th day of January, 1934, has executed and delivered to the subscriber or subscribers to the said fund known as Pennsylvania Railroad Equipment Trust, Series "E", temporary Trust Certificates of the aggregate principal amount of $15,525,000, and all the said temporary Trust Certificates are held by a single registered holder;

WHEREAS, prior to the sale, assignment, transfer and setting over unto the Trustee, as Trustee for the bearers and registered holders of Trust Certificates, of the Trust Equipment, and with the approval of the registered holder of all the temporary Trust Certificates issued and outstanding, a part of the Trust Equipment, to wit, 500 Box Cars of Class X 31A numbered from 69500 to 69999, inclusive, was equipped with auto-loading devices, by reason whereof the said 500 Box Cars should be specifically described in the Trust Equipment as Box Cars of Class X 31;

WHEREAS, the aggregate principal amount of definitive Trust Certificates to be issued and exchanged for temporary Trust Certificates pursuant to the provisions of Article II, of the said Agreement dated the 15th day of January, 1934, is $15,282,000;

WHEREAS, the said registered holder of all the temporary Trust Certificates issued and outstanding desires to surrender, prior to July 15, 1935, temporary Trust Certificates of the aggregate principal amount of $15,282,000 in exchange for definitive Trust Certificates of a like aggregate principal amount, dated January 15, 1935, being the maximum principal amount of definitive Trust Certificates to be issued and outstanding at any one time under the said Agreement dated the 15th day of January, 1934, and to surrender the remaining temporary Trust Certificates of the aggregate principal amount of $243,000 (being temporary Trust Certificates issued in excess of the said maximum principal amount of definitive Trust Certificates to be issued) for cash settlement or adjustment under the provisions of Section 2, of Article II, of the said Agreement dated the 15th day of January, 1934;

WHEREAS, the said registered holder of all the temporary Trust Certificates desires and has consented that the said definitive Trust Certificates shall be dated January 15, 1935, that dividends shall not begin to accrue thereon until July 15, 1935, and that the dividends payable July 15, 1935, on account of temporary Trust Certificates that is the dividends on:

$3,267,000, principal amount, from January 25, 1935, to July 14, 1935, (both inclusive);
$2,322,000, principal amount, from April 2, 1935, to July 14, 1935, (both inclusive);
$4,995,000, principal amount, from May 16, 1935, to July 14, 1935, (both inclusive);
$3,699,000, principal amount, from June 21, 1935, to July 14, 1935, (both inclusive);
$243,000, principal amount, from January 25, 1935, to the date of surrender for cash settlement or adjustment under Section 2, of Article II, of the Agreement dated the 15th day of January, 1935),

less an amount necessary to pay dividends on $999,000 principal amount, of definitive Trust Certificates from July 15, 1935, to August 22, 1935, both inclusive, to be issued and exchanged for a like amount of temporary Trust Certificates on which dividends would not begin to accrue until August 23, 1935, shall be adjusted on the basis hereinafter set forth and shall be paid to the said registered holder upon the surrender of the said temporary Trust Certificates prior to July 15, 1935;

WHEREAS, the registered holder of all the temporary Trust Certificates issued and outstanding desires the right to require the Company, prior to the surrender of temporary Trust Certificates in exchange for definitive Trust Certificates, to waive its right to redeem the definitive Trust Certificates so that definitive Trust Certificates when issued and outstanding will be held by the bearer or bearers with the understanding and agreement that they will not be subject to redemption;

WHEREAS, by a Supplemental Lease of Railroad Equipment dated the 15th day of January, 1935, between the Trustee and the Company, prefixed hereto, the specific description of the Trust Equipment, delivered by the Trustee, as Lessor, to the Company, as Lessee, under the said Lease dated the 15th dayof January, 1934, has been amended to designate the said 500 Box Cars, numbered from 69500 to 69999, inclusive, as Box Cars of Class X 31 and the parties to the said Lease have approved and consented to the execution and delivery of this Supplemental Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and in the said Agreement dated the 15th day of January, 1934, the parties hereto agree as follows:

1. The specific description of the Trust Equipment sold, assigned, transferred and set over unto the Trustee, as Trustee for the bearers and registered holders of Trust Certificates, under the provisions of Section I, of Article I, of the said Agreement dated the 15th day of January, 1934, is hereby amended to change the designation of 500 Box Cars, numbered from 69500 to 69999, inclusive, from Box Cars, of Class X 31A to Box Cars of Class X 31; and as so amended the specific description of the Trust Equipment sold, assigned, transferred and set over unto the Trustee, as Trustee for the bearers and registered holders of Trust Certificates, under the provisions of Sectionl, Article I, of the said Agreement dated the 15th day of January, 1934, is the description as set forth in Section 1 of a Supplemental Lease of Railroad Equipment dated the 15th day of January, 1935, prefixed hereto, and executed and delivered by the Trustee and the Company simultaneously with the execution of this Supplemental Agreement.

2. The term "Trust Equipment," wherever used herein and in the said Agreement dated the 15th day of January, 1934, unless otherwise indicated by the context, shall mean the Trust Equipment described in Section I of the said Supplemental Lease dated the 15th day of January, 1935, together with such other or additional railroad equipment as shall be acquired for the Trust and subjected to the Lease as therein provided; the word "Lease," wherever used herein and in the said Agreement dated the 15th day of January, 1934, unless otherwise indicated by the context, shall include the said Supplemental Lease; and the word "Agreement," wherever used in the said Agreement dated the 15th day of January, 1934, unless otherwise indicated by the context, shall include this Supplemental Agreement.

3. The provision in the temporary Trust Certificates under which temporary Trust Certificates shall not be exchangeable earlier than eighteen months from the dates of such certificates is hereby waived, and the first sentence of the second paragraph of Section I, of Article II, of the said Agreement dated the 15th day of January, 1934, is hereby amended to read as follows;

"Subject to the provisions of Section 2 of this Article I, such temporary certificates shall be exchangeable, on or after January 15, 1935, for definitive certificates with all unmatured dividend warrants attached, upon the surrender to the Trustee of temporary certificates for exchange."

Temporary Trust Certificates surrendered to the Trustee, pursuant to the provisions of the said Article I, as so amended, in exchange for definitive Trust Certificates or for cash settlement or adjustment, shall be cancelled.

4. Pursuant to the provisions of Article I of the said Agreement dated the 15th day of January, 1934, as amended by the foregoing Section 3, definitive Trust Certificates dated January 15, 1935, of the aggregate principal amount if $15,282,000 will be issued and delivered to the registered holder or holders of temporary Trust Certificates in exchange for temporary Trust Certificates of a like aggregate principal amount, and a cash settlement or adjustment, out of deposited cash or rental paid under the Lease dated the 15th day of January, 1934, will be made by the Trustee with the registered holder or holders of $243,000, principal amount, of temporary Trust Certificates, being the amount of temporary Trust Certificates issued in excess of the said aggregate principal amount of definitive Trust Certificates to be issued, such cash settlement or adjustment to be made upon the surrender to the Trustee of the said excess temporary Trust Certificates.

5. The first sentence of Section 3, of Article II, of the said Agreement dated the 15th day of January, 1934, is hereby amended to read as follows:

"Each of the definitive Trust Certificates shall be dated January 15, 1935, and shall represent an interest to the amount of one thousand dollars ($1,000), or some multiple thereof, in the trust of the Trust Equipment hereby created and the bearer or registered holder thereof shall be entitled to receive dividends on said amount at the rate of four per cent. (4%) per annum from July 15, 1935, payable semi-annually on January 15, and July 15, in each year."

6. The form of definitive Trust Certificate shall show in the caption the total issue of definitive Trust Certificates as $15,282,000, and the first paragraph of the said form, as set forth in Section 5, Article II, of the said Agreement dated the 15th day of January, 1934, is hereby amended to read as follows:

FIDELITY-PHILADELPHIA TRUST COMPANY, Trustee under an Agreement dated January 15, 1934, and a Supplemental Agreement dated January 15, 1935, between Edwin W. Bainbridge and Charles McCall, of the first part, Fidelity-Philadelphia Trust Company, Trustee of the second part, and The Pennsylvania Railroad Company, of the third part (the said Agreement and Supplemental Agreement being hereinafter referred to as the "Agreement"), hereby certifies that the bearer, or, if this Certificate be registered, the registered holder hereof is entitled to an interest of One Thousand Dollars in the Pennsylvania Railroad Equipment Trust, Series E, payable on 19 , and to dividends thereon accruing at the rate of four per cent. per annum from July 15, 1935, to said date of maturity (or, in case of redemption of this certificate, to the date of redemption), payable semi-annually On January 15 and July 15, in each year, but only upon presentation and surrender as they severally mature, of the dividend warrants hereto attached, both principal and dividends being payable at the office of the Trustee in the City of Philadelphia, Pennsylvania, or at the option of the bearer or registered holder, at its agency in the Borough of Manhattan in the City and State of New York (which agency may be the office of The Pennsylvania Railroad Company in said Borough, City and State)

in such coin or currency of the United States of America as, at the time of payment, is legal tender for public and private debts, all without deduction for any tax, assessment or other governmental charge (other than Federal income taxes) which The Pennsylvania Railroad Company or the Trustee may be required to pay, or to retain therefrom, under any present or future law of the United States of America or of the Commonwealth of Pennsylvania, but only from and out of rentals received by the Trustee from a certain Lease of Railroad Equipment made by Fidelity-Philadelphia Trust Company, Trustee, to The Pennsylvania Railroad Company, dated January, 15, 1934, and Supplemental Lease dated January 15, 1935 (the said Lease and Supplemental Lease being hereinafter referred to as the "Lease"); and the last paragraph of the form of definitive Trust Certificate as set forth in Section 5, Article II, of the said Agreement dated the 15th day of January, 1934, is hereby amended to read as follows:

"IN WITNESS WHEREOF, the Trustee has caused this certificate to be signed by its President or one of its Vice-President, and its corporate seal to be hereunto affixed and to be attested by its Secretary or an Assistant Secretary and dividend warrants bbearing the facsimile signature of its Treasurer to be attached hereto as of the 15th day of January, 1935".

The form of guaranty, as set forth in Section 5, Article II, of the said Agreement dated the 15th day of January, 1934, to be endorsed on the said definitive Trust Certificates by the Company, is hereby amended to read as follows:

The Pennsylvania Railroad Company, for a valuable consideration, hereby unconditionally guarantees to the bearer or registered holder of the within certificate the prompt payment of One Thousand Dollars being the principal of said certificate when the same shall become due and payable, whether at the maturity thereof or by declaration or otherwise, and of dividends thereon accruing at the rate of four per cent. per annum from July 15, 1935, on the semi-annual dates mentioned in said certificate and in the dividend warrants thereunto attached (or, in case of redemption of said certificate to and including the redemption date), all in such coin or currency of the United States of America, as, at the time of payment, is legal tender for public and private debts.

THE PENNSYLVANIA RAILROAD
COMPANY,
By
President.

7. Upon the surrender prior to July 15, 1935, by the registered holder, under the provisions of Article II of the said Agreement dated the 15th day of January, 1934, as amended by this Supplemental Agreement of $243,000, principal amount, of temporary, Trust Certifiates for cash settlement or adjustment, and of $15,282,000, principal amount, of temporary Trust Certificates in exchange for definitve Trust Certificates dated January 15, 1935, the Trustee will pay to the said registered holder, out of the rental under the Lease dated the 15th day of January, 1934, and Supplemental Lease dated the 15th dayof January, 1935 (less a discount at the rate of four per cent. per annum from the date of settlement to July 15, 1935), the net amount of dividends payable on July 15, 1935, on account of temporary Trust Certificates, such net amount of dividends to be determined by deducting from the total of dividends at the rate of four per cent. per annum on:

$3,257,000, principal amount, of temporary Trust Certificates dated January 25, 1934, from January 25, 1935, to July 14, 1935, both inclusive;

$243,000, principal amount, of temporary Trust Certificates dated January 25, 1934, from January 25, 1935, to the date of surrender thereof, such temporary Trust Certificates to be surrendered to the Trustee for cash settlement or adjustment under the provisions of Section 2, Article II, of the Agreement dated the 15th day of January, 1934, as amended by this Supplemental Agreement;

$2,322,000, principal amount, of temporary Trust Certificates dated April 2, 1934, from April 2, 1935, to July 14, 1935, both inclusive;

$4,995,000, principal amount, of temporary Trust Certificates dated May 16, 1934, from May 16,1935, to July 14, 1935, both inclusive; and

$3,699,000, principal amount, of temporary Trust Certificates, dated June 21, 1934, from June 21, 1935, to July 14, 1935, both inclusive,

an amount which is the equivalent of a dividend at the rate of four per cent. per annum from July 15, 1935, to August 22, 1935, both inclusive, on $999,000, principal amount, of definitive Trust Certificates to be issued in exchange for a like amount of temporary Trust Certificates dated August 23, 1934, on which dividends would not begin to accrue until August 23, 1935.

8. If, at any time prior to the exchange of temporary Trust Certificates for definitive Trust Certificates, the registered holder of all the temporary Trust Certificates shall require the Company to waive its right under Article IV of the said Agreement dated the 15th day of January, 1934, and under the terms of the definitive Trust Certificates, to redeem the said definitive Trust Certificates, the Company, will execute a waiver of its right to redeem, and will file the same with the Trustee, and the Trustee thereupon will impress or stamp in a permanent manner, or cause to be so impressed or stamped, upon the face of each definitive Trust Certificate to be issued, the following provision:

The provisions in the Trust Agreement dated the 15th day of January, 1934, and in this Certificate, authorizing the right of redemption at the election of The Pennsylvania Railroad Company have been waived, and this Certificate is held by the bearer thereof with the understanding and agreement that it is not subject to redemption; and will impress or stamp in a permanent manner, or cause to be so impressed or stamped, upon the panel of each of the said definitive Trust Certificates, and upon each dividend warrant, the following notation:

See provision on face of Certificate with respect to waiver of right of redemption;

and the Company will impress or stamp in a permanent manner, or cause to be so impressed or stamped, upon the guaranty endorsed by it upon each of the said definitive Trust Certificates, the following notation:

See provision on face of Certificate with respect to waiver of right or redemption.

9. Subject to the provisions of this Supplemental Agreement, all the covenants, agreements, terms, and stipulations contained in the said Agreement dated the 15th day of January, 1934, shall remain in full force and effect, and binding upon the respective parties.

10. The Company with all convenient speed will cause this Supplemental Agreement and the said Supplemental Lease dated the 15th day of January, 1935, to be duly filed, refiled, recorded, and re-recorded in all States wherein are situated railroad lines owned or operated by the Company under lease or otherwise, or by any railroad company, a majority of the capital stock of which is owned or controlled by the Company and to which it shall permit the use of any of the Trust Equipment, or lines over which the Companyor such a railroad company has trackage rights, and in all States where any of the Trust Equipment shall

be delivered, and otherwise as may be required by law, so that this Supplemental Agreement and the said Supplemental Lease may at all times be duly filed and recorded.

11. This Supplemental Agreement shall be simultaneously executed in the same number of counterparts as the original Agreement dated the 15th day of January, 1934, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties of the first part have hereunto set their hands and seals, and the parties of the second and third parts have caused their names to be signed hereto by their respective Presidents or Vice-Presidents, and sealed with their corporate seals, attested by their respective Secretaries or Assistant Secretaries, as of the day and year first above written.

EDWIN W. BAINBRIDGE (L.S.)

CHARLES McCALL (L.S.)

FIDELITY-PHILADELPHIA TRUST COMPANY,

By

T. E. FRAME,

Vice-President.

(Corporate)
( )
(Seal)

Attest:

H. W. WOODWARD,

Assistant Secretary.

THE PENNSYLVANIA RAILROAD COMPANY,

By

A. J. COUNTY,

Vice-President

(Corporate)
( )
(Seal)

ATTEST:

J. TANEY WILLCOX,

Secretary.

Signed, sealed, acknowledged and delivered by all parties in the presence of:

G. H. ZACHERLE

F. E. GODFREY

COMMONWEALTH OF PENNSYLVANIA)
)SS
CITY AND COUNTY OF PHILADELPHIA)

I, G. H. ZACHERLE, a Notary Public within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on -----March 25, 1935 before me the subscriber, a Notary Public as aforesaid, personally appeared Edwin W. Bainbridge and Charles McCall, to me known as the Vendors in the foregoing instrument in writing bearing date January 15, 1935, and acknowledged that they signed, sealed, and delivered the said instrument as their free and voluntary act and deed for the uses and purposes therein set forth, and desired the same to be recorded as such.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal the day and year aforesaid.

G. H. ZACHERLE

Notary Public
My Commission Expires
My Commission Expires March 6, 1939

Notarial
Seal

COMMONWEALTH OF PENNSYLVANIA)
)SS
CITY AND COUNTY OF PHILADELPHIA)

I, G. H. ZACHERLE, a Notary Public duly commissioned, qualified and acting within and fore the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby, certify that on March 25, 1935, before me the subscriber, a Notary Public as aforesaid, personally appeared T. E. Frame, Vice-President of Fidelity-Philadelphia Trust Company, one of the corporations which executed the foregoing instrument in writing, bearing date of January 15, 1935, whose name is signed thereto, and the said T. E. Frame, to me personally known, being by me duly sworn or affirmed, did depose and say that he resides in Rydal, in the County of Montgomery, in the State of Pennsylvania, that he is the Vice-President of the said Fidelity-Philadelphia Trust Company, one of the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation; that he knows the contents of the said instrument; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed, sealed and delivered by him as Vice-President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; and that he acknowledged the said foregoing instrument to be the free and voluntary act and deed of the said Fidelity-Philadelphia Trust Company; and that he desired the same to be recorded as such.

T. E. FRAME

Subscribed and sworn or affirmed before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

I am not a stockholder, director or officer of said Trust Company.

G. H. ZACHERLE

(Notarial)
( )
(Seal)

Notary Public
My Commission Expires
My Commission Expires March 6, 1939.

In the Courts of Common Pleas of Philadelphia County

State of Pennsylvania)
)SS
County of Philadelphia)

I, JOHN M. SCOTT, Prothonotary of the Courts of Common Pleas of said County, which are Courts of Record having a common seal, being the officer authorized by the laws of the State of Pennsylvania to make the following Certificate, acting by my Principal Deputy, Meredith Hanna, or my Second Deputy, John J. Hoerr, do Certify That G. H. ZACHERLE Esquire, before whom the annexed affidavit was made, was at the time of so doing a Notary Public for the Commonwealth of Pennsylvania, residing in the County of Philadelphia, duly commissioned and qualified to administer oaths and affirmations and to take acknowledgments and proofs of Deeds or Conveyances for lands, tenements and hereditaments to be recorded in said State of Pennsylvania, and to all whose acts, as such, full faith and credit are and ought to be given, as well in Courts of Judicature as elsewhere; and that I am well acquainted with the handwriting of the said NOTARY PUBLIC and verily believe the signature thereto is genuine, and that said oath or affirmations purports to be taken in all respects as required by the laws of the State of Pennsylvania.

The impression of the seal of the Notary Public is not required by law to be filed in this office.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said Court this 26 day of MARCH in the year of our Lord one thousand nine hundred thirty-five (1935)

COURTS OF COMMON PLEAS SEAL

JOHN M. SCOTT, Prothonotary

By JOHN. J. HOERR, Second Deputy Prothonotary
Durante Absentia, Secundum Legem

COMMONWEALTH OF PENNSYLVANIA)
)SS
CITY AND COUNTY OF PHILADELPHIA)

I, J. E. WILLIAMS, a Notary Public dulycommissioned, qualified and acting within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania do hereby certify that on 18th March, 1935, before me the subscriber, a Notary Public as aforesaid, personally appeared A. J. County, Vice-President of The Pennsylvania Railroad Company, one of the corporations which executed the foregoing instrument in writing, bearing date of January 15, 1935, whose name is signed, thereto, and the said A. J. County, to me personally known, being by me duly sworn, did depose and say that he resides in St. Davids, in the County of Delaware, in the State of Pennsylvania; that he is the Vice-President of said The Pennsylvania Railroad Company, one of the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation; that he knows the contents of the said instrument; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed, sealed and delivered by him as Vice-President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; and that he acknowledged the said foregoing instrument to be the free and voluntary act and deed of said The Pennsylvania Railroad Company; and that he desired the same to be recorded as such.

A. J. County

Subscribed and sworn before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

J. E. WILLIAMS
Notary Public

(Notarial)
( )
(Seal))

My Commission Expires March 9, 1939

In the Courts of Common Pleas of Philadelphia County

STATE OF PENNSYLVANIA)
) SS
COUNTY OF PHILADELPHIA)

I, JOHN M. SCOTT, Prothonotary of the Courts of Common Please of said County, which are Courts of Record having a common seal, being the officer authorized by the laws of the State of Pennsylvania to make the following Certificate, acting by my Principal Deputy, Meredith Hanna, or my Second Deputy, John J. Hoerr, do, Certify, That J. E. Williams Esquire, before whom the annexed affidavit was made, was at the time of so doing a NOTARY PUBLIC for the Commonwealth of Pennsylvania, residing in the County of Philadelphia, duly commissioned and qualified to administer oaths and affirmations and to take acknowledgments and proofs of Deeds or Conveyances for lands, tenements and hereditaments to be recorded in said State of Pennsylvania, and to all whose acts, as such, full faith and credit are and ought to be given, as well in Courts of Judicature as elsewhere; and that I am well acquainted with the handwriting of the said NOTARY PUBLIC and to be taken in all respects as required by the laws of the State of Pennsylvania.

The impression of the seal of the Notary Public is not required by law to be filed in this office.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said Court, this 26 day of MARCH in the year of our Lord one thousand nine hundred thirty-five (1935)

JOHN M. SCOTT, Prothonotary.

By JOHN J. HOERR, Second Deputy, Prothonotary
Durante Absentia, Secundum Legem.

(COURTS OF COMMON PLEAS)
( )
(SEAL)

UNITED STATE OF AMERICA
THE STATE OF MICHIGAN
DEPARTMENT OF STATE

TO ALL TO WHOM THESE PRESENTS SHALL COME:

I, ORVILLE E. ATWOOD, Secretary of State of the State of Michigan and Custodian of the Great Seal thereof, Do Hereby Certify that Supplemental Lease of Railroad Equipment, dated January 15, 1935, between Fidelity-Phila/delphia Trust Company, of Philadelphia, Pa., Trustee, and the Pennsylvania Railroad Company was duly filed on March 28, 1935.

In Testimony Whereof, I have hereunto set my hand and affixed the Great Seal of the State at the Capitol in the City of Lansing, this 28th day of March A. D. 1935.

(GREAT)
( )
(SEAL)

ORVILLE E. ATWOOD
Secretary of State

STATE OF WISCONSIN)
) SS
DEPARTMENT OF STATE)

Received this 17th day of August A. D. 1937 at 10:30 o'clock A. M. and recorded in Vol. 34 of R. R. Mtgs. on page 101-115 incl. ✓

ROBERT L. SIEBECKER
Assistant Secretary of State

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RELEASE

by the

CITY BANK FARMERS TRUST COMPANY OF NEW YORK, TRUSTEE

formerly

THE FARMERS LOAN AND TRUST COMPANY

TO

ORMSBY AUTO EQUIPMENT COMPANY

OF CERTAIN REAL ESTATE IN THE CITY OF MILWAUKEE

FROM LIEN OF CERTAIN TRUST DEEDS

EXECUTED BY CHICAGO AND NORTH WESTERN RAILWAY COMPANY

May 1, 1920.

****

KNOW ALL MEN BY THESE PRESENTS:

That CITY BANK FARMERS TRUST COMPANY, formerly THE FARMERS LOAN AND TRUST COMPANY, a corporation of the State of New York, as surviving Trustee, for and in consideration of the sum of ONE DOLLAR ($1.00) and other good and valuable considerations, the receipt whereof is hereby confessed, does hereby remise, release, convey and quit-claim to ORMSBY AUTO EQUIPMENT COMPANY, a corporation, all right, title, interest, claim and demand whatsoever it may have acquired in, through or by a certain Deed of Trust bearing date Mayl, 1920, recorded in the office of the Secretary of State in and for the State of Wisconsin, on June 17, 1920, in Volume 21 of Railroad Mortgages, etc. on Page 1, and Supplemental Indenture, dated May 9, 1928, recorded in the Office of said Secretary of State in and for the State of Wisconsin on June 6, 1928, in Volume 27 of Railroad Mortgages, etc. on Pages 193-204 in and to the following described premises situated in the City of Milwaukee, in the County of Milwaukee, and State of Wisconsin, to-wit:

That part of Lots Six (6), Seven (7) and Eight (8) in Block Twenty (20), and of the Southwesterly one-half of Windsor Place, vacated, adjoining said Lot Six (6), all in Glidden and Lockwood's Addition in the City of Milwaukee which lies easterly of a line drawn parallel with and forty (40) feet distant, at right angles, easterly from the center line of the most easterly main track of the Chicago and North Western Railway Company, as said main track is now constructed and operated over and across said lots. The property hereby conveyed having a frontage of about One Hundred Seventy-Two and Thirty-five One-Hundredths (172.35) feet on Summit Avenue and having a depth of about One Hundred Twenty-One and Eighty-two One-hundredths (121.82) feet on the center line of Windsor Place vacated and contains an area of Nine Thousand, Nine Hundred and Ninety-eight (9,998) square feet, more or less.

This Release is executed upon the written request of CHARLES P. MEGAN, Trustee of the property of CHICAGO AND NORTH WESTERN RAILWAY COMPANY, C. T. DIKE, Vice-President and Chief Engineer, and BARRET CONWAY, Vice-President and Secretary of said Railway Company, in pursuance of the power and authority vested in said Trustee by the provision of Article Eight of said Deed of Trust.

EDWIN S. MARSTON, individual Trustee named in said Deed of Trust, having heretofore died, and no individual Trustee having been appointed, this Instrument is executed by

CITY BANK FARMERS TRUST COMPANY, formerly THE FARMERS LOAN AND TRUST COMPANY, Trustee, under authority of Article 9, Section 6, Paragraph 7 of said Deed of Trust.

IN WITNESS WHEREOF the said CITY BANK FARMERS TRUST COMPANY has caused these presents to be signed by its Vice PRESIDENT, its corporate seal to be hereunto affixed, and attested by its Ass't. SECRETARY, all on the 18th day of June A. D. Nineteen Hundred and Thirty-Eight.

(CORPORATE SEAL)

CITY BANK FARMERS TRUST COMPANY, AS TRUSTEE,

BY WALTER BROWN
ITS VICE PRESIDENT

ATTEST:

H. BOTTEMUS
ASS'T. SECRETARY

SIGNED, SEALED AND DELIVERED ON BEHALF OF CITY BANK FARMERS TRUST COMPANY IN PRESENCE OF:

Horace B. B. Robinson
Horace B. B. Robinson

M. E. Cooper
M. E. Cooper

STATE OF NEW YORK)
) SS.
CITY AND COUNTY OF NEW YORK)

I, Francis M. Pitt, a Notary Public in and for said City and County of New York, in the State of New York, do hereby certify that Walter Brown personally known to me to be the Vice PRESIDENT of CITY BANK FARMERS TRUST COMPANY, and H. BOTTEMUS personally known to me to be the Ass't SECRETARY of CITY BANK FARMERS TRUST COMPANY, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument as appeared before me this day in person and severally acknowledged that they as such Vice PRESIDENT and Ass't. SECRETARY,/respectively, signed, sealed and delivered the said instrument as the free and voluntary act of CITY BANK FARMERS TRUST COMPANY, pursuant to authority given by the Board of Trustees of said Company, for the uses and purposes therein set forth, and I further certify that I know the seal affixed to said instrument to be the corporate seal of said Company.

PRESIDENT and Ass't. SECRETARY,

GIVEN under my hand and official seal this 20th day of June A. D., Nineteen Hundred Thirty Eight.

MY COMMISSION EXPIRES: (NOTARIAL) (SEAL)

FRANCIS M. PITT
NOTARY PUBLIC

FRANCIS M. PITT
Notary Public Kings Co. No. 264, Reg. No. 9030
Cert. filed in N. Y. Co. No. 67, Reg. No. 9-P-38
Commission Expires March 30, 1939.

STATE OF WISCONSIN)
) SS.
DEPARTMENT OF STATE)

Received this 12th day of July A. D. 1938 at 2:45 o'clock P. M. and recorded in Vol. 34 of R. R. Mtgs, etc., on page 116 & 117.

Robert L. Siebecker
Assistant Secretary of State

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AGREEMENT

DATED SEPTEMBER 1, 1923

between

GREAT NORTHERN EQUIPMENT COMPANY,
VENDOR
THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK, TRUSTEE

and

GREAT NORTHERN RAILWAY COMPANY

constituting

"GREAT NORTHERN RAILWAY EQUIP. TRUST SERIES B"

KNOW ALL MEN BY THESE PRESENTS: That,

WHEREAS, pursuant to an agreement dated September 1, 1923, between GREAT NORTHERN EQUIPMENT COMPANY, a corporation duly organized and existing under the laws of the state of Minnesota (hereinafter called the "Vendor"), of the first part, THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK, a corporation duly organized and existing under the laws of the United States of America, as Trustee (hereinafter called the "Trustee"), of the second part, and GREAT NORTHERN RAILWAY COMPANY, a corporation duly organized and existing under the laws of the state of Minnesota (hereinafter called the "Company"), of the third part, constituting "Great Northern Railway Equipment Trust, Series B", the Vendor sold, assigned, transferred and delivered certain railroad equipment (hereinafter referred to as the "Trust Equipment") to the Trustee: and

WHEREAS, pursuant to said agreement of September 1, 1923, the Trustee issued and delivered to the Vendor or at its direction $8,625,000 par value of Great Northern Railway Equipment Trust, Series B, Five Per Cent Serial Trust Certificates, and leased the Trust Equipment to the Company by lease also dated September 1, 1923, under which the Company was required, among other things, to pay rental to the Trustee in amounts sufficient to pay the principal of and dividends on the Trust Certificates as the same became due and payable; and

WHEREAS, Pursuant to said lease of September 1, 1923, and various instruments subsequently executed (a) certain additional railroad equipment has been subjected to said lease in replacement of Trust Equipment which has become worn out, lost or destroyed, and (b) certain of the Trust Equipment has been renumbered, all of which replacement and renumbered equipment is to be deemed as included in each reference hereinafter to the Trust Equipment and replacements thereof: and

WHEREAS said lease provides that at the termination thereof and after all payments due or to become due from the Company under said lease and/or agreement shall have been completed and fully made to the Trustee, (1) such payments shall be applied and treated as purchase money and as the full purchase price of the Trust Equipment, (2) title to all of the Trust Equipment and to all replacements thereof shall vest in the Company and (3) thereupon the Trustee will execute, for record in public offices, such instrument or instruments in writing as reasonably shall be requested by the Company in order to make clear upon the public records the title of the Company to all of the Trust Equipment and replacements thereof, under the laws of any jurisdiction; and,

WHEREAS the Company has duly and punctually paid the rentals required of it in said lease and has made all other payments required by said agreement and lease, and has performed all the covenants, obligations and agreements contained in said agreement and lease, in accordance with the provisions thereof, and has requested the Trustee to execute an instrument to make clear upon the public records title of the Company to all

of the Trust Equipment and replacements thereof, and compliance with all the terms of said agreement and lease;

NOW, THEREFORE, THIS INSTRUMENT WITNESSETH:

That said The First National Bank of the City of New York, Trustee under said agreement and lease dated September 1, 1923, in consideration of the premises and in accordance with the terms of said lease, does hereby acknowledge full and complete payment and satisfaction by said Company of the rental payments required in said lease and all other payments required by said agreement and lease, and full and complete compliance with all the terms and conditions of said agreement and lease, and for the purpose of passing to and vesting in Great Northern Railway Company the title to all of the Trust Equipment and replacements thereof subject to said agreement and lease, does hereby release, assign, sell, transfer and deliver to said Company, Great Northern Railway Company, its successors and assigns, all right, title and interest of said Trustee in and to the Trust Equipment and replacements thereof subject to said agreement and lease, but without any representation as to the correctness of the numbering of such equipment or as to whether or not it is in existence and now in the possession of said Great Northern Railway Company.

TO HAVE AND TO HOLD the same unto the said Company, Great Northern Railway Company, its successors and assigns, forever.

IN WITNESS WHEREOF, the said The First National Bank of the City of New York, Trustee, has caused its corporate name to be hereunto subscribed by its President, or one of its Vice Presidents, and its corporate seal to be hereunto affixed and attested by its Cashier, or an Assistant Cashier, this 13th day of September, 1938.

Signed, sealed, attested, executed and delivered in the presence of -

A. Wirtz

F. Filong

(CORPORATE SEAL)

THE FIRST NATIONAL BANK
OF THE CITY OF NEW YORK,

By Henry S. Sturgis
Vice President.

Attest: S. L. Searles
Asst. Cashier

UNITED STATES OF AMERICA)
State of New York) SS
County of New York

BE IT REMEMBERED, and I do hereby certify, that on this 13th day of September, in the year 1938 A. D., in the County of New York, State of New York, before me, the undersigned Notary Public in and for the County of New York, in the State of New York, personally came and appeared Henry S. Sturgis, a Vice President, and S. L. Searles, an Assistant Cashier of THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK, both being to me personally known and known to me to be officers of and a Vice President and an Assistant Cashier, respectively, of The First National Bank of the City of New York, the above-mentioned corporation, that is described in and that executed this, the within and foregoing instrument, that was produced to me by the parties therein, having authority to execute such instrument, who, being by me duly sworn, did depose and say that the said Henry S. Sturgis, Vice President, resides in Cedarhurst, Nassau County, New York; and that the said S. L. Searles, Assistant Cashier, resides in Leonia, Coutny of Bergen and State of New Jersey; that they are a Vice President and an Assistant Cashier, respectively, of The First National Bank of the City of New York, and that they are the persons who executed the within and foregoing instrument as such officers, and on oath stated that they were authorized so to execute such instrument; that said instrument was executed, signed, sealed and delivered on and in behalf of the said corporation by its authority and by the authority of its Board of Directors, and said Henry S. Sturgis, Vice President, and said S. L. Searles, Assistant Cashier, acknowledged said instrument to be the free act and deed of said corporation, and of said Henry S. Sturgis, Vice President, and of said S. L. Searles, Assistant Cashier, of said corporation, for the uses and purposes therein mentioned and set forth, and acknowledged to me that such corporation executed the same; and said Henry S. Sturgis, Vice President, and said S. L. Searles, Assistant Cashier, did each depose and say that he knows the corporate seal of the said corporation; that the seal affixed to and the affixed seal of the

foregoing instrument is the corporate seal of said corporation and was so affixed by order of its Board of Directors, and said Henry S. Sturgis, Vice President, said that by like order he signed the same as Vice President, and said S. L. Searles, Assistant Cashier, said that by like order he attested the same as Assistant Cashier.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Maurice M. Rafferty
NOTARY PUBLIC, New York County
N. Y. Co. Clk's. No. 402, Reg. No. 0R524
Commission Expires March 30, 1940

(NOTARY SEAL)

STATE OF WISCONSIN)
) SS
DEPARTMENT OF STATE)

Received this 22nd day of Sept. A.D. 1938 at 11:15 o'clock A.M. and recorded in Vol. 34 of R. R. Mtgs., etc., on page 118-120 inclusive.

Robert L. Siebecker
Assistant Secretary of State

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AGREEMENT

BY & BETWEEN

JOHN D. CALDWELL, CHARLES JENSCH, CHARLES P. NASH AND W. H. THORN,

AS VENDORS OF THE FIRST PART,

THE FARMERS' LOAN AND TRUST COMPANY

and

EDWIN S. MARSTON, TRUSTEES OF THE SECOND PART

and the

CHICAGO, SAINT PAUL, MINNEAPOLIS and OMAHA RAILWAY COMPANY

known as the

CHICAGO, SAINT PAUL, MINNEAPOLIS AND OMAHA RAILWAY

COMPANY EQUIPMENT TRUST AGREEMENT OF 1917

PROVIDING FOR THE PROCURING OF CERTAIN EQUIPMENT

WHEREAS, under date of February 5, 1917, an Agreement was entered into by and between John D. Caldwell, Charles Jensch, Charles P. Nash and W. H. Thorn, as Vendors, of the first part, The Farmers' Loan and Trust Company and Edwin S. Marston, as Trustees, of the second part, and the Chicago, Saint Paul, Minneapolis and Omaha Railway Company of the third part, known as the CHICAGO, SAINT PAUL, MINNEAPOLIS AND OMAHA RAILWAY COMPANY EQUIPMENT TRUST AGREEMENT OF 1917, providing for the procuring by the Vendors of equipment as required by said Railway Company from time to time, and the conveyance and delivery thereof to said Trustees, and the issuance by said Trustees of Equipment Trust Certificates to an amount not to exceed the cost thereof, and the leasing of said equipment by said Trustees to said Railway Company; and

WHEREAS, thereafter, on the first day of June, 1920, a Supplemental Agreement was made and entered into by and between said John D. Caldwell, Charles Jensch, Charles P. Nash and W. H. Thorn, Vendors, of the first part, The Farmers' Loan and Trust Company and Edwin S. Marston, as Trustees, of the second part, and the Chicago, Saint Paul, Minneapolis and Omaha Railway Company, of the third part, supplemental to said Equipment Trust Agreement of February 5, 1917; and

WHEREAS, under day of September 1, 1928, The Farmers' Loan and Trust Company and James H. Perkins (successor Individual Trustee), as Trustees, leased to said Railway Company for the term of ten (10) years from said date, certain equipment which had been acquired by said Vendors and transferred to said Trustees under said Trust Agreement, described as follows:

NUMBER OF VEHICLES	DESCRIPTION	MARKED	NUMBERED
8	Class "M-5"0-8-0 Switch Locomotives	C.St.P.M.& O. Ry. Co.	60 to 67, inclusive
200	50-ton, Steel Underframe Flat Cars	C.St.P.M.& O. Ry. Co.	59601 to 59999, inclusive (odd numbers only)

all of which equipment was represented by EQUIPMENT TRUST CERTIFICATES, SERIES "F", issued pursuant to said Trust Agreement; and

WHEREAS, it was provided in said Lease that upon its termination and performance by the Railway Company of its covenants and obligations thereunder, the said Trustees should convey and transfer to it all of the equipment covered thereby, which would thereafter be the absolute property of said Railway Company; and

WHEREAS, said Lease has now terminated, and said Railway Company has fully performed all of its covenants and obligations thereunder, and the said EQUIPMENT TRUST CERTIFICATES, SERIES "F", have now been all retired and cancelled, or otherwise provided for, and said Railway Company is now entitled to have the said equipment covered thereby conveyed and transferred to it by said Trustees, so as to become its absolute property and held by it free from any right or interest of the Trustees or the holders of said Equipment Trust Certificates therein; and

WHEREAS, the said The Farmers' Loan and Trust Company has become and is now known as the City Bank Farmers Trust Company, and said Edwin S. Marston is no longer living, and James H. Perkins of Greenwich, Conn., has been duly appointed Trustee in place of said Edwin S. Marston, deceased;

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that in consideration of the premises and of the sum of One Dollar ($1.00) to them in hand paid, the receipt whereof is hereby acknowledged, the said City Bank Farmers Trust Company and James H. Perkins, as such Trustees, do hereby convey, assign, transfer and set over to said Chicago, Saint Paul, Minneapolis and Omaha Railway Company all of the above described equipment, and all their right, title and interest therein.

IN WITNESS WHEREOF, the said City Bank Farmers Trust Company, as Trustee, has caused these presents to be signed by a Vice-President, and its corporate seal to be hereunto affixed, and attested by its Asst. Secretary, and said James H. Perkins, as Trustee, has hereunto set his hand and seal this 15th day of September A.D. 1938.

CITY BANK FARMERS TRUST COMPANY, as Trustee

By Walter Brown
Vice-President.
M.

(CORPORATE SEAL)

Attest:

B. Falconer
Asst. Secretary.

James H. Perkins (Seal)
As Trustee.
M.

Witnesses:

H. B. Williamson

R. E. Morton

STATE OF NEW YORK)
SS
CITY AND COUNTY OF NEW YORK)

I, Francis M. Pitt a Notary Public acting in and for the City and County of New York, in the State of New York, do hereby certify that on this 16th day of September in the year 1938, before me, the subscriber, personally appeared Walter Brown and B. Falconer, Vice President and Asst. Secretary, respectively, of City Bank Farmers Trust Company, a corporation, and on said same day also appeared before me by its said officers, the said City Bank Farmers Trust Company, being known to me to be the corporation whose name is subscribed to the foregoing instrument, and which executed the same as one of the parties of the first part; that said Walter Brown and B. Falconer are personally known to me and are known to me to be the Vice President and Asst. Secretary, respectively, of said City Bank Farmers Trust Company, and the identical persons whose names are subscribed to the foregoing instrument as Vice President and Asst. Secretary of said corporation; that said Walter Brown and B. Falconer then and there severally acknowledged that they signed, sealed and delivered the foregoing

instrument as the Vice President and Asst. Secretary, respectively, of said City Bank Farmers Trust Company, and in behalf of said corporation and by order of its Board of Directors, and that they were Vice President and Asst. Secretary, respectively, of said corporation at the time of the execution of said forgoing instrument, and that the seal attached to said instrument is the corporate seal of said City Bank Farmers Trust Company, and was affixed to said instrument on behalf of said corporation, and by order of its Board of Directors; and I further certify that said Walter Brown and B. Falconer then and there severally acknowledged that they executed said instrument as their free and voluntary act and deed as such Vice President and Asst. Secretary, respectively, and as the free and voluntary act and deed of said City Bank Farmers Trust Company, and for the uses and purposes in said instrument set forth.

And at the same time said Walter Brown and B. Falconer being be me severally and duly sworn, did severally depose and say that they resided, the said Walter Brown at 12 Cole Terrace in New Rochelle, New York and the said B. Falconer at 542 Broadway in Dobbs Ferry, N. Y. and that said City Bank Farmers Trust Company is a corporation; that they are and at the time of the execution of the foregoing instrument were the Vice President and Asst. Secretary, respectively, of said City Bank Farmers Trust Company, the corporation described in and which executed the foregoing instrument; that they know the seal of said corporation; that they signed the foregoing instrument as Vice President and Asst. Secretary, respectively, of said corporation and in its behalf, and by order of its Board of Directors; and that the seal affixed to said instrument is the seal of said City Bank Farmers Trust Company and was so affixed by them by order of the Board of Directors of said Corporation.

And I further certify that I know the seal affixed to the foregoing instrument to be the corporate seal of said City Bank Farmers Trust Company, and that said instrument is executed and acknowledged according to, and in conformity with the laws of the State of New York.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal as Notary Public for the City and County of New York, in the State of New York, on said 16th day of September 1938.

FRANCIS M. PITT

Notary Public acting in and for the City and County of New York, in the State of New York.

(NOTARY SEAL)

Francis M. Pitt
Notary Public Kings Co. No. 264,
Reg. No. 9030
Cert. filed in N.Y. Co. No. 67, Reg. No. 9-P-38
Commission expires March 30, 1939

No. 60808

STATE OF NEW YORK)
ss.:
COUNTY OF NEW YORK)

I, ARCHIBALD R. WATSON, Clerk of the County of New York and also Clerk of the Supreme Court in and for said county,

DO HEREBY CERTIFY, That said Court is a Court of Record, having by law a seal; that FRANCIS M. PITT whose name is subscribed to the annexed certificate or proof of acknowledgment of the annexed instrument was at the time of taking the same a NOTARY PUBLIC acting in and for said county, duly commissioned and sworn, and qualified to act as such; that he has filed in the Clerk's Office of the County of New York a

(CLERKS SEAL)

certified copy of his appointment and qualification as Notary Public for the County of Kings with his autograph signature; that as such Notary Public, he was duly authorized by the laws of the State of New York to protest notes; to take and certify depositions; to administer oaths and affirmations; to take affidavits and certify the acknowledgment and proof of deeds and other written instruments for lands, tenements and hereditaments, to be read in evidence or recorded in this state; and further, that I am well acquainted with the handwriting of such Notary Public and verily believe that his signature to such proof or acknowledgement is genuine.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said Court at the City of New York, in the County of New York, this 19th day of Sept. 1938.

ARCHIBALD R. WATSON

Clerk

STATE OF NEW YORK)
SS
CITY AND COUNTY OF NEW YORK)

I, ANNA SHEPARD, a Notary Public in and for the City and County of New York, in the State of New York, do hereby certify that on this 16th day of September in the year 1938, before me, the subscriber, personally appeared James H. Perkins personally known to me to be the identical person whose name is subscribed to the foregoing instrument and who is described in the said instrument, and executed the same as one of the parties of the first part; and that said James H. Perkins then and there acknowledged that he signed, sealed and delivered and executed the foregoing instrument as his free and voluntary act and deed, and for the uses and purposes therein set forth.

And I further certify that said foregoing instrument is executed and acknowledged according to and in conformity with the laws of the State of New York.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal as Notary Public for the City and County of New York, in the State of New York, on said 16th day of September 1938.

Anna Shepard

(NOTARY SEAL)

Notary Public acting in and for the
City and County of New York in the
State of New York.

Notary Public, New York County
New York County Clerk's No. 227
New York Co. Register's No. 98727
Commission Expires March 30, 1939

State of New York)
SS.:
County of New York)

No. 84110

I, ARCHIBALD R. WATSON, Clerk of the County of New York, and also Clerk of the Supreme Court for the said County, the same being a Court of Record, having a seal, DO HEREBY CERTIFY, That

ANNA SHEPARD

whose name is subscribed to the deposition or certificate of the proof or acknowledgment of the annexed instrument, and thereon written, was, at the time of taking such deposition, or proof and acknowledgment, a Notary Public in and for such County, duly commissioned and sworn, and authorized by the laws of said State, to take depositions and to administer oaths to be used in any Court of said State and for general purposes; and also to take acknowledgments and proofs of deeds, of conveyances for land, tenements or hereditaments in said State of New York. And further, that I am well

acquainted with the handwriting of such Notary Public, and verily believe that the signature to said deposition or certificate of proof or acknowledgment is genuine.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the said Court and County, the 19 day of Sept. 1938.

(Clerk's Seal)

ARCHIBALD R. WATSON

Clerk

STATE OF WISCONSIN)
ss.
DEPARTMENT OF STATE)

Received this 30th day of Sept. A.D. 1938
at 11:20 o'clock A.M. and recorded in Vol.
34 of R. R. Mtgs. on pages 121-125 inclusive.

Robert L. Siebecker.

Assistant Secretary of State.

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ENDORSEMENT #61826 SHOWING
CERTIFICATE OF RECORDATION
IN MAHNOMEN COUNTY, MINN.
APRIL 29, 1938.

State of Minnesota;)
ss.
County of Mahnomen,)

I hereby certify that the within instrument was filed in this office for record on the 29 day of April, A.D. 1938 at 9 o'clock A.M.; and was duly recorded in Book 42 of Mtgs. on page 198.

Sigvald Feit Register of Deeds;

ENDORSEMENT #55782 SHOWING
CERTIFICATE OF RECORDATION
IN CLEARWATER COUNTY, MINN.
MAY 13, 1938

ENDORSEMENT #69014 SHOWING
CERTIFICATE OF RECORDATION
IN RED LAKE COUNTY, MINN.
MAY 25, 1938

ENDORSEMENT #97660 SHOWING
CERTIFICATE OF RECORDATION
IN AITKIN COUNTY, MINNESOTA
MAY 31, 1938

ENDORSEMENT SHOWING
CERTIFICATE OF RECORDATION
IN REGISTER'S OFFICE
(County of Alger)(Mich)
MAY 5, 1938

ENDORSEMENT SHOWING
CERTIFICATE OF RECORDATION
IN REGISTER'S OFFICE
KITTSON COUNTY, MINN.
MAY 19, 1938

ENDORSEMENT # 106535 SHOWING
CERTIFICATE OF RECORDATION
in CASS COUNTY, MINN.
May 27, 1938

ENDORSEMENT SHOWING
CERTIFICATE OF RECORDATION
IN REGISTER'S OFFICE
MENOMINEE COUNTY, MICH.
July 7, 1938

ENDORSEMENT SHOWING
CERTIFICATE OF RECORDATION
IN REGISTER'S OFFICE
SCHOOLCRAFT COUNTY, MICH.
May 9, 1938

SUPPLEMENTAL INDENTURE
DATED JUNE 11, 1937
between
MINNEAPOLIS, ST. PAUL & SAULT STE. MARIE RAILWAY CO.
and
GUARANTY TRUST COMPANY OF NEW YORK, TRUSTEE
of
FIRST REFUNDING MORTGAGE, DATED JUNE 1, 1921

Book 667, Page 248

570190 Filed for Record March 17, 1938 at 9 A.M.

THIS SUPPLEMENTAL INDENTURE made this 11th day of June, 1937, by and between the Minneapolis, St. Paul & Salt Ste. Marie Railway Company, a corporation organized and existing under the laws of the States of Michigan, Wisconsin, Minnesota, and North Dakota (hereinafter called the "Railway Company"), party of the first part, and Guaranty Trust Company of New York, a corporation organized and existing under the laws of the State of New York, as Trustee under the First Refunding Mortgage dated January 1, 1921 (hereinafter referred to as "First Refunding Mortgage"), between the Railway Company and Guaranty Trust Company of New York, as Trustee, party of the second part;

W I T N E S S E T H :

WHEREAS, Central Hanover Bank and Trust Company (successor to Central Trust Company of New York), as Trustee under two certain mortgages dated June 18, 1888, and January 2, 1899, between the Railway Company and Central Trust Company of New York, and Guaranty Trust Company of New York as Trustee under said First Refunding Mortgage, have released certain equipment owned by the Railway Company from the lien of said mortgages, and the Railway Company has sold said equipment to Central Hanover Bank and Trust Company as Trustee under an agreement between the Railway Company, Vendor, Central Hanover Bank and Trust Company, Trustee, and E. A. Whitman, Receiver of the property of Wisconsin Central Railway Company, and Wisconsin Central Railway Company, dated as of January 1, 1937, and the Railway Company has transferred to Central Hanover Bank and Trust Company as Trustee under said two mortgages dated June 18, 1888, and January 2, 1899, to be applied to the purchase of additional property which will become subject to the lien of said two mortgages dated June 18, 1888, and January 2, 1899, certain proceeds of the sale of the equipment hereinafter described.

WHEREAS, the Railway Company now wishes to transfer to Guaranty Trust Company as Trustee under said First Refunding Mortgage to be applied to the purchase of additional property which will become subject to the lien of said First Refunding Mortgage, said proceeds of the sale of said equipment hereinafter described, subject, however, to the prior lien of said mortgages dated June 18, 1888, and January 2, 1899; and

WHEREAS, all things necessary to make this Supplemental Indenture a valid, binding and legal instrument in accordance with its terms have been done and performed and have happened, and the execution and delivery hereof having been in all respects authorized;

NOW, THEREFORE, in consideration of the premises and of $10 to it in hand paid, the receipt whereof is hereby acknowledged, the Railway Company has sold, assigned, transferred, set over and confirmed, and hereby does sell, assign, transfer, set over and confirm, unto said Guaranty Trust Company of New York as Trustee under the said First Refunding Mortgage, its successor or successors in trust, and their assigns, subject, however, to the prior lien of said mortgages dated June 18, 1888, and January 2, 1899, the following described property, being certain proceeds from the sale of said equipment, to-wit:

$2,500,000 aggregate principal amount of Wisconsin Central Railway Company Equipment Trust Certificates, Series B, dated January 1, 1937, in temporary form, due and payable as follows:

$125,000 due and payable on July 1, 1937;
$125,000 due and payable on January 1, 1938;
125,000 due and payable on July 1, 1938;
125,000 due and payable on January 1, 1939;
125,000 due and payable on July 1, 1939;
125,000 due and payable on January 1, 1940;
125,000 due and payable on July 1, 1940;

125,000 due and payable on January 1, 1941;

125,000 due and payable on July 1, 1941;

125,000 due and payable on January 1, 1942;

125,000 due and payable on July 1, 1942;

125,000 due and payable on January 1, 1943;

125,000 due and payable on July 1, 1943;

125,000 due and payable on January 1, 1944;

125,000 due and payable on July 1, 1944;

125,000 due and payable on January 1, 1945;

125,000 due and payable on July 1, 1945;

125,000 due and payable on January 1, 1946;
125,000 due and payable on July 1, 1946; and
125,000 due and payable on January 1, 1947,

together with all avails thereof, including both dividends and principal, as payments thereof are made from time to time.

TO HAVE AND TO HOLD the property hereby sold, assigned, transferred, set over and confirmed, subject to the prior lien of said two mortgages dated June 18, 1888, and January 2, 1899, unto the Guaranty Trust Company of New York as Trustee under said First Refunding Mortgage, and its successor or successors in trust and their assigns forever, expressly under and subject to and upon each, all and every of the trusts, conditions, and powers, and solely for the purposes as expressed and declared in and by said First Refunding Mortgage as fully and with like effect as if the property hereby sold, assigned, transferred, set over and confirmed to said Guaranty Trust Company of New York as such Trustee had been specifically described in and covered by said First Refunding Mortgage.

The parties hereto do hereby agree that Central Hanover Bank and Trust Company, as Trustee under said mortgage dated June 18, 1888, shall be entitled to receive or collect from time to time all sums paid with respect to said Equipment Trust Certificates, whether on account of dividends or principal, and the Railway Company agrees that all such sums as are applied, pursuant to said mortgage of June 18, 1888, to the purchase of additional property, shall be applied only to the purchase of property which shall become subject to the lien of said First Refunding Mortgage, subject only to the prior lien of said mortgages of June 18, 1888, and January 2, 1899.

The Railway Company does hereby covenant and agree to and with said Guaranty Trust Company of New York, as such Trustee, that, in the event of default by the Railway Company in the performance of its covenants in said First Refunding Mortgage dated January 1, 1921, such default shall entitle the holders of bonds secured by said First Refunding Mortgage and said Guaranty Trust Company of New York, as Trustee, and its successors in trust, to exercise all rights and remedies which they respectively have against the foregoing described property, the same as if it were included and described in said First Refunding Mortgage, subject, however, to the prior lien of said mortgages dated June 18, 1888, and January 2, 1899, as aforesaid.

Guaranty Trust Company of New York, as such Trustee, shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for the due execution hereof by the Railway Company, or for or in respect of the recitals contained herein. Guaranty Trust Company of New York, as such Trustee, shall be under no obligation to see to the filing or recording of this Supplemental Indenture, or to the refiling or re-recording hereof.

This Supplemental Indenture may be simultaneously executed, acknowledged, and delivered in any number of counterparts, each of which if so executed, acknowledged or delivered, shall be deemed to be an original, and such counterparts shall together constitute one and the same instrument.

IN WITNESS WHEREOF the Minneapolis, St. Paul & Sault Ste. Marie Railway Company, the party of the first part, has caused this Supplemental Indenture to be signed and acknowledged by its President or a Vice President, and its corporate seal to be hereunto affixed, and the same to be attested by the signature of its Secretary or an Assistant Secretary, and Guaranty Trust Company of New York, as Trustee as aforesaid, the party hereto of the second part, has caused this Supplemental Indenture to be signed and acknowledged by one of its Vice Presidents or its Corporate Trust Officer, and its corporate seal to be hereunto affixed, and the same to be attested by its Secretary or an Assistant Secretary, all as of the day and year first above written.

MINNEAPOLIS, ST. PAUL & SAULT STE.
MARIE RAILWAY COMPANY,

By G. W. Webster

President (CORPORATE SEAL)

Attest:

P. J. Stock

Secretary.

Signed, sealed and delivered by
the Minneapolis, St. Paul & Sault
Ste. Marie Railway Company in the
presence of:

A. M. Sheridan

Edwin G. Watts

GUARANTY TRUST COMPANY OF NEW YORK,
as Trustee as aforesaid,

By Arthur E. Burke

Corporate Trust Officer

(Corporate seal)

Attest:

L. B. Beicher

Assistant Secretary

Signed, sealed and delivered by
Guaranty Trust Company of New
York, as Trustee as aforesaid,
in the presence of:

J. A. Mc Carthy

Henry R. Macy

STATE OF MINNESOTA)
ss.:
COUNTY OF HENNEPIN)

On this 29th day of Sept. 1937, before me personally came G. W. Webster, to me known, who being by me duly sworn, did depose and say: That he resides in Minneapolis, Minnesota; that he is the President of the Minneapolis, St. Paul & Sault Ste. Marie Railway Company, one of the corporations described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of

Directors of said corporation; and that he signed his name thereto by like order.

C. W. Arine

C. W. Arine

Notary Public, Hennepin County, Minn.

My Commission Expires Jan. 12, 1939.

(NOTARIAL SEAL)

STATE OF NEW YORK)
COUNTY OF) ss.:

On this 8th day of October, 1937, before me personally came Arthur E. Burke, to me known, who, being by me duly sworn, did depose and say: That he resides in New York City; that he is Corporate Trust Officer of Guaranty Trust Company of New York, one of the corporations described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.

W. J. Burnham

W. J. Burnham

Notary Public, New York County
N. Y. Co. Clerk's No. 346, Reg. No. 8-B-90
Queens Co. Clerk's No. 658, Reg. No. 2930
Kings Co. Clerk's No. 274, Reg. No. 8416
Nassau Co. Clerk's No. 8-B-29
Certificate filed in Westchester Co.
Commission Expires in March 30, 1938.

(NOTARIAL SEAL)

STATE OF WISCONSIN)
DEPARTMENT OF STATE) ss.:

Received this 4th day of October A.D. 1938 at 2:30 o'clock P.M. and recorded in Vol. 34 of R.R. Mtgs. on pages 126-130 inclusive.

Robert L. Siebecker

Assistant Secretary of State.

ENDORSEMENT SHOWING
CERTIFICATE OF RECORDATION
IN REGISTER'S OFFICE
STEARNS COUNTY
July 5, 1938

ENDORSEMENT SHOWING
CERTIFICATE OF RECORDATION
IN REGISTER'S OFFICE
DELTA COUNTY, MICH.
OCT. 1, 1938

THE MILWAUKEE ELECTRIC RAILWAY
& TRANSPORT COMPANY
TO
FIRST WISCONSIN TRUST COMPANY,
AS TRUSTEE

MORTGAGE AND DEED OF TRUST
Dated October 22, 1938

INDENTURE, dated the twenty-second day of October in the year One thousand nine hundred thirty-eight (1938) made by and between THE MILWAUKEE ELECTRIC RAILWAY & TRANSPORT COMPANY, a corporation organized and existing under the laws of the State of Wisconsin (hereinafter called the "Company"), party of the first part, and FIRST WISCONSIN TRUST COMPANY, a corporation organized and existing under the laws of the State of Wisconsin (hereinafter called the "Trustee"), as Trustee, party of the second part;

WHEREAS, the Company deems it necessary from time to time to borrow money for its corporate purposes and to issue its Bonds therefor, and to mortgage and pledge its property hereinafter described to secure the payment of the Bonds, and to that end has authorized the issue of its Bonds in the aggregate principal amount of Ten Million Dollars ($10,000,000); which Bonds, the coupons to be attached thereto, and Trustee's certificate to be endorsed thereon are to be substantially in the forms following, respectively, with such appropriate insertions, omissions and variations as in this Indenture permitted:

/FORM OF COUPON BOND/

THE MILWAUKEE ELECTRIC RAILWAY & TRANSPORT COMPANY

(Incorporated under the laws of the State of Wisconsin)

FIRST MORTGAGE 4% BOND

Due October 1, 1968

No..... $1,000

THE MILWAUKEE ELECTRIC RAILWAY & TRANSPORT COMPANY, a corporation organized and existing under the laws of the State of Wisconsin (hereinafter called the "Company", which term shall include any successor corporation as defined in the Indenture hereinafter referred to), for value received, hereby promises to pay to the bearer or, if this Bond be registered, to the registered owner hereof, on the first day of October, 1968, the sum of One thousand dollars in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts, and to pay interest thereon in like coin or currency from the twenty-first day of October, 1938, at the rate of four per cent. (4%) per annum, payable semi-annually, on the first days of April and October in each year until maturity, or, if the Company shall default in the payment of the principal hereof, until the Company's obligation with respect to the payment of such principal shall be discharged as provided in the Indenture hereinafter mentioned, but only, in case of interest due on or before maturity, according to the tenor and upon presentation and surrender of the respective coupons therefor hereto attached as they severally mature. Both principal of, and interest on, this Bond are payable at the agency of the Company in the City of Milwaukee, Wisconsin.

This Bond is one of a duly authorized issue of Bonds of the Company designated as its "First Mortgage 4% Bonds" (herein called the "Bonds") limited in aggregate principal amount to Ten Million dollars ($10,000,000), all issued under and equally secured by a mortgage and deed of trust (herein called the "Indenture"), dated October 22, 1938, executed by the Company to First Wisconsin Trust Company (herein called the "Trustee") as Trustee, to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the properties mortgaged and pledged, the nature and extent of the security, the rights of the bearers or registered owners of the Bonds and of the Trustee in resect thereto, and the terms and conditions upon which the Bonds are, and are to be, secured.

The Bonds are subject to redemption, at any time or from time to time prior to maturity, at the option of the Company, either as a whole or in part by lot, upon payment of the principal amount thereof, together with accrued interest to the redemption date, upon notice given by publication once in each of three separate calendar weeks in a daily newspaper, printed in the English language and published and of general circulation in the City of Milwaukee, Wisconsin, (the first of such publications to be not more than sixty and not less than thirty days before the redemption date), and by notice given by mail, all subject to the conditions and as more fully set forth in the Indenture. If the Bonds to be redeemed are registered Bonds without coupons or coupon Bonds registered as to principal, no such notice by publication shall be required.

In case an event of default, as defined in the Indenture, shall occur, the principal of all the Bonds at any such time outstanding under the Indenture may be declared or may become due and payable, upon the conditions and in the manner and with the effect provided in the Indenture. The Indenture provides that such declaration may in certain events be waived by the holders of a majority in principal amount of the Bonds outstanding.

This Bond is transferable by delivery except while registered as to principal. This Bond may, from time to time, be registered as to principal in the name of the owner on books of the Company to be kept for that purpose at the agency of the Company in the City of Milwaukee, Wisconsin, and such registration shall be noted hereon, after which no transfer hereof shall be valid unless made on said books by the registered owner hereof in person or by duly authorized attorney, and similarly noted hereon; but this Bond may be discharged from registration by being in like manner transferred to bearer, and thereupon transferability by delivery shall be restored; and this Bond may again, from time to time, be registered or discharged from registration in the same manner. Such registration, however, shall not affect the negotiability of the coupons hereto appertaining, which shall always be payable to bearer and transferable by delivery, and payment to the bearer thereof shall fully discharge the Company in respect of the interest therein mentioned, whether or not this Bond at the time be registered.

Coupon Bonds may be exchanged upon surrender thereof, with all unmatured coupons attached, at said agency of the Company for a registered Bond or Bonds without coupons of authorized denominations, for the same aggregate principal amount, bearing interest from the interest date next preceding the date thereof (each registered Bond without coupons to be dated as of the time of issue, unless issued on an interest date, in which event it shall be dated as of the day next following such interest date), all upon payment of the charges and subject to the terms and conditions set forth in the Indenture.

No recourse shall be had for the payment of the principal of, or the interest on, this Bond, or for any claim based hereon or on the Indenture or any indenture supplemental

thereto, against any incorporator, or against any stockholder, director or officer, past, present, or future, of the Company, or of any predecessor or successor corporation, as such, either directly or through the Company or any such predecessor or successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability, whether at common law, in equity, by any constitution, statute or otherwise, of incorporators, stockholders, directors or officers being released by every bearer or registered owner hereof by the acceptance of this Bond and as part of the consideration for the issue hereof, and being likewise released by the terms of the Indenture.

Neither this Bond, nor any of the coupons for interest thereon, shall be entitled to any benefit under the Indenture or any Indenture supplemental thereto, or become valid or obligatory for any purpose, until First Wisconsin Trust Company, the Trustee under the Indenture, or a successor trustee thereto under the Indenture, shall have signed the form of certificate endorsed hereon.

IN WITNESS WHEREOF, The Milwaukee Electric Railway & Transport Company has caused this Bond to be signed in its name by its President or a Vice President, and its corporate seal (or a facsimilie thereof) to be hereto affixed and attested by its Secretary or an Assistant Secretary, and interest coupons bearing the facsimilie signature of its Treasurer to be attached hereto, as of the twenty-second day of October, 1938.

THE MILWAUKEE ELECTRIC RAILWAY & TRANSPORT COMPANY,

By.....
Vice President

Attest:

.....
Assistant Secretary

[FORM OF COUPON]

No..... $.....

On the first day of....., unless the Bond herein mentioned shall have been duly called for previous redemption and payment thereof duly provided for, The Milwaukee Electric Railway & Transport Company will pay to bearer, on surrender of this coupon, at the agency of the Company in the City of Milwaukee, Wisconsin,.....dollars in any coin or currency of the United States of America which at the time of paymnet is legal tender for public and private debts, being six months' interest then payable on its First Mortgage 4% Bond, No. .....

.....
Treasurer.

[FORM OF REGISTERED BOND WITHOUT COUPONS]

THE MILWAUKEE ELECTRIC RAILWAY & TRANSPORT COMPANY

(Incorporated under the laws of the State of Wisconsin)

FIRST MORTGAGE 4% BOND

Due October 1, 1968

No. ..... $.....

THE MILWAUKEE ELECTRIC RAILWAY & TRANSPORT COMPANY, a corporation organized and existing under the laws of the State of Wisconsin (hereinafter called the "Company", which term shall include any successor corporation as defined in the Indenture hereinafter referred to), for value received hereby promises to pay to ..... or registered assigns, on the first day of October, 1968, the sum of.....

dollars in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts, and to pay interest thereon in like coin or currency from the interest date (April 1 or October 1) next preceding the date of this Bond (or from October 21, 1938, if the date of this Bond is prior to April 1, 1939), at the rate of four per cent. (4%) per annum, payable semi-annually, on the first days of April and October, in each year until maturity, or, if the Company shall default in the payment of the principal hereof, until the Company's obligation with respect to the payment of such principal shall be discharged as provided in the Indenture hereinafter mentioned. Both principal of, and interest on, this Bond are payable at the agency of the Company in the City of Milwaukee, Wisconsin.

This Bond is one of a duly authorized issue of Bonds of the Company designated as its "First Mortgage 4% Bonds" (herein called the "Bonds"), limited in aggregate principal amount to Ten million dollars ($10,000,000), all issued under and equally secured by a mortgage and deed of trust (herein called the "Indenture"), dated October 22, 1938, executed by the Company to First Wisconsin Trust Company (herein called the "Trustee"), as Trustee, to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the properties mortgaged and pledged, the nature and extent of the security, the rights of the bearers or registered owners of the Bonds and of the Trustee in respect thereto, and the terms and conditions upon which the Bonds are, and are to be, secured.

The Bonds are subject to redemption, at any time or from time to time prior to maturity, at the option of the Company, either as a whole or in part by lot, upon payment of the principal amount thereof, together with accrued interest to the redemption date, upon notice given by publication once in each of three separate calendar weeks in a daily newspaper, printed in the English language and published and of general circulation in the City of Milwaukee, Wisconsin (the first of such publications to be not more than sixty and not less than thirty days before the redemption date), and by notice given by mail, all subject to the conditions and as more fully set forth in the Indenture. If the Bonds to be redeemed are registered Bonds without coupons or coupon Bonds registered as to principal, no notice by publication shall be required.

In case an event of default, as defined in the Indenture, shall occur, the principal of all the Bonds at any such time outstanding under the Indenture may be declared or may become due and payable, upon the conditions and in the manner and with the effect provided in the Indenture. The Indenture provides that such declaration may in certain events be waived by the holders of a majority in principal amount of the Bonds outstanding.

This Bond is transferable by the registered owner hereof, in person or by duly authorized attorney, on the books of the Company to be kept for that purpose at the agency of the Company in the City of Milwaukee, Wisconsin, upon surrender and cancellation of this Bond and on presentation of a duly executed written instrument of transfer, and thereupon a new registered Bond or Bonds without coupons, of the same aggregate principal amount and in authorized denominations will be issued to the transferee or transferees in exchange herefor; and this Bond, with or without others of like form, may in like manner be exchanged for one or more new registered Bonds of other authorized denominations but of the same aggregate principal amounts; or the registered owner of this Bond, at his option, may in like manner, surrender the same for cancellation in exchange for the same aggregate principal amount of coupon Bonds in authorized denominations, with coupons attached maturing on and after the next ensuing interest date; all upon payment

of the charges and subject to the terms and conditions set forth in the Indenture.

No recourse shall be had for the payment of the principal of, or the interest on, this Bond, or for any claim based hereon or on the Indenture or any indenture supplemental thereto, against any incorporator, or against any stockholder, director or officer, past, present or future, of the Company, or of any predecessor or successor corporation, as such, either directly or through the Company or any such predecessor or successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability, whether at common law, in equity, by any constitution, statute or otherwise, of incorporators, stockholders, directors or officers being released by every owner hereof by the acceptance of this Bond and as part of the consideration for the issue hereof, and being likewise released by the terms of the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or any indenture supplemental thereto, or become valid or obligatory for any purpose, until First Wisconsin Trust Company, the Trustee under the Indenture, or a successor trustee thereto under the Indenture, shall have signed the form of certificate endorsed hereon.

IN WITNESS WHEREOF, The Milwaukee, Electric Railway & Transport Company has caused this Bond to be signed in its name by its President or a Vice President, and its corporate seal (or a facsimilie thereof) to be hereto affixed and attested by its Secretary or an Assistant Secretary.

Dated.....

THE MILWAUKEE ELECTRIC RAILWAY & TRANSPORT COMPANY,

By.....
Vice President.

Attest:

.....
Assistant Secretary.

/FORM OF TRUSTEE'S CERTIFICATE/

This Bond is one of the Bonds (in temporary form) described in the within-mentioned indenture.

FIRST WISCONSIN TRUST COMPANY,
Trustee

By.....

; and

WHEREAS, the holders of the stock of the Company entitled to vote thereon, and the Board of Directors of the Company, at meetings thereof respectively duly convened and held, have duly authorized the execution and delivery of this Indenture to secure the Bonds to be issued hereunder; and

WHEREAS, all the requirements of law and the by-laws and articles of incorporation of the Company have been fully complied with and all other acts and things necessary to make this Indenture a valid, binding and legal instrument for the security of the Bonds, have been done and performed.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That The Milwaukee Electric Railway & Transport Company, in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the holders thereof and of the sum of One Dollar to it duly paid the Trustee at or before the ensealing and delivery of these presents, and for other valuable considerations, the receipt whereof is hereby acknowledged, and in order to secure the

payment of the principal of and interest (and premium, if any) on all Bonds at any time issued and outstanding under this Indenture, according to their tenor and effect, and the performance and observance of all the covenants and conditions in the Bonds and herein contained, and to declare the terms and conditions upon and subject to which the Bonds are, and are to be, issued and secured, has executed and delivered this Indenture and has granted, bargained, sold, warranted, aliened, remised, released, conveyed, assigned, transferred, mortgaged, pledged, set over and confirmed, and by these presents does grant, bargain, sell, warrant, alien, remise, release, convey, assign, transfer, mortgage, pledge, set over and confirm unto First Wisconsin Trust Company, as Trustee, and to its successors and assigns forever, all and singular the following described properties--that is to say:

FIRST.

The several transportation utilities of the Company, including its several electric street railway, trackless trolley and bus lines within the City of Milwaukee, its several interurban electric railway and bus lines, its suburban electric railway, trackless trolley and bus lines, and all urban, interurban and suburban electric railway, trackless trolley and bus lines which the Company now ownes, or, subject to the provisions of Article X, which it may hereafter acquire; together with all rights-of-way, easements and appurtenances used in connection therewith, and all rolling stock electrical and other equipment, poles, lines, wires, cables, conduits, tracks, rails, ties, road-bed and fixtures now owned by the Company or, subject to the provisions of Article X, which it may hereafter acquire. The lines of railway and other transportation lines now owned by the Company, all of which are located in the State of Wisconsin and certain of which occupy lands owned by Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company) and lands owned by others with respect to which said Wisconsin Electric Power Company owns easements or rights-of-way for transmission line, distribution line and transportation purposes, are generally described as follows:

1. The Milwaukee Metropolitan Area Transportation System: The electric street railway lines consisting of approximately 192.6 miles of single track, the trackless trolley lines operating over approximately 14.4 miles of streets and highways, and the motor bus lines operating integrally or as auxiliary to other parts of the Company's transportation system over approximately 109.7 miles of streets and highways, all located in the City of Milwaukee, Milwaukee County, Wisconsin, and in suburban zones adjacent thereto, and borne upon the highways of said city and said suburban zones.

2. Racine City Transportation System:The motor bus transportation system operating over approximately 44 miles of streets and highways in and about the City of Racine, Racine County, Wisconsin, together with one street railway line in said city operating for the most part over tracks pertaining to the Milwaukee-Racine-Kenosha interurban line.

3. Milwaukee-Racine-Kenosha Interurban Line: The interurban electric railway line approximately 35 miles in length, extending from the City of Milwaukee southerly to the Cities of Racine and Kenosha, and all rights of the Company to occupy with said line lands owned by Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company) and lands owned by others with respect to which said Wisconsin Electric Power Company owns easements or rights-of-way for transmission line, distribution line and transportation purposes.

4. Milwaukee-Port Washington Interurban Line: The line approximately 29 miles in length extending from the City of Milwaukee northerly to the north limits of the City of Port Washington, and all rights of the Company to occupy with said line lands owned by

Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company) and lands owned by others with respect to which said Wisconsin Electric Power Company owns easements or rights-or-way for transmission line, distribution line and transportation purposes.

5. Milwaukee-Waukesha Interurban Line: The line approximately 19 miles in length extending from the City of Milwaukee westerly to the west limits of the City of Waukesha, and all rights of the Company to occupy with said line lands owned by Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company) and lands owned by others with respect to which said Wisconsin Electric Power Company owns easements or rights-of-way for transmission line, distribution line and transportation purposes.

6. Milwaukee-Hales Corners Interurban Line: The line approximately 13 miles in length extending from the City of Milwaukee westerly and southerly to the Village of Hales Corners (the south line of Township 6 north, Range 21 east, Milwaukee County, Wisconsin) , and operating for a distance of approximately 8 miles over roadway and tracks of the Milwaukee Waukesha line heretofore described, and all rights of the Company to occupy with said line lands owned by Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company) and lands owned by others with respect to which said Wisconsin Electric Power Company owns easements or rights-of-way for transmission line, distribution line and transportation purposes.

7. Interurban Motor Bus Lines: The interurban motor bus lines operated over a total of approximately 157.5 miles of streets and highways and consisting of the line extending from the City of Milwaukee westerly to the City of Madison in Dane County, Wisconsin; the line extending from the City of Milwaukee westerly to the City of Oconomowoc, Waukesha County, Wisconsin; and the line extending from the City of Watertown, Jefferson County, Wisconsin, westerly to the City of Madison, Wisconsin.

SECOND.

The electric railway lines and other systems of the Company hereby conveyed include, and there is hereby conveyed the following described pieces or parcels of land, easements or interests therein, all situated in the State of Wisconsin and in the respective counties thereof hereinafter indicated, to-wit:

MILWAUKEE COUNTY

Rights-of-Way Land

1. All that part of the SE ¼ of Section 23, Township 5 north, Range 22 east, described as a strip of land 66 feet in width extending in a northwesterly and southeasterly direction across the following described parcel of land: commencing at a point where a line drawn 387.58 feet north of and parallel to the south line of said SE¼ of Section 23 aforesaid, intersects the center line of the Chicago Road; thence north 20° 7' west along the center line of the Chicago Road 138.44 feet to a point; thence west on a line which is 517.58 feet north of and parallel to the south line of said SE¼ of Section 23 aforesaid, 311.17 feet to a point; thence south at right angles 130 feet to a point; thence east on a line which is 387.58 feet north of and parallel to the south line of said SE¼ of Section 23 aforesaid, 358.89 feet to the place of beginning, containing 1 acre of land; said strip of land being 33 feet in width on each side of the following described center line of location; commencing at a point on the north line of the S ½ of said Section 23, which point is 172.5 feet east of a stone monument at the northwest corner of said S ½ of Section 23, running thence southeasterly in a straight line to a point in the

south line of said Section 23, which point is 1360.10 feet east of the southwest corner of said SE ¼ of Section 23.

Also all that part of said last above described parcel of land lying southwest of said 66 foot strip of land.

2. Railway easement over all that part of the SE ¼ of Section 23, Township 5 north, Range 22 east, described as follows, to-wit: commencing at a point in the center line of that certain highway known as Chicago Road, said point being further described as being 517.58 feet north of the south line of said Section 23, running thence southeast on said center line of said highway 17 feet to a point; thence northwest in a straight line 37.5 feet to a point which is 517.58 feet north of the south line of said Section 23 and 28.5 feet west of the center line of said highway, thence east 28.5 feet to the place of beginning.

3. All that part of the SE¼ of Section 23, Township 5 north, Range 22 east, described as a strip of land 66 feet in width extending in a northwesterly and southeasterly direction across the south 10 acres of all part of said SE¼ of Section 23 lying west of the highway known as the Chicago Road. Said strip of land being 33 feet in width on each side of the following described center line of location: commencing at a point on the north line of the S ½ of said Section 23, which point is 172.5 feet east of a stone monument at the northwest corner of said S ½ of Section 23; running thence southeasterly in a straight line to a point in the south line of said Section 23, which point is 1360.10 feet east of the southwest corner of said SE ¼ of Section 23, as now located and staked.

Also the following described parcel of land, being all that part of said south 10 acres of that part of said SE ¼ of Section 23 lying west of the highway known as Chicago Road which lies northeast of said above described 66 foot strip of land.

4. All that part of the railway private right-of-way used for the so-called Carrollville Extension from Carrollville Junction in a northerly direction to the E. I. du Pont de Nemours & Company's plat, said parcel being described as follows:

All that part of the NW ¼ of Section 25, Township 5 north, Range 22 east, described as follows: commencing at a point on the north line of said Section 25 which point is 223.4 feet east of the northwest corner of said Section 25; running thence east on said north section line 155.2 feet to a point; thence south and parallel to the west line of said Section 25, 390 feet to a point; thence southeasterly on a straight line to a point on the east line of the transmission line and railway right-of-way of Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company) which point is 1512.2 feet south of the north line of said Section 25, and 237 feet east of the east line of the right-of-way of the Chicago & Northwestern Railway Company; thence northwesterly on said east right-of-way line of Wisconsin Electric Power Company to a point which point is 390 feet south of the north line of said Section 25 and 223.4 feet east of the west line of said Section 25, and thence north and parallel to said west section line 390 feet to the place of beginning, containing 3.3886 acres.

All that part of the SW¼ of Section 24, Township 5 north, Range 22 east, described as follows, to-wit: commencing at a point on the south line of said Section 24 which point is 299.28 feet north 88° 52' 30" east of the southwest corner of said Section 24; running thence north 1073.9 feet to a point; thence northwesterly on a curve, the center of which lies to the west, the radius of which is 960 feet and the long chord of which is 545.31 feet and bears north 16° 30' west 552.92 feet to a point; thence north 33° 0' west

265 feet to a point on the west line of said Section 24; thence north on said west line 243.44 feet to a point, which point is 580.5 feet south of the northwest corner of said SW¼ of Section 24; thence south 43° 21' 30" east 36.04 feet to a point; thence southeasterly on a curve the center of which lies to the east, the radius of which is 366.15 feet and the long chord of which is 207.98 feet and bears south 16° 30' east 210.89 feet to a point; thence south 33° 0' East 234.28 feet to a point; thence southeasterly on a curve the center of which lies to the west the radius of which is 1040 feet and the long chord of which is 590.75 feet and bears south 16° 30' east 599 feet to a point; thence south 1072.34 feet to a point on the south line of said Section 24; thence south 88° 52' 30" west on said south section line 80.01 feet to the place of beginning; containing 3.726 acres more or less.

5. In the City of Milwaukee all that part of the north 80 feet of Lots 1, 2 and 3, Block 4, Peoples Building and Loan Association Subdivision No. 7, a subdivision in the W ½ of the SE ¼ of Section 6, Township 7 north, Range 22 east, described as follows, to-wit: commencing at the northeast corner of said Lot 1; running thence south on the east line of said Lot 1, 75 feet to a point; thence northwest in a straight line to a point in the north line of said Lot 3, which point is 65 feet west of said northeast corner of said Lot 1; thence east on the north line of said Lots 3, 2 and 1, 65 feet to the place of beginning.

6. The rights of the Company in West Burnham Street from the east limits of the City of West Allis to West Becher Street and thence to West National Avenue.

7. The rights of the Company in West Burnham Street in the City of Milwaukee from South 31st Street to the old Beloit Road; also the rights of the Company in West National Avenue in the Town of Greenfield to the north and south quarter line of Section 8 in said Town of Greenfield, thence southerly along said quarter section line through Section 8, 17, and 20, and southwesterly through Section 29 to the west line of said section in said Town of Greenfield, thence south along said west line of Sections 29 and 32 to and across the North Cape Road, thence southwesterly east of North Cape Road through the SE ¼ of Section 31 in said Town of Greenfield and the NE ¼ of Section 6 in the Town of Franklin.

8. All lands located in the City of Milwaukee and in the SW ¼ of Section 25, Township 7 north, Range 21 east, described as follows, to-wit:

The north 35 feet of Lot 4, Block 1, continuation of Park Hill Subdivision located on the west side of North 35th Street between West Mt. Vernon Avenue and West St. Paul Avenue.

All that part of the SW ¼ Section 25, Township 7 north, Range 21 east, described as follows: commencing at a point in the east line of said SW ¼ Section 25, which point is 1554.30 feet south of the northeast corner of said ¼ Section, running thence west 33 feet to the northeast corner of Lot 4, Block 1, continuation of Park Hill Subdivision being a part of said ¼ Section; thence west along the north line of said Lot 4, 150 feet to a point; thence north 47.15 feet to a point; thence east 183 feet to the east line of said ¼ Section; thence south 47.15 feet to the place of beginning located on the west side of North 35th Street between West Mt. Vernon Avenue and West St. Paul Avenue.

Lot 16, Block 1, Park Hill Subdivision, located on the east side of North 36th Street north of West Mt. Vernon Avenue.

The north 16.5 feet of Lot 15, Block 1, Park Hill Subdivision located on the east side of North 36th Street just north of West Mt. Vernon Avenue.

Lots 1 and 2, Block 4, Park Hill Subdivision, located on the west side of North 36th

Street just north of West Mt. Vernon Avenue.

The north 13.5 feet of Lot 14 and all of Lots 15 and 16, Block 4, Park Hill Subdivision, located on the east side of North 37th Street just north of West Mt. Vernon Avenue.

Lot 1, Block 5, and the north 1.5 feet of Lot 2, Block 5, Park Hill Subdivision located on the west side of North 37th Street north of West Mt. Vernon Avenue.

The south 27 feet of Lot 2 and all that part of Lot 3, Block 5, Park Hill Subdivision described as follows: commencing at the northeast corner of said Lot 3 running thence southwesterly on a straight line to a point on the west line of said Lot 3 which point is 24 feet north of the southwest corner of said Lot thence north on said west line 4.5 feet to the northwest corner of said lot; thence east 120 feet to the place of beginning located on the west side of North 37th Street just north of West Mt. Vernon Avenue.

The rights of the Company in that certain east and west alley lying north of West Mt. Vernon Avenue and east of North 38th Street, and being more fully described as follows: The north 10 feet of Lot 12 and the south 5 feet of Lot 13, Block 5, Second continuation of Park Hill.

The north 30 feet of Lot 15 and all of Lot 16, Block 5; all of Lots 4, 5, 6 and 7, and north 20 feet of Lot 18 and all of Lots 19 and 20, Block 17, all that part of Lots 6, 7, 8, 9 and 10, Block 18, lying between two parallel lines as follows: the first line on the northwest; commencing at a point on the west line of Lot 8, 15 feet south of the northwest corner of Lot 8, running thence northeasterly to the northeast corner of Lot 6, the second line on the southeast commencing at the southwest corner of Lot 11, running thence northeasterly to the northeast corner of Lot 10, all in 2nd Continuation of Park Hill Subdivision.

All that part of Lot 11, Block 18, 2nd Continuation of Park Hill Subdivision lying north of a line drawn from the southwest corner of Lot 11 to the northeast corner of Lot 10, located on the west side of North 38th Street north of West Mt. Vernon Ave.

Lots 9, 10, 11, 12, 14, 15 and 16, Block 10, Lots 1, 2, 3, 4, 5, 6, 16, 24 and 25, Block 16 and Lots 7, 8, 9, 10, 11, 12, 13 and 14, Block 15 all in Paine & Stacy's Subdivision, located on North 39th Street and North 40th Street north of West Park Hill Avenue.

Lot 13, Block 10 Paine & Stacy's Subdivision, located on the east side of North 39th Street, north of West Park Hill Avenue.

All of Lot 18, Block 16 Paine & Stacy's Subdivision, except the west 81 feet thereof, located on the east side of North 41st Street north of West Park Hill Avenue.

All that part of Lot 17, Block 16 Paine & Stacy's Subdivision, described as follows: commencing at the southeast corner of said Lot 17; running thence west on the south line of said lot, 80 feet to a point; thence northeast to a point in the north line of said lot, which point is 50 feet west of the northeast corner of said lot; thence east on the north line of said lot 50 feet to said northeast corner; thence south on the east line to the place of beginning located on the alley west of North 40th Street and north of West Park Hill Avenue.

9. In the City of Milwaukee, all that land used for grade separations, lying along the east boundary of the transmission line and railway right-of-way of Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company), described as follows, to-wit: commencing at the point where the east line of said right-of-way intersects the north line of West Olive Street, said east right-of-way line being 101.6 feet

east of the west line of the SE ¼ of Section 6, Township 7 north, Range 22 east, and extending northerly along the east line of the said right-of-way to a point approximately 56 feet south of the intersection of the said east line of the right-of-way with the south line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company's right-of-way in the NE ¼ of Section 6, Township 7 north, Range 22 east.

10. In the City and Town of Milwaukee all that land used for grade separation purposes lying along the west line of the transmission line and railway right-of-way of Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company) described as follows, towit: commencing at a point on the west line of said right-of-way, approximately 537.78 feet north of the center line of West Stark Street and extending northerly along the said west line of the right-of-way to a point on said west line of the right-of-way approximately 170.35 feet north of the point where the south line of the N ½ of Lot 8, Charlotte A. Quentin's Subdivision intersects the said west line of said right-of-way.

11. In the Town of Milwaukee all that land used for grade separation purposes lying along the west line of the transmission line and railway right-of-way of Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company), described as follows, to-wit: commencing at a point on the said west line of said right-of-way approximately 492.84 feet south of the center line of West Silver Spring Drive and extending northerly along the said west line of the right-of-way to a point where the south line of Lot 14, Block 7, Crestwood Subdivision intersects the said west line of the right-of-way, all in the SW¼ of Section 30, Township 8 north, Range 22 east.

12. That part of the SW¼ of Section 26, Township 6 north, Range 22 east described as follows, to-wit: commencing at a point on the east line of said quarter section 226.7 feet north of the southeast corner of said quarter section; running thence west 389.5 feet to the east line of the railway right-of-way of the Chicago & Northwestern Railway Company; thence southwesterly on said east right-of-way line 135.5 feet; thence east 172 feet; thence north 102 feet; thence east 230 feet to said east line of said quarter section; and thence north on said quarter section line 33 feet to the place of beginning.

13. The west 60 feet of Lots 1 and 4, Block 1, Pierce's Addition in the SE ¼ of Section 8, Township 7 north, Range 22 east.

14. The rights of the Company in South Delaware Avenue between East Nock and East Estes Streets.

15. A triangular parcel of land in the SE ¼ of Section 7, Township 7 north, Range 22 east bounded on the west by North 20th Street, on the northeast by West Hopkins Street and on the south by West Burleigh Street.

16. All that part of the NW¼ of Section 25, Township 7 north, Range 21 east described as follows, to-wit: commencing at a point in the west line of North 37th Street, which point is 726 feet north of the south line and 558.5 feet west of the east line of said quarter section; running thence west and parallel to the north line of West Wells Street extended, 133 feet to a point; thence south and parallel to said west street line 40 feet to a point; thence west and parallel to said north extended street line 75 feet to a point; thence south and parallel to said west street line 63 feet to a point in the north line of West Wells Street extended; thence west on said north extended street line 166.74 feet to a point; thence north and parallel to said west street line 197 feet to a point; thence east and parallel to said north extended street line 374.74 feet to a point

in said west street line; thence south on said west street line 94 feet to the place of beginning.

17. Lots 8 and 9, in Block 4, Hopkins Park, in the NE¼ of Section 1, Township 6 north, Range 21 east.

18. The rights of the Company in North 27th Street from West Hopkins Street to West Atkinson Avenue, and on West Cameron Street, in the City of Milwaukee.

19. The rights of the Company reserved in West Wells Street in deeds recorded in Volume 476 of Deeds on Page 357, and Volume 924 of Deeds on Page 379, said Milwaukee County Registry; also the private right-of-way on the Wells-Wauwatosa Line extending from North 68th Street to the Harwood Avenue Transfer Station.

20. The rights of the Company in the private right-of-way extending from North Oakland Avenue to East Hampton Avenue and lying between East and West Bartlett Drive.

21. The rights of the Company in Lot 1, Block 105, Addition No. 8 to the Townsite of South Milwaukee.

Passenger Station and Waiting Room Land

22. North Twenty-Seventh and West Hopkins Street Transfer Station Site: Lots 3 and 4 and that part of Lot 10, Block 4, Peoples Building & Loan Association Subdivision No. 3 lying northwesterly of the southeasterly line of said Lot 4 extended southwesterly to North 27th Street, in the W ½ of Section 7, Township 7 north, Range 22 east.

23. North Murray Avenue Transfer Station Site: The west 120 feet of Lot 5, Block 209, Murray's Addition, in the SW ¼ of Section 15, Township 7 north, Range 22 east, and the leasehold rights of the Company in all except the west 120 feet of said Lot 5 and in a triangular parcel of land in the northeast corner of Lot 6, said Block 209, measuring 16 feet on the north lot line and 9.5 feet on North Farwell Avenue.

24. North Sixtieth and West LLoyd Street Transfer Station Site: That part of Lot 5, Block 8, Pabst Park No. 1 in the NE ¼ of Section 22, Township 7 north, Range 21 east, described as follows: commencing at the southeast corner of said Lot 5; thence north on the east line of said Lot 5, 40 feet to a point; thence west and parallel to the north line of said lot, 120 feet to the west line of said lot; thence south on said west line 78.04 feet to the southwest corner of said lot; and thence northeasterly on the south line of said lot 125.80 feet to the place of beginning.

25. North Sixtieth and West North Avenue Transfer Station Site: The north 90 feet of Lot 1, Block 1, Pabst Park No. 1, in the NE ¼ of Section 22, Township 7 north, Range 21 east.

26. Harwood Avenue Transfer Station Site: Lots 6 and 7 in Assessors Plat No. 18 in the SE¼ of Section 21, Township 7 north, Range 21 east, in the City of Wauwatosa, and that part of said SE ¼ of Section 21 bounded as follows: on the southeast by the southeasterly line of said Lot 7 extended northeasterly to the Company's railway right-of-way; on the northeast by said right-of-way; on the northwest by Harwood Avenue; and on the southwest by said Lots 6 and 7.

27. Saint Martins Shelter Site: That part of the SW ¼ of Section 7, Township 5 north, Range 21 east, described as follows, to-wit: commencing at a point on the east line of said quarter section, 100 feet north of the southeast corner of said quarter section; running thence north on said east section line 45 feet to a point; thence west and parallel to the south line of said Section 7, 35 feet to a point; thence southwesterly on a straight line to a point 100 feet north of said south section line and 75 feet west of said east section line; thence west to the place of beginning.

28. Grange Avenue Transfer Station Site: All that part of the SW ¼ of Section 26, Township 6 north, Range 22 east, described as follows, to-wit: commencing at the southeast corner of said SW ¼ section; running thence north on the east line of said quarter section 193.7 feet to a point; thence west on said south line 230 feet to a point; thence south 102 feet to a point; thence west 172 feet to a point in the east line of the railway right-of-way of the Chicago & Northwestern Railway Company; thence southwesterly on said east railway right-of-way line to the south line of said Section 26; thence east on said south section line 411.84 feet to the place of beginning.

Express Station Land

29. Twelfth Street Yard: Lots 20 and 21 in block 249, James Kneeland's Subdivision in the SW ¼ of Section 29, Township 7 north, Range 22 east, and that part of Lots 4, 5, 7, W ½ of 8, 9, 10, 11, and 12. said Block 249, outside of the transmission line and railway right-of-way of Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company), together with the rights obtained in condemnation action No. 111717 in the Circuit Court of said Milwaukee County in the south 20.5 feet of the north 85.5 feet of Lot 6 and the south 40 feet of the E ½ of Lot 8 in said Block 249.

Miscellaneous Way Land

30. All that part of the S ½ of the SW ¼ of Section 35, Township 6 north, Range 22 east, described as follows, to-wit: commencing at the intersection of the south line of Section 35 and the center line of the Chicago Road, said point of intersection being 213 feet west of the southeast corner of said SW ¼ of Section 35 running thence west on said south section line 330 feet; thence north 132 feet; thence east 330 feet to the center line of said Chicago Road; thence south 132 feet to the place of beginning, containing one acre of land more or less.

Car House and Car Storage Yard Land

31. Fond du Lac Avenue Car Station and Garage Site: That part of the NE ¼ of Section 13, Township 7 north, Range 21 east, and Lot 3 of Subdivision of 18.855 acres, bounded as follows: on the west by North 35th Street; on the northeast by West Fond du Lac Avenue; on the east by North 32nd Street; and on the south by West Locust Street.

32. Kinnickinnic Avenue Car Station Site: Lot lettered "B" in Subdivision of lots lettered "B" and "L", Horace Chase's Subdivision in the NE ¼ of Section 5, Township 6 north, Range 22 east, except a strip of land off the south end measuring 3 inches wide at the east end and 9 inches wide at the west end.

33. National Avenue Car Station Site: That part of the SE ¼ of Section 36, Township 7 north, Range 21 east, bounded as follows, to-wit: on the north by West Pierce Street; on the east by South 27th Street; on the south by West National Avenue; and on the west by Block 1 of Valley View Land Company's Subdivision No. 1.

34. Fiebrantz Avenue Car Station Site: That part of the SE ¼ of Section 6, Township 7 north, Range 22 east, bounded as follows, to-wit: on the south by West Fiebrantz Avenue; on the west by the transmission line and railway right-of-way of Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company); on the north by Block 2 of The Savings and Investment Association of Milwaukee Subdivision No 21; and on the east by said Block 2 and North 19th Street.

35. West Allis Car Station: That part of the NE ¼ of Section 4, Township 6 north, Range 21 east, bounded as follows, to-wit: on the north by a line drawn 133 feet south of and parallel to the north line of said Section 4; on the east by the railway right-of-

way of Chicago & Northwestern Railway Company; on the south by West Lapham Street, and on the west by South 84th Street.

36. Oakland Avenue Car Station Site: All that part of Government Lot 2 in the NE ¼ of Section 9, Township 7 north, Range 22 east, described as follows, to-wit: commencing at the southeast corner of said Lot 2; running thence westerly on the south line of said lot to the east line of the railway right-of-way of the Chicago & Northwestern Railway Company; thence northwest on said east line of the Chicago & Northwestern Railway Company right-of-way to the southeast line of Morris Boulevard; thence northeasterly on said southeast line of Morris Boulevard to the southwest corner of Lot 22, Block 1, Ravinia Park Subdivision, being a subdivision in said NE ¼ of said Section 9; thence north 89° 08' east on the south line of said Block 1 of Ravinia Park Subdivision 498.74 feet to a point; thence south on the west line of said Block 1, 365 feet to a point; thence north 89° 08' east on the south line of said Block 1, 160 feet to a point in the east line of said Section 9; thence south on said section line 217.43 feet to a point; thence west 117.8 feet to a point; thence north 14.4 feet to a point; thence west 19.6 feet to a point; thence north 39.8 feet to a point; thence west 76 feet to a point; thence south 104.7 feet to a point; thence east 213.4 feet to a point in the east line of said section 9; thence south on said east section line 36.14 feet to the place of beginning; subject to the right of Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company) to use the wall on the south boundary of the conveyed premises as a party wall with like party wall rights in the Company.

Stores Department Land

37. Lower Cold Spring Yard: That part of the NW ¼ of Section 25 and the NE ¼ of Section 26, Township 7 north, Range 21 east, described as follows, towit: commencing at the intersection of the center line of West State Street and the east line of said Section 26; thence north 79° 15' west on said center line, 117.05 feet to a point, which point is 115 feet west of said section line; thence north and parallel 115 feet distant from said section line, 749.93 feet to a point; thence north 54° 22' east, 141.49 feet to a point on said section line; thence north on said section line to a point on the south line of Block 3, Menominee Subdivision in said NW ¼ of Section 25; thence north 88° 26' 15" east on the south line of said Block 3, 274.72 feet; thence north 54° 24' 55" east on the southeasterly line of said Block 3 and the extension thereof 145.47 feet; thence north 0° 05' east parallel to the east line of said Block 3, 92.36 feet to the south line of West Martin Drive; thence north 89° 55' east on said south line and the extension thereof to a point on the center line of West Highland Boulevard; thence southeasterly on said center line to the northwesterly line of the railway right-of-way of the Chicago, Milwaukee St. Paul & Pacific Railroad Company; thence southwesterly on said right-of-way line to the intersection with said center line of West State Street; and thence west on said center line to the place of beginning.

General Shop Land

38. Cold Spring Shops: That part of the SW ¼ of Section 24, and the NW ¼ of Section 25, Township 7 north, Range 21 east, described as follows, to-wit: commencing at the southeast corner of Lot 14, Block 2, Winckler's West Park Addition; thence north on the east line of said Lot 14 to the southwest corner of Lot 17, Adelin Subdivision; thence east on the south line of said Lot 17, 157.55 feet to North 40th Street; thence south on the west line of North 40th Street to the south line of West McKinley Avenue; thence

east on said south street line to the northwest corner of the south one-half of Lot 20, Block 2, Becker's Subdivision; thence south on the west line of said Block 2 to a point on the northwesterly right-of-way line of the Chicago, Milwaukee, St. Paul & Pacific Railroad Company; thence southwesterly on said right-of-way line to the center line of West Highland Boulevard; thence northwesterly and north on said center line to its intersection with the south line of said Lot 14 extended west; and thence east on said south lot line and said extension to the place of beginning.

Garage Land

39. Thirty-Fifth Street Garage: Lots 12, 13, 14, 15, 16, 17, 18, 19, and 20, Block 2, Lyman's Subdivision in the NW ¼ of Section 25, Township 7 north, Range 21 east.

40. East and West Kinnickinnic Garages: Lots 1, 2, 3, 4, 5, 6, 7, 8, and 9, in Block 132, except the east 23 feet, and that part lying east of South Kinnickinnic Avenue of Lots 1, 2, 3, 4, 5, 6, 7, 8, and 9, Block 133 of Judge A. D. Smith's Subdivision in the NE ¼ of Section 5, Township 6 north, Range 22 east;

Also a strip of land off the south end of Lot lettered "B" in Subdivision of Lots lettered "B" and "L", Horace Chase's Subdivision in said NE ¼ of Section 5; measuring 3 inches wide at the east end and 9 inches wide at the west end;

Also that part of Lots 1, 2, 3, and 4, in Block 133 of said Judge A. D. Smith's Subdivision in said NE ¼ of Section 5, lying west of South Kinnickinnic Avenue, and all of Lots 14, 15, 16, 17, and 18 in said Block 133.

Miscellaneous Land

41. Rapid Transit Freight Terminal: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, and 14, in Block 250, James Kneeland's Subdivision in the SW ¼ of Section 29, Township 7 north, Range 22 east;

Also lots 9, 10, 11, 12, 13, 14, 15, and 16, in Block 132, partition of the east one-half of said SW ¼ of Section 29, together with the vacated north and south alley adjacent to said Lots 9, 10, 13, and 14.

42. Atkinson Avenue Substation and Waiting Room: That part of the NW ¼ and the SW ¼ of Section 8, Township 7 north, Range 22 east, described as follows, to-wit: commencing at a point which is 342.92 feet west of and 66.80 feet south 24° 11' east of the center of said Section 8, said point being the intersection of the northeasterly line of West Atkinson Avenue and the southwesterly line of North Green Bay Avenue; running thence north 60° 09' west along said northeasterly line of West Atkinson Avenue 226.26 feet; thence north 3.97 feet to a point; thence east 145.35 feet to a point on the southwesterly line of North Green Bay Avenue; thence southeasterly along said southwesterly line of North Green Bay Avenue 127.54 feet to the place of beginning.

43. North Water Street Yard: Lots 16, 17, and 18, in Block 144, in the partition of the SE ¼ of Section 20, Township 7 north, Range 22 east.

44. Lots 22, 23, and 24, Block 2, of Woodlawn Avenue Subdivision in the NE ¼ of Section 5, Township 6 north, Range 21 east, lying north of the transmission line and railway right-of-way of Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company).

45. Lots 23, 24, 25, 26, 27, 28, 29, and 30, Block 7, Euclid Park, in the NW ¼ of Section 34, Township 7 north, Range 21 east.

46. Lots 5, 6, 7, and 25, Block 5, and Lots 11, 19, 20, and 21, Block 6, Euclid park, a subdivision in the SW ¼ of Section 27 and the NW ¼ of Section 34, Township 7 north, Range 21 east, outside the transmission line and railway right-of-way of Wisconsin

Electric Power Company (formerly The Milwaukee Electric Railway & Light Company).

47. That part of the SW ¼ of Section 27, Township 7 north, Range 21 east described as follows, to-wit: commencing at the southeast corner of said SW ¼; running thence west on the section line 187.44 feet to the southeast corner of Lot 5, Block 5, Euclid Park; thence north on the east line of said Lot 5, 40 feet to a point; thence east and parallel to said south section line 187.44 feet to a point on the east line of said SW ¼; thence south on said quarter section line 40 feet to the place of beginning, SUBJECT to North 68th Street.

RACINE COUNTY

48. Rights-of-Way Land: The rights of the Company under deeds recorded in Volume 119 of Deeds, Page 612, and Volume 126 of Deeds, Page 178, said Racine County Registry.

49. Racine Stations: Lots 3 and 6, Block 3, in Section 16, Township 3 north, Range 23 east, in the City of Racine, as returned by the appraisers of School and University lands, and that part of Lot 5, said Block 3, described as follows: commencing on the east line of said Lot 5, 12.2 feet south of the northeast corner of said Lot 5; thence south on said east line 37.8 feet; thence west and parallel to the north line of said Lot 5, 120 feet to the west line of said Lot 5; thence north on said west line 40 feet; thence southeast in a straight line 36.5 feet to a point; which point is 17 feet south of said north line, measured at right angles thereto; thence east and parallel to said north line 70.5 feet; and thence northeast to the place of beginning.

50. Douglas Avenue Car Station: That part of the NE ¼ of Section 5, Township 3 north, Range 23 east, described as follows, to-wit: commencing at the point where the easterly line of the Chicago & Northwestern Railway Company right-of-way from the north intersects the south line of said quarter section; running thence northwest on said east right-of-way line to the center line of Layard Avenue; thence east on said center line of Layard Avenue 290 feet to a point; thence south to a point which is 261 feet north of said south quarter section line; thence east to the center line of Douglas Avenue; thence southeast on said center line of Douglas Avenue; [redacted] to the south line of said quarter section; thence west on said quarter section line to the place of beginning.

KENOSHA COUNTY

51. Rights-of-Way Land: All that part of the railway private right-of-way in the City of Kenosha, beginning at the south line of 40th Street, extended, the east boundary of said beginning line being a point, approximately 63 feet west of the west line of 11th Avenue and the west boundary of said beginning line, being in the east line of the Chicago & Northwestern Railway Company right-of-way; thence extending in a southerly direction along the east boundary line of said Chicago & Northwestern Railway Company right-of-way to 45th Street; thence in a southeasterly direction to the Kenosha Terminal site located on the northwest corner at the junction of 8th Avenue and 55th Street.

52. Kenosha Stations: That part of Blocks 8 and 17, Village of Southport, now City of Kenosha, in the SE ¼ of Section 31, Township 2 north, Range 23 east, described as follows, to-wit: commencing at a point on the north line of 55th Street, 80 feet east of the east line of Sheridan Road; thence north and parallel to said east line 200.51 feet; thence north 47° 00' 50" east, 60.98 feet; thence north 15° 04' east, 79.65 feet; thence north 34° 43' west, 205.03 feet; thence north 9° 13' west to the south line of 53rd street, vacated; thence east on said south line to the west line of the railway right-of-way of Simmon's Spur track; thence southeasterly on a curve on said west spur track right-of-

way line to the east line of said Block 8; thence south 13° 09' 30" east, 343.75 feet to the north line of said 55th Street; and thence south 80° 25' 30" west on said north line 157.30 feet to the place of beginning.

OZAUKEE COUNTY

53. Rights-of-Way Land: In the Township of Port Washington, all that part of the south 20 acres of the north 50 acres of the SE ¼ of Section 21, Township 11 north, Range 22 east, described as follows: commencing at the intersection of the south line of said south 20 acres and the east line of the transmission line and railway right-of-way of Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company); running thence north on said east line of said right-of-way 316.35 feet to a point; thence east 147.73 feet to a point; thence south 310.50 feet to a point on said south line of said south 20 acres, which point is 100 feet east of said point of commencement; and thence west on said south line of said south 20 acres 100 feet to the place of beginning, containing 0.9 acres more or less.

54. Grafton Waiting Station: Lots 3 and 4, Block 11 in Giffords Addition to the Village of Grafton.

55. Cedarburg Car Barns and Yard: That part of Lots 34, 35, 38, and 39, of H. L. Coe's Survey of the City of Cedarburg, in the SE ¼ of Section 27, Township 10 north, Range 21 east, described as follows, to-wit: commencing at the northeast corner of said Lot 39; thence southeasterly to the southeast corner of said lot; thence southwesterly on the south line of said Lot 39, 225 feet; thence southwesterly to a point on the south line of said Lot 38, 362 feet southwesterly from the southeast corner of said Lot 38 measured on said south lot line; thence southwesterly to a point on the south line of said Lot 35, 500 feet southwesterly from the southeast corner of said Lot 35 measured on said south lot line; thence southeasterly to a point on the south line of said Lot 34, 503 feet southwesterly from the southeast corner of said Lot 34, measured on said south lot line; thence southwesterly on said south lot line 144 feet; thence northwesterly to a point on the south line of said Lot 35, 480 feet northeasterly from the southwest corner of said Lot 35; thence southwesterly on said south lot line 199.78 feet; thence north 25 feet; thence west 50 feet; thence north 50 feet; thence west 20 feet; thence north 40 feet; thence west 200 feet to Third Avenue North; thence north 179.5 feet to the northwest corner of said Lot 39, and thence northeast on the north line of said Lot 39, 1033.4 feet to the place of beginning, which lies outside the transmission line and railway right-of-way of Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company).

56. Cedarburg Waiting Station: Lot 8, Boerners Plat in the SE ¼ of Section 27, Township 10 north, Range 21 east;

Also that part of Lot 32, H. L. Coe's Survey of the City of Cedarburg, in said SE¼ of Section 27, described as follows, to-wit: commencing at the northeast corner of said Lot 8; thence west on the north line of said Lot 8 to the east line of the transmission line and railway right-of-way of Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company); thence northwesterly on said east right-of-way line to the north line of said Lot 32; thence northeasterly on said north line 176 feet; and thence southeasterly to the place of beginning.

57. Mequon Quarry: That part of the SW ¼ of the NE ¼ of Section 10, Township 10 north, Range 21 east, lying west of the transmission line and railway right-of-way of the Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light

Company);

Also that part of the S ½ of said Section 10, described as follows, to-wit: commencing at the intersection of the north line of said S ½ of said Section 10, and the west line of the railway right-of-way of the Chicago, Milwaukee, St. Paul & Pacific Railroad Company; thence south on said west right-of-way line to a point 1100 feet south of said north line; thence west 256.6 feet; thence south 609 feet; thence north 61° 55' west 569.7 feet; thence north 43° 25' west 166 feet; thence north 0° 17' west 158.87 feet; thence north 75° 0' west 601.4 feet; thence north 4° 1' east 360.8 feet; thence north 52° 46' east 317.1 feet; thence south 75° 16' east 313 feet; thence north 533.5 feet to said north one-half section line; and thence east on said north line to the place of beginning.

58. Thiensville Gravel Pit: That part of the SE ¼ of Section 15, Township 9 north, Range 21 east, described as follows, to-wit: commencing at a point on the east line of the transmission line and railway right-of-way of Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company), where it is intersected by the south line of lands conveyed by Milwaukee Northern Railway Company to Frederick Thierman by deed recorded in Volume 49 of Deeds on pages 434 to 436, said Ozaukee County Registry; thence east on said south property line to a point 170 feet northeasterly of said east right-of-way line measured at right angles thereto; thence southeast parallel to said east right-of-way line 300 feet; thence west to a point 150 feet northeasterly on said east right-of-way line measured at right angles thereto; thence southeast parallel to said east right-of-way line 240 feet to a point; thence west parallel to the south line of said Section 15 to said east right-of-way line; and thence northwesterly on said east right-of-way line to the place of beginning.

Also that part of said SE ¼ of Section 15, conveyed by Frederika Koopman et al to Milwaukee Northern Railway Company by deed recorded in Volume 49 of Deeds on pages 388 and 389, said Ozaukee County Registry, which lies east of the transmission line and railway right-of-way of Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company), excepting therefrom the part conveyed to Frederick Thierman by deed recorded in Volume 49 of Deeds on pages 434 to 436, said Ozaukee County Registry.

59. Thiensville Station: That part of lands in the NE ¼ of Section 22, Township 9 north, Range 21 east, conveyed by Ernest Alten and Matilda Alten, his wife, to Milwaukee Northern Railway Company by deeds recorded in Volume 49 of Deeds on pages 350 and 351, and in Volume 49 of Deeds on page 360, said Ozaukee County Registry, which lies outside the transmission line and railway right-of-way of Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company).

WAUKESHA COUNTY

60. Rights-of-Way Land: All that part of the SE ¼ of Section 33, Township 7 north, Range 19 east, described as follows: commencing at the intersection of the west line of the transmission line and railway right-of-way of Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company) and the center line of state Trunk Highway 41; thence northwesterly on said west right-of-way line, 217.7 feet to a point which point is the beginning of the description of the land to be conveyed; thence northwesterly on said west right-of-way line, 219.45 feet to a point; thence southwesterly at right angles to said west right-of-way line, 118 feet to a point; thence southeasterly and parallel to said west right-of-way line, 100 feet to a point; thence southeasterly

167.9 feet to the place of beginning, containing 0.433 acres more or less.

The rights of the Company in Summit Avenue, City of Waukesha.

61. Waukesha Station: That part of the NE ¼ of Section 3, Township 6 north, Range 19 east known as and being part of the Mill Reserve in the City of Waukesha, being bounded and described as follows, to-wit: commencing at the intersection of the southwesterly line of Broadway and the southwesterly line of Clinton Street; thence running southeast on the southwesterly line of Clinton Street, 25.62 feet to the point where the center line of the northwesterly wall of the engine house, extended northeast, intersects the southwesterly line of Clinton Street; thence southwest through the center of the northwesterly wall of the engine house, 135 feet to the northeasterly line of land of Wisconsin General Railway; thence northwest on said northeasterly line to the extension southwest of the southeasterly line of Lot 4 of Kimball's Second Subdivision of said Mill Reserve; thence northeast on the extension of said southeasterly line of said Lot 4 to the south line of Lots 1, 2, 3, and 4 of said Kimball's Second Subdivision; thence southeast on the extension of said south line of said lots to the west bank of Fox River; thence southeasterly at right angles to the center line or thread of Fox River to the center line or thread of said river; thence northeasterly on said center line or thread of said river to the intersection thereof with the southwesterly line of Broadway; thence southeast on the southwesterly line of Broadway to the place of beginning.

62. Oconomowoc Waiting Station: Lot 32, Worthington's Second Addition to the City of Oconomowoc, in the SE ¼ Section 32, Township 8 north, Range 17 east.

63. Waukesha Express Station: Lot 17 of Kimball's Plat of Subdivision of Block "C" of the Northwest Addition to Prairieville, now Waukesha, excepting and reserving therefrom the northwesterly 100 feet thereof;

Also that part of Lot 13, said Block "0" described as follows, to-wit: commencing at the southeast corner of said Lot 13; thence northwesterly on the north line of Madison Street 15 feet; thence northeasterly and parallel to the northwesterly line of said Lot 13, 75 feet; thence northeasterly to a point on the northeasterly line of said Lot 13, 30 feet northwest of the northeast corner of said Lot 13; thence southeasterly on said northeasterly lot line 30 feet to said northeast corner of said Lot 13; and thence south on said southeasterly lot line to the place of beginning, together with railway easement in Madison Street;

Also the right of ingress and egress to and from said Lot 17 over a parcel of land 15 feet in width northwest of and adjoining said part of Lot 13.

64. Waukesha Gravel Pit: That part of the NW ¼ of Section 1, Township 6 north, Range 19 east, described as follows, to-wit: commencing at a point 1609.7 feet east of the west line of said Section 1 and 50 feet north of the south line of said quarter section, thence northeasterly 978.85 feet to a point, which point is 600 feet west of the east line of said quarter section; thence north and parallel to said east line to a point on the north line of the SE ¼ of the NW ¼ of said Section 1; thence east 600 feet to the northeast corner of said SE ¼ of the NW ¼; thence south on said east line to the southeast corner of said quarter section; and thence west on said south line to a point 1609.7 feet east of said west section line; and thence north 50 feet to the place of beginning;

Also the west 15 acres of the SW ¼ of the NE ¼ of Section 1, Township 6 north, Range 19 east.

JEFFERSON COUNTY

65. Watertown Station: All except the north 22 feet of the west 16 feet of Lot 1,

Block 14, Cole, Bailey & Company's Original Plat of Watertown, east side of Rock River, in the NE ¼ of Section 4, Township 8 north, Range 15 east;

Also all except the north 27 feet of Lot 2, Block 14, in said Cole, Bailey & Company's Plat of Watertown.

66. Watertown Express Station: The south 24 feet of Lot 5 and all of Lot 6 in Block 3 as marked and designated on Cole, Bailey & Company's recorded map or Plat of the Village, now City, of Watertown.

67. Watertown Garage: Lot 4 and the north 42 feet of Lot 5, Block 3, Cole, Bailey & Company's Addition in the SW ¼ of Section 4, Township 8 north, Range 15 east.

SHEBOYGAN COUNTY

68. Sheboygan Station: The north 60 feet of Lots 7 and 8 and the north 60 feet of the west 1/3 of Lot 9 in Block 177, Original Plat of the City of Sheboygan.

69. Sheboygan Garage and Express Station: The west 20 feet of Lot 1, all of Lots 2, 10, 11 and 12, the east 40 feet of Lot 3, and the east 40 feet of Lot 9, Block 177, Original Plat of the City of Sheboygan.

WALWORTH COUNTY

70. East Troy Waiting Station: That part of Lot 2, Block 2, Original Plat of East Troy, lying outside the transmission line and railway right-of-way of Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company).

THIRD.

Also all stations, depots, station houses, car houses, garages, barns, work shops, supply ti machine shops, offices and other structures, together with all and singular the fixtures, apparatus and devices for constructing, maintaining, operating, repairing, replacing and renewing any of such structures or any parts whatsoever of the electric railway, trackless trolley or motor bus systems of the Company, including all cars, tramways, locomotives, engines, trackless trolleys, buses, snowplows and other vehicles, now owned by the Company or, subject to the provisions of Article X, which it may hereafter acquire.

FOURTH.

ALSO all franchises and all permits, ordinances, easements, privileges, immunities and licenses, all rights to construct, maintain and operate street railway and interurban railway systems and trackless trolley, motor bus and other transportation systems, and all grants and consents, now owned by the Company or, subject to the provisions of Article X, which it may hereafter acquire.

ALSO all inventions, patent rights and licenses of every kind now owned by the Company or, subject to the provisions of Article X, which it may hereafter acquire.

FIFTH.

ALSO, subject to the provisions of Article X, all other property, real, personal and mixed (except as herein expressly excepted) of every nature and kind and wheresoever situated now or hereafter possessed by or belonging to the Company, or to which it is now, or may at any time hereafter be, in any manner entitled at law or in equity.

SIXTH.

ALSO any and all property of any kind or description which may from time to time after the date of this Indenture by delivery or by writing of any kind be conveyed, mortgaged, pledged, assigned or transferred to the Trustee by the Company or by any person, copartnership or corporation, with the consent of the Company or otherwise, and accepted by the Trustee, to be held as part of the mortgaged property; and the Trustee is hereby

authorized to accept and receive any such property and any such conveyance, mortgage, pledge, assignment and transfer, as and for additional security hereunder, and to hold and apply any and all such property subject to and in accordance with the terms and provisions upon which such conveyance, mortgage, pledge, assignment or transfer shall be made.

SEVENTH.

TOGETHER with all and singular the tenements, hereditaments and appurtenances belonging or in anywise appertaining to the aforesaid property or any part thereof; with the reversions and reversions, remainder and remainders, tolls, rents, revenues, issues, income, products and profits thereof, and all the estate, right, title, interest and claim whatsoever, at law as well as in equity, which the company now has or may hereafter acquire in and to the aforesaid property and franchises and every part and parcel thereof.

EXPRESSLY EXCEPTING AND EXCLUDING, HOWEVER, from the Indenture and from the lien and operation hereof:

(a) All bills, notes and accounts receivable, cash on hand or in bank, contracts, operating agreements and choses in action, not specifically assigned to or pledged with the Trustee or required to be, and leases made to the Company by Wisconsin Electric Power Company (formerly The Milwaukee Electric Railway and Light Company), and leases hereafter made of portions of the mortgaged property in which the Company is lessor;

(b) All shares of stock and other certificates or evidences of interest therein, and all bonds, notes and other evidences of indebtedness or certificates of interest therein and other securities now owned or hereafter acquired or possessed by the Company (except securities or obligations required to be pledged by the terms of this Indenture); and

(c) All materials and supplies held for consumption in operation or held in advance of use thereof for fixed capital purposes.

AND FURTHER EXPRESSLY EXCEPTING AND EXCLUDING from this Indenture and from the lien and operation thereof, all property, permits and franchises of any other corporation of whatever character, shares of stock or securities whereof, or obligations secured by lien upon the properties and franchises whereof, may be now owned or hereafter acquired or possessed by the Company, notwithstanding the fact that the Company may own or hereafter acquire all or substantially all of the shares of stock or other securities issued by, or secured by lien upon property of, any such corporation, or that any such corporation may be incorporated or organized at the instance of or for the account of the Company, or that all or any part of the shares of stock or other securities of such corporation may be subjected to the lien hereof by the Company.

TO HAVE AND TO HOLD all said properties, real, personal and mixed, mortgaged, pledged and conveyed by the Company as aforesaid, or intended so to be, unto the Trustee and its successors and assigns forever;

SUBJECT, HOWEVER, to the lien of the Refunding and First Mortgage dated June 1, 1921, made by The Milwaukee Electric Railway and Light Company to Central Union Trust Company of New York (now Central Hanover Bank and Trust Company), as trustee, securing an issue of mortgage bonds of said The Milwaukee Electric Railway and Light Company, unlimited in amount, of which $59,522,500 aggregate principal amount are outstanding; and also subject to the exceptions and reservations and matters hereinabove recited, to existing leases, to existing liens upon rights-of-way for transportation purposes, as hereinafter in Article

I defined, and any extensions thereof, and subject to existing easements for streets, alleys, highways, rights-of-way and railroad purposes over, upon and across certain of the property hereinbefore described, and subject also to all the terms, conditions, agreements, covenants, exceptions and reservations expressed or provided in the deeds or other instruments respectively under and by virtue of which the Company now owns or may hereafter acquire any property subject to the lien hereof, and to undetermined liens and charges, if any, incidental to construction or other existing permitted liens as hereinafter defined in Article I;

IN TRUST, NEVERTHELESS, upon the terms and trusts herein set forth, for the equal and proportionate benefit and security of all present and future holders of the Bonds and coupons issued and to be issued hereunder, except as otherwise provided in Section 2 of Article III.

PROVIDED, HOWEVER, and these presents are upon the condition that if the Company, its successors or assigns, shall pay or cause to be paid unto the holders of the Bonds the principal and interest to become due in respect thereof at the times and in the manner stipulated therein and herein, and shall keep, perform and observe all and singular the covenants and promises in the Bonds and coupons and in this Indenture expressed as to be kept, performed and observed by or on the part of the Company, then this Indenture and the estate and rights hereby granted shall cease, determine and be void, otherwise to remain in full force and effect;

AND IT IS HEREBY COVENANTED, DECLARED AND AGREED, by and between the parties hereto, that all the Bonds and coupons are to be issued, authenticated and delivered, and that all the trust estate is to be held and applied subject to the further covenants, conditions, uses and trusts hereinafter set forth; and the Company, for itself and its successors, does hereby covenant and agree to and with the Trustee and its successors in said trust, for the benefit of those who shall hold the Bonds and coupons, or any of them, as follows:

ARTICLE I.

DEFINITIONS.

The terms defined in this Article I shall, for all purposes of this Indenture and of all indentures supplemental hereto now or hereafter entered into in accordance with the provisions hereof, have the meanings herein specified, unless the context otherwise requires:

Appraiser:

The term "appraiser" shall mean an individual or a co-partnership or a corporation engaged in the business of appraising property or competent to determine the value of the particular property in question, whether or not regularly or at intervals employed by the Company.

Appraiser's certificate:

The term "appraiser's certificate" shall mean a certificate signed and verified by an appraiser appointed by the Board and acceptable to the Trustee.

Authorized Milwaukee newspaper:

The term "authorized Milwaukee newspaper" shall mean a newspaper published at least once a day for at least six days (other than legal holidays) per calendar week, printed in the English language and published and of general circulation in the City of Milwaukee, Wisconsin.

Whenever successive publications in an authorized Milwaukee newspaper are required by any provision of the Indenture, such successive publications may be made in the same or in different authorized Milwaukee newspapers.

Board:

The term "Board of Directors" shall mean the Board of Directors of the Company; and the term "Board" shall mean either the Board of Directors or the Executive Committee of the Board of Directors.

Bondholders:

The term "Bondholders" or "holders of the Bonds" or "holders" shall mean the bearers of any coupon Bonds, the ownership of which is not at the time registered as to principal, the registered owners of any coupon Bonds which are at the time duly registered as to principal and the registered owners of any registered Bonds without coupons.

Any reference to a particular percentage or proportion of the Bondholders shall mean the holders at the particular time of the specified percentage or proportion in aggregate principal amount of all Bonds then outstanding under this Indenture, exclusive of Bonds held by the Company, whether or not theretofore issued, and whether held in its treasury or, subject to Section 17 of Article VII, pledged to secure any indebtedness.

Bonds:

The term "Bond" or "Bonds" shall mean any Bond or all the Bonds, as the case may be, authenticated and delivered under this Indenture.

The term "outstanding under this Indenture" or "outstanding hereunder" or "outstanding", when used with reference to Bonds, shall mean as of any particular time all Bonds authenticated and delivered under this Indenture, except:

(a) Bonds canceled at or prior to the particular time,

(b) Bonds for the payment or redemption of which cash shall have theretofore been irrevocably deposited with the Trustee in trust (whether upon or prior to the maturity or the redemption date of such Bonds), provided that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been published or given as in Article IV provided or provision satisfactory to the Trustee shall have been made therefor, and

(c) Bonds in lieu of and in substitution for which other Bonds shall have been authenticated and delivered pursuant to Section 13 of Article II.

Certified resolution:

The term "certified resolution" shall mean a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company, under its corporate seal, to have been duly adopted by the Board and to be in full force and effect on the date of such certification.

Company:

The term "Company" shall mean the party of the first part hereto, The Milwaukee Electric Railway & Transport Company, and, subject to Article X, shall also include its successors and assigns.

Corporation:

The term "corporation" shall also include voluntary associations, joint stock companies and business trusts.

Cost to the Company:

The term "cost to the Company", when used with respect to any particular property additions, shall be deemed to include:

(a) the fair value in cash of any shares of stock or other securities issued or delivered in payment, in whole or in part, for such property additions at the time of the acquisition by the Company of such property additions,

(b) the amount of cash (if any) paid by the Company therefor, or which the Company is obligated to pay therefor,

(c) the fair value, as stated in an engineer's certificate filed pursuant to Section 3 (b) of Article V, of any property transferred in payment, in whole or in part, for such property additions, and

(d) such allowances or charges for interest, taxes, engineering, legal expenses, superintendence, insurance, casualities and other items during construction as the signers of a certificate of the nature required by Section 1 (b) of Article VI shall certify are properly chargeable to fixed property accounts under the regulations, rules and orders, if any, with respect to such matters in force at the time of construction, of the Public Service Commission of Wisconsin or other public body or authority having jurisdiction or supervisory authority over the accounts of the Company, and as, in the opinion of the signers of such certificate, are proper in respect of the particular property additions specified in said certificate.

Counsel:

The term "counsel" shall mean counsel, who may be of counsel to the Company appointed by the Board, and acceptable to the Trustee.

Coupons:

The term "coupon" or "coupons" shall mean any interest coupon or all the interest coupons, as the case may be, appertaining to the Bonds.

Engineer:

The term "engineer" shall mean an individual or a co-partnership or a corporation qualified to pass upon engineering questions, whether or not employed by or in any way affiliated with the Company.

Engineer's certificate:

The term "engineer's certificate" shall mean a certificate signed and verified by the President or a Vice President of the Company and by an engineer appointed by the Board and acceptable to the Trustee.

Event of default:

The term "event of default" shall mean any event of default specified in Section 1 of Article VII, continued for the period of time, if any, therein designated.

Fair value to the Company:

The term "fair value to the Company", when used with respect to any particular property additions or any other particular property, shall mean the fair value thereof to the Company determined as of a date not more than ninety (90) days prior to the filing of the certificate in which such property additions or other property are described.

Any such certificate shall be deemed to have been filed at the time when all of the documents, cash and securities required to be filed, paid, or delivered, for the granting of the application in connection with which such certificate is filed shall have been filed, paid or delivered, as required by this Indenture.

Gross property additions:

The term "gross property additions", as applied to any particular period, shall mean all of the property additions purchased, constructed or otherwise acquired by the Company during such period, including property additions purchased, constructed or otherwise acquired during such period, but retired during such period.

Indenture:

The term "Indenture" shall mean this instrument and all indentures supplemental hereto.

Independent engineer:

The term "independent engineer" shall mean an individual or a copartnership or corporation engaged in an engineering business and not regularly engaged in the service of the Company or of any affiliated corporation and, in the case of an individual, not a director, officer or employee of the Company or of any affiliated corporation.

Independent engineer's certificate:

The term "independent engineer's certificate" shall mean a certificate signed and verified by an independent engineer appointed by the Board and acceptable to the Trustee.

Judgment lien:

The term "judgment lien" shall mean the lien of a judgment, existing at the particular time upon any of the mortgaged property, which is prior to the lien of this Indenture as security for the Bonds then outstanding.

Lien of the Indenture:

The term "lien hereof" or "lien of the Indenture" or "lien of this Indenture" shall mean the lien created by these presents (including the after-acquired property clauses hereof), or created by any subsequent conveyance to the Trustee hereunder (whether made by the Company or any other corporation or any individual or copartnership) or otherwise created, effectively constituting any property a part of the security held by the Trustee for the benefit of the Bonds outstanding hereunder.

Liens upon rights-of-way for transportation purposes:

The term "liens upon rights-of-way for transportation purposes" shall mean any mortgages, liens or other encumbrances created by others than the Company and any renewal or extension of any such lien, mortgage or other encumbrance, which at the particular time in question, are liens upon the lands over which easements or rights-of-way for transportation purposes are held, securing bonds or other indebtedness which have not been assumed or guaranteed by the Company or on which the Company does not customarily pay interest charges.

Mortgaged property:

The terms "mortgaged property" or "trust estate" shall mean as of any particular time the property which at said time is covered or intended to be covered by the lien of this Indenture.

Officers' certificate:

The term "officers' certificate" shall mean a certificate signed and verified by the President or a Vice President and the Treasurer or an Assistant Treasurer of the Company.

Opinion of counsel:

The term "opinion of counsel" shall mean an opinion or opinions in writing signed by counsel.

Permitted liens:

The term "permitted liens" shall mean:

(a) liens upon rights-of-way for transportation purposes, provided that the Company has, in the opinion of counsel, power under eminent domain or similar statutes to condemn or acquire easements or rights-of-way sufficient for its purposes over the land covered by the rights-of-way in question or other lands adjacent thereto;

(b) undetermined liens and charges incidental to construction;

(c) the right reserved to, or vested in, any municipality or public authority by the terms of any right, power, franchise, grant, license, permit or by any provision of law, to purchase or recapture or to designate a purchaser of, any of the mortgaged property;

(d) the lien of taxes for the then current year;

(e) the lien of taxes and assessments not at the time due;

(f) the lien of specified taxes and assessments already due but the validity of which is being contested at the time by the Company in good faith, unless thereby in the opinion of counsel or of the Trustee any of the mortgaged property may be lost or forfeited; and

(g) the lien of the Refunding and First Mortgage dated June 1, 1921 from The Milwaukee Electric Railway and Light Company to Central Union Trust Company of New York (now Central Hanover Bank and Trust Company), as Trustee, until such Refunding and First Mortgage has been satisfied and discharged.

Property additions:

The terms "property additions" shall mean any new or additional property, real or personal (including separate and distinct lines of railway, plants, systems and properties), located within the State of Wisconsin, or located in any other State if such property is physically connected with any of the properties of the Company located in Wisconsin, either directly or through other property of the Company, and improvements, extensions or additions (including in these terms equipment and appliances installed as a part of the fixed property of the Company) to or about the lines of railway, plants or properties of the Company purchased, constructed or otherwise acquired by the Company after October 31, 1938, and in every case used or useful for the transportation business of the Company, and in every case properly chargeable to fixed property accounts under the regulations, rules and orders, if any, with respect to such matters, in force at the time, of the Public Service Commission of Wisconsin or other public body or authority having jurisdiction or supervisory authority over the accounts of the Company, or, if there are no such regulations, rules and orders, in the opinion of the signers of a certificate of the nature required by Section 1 (b) of Article VI.

"Property additions" as so defined, without limitation of the general import of such term, shall include:

(a) subject to Article X, property acquired by the Company or by a successor corporation as a result of any consolidation or merger to which the Company or any successor corporation may be a party;

(b) permanent improvements, extensions or additions to or about the properties of the Company in the process of construction or partially completed, in so far as actually constructed or completed;

(c) property purchased, constructed or otherwise acquired to replace property retired;

(d) movable transportation equipment including locomotives, engines, motors, cars, trackless trolleys, buses, snow-plows and other vehicles which shall be subject to the lien hereof as a first lien.

(e) easements, rights-of-way and leases over private property for transportation purposes, and transportation equipment installed by the Company on any such land, provided that, in the opinion of counsel, such easements, rights-of-way and leasehold interests shall run for an unlimited or indeterminate or indefinite period of time, or for a period of time extending beyond the date of maturity of the Bonds then outstanding under this Indenture, or the Company has power under eminent domain or similar statutes to condemn and acquire such rights-of-way or rights-of-way adjacent thereto; and

(f) transportation equipment located or constructed on, over or under public highways or other public property, provided that the Company shall, in the opinion of counsel,

have the lawful right under permits or franchises granted by a governmental body having jurisdiction in the premises or by the law of the State in which such property is located to maintain and operate such equipment for an unlimited, indeterminate or indefinite period of time or for the period, if any, specified in such permit or franchise or law and that the terms of such permit or franchise or law do not contain any provisions giving to any public authority the right to take over such equipment without the payment of fair consideration therefor.

"Property additions" as so defined shall not include:

(aa) good will or going concern value;

(bb) any contracts or operating agreements or franchises or governmental permits, granted or acquired, as such, separate and distinct from the property operated thereunder or in connection therewith or incident thereto;

(cc) any shares of stock or certificates or evidences of interest therein, or any bonds, notes or other evidences of indebtedness or certificates of interest therein or any other securities;

(dd) any materials or supplies held for consumption in operation or held in advance of use thereof for fixed capital purposes; or

(ee) leasehold estates, rights-of-way, or easements, with respect to land owned by others and additions installed by the Company on leasehold estates, rights-of-way or easements, or under any permits or franchises granted by a governmental body, except as permitted by Subdivisions (e) and (f) of this definition;

Refundable Bonds:

The term "refundable Bonds" shall mean, at any particular time, all Bonds theretofore authenticated and delivered under this Indenture and theretofore redeemed or purchased (otherwise than out of funds included in the trust estate) and surrendered to the Trustee, either canceled or uncanceled, or otherwise surrendered to the Trustee, except upon exchange for other Bonds pursuant to the provisions of Article II, and which were not theretofore made the basis for the withdrawal of cash included in the trust estate or the reduction of the amount of cash required to be paid to the Trustee upon release of property.

Bonds and coupons for the payment or redemption of which moneys shall have been irrevocably deposited in trust with the Trustee (whether at or prior to maturity or the redemption date of such Bonds) shall be deemed to have been paid and canceled within the meaning of this definition; provided, however, that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been published or given as in Article IV provided or provision satisfactory to the Trustee shall have been made therefor.

Registered owner:

The term "registered owner" shall mean the person or persons in whose name or names the particular registered Bond without coupons shall be registered or the particular coupon Bond shall be registered as to principal, on the books of the Company, kept for that purpose in accordance with the terms of this Indenture.

Retired:

The term "retired" when used with respect to property, shall mean retired, abandoned, destroyed, lost through the enforcement of mortgage or other liens on easements or rights-of-way for transportation purposes, or released or otherwise disposed of free of the lien of this Indenture.

Supplemental indenture:

The term "supplemental indenture" or "indenture supplemental hereto" shall mean any

indenture now or hereafter duly authorized and entered into in accordance with the provisions of this Indenture.

Trustee:

The term "Trustee" shall mean the Trustee under this Indenture for the time being, whether original or successor, but not a co-trustee or separate trustee appointed pursuant to Section 6 of Article XI unless otherwise provided in the instrument of appointment executed pursuant to the provisions of said Section, and only to the extent therein provided.

Trust estate:

See definition of "mortgaged property".

ARTICLE II.

FORM, ISSUE AND REGISTRATION OF BOND.

Section 1. The Bonds issued hereunder shall be dated October 22, 1938; shall be payable October 1, 1968; shall bear interest at the rate of four per cent. (4%) per annum, payable semi-annually on the first days of April and October in each year; and the Bonds and the interest coupons appertaining thereto shall be respectively substantially in the form and of the tenor hereinabove recited.

The Bonds shall be designated as the Company's "First Mortgage 4% Bonds"; except that, until the Refunding and First Mortgage dated June 1, 1921 from The Milwaukee Electric Railway and Light Company to Central Union Trust Company of New York (now Central Hanover Bank and Trust Company), as Trustee, which now constitutes a lien on the Mortgaged property prior to the lien of this Indenture, shall have been satisfied and discharged, the Bonds issued hereunder may bear such other designation as may be acceptable to the Trustee. In case said Refunding and First Mortgage is satisfied and discharged as aforesaid, the Company may, if it so elects, execute and deliver to the Trustee and the Trustee, upon receipt of an opinion of counsel (who may be counsel for the Company selected by it and acceptable to the Trustee) to the effect that said Refunding and First Mortgage has been satisfied and discharged, shall thereupon authenticate and deliver new Bonds designated as "First Mortgage Bonds", in substitution for, and upon surrender of, all Bonds bearing such other designation hereby secured at the time outstanding.

The aggregate principal amount of all Bonds which may be authenticated and delivered under this Indenture shall not exceed Ten million dollars ($10,000,000), excluding any Bonds which may be authenticated and delivered pursuant to Sections 3, 8, 10, 11, 12 or 13 of this Article.

Section 2. The Bonds shall be coupon Bonds, registerable as to principal, of the denomination of $1,000, numbered consecutively from M-1 upwards, and registered Bonds without coupons of the denomination of $1,000, numbered consecutively from RM-1 upwards, or any multiple of $1,000, numbered consecutively from R-1 upwards.

Section 3. In case the Company, pursuant to Article X of this Indenture, shall be consolidated with or merged into any other corporation or shall convey, subject to this Indenture, all or substantially all the mortgaged property as an entirety, and the successor corporation resulting from such consolidation, or into which the Company shall have been merged, or which shall have received a conveyance as aforesaid, shall have executed and caused to be recorded an indenture with the Trustee pursuant to Section 2 of Article X, any of the Bonds authenticated or delivered prior to such consolidation, merger or conveyance may, from time to time, at the request of the successor corporation and with the consent of the holders thereof, be exchanged for other Bonds executed in the name of the

successor corporation with such changes in phraseology and form as may be appropriate, but otherwise in substance of like tenor to the Bonds surrendered for such exchange and of like principal amount; and the Trustee, upon the request of the successor corporation, shall authenticate and deliver Bonds as specified in such request for the purpose of such exchange. If any Bonds in any new name are authenticated and delivered thereafter pursuant to this Article in exchange or substitution for or upon transfer of any such Bonds, the Company shall provide for the exchange of all Bonds at the time outstanding for Bonds in such new name, at the option of, but without expense to, the holder.

Section4. The Bonds shall be executed on behalf of the Company by its President or one of its Vice Presidents and its corporate seal (which may be in facsimile) shall be thereunto affixed and attested by its Secretary or one of its Assistant Secretaries. The coupons to be attached to the Bonds shall bear the facsimile signature of the present or any future Treasurer of the Company.

In case any of the officers who shall have signed or sealed any of the Bonds shall cease to be such officers of the Company before the Bonds so signed and sealed shall actually have been authenticated by the Trustee or delivered by the Company, such Bonds nevertheless may be authenticated, issued and delivered with the same force and effect as though the person or persons who signed or sealed such Bonds had not ceased to be such officer or officers of the Company; and also any such Bond may be signed and sealed on behalf of the Company by such persons as at the actual date of the execution of such Bond shall be the proper officers of the Company, although at the nominal date of such Bond any such person shall not have been an officer of the Company.

Section 5. The Bonds, when executed as in Section 4 of this Article II provided, shall be delivered to the Trustee for authentication by it, and shall be authenticated and delivered by the Trustee as hereinafter provided. No Bonds shall be entitled to the benefits hereof or shall be or become valid or obligatory for any purpose unless there shall be endorsed thereon a certificate of authentication, substantially in the form hereinbefore recited, executed by the Trustee; and such certificate on any Bond issued by the Company shall be conclusive evidence and the only competent evidence that it has been duly authenticated and delivered hereunder. Before authenticating any Bond, the Trustee, except as provided in Section 13 of this Article, shall cut off, cancel and deliver to the Company all matured coupons thereon.

Section 6. Bonds in the aggregate principal amount of Ten million dollars ($10,000,000), being the entire amount of Bonds to be issued under this Indenture (except any Bonds which may be authenticated and delivered pursuant to the provisions of Sections 3, 8, 10, 11, 12 or 13 of this Article) shall forthwith be executed by the Company and delivered to the Trustee, and shall be authenticated by the Trustee and delivered in accordance with the order or orders of the Company, evidenced by a writing or writings signed by its President or a Vice President and Treasurer or an Assistant Treasurer.

Section 7. All coupon Bonds shall be negotiable and pass by delivery, unless registered as to principal in the manner and with the effect set forth in the form of coupon Bond contained in the preambles hereof.

Section 8. Any registered Bond without coupons may be transferred in the manner set forth in the form of registered Bond contained in the preambles hereof. Except as provided in Sections 12 and 13 of this Article, every registered Bond without coupons shall be dated as of the date of its authentication and delivery (except that if any registered Bond shall be authenticated and delivered on any interest payment date it shall be dated

as of the day next following such interest payment date), and shall bear interest from the interest payment date next preceding the date of such Bond, or from October 21, 1938, in the case of registered Bonds without coupons authenticated and delivered prior to April 1, 1939.

Section 9. As to all registered Bonds without coupons and all coupon Bonds registered as to principal, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof, for all purposes of this Indenture; and thereafter payment of or on account of the principal of such Bond, if it be a coupon Bond registered as to principal, and of the principal and interest, if it be a registered Bond without coupons, shall be made only to or upon the order in writing of such registered owner thereof, but such registration may be changed as therein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bonds to the extent of the sum or sums so paid. The Company and the Trustee may deem and treat the bearer of any coupon Bond, which shall not at the time be registered as to principal, and the bearer of any coupon for interest on such Bond, whether such Bond shall be registered or not, as the absolute owner of such Bond or coupon for the purpose of receiving payment thereof, and for all other purposes whatsoever, and the Company and the Trustee shall not be affected by any notice to the contrary.

Section 10. A registered Bond without coupons, with or without other registered Bonds without coupons, may, upon surrender thereof to the Company, be exchanged for one or more such Bonds of like form for the same aggregate principal amount, or for a coupon Bond or Bonds for the same aggregate principal amount in the denomination of $1,000, with all unmatured coupons appertaining thereto, and bearing the serial numbers, if any, endorsed on the Bond surrendered.

Section 11. Until Bonds in definitive form are ready for delivery, the Company may execute, and upon its request in writing, the Trustee shall authenticate and deliver in lieu thereof, and subject to the same provisions, limitations and conditions, one or more printed, lithographed or typewritten Bonds in temporary form, substantially of the tenor of the Bonds hereinbefore described, without coupons or with one or more coupons, and with appropriate omissions, variations and insertions. Such Bond or Bonds in temporary form may be for the amount of $1,000 or any multiple or multiples thereof, as the Company may determine. Until exchanged for Bonds in definitive form such Bonds in temporary form shall be entitled to the lien and benefit of this Indenture. The Company shall, without unreasonable delay, prepare, execute and deliver to the Trustee, and thereupon, upon the presentation and surrender of the Bond or Bonds in temporary form, the Trustee shall authenticate and deliver, in exchange therefor, a Bond or Bonds in definitive form for the same aggregate principal amount as the Bond or Bonds in temporary form surrendered. Such exchange shall be made by the Company at its own expense and without making any charge therefor. When and as interest is paid upon Bonds in temporary form without coupons, the fact of such payment shall be noted thereon. Until such Bonds in definitive form are ready for delivery, the holder of one or more Bonds in temporary form may, with the consent of the Company, exchange the same on the surrender thereof to the Trustee for cancellation and shall be entitled to receive Bonds in temporary form of like aggregate principal amount in authorized denominations indicated by him, bearing all unmatured coupons, if any.

Section 12. In all cases in which the privilege of exchanging Bonds exists and is exercised, the Bonds to be exchanged shall be surrendered at the agency of the Company in the City of Milwaukee, Wisconsin, with all unmatured coupons attached in the case of

coupon Bonds or of Bonds in temporary form with coupons, and accompanied by duly executed instruments of transfer in the case of registered Bonds without coupons and coupon Bonds or Bonds in temporary form registered as to principal, and the Company shall execute and the Trustee shall authenticate and deliver, in exchange therefor, the Bond or Bonds which the Bondholder making the exchange shall be entitled to receive. Every exchange of Bonds shall be effected in such manner as may be prescribed by the Board with the approval of the Trustee.

Each Bond delivered pursuant to the exercise of any such privilege of exchange or in substitution for the whole or any part of one or more other Bonds shall carry all of the rights to interest accrued and unpaid, and to accrue, which were carried by the whole or such part of such one or more other Bonds, and notwithstanding anything contained in the Indenture, such Bonds shall be so dated, and have attached thereto such coupons, that neither gain nor loss in interest shall result from such exchange or substitution.

Upon every exchange of coupon Bonds for registered Bonds without coupons, or of registered Bonds without coupons for coupon Bonds or for other registered Bonds without coupons, and upon every transfer of registered Bonds without coupons, the Company may require payment of such charge therefor as it may deem proper, not exceeding the sum of Two dollars for each Bond issued upon such exchange or transfer, payment of which, together with any stamp taxes or other governmental charges required to be paid with respect to such exchange or transfer, shall be made by the Bondholder requesting such exchange or transfer as a condition precedent to the exercise of the privilege of such exchange or transfer.

The Company shall not be required to make (a) exchanges or transfers of any Bond under any provision of this Article either for the period of five days next preceding any interest payment date for such Bond or the redemption date of such Bond, or (b) exchanges of any coupon Bond for a registered Bond or Bonds without coupons, after the first publication or mailing, whichever shall be earlier, of notice of redemption of such Bond as provided in Article IV.

All Bonds so surrendered for exchange and the coupons attached thereto and all registered Bonds without coupons surrendered for transfer shall be presented to the Trustee for cancellation, and the Trustee shall forthwith cancel the same, and, on its written request, deliver the same to the Company.

All Bonds executed, authenticated and delivered in exchange for Bonds so surrendered or upon transfer of registered Bonds without coupons shall be the valid obligations of the Company, evidencing the same debt as the Bonds surrendered, and shall be secured by the lien of this Indenture to the same extent as the Bonds in exchange for which they were authenticated and delivered.

Section 13. Upon receipt by the Company and the Trustee of evidence satisfactory to both of them that any outstanding Bond has been mutilated, destroyed, lost or stolen, and of indemnity satisfactory to both of them, in their discretion, the Company, in its discretion, may execute, and thereupon the Trustee shall authenticate and deliver, a new Bond of like tenor (having attached the same corresponding coupons, if any, as the mutilated, destroyed, lost or stolen Bond if such Bond were a coupon Bond, or, if such Bond were a registered Bond without coupons, having endorsed thereon the same distinctive number or numbers of the coupon Bond or Bonds in lieu of and in exchange for which such mutilated, destroyed, lost or stolen Bond was issued), in exchange and substitution for, and upon surrender and cancellation of, the mutilated Bond and coupons, if any, or in

lieu of and in substitution for the Bond and coupons, if any, so destroyed, lost or stolen. The Company may, for each new Bond authenticated and delivered under the provisions of this Section, require the payment of a sum not exceeding Two dollars and, in addition, the expenses, including counsel fees, which may be incurred by the Company and the Trustee in the premises. Any Bond or coupon issued under the provisions of this Section in lieu of any Bond or coupon alleged to be destroyed, lost or stolen, shall constitute an original additional contractual obligation on the part of the Company whether or not the Bond or coupon so alleged to be destroyed, lost or stolen be at any time enforceable by anyone; and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds and coupons issued under this Indenture.

ARTICLE III.

PARTICULAR COVENANTS OF THE COMPANY.

The Company hereby covenants, warrants and agrees:

Section 1. That the Company will punctually pay or cause to be paid the principal, premium, if any, and interest to become due in respect of all the Bonds duly issued hereunder according to the terms thereof. As the coupons are paid they shall be forthwith canceled.

Section 2. That no coupon or claim for interest which in any way at or after maturity shall have been transferred or pledged, separate or apart from the Bond to which it relates, or which shall in any manner have been kept alive after maturity by extension or by purchase thereof by or on behalf of the Company, shall be entitled, in case of a default hereunder, to any benefit of or from this Indenture, except after the prior payment in full of the principal of the Bonds and of all coupons and claims for interest not so transferred, pledged, kept alive or extended.

Section 3. That the Company is lawfully seized and possessed of all the mortgaged property; that it has good right and lawful authority to mortgage the same as provided in this Indenture; and that the mortgaged property is, at the actual date of the initial issue of Bonds, free and clear of any deed of trust, mortgage, lien, charge or encumbrance thereon or affecting the title thereto prior to this Indenture, except as set forth in the granting clauses hereof.

Section 4. That the Company will at all times keep an office or agency, while any of the Bonds are outstanding, in the City of Milwaukee, Wisconsin, where notices, presentations and demands to or upon the Company in respect of the Bonds or coupons or in respect of this Indenture may be given or made; that the Company will also maintain an office or agency in the City of Milwaukee, Wisconsin, where it will keep books for the registration and transfer of the Bonds issued hereunder, in which it will register or transfer any such Bonds pursuant to the terms thereof; that such books, at all reasonable times, shall be open to the inspection of the Trustee; and that it will give the Trustee written notice of the location of and any change in the location of any such office or agency. In case the Company shall fail to maintain such office or agency the principal office of the Trustee shall be conclusively deemed to be the office or agency of the Company for all such purposes, and the Company hereby appoints the Trustee its agent, on its behalf, to receive all such notices, presentations and demands.

Section 5. That the Company will at all times protect its title to the mortgaged property and every part thereof against loss by reason of any foreclosure or other proceeding to enforce any lien thereon prior to the lien of this Indenture. That the Company will duly pay and discharge, or cause to be paid and discharged, as the same shall become due and payable, all taxes, rates, assessments and governmental and other charges lawfully

levied and imposed upon the mortgaged property, including the franchises, earnings and business of the Company, and will duly observe and conform to all valid requirements of any governmental authority relative to any part of such property, and all covenants, terms and conditions under or upon which any part of such property is held; and that the Company will not suffer any mechanics', laborers', statutory or other similar lien or charge to be hereafter created or remain upon such property or any part thereof, or the income therefrom. However, nothing contained in this Section shall require any such tax, assessment, lien or charge to be paid or any such requirement to be complied with so long as the validity thereof shall be contested in good faith, unless thereby, in the opinion of the Trustee or of counsel selected or approved by the Trustee, any of such property may be lost or forfeited.

Section 6. That the Company will,

(a) at all times cause all of the mortgage property, which is of a character usually insured by companies similarly situated and operating like properties, properly to be insured against loss or damage from such hazards and risks as are usually insured by companies similarly situated and operating like properties, to a reasonable amount in responsible stock companies, mutual companies, or reciprocal associations, but no particular hazard or risk need be insured except to the extent of the excess thereof, if any, over Fifty thousand dollars; but the Company may from time to time adopt another method or plan of protection against such loss or damage in substitution, or partial substitution, for the aforesaid insurance, if such plan or method shall afford protection to the Trustee and the trust estate, in the opinion of the signer of an independent engineer's certificate, at least equal to the plan or method of protection against such loss or damage then adopted by companies similarly situated and operating properties subject to similar or greater hazards or risks, but before any such other method or plan may be adopted by the Company, there shall be filed with the Trustee:

(1) an independent engineer's certificate, stating that, in the opinion of the signer, such method or plan of protection is in accordance with the requirements of this Subdivision (a) and affords adequate protection to the Trustee and the trust estate against loss and damage from hazards and risks covered thereby, and does not lessen the protection against such loss or damage existing immediately prior to the adoption of such method or plan; and

(2) an officers' certificate setting forth the details of such method or plan;

(b) cause any particular loss in excess of Ten thousand dollars, which has been insured, to be made payable and to be paid to the Trustee, to be held and applied by the Trustee as part of the trust estate;

(c) cause all proceeds of any insurance payable directly to it to be applied to the replacement of, or improvements to, or both, of the mortgaged property;

(d) at any and all times upon the written request of the Trustee and in any event in May of each calendar year, beginning with the year 1939, furnish to the Trustee an officers' certificate stating in substance that the Company has complied with all the terms and conditions of Subdivision (a) of this Section and, except where another plan or method of protection has been adopted as permitted by said Subdivision (a), containing a detailed statement of the insurance then outstanding and in force provided for under said Subdivision (a), including the names of any insurance companies which have insured, the amounts thereof and the property, hazards and risks covered thereby; and

(e) whenever requested in writing by the Trustee, cause the policies of insurance carried pursuant to this Section to be delivered to the Trustee for examination or

inspection, and the Trustee shall within thirty (30) days from the date of such delivery, return such policies to the Company.

Section 7. That the Company will at all times make or cause to be made such expenditures by means of renewals, replacements, repairs, maintenance, or otherwise as shall be necessary to maintain, preserve and keep the mortgaged property at all times in good repair, physical condition, working order and condition and in a state of good operating efficiency, except that the Company may abandon any property as provided in Section 2 (b) of Article V.

Section 8. That the Company will

(a) At any and all times, upon the written request of the Trustee, permit the Trustee, by its agents and attorneys, to examine all the books of account, records, reports and other papers of the Company and to take copies and extracts therefrom; and

(b) Once in the year 1939 and once in each calendar year thereafter, at its own expense, have an audit of the books and accounts of the Company made by a firm of public accountants of recognized standing (who may be the regular auditors of the Company) satisfactory to the Trustee, with a sufficient test of the operating and cash transactions to enable such accountants to report the results of the operations for the period commencing on the day following the date of the last audit (or not later than January 1, 1938, in the case of the first report made pursuant to this Section); and within four months after the close of each such period, deliver to the Trustee a balance sheet of the Company as at the end of such period and a profit and loss account and analysis of surplus of the Company for such period, prepared in reasonable detail, all as reported by such accountants.

The Trustee shall keep on file any such statements so received by it and shall permit any Bondholder to examine the same at all reasonable times.

Section 9. That, if the Company shall fail to perform any of the covenants contained in Sections 5, 6, 7 and 8 of this Article, the Trustee, or any receiver appointed hereunder may make advances to perform the same in its behalf; and the Company hereby agrees to repay all sums so advanced in its behalf, on demand, with interest at five per cent. (5%) per annum after demand, and all sums so advanced, with interest as aforesaid, shall be secured hereby having the benefit of the lien hereby created, in priority to the indebtedness evidenced by the Bonds and coupons; but no such advance shall be deemed to relieve the Company from any default hereunder.

Section 10. That the Company will cause this Indenture and all indentures supplemental hereto at all times to be recorded and filed and kept recorded and filed in such manner and in such places as may be provided by law in order fully to preserve and protect the security of the Bondholders and all the rights of the Trustee.

Section 11. That the Company will, upon reasonable request, execute and deliver such further instruments and do such further acts as may be necessary or proper to carry out more effectually the purposes of this Indenture, especially to make subject to the lien hereof any property agreed to be subjected hereto, or intended so to be, and to transfer to any new trustee or trustees the estate, powers, instruments and funds held in trust hereunder.

Section 12. That in case the Company shall hereafter create any mortgage upon, or pledge of, the mortgaged property or any part thereof, such mortgage or pledge shall be and shall be expressed to be subject to the prior lien of this Indenture for the security of the Bonds then outstanding hereunder. That the Company will not issue any bonds secured by any lien upon properties hereafter acquired by the Company which shall be prior to the lien of this Indenture, other than in lieu of lost, stolen or mutilated bonds and in exchange for bonds already outstanding of an equal principal amount of other bonds of the

same issue and the same series, if any, and of the same maturity.

Section 13. That the Company will not execute, or permit to be authenticated and delivered, any Bonds hereunder in any manner other than in accordance with the provisions of this Indenture and the agreements in that behalf herein contained, and will not suffer or permit any default to occur under this Indenture, but will faithfully observe and perform all the conditions, covenants and requirements of this Indenture (including all indentures supplemental hereto).

Section 14. That the Company will not sell or otherwise dispose of a part (less than substantially all) of the mortgaged property except as provided in Sections 1 and 2 of Article V, or upon the release thereof as provided in Sections 3 and 5 of Article V.

Section 15. That the Company will, subject to the provisions of Article X, at all times maintain its corporate existence and right to carry on business and duly procure all renewals and extensions thereof, and, subject to the provisions of this Indenture, will diligently maintain, preserve and renew, all the rights, powers, privileges and franchises owned by it.

Section 16. That the recitals of fact and statements contained in this Indenture are true.

ARTICLE IV

REDEMPTION OF BONDS.

Section 1. The Bonds may be redeemed at any time or from time to time prior to maturity, at the option of the Board of Directors of the Company, either as a whole or in part by lot, upon payment of the principal amount thereof together with accrued interest to the redemption date.

Section 2. In case the Company shall desire to exercise such right to redeem and pay off all, or, as the case may be, any part of the Bonds, it shall publish in an authorized Milwaukee newspaper, at least once in each of three separate calendar weeks, the first publication to be not more than sixty and not less than thirty days prior to the date fixed for redemption, a notice to the effect that the Company has elected to redeem all the Bonds or a part thereof, as the case may be, on a date therein designated, specifying, in the case of partial redemption, the distinctive numbers of the Bonds to be redeemed (to be stated in any one or more of the following ways--individually, in groups from one number up to another inclusive, or in groups from one number to another inclusive except such as shall have been previously called for redemption or otherwise retired), and in every case stating that on said date there will become and be due and payable upon each Bond so to be redeemed, at the agency of the Company in the City of Milwaukee, Wisconsin, the full principal thereof in the case of coupon Bonds and the specified amount of the principal thereof in the case of registered Bonds without coupons, together with the accrued interest to such date, and that from and after such date interest thereon will cease to accrue. If all of the Bonds to be redeemed are registered Bonds without coupons or coupon Bonds registered as to principal, no notice by publication need be given, but notice as above provided shall be sent by the Company through the mails, postage prepaid, at least thirty days and not more than sixty days prior to such redemption date to the registered owners or holders of such Bonds at their addresses as the same shall appear upon the transfer register of the Company. If notice by publication is duly given, failure to give notice by mail with respect to such redemption or any defect therein or in the mailing thereof shall not affect the validity of the proceedings for the redemption of any Bonds so to be redeemed.

In case the Company desires to redeem and pay off less than all the outstanding Bonds, it shall, in each such instance, notify the Trustee in writing of its desire so to do and of the aggregate principal amount of the Bonds to be redeemed, and thereupon the Trustee shall, except as provided in Section 5 of this Article, draw by lot, in any manner deemed by it proper, from the distinctinctive numbers of the coupon Bonds which are either outstanding or are reserved unissued for registered Bonds outstanding, the Bonds to be redeemed, and shall notify the Company in writing of the numbers of the Bonds so drawn. The Bonds may be drawn by lot individually or, in the discretion of the Trustee, in groups of Bonds consecutively numbered or both such methods either including or excluding, for the purpose of such grouping, the numbers of Bonds previously called for redemption or otherwise retired. Registered Bonds shall be deemed to have been drawn by lot if and to the extent that the serial numbers of the coupon Bonds reserved therefor are drawn as aforesaid.

Section 3. The Bonds designated for redemption or the specified portion thereof shall become due and payable upon the date specified in the notice provided for in Section 2 of this Article as the redemption date at the principal amount thereof, together with accrued interest to the redemption date. Payment of the redemption price shall be made to the respective bearers of the Bonds designated for redemption, or, if any such Bonds be registered Bonds without coupons or coupon Bonds registered as to principal, to the respective registered owners thereof, upon surrender of such Bonds, at the place stated in the notice of redemption, together with all unmatured coupons appertaining thereto. If there shall be drawn for redemption a portion of the principal amount but less than the entire principal amount of any registered Bond, the Company shall execute and the Trustee shall authenticate and deliver without charge to the holder thereof, at his option, either coupon Bonds or registered Bonds without coupons, of authorized denominations, for the unredeemed balance of the principal amount of such registered Bond.

Section 4. On or before the redemption date designated in the notice provided for in Section 2 of this Article, the Company shall, except as provided in Section 5 of this Article, deposit with the Trustee an amount of cash sufficient to effect the redemption of the Bonds specified in such notice, or, as authorized by Section 4 of Article VI, it may direct the Trustee to apply to such purpose, to the extent that they are available, any moneys held by the Trustee which may be applied pursuant to said Section 4; and from and after the redemption date designated in such notice (such deposit having been made or direction given as aforesaid or payment of the redemption price of such Bonds having been made as provided in Section 5 of this Article), notwithstanding that any Bonds so called for redemption shall not have been surrendered for cancellation, no further interest shall accrue upon the principal of any of the Bonds so called for redemption and all coupons for interest thereon maturing subsequent to such redemption date shall be void. Coupons which have matured on or before such redemption date shall remain payable to bearer upon presentation and surrender thereof in accordance with their terms.

Section 5. In case all of the Bonds outstanding at any particular time are registered Bonds without coupons, the Company may, in lieu of depositing with the Trustee the cash necessary to effect the redemption of Bonds designated for redemption, make payment of the redemption price direct to the registered owners of such Bonds at their addresses appearing upon the transfer register of the Company. In any such case the Company shall notify the Trustee of its election to make such payment direct to the registered owners of such Bonds and shall file with the Trustee a copy of the notice of

redemption together with an affidavit of mailing thereof. If, in any such case, less than all of the outstanding Bonds are to be redeemed, the Company may, with the written consent of the registered owners of all of the outstanding Bonds, a copy of which shall be filed with the Trustee, designate the particular Bonds to be redeemed, and the Trustee shall not be required to draw such Bonds by lot for redemption as provided in Section 2 of this Article.

Section 6. All Bonds so redeemed at the office of the Company, with all unmatured coupons thereto appertaining, shall be delivered by the Company to the Trustee for cancellation. All Bonds and coupons redeemed and paid under this Article shall forthwith be canceled.

ARTICLE V.

POSSESSION, USE AND RELEASE OF PROPERTY.

Section 1. Unless an event of default shall have happened and be continuing, the Company shall be suffered and permitted to possess, use and enjoy all the property and appurtenances, franchises and rights conveyed by this Indenture (other than such securities, obligations and moneys as are expressly required to be deposited with the Trustee), and to receive and use the rents, issues, income, products and profits thereof, with power in the ordinary course of business, freely and without let or hindrance on the part of the Trustee or of the Bondholders, to use and consume materials and supplies, deal with choses in action (other than pledged securities), leases (other than leases subject to the lien of this Indenture) and contracts, exercise the rights and powers conferred upon it thereby, alter and repair its buildings and structures, change the position of any of its buildings, structures, tracks, plants, poles, wires, conduits or other property whatsoever and replace and renew any of its equipment, machinery or other property, except that the position of none of the mortgaged property, may be changed so as to impair the lien of this Indenture thereon unless such property is sold, abandoned or otherwise disposed of as permitted by this Section 1 or Section 2 of this Article or released as provided in Sections 3 or 5 of this Article.

Section 2. The Company may at any time and from time to time, without any release or consent by the Trustee:

(a) Sell or otherwise dispose of, free from the lien of this Indenture, any machinery or equipment, which has become worn out, unserviceable, undesirable or unnecessary for use in the conduct of its business, upon replacing the same with, or substituting for the same, new machinery or equipment, or other property of a value at least equal to the original cost of such things so disposed of, which new machinery, equipment or other property shall without further action become subject to the lien of this Indenture;

(b) Abandon any property, if in the opinion of the Board of Directors the abandonment of such property is desirable in the proper conduct of the business and in the operation of the properties of the Company, or is otherwise in the best interests of the Company;

(c) Modify or amend any lease which shall be a part of the trust estate provided that the Company shall forthwith assign to and mortgage with the Trustee the modified or amended lease, and provided further that if the lease so modified or amended shall have theretofore been made the basis for the withdrawal of cash or the reduction of cash under any provision of this Indenture, the modified or amended lease shall comply with the requirements of Subdivision (e) of the definition of property additions contained in Article I;

(d) Surrender or assent to the modification of any franchise, license, authority or permit which it may hold, or under which it may be operating, provided that the Company shall have the right, in the opinion of counsel, under the modified franchise, license, authority or permit, or under a new franchise, license, authority or permit received in exchange in the event of any such surrender, or under some other franchise, license, authority or permit, to conduct the same or an extended business in the same or an extended territory during the same or an extended or unlimited or indeterminate or indefinite period of time. For the purposes of this Subdivision (d) and of any opinion to be rendered under it, any right of any municipality to terminate a permit, license or franchise by purchase, shall not be deemed to abridge or affect its duration; and

(e) Surrender or assent to or procure a modification of any franchise, license, authority or permit under which it operates any of its properties, which it may now or hereafter hold or under which it may now or hereafter operate, if in the opinion of the Board of Directors, it is no longer necessary or desirable in the profitable conduct of the Company's business or in the best interests of the Company to operate such properties or to comply with the terms and provisions of such franchise, license, authority or permit and, if the value and utility generally of all of its properties as an entirety and the value of the security for the Bonds will not thereby be impaired.

Section 3. From time to time hereafter the Company may transfer or otherwise dispose of any property constituting a part of the trust estate, and the Trustee shall release the same from the lien of this Indenture, but only upon receipt by it of:

(a) A certified resolution requesting such release;

(b) Except in the case of the release of obligations theretofore deposited with the Trustee pursuant to paragraphs (1) and (2) of Subdivision (d) of this Section, an engineer's certificate stating in substance:

(1) The then fair value to the Company (without regard to any liens thereon), in the opinion of the signers, of the property to be released, which fair value shall not be less than the amount or fair value of the consideration received or to be received by the Company from the sale or other disposition of the property to be released, and a description in reasonable detail of the property to be released;

(2) That such release is, in the opinion of the signers, desirable in the proper conduct of the business of the Company, or is otherwise in the best interests of the Company; and

(3) That the Company is not, and by the making or granting of the application will not be, in default in the performance of any of the terms and covenants of this Indenture;

(c) In case the fair value of any property (other than obligations theretofore deposited with the Trustee pursuant to paragraphs (1) and (2) of Subdivision (d) of this Section) to be released is shown by the engineer's certificate required by Subdivision (b) of this Section to be more than Five hundred thousand dollars, an independent engineer's certificate stating, in the opinion of the signer, that the proposed release is desirable in the proper conduct of the business of the Company, or is otherwise in the best interests of the Company;

(d) In the case of the release of property, other than obligations of the nature specified in paragraphs (1) and (2) of this Subdivision (d), cash, which shall be received and applied by the Trustee as a part of the trust estate, in an amount at least equal to the amount by which the fair value to the Company of the property to be released, as specified in the engineer's certificate, exceeds the aggregate of:

(1) An amount equal to the aggregate principal amount of obligations secured by purchase money mortgage on the property to be released deposited with the Trustee, accompanied by an opinion of counsel to the effect that such obligations are valid obligations and that any purchase money mortgage securing the same is sufficient to constitute a valid puchase money lien upon the property to be released subject to no liens other than the liens, if any, existing on such property immediately prior to its release; provided, however, that such purchase money obligations together with all other purchase money obligations which shall have been used to reduce the amount of cash required to be deposited under the provisions of this Section 3 and are then held as part of the trust estate shall not exceed ten per cent. (10%) of the aggregate principal amount of Bonds at the time outstanding under this Indenture; and

(2) An amount equal to the fair value in cash of bonds or other interest-bearing obligations, issued pursuant to law, in whole or in part payment for the property to be released, by any municipal corporation or other governmental subdivision possessing taxing power, deposited with the Trustee, provided there shall be filed with the Trustee:

(i) an appraiser's certificate stating the fair value in cash of such bonds or other interest-bearing obligations, and

(ii) an opinion of counsel to the effect that such bonds or other interest-bearing obligations have been issued pursuant to law, that such municipal corporation or other governmental subdivision possesses due taxing power for the servicing and payment of such bonds or other interest-bearing obligations and that such bonds or other interest-bearing obligations are direct and general obligations of such municipal corporation or other governmental subdivision; or

In the case of the release of obligations of the nature specified in paragraphs (1) and (2) of this Subdivision (d), cash, which shall be received by the Trustee as a part of the trust estate, in an amount equal to the principal amount of such obligations; and

(e) An opinion of counsel stating, in case the Trustee is requested to release any franchise, that such release will not impair the right of the Company to operate any of its remaining properties.

If the property to be released is subject to any prior lien, the certificate of the trustee or other holder of any such prior lien, that it has received cash or obligations of the nature specified in paragraphs (1) and (2) of Subdivision (d) of this Section 3 in an amount set forth in such certificate, shall (except in cases where all of the property subject to such prior lien is being released) be accepted by the Trustee hereunder to the extent of the amount so received by such other trustee or other holder, in lieu of cash and obligations required by Subdivision (d) of this Section 3 to be delivered to the Trustee upon the release of said property.

The amount of cash required to be deposited pursuant to Subdivision (d) of this Section 3 may, at the election of the Company, be reduced by an amount equivalent to the amount of cash which could at the time be withdrawn pursuant to Sections 1 or 2 of Article VI, by simultaneous compliance with said Section 1 or said Section 2 of Article VI, as the case may be, except that any certificates required to be filed with the Trustee pursuant to said Sections shall refer to the reduction of cash rather than to the withdrawal of cash.

Section 4. All purchase money obligations and all bonds or other obligations issued by a municipality or other governmental subdivision which shall be received by the Trustee

(d) Surrender or assent to the modification of any franchise, license, authority or permit which it may hold, or under which it may be operating, provided that the Company shall have the right, in the opinion of counsel, under the modified franchise, license, authority or permit, or under a new franchise, license, authority or permit received in exchange in the event of any such surrender, or under some other franchise, license, authority or permit, to conduct the same or an extended business in the same or an extended territory during the same or an extended or unlimited or indeterminate or indefinite period of time. For the purposes of this Subdivision (d) and of any opinion to be rendered under it, any right of any municipality to terminate a permit, license or franchise by purchase, shall not be deemed to abridge or affect its duration; and

(e) Surrender or assent to or procure a modification of any franchise, license, authority or permit under which it operates any of its properties, which it may now or hereafter hold or under which it may now or hereafter operate, if in the opinion of the Board of Directors, it is no longer necessary or desirable in the profitable conduct of the Company's business or in the best interests of the Company to operate such properties or to comply with the terms and provisions of such franchise, license, authority or permit and, if the value and utility generally of all of its properties as an entirety and the value of the security for the Bonds will not thereby be impaired.

Section 3. From time to time hereafter the Company may transfer or otherwise dispose of any property constituting a part of the trust estate, and the Trustee shall release the same from the lien of this Indenture, but only upon receipt by it of:

(a) A certified resolution requesting such release;

(b) Except in the case of the release of obligations theretofore deposited with the Trustee pursuant to paragraphs (1) and (2) of Subdivision (d) of this Section, an engineer's certificate stating in substance:

(1) The then fair value to the Company (without regard to any liens thereon), in the opinion of the signers, of the property to be released, which fair value shall not be less than the amount or fair value of the consideration received or to be received by the Company from the sale or other disposition of the property to be released, and a description in reasonable detail of the property to be released;

(2) That such release is, in the opinion of the signers, desirable in the proper conduct of the business of the Company, or is otherwise in the best interests of the Company; and

(3) That the Company is not, and by the making or granting of the application will not be, in default in the performance of any of the terms and covenants of this Indenture;

(c) In case the fair value of any property (other than obligations theretofore deposited with the Trustee pursuant to paragraphs (1) and (2) of Subdivision (d) of this Section) to be released is shown by the engineer's certificate required by Subdivision (b) of this Section to be more than Five hundred thousand dollars, an independent engineer's certificate stating, in the opinion of the signer, that the proposed release is desirable in the proper conduct of the business of the Company, or is otherwise in the best interests of the Company;

(d) In the case of the release of property, other than obligations of the nature specified in paragraphs (1) and (2) of this Subdivision (d), cash, which shall be received and applied by the Trustee as a part of the trust estate, in an amount at least equal to the amount by which the fair value to the Company of the property to be released, as specified in the engineer's certificate, exceeds the aggregate of:

(1) An amount equal to the aggregate principal amount of obligations secured by purchase money mortgage on the property to be released deposited with the Trustee, accompanied by an opinion of counsel to the effect that such obligations are valid obligations and that any purchase money mortgage securing the same is sufficient to constitute a valid puchase money lien upon the property to be released subject to no liens other than the liens, if any, existing on such property immediately prior to its release; provided, however, that such purchase money obligations together with all other purchase money obligations which shall have been used to reduce the amount of cash required to be deposited under the provisions of this Section 3 and are then held as part of the trust estate shall not exceed ten per cent. (10%) of the aggregate principal amount of Bonds at the time outstanding under this Indenture; and

(2) An amount equal to the fair value in cash of bonds or other interest-bearing obligations, issued pursuant to law, in whole or in part payment for the property to be released, by any municipal corporation or other governmental subdivision possessing taxing power, deposited with the Trustee, provided there shall be filed with the Trustee:

(i) an appraiser's certificate stating the fair value in cash of such bonds or other interest-bearing obligations, and

(ii) an opinion of counsel to the effect that such bonds or other interest-bearing obligations have been issued pursuant to law, that such municipal corporation or other governmental subdivision possesses due taxing power for the servicing and payment of such bonds or other interest-bearing obligations and that such bonds or other interest-bearing obligations are direct and general obligations of such municipal corporation or other governmental subdivision; or

In the case of the release of obligations of the nature specified in paragraphs (1) and (2) of this Subdivision (d), cash, which shall be received by the Trustee as a part of the trust estate, in an amount equal to the principal amount of such obligations; and

(e) An opinion of counsel stating, in case the Trustee is requested to release any franchise, that such release will not impair the right of the Company to operate any of its remaining properties.

If the property to be released is subject to any prior lien, the certificate of the trustee or other holder of any such prior lien, that it has received cash or obligations of the nature specified in paragraphs (1) and (2) of Subdivision (d) of this Section 3 in an amount set forth in such certificate, shall (except in cases where all of the property subject to such prior lien is being released) be accepted by the Trustee hereunder to the extent of the amount so received by such other trustee or other holder, in lieu of cash and obligations required by Subdivision (d) of this Section 3 to be delivered to the Trustee upon the release of said property.

The amount of cash required to be deposited pursuant to Subdivision (d) of this Section 3 may, at the election of the Company, be reduced by an amount equivalent to the amount of cash which could at the time be withdrawn pursuant to Sections 1 or 2 of Article VI, by simultaneous compliance with said Section 1 or said Section 2 of Article VI, as the case may be, except that any certificates required to be filed with the Trustee pursuant to said Sections shall refer to the reduction of cash rather than to the withdrawal of cash.

Section 4. All purchase money obligations and all bonds or other obligations issued by a municipality or other governmental subdivision which shall be received by the Trustee

pursuant to Section 3 of this Article shall be held as a part of the trust estate. Interest received by the Trustee on such obligations shall, so long as the Company is not in default hereunder to the knowledge of the Trustee, be paid over to the Company. All moneys received by the Trustee as principal of such obligations shall be applied by the Trustee as a part of the trust estate. Such obligations held by the Trustee may be released pursuant to Section 3 of this Article.

Section 5. Should any part of the trust estate be taken by the exercise of a power of eminent domain or should any municipality or other governmental subdivision at any time exercise any right which it may have to purchase any part of the trust estate, the Trustee may accept any award therefor, if approved by the Company, as representing its full value, and, at the request of the Company evidenced by a certified resolution, shall execute and deliver a release of property so taken or purchased and shall be fully protected in so doing upon being furnished with an opinion of counsel to the effect that such property has been taken by the exercise of a power of eminent domain or purchased by a municipality or other governmental subdivision in the exercise of a right which it had to purchase the same. In any such proceedings the Trustee may be represented by counsel, who may or may not be of counsel to the Company. The proceeds of all property so taken or purchased shall be paid over to the Trustee hereunder to be held and applied as a part of the trust estate, and shall be deemed to be the proceeds of the release of such property whether or not such property is actually released by the Trustee.

Section 6. In no event shall any purchaser or purchasers in good faith of any property purported to be released hereunder be bound to ascertain the authority of the Trustee to execute the release; or to inquire as to any facts required by the provisions hereof for the exercise of such authority; or to see to the application of the purchase moneys. Nor shall any purchaser of machinery or equipment or tools or implements or materials or supplies be under obligation to ascertain or inquire into the occurrence of the event on which any such sale is hereby authorized.

Section 7. The Trustee shall not be required under any of the provisions of this Article to release any part of the mortgaged property from the lien hereof at any time when to the knowledge of the Trustee the Company shall be in default hereunder, but notwithstanding any such default the Trustee may release from the lien hereof any part of the mortgaged property, upon compliance by the Company with the other conditions specified in this Article in respect thereof, if the Trustee in its discretion shall deem such release for the best interest of the Bondholders; and, in such event, the Trustee shall not be liable for releasing or refusing to release any of the mortgaged property from the lien hereof. In case the trust estate shall be in the possession of one or more receivers lawfully appointed or of a trustee in bankrutpcy or reorganization proceedings (including a trustee or trustees appointed under the provisions of Chapter X of An Act to establish a uniform system of bankruptcy throughout the United States, approved July 1, 1898, as amended) or of assignees for the benefit of creditors, the powers by this Article conferred upon the Company may be exercised by such receivers, trustees or assignees, with the approval of the Trustee, regardless of whether or not the Company is in default hereunder, and in such event a writing signed by such receivers, trustees or assignees, may be received by the Trustee in lieu of any certified resolution required by the provisions of this Article, and such receivers, trustees or assignees may make any certificate required by the provisions of this Article to be made by an officer or officers of the Company; provided, however, that so long as the trust estate shall be in the possession of any such

receiver, trustee or assignee, no reduction shall be made in the amount of cash required to be deposited upon any release on the basis of refundable Bonds. If the Trustee hereunder shall be in possession of the trust estate under any provision of this Indenture, then all such powers by this Article conferred upon the Company may be exercised by the Trustee in its discretion.

ARTICLE VI.

APPLICATION OF MONEYS RECEIVED BY THE TRUSTEE.

Section 1. Any moneys held by the Trustee as a part of the trust estate (other than moneys received by the Trustee on account of judgment liens) shall be paid over from time to time by the Trustee to or upon the order of the Treasurer or an Assistant Treasurer of the Company, in amount equal to the cost or the fair value to the Company, if the fair value is less than the cost, of gross property additions purchased, constructed or otherwise acquired by the Company during the period specified pursuant to Subdivision (b) (1) of this Section, but only upon the receipt by the Trustee of:

(a) A certified resolution authorizing the application for the withdrawal from the trust estate of cash in the amount therein specified.

(b) An engineer's certificate stating in substance:

(1) The cost to the Company of gross property additions purchased, constructed or otherwise acquired by the Company during the period specified in such certificate, commencing,

(i) in the case of withdrawal of moneys received by the Trustee pursuant to Sections 3 or 5 of Article V upon the release of any property (other than obligations deposited pursuant to Section 3(d) of Article V) from the lien of this Indenture, on a date not earlier than the date of the application for the release,

(ii) in the case of withdrawal of moneys received by the Trustee upon the payment of principal of obligations deposited pursuant to Section 4 of Article V, or upon the release of such obligations from the lien of this Indenture, on a date not earlier than the date of the application for the release of the property with respect to which such obligations were deposited, and

(iii) in the case of withdrawal of moneys deposited with the Trustee pursuant to Section 6 of Article IV, on the date of the loss or destruction of the property with respect to which such moneys were deposited.

A description in reasonable detail of such gross property additions, which may be in accordance with the classifications then used by the Company in its property account and may, in the case of tracts or parcels of land, be by reference to the deeds by which the same were acquired or to the supplemental indenture by which the same were or are being conveyed to the Trustee, and which shall specify any gross property additions which shall have been acquired and paid for in whole or in part through the issue or delivery of shares of stock or other securities. Whether the fair value to the Company (as of the date provided for in the definition of fair value to the Company contained in Article I) of any particular property addition included in the certificate is less than the cost to the Company thereof, and, if so, such fair value thereof. If the fair value of any property additions is less than the cost thereof to the Company, the fair value shall be used in determining the amount at which the gross property additions described pursuant to the provisions of this paragraph (1) are included in the engineer's certificate.

(2) The amount of cash theretofore withdrawn pursuant to this Section 1, and the amount by which cash, provided to be deposited pursuant to Section 3(d) of Article V upon the release of property, has been reduced by simultaneous compliance with this

Section 1, on the basis of such gross property additions, which amounts shall be deducted from the aggregate amount stated pursuant to paragraph (1) of this Subdivision (b), of gross property additions available as the basis for the withdrawal of cash pursuant to this Section 1.

(3) That the gross property additions described in such certificate are property additions as defined in Article I; and that the construction or acquisition of such property additions was desirable in the conduct of the business of the Company.

(4) That the allowances or charges, if any, for interest, taxes, engineering, legal expenses, superintendence, insurance, casualties and other items during construction, included in the cost to the Company of such property additions are such as are properly chargeable to fixed property accounts under the regulations, rules and orders, if any, with respect to such matters in force at the time of construction, of the Public Service Commission of Wisconsin or other public body or authority having jurisdiction or supervisory authority over the accounts of the Company, and are such as are, in the opinion of the signers, proper in respect of the particular property additions specified.

(5) That no portion of the cost or the fair value to the Company of such property additions described in the certificate should properly have been charged to maintenance or repairs, and that no expenditures are included in the certificate, which under the regulations, rules and orders, if any, with respect to such matters in force at the time, of the Public Service Commission of Wisconsin or other public body or authority having jurisdiction or supervisory authority over the accounts of the Company, or, if there are no such regulations, rules and orders, in the opinion of the signers, are not properly chargeable to fixed property accounts.

(6) Whether any portion of such property additions is, at the time, subject to a judgment lien and, if so, a brief statement of the nature and extent of such judgment lien and what, if any, funds have been theretofore deposited with the Trustee on account of such judgment lien.

(7) That no portion of the property additions described in the certificate is subject to any mortgage, pledge or other lien prior to the lien of this Indenture, except the judgment liens, if any, specified pursuant to paragraph (6) above and permitted liens and, in the case of property additions to or upon leasehold estates, as permitted by this Indenture, the lien reserved by the lease for rent and for compliance by the Company with the terms of the lease; and that no portion of such property additions is subject to any easement or similar encumbrance except such as, in the opinion of the signers, does not impair the continued use of such property additions for the purposes for which they were acquired.

(8) That the terms used in the certificate which are defined in Article I are used as therein defined.

(c) In case any property additions are shown by the engineer's certificate provided for in Subdivision (b) of this Section 1 to have been acquired or paid for in whole or in part through the issue or delivery of shares of stock or other securities, an appraiser's certificate, stating the fair value in cash of such shares of stock or other securities at the time of the issue or delivery thereof in payment for such property additions.

(d) Such instruments of conveyance, transfer and assignment as, in the opinion of counsel, may be necessary to vest in the Trustee to hold as a part of the mortgaged property all right, title and interest of the Company in and to the property additions described in such engineer's certificate, or the opinion of counsel that no such

instruments are necessary for such purpose.

(e) An opinion of counsel to the effect that

(1) The Company has, or upon delivery of the instruments of conveyance, transfer or assignment, if any, specified in such opinion will have, good title to any tracts or parcels of land mentioned or described in the engineer's certificate provided for in Subdivision (b) of this Section 1 (except such as have been retired), subject only to such defects therein as the Company may have power by appropriate legal proceedings to cure, or which, in the opinion of such counsel, are inconsequential, and to such liens and encumbrances as are referred to in paragraph (6) below;

(2) If such property additions include any easements, rights-of-way, or leases over private property for transportation purposes, or transportation equipment installed by the Company upon any such land, the Company is entitled to such right-of-way or easement or such leasehold interest for an unlimited or indeterminate or indefinite period of time, or for a period extending beyond the date of maturity of the Bonds, or the Company has power under eminent domain or similar statutes to condemn and acquire such right-of-way or a right-of-way adjacent thereto;

(3) If such property additions include any transportation equipment constructed on, over or under public highways or other public property, the Company has the lawful right under permits or franchises granted by a governmental body having jurisdiction in the premises, or by the law of the State in which such property is located to maintain and operate such equipment for an unlimited, indeterminate or indefinite period of time or for the period, if any, specified in such permit or franchise or law and that the terms of such permit or franchise or law do not contain any provisions giving to any public authority the right to take over such equipment without the payment of fair consideration therefor;

(4) The Company has corporate power to own and operate such property additions;

(5) The nature and extent of the judgment liens, if any, on such property additions are correctly stated in said engineer's certificate; and

(6) The Indenture is, or upon the delivery of the instruments of conveyance, transfer or assignment will be, a lien upon all property additions described in said engineer's certificate (except such as have been retired) free and clear of any mortgage or other lien prior to the lien of this Indenture, except specified judgment liens, if any, permitted liens, and, in the case of property additions to or upon leasehold estates, as permitted by this Indenture, the lien reserved by the lease for rent and for compliance with the terms of the lease, and free and clear of any easements or similar encumbrances, except such as, in the opinion of such counsel, do not impair the use of such property additions for the purposes for which they were acquired.

(f) An amount of cash equal to the aggregate of all judgment liens specified in said engineer's certificate and opinion of counsel, less the amount of all cash then held by the Trustee on account of such judgment liens, which shall be held and applied by the Trustee as part of the trust estate.

No cash shall be withdrawn from the trust estate, and no reduction in the amount of cash required by Section 3 (d) of Article V to be deposited with the Trustee upon the release of any property shall be made, pursuant to this Section, upon the basis of property additions subject to any lien prior to the lien of this Indenture except permitted liens or specified judgment liens.

Section 2. Any moneys held by the Trustee as part of the trust estate (other than

moneys received by the Trustee on account of judgment liens) shall be paid over from time to time by the Trustee to or upon the order of the Treasurer or an Assistant Treasurer of the Company, in amount equal to the aggregate principal amount of refundable Bonds surrendered to the Trustee, but only upon the receipt by the Trustee of:

(a) A certified resolution authorizing the application for withdrawal from the trust estate of cash in the amount therein specified; and

(b) An officers' certificate stating in substance

(1) The aggregate principal amount of the Bonds made the basis for such application, and that such Bonds are refundable Bonds as defined in Article I;

(2) That no part of the Bonds made the basis for the application have theretofore been made the basis for the withdrawal of cash pursuant to this Section 2 or for the reduction of the amount of cash required to be deposited with the Trustee upon any release pursuant to Section 3(d) of Article V; and

(3) That no part of the Bonds made the basis for the application were paid or redeemed or purchased pursuant to Section 4 of this Article.

Section 3. Any moneys deposited with the Trustee on account of judgment liens shall be held by the Trustee as a part of the trust estate and applied by the Trustee towards the payment, cancellation and discharge of the respective judgment liens with respect to which such moneys were deposited. Any moneys so held by the Trustee shall be paid over by the Trustee to or upon the order of the Treasurer or an Assistant Treasurer of the Company, but only upon receipt by the Trustee of:

(a) A certified resolution authorizing the application for the withdrawal from the trust estate of cash in the amount therein specified; and

(b) An opinion of counsel to the effect that such judgment lien has been discharged.

Section 4. Any moneys held by the Trustee as a part of the trust estate (other than moneys held on account of judgment liens), and not paid over to the Company pursuant to the other provisions of this Article, shall, at the election and in accordance with the request of the Company, evidenced by a certified resolution, be applied by the Trustee from time to time to the purchase of Bonds outstanding hereunder (within such limitations as to price as may be specified in the resolution) or to the redemption of such Bonds in accordance with the terms thereof. The Trustee shall make the purchases of the Bonds in such manner as it may deem proper, but at prices not in excess of those specified in the resolution. Any particular moneys in excess of $25,000 held by the Trustee as a part of the trust estate (other than moneys held on account of judgment liens), which shall not have been withdrawn within a period of three years after the date of deposit, shall be applied forthwith by the Trustee to the purchase or redemption, at its election, of Bonds. The Trustee shall not, unless the Company shall otherwise authorize, purchase Bonds at a price or prices exceeding the principal amount thereof and accrued interest to the next interest date.

Upon the purchase or redemption by the Trustee of any Bonds pursuant to the provisions of this Section:

(a) The Company shall pay to the Trustee all interest up to but not including the day of purchase or redemption, as the case may be, on all Bonds so purchased or redeemed, together with an amount by which the aggregate purchase price (excluding accrued interest) paid by the Trustee exceeds the aggregate principal amount of the Bonds purchased. The cost of all advertising or publishing shall be paid by the Company, or, if paid by the Trustee, shall forthwith be paid to it by the Company upon demand; and

(b) The Trustee shall pay to or upon the order of the Treasurer or an Assistant Treasurer of the Company, from any moneys held by the Trustee as part of the trust estate, an amount equal to the amount by which the aggregate principal amount of Bonds purchased exceeds the aggregate purchase price (less interest) paid by the Trustee for such Bonds.

In case all or substantially all of the properties of the Company (other than obligations and cash held by the Trustee) shall have been released from the lien hereof, no payment shall be made to the Company by the Trustee pursuant to the provisions of this Section until all of the Bonds (other than Bonds held by the Company) shall have been paid, redeemed or otherwise retired.

All Bonds purchased by or delivered to the Trustee under the provisions of this Section, together with the unmatured coupons thereto appertaining shall be forthwith canceled upon receipt thereof by the Trustee.

Section 5. The Company may, at any time at its election (whether at or prior to the maturity or the redemption date of the particular Bonds), deposit cash with the Trustee for the payment at maturity or on redemption of all the Bonds and coupons or, in the case of a redemption, of any part thereof specified by the Company at the time of such deposit. Any moneys so deposited by the Company shall not be included in the trust estate but shall be received by the Trustee for the account of the holders of the Bonds and coupons to be so paid or redeemed and shall be paid to them, respectively, at maturity or on the redemption date, upon the presentation or surrender of their Bonds and coupons, together, in the case of Bonds called for redemption, with all unmatured coupons appertaining thereto. Upon surrender by the Company from time to time to the Trustee for cancellation prior to such maturity or redemption date, as the case may be, of any of the Bonds, with all unmatured coupons appertaining thereto, against which such deposit shall have been made, the Company shall be entitled to receive from the Trustee the cash held in respect of such Bonds and coupons so surrendered.

Any moneys so deposited with the Trustee by the Company for the payment or redemption of Bonds and coupons and remaining unclaimed by the bearers or registered owners of Bonds or the bearers of the coupons for six years after the date of each such maturity or redemption shall, upon the written request of the Company therefor, be repaid by the Trustee to the Company upon its written receipt therefor, and such bearers or registered owners of the Bonds and holders of the coupons shall thereafter be entitled to look only to the Company for payment thereof. The Trustee, before being required to make any such payment to the Company, may at the expense of the Company cause a notice to be published once in an authorized Milwaukee newspaper stating that such moneys remain unclaimed as aforesaid and that after a date stated therein they will be returned to the Company; but the Trustee shall be under no duty to cause such notice to be published.

Section 6. Any moneys held by the Trustee as a part of the trust estate, may at the request of the Company, evidenced by a certified resolution, be invested or reinvested by the Trustee in any bonds or other obligations of the United States of America designated by the Company, and not disapproved by the Trustee, which as to principal and interest constitute direct obligations of the United States of America; but the Trustee shall not be required to make any such investment after it has canceled and discharged the lien of this Indenture in accordance with Article XIII. Until an event of default hereunder shall occur and be continuing, any interest on such bonds, obligations and securities which may be received by the Trustee shall be forthwith paid to the Company. Such bonds, obligations and securities shall be held by the Trustee as a part of the trust estate; but, upon a

like request of the Company or at any time when the Trustee in its discretion shall deem such action advisable, the Trustee shall sell all or any designated part of the same and the proceeds of such sale shall be held by the Trustee subject to the same provisions hereof as the cash used by it to purchase the bonds or other obligations so sold. In case the net proceeds (exclusive of interest) realized upon any sale shall amount to less than the amount invested by the Trustee in the purchase of the bonds or other obligations so sold, the Trustee shall within five days after such sale notify the Company in writing thereof and within five days thereafter the Company shall pay to the Trustee the amount of the difference between such purchase price and the amount so realized, and the amounts so paid shall be held by the Trustee in like manner and subject to the same conditions as the proceeds realized upon such sale.

Whenever the Company, upon any application for which provision is made in this Indenture in respect to the withdrawal of cash held by the Trustee, shall become entitled to the payment to it by the Trustee of any moneys theretofore deposited with or then held by the Trustee under this Indenture, the Company shall accept bonds or other obligations held by the Trustee as part of the trust estate pursuant to this Section, to the extent that such bonds or other obligations shall be tendered to it by the Trustee in lieu of cash; and such bonds or other obligations shall be accepted in lieu of such cash at the cost thereof to the trust estate.

Section 7. Except as otherwise expressly permitted by this Section, no cash held by the Trustee as a part of the trust estate shall be paid over to the Company or applied to the purchase or redemption of Bonds pursuant to this Article, if the Company is to the knowledge of the Trustee in default hereunder; and the Company shall furnish to the Trustee, in connection with each application pursuant to this Article, an officers' certificate stating that the Company is not, and by the making or granting of the application will not be, in default in the performance of any of the terms or covenants of this Indenture. In case the trust estate shall be in the possession of one or more receivers lawfully appointed or of a trustee in bankruptcy or reorganization proceedings (including a trustee or trustees appointed under the provisions of Chapter X of An Act to establish a uniform system of bankruptcy throughout the United States, approved July 1, 1898, as amended) or of assignees for the benefit of creditors, the powers by this Article conferred upon the Company with respect to the withdrawal of moneys on the basis of property additions, and with respect to the application of moneys held by the Trustee on account of judgment liens to the payment, cancellation and discharge of the respective judgment liens with respect to which such moneys were deposited, may be exercised by such receivers, trustees or assignees, with the approval of the Trustee, regardless of whether or not the Company is in default hereunder, and in such event a writing signed by such receivers, trustees or assignees, may be received by the Trustee in lieu of any certified resolution required by the provisions of this Article, and such receivers, trustees or assignees may make any certificate required by this Article to be made by an officer or officers of the Company. If the Trustee hereunder shall be in possession of the trust estate under any provision of this Indenture, then all such powers by this Article conferred upon the Company may be exercised by the Trustee in its discretion.

ARTICLE VII.

REMEDIES UPON DEFAULT.

Section 1. In case any one or more of the following events (herein called "events of default") shall happen and be continuing, that is to say:

(a) Default shall be made in the due and punctual payment of the principal of any Bond when and as the same shall become due and payable whether at maturity or otherwise;

(b) Default shall be made in the due and punctual payment of any instalment of interest on any Bond when and as such interest instalment shall become due and payable and such default shall continue for a period of thirty days;

(c) Default shall be made by the Company in the performance or observance of any other of the covenants, agreements or conditions on its part in this Indenture or any indenture supplemental hereto or in the Bonds contained, and such default shall continue for a period of sixty days after written notice to the Company by the Trustee or by not less than fifteen per cent. (15%) of the Bondholders;

(d) If the Company shall (1) admit in writing its inability to pay its debts generally as they become due, (2) file a petition in bankruptcy, (3) make an assignment for the benefit of its creditors, (4) consent to the appointment of a receiver of itself or of the whole or any substantial part of the trust estate, or (5) on a petition in bankruptcy filed against the Company, be adjudicated a bankrupt;

(e) If an order, judgment or decree shall be entered by any court of competent jurisdiction appointing, without the consent of the Company, a receiver of the Company or of the whole or any substantial part of the trust estate, and such order, judgment or decree shall not be vacated or set aside or stayed within ninety days from the date of such appointment;

(f) If the Company shall (1) file a petition under the provisions of Chapter X of An Act to establish a uniform system of bankruptcy throughout the United states, approved July 1, 1898, as amended, or (2) file an answer seeking the relief provided in said Chapter X;

(g) If a court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against the Company under the provisions of said Chapter X, and such order, judgment or decree shall not be vacated or set aside or stayed within sixty days from the date of the entry of such order, judgment or decree; or

(h) If, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Company or of the whole or any substantial part of the trust estate, and such custody or control shall not be terminated within sixty days from the date of assumption of such custody or control; or

(i) If final judgment for the payment of money in excess of One hundred thousand dollars shall be rendered against the Company and the Company shall not discharge the same or provide for its discharge in accordance with its terms or procure a stay of execution thereon within thirty days from the entry thereof or shall not within said period of thirty days, or such longer period during which execution on such judgment shall have been stayed, appeal therefrom or from the order, decree or process upon which or pursuant to which said judgment shall have been granted, passed or entered and cause the execution thereof to be stayed during such appeal;

then, and in each and every such case, the Trustee may, in its discretion and, upon written request of not less than twenty-five per cent. (25%) of the Bondholders, shall by notice in writing delivered to the Company declare the principal amount of all Bonds, if not already due and payable, to be immediately due and payable; and upon any such declaration all Bonds shall become and be immediately due and payable, anything in this Indenture or in any of the Bonds contained to the contrary notwithstanding. This provision, however, is subject to the condition that, if at any time after the principal of the Bonds shall

have been so declared due and payable and prior to the date of maturity thereof and before any sale of the trust estate shall have been made, all arrears of interest upon all such Bonds (with interest at the rate specified in such Bonds on any overdue instalment of interest and the expenses of the Trustee, its agents and attorneys) shall either be paid by the Company or be collected and paid out of the trust estate, and all defaults as aforesaid (other than the payment of principal which has been so declared due and payable) shall have been made good or secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, then, and in every such case, a majority of the Bondholders may waive such default and its consequences and rescind such declaration; but no such waiver shall extend to or affect any subsequent default or impair or exhaust any right or power consequent thereon.

Section 2. The Company agrees, to the full extent that it may lawfully so agree, that if an event of default shall happen and be continuing, the Company upon demand of the Trustee shall forthwith surrender to the Trustee the possession of, and it shall be lawful for the Trustee, by such officer or agent as it may appoint, to enter and take possession of all of the trust estate and to hold, operate and manage the trust estate and from time to time make all necessary repairs and such alterations, additions, advances and improvements as it may deem wise; and to receive the rents, income and profits thereof and use the same to pay all proper costs and expenses of so taking, holding and managing the trust estate, including reasonable compensation to the Trustee, its agents and attorneys, and all charges of the Trustee hereunder and any taxes and assessments and other charges prior to the lien of this Indenture which the Trustee may deem it wise to pay and all expenses of such repairs, additions and improvements, and, subject to Section 2 of Article III, to apply the remainder of the moneys so received by it as follows:

(a) in case the principal of the Bonds shall not have become due, to the payment of the interest in default, in the order of the maturity of the instalments of such interest, with interest at the rate specified in such Bonds on the overdue instalments thereof; such payments to be made ratably to the persons or parties entitled thereto, without discrimination or preference; or

(b) in case the principal of the Bonds shall have become due, by declaration or otherwise, first to the payment of accrued interest in the order of the maturity of the instalments thereof with interest at the rate specified in such Bonds on the overdue instalments thereof, and next to the payment of the principal of all Bonds then due; such payments to be made ratably to the persons or parties entitled thereto, without discrimination or preference.

Whenever all that is due upon such interest instalments and upon the principal of such Bonds, and under any of the terms of this Indenture, shall have been paid and all defaults made good, the Trustee shall surrender possession to the Company, its successors or assigns. The same right of entry, however, shall exist upon any subsequent default.

Section 3. If an event of default shall happen and be continuing, then, and in every such case, the Trustee may, if and to the extent permitted by law, by such officer or agent as it may appoint, with or without entry, sell the trust estate as an entirety or in such parcels as the holders of a majority of the Bondholders shall in writing request, or, in the absence of such request, as the Trustee may determine, at public auction at some convenient place in the City of Milwaukee, Wisconsin, or at such other place or places as may be required by law, having first published notice of such sale in an authorized Milwaukee newspaper at least once in each of four successive calendar weeks preceding such

sale, and having given any other notice which may be required by law; and from time to time to adjourn such sale in its discretion by announcement at the time and place appointed for such sale or for such adjourned sale or sales without further notice except such as may be required by law; and upon such sale to make or deliver to the purchaser or purchasers a good and sufficient deed or deeds for the same. The Trustee and its successors are hereby irrevocably appointed the true and lawful attorneys of the Company, in its name and stead, to make all necessary conveyances, assignments and transfers of property thus sold; and for that purpose it and they may execute all necessary deeds, bills of sale and instruments of assignment and transfer, and may substitute one or more persons, firms or corporations with like power, the Company hereby ratifying and confirming all that its said attorneys, or such substitute or substitutes, shall lawfully do by virtue hereof. Nevertheless, if so requested by the Trustee or by any purchaser, the Company shall ratify and confirm any such sale or transfer by executing and delivering to the Trustee or to such purchaser or purchasers all proper conveyances, assignments, instruments of transfer, and releases as may be designated in any such request.

Section 4. If an event of default shall happen and be continuing, then, and in every such case, the Trustee may in its discretion, and shall, at the request in writing of not less than twenty-five per cent. (25%) of the Bondholders and upon being indemnified to its satisfaction, proceed by suit or suits at law or in equity or by any other appropriate remedy to enforce payment of the Bonds and to foreclose this mortgage and to sell the trust estate under a judgment or decree of a court or courts of competent jurisdiction, or by the enforcement of any other appropriate legal or equitable remedy as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce any of its rights or any of the rights of the Bondholders.

Section 5. Upon any sale being made either under the power of sale hereby given or under judgment or decree in any judicial proceedings for foreclosure or otherwise for the enforcement of this Indenture, the principal of all Bonds, if not previously due, and the interest accrued thereon, shall at once become and be immediately due and payable.

Section 6. Upon any sale, whether made under the power of sale hereby given or by virtue of judicial proceedings, the whole of the trust estate shall be sold in one parcel as an entirety, unless such sale as an entirety, in the judgment of the Trustee, shall be impracticable by reason of some statute or other cause, or unless a majority of the Bondholders shall in writing request the Trustee to cause the trust estate to be sold in parcels, in which case the sale shall be made in such parcels and in such order as may be specified in such request, but, if not so specified, as the Trustee in its discretion shall deem most expedient in the interest of the Bondholders. The Company, to the full extent that it may lawfully do so, for itself, and for all who may claim through or under it, hereby expressly waives and releases all right to have the trust estate or any part thereof marshalled upon any foreclosure, sale or other enforcement hereof, and the Trustee, or any court in which the foreclosure of this Indenture or the administration of the trust hereby created is sought, shall have the right as aforesaid to sell the entire trust estate as a whole in a single parcel.

Upon any sale, whether made under the power of sale hereby given or by virtue of judicial proceedings, any Bondholder or Bondholders or the Trustee may bid for and purchase the mortgaged property, and upon compliance with the terms of sale, may hold, retain and possess and dispose of such property in their or its own absolute right without further accountability; and any purchaser at any such sale may, in paying the purchase money,

turn in any of the Bonds and coupons in lieu of cash to the amount which shall, upon distribution of the net proceeds of such sale, be payable thereon, subject, however, to the provisions with respect to extended, pledged and transferred coupons contained in Section 2 of Article III. Said Bonds and coupons, in case the amount so payable thereon shall be less than the amount due thereon, shall be returned to the holders thereof after being properly stamped to show partial payment.

Upon any sale, whether made under the power of sale hereby given or by virtue of judicial proceedings, the receipt of the Trustee, or of the officer making a sale under judicial proceedings, shall be a sufficient discharge to the purchaser or purchasers at any sale for his or their purchase money, and such purchaser or purchasers, his or their assigns or personal representative, shall not, after paying such purchase money and receiving such receipt of the Trustee or of such officer therefor, be obliged to see to the application of such purchase money, or be in any wise answerable for any loss, misapplication or non-application thereof.

Any such sale, whether under any power of sale hereby given or by virtue of judicial proceedings, shall operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of the Company, in and to the property sold, and shall be a perpetual bar both at law and in equity, against the Company, its successors and assigns, and against any and all persons claiming or to claim the property sold or any part thereof from, through or under the Company, its successors or assigns.

Section 7. The proceeds of any sale, whether made under any power of sale herein granted or pursuant to judicial proceedings, together with any other sums which then may be held by the Trustee under any of the provisions of this Indenture as part of the trust estate, shall be applied as follows:

First: To the payment of the costs and expenses of such sale, including a reasonable compensation to the Trustee, its agents, attorneys and counsel, and of all necessary or proper expenses, liabilities and advances made or incurred by the Trustee under this Indenture, and to the payment of all taxes, assessments or liens superior to the lien of this Indenture, except any taxes, assessments or other superior liens subject to which such sale shall have been made;

Second: To the payment of the whole amount then owing or unpaid upon the Bonds for principal and interest, with interest at the rate specified in such Bonds on overdue principal and overdue instalments of interest, and, in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon the Bonds, then to the payment of such principal and interest ratably, without preference or priority of principal over interest, or of interest over principal, or of any instalment of interest over any other instalment of interest, subject, however, to Section 2 of Article III. Such payments shall be made on the date fixed therefor by the Trustee, upon presentation of the several Bonds and coupons and stamping thereon the amount paid, if such Bonds be only partly paid, and upon surrender and cancellation thereof if fully paid; and

Third: All surplus then remaining to the Company, its successors or assigns, or to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

Section 8. In case

(a) default shall be made in the payment of any instalment of interest on any Bond, when and as the same shall become due and payable, and such default shall have continued for a period of thirty days; or

(b) default shall be made in the payment of the principal of any Bond, when the same shall have become due and payable, whether at maturity thereof or by declaration as authorized in Section 1 of this Article, or upon a sale as provided in Section 5 of this Article, or otherwise;

then, upon demand of the Trustee, the Company will pay to the Trustee, for the benefit of the holders of the Bonds and coupons, the whole amount then due and payable on all such Bonds and coupons, for interest or principal, or both, as the case may be, with interest at the rate specified in such Bonds upon the overdue principal and the overdue instalments of interest, and, in case the Company shall fail to pay the same forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, shall be entitled to recover judgment against the Company for the whole amount so due and unpaid.

The Trustee shall, if permitted by law, be entitled to recover judgment as aforesaid either before or after or during the pendency of any proceedings for the enforcement of the lien of this Indenture upon the trust estate, and in the case of a sale of the trust estate and of the application of the proceeds of sale to the payment of the indebtedness hereby secured, the Trustee, in its own name and as trustee of an express trust, shall be entitled to enforce payment of and to receive all amounts then remaining due and unpaid upon any and all of the Bonds and coupons, for the benefit of the holders thereof, and shall be entitled to recover judgment for any portion of the indebtedness remaining unpaid, with interest, as aforesaid. No recovery of any such judgment by the Trustee, and no levy of any execution under any such judgment upon the trust estate or any part thereof, or upon any other property, shall in any manner or to any extent affect the lien of this Indenture upon the trust estate or any part thereof, or any rights, powers or remedies of the Trustee hereunder, or any lien, rights, powers or remedies of the holders of the Bonds, but such lien, rights, powers and remedies shall continue unimpaired as before.

Any moneys collected by the Trustee under this Section shall be applied by the Trustee towards payment of the amounts then due and unpaid upon such Bonds and coupons in respect whereof such moneys shall have been collected, ratably and without any preference or priority of any kind (except as provided in Section 2 of Article III), according to the amounts due and payable upon such Bonds and coupons, respectively, at the date fixed by the Trustee for the distribution of such moneys, upon presentation of the several Bonds and coupons and stamping such payment thereon, if partly paid, and upon surrender and cancellation thereof, if fully paid.

Section 9. If an event of default shall happen and be continuing and upon filing a bill in equity or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondholders, the Trustee as a matter of right shall, to the extent permitted by law, be entitled to the appointment of a receiver or receivers of the trust estate and of the income, rents, issues and profits thereof pending such proceedings, with such powers as the court making such appointment shall confer, but notwithstanding the appointment of any receiver the Trustee shall be entitled to retain possession and control of any property deposited or pledged with it hereunder or agreed or provided to be delivered or deposited or pledged with it hereunder.

Section 10. The Company agrees, to the full extent that it may lawfully so agree, that in case of a default on its part, as aforesaid, neither the Company nor any one claiming through or under it shall or will set up, claim or seek to take advantage of any appraisement, valuation, stay, extension or redemption laws now or hereafter in force in any locality where any property subject to the lien hereof may be situated, in order to

prevent or hinder the enforcement or foreclosure of this Indenture, the absolute sale of the trust estate or any portion thereof, or the final and absolute putting into possession thereof, immediately after such sale, of the purchaser or purchasers thereat, and the Company, to the full extent that it may lawfully do so, for itself, and all who may claim through or under it, hereby waives the benefit of all such laws.

Section 11. Anything in this Indenture to the contrary notwithstanding, a majority of the Bondholders shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the manner and place of conducting all proceedings to be taken for any sale of the trust estate, or any portion thereof, or for the foreclosure of this Indenture, or for the appointment of a receiver, or any other proceedings hereunder; but none of the Bondholders shall have any right or power to involve the Trustee in any personal liability of any kind to anybody without first and from time to time indemnifying it to its satisfaction.

Section 12. No holder of any Bond or coupon shall have the right to institute any suit, action or proceeding in equity or at law for the foreclosure of this Indenture, or for the execution of any trust or power hereof, or for the appointment of a receiver, or for the enforcement of any other remedy under or upon this Indenture, unless such holder previously shall have given to the Trustee written notice of some existing default and of the continuance thereof, as hereinbefore provided, nor unless also, twenty-five per cent. (25%) of the Bondholders shall have made written request upon the Trustee and shall have afforded to it a reasonable opportunity, either to proceed to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding in its own name, nor, unless, also, such holder or holders shall have offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared, in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture and to any action or cause of action for foreclosure or for the appointment of a receiver, or for any other remedy hereunder; it being understood and intended that no one or more holders of Bonds or coupons shall have any right in any manner whatever hereunder or under the Bonds or coupons by his or their action to affect, disturb or prejudice the lien of this Indenture or to enforce any right hereunder, except in the manner herein provided, and that all proceedings hereunder, at law or in equity, shall be instituted, had and maintained in the manner herein provided and for the ratable benefit of all holders of such Bonds and coupons. Nothing herein contained shall, however, affect or impair the right of any Bondholder, which is absolute and unconditional, to enforce the payment of the principal and interest of his Bonds at and after the maturity of such principal or interest, or the obligation of the Company, which is also absolute and unconditional, to pay the principal of and interest on each of the Bonds to the respective holders thereof at the time and place in the Bonds and coupons expressed.

Section 13. In case the Trustee shall have proceeded to enforce any right under this Indenture by foreclosure, entry or otherwise and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then, and in every such case, the Company and the Trustee shall be restored to their former positions and rights hereunder in respect to the trust estate, and all rights, remedies and powers of the Trustee shall continue as though no such proceedings had been taken.

Section 14. All rights of action under this Indenture, or under any of the Bonds, enforceable by the Trustee, may be enforced by the Trustee without the possession of any of such Bonds or the coupons thereunto belonging, or the production thereof on the trial or other proceedings relative thereto, and any such suit or proceedings instituted by the Trustee shall be brought in its own name for the ratable benefit of the holders of the Bonds and coupons, subject to the provisions of this Indenture.

Section 15. The Trustee shall be entitled and empowered either in its own name or as trustee of an express trust, or as attorney-in-fact for the holders of the Bonds and the holders of the coupons, or in any one or more of such capacities, to file such proof of debt, amendment of proof of debt, claim, petition or other document as may be necessary or advisable in order to have the claims of the Trustee and of the holders of the Bonds and of the coupons allowed in any equity receivership, insolvency, bankruptcy, liquidation, readjustment, reorganization or other similar proceedings relative to the Company or its creditors or affecting its property. The Trustee is hereby irrevocably appointed (and the successive respective holders of the Bonds and of the coupons by taking and holding the same shall be conclusively deemed to have so appointed the Trustee) the true and lawful attorney-in-fact of the respective holders of the Bonds and of the coupons, with authority to make and file in the respective names of the holders of the Bonds or of the coupons, or on behalf of the holders of the Bonds or of the coupons as a class, subject to deduction from any such claims of the amounts of any claims filed by any of the holders of the Bonds or of the coupons themselves, any proof of debt, amendment of proof of debt, claims, petition or other documents in any such proceedings and to receive payment of any sums becoming distributable on account thereof, and to execute any other papers and documents and to do and perform any and all acts and things for and on behalf of such holders of the Bonds and of the coupons, as may be necessary or advisable in the opinion of the Trustee in order to have the respective claims of the Trustee and of the holders of the Bonds and of the coupons against the Company or its property allowed in any such proceeding, and to receive payment of or on account of such claims; provided, however, that nothing contained in this Indenture shall be deemed to give to the Trustee any right to accept or consent to any plan of reorganization or otherwise by action of any character in any such proceeding to waive or change in any way any right of any Bondholder.

Section 16. No delay or omission of the Trustee or of the Bondholders to exercise any right or power accruing upon any event of default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein; and every right and power given by this Article to the Trustee may be exercised from time to time and as often as may be deemed expedient by the Trustee.

Section 17. No Bonds owned or held by, for the account of or for the benefit of, the Company (other than Bonds pledged to secure any obligation) shall be deemed outstanding for the purpose of any calculation of outstanding Bonds provided for in this Article or any payment or distribution provided for in this Article. Bonds owned or held by, for the account of or the benefit of, the Company, which have been pledged to secure an obligation, shall be deemed outstanding for the purpose of any calculation of outstanding Bonds provided for in this Article and for the purpose of any payment or distribution provided for in this Article.

ARTICLE VIII.

EVIDENCE OF RIGHTS OF BONDHOLDERS.

Any demand, request, consent or other instrument, which this Indenture may require

or permit to be signed and executed by the Bondholders, may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Bondholders in person or by attorney appointed in writing. Proof of the execution of any such demand, request, consent or other instrument, or of a writing appointing any such attorney, or of the holding by any person of the Bonds or coupons, shall be sufficient for any purpose of this Indenture if made in the following manner:

(a) The fact and date of the execution by any person of such demand, request, consent or other instrument or writing may be proved by the certificate of any notary public, or other officer authorized to take acknowledgments of deeds to be recorded in any state, that the person signing the same acknowledged to him the execution thereof, or by an affidavit of a witness of such execution;

(b) The amount of Bonds transferable by delivery held by any person executing such demand, request, consent or other instrument as a Bondholder, and the date of his holding the same, may be proved by a certificate of ownership executed by such person if such person is an insurance company or, if such person is not an insurance company, by a certificate executed by any trust company, bank, banker or other depositary wheresoever situated, if such certificate shall be deemed by the Trustee to be satisfactory, showing that at the date therein mentioned such person had on deposit with such depositary the Bonds described in such certificate. The Trustee may assume the continuance of any such ownership unless and until it receives proof, satisfactory to it, to the contrary.

The Trustee may nevertheless in its discretion require further proof in cases where it deems further proof desirable. The ownership of coupon Bonds registered as to principal and of registered Bonds without coupons shall be proved by the Registry books.

The Trustee shall not be bound to recognize any person as a Bondholder unless and until his title to the Bonds held by him is proved in the manner in this Article provided.

Any demand, request or consent of the holder of any Bond shall bind all future holders of the same Bond in respect of anything done or suffered by the Company or Trustee in pursuance thereof.

ARTICLE IX.

IMMUNITY OF INCORPORATORS, STOCKHOLDERS, OFFICERS AND DIRECTORS.

No recourse shall be had for the payment of the principal of, or the interest on, any Bond, or for any claim based thereon or on this Indenture or any indenture supplemental hereto, against any incorporator or against any stockholder, director or officer, past, present or future, of the Company, or of any predecessor or successor corporation, as such, either directly or through the Company or any such predecessor or successor corporation, whether by virtue of any constitution, statute or rule of law or by the enforcement of any assessment or penalty or otherwise, all such liability, whether at common law, in equity, by any constitution, statute or otherwise, of incorporators, stockholders, directors or officers being released as a condition of and consideration for the execution of this Indenture and of the issue of the Bonds and coupons.

ARTICLE X.

CONSOLIDATION, MERGER AND SALE.

Section 1. Nothing in this Indenture contained, or in the Bonds secured hereby, shall prevent the consolidation with the Company or the merger into the Company of any other corporation or prevent any merger of the Company into any other corporation or prevent the sale or lease by the Company of its property as an entirety or substantially as an entirety upon the terms hereinafter set forth; provided that:

(a) any such consolidation or merger or sale or lease shall be on such terms as not to impair the lien and security of this Indenture upon any part of the trust estate or any of the rights and powers of the Trustee or of the holders of the Bonds;

(b) upon any such consolidation, merger or sale, the due and punctual payment of the principal and interest of all Bonds at the time outstanding according to their tenor, and, subject to the provisions of Section 3 of this Article, the due and punctual performance and observance of all the covenants and conditions of this Indenture shall, by supplemental indenture and as a condition of any such consolidation or merger or as a consideration for any such sale, be expressly assumed by the successor corporation formed by or resulting from any such merger or consolidation or to which such sale shall have been made; and

(c) any such lease shall be made expressly subject to immediate termination by the Trustee at any time when any event of default, as specified in Section 1 of Article VII, shall have happened and be continuing, and also by the purchaser of the property so leased at any sale thereof hereunder, whether such sale be made under the power of sale hereby conferred or under judicial proceedings.

Section 2. Every successor corporation resulting from a consolidation of the Company with another corporation or a merger of the Company into another corporation or the sale by the Company of all or substantially all of its property as an entirety to another corporation, all on the terms set forth in Section 1 of this Article, shall upon executing, acknowledging and delivering to the Trustee, and causing to be recorded and filed, as required by Section 10 of Article III, an indenture supplemental hereto, as provided in Section 1 of this Article, in form satisfactory to the Trustee, succeed to and be substituted for the Company with the same effect as if it had been named herein as the party of the first part.

The Trustee may receive the opinion of counsel as conclusive evidence that any supplemental indenture complies with the foregoing conditions and provisions of this Section.

Section 3. No consolidation or merger of the Company into another corporation and no conveyance of all or substantially all of the assets of the Company to another corporation shall or is intended to subject to the lien of this Indenture any or all of the property or franchises of the successor corporation formed upon such consolidation or merger or to which such sale shall have been made, unless the successor corporation, in its discretion, shall subject the same to the lien hereof; but the foregoing provisions of this Section 3 notwithstanding, this Indenture shall, after such consolidation, merger or sale constitute a lien of the rank herein provided upon all properties and franchises acquired by such successor corporation from the Company, which were subject to the lien hereof immediately prior to such consolidation, merger or sale and upon all additions, extensions, improvements, repairs and replacements to or about the plants or properties included in the trust estate immediately prior to such merger, consolidation or sale, appurtenant to the trust estate as so constituted (as distinguished from the additions, extensions, improvements, repairs and replacements to or about the plants or properties appurtenant to the plants or properties of the successor corporation and additional plants or properties thereafter acquired by the successor corporation upon which the Indenture need not constitute a lien). Nothing contained in this Article, however, shall affect or lessen the extent of the lien of this Indenture upon the property of the Company hereafter acquired, by reason of the acquisition by the Company of all or substantially all of the property of another corporation.

ARTICLE XI.

THE TRUSTEE.

Section 1. The Trustee shall not be under any obligation to institute, conduct or defend any litigation hereunder or in relation hereto or to take any action towards the execution or enforcement of the trusts hereby created, which, in its opinion, will be likely to involve it in expense or liability, unless, if required by the Trustee, one or more of the holders of the Bonds shall deposit his Bond or Bonds with the Trustee and shall, as often as required by the Trustee, furnish security and indemnity satisfactory to the Trustee against such expense or liability. Nor shall the Trustee be required to take notice of any default hereunder (other than a default on the part of the Company in any payment required by this Indenture or any supplemental indenture to be made to the Trustee on or before a specified date, or in the delivery to the Trustee of any certificate or statement or securities required by this Indenture or any supplemental indenture to be made on or before a specified date, or in any payment or performance of any act called for or required by any certificate filed with the Trustee) unless notified in writing of such default, by at least fifteen per cent. (15%) of the Bondholders.

Section 2. The Trustee shall be entitled to reasonable compensation for all services rendered by it in the execution of the trusts hereby created, which compensation, as well as all reasonable expenses necessarily incurred and disbursements actually made hereunder, including abstracts of title and continuations thereof and counsel fees, the Company agrees to pay, and the Trustee shall have a lien on the mortgaged property and proceeds therefrom, for the payment of its compensation and reasonable expenses incurred and disbursements made hereunder prior to the payment of any other sum hereby secured. The Trustee shall not be answerable for the default, omission, mistake or misconduct of any agent or attorney selected by it, if such person shall have been selected with reasonable care. Nor shall the Trustee be liable for anything whatever in connection with this Trust, except for its own wilful misconduct or negligence. The Trustee shall not be responsible for the validity, execution, filing or recording of this Indenture, or of any indenture supplemental thereto or for continuing the lien thereof, nor for the recitals herein or in the Bonds contained--(such recitals being made solely by the Company)--nor for the value or extent of the security afforded hereby.

The Trustee shall be protected and held harmless in acting upon any notice, consent, certificate, bond or other instrument or paper believed by it to be genuine and to have been executed by the proper party. Upon any application for the payment of any moneys held by the Trustee or for the execution of any release, the resolutions, certificates, statements, opinions, reports and orders required by any of the provisions of this Indenture to be delivered to the Trustee as a condition of the granting of such application may be received by the Trustee as conclusive evidence of any fact or matter therein set forth and shall be full warrant, authority and protection to the Trustee acting on the faith thereof, not only with respect to the facts but also with respect to the opinions therein set forth; and before granting any such application the Trustee shall not be bound to make any further investigation into the matters stated in any such resolution, certificate, statement, opinion, report or order, unless requested in writing so to do by not less than ten per cent. (10%) of the Bondholders and furnished with adequate security and indemnity against the costs and expenses of such examination; but it may do so. The Trustee shall be entitled to receive as conclusive proof of any fact or matter required to be ascertained by it hereunder, unless otherwise specifically required herein, an officers' certificate.

The Trustee may advise with counsel and the opinion of such counsel, and any such certificate, or any other evidence, prescribed by this Indenture, which the Trustee may accept, shall be a full protection and justification for anything suffered or done by it in good faith in reliance thereupon. The Trustee shall not be accountable for the use or application by the Company of any Bonds authenticated and delivered hereunder or of the proceeds of such Bonds, or for the use or application of any moneys paid over by it or any property released by it from the lien hereof or to the transfer of which it has consented, in accordance with any provisions of this Indenture. The Trustee will allow and credit to the Company upon any moneys which it may at any time receive under any of the provisions of this Indenture interest at the rate allowed at the same time by the Trustee on other deposits of a similar nature and will pay over such interest to the Company from time to time so long as the Company is not to the knowledge of the Trustee in default hereunder.

Section 3. Any successor, by merger, consolidation or otherwise, to substantially all the business and assets of the Trustee shall succeed to the rights and obligations of the Trustee hereunder and shall be the Trustee hereunder. The Trustee may resign and be discharged from the trusts hereby created by giving not less than four weeks' prior written notice thereof to the Company and by publishing such notice at least once a week, for four successive calendar weeks, in an authorized Milwaukee newspaper and by due execution of the instruments and the assignment, transfer and delivery of all property and moneys held by it as Trustee as herein required. But the publishing of such notice of resignation need not be made if consent to such resignation shall have been given in writing by the holders of all Bonds at the time outstanding. The Trustee may be removed at any time by the holders of a majority in principal amount of the Bonds, by an instrument or concurrent instruments in writing, signed in duplicate by such Bondholders, of which one copy shall be filed with the Company and the other with the Trustee for the time being. In case at any time the Trustee shall resign, or shall be removed or be dissolved or otherwise shall become incapable of acting, or in case control of the Trustee or of its officers shall be taken over by any public officer or officers, a successor trustee may be appointed by a majority of the Bondholders, by an instrument or concurrent instruments in writing signed in duplicate by such Bondholders, and filed, one copy with the Company and the other with the successor trustee; but until a successor trustee shall be so appointed by the Bondholders as herein authorized, the Company by order of its Board of Directors or, in case the trust estate shall be in the possession of one or more receivers lawfully appointed, trustees in bankruptcy or reorganization proceedings (including a trustee or trustees appointed under the provisions of Chapter X of An Act to establish a uniform system of bankruptcy throughout the United States, approved July 1, 1898, as amended), or assignees for the benefit of creditors, such receivers, trustees or assignees, by an instrument in writing, may in any such case appoint a successor trustee. After any such appointment other than by the Bondholders, the Company, such receivers, trustees or assignees, as the case may be, which made such appointment shall forthwith cause notice thereof to be published once in each of two successive calendar weeks in an authorized Milwaukee newspaper, but any successor trustee so appointed shall, immediately and without further act, be superseded by a successor trustee appointed by the Bondholders in the manner above prescribed, if such appointment be made prior to the expiration of six months from the date of the first publication of such notice by the Company, such receivers, trustees or assignees. Every such successor trustee hereunder shall always be a bank or trust company or a national banking association in good standing, having its principal office in the

City of Milwaukee, Wisconsin, or in the Borough of Manhattan, The City of New York, which is authorized under the laws of the jurisdiction of incorporation to exercise corporate trust powers and is subject to supervision or examination by Federal or State authority and which has a capital and surplus aggregating not less than Two million dollars ($2,000,000) or such larger amount as may be required by the laws of the State of Wisconsin or other governmental authority having jurisdiction or the rules, regulations and orders of any regulatory body established thereunder, if there be a bank or trust company or national banking association willing to accept the trust on customary terms. If, in a proper case, no appointment of a successor trustee shall be made pursuant to the foregoing provisions of this Section within three months after a vacancy shall have occurred in the office of Trustee, the holder of any Bond or the retiring Trustee may apply to any court of competent jurisdiction to appoint a successor trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor trustee.

Any successor trustee appointed hereunder shall execute, acknowledge and deliver to the Company or to the receivers, trustees or assignees appointing it an instrument accepting such appointment hereunder, and thereupon such successor trustee, without any further act, deed or conveyance, shall become vested with all the estate, properties, rights, powers and trusts of its predecessor in the trust hereunder with like effect as if originally named as Trustee herein; but the outgoing Trustee shall, nevertheless, on the written demand of the new Trustee, execute and deliver an instrument conveying and transferring to such new Trustee upon the trusts herein expressed, all the estate, properties, rights, powers, trusts and duties of such outgoing Trustee, and shall duly assign, transfer and deliver all property and moneys held by such outgoing Trustee to the new Trustee so appointed in its place; and, upon request of any such new Trustee, the Company shall make, execute, acknowledge and deliver any and all deeds, conveyances or instruments in writing for more fully and effectually vesting in and confirming to such new Trustee all such estate, properties, rights, powers, trusts and duties.

Section 4. If the Trustee for the time being has or acquires any conflicting interest as now or hereafter defined by the statutes of the State of Wisconsin or of the United States of America, applicable to the Company, or by the rules, regulations and orders of any regulatory body established pursuant to such statutes, it shall, if required by such statutes or rules, regulations or orders, either eliminate such conflicting interest within the time provided thereby, or resign in the manner herein provided.

Section 5. In any proceeding brought by the Trustee hereunder, it shall be held to represent all of the holders of the Bonds, and it shall not be necessary to make such Bondholders parties to any such proceeding.

Section 6. If at any time or times it shall be necessary or prudent in order to conform to any law of any state in which the Company shall at the time hold any property subject to the lien hereof, or the Trustee shall be advised by counsel satisfactory to it that it is so necessary or prudent in the interest of the Bondholders, or a majority of the Bondholders shall in writing so request the Trustee and the Company, the Trustee and the Company shall execute and deliver all instruments and agreements necessary or proper to constitute another trust company or one or more persons approved by the Trustee and the Company, either to act as co-trustee or co-trustees of all or any of the property subject to the lien hereof, jointly with the Trustee originally named herein or any successor or successors, or to act as separate trustee or trustees of any such property. In the event the Company shall not have joined in the execution of such instruments and agreements within ten days after the receipt of a written request from the Trustee so to do, the Trustee alone shall have power to, and in case an event of default shall happen and be continuing the Trustee may, effect such appointment of another trust company or one or more persons so to act as co-trustee or separate trustee.

Every additional trustee hereunder shall, to the extent permitted by law, be appointed and act and be such and the Trustee and its successor as Trustee shall act and be such, subject to the following provisions and conditions, namely:

(a) the Bonds shall be authenticated and delivered and all powers, duties, obligations and rights conferred upon the Trustee, including the custody, control and management of moneys, papers or securities, shall be exercised solely by said First Wisconsin Trust Company, or its successor as Trustee hereunder;

(b) no power given hereby to, or which it is provided hereby may be exercised by, any such additional trustee or trustees, shall be exercised hereunder by such additional trustee or trustees, except jointly with, or with the consent in writing of, said First Wisconsin Trust Company, or its successor as Trustee, anything herein contained to the contrary notwithstanding; and

(c) the Company and the Trustee, at any time, by an instrument in writing, executed by them jointly, may remove any such additional trustee, and in that case, by an instrument in writing executed by them jointly, may appoint a successor or successors to such additional trustee or trustees, as the case may be, anything herein contained to the contrary notwithstanding. In the event that the Company shall not have joined in the execution of any such instrument within ten days after the receipt of a written request from the Trustee so to do, the Trustee alone shall have the power to remove any such additional trustee and to appoint a successor additional trustee. In the event that the Trustee alone shall have appointed a separate trustee or trustees or co-trustee or co-trustees as above provided, it may at any time, by an instrument in writing, remove any such separate trustee or co-trustee, the successor to any such trustee or co-trustee so removed to be appointed by the Company and the Trustee, or by the Trustee alone, as hereinbefore in this Section provided.

Section 7. Subject to the provisions of Section 4 of this Article, the Trustee and any successor thereto, co-trustee or additional trustee, or any agent of the Company appointed for the purposes of Section 4 of Article III or for any other purpose, may each acquire and hold Bonds and coupons and otherwise deal with the Company in the same manner and to the same extent and with like effect as though they were not Trustees hereunder or as though they were not such agents.

Section 8. The Trustee hereby accepts the trusts hereunder and agrees to perform the same but only upon the terms and conditions provided in this Indenture.

ARTICLE XII.

SUPPLEMENTAL INDENTURES.

Section 1. In addition to any supplemental indenture otherwise authorized by this Indenture, the Company, when authorized by resolution of its Board of Directors, any other corporation when authorized by its Board of Directors, and the Trustee, from time to time and at any time, subject to the conditions and restrictions in this Indenture contained, may enter into an indenture or indentures supplemental hereto and which thereafter shall form a part hereof for any one or more or all of the following purposes:

(a) to add to the covenants and agreements of the Company in this Indenture contained, other covenants and agreements thereafter to be observed and to surrender any

right or power herein reserved to or conferred upon the Company although the freedom of action of the Company may be materially restricted thereby;

(b) to convey, transfer and assign to the Trustee, and to subject to the lien of this Indenture, with the same force and effect as though included in the granting clauses hereof, additional properties hereafter acquired by the Company, whether through consolidation, merger or by purchase or otherwise and to correct or amplify the description of any properties at any time subject to the lien of this Indenture;

(c) to make such provisions in regard to matters or questions arising under this Indenture as may be necessary or desirable and not inconsistent with this Indenture; or

(d) for any other purpose not inconsistent with the terms of this Indenture, or for the purpose of curing any ambiguity or curing, correcting or supplementing any defect or inconsistent provision contained in this Indenture or any supplemental indenture; and the Company hereby covenants that it will fully perform all the requirements of any such supplemental indentures which may be in effect from time to time. Nothing in this Article contained shall affect or limit the right or obligation of the Company to execute and deliver to the Trustee any instrument of further assurance or other instrument which elsewhere in this Indenture it is provided shall be delivered to the Trustee.

Section 2. The Trustee is hereby authorized to join with the Company or any other corporation in the execution of any such supplemental indenture authorized or permitted by the terms of this Indenture, and to make the further agreements and stipulations which may be therein contained.

ARTICLE XIII.

DEFEASANCE.

If the Company, its successors or assigns, shall pay or cause to be paid unto the holders of the Bonds and coupons, the principal and interest to become due thereon at the time and in the manner stipulated therein, and if the Company shall keep, perform and observe all and singular the covenants and promises in the Bonds and in this Indenture expressed as to be kept, performed and observed by it or on its part, then these presents and the estate and rights hereby granted shall (at the option of the Company evidenced by a certified resolution delivered to the Trustee) cease, determine and be void, and thereupon the Trustee shall, upon the request of the Company, cancel and discharge the lien of this Indenture, and execute and deliver to the Company such deeds as shall be requisite to satisfy the lien hereof, and reconvey to the Company the estate and title hereby conveyed, and assign and deliver to the Company any property at the time subject to the lien of this Indenture which may then be in its possession.

Bonds and coupons for the payment or redemption of which moneys shall have been deposited with the Trustee, whether at or prior to the maturity or the redemption date of such Bonds, shall be deemed to have been paid within the meaning of this Article; provided, however, that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given or provision satisfactory to the Trustee shall have been made therefor.

The cancellation and discharge of this Indenture, however, shall be without prejudice to the right of the Trustee to be paid any compensation then due it hereunder, and to be protected and saved harmless by the Company from any and all losses, liabilities, costs and expenses, including counsel fees, at any time incurred by the Trustee hereunder or connected with any Bond, and the Company hereby covenants to protect and save the Trustee harmless from any and all such losses, liabilities, costs and expenses.

ARTICLE XIV.

Miscellaneous Provisions.

Section 1. Nothing in this Indenture, expressed or implied, is intended or shall be construed to confer upon, or to give to, any person, firm or corporation, other than the parties hereto, and the holders of the Bonds and coupons, any right, remedy or claim under or by reason of this Indenture or any covenant, condition or stipulation hereof; and the covenants, stipulations and agreements in this Indenture contained are and shall be for the sole and exclusive benefit of the parties hereto, their successors and assigns, and the holders of the Bonds and coupons.

Section 2. Whenever in this Indenture or in any indenture supplemental hereto provision is made for the destruction or cancellation by the Trustee and the delivery to the Company of any Bonds or any coupons, the Trustee may, upon the request of the Company, in lieu of such destruction or cancellation and delivery, cremate such Bonds and coupons in the presence of an officer of the Company (if the Company shall so require) and deliver a certificate of such cremation to the Company.

Section 3. In case any one or more of the provisions contained in this Indenture or in the Bonds or coupons should be invalid, illegal or unenforcible in any respect, the validity, legality and enforcibility of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby.

Section 4. Although this Indenture, for convenience and for the purpose of reference is dated October 22, 1938, the actual date of execution by the Company and by the Trustee is as indicated by their respective acknowledgments hereto annexed.

Section 5. In case, by reason of the temporary or permanent suspension of publication of any newspaper, or by reason of any other cause, it shall be impossible to make publication of any notice required hereby in the newspaper or newspapers as herein provided, then such publication in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient publication of such notice. Such publication shall, so far as may be, approximate the terms and conditions of the publication in lieu of which it is given.

Section 6. The same officer or officers of the Company, or the same engineer or counsel or other person, as the case may be, may, but need not, certify to all the matters required to be certified under any Article, Section, Subdivision or other portion hereof, but different officers, engineers, counsel or other persons may certify to different facts, respectively. Where any person or persons are required to make, give or execute two or more orders, requests, certificates, opinions, or other instruments under this Indenture, any such orders, requests, certificates, opinions or other instruments may, but need not, be consolidated and form one instrument. Any certificate which is required to be verified may be verified on information and belief.

Except as otherwise expressly provided in this Indenture, or in any indenture supplemental hereto, any request, opinion, consent, demand, notice, order, appointment, or other direction required or permitted to be made or given by the Company, shall be deemed to have been sufficiently made or given if executed on behalf of the Company by its President or any of its Vice Presidents and its Secretary or any of its Assistant Secretaries or its Treasurer or any of its Assistant Treasurers.

Any opinion of counsel required to be furnished pursuant to any of the provisions of this Indenture may, in lieu of stating the facts required by the provisions hereof, state that the required conditions will be fulfilled on the execution and delivery of designated instruments, which instruments shall be delivered in form approved by such

counsel prior to or concurrently with the taking or suffering by the Trustee of the action as a condition precedent to which such opinion is required to be furnished under the terms of this Indenture.

Any notice to or demand upon the Trustee may be served or presented, and such demand may be made, at the principal office of the Trustee. Any notice to or demand upon the Company shall be deemed to have been sufficiently given or served by the Trustee, for all purposes, by being deposited, postage prepaid, in a post-office letter box addressed to the Company at Milwaukee, Wisconsin, or to the Company at such other address as may be filed in writing by the Company with the Trustee.

Section 7. Subject to the provisions of Article X and XI, whenever in this Indenture any of the parties hereto is named or referred to, the successors and assigns of such party shall be deemed to be included, and all the covenants, promises and agreements in this Indenture contained by or on behalf of the Company, or by or on behalf of the Trustee, shall bind and inure to the benefit of the respective successors and assigns, whether so expressed or not.

Section 8. This Indenture may be simultaneously executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, said The Milwaukee Electric Railway & Transport Company has caused this Indenture to be executed on its behalf by its President or one of its Vice Presidents and its corporate seal to be hereto affixed and said seal and this Indenture to be attested by its Secretary or one of its Assistant Secretaries; and said First Wisconsin Trust Company, in evidence of its acceptance of the trust hereby created, has caused this Indenture to be executed on its behalf by its President or one of its Vice Presidents, and its corporate seal to be hereto affixed and said seal and this Indenture to be attested by its Secretary or one of its Assistant Secretaries; all as of the twenty-second day of October, One thousand nine hundred and thirty-eight.

THE MILWAUKEE ELECTRIC RAILWAY & TRANSPORT COMPANY,

By R. H. Pinkley
President.

(CORPORATE SEAL)

Attested:

A. C. Holmquist
Assistant Secretary

Signed, sealed and delivered by
The Milwaukee Electric Railway
& Transport Company in the presence of:

Clayton Trudeau

Russell Schmelz
As Witnesses.

FIRST WISCONSIN TRUST COMPANY,

By George B. Luhman
President.

(CORPORATE SEAL)

Attested:

W. I. Barth
Secretary

Signed, sealed and delivered by
First Wisconsin Trust Company, in the presence of:

John Dochendorf

F. L. Larkin
As Witnesses.

Documentary Revenue Stamps amounting to $10,000.00 have been affixed to one of the counterpart originals of this Mortgage and Deed of Trust and have been duly cancelled.

STATE OF WISCONSIN,)
(SS.:
COUNTY of Milwaukee,)

On this 21st day of October, 1938, before me personally appeared R. H. Pinkley and A. C. Holmquist, to me personally known, who, being by me severally duly sworn, did say: that R. H. Pinkley is President and A. C. Holmquist is an Assistant Secretary of THE MILWAUKEE ELECTRIC RAILWAY & TRANSPORT COMPANY, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said R. H. Pinkley and A. C. Holmquist severally acknowledged said instrument to be the free act and deed of said corporation.

(NOTARIAL SEAL) ALFRED GRUHL
Notary Public
Milwaukee County, Wisconsin
My Commission Expires,
March 29, 1942.

STATE OF WISCONSIN,)
(SS.:
COUNTY of Milwaukee,)

On this 21st day of October, 1938, before me personally appeared George B. Luhman and W. I. Barth, to me personally known, who, being by me severally duly sworn, did say: that George B. Luhman is a President and W. I. Barth is a Secretary of FIRST WISCONSIN TRUST COMPANY, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said George B. Luhman and W. I. Barth severally acknowledged said instrument to be the free act and deed of said corporation.

(NOTARIAL SEAL) ALFRED GRUHL
Notary Public
Milwaukee County, Wisconsin
My Commission Expires,
March 29, 1942.

STATE OF WISCONSIN)
(SS.
Department of State)

Received this 21st day of
October A. D. 1938 at 2:10
o'clock P. M. and recorded ✓
in Vol. 34 of R.R. Mortgages
on page 131 to 193 incl.

Robert L. Siebecker
Assistant Secretary of State

Initial 100

CONVEYANCE
Dated November 9, 1938
Executed by
CITY BANK FARMERS TRUST COMPANY AND JAMES H. PERKINS,
Trustees
To
CHICAGO, ST. PAUL, MINNEAPOLIS AND OMAHA RAILWAY CO
Of
Certain equipment formerly covered by lease dated Nov.1, 1938
Series "G" C.St.P.M. & O. Ry. Co. Equipment Trust of 1917.

WHEREAS, under date of February 5, 1917, an Agreement was entered into by and between John D. Caldwell, Charles Jensch, Charles P. Nash and W. H. Thorn, as Vendors, of the first part, The Farmers' Loan and Trust Company and Edwin S. Marston, as Trustees, of the second part, and the Chicago, Saint Paul, Minneapolis and Omaha Railway Company of the third part, known as the CHICAGO, SAINT PAUL, MINNEAPOLIS AND OMAHA RAILWAY COMPANY EQUIPMENT TRUST AGREEMENT OF 1917, providing for the procuring by the Vendors of equipment as required by said Railway Company from time to time, and the conveyance and delivery thereof to said Trustees, and the issuance by said Trustees of Equipment Trust Certificates to an amount not to exceed the cost thereof, and the leasing of said equipment by said Trustees to said Railway Company; and

WHEREAS, thereafter, on the first day of June, 1920, a Supplemental Agreement was made and entered into by and between said John D. Caldwell, Charles Jensch, Charles P. Nash and W. H. Thorn, Vendors, of the first part, The Farmers' Loan and Trust Company and Edwin S. Marston, as Trustees, of the second part, and the Chicago, Saint Paul, Minneapolis and Omaha Railway Company, of the third part, supplemental to said Equipment Trust Agreement of February 5, 1917; and

WHEREAS, under date of November 1, 1928, the Farmers' Loan and Trust Company and James H. Perkins (successor Individual Trustee), as Trustees, leased to said Railway Company for the term of ten (10) years from said date, certain equipment which had been acquired by said Vendors and transferred to said Trustees under said Trust Agreement, described as follows:

Number of Vehicles	Description	Marked	Numbered
250	40-ton, Steel Under and Upperframe Stock Cars	C.St.P.M.& O. Ry.Co.	26001 to 26499, inclusive (odd numbers only)
200	50-ton, Steel Gondola Cars	C.St.P.M.& O. Ry.Co.	117001 to 117399, inclusive (odd numbers only)

all of which equipment was represented by EQUIPMENT TRUST CERTIFICATES, SERIES "G", issued pursuant to said Trust Agreement; and

WHEREAS, it was provided in said Lease that upon its termination and performance by the Railway Company of its covenants and obligations thereunder, the said Trustees should convey and transfer to it all of the equipment covered thereby, which would thereafter be the absolute property of said Railway Company; and

WHEREAS, said Lease has now terminated, and said Railway Company has fully performed all of its covenants and obligations thereunder, and the said EQUIPMENT TRUST CERTIFICATES, SERIES "G", have now been all retired and cancelled, or otherwise provided

for, and said Railway Company is now entitled to have the said equipment covered thereby conveyed and transferred to it by said Trustees, so as to become its absolute property and held by it free from any right or interest of the Trustees or the holders of said Equipment Trust Certificates therein; and

WHEREAS, the said The Farmers' Loan and Trust Company has become and is now known as the City Bank Farmers Trust Company, and said Edwin S. Marston is no longer living, and James H. Perkins of Greenwich, Conn., has been duly appointed Trustee in place of said Edwin S. Marston, deceased;

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that in consideration of the premises and of the sum of One Dollar ($1.00) to them in hand paid, the receipt whereof is hereby acknowledged, the said City Bank Farmers Trust Company and James H. Perkins, as such Trustees, do hereby convey, assign, transfer and set over to said Chicago, Saint Paul, Minneapolis and Omaha Railway Company all of the above described equipment, and all their right, title and interest therein.

IN WITNESS WHEREOF, the said City Bank Farmers Trust Company, as Trustee, has caused these presents to be signed by a Vice President, and its corporate seal to be hereunto affixed, and attested by its Ass't. Secretary, and said James H. Perkins, as Trustee, has hereunto set his hand and seal this 9th day of November A.D. 1938.

(CORPORATE SEAL) CITY BANK FARMERS TRUST COMPANY, as Trustee

By
Stewart C. Pratt
Vice President.

Attest:
H. Bottenus
Ass't. Secretary.

James H. Perkins (Seal)
As Trustee.

Witnesses:
S. L. Smith
M. E. Cooper

STATE OF NEW YORK)
CITY AND COUNTY OF NEW YORK) SS

I, Francis M. Pitt, a Notary Public acting in and for the City and County of New York, in the State of New York, do hereby certify that on this 9th day of November in the year 1938, before me, the subscriber, personally appeared Stewart C. Pratt and H. Bottenus, Vice President and Ass't. Secretary, respectively, of City Bank Farmers Trust Company, a corporation, and on said same day also appeared before me by its said officers, the said City Bank Farmers Trust Company, being known to me to be the corporation whose name is subscribed to the foregoing instrument, and which executed the same as one of the parties of the first part; that said Stewart C. Pratt and H. Bottenus are personally known to me and are known to me to be the Vice President and Ass't. Secretary, respectively, of said City Bank Farmers Trust Company, and the identical persons whose names are subscribed to the foregoing instrument as Vice President and Ass't. Secretary of said corporation; that said Stewart C. Pratt and H. Bottenus then and there severally acknowledged that they signed, sealed and delivered the foregoing instrument as the Vice President and Ass't. Secretary, respectively, of said City Bank

Farmers Trust Company, and in behalf of said corporation and by order of its Board of Directors, and that they were Vice President and Ass't. Secretary, respectively, of said corporation at the time of the execution of said foregoing instrument, and that the seal attached to said instrument is the corporate seal of said City Bank Farmers Trust Company, and was affixed to said instrument on behalf of said corporation and by order of its Board of Directors; and I further certify that said Stewart C. Pratt and H. Bottenus then and there severally acknowledged that they executed said instrument as their free and voluntary act and deed as such Vice President and Ass't. Secretary, respectively, and as the free and voluntary act and deed of said City Bank Farmers Trust Company, and for the uses and purposes in said instrument set forth.

And at the same time said Stewart C. Pratt and H. Bottenus being by me severally and duly sworn, did severally depose and say that they resided, the said Stewart C. Pratt at 1107 5th Avenue in New York City, N. Y., and the said H. Bottenus at 311 Warren Avenue, in Mamaroneck, N. Y., and that said City Bank Farmers Trust Company is a corporation; that they are and at the time of the execution of the foregoing instrument were the Vice President and Ass't. Secretary, respectively, of said City Bank Farmers Trust Company, the corporation described in and which executed the foregoing instrument; that they know the seal of said corporation; that they signed the foregoing instrument as Vice President and Ass't. Secretary, respectively, of said corporation and in its behalf, and by order of its Board of Directors; and that the seal affixed to said instrument is the seal of said City Bank Farmers Trust Company and was so affixed by them by order of the Board of Directors of said Corporation.

And I further certify that I know the seal affixed to the fore-going instrument to be the corporate seal of said City Bank Farmers Trust Company, and that said instrument is executed and acknowledged according to, and in conformity with the laws of the State of New York.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal as Notary Public for the City and County of New York, in the State of New York, on said 9th day of November 1938.

(NOTARIAL SEAL)

.....Francis M. Pitt.....
Notary Public acting in and for the City and County of New York, in the State of New York.

FRANCIS M. PITT
Notary Public Kings Co. No. 264, Reg. No. 9030
Cert. filed in N.Y. Co. No. 67, Reg. No. 9-P 38
Commission expires March 30, 1939

STATE OF NEW YORK)
CITY AND COUNTY OF NEW YORK) SS

I, Francis M. Pitt, a Notary Public in and for the City and County of New York, in the State of New York, do hereby certify that on this 10th day of November in the year 1938, before me, the subscriber, personally appeared James H. Perkins personally known to me to be the identical person whose name is subscribed to the foregoing instrument and who is described in the said instrument, as executed the same as one of the parties of the first part; and that said James H. Perkins then and there acknowledged that he signed, sealed and delivered and executed the foregoing instrument as his free and voluntary act and deed, and for the uses and purposes therein set forth.

And I further certify that said foregoing instrument is executed and acknowledged according to and in conformity with the laws of the State of New York.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal as Notary Public for the City and County of New York, in the State of New York, on said 10th day of November 1938.

.....Francis M. Pitt.....
Notary Public acting in and for the City and County of New York in the State of New York.

FRANCIS M. PITT
Notary Public Kings Co.No.264, Reg.No.9030
Cert. filed in N.Y.Co.No.67, Reg.No.9-P-38
Commission expires March 30, 1939

STATE OF NEW YORK)
COUNTY OF NEW YORK,) SS.: No.....68893..... Form 2

I, ARCHIBALD R. WATSON, Clerk of the County of New York, and also Clerk of the Supreme Court in and for said county,

DO HEREBY CERTIFY, That said Court is a Court of Record, having by law a seal; that .....Francis M. Pitt.....
whose name is subscribed to the annexed certificate or proof of acknowledgment of the annexed instrument was at the time of taking the same a NOTARY PUBLIC acting in and for said county, duly commissioned and sworn, and qualified to act as such; that he has filed in the Clerk's Office of the County of New York a certified copy of his appointment and qualification as Notary Public, for the County of .....Kings.....with his autograph signature; that as such Notary Public, he was duly authorized by the laws of the State of New York to protest notes; to take and certify depositions; to administer oaths and affirmations; to take affidavits and certify the acknowledgment and proof of deeds and other written instruments for lands, tenements and hereditaments, to be read in evidence or recorded in this state; and further, that I am well acquainted with the handwriting of such Notary Public and verily believe that his siganture to such proof or acknowledgement is genuine.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said Court at the City of New York, in the County of New York, this 14th day of Nov. 1938

Archibald R. Watson
Clerk

STATE OF WISCONSIN)
DEPARTMENT OF STATE) ss.:

Received this 7th day of Dec. A.D. 1938 at 3:40 o'clock P.M. and recorded in Vol. 34 of R. R. Mtgs. on page 194-197 Incl.

.Robert.L..Siebecker.....
Assistant Secretary of State

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CONSENT

Dated Dec. 6, 1938

THE FIRST NATIONAL BANK OF NEW YORK
Trustee

To the

RENUMBERING OF CERTAIN TRUST EQUIPMENT

By

GREAT NORTHERN RAILWAY COMPANY

KNOW ALL MEN BY THESE PRESENTS that THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK, Trustee (hereinafter referred to as the "Trustee"), for and in consideration of the sum of One Dollar ($1.00) to it paid, the receipt whereof is hereby acknowledged, does hereby CONSENT to the renumbering by GREAT NORTHERN RAILWAY COMPANY (hereinafter referred to as the "Company") of certain automobile box cars, as hereinafter set out, leased by the Trustee to the Company, together with certain other railroad equipment, by lease agreement dated January 1, 1925, made pursuant to a certain trust agreement, also dated January 1, 1925, by which there was constituted "GREAT NORTHERN RAILWAY EQUIPMENT TRUST, SERIES D": provided, however, that this consent is given on the express condition that it shall not affect in any way the present right, title and interest of the Trustee in and to any of said railroad equipment under or by virtue of the lease agreement and/or trust agreement above referred to; the renumbering to which the Trustee hereby consents being the changing to 29073 to 29587, both inclusive, the numbers of any 515 of the 900 automobile box cars which are now numbered 39200 to 40099, both inclusive.

IN WITNESS WHEREOF the said The First National Bank of the City of New York has caused these presents to be signed by its Vice President and its corporate seal to be hereunto affixed and attested by its Assistant Cashier, this 6th day of December, 1938.

In presence of: (CORPORATE SEAL) THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK,

W. Wurtz (?)

By Henry S. Sturgis
Vice President.

B. W. Borden (?)

Attest: S. L. Searles
Assistant Cashier.

UNITED STATES OF AMERICA)
State of New York) ss:
County of New York)

BE IT REMEMBERED, and I do hereby certify, that on this 6th day of December, in the year 1938, A. D., in the County of New York, State of New York, before me, the undersigned Notary Public in and for the County of New York, in the State of New York, personally came and appeared Henry S. Sturgis, a Vice President, and S. L. Searles, an Assistant Cashier, of THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK, both being to me personally known and known to me to be officers of and a Vice President and Assistant Cashier, respectively, of The First National Bank of the City of New York, the above-mentioned corporation, that is described in and that executed this, the within and foregoing instrument, that was produced to me by the parties therein, having authority to execute such instrument, who, being by me duly sworn, did depose and say that the said Henry S. Sturgis, Vice President,

resides in the City of Cedarhurst, County of Nassau and State of New York: and that the said S. L. Searles, Assistant Cashier, resides in the City of Leonia, County of Bergen, and State of New Jersey: that they are a Vice President and an Assistant Cashier, respectively, of The First National Bank of the City of New York, and that they are the persons who executed the within and foregoing instrument as such officers, and on oath stated that they were authorized so to execute such instrument: that said instrument was executed, signed, sealed and delivered on and in behalf of the said corporation by its authority and by the authority of its Board of Directors, and said Henry S. Sturgis, Vice President, and said S. L. Searles, Assistant Cashier, acknowledged said instrument to be the free act and deed of said corporation, and of said Henry S. Sturgis, Vice President, and of said S. L. Searles, Assistant Cashier, of said corporation, for the uses and purposes therein mentioned and set forth, and acknowledged to me that such corporation executed the same: and said Henry S. Sturgis, Vice President, and said S. L. Searles, Assistant Cashier, did each depose and say that he knows the corporate seal of the said corporation: that the seal affixed to and the affixed seal of the foregoing instrument is the corporate seal of said corporation and was so affixed by order of its Board of Directors, and said Henry S. Sturgis, Vice President, said that by like order he signed the same as Vice President, and said S. L. Searles, Assistant Cashier, said that by like order he attested the same as Assistant Cashier.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

(NOTARIAL SEAL)

Maurice M. Rafferty

NOTARY PUBLIC, New York County
N.Y. Co. Clk's No. 402, Reg No. OR524
Commission Expires March 30, 1940

STATE OF WISCONSIN)
Department of State) ss:

Received this 14th day of Dec. A. D. 1938 at 8:40 o'clock A. M. and recorded in Vol. 34 of R. R. Mtgs. on page 198-199 Incl.

Robert L. Siebecker
Assistant Secretary of State

Index 1938-D

RELEASE OF GENERAL MORTGAGE

between

UNITED STATES TRUST COMPANY, N. Y. as Trustee

and

CHICAGO, MILWAUKEE, ST. PAUL & PACIFIC RAILROAD COMPANY

Dated Nov. 25, 1938

* *

THIS INDENTURE, made this 25th day of November, A. D. 1938, by and between UNITED STATES TRUST COMPANY OF NEW YORK, as Trustee (hereinafter referred to as "Trustee"), party of the first part, and CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY (hereinafter referred to as the "Railroad Company") part of the Second part, WITNESSETH:

THAT WHEREAS, by an instrument bearing date May 1, 1889, and filed in the office of the Secretary of State, State of Wisconsin, June 17, 1889, and recorded in Volume 8 of railway mortgages, pages 406, et seq., Chicago, Milwaukee and St. Paul Railway Company (hereinafter called the "Railway Company") mortgages to United States Trust Company of New York, as Trustee, as security for certain bonds therein particularly described and referred to, the lines of railway and property therein specifically described, including the property hereinafter particularly described and released by the party of the first part, which mortgage is hereinafter referred to as "General Mortgage;" and

WHEREAS, in and by Article XI of said General Mortgage, it is provided that upon the certificate of the Railway Company expressed by resolution of its Board of Directors or Executive Committee, duly certified, setting forth that the Railway Company desires to dispose of any real or personal property covered by said General Mortgage, and that the same is no longer requisite or convenient for the operation of the lines of railway conveyed by said General Mortgage, and that it is for the interest of the parties thereto that the same be sold or disposed of, the said Trustee shall, from time to time, release such property from the lien and operation of said General Mortgage; and

WHEREAS, the Railroad Company, party of the second part herein, is the grantee of and successor to the Railway Company in the ownership of the lines of railway and property subject to the lien of said General Mortgage and has assumed the obligations of the Railway Company in respect of said General Mortgage and of the bonds issued and outstanding thereunder; and

WHEREAS, the use of the property hereinafter particularly described and released by the party of the first part, from the lien of said General Mortgage is no longer requisite, necessary, convenient, or advantageous for the use or convenience of the Railroad Company in connection with, or in the operation of, the lines of railway conveyed by, and subject to, the lien of said General Mortgage, or other lines of railway which may be subject thereto, and it is to the interest of said Railroad Company and of the Trustee under said General Mortgage that the property be sold, disposed of and released from the lien of said General Mortgage; and

WHEREAS, the Trustees of the Railroad Company, Debtor, have sold and conveyed to Allis-Chalmers Manufacturing Company, the land hereinafter described, for the cash consideration of Eleven Thousand Dollars ($11,000.00) and have requested the Trustee of said Mortgage to release the land hereinafter described from the lien of said General Mortgage; and

WHEREAS, the recitals herein contained are made only in behalf of said Railroad Company;

NOW, THEREFORE, United States Trust Company of New York, as Trustee, in consideration of the premises and of the sum of One Dollar to it paid, the receipt of which is hereby acknowledged, does hereby release from the lien of the aforesaid General Mortgage, the property which is particularly described as follows, to-wit:

ALL THOSE PARTS of Government Lots Two (2) and Three (3), Section Thirty-one (31), Township Sixteen (16) North, Range Seven (7) West, lying and being in the City of La Crosse, County of La Crosse, State of Wisconsin, more particularly described as follows, to-wit: COMMENCING at the point of intersection of the westerly line of Second Street and the southerly line of LaCrosse Street, in the City of LaCrosse, according to the recorded plat thereof; thence westerly along said southerly line of LaCrosse Street and the westerly prolongation thereof One Hundred Thirty-six and Thirty-five Hundredths (136.35) feet to a point in the easterly boundary line of the property of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company Trustees which is the point of beginning of the land to be described; thence continue westerly along the westerly extension of said southerly line of LaCrosse Street Forty-five and Sixty-five Hundredths (45.65) feet, to a point in a line parallel to and One Hundred Eighty-two (182) feet westerly from the westerly line of Second Street; thence southerly along said parallel line Three Hundred and Nine-tenths (300.9) feet to a point in the northerly line of Badger Street extended westerly; thence westerly along said extension of the northerly line of Badger Street, Ninety and Eighty-five Hundredths (90.85) feet, more or less, to a point in a line parallel to and Sixty-five (65) feet easterly, measured at right angles from the center line of the said Railroad Company Trustees' main track as there now established and operated; said point being marked by a monument; thence northwesterly along said parallel line Seven Hundred and Twenty-two Hundredths (700.22) feet, more or less, to the water line of the southerly bank of the present channel of the LaCrosse River; thence in a general easterly direction along the water line of said south bank of the said LaCrosse River the following approximate bearings and distances: North Thirty-one Degrees Thirty Minutes (31° 30') east One Hundred Twenty-eight (128) feet; thence north Eighty-three Degrees (83°) east Forty-six (46) feet; thence south Sixty-four Degrees Fifteen Minutes (64° 15') East One Hundred Six (106) feet; thence south Seventy Degrees Fifteen Minutes (70° 15') east One Hundred Fifty-eight (158) feet; thence south Eighty Degrees Twenty Minutes (80° 20') east Two Hundred (200) feet, more or less, to the center of the old channel of the LaCrosse River; thence southerly along the center of said old channel Three Hundred Seventy-five (375) feet, more or less, to its intersection with the center line of LaCrosse Street extended westerly; thence easterly eighty-eight (88) feet along the said center line of LaCrosse Street extended; thence southeasterly Thirty-four and Five Tenths (34.5) feet to the place of beginning, containing 220,000 square feet, together with the riparian rights in the present channel of the LaCrosse River.

MEANING and intending to convey that portion of the said Railroad Company Trustees' property in Government Lots Two (2) and Three (3), Section Thirty-one (31), Township Sixteen (16) North, Range Seven (7) West, LaCrosse County, Wisconsin, which lies easterly of a line parallel to and Sixty-five (65) feet easterly, measured at right angles, from the center line of the said Milwaukee Company Trustees' main track, and between the present southerly bank of the present channel of the LaCrosse River and the westerly extension of

the northerly line of Badger Street, together with the riparian rights in the present channel of the LaCrosse River.

IN WITNESS WHEREOF, United States Trust Company of New York, Trustee, has caused these presents to be executed in its corporate name by its Vice President, with its corporate seal hereto attached, attested by its Assistant Secretary, the day and year first above written.

(CORPORATE SEAL) UNITED STATES TRUST COMPANY OF NEW YORK, TRUSTEE

By F. W. ROBBERT
Vice President

Attest:

H. L. SMITHERS
Assistant Secretary

In the Presence of:

E. Witting

C. J. Paine

STATE OF NEW YORK)
) SS
NEW YORK COUNTY)

Personally came before me this 25th day of November, 1938, the within named F. W. Robbert, Vice President of UNITED STATES TRUST COMPANY OF NEW YORK, and Henry L. Smithers, Asst. Secretary of UNITED STATES TRUST COMPANY OF NEW YORK, both to me personally known to be the persons therein described who executed the foregoing instrument and acknowledged the same.

GIVEN under my hand and notarial seal this 25th day of November, A. D. 1938.

(NOTARIAL SEAL) E. A. MOELLER
Notary Public

Edward A. Moeller
Notary Public, Kings County
Kings Co. Clk's No. 815, Reg. No. 9474
N.Y. Co. Clk's No. 1231, Reg. No. 9M738
Commission Expires March 30, 1939

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS

Received this 23rd day of Jan. A.D. 1939 at 11:10 o'clock A.M. and recorded in ✓ Vol. 34 of R. R. Mtgs. on page 200-202, incl.

Fred R. Zimmerman
Secretary of State

Index 158-D

RELEASE
of
FIRST AND REFUNDING MORTGAGE

between

CHEMICAL BANK & TRUST COMPANY

Successor by merger to United States Mortgage and Trust Co. Corporate Trustee

and

HOWARD B. SMITH
Successor Individual Trustee.

Dated Dec. 20, 1938.

* *

THIS INDENTURE made this 20th day of December, A. D. 1938, by and between CHEMICAL BANK & TRUST COMPANY, Successor by Merger to United States Mortgage and Trust Company, as Corporate Trustee, a corporation of the State of New York and Howard B. Smith, Successor Individual Trustee, of the City of Montclair, in the State of New Jersey (hereinafter referred to as "Trustees") parties of the first part, and CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY (hereinafter referred to as the "Railroad Company") party of the second part,

WITNESSETH:

THAT WHEREAS, by an instrument bearing date as of February 2, 1925, filed for record in the office of the Secretary of State, State of Wisconsin on March 8, 1928, and recorded in Book 27 of Railroad Mortgages, pages 77, et seq., the Railroad Company mortgaged to said United States Mortgage and Trust Company and Calvert Brewer, Trustees, as security for certain bonds therein mentioned, the lines of railway and property therein specifically described, including the premises hereafter particularly described and released by the parties of the first part, which mortgage is hereinafter referred to as "First and Refunding Mortgage;" and

WHEREAS, Chemical Bank & Trust Company is the Successor by Merger to United States Mortgage and Trust Company, pursuant to agreement dated June 11, 1929, filed with and approved by the Banking Department of the State of New York on June 29, 1929, and valid and effective as of that date, all as provided by law; and

WHEREAS, in and by Article Ten of said Mortgage it is provided that from time to time the Railroad Company, subject to the conditions and limitations in said Article Ten prescribed, and not otherwise, may sell, and the Trustees upon the delivery to the Corporate Trustee of the Resolutions, opinion and certificate as in Section 12 of said Article Ten provided, shall release from the lien and operation of said First and Refunding Mortgage, any real estate which it shall no longer be necessary or expedient to retain for the operation, maintenance or use of the lines of railroad then subject to said First and Refunding Mortgage, or for use in the business of the Railroad Company; and

WHEREAS, the Railroad Company has delivered to the Corporate Trustee, a certified copy of the resolutions of the Executive Committee adopted on the 7th day of November, 1938, and the opinion and certificate as required in said Section 12 of Article Ten of said First and Refunding Mortgage, whereby it appears that it is no longer necessary or expedient to retain the land hereinafter described for the operation, maintenance or use of the lines of railroad now subject to said First and Refunding Mortgage, or for use in the business of said Railroad Company; that the action and release requested are authorized by the provisions of said Article Ten of said First and Refunding Mortgage and that the resolutions and certificate aforesaid furnished to the Corporate Trustee are in compliance

with the provisions of Section 12 of said Article Ten; and

WHEREAS, the Trustees of the Railroad Company, Debtor, have sold and conveyed to Allis-Chalmers Manufacturing Company, the land hereinafter described, for the cash consideration of Eleven Thousand Dollars, ($11,000.00) and have requested the parties of the first part to release the land hereinafter described from the lien of said First and Refunding Mortgage; and

WHEREAS, the land hereinafter described is subject to the General Mortgage of Chicago, Milwaukee and St. Paul Railway Company (predecessor of the Railroad Company in ownership of said land) dated May 1, 1889, which is a lien upon said land prior to the lien of said First and Refunding Mortgage, and United States Trust Company of New York, Trustee under said General Mortgage has released said land from the lien thereof; and

WHEREAS, the recitals herein contained are made only in behalf of said Railroad Company;

NOW, THEREFORE, the parties of the first part, as Trustees, in consideration of the premises and of the sum of One Dollar to them paid, the receipt of which is hereby acknowledged, do hereby release from the lien of the aforesaid First and Refunding Mortgage, the land which is particularly described as follows, to-wit:

ALL THOSE PARTS of Government Lots Two (2) and Three (3), Section Thirty-one (31), Township Sixteen (16) North, Range Seven (7) West, lying and being in the City of LaCrosse, County of LaCrosse, State of Wisconsin, more particularly described as follows, to-wit: COMMENCING at the point of intersection of the westerly line of Second Street and the southerly line of LaCrosse Street, in the City of LaCrosse, according to the recorded plat thereof; thence westerly along said southerly line of LaCrosse Street and the westerly prolongation thereof One Hundred Thirty-six and Thirty-five Hundredths (136.35) feet to a point in the easterly boundary line of the property of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company Trustees which is the point of beginning of the land to be described; thence continue westerly along the westerly extension of said southerly line of LaCrosse Street Forty-five and Sixty-five Hundredths (45.65) feet, to a point in a line parallel to and One Hundred Eighty-two (182) feet westerly from the westerly line of Second Street; thence southerly along said parallel line Three Hundred and Nine-tenths (300.9) feet to a point in the northerly line of Badger Street extended westerly; thence westerly along said extension of the northerly line of Badger Street, Ninety and Eighty-five Hundredths (90.85) feet, more or less, to a point in a line parallel to and Sixty-five (65) feet easterly, measured at right angles from the center line of the said Railroad Company Trustees' main track as there now established and operated; said point being marked by a monument; thence northwesterly along said parallel line Seven Hundred and Twenty-two Hundredths (700.22) feet, more or less, to the water line of the southerly bank of the present channel of the LaCrosse River; thence in a general easterly direction along the water line of said south bank of the said LaCrosse River the following approximate bearings and distances: North Thirty-one Degrees Thirty Minutes (31° 30') east One Hundred Twenty-eight (128) feet; thence north Eighty-three Degrees (83°) east Forty-six (46) feet; thence south Sixty-four Degrees Fifteen Minutes (64° 15') East One Hundred Six (106) feet; thence south Seventy Degrees Fifteen Minutes (70° 15') east One Hundred Fifty-eight (158) feet; thence south Eighty Degrees Twenty Minutes (80° 20') east Two Hundred (200) feet, more or less, to the center of the old channel of the LaCrosse River; thence southerly along the center of said old channel Three Hundred Seventy-five (375) feet, more or less, to its intersection with the center line of LaCrosse Street extended westerly; thence easterly eighty-eight (88) feet along the said center line of LaCrosse Street extended; thence southeasterly Thirty-four and Five Tenths (34.5) feet to the place of beginning, containing 220,000 square feet, together with the riparian rights in the present channel of the LaCrosse River.

MEANING and intending to convey that portion of the said Railroad Company Trustees' property in Government Lots Two (2) and Three (3), Section Thirty-one (31), Township Sixteen (16) North, Range Seven (7) West, La Crosse County, Wisconsin, which lies easterly of a line parallel to and Sixty-five (65) feet easterly, measured at right angles, from the center line of the said Milwaukee Company Trustees' main track, and between the present southerly bank of the present channel of the LaCrosse River and the Westerly extension of the northerly line of Badger Street, together with the riparian rights in the present channel of the LaCrosse River.

PROVIDED ALWAYS, that nothing herein contained shall in any wise affect, alter or diminish the lien or encumbrance of the aforesaid First and Refunding Mortgage on the remaining parts of the properties, premises and franchises covered by it or the rights given by it against the Railroad, its successors or assigns, as security for the bonds and the performance of the covenants and obligations to be by the Railroad Company performed.

The Trustees neither assume nor shall incur any lia bility or responsibility in respect of recitals herein contained.

IN WITNESS WHEREOF, Chemical Bank & Trust Company, Successor Corporate Trustee by Merger to United States Mortgage and Trust Company, Trustee, has caused these presents to be executed in its corporate name by its ~~Corporate~~ Trust Officer, with its corporate seal hereto affixed, attested by one of its Assistant Secretaries, and said Howard B. Smith has hereunto set his hand and seal, all on the day and year first above written.

(CORPORATE SEAL)

CHEMICAL BANK & TRUST COMPANY
Successor Corporate Trustee,

By HOWARD B. SMITH
~~Corporate~~ Trust Officer

Attest:

H. C. OTTIWELL
Assistant Secretary

In the Presence of:
Fred J. Pobl

N. Miller

HOWARD B. SMITH (SEAL)

This is Page 5 of a release dated December 20, 1938, releasing from the lien of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company First and Refunding Mortgage, certain property situated in La Crosse County, Wisconsin.

STATE OF NEW YORK)
)SS
NEW YORK COUNTY)

Personally came before me, this 21 day of December, 1938, the within named HOWARD B. SMITH, Trust Officer, of Chemical Bank & Trust Company, and H. C. OTTIWELL, Asst. Secretary of Chemical Bank & Trust Company, both to me personally known to be the persons therein described, who executed the foregoing instrument and acknowledged the same.

GIVEN under my hand and notarial seal this 21 day of December, A. D. 1938.

(NOTARIAL SEAL)

LE ROY E. COX
Notary Public

Le Roy E. Cox
Notary Public, Westchester County
Certificates filed in
N.Y. Co. Clerk's No.387, Register's No.9-C-280
Commission Expires March 30, 1939.

STATE OF WISCONSIN) SS.
DEPARTMENT OF STATE)

Received this 23rd day
of Jan. A. D. 1939 at 11:10
o'clock A. M. and recorded
in Vol. 34 of R. R. Mtgs.
on page 203-206, incl.

STATE OF NEW YORK)
) SS
NEW YORK COUNTY)

Personally came before me this 21 day of December, 1938, the within named Howard B. Smith, to me personally known to be the person therein described, who executed the foregoing instrument and acknowledged the same.

GIVEN under my hand and notarial seal this 21 day of December, A. D. 1938.

Le Roy E. Cox.

(NOTARIAL SEAL)

Le Roy E. Cox.
Notary Public, Westchester County
Certificate filed in
N.Y. Co. Clerk's No.387, Register's No.9-C-280
Commission Expires March 30, 1939.

STATE OF WISCONSIN) SS
DEPARTMENT OF STATE)

Received this 23rd day
of Jan. A.D. 1939 at 11:10
o'clock A.M. and recorded
in Vol. 34 of R. R. Mtgs.
on page 203-206, incl.

Fred R. Zimmerman
Secretary of State

Index 158-0

RELEASE

of

FIFTY YEAR MORTGAGE

BETWEEN

GUARANTY TRUST CO. of N. Y. & MERREL P. CALLAWAY, Trustees

and

CHICAGO, MILWAUKEE, ST. PAUL & PACIFIC RAILROAD COMPANY

Dated Jan. 10, 1939

* *

THIS INDENTURE made the 10th day of January, A. D. 1939, by and between GUARANTY TRUST COMPANY OF NEW YORK, a corporation of the State of New York and MERREL P.CALLAWAY of the City of New York and State of New York, as Trustees (hereinafter referred to as the "Trustees") parties of the first part, and CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY (hereinafter referred to as the "Railroad Company") party of the second part,

WHEREAS, by an instrument bearing date as of February 2, 1925 (hereinafter referred to as "Fifty-Year Mortgage") and filed for record in the office of the Secretary of State, State of Wisconsin on March 8, 1928, and recorded in Book 28 of railroad mortgages, pages 15 et seq, the Railroad Company mortgaged to said Trustees as security for certain bonds therein mentioned, the lines of railway and property therein specifically described, including the land hereinafter particulary described and released by the parties of the first part; and

WHEREAS, in and by Article Eleven of said Mortgage, it is provided that from time to time the Railroad Company, subject to the conditions and limitations in said Article Eleven prescribed, and not otherwise, may sell, and the Trustees upon the delivery to the Corporate Trustee of the resolutions, opinion and certificate as in Section 12 of said Article Eleven provided, shall release from the lien and operation of said Fifty-Year Mortgage, any real estate which it shall no longer be necessary or expedient to retain for the operation, maintenance or use of the lines of railroad then subject to said Fifty-Year Mortgage, or for use in the business of the Railroad Company; and

WHEREAS, the Trustees of the Railroad Company, Debtor, have sold and conveyed to Allis-Chalmers Manufacturing Company, the land hereinafter described, for the cash consideration of Eleven Thousand Dollars ($11,000.00) and have requested the parties of the first part to release the land hereinafter described from the lien of said Fifty-Year Mortgage; and

WHEREAS, United States Trust Company of New York, Trustee under the General Mortgage of Chicago, Milwaukee and St. Paul Railway Company (predecessor of the Railroad Company in the ownership of said property) dated May 1, 1889, which mortgage is a lien upon said real estate prior to the lien of said Fifty-Year Mortgage, has released said real estate from the lien of said General Mortgage: and

WHEREAS, the Railroad Company has delivered to the Trustees, a certificate of the Corporate Trustee under the First and Refunding Mortgage of the Railroad Company, which is a lien on said real estate prior to the lien of said Fifty-Year Mortgage, that the Trustees thereunder have released said real estate from the lien of said First and Refunding Mortgage in pursuance of its provisions governing releases of mortgaged

property; and

WHEREAS, the recitals herein contained are made only in behalf of said Railroad Company;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That the parties of the first part, as Trustees, in consideration of the premises and of the sum of One Dollar ($1.00) to them paid, the receipt of which is hereby acknowledged, do hereby release from the lien of the aforesaid Fifty-Year Mortgage and Deed of Trust, the land which is particularly described as follows, to-wit:

ALL THOSE PARTS of Government Lots Two (2) and Three (3), Section Thirty-one (31), Township Sixteen (16) North, Range Seven (7) West, lying and being in the City of LaCrosse, County of LaCrosse, State of Wisconsin, more particularly described as follows, to-wit: COMMENCING at the point of intersection of the westerly line of Second Street and the southerly line of LaCrosse Street, in the City of LaCrosse, according to the recorded plat thereof; thence westerly along said southerly line of LaCrosse Street and the westerly prolongation thereof One Hundred Thirty-six and Thirty-five Hundredths (136.35) feet to a point in the easterly boundary line of the property of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company Trustees which is the point of beginning of the land to be described; thence continue westerly along the westerly extension of said southerly line of LaCrosse Street Forty-five and Sixty-five Hundredths (45.65) feet, to a point in a line parallel to and One Hundred Eighty-two (182) feet westerly from the westerly line of Second Street; thence southerly along said parallel line Three Hundred and Nine-tenths (300.9) feet to a point in the northerly line of Badger Street extended westerly; thence westerly along said extension of the northerly line of Badger Street. Ninety / and Eighty-five Hundredths (90.85) feet, more or less, to a point in a line parallel to and Sixty-five (65) feet easterly, measured at right angles from the center line of the said Railroad Company Trustees' main track as there now established and operated; said point being marked by a monument; thence northwesterly along said parallel line Seven Hundred and Twenty-two Hundredths (700.22) feet, more or less, to the water line of the southerly bank of the present channel of the LaCrosse River; thence in a general easterly direction along the water line of said south bank of the said LaCrosse River the following approximate bearings and distances: North Thirty-one Degrees Thirty Minutes ($31^{\circ}30'$) east One Hundred Twenty-eight (128) feet; thence north Eighty-three Degrees (83°) east Forty-six (46) feet; thence south Sixty-four Degrees Fifteen Minutes ($64^{\circ}15'$) East One Hundred Six (106) feet; thence south Seventy Degrees Fifteen Minutes ($70^{\circ}15'$) east One Hundred Fifty-eight (158) feet; thence south Eighty Degrees Twenty Minutes ($80^{\circ}20'$) east Two Hundred (200) feet, more or less, to the center of the old channel of the LaCrosse River; thence southerly along the center of said old channel Three Hundred Seventy five (375) feet, more or less, to its intersection with the center line of LaCrosse Street extended westerly; thence easterly eighty-eight (88) feet along the said center line of LaCrosse Street extended; thence southeasterly Thirty-four and Five Tenths (34.5) feet to the place of beginning, containing 220,000 square feet, together with the riparian rights in the present channel of the LaCrosse River.

MEANING and intending to convey that portion of the said Railroad Company Trustees' property in Government Lots Two (2) and Three (3), Section Thirty-one (31), Township Sixteen (16) North, Range Seven (7) West, LaCrosse County, Wisconsin, which lies easterly of a line parallel to and Sixty-five (65) feet easterly, measured at right

angles, from the center line of the said Milwaukee Company Trustees' main track, and between the present southerly bank of the present channel of the LaCrosse River and the westerly extension of the northerly line of Badger Street, together with the riparian rights in the present channel of the LaCrosse. River.

PROVIDED ALWAYS, NEVERTHELESS, that nothing herein contained shall in anywise affect, alter or diminish the lien or encumbrance of the aforesaid Fifty-Year Mortgage on the remaining parts of the properties, premises and franchises covered by it, or the remedies given by it against said Chicago, Milwaukee, St. Paul and Pacific Railroad Company, its successors and assigns, as security for the bonds and performance of the acts secured by it.

IN WITNESS WHEREOF, Guaranty Trust Company of New York, Corporate Trustee, has caused these presents to be executed in its corporate name by its Vice President with its corporate seal hereto affixed, attested by its Assistant Secretary, and said Merrel P. Callaway, individual trustee, has hereunto set his hand and seal all on the day and year first above written.

(CORPORATE SEAL)

GUARANTY TRUST COMPANY OF NEW YORK,
Corporate Trustee

By Henry A. Theis
Vice President

Attest:

Leo B. Bicher
Assistant Secretary

Merrel P. Callaway (SEAL)
Individual Trustee

In the Presence of:

W. A. Smith

J. A. McCarthy

This is page 4 of Instrument dated 1/10/39 releasing from lien of Chicago, Milwaukee St. Paul & Pacific R. R. Co. Mortgage & Deed of Trust d/b as of Feb. 2, 1925 certain property at Town of LaCrosse, LaCrosse Co., Wisconsin and conveying same to.....

STATE OF NEW YORK)
) SS
NEW YORK COUNTY)

Personally came before me, this 10th day of January, 1939, the within named Henry A. Theis, Vice President of Guaranty Trust Company of New York, and Leo. B. Bicher, Assistant Secretary of Guaranty Trust Company of New York, both to me personally known to be the persons therein described, who executed the foregoing instrument and acknowledged the same.

GIVEN under my hand and notarial seal the 10th day of January, A. D. 1939.

(NOTARIAL SEAL)

W. J. Burnham
Notary Public

W. J. Burnham
Notary Public, New York County
Clerk's No. 432, Register No.0B560
Commission Expires March 30, 1940

STATE OF NEW YORK)
) SS
NEW YORK COUNTY)

Personally came before me this 10th day of January, 1939, the within named Merrel P. Callaway, to me personally known to be the person therein described, who executed the foregoing instrument and acknowledged the same.

GIVEN under my hand and notarial seal this 10th day of January, A. D. 1939.

(NOTARIAL SEAL)

W. J. Burnham
Notary Public

W. J. Burnham
Notary Public, New York County
Clerk's No. 432, Reg. No. QB560
Commission Expires March 30, 1940

STATE OF WISCONSIN)
DEPARTMENT OF STATE) ss

Received this 23rd day of
Jan. A.D. 1939 at 11:10
o'clock A.M. and recorded in
Vol. 34 of R.R. Mtgs. on
page 207-210, incl.

Fred R. Zimmerman
Secretary of State

Index 15-0

RELEASE

of

ADJUSTMENT MORTGAGE

between

THE NATIONAL CITY BANK, N. Y. & WILLIAM W. HOFFMAN, Trustees

and

CHICAGO, MILWAUKEE, ST. PAUL & PACIFIC RAILROAD CO.

Dated Jan. 18, 1939

* *

INDENTURE, made this 18th day of January, A. D. 1939 by and between THE NATIONAL CITY BANK OF NEW YORK, a corporation organized and existing as a national banking association under the laws of the United States of America, and WILLIAM W. HOFFMAN, of the City of New York in said State, as Trustees (hereinafter referred to as the "Trustees") parties of the first part and CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY (hereinafter referred to as the "Railroad Company") party of the second part.

WHEREAS, by an instrument bearing date as of February 2, 1925 (hereinafter referred to as "Adjustment Mortgage"), filed in the office of the Secretary of State, State of Wisconsin on March 8, 1928 and recorded in Book 29 of railroad mortgages, pages 1 et seq., the Railroad Company mortgaged to said Trustees as security for certain bonds therein mentioned, the lines of railway and property therein specifically described, including the land hereinafter particularly described and released by the parties of the first part; and

WHEREAS, in and by Article Twelve of said Mortgage, it is provided that from time to time the Railroad Company, subject to the conditions and limitations in said Article Twelve prescribed, and not otherwise, may sell, and the Trustees upon the delivery to the Corporate Trustee of the resolutions, opinion and certificate as in Section 12 of said Article Twelve provided, shall release from the lien and operation of said Adjustment Mortgage, any real estate which it shall no longer be necessary or expedient to retain for the operation, maintenance or use of the lines of railroad then subject to said Adjustment Mortgage, or for use in the business of the Railroad Company; and

WHEREAS, the Trustees of the Railroad Company, Debtor, have sold and conveyed to Allis-Chalmers Manufacturing Company the land hereinafter described, for the cash consideration of Eleven Thousand Dollars ($11,000.00) and have requested the parties of the first part to release the land hereinafter described from the lien of said Adjustment Mortgage; and

WHEREAS, United States Trust Company of New York, Trustee under the General Mortgage of Chicago, Milwaukee and St. Paul Railway Company (predecessor to the Railroad Company in the ownership of said property) dated May 1,1889, which mortgage is a lien upon said real estate prior to the lien of said Adjustment Mortgage, has released said land from the lien of said General Mortgage; and

WHEREAS, the Railroad Company has delivered to the Trustees, a certificate of the Corporate Trustee under its First and Refunding Mortgage that the Trustees thereunder have released said real estate from the lien of that mortgage, in pursuance of its provisions governing releases of mortgaged property; and

WHEREAS, the Trustees under the Fifty-Year Mortgage of the Railroad Company, dated as of February 2, 1925, which mortgage is a lien upon said real estate prior to the lien of the Adjustment Mortgage, have executed, or simultaneously herewith will execute,

a release of said real estate from the lien of the Fifty-Year Mortgage; and

WHEREAS, the recitals herein contained are made only in behalf of said Railroad Company;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That the parties of the first part, as trustees, in consideration of the premises and of the sum of One Dollar ($1.00) to them paid, the receipt of which is hereby acknowledged, do hereby release from the lien of the aforesaid Adjustment Mortgage, the land which is particularly described as follows; to-wit:

ALL THOSE PARTS of Government Lots Two (2) and Three (3), Section Thirty-one (31), Township Sixteen (16) North, Range Seven (7) West, lying and being in the City of LaCrosse, County of LaCrosse, State of Wisconsin, more particularly described as follows, to-wit:

COMMENCING at the point of intersection of the westerly line of Second Street and the Southerly line of LaCrosse Street, in the City of LaCrosse, according to the recorded plat thereof; thence westerly along said southerly line of LaCrosse Street and the Westerly prolongation thereof One Hundred Thirty-six and Thirty-five Hundredths (136.35) feet to a point in the easterly boundary line of the property of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company Trustees which is the point of beginning of the land to be described; thence continue westerly along the westerly extension of said southerly line of LaCrosse Street Forty-five and Sixty-five Hundredths (45.65) feet, to a point in a line parallel to and One Hundred Eighty-two (182) feet westerly from the westerly line of Second Street; thence southerly along said parallel line Three Hundred and Nine-tenths (300.9) feet to a point in the northerly line of Badger Street extended westerly; thence westerly along said extension of the northerly line of Badger Street, Ninety and Eighty-five Hundredths (90.85) feet, more or less, to a point in a line parallel to and Sixty-five (65) feet easterly, measured at right angles from the center line of the said Railroad Company Trustees' main track as there now established and operated; said point being marked by a monument; thence northwesterly along said parallel line Seven Hundred and Twenty-two Hundredths (700.22) feet, more or less, to the water line of the southerly bank of the present channel of the LaCrosse River; thence in a general easterly direction along the water line of said south bank of the said LaCrosse River the following approximate bearings and distances: North Thirty-one Degrees Thirty Minutes ($31^{\circ}30'$) east One Hundred Twenty-eight (128) feet; thence north Eighty-three Degress (83°) east Forty-six (46) feet; thence south Sixty-four Degrees Fifteen Minutes ($64^{\circ}15'$) East One Hundred Six (106) feet; thence south Seventy Degrees Fifteen Minutes ($70^{\circ}15'$) east One Hundred Fifty-eight (158) feet; thence south Eighty Degrees Twenty Minutes ($80^{\circ}20'$) east Two Hundred (200) feet, more or less, to the center of the old channel of the LaCrosse River; thence southerly along the center of said old channel Three Hundred Seventy-five (375) feet, more or less, to its intersection with the center line of LaCrosse Street extended westerly; thence easterly eighty-eight (88) feet along the said center line of LaCrosse Street extended; thence southeasterly Thirty-four and Five Tenths (34.5) feet to the place of beginning, containing 220,000 square feet, together with the riparian rights in the present channel of the LaCrosse River.

MEANING and intending to convey that portion of the said Railroad Company Trustees' property in Government Lots Two (2) and Three (3), Section Thirty-one (31), Township Sixteen (16) North, Range Seven (7) West, LaCrosse County, Wisconsin, which lies easterly of a line parallel to and Sixty-five (65) feet easterly, measured at right angles, from the center line of the said Milwaukee Company Trustees' main track, and between the present

southerly bank of the present channel of the LaCrosse River and the westerly extension of the northerly line of Badger Street, together with the riparian rights in the present channel of the LaCrosse River.

PROVIDED ALWAYS, NEVERTHELESS, that nothing herein contained shall in anywise affect, alter or diminish the lien or encumbrance of the aforesaid Adjustment Mortgage on the remaining parts of the properties, premises and franchises covered by it, or the remedies given by it against said Chicago, Milwaukee, St. Paul and Pacific Railroad Company, its successors and assigns, as security for the bonds and performance of the acts secured by it.

IN WITNESS WHEREOF, The National City Bank of New York, Trustee, has caused these presents to be executed in its corporate name by its Vice President, with its corporate seal hereto affixed, attested by its Assistant, Cashier, and said William W. Hoffman has hereunto set his hand and seal, all on the day and year first above written.

(CORPORATE SEAL)

THE NATIONAL CITY BANK OF NEW YORK,
TRUSTEE,

By Stewart C. Pratt
Vice President

Attest:

H. D. Hall
Assistant Cashier

In the presence of:

Nelson Stuart

E. F. Mitchell

William W. Hoffman (SEAL

STATE OF NEW YORK)
) SS
NEW YORK COUNTY)

Personally came before me, this 18th day of January, 1939, the within named Stewart C. Pratt, Vice President of the National City Bank of New York and H. D. Hall, Assistant Cashier of The National City Bank of New York, both to me personally known to be the persons therein described, who executed the foregoing instrument and acknowledged the same.

GIVEN under my hand and notarial seal this 18th day of January, A. D. 1939.

(NOTARIAL SEAL)

Stanley A. Nelson
Notary Public

Stanley A. Nelson
Notary Public, Queens County No.2584,
Co. Reg.No.6998
Cert.filed in N.Y. No.203,Reg.9-N-128
Commission expires March 30, 1939

STATE OF NEW YORK)
) SS
NEW YORK COUNTY)

Personally came before me this 18th day of January, 1939 the within named William W. Hoffman, to me personally known to be the person therein described, who executed the foregoing instrument and acknowledged the same.

GIVEN under my hand and notarial seal this 18th day of January, A.D. 1939.

(NOTARIAL SEAL)

Stanley A. Nelson
Notary Public

Stanley A. Nelson
Notary Public, Queens County No. 2584,
Reg.No.6998
Cert.Filed in N.Y.Co.No.203,Reg.9-N-128
Commission expires March 30, 1939

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS

Received this 23rd day of
Jan. A. D. 1939 at 11:10
o'clock A. M. and recorded in
Vol. 34 of R. R. Mtgs. on
page 211-214 incl.

Fred R. Zimmerman
Secretary of State

Taken #8

DEED

of

LOCOMOTIVES & ROLLING STOCK

to

TRUSTEE OF CHICAGO & NORTH WESTERN RY. CO.

by

CITY BANK FARMERS TRUST CO., AS TRUSTEE

Dated Jan. 9, 1939.

* *

Whereas, under date of February 26, 1923, an Agreement was entered into by and between John D. Caldwell, Lewis A. Robinson, Arthur B. Jones and Theodore H. Goodnow, as Vendors of the first part, The Farmers' Loan and Trust Company and James H. Perkins, as Trustees, of the second part, and the Chicago and North Western Railway Company, of the third part, known as the Chicago and North Western Railway Company Equipment Trust Agreement of 1923, providing for the procuring by the Vendors of equipment as required by said Railway Company from time to time, and the conveyance and delivery thereof to said Trustees, and the issuance by said Trustees of equipment trust certificates to an amount not to exceed seventy-five per cent (75%) of the cost thereof, and the leasing of said equipment by said Trustees to said Railway Company; and

Whereas, under date of December 22, 1923, said Trustees leased to said Railway Company for the term of fifteen (15) years from December 1, 1923, certain equipment which had been acquired by said Vendors and transferred to said Trustees under said Trust Agreement, described as follows:

Number of Vehicles	Description	Marked	Numbered
18	Class "J" superheater Mikado type Freight Locomotives	C.& N.W.Ry.Co.	2593 to 2600, inclusive & 2701 to 2710, inclusive
12	Class "E-2" superheater Pacific type Passenger Locomotives	do	2901 to 2912, inclusive
20	Class "M-2" superheater Switching Locomotives	do	2111 to 2130, inclusive
40	54'2" Steel Passenger Coaches	do	3243 to 3282, inclusive
10	60'3" Steel Baggage Cars	do	8721 to 8730, inclusive
60	Steel Underframe Milk Cars	do	15380 to 15498, inclusive (even numbers only)
1000	40-Ton, Single Sheathed, Steel Under and Upperframe Box Cars	do	40000 to 41998, inclusive (even numbers only)
1000	40-Ton, Single Sheathed, Steel Under and Upperframe Box Cars	do	42000 to 43998, inclusive (even numbers only)

all of which equipment was represented by EQUIPMENT TRUST CERTIFICATES, SERIES "O" - issued pursuant to said Trust Agreement; and

Whereas it was provided in said Lease that upon its termination and the performance by the Railway Company of its covenants and obligations thereunder, the said Trustees should convey and transfer to it all of the equipment covered thereby, which should thereafter be the absolute property of said Railway Company; and

Whereas, the said The Farmers' Loan and Trust Company has become and is now known as the City Bank Farmers Trust Company; and

Whereas, since June 28, 1935, the Railway Company has been and now is being operated

under the jurisdiction of the District Court of the United States for the Northern District of Illinois, Eastern Division, pursuant to orders entered in the proceeding entitled "In the Matter of Chicago and North Western Railway Company, Debtor," Docket No. 60448; and

Whereas, on October 3, 1935, the Honorable John P. Barnes, Judge of said Court, entered an Order (No. 24) in said proceeding appointing Charles P. Megan Trustee of the property of Chicago and North Western Railway Company; and

Whereas, on October 18, 1935, the Honorable John P. Barnes, Judge of said Court, entered an Order (No. 30) in said proceeding providing that as of October 21, 1935, all of the property, real, personal and mixed, of every kind and nature whatsoever of the Chicago and North Western Railway Company be vested in said Charles P. Megan, as such Trustee; and

Whereas, on October 21, 1935, said Charles P. Megan entered upon his duties as such Trustee and became vested with and now holds title to all of the property, real, personal and mixed, of every kind and nature whatsoever of Chicago and North Western Railway Company; and

Whereas, said Lease has now been terminated; said Railway Company and said Charles P. Megan, as such Trustees, have fully performed all of the Railway Company's covenants and obligations thereunder, and all of the said EQUIPMENT TRUST CERTIFICATES, SERIES "O", have now been retired and canceled, and the trust estate of said Railway Company is now entitled to have the said equipment covered thereby conveyed and transferred to it by said City Bank Farmers Trust Company and James H. Perkins, Trustees, so as to become its absolute property and be held by it free from any right or interest of said Trustees or the holders of said Equipment Trust Certificates therein:

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, That in consideration of the premises and of the sum of One Dollar ($1.00) to them in hand paid, the receipt whereof is hereby acknowledged, the said City Bank Farmers Trust Company and James H. Perkins, as such Trustees, do hereby convey, assign, transfer and set over to said Charles P. Megan, as Trustee of the property of Chicago and North Western Railway Company, his successor or successors, all of the above described equipment, and all their right, title and interest therein.

IN WITNESS WHEREOF, the said City Bank Farmers Trust Company, as Trustee, has caused these presents to be signed by a Vice President and its corporate seal to be hereunto affixed, and attested by its Assistant Secretary; and said James H. Perkins, Trustee, has hereunto set his hand and seal this 9th day of January, A. D. 1939.

CITY BANK FARMERS TRUST COMPANY, as Trustee

(CORPORATE SEAL)

By Stewart C. Pratt
Vice President.

Attest:

H. Bottenus
Assistant Secretary

James H. Perkins (SEAL)
as Trustee

Witnesses:

N. E. Hanf

S. L. Smith

STATE OF NEW YORK)
CITY AND COUNTY OF NEW YORK) SS

I, Francis M. Pitt a Notary Public acting in and for the City and County of New York,

in the State of New York, do hereby certify that on this 9th day of January in the year 1939, before me, the subscriber, personally appeared Stewart C. Pratt and H. Bottenus, Vice President and Assistant Secretary, respectively, of City Bank Farmers Trust Company, a corporation, and on said same day also appeared before me by its said officers, the said City Bank Farmers Trust Company, being known to me to be the corporation whose name is subscribed to the foregoing instrument, and which executed the same as one of the parties of the first part; that said Stewart C. Pratt and H. Bottenus are personally known to me and are known to me to be the Vice President and Assistant Secretary, respectively, of said City Bank Farmers Trust Company, and the identical persons whose names are subscribed to the foregoing instrument as Vice President and Assistant Secretary of said corporation; that said Stewart C. Pratt and H. Bottenus then and there severally acknowledged that they signed, sealed and delivered the foregoing instrument as the Vice President and Assistant Secretary, of said City Bank Farmers Trust Company, and in behalf of said corporation and by order of its Board of Directors, and that they were Vice President and Assistant Secretary, respectively, of said corporation at the time of the execution of said foregoing instrument, and that the seal attached to said instrument is the corporate seal of said City Bank Farmers Trust Company, and was affixed to said instrument on behalf of said corporation, and by order of its Board of Directors; and I further certify that said Stewart C. Pratt and H. Bottenus then and there severally acknowledged that they executed said instrument as their free and voluntary act and deed as such Vice President and Assistant Secretary, respectively, and as the free and voluntary act and deed of said City Bank Farmers Trust Company, and for the uses and purposes in said instrument set forth.

And at the same time said Stewart C. Pratt and H. Bottenus being by me severally and duly sworn, did severally depose and say that they resided, the said Stewart C. Pratt at 1107 5th Avenue, Borough of Manhattan, City of New York, N. Y., and the said H. Bottenus at 311 Warren Avenue, Mamaroneck, N. Y., and that said City Bank Farmers Trust Company is a corporation; that they are and at the time of the execution of the foregoing instrument were the Vice President and Assistant Secretary, respectively, of said City Bank Farmers Trust Company, the corporation described in and which executed the foregoing instrument; that they know the seal of said corporation; that they signed the foregoing instrument as Vice President and Assistant Secretary, respectively, of said corporation and in its behalf, and by order of its Board of Directors; and that the seal affixed to said instrument is the seal of said City Bank Farmers Trust Company and was so affixed by them by order of the Board of Directors of said corporation.

And I further certify that I know the seal affixed to the foregoing instrument to be the corporate seal of said City Bank Farmers Trust Company, and that said instrument is executed and acknowledged according to and in conformity with the laws of the State of New York.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal as Notary Public for the City and County of New York, in the State of New York, on said 9th day of January A. D. 1939.

(NOTARIAL SEAL)

FRANCIS M. PITT
Notary Public acting in and for the City and County of New York, in the State of New York.

FRANCIS M. PITT
Notary Public Kings Co. No. 264, Reg. No. 9030
Cert filed in N.Y. Co. No. 67,Reg. No. 9-P-38
Commission expires March 30, 1939

STATE OF NEW YORK)
) SS
CITY AND COUNTY OF NEW YORK)

I, Francis M. Pitt a Notary Public in and for the City and County of New York, in the State of New York, do hereby certify that on this 10th day of January in the year 1939, before me, the subscriber, personally appeared James H. Perkins personally known to me to be the identical person whose name is subscribed to the foregoing instrument and who is described in the said instrument, and executed the same as one of the parties of the first part; and that said James H. Perkins then and there acknowledged that he signed, sealed and delivered and executed the foregoing instrument as his free and voluntary act and deed, and for the uses and purposes therein set forth.

And I further certify that said foregoing instrument is executed and acknowledged according to and in conformity with the laws of the State of New York.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal as Notary Public for the City and County of New York, in the State of New York, on said 10th day of January A. D. 1939.

(NOTARIAL SEAL)

FRANCIS M. PITT
Notary Public acting in and for the City and County of New York in the State of New York.

Francis M. Pitt
Notary Public Kings Co. No. 264, Reg. No. 9030
Cert. filed in N.Y. Co. No. 67,Reg. No. 9-P-38
Commission expires March 30, 1939

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK,)

No. 77521

I, ARCHIBALD R. WATSON, Clerk of the County of New York, and also Clerk of the Supreme Court in and for said county, DO HEREBY CERTIFY, That said Court is a Court of Record, having by law a seal; that FRANCIS M. PITT whose name is subscribed to the annexed certificate or proof of acknowledgment of the annexed instrument was at the time of taking the same a NOTARY PUBLIC acting in and for said county, duly commissioned and sworn, and qualified to act as such; that he has filed in the Clerk's Office of the County of New York a certified copy of his appointment and qualification as Notary Public for the County of Kings with his autograph signature; that as such Notary Public, he was duly authorized by the laws of the State of New York to protest notes; to take and certify depositions; to administer oaths and affirmations; to take affidavits and certify the acknowledgment and proof of deeds and other written instruments for lands, tenements and hereditaments, to be read in evidence or recorded in this state; and further, that I am well acquainted with the handwriting of such Notary Public and verily believe that his signature to such proof or acknowledgment is genuine.

IN TESTIMONY WHEREOF , I have hereunto set my hand and affixed the seal of said Court at the City of New York, in the County of New York, this 12 day of Jan. 1939.

ARCHIBALD R. WATSON Clerk

STATE OF WISCONSIN) SS
DEPARTMENT OF STATE)

Received this 23rd day of Feb. A. D. 1939 at 11:40 o'clock A. M. and recorded in Vol. 34 of R. R. Mtgs. on page 215-218, incl.

FRED R. ZIMMERMAN
Secretary of State

FILED
For record in the office of the Secretary of State of Illinois
Feb. 1, 1939, at 4 o'clock P.M. and recorded in Book 67 pages
313 to 315 inclusive.
EDWARD J. HUGHES
Sec'y. of State

CONSENT

OF

THE FIRST NATIONAL BANK OF N. Y. TRUSTEE

to RENUMBERING OF TWO DIESEL LOCOMOTIVES

under

GREAT NORTHERN RAILWAY CO. EQUIPMENT TRUST, SERIES E.

Dated February 10, 1939.

* *

KNOW ALL MEN BY THESE PRESENTS that THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK, Trustee (hereinafter referred to as the "Trustee"), for and in consideration of the sum of One Dollar ($1.00) to it paid, the receipt whereof is hereby acknowledged, does hereby CONSENT to the renumbering, as hereinafter set out, by GREAT NORTHERN RAILWAY COMPANY (hereinafter referred to as the "Company"), of those two certain Diesel locomotives leased by the Trustee to the Company, together with certain other railroad equipment, by agreement and lease dated December 10, 1937, supplemental to lease agreement dated March 1, 1937, and trust agreement, also dated March 1, 1937, by which there was constituted "GREAT NORTHERN RAILWAY EQUIPMENT TRUST, SERIES E"; provided, however, that this consent is given on the express condition that it shall not affect in any way the present right, title and interest of the Trustee in and to any of said railroad equipment under or by virtue of the lease agreement, trust agreement and/or supplemental agreement and lease above referred to; the renumbering to which the Trustee hereby consents being the changing of the numbers of said Diesel locomotives from 5101 and 5102, respectively, to 5300 and 5301, respectively.

IN WITNESS WHEREOF the said The First National Bank of the City of New York has caused these presents to be signed by its Vice President and its corporate seal to be hereunto affixed and attested by its Assistant Cashier, this 10 day of February, 1939.

(CORPORATE SEAL) THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK,

By HENRY S. STURGIS
Vice President.

Attest: S. L. Searles
Assistant Cashier.

In presence of:

E. P. Borden

P. Dummer

UNITED STATES OF AMERICA)
State of New York) SS:
County of New York)

BE IT REMEMBERED, and I do hereby certify, that on this 10th day of February, in the year 1939, A. D., in the County of New York, State of New York, before me, the undersigned Notary Public in and for the County of New York, in the State of New York, personally came and appeared HENRY S. STURGIS, a Vice President, and S. L. SEARLES, an Assistant Cashier, of THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK, both being to me personally known and known to me to be officers of and a Vice President and Assistant Cashier, respectively, of The First National Bank of the City of New York, the abovementioned corporation, that is described in and that executed this, the within and foregoing instrument, that was produced to me by the parties therein, having authority to execute such instrument, who, being by me duly sworn, did depose and say that the said Henry S. Sturgis, Vice President, resides in the City of Cedarhurst, County of Nassau

and State of New York; and that the said S. L. Searles, Assistant Cashier, resides in the City of Leonia, County of Bergen, and State of New Jersey; that they are a Vice President and an Assistant Cashier, respectively, of The First National Bank of the City of New York, and that they are the persons who executed the within and foregoing instrument as such officers, and on oath stated that they were authorized so to execute such instrument; that said instrument was executed, signed, sealed and delivered on and in behalf of the said corporation by its authority and by the authority of its Board of Directors, and said Henry S. Sturgis, Vice President, and said S. L. Searles, Assistant Cashier, acknowledged said instrument to be the free act and deed of said corporation, and of said Henry S. Sturgis, Vice President, and of said S. L. Searles, Assistant Cashier, of said corporation, for the uses and purposes therein mentioned and set forth, and acknowledged to me that such corporation executed the same; and said Henry S. Sturgis, Vice President, and said S. L. Searles, Assistant Cashier, did each depose and say that he knows the corporate seal of the said corporation; that the seal affixed to and the affixed seal of the foregoing instrument is the corporate seal of said corporation and was so affixed by order of its Board of Directors, and said Henry S. Sturgis, Vice President, said that by like order he signed the same as Vice President, and said S. L. Searles, Assistant Cashier, said that by like order he attested the same as Assistant Cashier.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

(NOTARIAL SEAL)

A. H. OSWALD

Notary Public, Nassau County
Nassau County Clerk's No. 980
N.Y. County Clerk's No.2,Reg.No.Q-0-4
Commission Expires March 30, 1940

STATE OF WISCONSIN) SS
DEPARTMENT OF STATE)

Received this 25th day of
Feb. A. D. 1939 at 11:35
o'clock A. M. and recorded
in Vol. 34 of R. R. Mtgs.
on page 219-220, incl.

FRED R. ZIMMERMAN
Secretary of State

ASSIGNMENT

TO

GENERAL MOTORS ACCEPTANCE CORPORATION

OF

LEASE DATED DEC. 24, 1937

BETWEEN

ELECTRO-MOTIVE CORPORATION

AND

CHICAGO, BURLINGTON & QUINCY R. R. CO.

COVERING 8 DIESEL SWITCHING LOCOMOTIVES

Dated Feb. 4, 1938

* * * * * * ** *

ELECTRO-MOTIVE CORPORATION
General Offices and Plant
La Grange, Ill.

ECM
Diesel Motive
Power

A S S I G N M E N T

For value received, undersigned does hereby sell, assign and transfer to the General Motors Acceptance Corporation his, its or their right, title and interest in and to a certain lease dated December 24, 1937 with the Chicago, Burlington & Quincy Railroad Company, and the following property covered thereby, namely: Six (6) 100-Ton 600-Horsepower Diesel Switching Locomotives, bearing Lessor's Numbers 675, 682, 683, 684, 697 and 700; and Two (2) 125-Ton 900-Horsepower Diesel Switching Locomotives, bearing Lessor's Numbers 775 and 776, and authorize the General Motors Acceptance Corporation to do every act and thing necessary to collect and discharge same.

ELECTRO-MOTIVE CORPORATION

By F. C. SALVADOR
Resident Comptroller

February 4, 1938

WHEREAS, by agreement (hereinafter referred to as the Lease) entered into December 24, 1937 by and between Electro-Motive Corporation, as Lessor, and Chicago, Burlington & Quincy Railroad Company (hereinafter referred to as the Railroad), as Lessee, the Lessor leased and the Lessee hired, subject to the terms and conditions therein set forth, the following described property:

Six (6) new 100-ton, 600 Horsepower Diesel Switching Locomotives, delivery of which is hereby acknowledged, bearing (respectively), Lessor's Numbers 675-682-683-684-697 and 700, and Lessee's Numbers 9130-9133-9134-9132-9135 and 9131, as described and warranted by Electro-Motive Corporation Specification No. 571-B dated October 15, 1936, and two (2) new 125-ton 900 Horsepower Diesel Switching Locomotives, bearing (respectively), Lessor's Numbers 775 and 776, and Lessee's Numbers 9200 and 9201, as described and warranted by Electro-Motive Corporation Specification No. 572-A, dated October 15, 1936, and

WHEREAS, by instrument dated February 4th, 1938, said Electro-Motive Corporation duly assigned and transferred to General Motors Acceptance Corporation all of its right, title and interest in and to the property described in said Lease and all of its right, title and interest as Lessor thereunder, and General Motors Acceptance Corporation is now the owner of said property and Lessor under said Lease, and

WHEREAS, said original Lease and said Assignment have been duly recorded as required

by law in the office of the Secretary of State of the following states, and likewise in the proper recording offices of the counties in Colorado, Montana and Minnesota upon the dates and in the places shown as follows:

LOCATION	DATE FILED	REFERENCE
Illinois	8-20-38	R. R. Book 232 File 1620
Iowa	8-19-38	Receipt 1240
Kansas	8-22-38	Book of Leases #11 Page 113 etc. Box 3
Kentucky	8-30-38	R. R. Equip. Trust Book #17 Page 377 etc.
Minnesota	8-29-38	R. R. Book #22 Page 10 etc.
Missouri	8-19-38	Vol XXI - Page 264 etc.
Montana	8-25-38	Vol. 10 Page 73 Receipt 120396
Nebraska	8-19-38	Book M - Exhibit 12
Wisconsin	9-2-38	Receipt #16621
Wyoming	8-22-38	Misc. Book #2 Page 207 Receipt 44122
Colorado-Sec'y of State, Denver	8-25-38	Receipt #2469
State of Colorado		
Yuma County	8-26-38	Receipt 251687
Washington County	8-26-38	" 526490
Morgan County	9-6-38	" None
Adams County	8-26-38	" A-6828
Jefferson County	8-25-38	" 284867
Boulder County	8-23-38	" 352125
Weld County	8-20-38	" 797147
Denver County	8-25-38	" 35939
Logan County	8-26-38	" 276851
Phillips County	8-26-38	" 114351
Sedgwick County	8-26-38	" 92142
Big Horn County, Montana	8-29-38	County Clerk Book 7 Paper 530 Instrument 82221
Carbon County, Montana	8-29-38	Receipt 12346 Cond. Sales
Yellowstone County Montana	9-9-38	Book 191 - Page 406 Misc.
Ramsay County, Minnesota	8-29-38	Book 5, Leases - Page 335

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that in consideration of the sum of Five Hundred Sixteen Thousand Eighty ($516,080) Dollars, being the aggregate amount of the unpaid rental of the property described in said lease, including interest on the total unpaid rental at the rate of 4% per annum from January 1, 1939, to the date of delivery hereof, paid by The First National Bank of Chicago, Illinois (hereinafter referred to as the Bank), to the General Motors Acceptance Corporation at or before the ensealing and delivery hereof, the receipt of which by the General Motors Acceptance Corporation from the Bank is hereby acknowledged -

1. General Motors Acceptance Corporation hereby sells, assigns, transfers and sets over unto the Bank all of its right, title and interest as owner of the locomotive described in said Lease in and to said property and hereby sells, assigns, transfers and sets over to the Bank all its right, title and interest in and to said Lease, including without limiting the foregoing all rights to receive rentals coming due thereunder after January 1, 1939, without any recourse however for or on account of the failure of the Railroad to make any payments provided for or otherwise to comply with any of the provisions of said Lease.

2. General Motors Acceptance Corporation covenants and agrees with the Bank that it is the lawful owner by assignment from Electro-Motive Corporation as aforesaid of the property sold, assigned, transferred/or set over or intended to be sold, assigned transferred and set over to the Bank by this agreement; that it has good and lawful right to sell and transfer the same; that its rights and title thereto are free from all liens and encumbrances and that it will warrant and defend the same against the lawful demands of all persons whomsoever claiming by, through or under said General Motors Acceptance Corporation or said Electro-Motive Corporation, or either of them.

3. General Motors Acceptance Corporation hereby acknowledges that all payments due under said Lease to and including January 1, 1939, have been made; and that all covenants and agreements in said Lease contained on the part of the Railroad to be observed and performed have, so far as said General Motors Acceptance Corporation/is advised or has knowledge, up to the date hereof, been duly observed and performed by said Railroad.

This assignment shall not pass to the Bank the agreement of the original lessor set forth in paragraph 6 of the Lease to indemnify and save the Lessee harmless from any and all royalties, damages, claims, suits, judgments and costs that may arise from the use of any patented article that may be used as a part of the leased locomotives, it being understood and agreed that notwithstanding this assignment all of the obligations of the original Lessor to the Railroad in respect of such patented articles shall be and remain enforceable by the Railroad, its successors and assigns, against and only against the original Lessor and any successor or successors to all or substantially all of its property or business. Electro-Motive Corporation, the original Lessor under said Lease, joins in the execution of this assignment for the purpose of evidencing its assent to the continuance of its liability, if any, with respect to any such patented articles. Electro-Motive Corporation hereby agrees to save and keep the Bank harmless from and against all royalties, damages, claims, suits, judgments and costs that may arise from the use of any patented article, device or materials used as a part of said leased locomotives.

IN WITNESS WHEREOF, General Motors Acceptance Corporation and Electro-Motive Corporation, pursuant to due corporate authority, have caused this agreement to be executed in their respective corporate names by their respective corporate officers duly authorized and their respective corporate seals to be affixed and duly attested as of the 6th day of January, 1939.

GENERAL MOTORS ACCEPTANCE CORPORATION

(SEAL)

By JOHN J. BLERIMAND

ATTEST:

GEORGE H. BORRTTSMAN (?)
Secretary

(SEAL)

ELECTRO-MOTIVE CORPORATION,

By F. H. PRESCOTT
Vice President

ATTEST:

A. D. PEDLAR
Asst. Secty.

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, C. M. Rivette, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that F. H. Prescott personally known to me to be the Vice-President of the Electro-Motive Corporation, and A. D. Pedlar, personally known to me to be the Asst. Secretary of said corporation, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such Vice President and Asst. Secretary, they signed and delivered the said instrument as Vice President and Asst. Secretary of said corporation, and caused the corporate seal of said corporation to be affixed thereto pursuant to authority, given by the Board of Directors of said corporation as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial seal this 29th day of December, A.D. 1938.

(SEAL)

C. M. RIVETTE
Notary Public.

My Commission Expires May 16, 1942

STATE OF NEW YORK)
) SS.
COUNTY OF N. Y.)

I, H. P. Reynolds, a Notary Public in and for said County, in the State aforesaid,

DO HEREBY CERTIFY that John J. Schumann Jr., personally known to me to be the President of the GENERAL MOTORS ACCEPTANCE CORPORATION, and George N. Bartholomew personally known to me to be the Secretary of said corporation, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such President and Secretary they signed and delivered the said instrument as President and Secretary of said corporation, and caused the corporate seal of said corporation to be affixed thereto pursuant to authority given by the Board of Directors of said corporation as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial seal this 6th day of Jan. , A. D. 1939.

(SEAL)

H. P. REYNOLDS
Notary Public

Notary Public
Kings Co. Clk's No. 457
Kings Co. Reg. No. 9142
N.Y. Co. Clk's No. 265
N.Y. Co. Reg. No. 9R192

Comm. expires March 30, 1939

ASSIGNMENT & AMENDMENT
TO
LEASE DATED DEC. 24, 1937
between
ELECTRO-MOTIVE CORPORATION
and
CHICAGO, BURLINGTON & QUINCY R. R. CO.
to
THE FIRST NATIONAL BANK OF CHICAGO
from
GENERAL MOTORS ACCEPTANCE CORP.
Dated January 6, 1939,
Covering 8 Diesel Switching Locomotives.

* *

THIS AGREEMENT dated January 6, 1939, by and between THE FIRST NATIONAL BANK OF CHICAGO, a national banking association duly organized and existing under the laws of the United States (hereinafter referred to as the Lessor), party of the first part, and the CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY, a corporation of the State of Illinois (hereinafter referred to as the Lessee), party of the second part,

W I T N E S S E T H:

THAT, WHEREAS, by agreement dated December 24, 1937 (hereinafter referred to as the Lease) between Electro-Motive Corporation of LaGrange, Illinois, and the Chicago, Burlington & Quincy Railroad Company, Electro-Motive Corporation leased and the Chicago, Burlington & Quincy Railroad Company hired, subject to the terms and the conditions therein set forth, the following described property:

Six (6) new 100-ton, 600 Horsepower Diesel Switching Locomotives, delivery of which is hereby acknowledged, bearing (respectively), Lessor's Numbers 675, 682, 683, 684, 697 and 700, and Lessee's Numbers 9130, 9133, 9134, 9132, 9135 and 9131, as described and warranted by Electro-Motive Corporation Specification No. 571-B dated October 15, 1936, and two (2) new 125-ton 900 Horsepower Diesel Switching Locomotives, bearing (respectively), Lessor's Numbers 775 and 776, and Lessee's Numbers 9200 and 9201, as described and warranted by Electro-Motive Corporation Specification No. 572-A, dated October 15, 1936, and

WHEREAS, by endorsement thereon dated February 4, 1938, Electro-Motive Corporation assigned all of its right, title and interest as owner of said property and as Lessor under the lease to General Motors Acceptance Corporation, and

WHEREAS, by instrument dated January 6, 1939, General Motors Acceptance Corporation assigned all of its right, title and interest as owner of said property and as Lessor under the Lease to The First National Bank of Chicago and said Bank is now the owner of the property described in the Lease and the Lessor thereunder; and

WHEREAS, the parties hereto desire to amend the provisions of said Lease as herein set forth;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

1. For the use and rental of the locomotives described in the Lease there remains unpaid as of January 11, 1939, the total sum of $516,080.00, with interest at the rate of 4% per annum on unpaid rentals, payable monthly from January 1, 1939.

2. The Lessee agrees that simultaneously with the execution and delivery of this instrument, it will pay to the Lessor as rental for the locomotives the sum of Fifteen Thousand Four Hundred Forty Dollars ($15,440.00) being an amount equal to the payments due February 1, March 1, April 1 and May 1, 1946, under the terms of the lease on the basis of 100 monthly payments, together with interest on the total unpaid rental at the rate of 4% per annum from January 1, 1939, and to make future payments of rental on the first

day of each month, commencing February 1, 1939, and to and including January 1, 1946, in accordance with the provisions of the Lease.

3. The Lessor agrees in consideration of said payment of advance rental that from and after January 11, 1939, interest on unpaid rentals shall be at the rate of two and three-fourths percent (2-3/4 %) per annum, payable monthly, so long as such rental payments are made promptly when and as the same become due and shall be at the rate of five per cent (5%) per annum on all overdue payments from the due date thereof until paid. All payments provided for under the lease shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts and shall be free of expense to the Lessor for collection or other charges and of the amount of any state or federal tax (other than state or federal income taxes) hereafter levied or imposed upon any payment under the terms of the Lease, all of which expense and taxes the Lessee assumes and agrees to pay in addition to the stipulated rental.

4. The Lessee represents that at the date hereof the locomotives described in the Lease are in good order and repair and agrees to keep and maintain the locomotives in good order and proper repair at its own expense, and to make any and all necessary replacements of said locomotives or of any parts thereof. Title to all new equipment required for the operation of said locomotives shall be taken in the name of the Lessor and such equipment shall immediately be subject to all the terms and conditions of the Lease in all respects as though part of the original equipment.

5. The Lessee further agrees at its own expense to keep said locomotives adequately insured in an insurance company satisfactory to the Lessor against loss or damage thereof caused by fire, collision, wrecks, or other casualty up to 80% of the value of the property from time to time, so that said insurance may be written with the so-called 80% co-insurance clause and also a $20,000.00 deductible applying to all losses, except those caused by fire. Said insurance to be made payable to the Lessor or its assignee as their interest may appear. The proceeds of any such insurance shall be paid over to the Lessee when loss or damage to the locomotives shall have been restored at the expense of the Lessee, but nothing herein contained shall release the Lessee from its obligation in case of any damage, loss or destruction of the leased property.

6. The Lessee shall not have any right to any set-off or counter-claim whatsoever against the Lessor arising out of breach of the agreement on the part of the original Lessor under paragraph 6 of the Lease, all obligations under said paragraph being enforceable only against the original Lessor or the successors to all or substantially all of its business. The Lessee hereby releases the Bank from any obligation or liability under said paragraph 6 of the Lease and agrees that due payments under the Lease shall continue to be made promptly notwithstanding any claim against the original Lessor under said paragraph 6.

7. The Lessee agrees to cause to be placed and fastened upon each side of each locomotive a new metal plate upon which shall be plainly and conspicuously marked the words,

"The First National Bank of Chicago, Owner and Lessor."

8. All terms and provisions of said original Lease not changed or modified by this instrument shall remain in full force and effect.

IN WITNESS WHEREOF, The First National Bank of Chicago and the Chicago, Burlington & Quincy Railroad Company have caused this agreement to be executed in their respective corporate names by their respective corporate officers duly authorized and their respective

corporate seals to be affixed and duly attested as of this 6th day of January, 1939.

(CORPORATE SEAL) THE FIRST NATIONAL BANK OF CHICAGO

By J. L. BUCHANAN
Vice President

ATTEST:

J. A. OVERLOCK
Asst. Cashier

Approved as to form:

Thos. J. Lawlers
Assistant General Counsel

(CORPORATE SEAL) CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

By L. R. CAPRON
Vice President

ATTEST:

A. D. McLANE
Assistant Secretary.

STATE OF ILLINOIS)
) SS.:
COUNTY OF COOK)

I, Edward Decker, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 11th day of January, A.D. 1939, personally appeared before me within said County J. L. Buchanan and J. A. Overlock, each to me personally known and known to me to be respectively a Vice President and Assistant Cashier of The First National Bank of Chicago, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Assistant Cashier, respectively, in my presence, and the said J. L. Buchanan and J. A. Overlock, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge that the said J. . Buchanan resides in Chicago, in the County of Cook, and State of Illinois, and that the said J. A. Overlock resides in La Grange in the County of Cook and State of Illinois; that the said J. L. Buchanan is a Vice President and said J. A. Overlock is an Assistant Cashier of The First National Bank of Chicago, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said Vice President and Assistant Cashier, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Assistant Cashier in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public in the said county of Cook, State of Illinois, this the day and year in this my certificate first above written.

(NOTARIAL SEAL) Edward Decker
Notary Public, Cook County

My Commission expires My Commission Expires December 10, 1940

STATE OF ILLINOIS)
) SS.:
COUNTY OF COOK)

I, P. E. HESS, JR., a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 9th day of January, A. D. 1939, personally appeared before me within said County, L. R. Capron and A. D. McLane, each to me personally known and known to me to be respectively the Vice President and the Assistant Secretary of the Chicago, Burlington & Quincy Railroad Company, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Assistant Secretary, respectively, in my presence, and the said L. R. Capron and A. D. McLane, being by me severally duly sworn, did on oath, each for himself and not one for the other severally depose and say and acknowledge that the said L. R. Capron resides in Evanston and State of Illinois, and that the said A. D. McLane resides in La Grange Park and State of Illinois; that said L. R. Capron is the Vice President and said A. D. McLane is the Assistant Secretary of the Chicago, Burlington & Quincy Railroad Company, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said Vice President and Assistant Secretary know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Assistant Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said county of Cook, State of Illinois, this the day and year in this my certificate first above written.

(NOTARIAL SEAL) P. E. HESS JR.
Notary Public, Cook County

My Commission expires May 2, 1939.

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS

Received this 22nd day
of Mar. A. D. 1939 at 11:20
o'clock A. M. and recorded
in Vol. 34 of R. R. Mtgs.
on page 221-228, incl.

FRED R. ZIMMERMAN
Secretary of State

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18-L

CONDITIONAL SALE AGREEMENT
BETWEEN
PULLMAN STANDARD CAR MANUFACTURING
COMPANY
AND
GREAT NORTHERN RAILWAY COMPANY

FOR PURCHASE OF ONE THOUSAND BOX CARS

DATED JUNE 3, 1939.

AGREEMENT OF
CONDITIONAL SALE.

THIS AGREEMENT, Made this 3 day of June, 1939, by and between PULLMAN-STANDARD CAR MANUFACTURING COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Delaware, hereinafter called "Car Company", party of the first part, and GREAT NORTHERN RAILWAY COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Minnesota, hereinafter called "Vendee", party of the second part,

WITNESSETH:

That, in consideration of the mutual promises of the parties hereto, hereinafter set forth, the parties hereto agree as follows:

1. Car Company will build One Thousand (1,000) Double Sheathed Box Cars of fifty (50) tons capacity, as described below, and will sell and deliver said cars on completion thereof to Vendee f. o. b. rails of Chicago, Burlington & Quincy Railroad Company at Chicago, Illinois, and Vendee will accept delivery of and purchase said cars on completion thereof, subject to each and all the terms and conditions of this contract. Said box cars (hereinafter collectively referred to as the "cars") will be built in accordance with Vendee's Specification No. 440, bearing date of February 10th, 1937, and in accordance with general arrangement drawing No. 28809, bearing date of April 12, 1939, modified and supplemented by sheet No. 1-A, attached to said Specification No. 440, showing certain changes and additions; all of which specifications and drawing are made a part hereof by reference, as fully as if incorporated herein.

2. Vendee will pay Car Company as purchase price for said cars on basis of $2,912.00 per car f. o. b. Chicago, Illinois, making an aggregate purchase price of $2,912,000.00 for all said cars, based on the specifications above referred to. Said purchase price shall be payable to Car Company at the office of its treasurer at Chicago, Illinois or at such bank or trust company either in the cities of Chicago or New York or elsewhere as Car Company may in writing direct, free of expense to Car Company for collection or other charges as follows:

Payments for the cars will be made by Vendee in monthly installments of $30,416.67 each (equal to $1.00 per car per day) on the first day of each month commencing September 1, 1939 and continuing until the full purchase price be paid, including interest thereon at rate of 3% per annum on the diminishing unpaid balances of the purchase price, remaining to be paid during each such month.

A schedule of such payments to be so made by Vendee, showing the amounts and dates

of the installment payments, the amount of interest due as of each such payment date, and the balance of the unpaid purchase price of the cars remaining unpaid, after credit of payment made as of said date, is as follows:

SCHEDULE OF PAYMENTS.

		Monthly Installment	Interest Inc. @ 3%	Balance applied on principal	Balance due on Purchase Price of 1000 cars as of this date after payment then due has been made
					$2,912,000.00
1	Sep. 1, 1939....	$30,416.67	$7,280.00	$23,136.67	2,888,863.33
2	Oct. 1, 1939....	30,416.67	7,222.16	23,194.51	2,865,668.82
3	Nov. 1, 1939....	30,416.67	7,164.17	23,252.50	2,842,416.32
4	Dec. 1, 1939....	30,416.67	7,106.04	23,310.63	2,819,105.69
5	Jan. 1, 1940....	30,416.67	7,047.76	23,368.91	2,795,736.78
6	Feb. 1, 1940....	30,416.67	6,989.34	23,427.33	2,772,309.45
7	Mar. 1, 1940....	30,416.67	6,930.77	23,485.90	2,748,823.55
8	Apr. 1, 1940....	30,416.67	6,872.06	23,544.61	2,725,278.94
9	May 1, 1940....	30,416.67	6,813.20	23,603.47	2,701,675.47
10	Jun. 1, 1940....	30,416.67	6,754.19	23,662.48	2,678,012.99
11	Jul. 1, 1940....	30,416.67	6,695.03	23,721.64	2,654,291.35
12	Aug. 1, 1940....	30,416.67	6,635.73	23,780.94	2,630,510.41
13	Sep. 1, 1940....	30,416.67	6,576.28	23,840.39	2,606,670.02
14	Oct. 1, 1940....	30,416.67	6,516.68	23,899.99	2,582,770.03
15	Nov. 1, 1940....	30,416.67	6,456.93	23,959.74	2,558,810.29
16	Dec. 1, 1940....	30,416.67	6,397.03	24,019.64	2,534,790.65
17	Jan. 1, 1941....	30,416.67	6,336.98	24,079.69	2,510,710.96
18	Feb. 1, 1941....	30,416.67	6,276.78	24,139.89	2,486,571.07
19	Mar. 1, 1941....	30,416.67	6,216.43	24,200.24	2,462,370.83
20	Apr. 1, 1941....	30,416.67	6,155.93	24,260.74	2,438,110.09
21	May 1, 1941....	30,416.67	6,095.28	24,321.39	2,413,788.70
22	Jun. 1, 1941....	30,416.67	6,034.47	24,382.20	2,389,406.50
23	Jul. 1, 1941....	30,416.67	5,973.52	24,443.15	2,364,963.35
24	Aug. 1, 1941....	30,416.67	5,912.41	24,504.26	2,340,459.09
25	Sep. 1, 1941....	30,416.67	5,851.15	24,565.52	2,315,893.57
26	Oct. 1, 1941....	30,416.67	5,789.73	24,626.94	2,291,266.63
27	Nov. 1, 1941....	30,416.67	5,728.17	24,688.50	2,266,578.13
28	Dec. 1, 1941....	30,416.67	5,666.45	24,750.22	2,241,827.91
29	Jan. 1, 1942....	30,416.67	5,604.57	24,812.10	2,217,015.81
30	Feb. 1, 1942....	30,416.67	5,542.54	24,874.13	2,192,141.68
31	Mar. 1, 1942....	30,416.67	5,480.35	24,936.32	2,167,205.36
32	Apr. 1, 1942....	30,416.67	5,418.01	24,998.66	2,142,206.70
33	May 1, 1942....	30,416.67	5,355.52	25,061.15	2,117,145.55
34	Jun. 1, 1942....	30,416.67	5,292.86	25,123.81	2,092,021.74
35	Jul. 1, 1942....	30,416.67	5,230.05	25,186.62	2,066,835.12
36	Aug. 1, 1942....	30,416.67	5,167.09	25,249.58	2,041,585.54
37	Sep. 1, 1942....	30,416.67	5,103.96	25,312.71	2,016,272.83
38	Oct. 1, 1942....	30,416.67	5,040.68	25,375.99	1,990,896.84
39	Nov. 1, 1942....	30,416.67	4,977.24	25,439.43	1,965,457.41
40	Dec. 1, 1942....	30,416.67	4,913.64	25,503.03	1,939,954.38
41	Jan. 1, 1943....	30,416.67	4,849.89	25,566.78	1,914,387.60
42	Feb. 1, 1943....	30,416.67	4,785.97	25,630.70	1,888,756.90
43	Mar. 1, 1943....	30,416.67	4,721.89	25,694.78	1,863,062.12
44	Apr. 1, 1943....	30,416.67	4,657.66	25,759.01	1,837,303.11
45	May 1, 1943....	30,416.67	4,593.26	25,823.41	1,811,479.70
46	Jun. 1, 1943....	30,416.67	4,528.70	25,887.97	1,785,591.73
47	Jul. 1, 1943....	30,416.67	4,463.98	25,952.69	1,759,639.04
48	Aug. 1, 1943....	30,416.67	4,399.10	26,017.57	1,733,621.47
49	Sep. 1, 1943....	30,416.67	4,334.05	26,082.62	1,707,538.85
50	Oct. 1, 1943....	30,416.67	4,268.85	26,147.82	1,681,391.03
51	Nov. 1, 1943....	30,416.67	4,203.48	26,213.19	1,655,177.84
52	Dec. 1, 1943....	30,416.67	4,137.94	26,278.73	1,628,899.11
53	Jan. 1, 1944....	30,416.67	4,072.25	26,344.42	1,602,554.69
54	Feb. 1, 1944....	30,416.67	4,006.39	26,410.28	1,576,144.41
55	Mar. 1, 1944....	30,416.67	3,940.36	26,476.31	1,549,668.10
56	Apr. 1, 1944....	30,416.67	3,874.17	26,542.50	1,523,125.60
57	May 1, 1944....	30,416.67	3,807.81	26,608.86	1,496,516.74
58	Jun. 1, 1944....	30,416.67	3,741.29	26,675.38	1,469,841.36
59	Jul. 1, 1944....	30,416.67	3,674.60	26,742.07	1,443,099.29
60	Aug. 1, 1944....	30,416.67	3,607.75	26,808.92	1,416,290.37
61	Sep. 1, 1944....	30,416.67	3,540.73	26,875.94	1,389,414.43
62	Oct. 1, 1944....	30,416.67	3,473.54	26,943.13	1,362,471.30
63	Nov. 1, 1944....	30,416.67	3,406.18	27,010.49	1,335,460.81
64	Dec. 1, 1944....	30,416.67	3,338.65	27,078.02	1,308,382.79
65	Jan. 1, 1945....	30,416.67	3,270.96	27,145.71	1,281,237.08
66	Feb. 1, 1945....	30,416.67	3,203.09	27,213.58	1,254,023.50
67	Mar. 1, 1945....	30,416.67	3,135.06	27,281.61	1,226,741.89
68	Apr. 1, 1945....	30,416.67	3,066.85	27,349.82	1,199,392.07
69	May 1, 1945....	30,416.67	2,998.48	27,418.19	1,171,973.88
70	Jun. 1, 1945....	30,416.67	2,929.93	27,486.74	1,144,487.14
71	Jul. 1, 1945....	30,416.67	2,861.22	27,555.45	1,116,931.69
72	Aug. 1, 1945....	30,416.67	2,792.33	27,624.34	1,089,307.35
73	Sep. 1, 1945....	30,416.67	2,723.27	27,693.40	1,061,613.95

SCHEDULE OF PAYMENTS

		Monthly Installment	Interest Inc. @ 3%	Balance applied on principal	Balance due on purchase Price of 1000 cars as of this date after payment then due has been made
74	Oct. 1, 1945....	30,416.67	2,654.03	27,762.64	1,033,851.31
75	Nov. 1, 1945....	30.416.67	2,584.63	27,832.04	1,006,019.27
76	Dec. 1, 1945....	30,416.67	2,515.05	27,901.62	978,117.65
77	Jan. 1, 1946....	30,416.67	2,445.29	27,971.38	950,146.27
78	Feb. 1, 1946....	30,416.67	2,375.37	28,041.30	922,104.97
79	Mar. 1, 1946....	30,416.67	2,305.26	28,111.41	893,993.56
80	Apr. 1, 1946....	30,416.67	2,234.98	28,181.69	865,811.87
81	May 1, 1946....	30,416.67	2,164.53	28,252.14	837,559.73
82	Jun. 1, 1946....	30,416.67	2,093.90	28,322.77	809,236.96
83	Jul. 1, 1946....	30,416.67	2,023.09	28,393.58	780,843.38
84	Aug. 1, 1946....	30,416.67	1,952.11	28,464.56	752,378.82
85	Sep. 1, 1946....	30,416.67	1,880.95	28,535.72	723,843.10
86	Oct. 1, 1946....	30,416.67	1,809.61	28,607.06	695,236.04
87	Nov. 1, 1946....	30,416.67	1,738.09	28,678.58	666,557.46
88	Dec. 1, 1946....	30,416.67	1,666.39	28,750.28	637,807.18
89	Jan. 1, 1947....	30,416.67	1,594.52	28,822.15	608,985.03
90	Feb. 1, 1947....	30,416.67	1,522.46	28,894.21	580,090.82
91	Mar. 1, 1947....	30,416.67	1,450.23	28,966.44	551,124.38
92	Apr. 1, 1947....	30,416.67	1,377.81	29,038.86	522,085.52
93	May 1, 1947....	30,416.67	1,305.21	29,111.46	492,974.06
94	Jun. 1, 1947....	30,416.67	1,232.44	29,184.23	463,789.83
95	Jul. 1, 1947....	30,416.67	1,159.47	29,257.20	434,532.63
96	Aug. 1, 1947....	30.416.67	1,086.33	29,330.34	405,202.29
97	Sep. 1, 1947....	30,416.67	1,013.01	29,403.66	375,798.63
98	Oct. 1, 1947....	30,416.67	939.50	29,477.17	346,321.46
99	Nov. 1, 1947....	30,416.67	865.80	29,550.87	316,770.59
100	Dec. 1, 1947....	30.416.67	791.93	29,624.74	287,145.85
101	Jan. 1, 1948....	30,416.67	717.86	29,698.81	257,447.04
102	Feb. 1, 1948....	30,416.67	643.62	29,773.05	227,673.99
103	Mar. 1, 1948....	30,416.67	569.18	29,847.49	197,826.50
104	Apr. 1, 1948....	30,416.67	494.57	29,922.10	167,904.40
105	May 1, 1948....	30,416.67	419.76	29,996.91	137,907.49
106	Jun. 1, 1948....	30,416.67	344.77	30,071.90	107,835.59
107	Jul. 1, 1948....	30,416.67	269.59	30,147.08	77,688.51
108	Aug. 1, 1948....	30,416.67	194.22	30,222.45	47,466.06
109	Sep. 1, 1948....	30,416.67	118.67	30,298.00	17,168.06
110	Oct. 1, 1948....	17,210.98	42.92	17,168.06	-0-
		$3,332,628.01	$420,628.01	$2,912,000 .00	

The above schedule of payments is based on acceptance of August 1, 1939, as average date of delivery of the cars. In case the actual average date of delivery shall be either prior to or subsequent to said date, an adjustment will be made in the first monthly installment payment, by adding thereto if delivery be earlier or subtracting therefrom if delivery be later, an amount equal to $239.34 per day, (representing interest for one day on the total purchase price at rate of 3% per annum) for each day that such actual average date of delivery may be before or after August 1, 1939.

3. Until and unless Pullman-Standard Car Manufacturing Company shall have assigned its rights under this contract as provided in Section 14 hereof, Vendee shall have the right, at the time of any monthly installment payment date, provided it shall have given not less than fifteen (15) days prior notice of its intention so to do, and it be not in default hereunder, to make payment of the entire balance of purchase price then payable hereunder as shown on said schedule of payments, with interest accrued to such date of payment. Such payment will be accepted by Pullman-Standard Car Manufacturing Company in full discharge of all Vendee's obligations hereunder.

4. Car Company will give Vendee full opportunity to inspect said cars during the construction thereof at its Michigan City Plant. On completion of each lot of said cars Vendee will arrange for final inspection thereof and will have its inspector execute in duplicate the usual form of Certificate of Inspection covering all cars found to be completed in accordance with the plans and specifications. Each such Certificate with respect to the cars covered thereby, shall be final and conclusive evidence that such cars conform in workmanship, material, construction, and in all other respects to the require-

ments and provisions of this contract. Vendee will arrange also for acceptance of said cars by a duly authorized agent upon arrival thereof at the place of delivery at Chicago, Illinois.

5. Car Company will deliver said cars at Chicago, Illinois, ready for service and free of all liens and incumbrances and free of any claims of any nature by or in favor of any person or party, and subject only to the reservation of title thereto by Car Company in accordance with the provisions hereof. Shipment of cars will be commenced on or before July 1, 1939, and will continue at the rate of approximately twenty-five (25) cars per working day; subject, however, to the ability of Car Company to obtain the necessary materials and to delays caused by strikes, fires, accidents or other unavoidable causes or contingencies beyond Car Company's control.

6. Car Company shall indemnify and save harmless Vendee against all claims, suits, actions or other proceedings, and against all expenses incurred and judgments entered in or as a result of such actions, arising in any way out of alleged infringement of patents covering said cars, or any part or appliance thereof, by reason of the construction of said cars by Car Company and their use by Vendee or others, excepting those devices and specialties designated by Vendee to be used by Car Company in the building of such cars and not manufactured by Car Company; and Vendee, in like manner, shall indemnify and save harmless Car Company against all claims, suits, actions or other proceedings, and against all expenses incurred and judgments entered in or as a result of such actions, arising in any way out of alleged infringement of patents covering said cars by reason of the use of or incorporation therein of any said devices or specialties, so designated by Vendee to be used by Car Company in the construction thereof, and not manufactured by Car Company.

Due notice in writing shall be given by each party to the other of any claim of infringement made to such party, and the party responsible for such infringement as above provided, shall promptly undertake the defense thereof by its Counsel.

7. The lumber and plywood used by Car Company in construcing said cars shall be Pacific Coast fir and plywood meeting Vendee's specifications; and said lumber and plywood shall be purchased from mills tributary to Vendee's railroad, and shall be shipped via said railroad to St. Paul, Minnesota, and thence via the Chicago, Burlington & Quincy Railroad Company to Chicago, Illinois.

8. All payments by Vendee hereunder shall be free of expenses to Car Company for collection or other charges, and no deductions shall be made therefrom of the amount of any Federal, State or other taxes, assessments or governmental charges hereafter levied or imposed upon said cars, or upon the selling, shipment, delivery or use thereof, all of which expenses and taxes Vendee assumes and agrees to pay in addition to the above mentioned purchase price of the cars. All payments provided for in this contract shall be made by Vendee to Car Company in such currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Vendee shall also pay promptly all taxes, assessments and governmental charges which from time to time may be imposed upon the cars, or the earnings arising therefrom, or the operation thereof, or upon Car Company by reason of its ownership thereof, by any jurisdiction in which the cars may be located, and Vendee agrees at all times to keep the cars free and clear of all tax liens and incumbrances; provided, however, that Vendee shall not be required to pay any tax, assessment or other Governmental charge, the validity of which Vendee shall contest in good faith and by appropriate legal proceedings

until such contest shall have been decided, unless in the judgment of Car Company its rights and interests in the cars may be materially endangered by such delay.

Vendee shall comply in all respects with all laws of the United States and of the States, in or through which the said cars may be operated, covering the use, operation or maintenance of said cars, and with the lawful rules of the Interstate Commerce Commission, and of every other legislative, administrative or judicial body exercising any power or jurisdiction over said cars with respect thereto; and in the event that the said laws or rules require any alterations of any of said cars, or any additional equipment or appliances thereon, Vendee shall conform therewith at its own expense and shall maintain said cars in proper condition for operation under such laws and rules during the life of this contract.

9. Car Company shall retain full legal title to and property in all said cars until Vendee shall have made all the payments and shall have performed all of the covenants in this contract provided to be made, kept or performed by Vendee, notwithstanding the delivery of cars to and the possession and use thereof by Vendee as herein provided. Any and all replacements of parts of the cars or additional equipment or facilities installed thereon or therein shall constitute accessions to the cars the title to which shall be immediately vested in Car Company, and which shall be subject to all the terms, reservations and conditions of this contract. When Vendee shall have paid in full the entire purchase price for all of said cars, with interest thereon, and all other payments herein provided to be made by Vendee with respect thereto, title to and property in each and all said cars shall pass to Vendee without further transfer or act on the part of Car Company, but Car Company will, if requested by Vendee so to do, execute and deliver to Vendee a bill of sale covering the cars when the full purchase price with interest and other payments as aforesaid have been fully paid.

10. At all times while this contract is in force, Vendee at its own expense, shall keep the above cars insured against damage or destruction by fire, to an amount not less than the unpaid installment payments remaining to be paid hereunder and in an insurance company or companies approved by Car Company. The policies shall specify that all payments of loss on said cars shall be made to Car Company as its interest may appear, and such policies or certified copies thereof shall be deposited with Car Company. In case Vendee shall fail to keep such cars so insured and to deposit policies as aforesaid, Car Company may itself insure such cars, and in this event, Vendee shall be obligated to repay to Car Company the amount of premiums paid therefor with interest thereon at rate of 5 per cent (5%) per annum from the time of such payment until repaid.

Upon satisfactory proof of the proper repair or replacement of any of said cars which may be destroyed or damaged by fire, all insurance money collected or received by Car Company on account thereof shall be paid over to Vendee in reimbursement of the cost of such repair or replacement. Any moneys collected or received by Vendee from any company or companies issuing such policies, as result of loss covered by said insurance, or received from another railroad company on account of said cars being damaged or destroyed by accident or otherwise on the lines of such other railroad, shall be immediately remitted to Car Company to be held by Car Company for the account of the Vendee pending repair or replacement of such cars by Vendee.

11. Vendee at its own cost shall keep all said cars in good order and proper running repair and in case of damage thereto by fire, accident or otherwise will promptly repair the car or cars so damaged and restore them to good running order. In case any car shall be damaged beyond repair or destroyed, Vendee shall promptly pay Car Company

an amount equal to the full unpaid balance of the purchase price remaining to be paid on such cars, (any payment already received by Car Company as insurance or as compensation for such damage or loss from another Railroad Company to be first credited toward payment of such balance), and such amount with suitable allowance of interest at said rate of 3% per annum will be credited by Car Company toward payment in reverse order of latest installment payment or payments to be made by Vendee hereunder. Within twenty (20) days after receiving advice of damage to or destruction of any of said cars, Vendee will give Car Company written notice thereof with full particulars of the extent of the loss or damage incurred. Any failure on the part of Vendee to replace any such car with reasonable promptness or to pay for each car which may be destroyed, shall entitle Car Company to declare a default hereunder and to take such action as is authorized to be taken by Car Company in case of a default by Vendee in making payment for said cars as herein provided.

Vendee will permit inspection of said cars from time to time by agents of Car Company and upon request of Car Company will furnish from time to time a statement showing the location and condition of said cars and what, if any, substantial repairs have been made upon any of them since the last preceding report.

12. Before delivery of said cars to Vendee, Car Company will fasten upon each side of each a metal plate bearing the following words in letters not less than one inch in height: "PULLMAN-STANDARD CAR MANUFACTURING COMPANY, OWNER". Such plates will be so located as to be readily visible and to indicate plainly Car Company's ownership of said cars. In case, during the continuance of this contract, such plates or markings shall at any time be removed, defaced or destroyed, Vendee shall immediately at its own cost, cause the same to be restored or replaced; and if by reason or change of law or otherwise, additional or other plates or markings shall be required to protect the interests of Car Company, Vendee shall provide and install and thereafter maintain the same on all such cars.

The cars may be lettered "GREAT NORTHERN", "G.N.", or in some other appropriate manner, as Vendee may desire, and may be numbered for convenience in identification; but Vendee, during the continuance of this contract, will not allow the name of any corporation or other party to be placed on any of the cars, in such manner that such name or designation might be interpreted as a claim of ownership thereof by any person, association or corporation other than Car Company or its assignee. In case Vendee shall change the number assigned to or placed on any car, immediate notice of such change shall be given to Car Company so that it may correct its records accordingly.

In the event of a transfer or assignment, or successive transfers or assignments by Car Company or its assignees of title to said cars and of Car Company's rights hereunder in respect thereof, whenever requested by any such transferee or assignee, Vendee shall change the name plates on all the cars to indicate the title of such transferee or assignee to such cars and its succession to rights of Car Company hereunder, but the expense of making such change in plates shall be borne by the party or parties requesting such change or by Car Company.

13. Vendee shall bear the risk of and shall not be released from its obligations hereunder in the event of any damage to or destruction or loss of any of the said cars from any cause whatsoever after delivery thereof to Vendee. Vendee further agrees to save, indemnify and keep harmless Car Company from and against all loss, damages, injuries, claims or demands whatsoever, regardless of the cause thereof, in connection

with any accident or otherwise arising from or caused by operation or use of said cars while this contract is in force.

14. All or any of the rights of Car Company under this Contract, including the right to receive the payments herein provided to be made by Vendee, may be assigned by Car Company and reassigned by any Assignee at any time and from time to time, provided, however, that no such assignment shall subject any assignee to or relieve Pullman-Standard Car Manufacturing Company or the successor or successors to its manufacturing property and business from any of the obligations of Pullman-Standard Car Manufacturing Company as to the construction or delivery of the cars or as to any indemnity with respect thereto, or from any other duty, obligation or liability except the duty to execute necessary and proper instruments of transfer as and when Vendee shall be entitled thereto pursuant to the provisions of Section 9 hereof.

Upon any such assignment the assignor shall give written notice to Vendee, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all of the Car Company's right, title and interest in and to the cars and each and every part thereof, subject only to such reservations as may be contained in such assignment. From and after the receipt by Vendee of the notification of any such assignment, all payments thereafter to be made by Vendee hereunder shall, to the extent so assigned, be made to the assignee.

In the event that this Contract is assigned by Car Company as hereinbefore provided, the rights of such assignee to the entire unpaid purchase price or such part thereof as may be assigned, and interest thereon, as well as any other rights as may be so assigned hereunder shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever arising out of any breach of any obligation of Pullman-Standard Car Manufacturing Company or the successor or successors to its manufacturing properties and business in respect of the cars or the manufacture or delivery thereof, or in respect of any indemnity herein contained, nor subject to any defense, set-off, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to Vendee by Pullman-Standard Car Manufacturing Company or the successor to its manufacturing business. Any and all such obligations, howsoever arising, shall be and remain enforceable by Vendee against and only against Pullman-Standard Car Manufacturing Company and the successor or successors to its manufacturing properties and business, and shall not be enforceable against any party or parties in whom title to the cars or any of them, or the rights of Car Company hereunder, shall vest by reason of any sale, assignment or transfer, or successive sales, assignments or transfers.

The term Car Company whenever used in this Contract means, before any assignment of all or any rights or Vendee hereunder as hereinbefore provided in this paragraph 14, Pullman-Standard Car Manufacturing Company, and after any such assignment, the assignee or assignees for the time being of all of the rights hereunder, or in the event of any assignment of any less than all of the rights hereunder, both any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also the assignor as regards any rights hereunder retained and excluded from such assignment; and the term "Pullman-Standard Car Manufacturing Company" whenever used in this contract means, both before and after any such assignment, the party hereto of the first part, and any successor or successors for the time being to its manufacturing property and business.

15. (a) In case Vendee shall make default in the payment of any installment of the

* upon any portion thereof overdue during such time as it shall remain overdue at rate of five per cent (5%) per annum. Car Company shall thereupon be entitled to recover judgment for the entire amount so payable by Vendee

purchase price of the cars herein provided for and shall remain in default for more than thirty (30) days after such payment shall have become due, or shall be in default under the provisions of Section 16 hereof; or shall fail or refuse to comply with any other of the terms and covenants in this contract on its part to be kept and performed, or to make provisions satisfactory to Car Company for such compliance, and any such failure or refusal, other than a default under Section 16 hereof or a default in the payment of a monthly installment hereunder, shall continue for more than thirty (30) days after notice in writing thereof to Vendee, then, in any such case (herein sometimes called events of default) and at any time thereafter during the continuance of such default Car Company without further notice or demand except to the extent necessary in order to comply with any legal requirements then in force and applicable to such action by Car Company, may declare the entire unpaid balance of the purchase price of the cars immediately due and payable, without further demand, together with interest thereon at the rate of three per cent (3%) per annum to such date of default; and thereafter interest shall be payable by Vendee* with interest thereon at said rate, and to collect such judgment out of any property of Vendee wherever situated. Car Company, may, at its election (and, if before sale or before completion of other enforcement of this agreement, all costs and expenses of Car Company incidental to any such default and the enforcement by Car Company of the provisions hereof, and all sums which shall then have become due and payable by Vendee hereunder, other than such part of said purchase price as shall have become due only because of a declaration of default under this section as aforesaid, shall have been paid by Vendee, and all other existing events of default shall have been remedied, or provision therefor satisfactory to Car Company shall have been made, then and in every such case Car Company shall) waive any such event of default and its consequences and rescind and annul any such declaration or termination by notice to Vendee in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such cured default had existed and no such declaration or termination had been made; but no such waiver, rescission or annulment shall limit or affect Car Company's right, upon any other default, to declare the unpaid balance of said purchase price due as aforesaid, or extend to or affect any other default, or impair any rights or remedies consequent thereon.

(b) If Vendee shall make default as hereinabove provided, then at any time thereafter during the continuance of such default, Car Company without further notice or demand except to the extent necessary in order to comply with any such legal requirements, may take or cause to be taken by its agent or agents immediate possession of the cars, or any of them, and all present and future equipment, attachments and accessories thereof, without liability to return to Vendee any sums theretofore paid, and free from all claims whatsoever except as hereinafter in this section 15 expressly provided, and may remove the same from the use and possession of Vendee and for such purpose may enter upon Vendee's premises where any of the cars may be located, and may use and employ in connection with such removal any available trackage and other facilities or means of Vendee, without process of law; and Vendee shall assemble and deliver the cars, with all replacements, improvements, equipment, attachments and accessories thereof, at its own cost, at such place or places on its railroad as Car Company may reasonably designate, and in case of such retaking or delivery Car Company Shall have the right to store the same upon the premises of Vendee without charge until Car Company shall desire to remove the same therefrom. The assembling and delivery of the cars as hereinbefore provided is of the essence of this contract between the parties and upon application to any court of equity having jurisdiction in the premises, Car Company shall be entitled to a decree against Vendee requiring specific performance hereof.

(c) If Vendee shall make default as hereinbefore provided, then at any time thereafter during the continuance of such default, and after declaring the entire purchase price immediately due and payable as hereinbefore provided, Car Company with or without retaking possession thereof may sell the cars or any of them, and all replacements thereof, and all improvements, equipment, attachments and accessories placed thereon, free from any and all claims of Vendee, or of any other party claiming by, through or under it at law or in equity, at public or private sale and with or without advertisement as Car Company may determine, all subject to and in compliance with any legal requirements then in force and applicable to such sale. To the extent permitted by any such legal requirements, any sale or sales hereunder may be held or conducted at such location and at such time or times as Car Company may fix, in one lot and as an entirety or in separate lots, and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as Car Company may determine in compliance with any such legal requirements, provided that written notice of such sale shall be given to Vendee at least ten (10) days prior thereto, by telegram or registered mail addressed to Vendee at its office in St. Paul, Minnesota, or such other notice, if any, as may be necessary to comply with any such legal requirements. If such sale shall be a private sale permitted by such legal requirements, it shall be subject to the right of Vendee to purchase or provide a purchaser, within ten (10) days after notice of the proposed sale price, at the same or better price as offered by the intending purchaser. To the extent not prohibited by any legal requirements then in force and applicable to such sale, Car Company may itself bid for and become the purchaser of the cars or any of them so offered for sale without accountability to Vendee (except to the extent of surplus money received as hereinafter provided in the last paragraph of this section 15) and in payment of such purchase price Car Company shall be entitled to the extent aforesaid to have credited on account thereof all sums due to Car Company from Vendee hereunder.

(d) Each and every power or remedy hereby specifically given to Car Company shall be in addition to every other power or remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by Car Company. All such powers and remedies shall be cumulative and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of Car Company in the exercise of any such power or remedy, and no renewal or extension of any payments due hereunder, shall impair any such power or remedy, or shall be construed to be a waiver of any default, or an acquiescence therein.

(e) If Car Company shall exercise any of the powers or remedies conferred upon it hereunder, Vendee shall have the right after all sums due hereunder to Car Company shall have been received by it in full, including its proper costs and expenses incident to the collection thereof, to require title to any of the cars, if not previously sold or otherwise disposed of by Car Company pursuant to the provisions hereof, to be transferred and assigned by Car Company to Vendee free from any further liabilities or obligations to Car Company. If after applying all sums of money realized by Car Company under the remedies herein provided, there shall remain any amount due it under the provisions of this agreement, Vendee shall pay the amount of such deficit to Car Company. If after applying as

aforesaid all sums realized by Car Company there shall remain a surplus in the possession of Car Company, such surplus shall be paid to Vendee.

16. Vendee shall not assign nor transfer this contract or any of its rights hereunder, nor transfer nor sublet the said cars or any of them without Car Company's written consent first had and obtained, and shall not cause nor permit any of said cars to be pledged or held for any debt or obligation owing by Vendee or to be in any manner encumbered, and shall not suffer the said cars or any of them to pass out of Vendee's control except in the ordinary course of interchange of freight cars with connecting railway carriers.

The filing by Vendee or by creditors of Vendee of any petition for reorganization (or debt adjustment affecting the obligations of Vendee under this Contract) under Section 77 of the Bankruptcy Act, or under any amendment or revision thereof, or under any other provision of the Bankruptcy Act as now or hereafter existing, or any voluntary assignment or transfer of Vendee's interest in and under this contract, or any involuntary transfer of such interest by bankruptcy, or by the appointment of a receiver or trustee, or by execution, or by any judicial or administrative decree or process, or otherwise, (unless such petition shall be dismissed or such assignment, transfer, decree or process shall within thirty (30) days from the filing or other effective date thereof, be nullified, stayed or otherwise rendered ineffective, or unless any such receiver(s) or trustee(s) shall within thirty (30) days from the date of his or their appointment adopt this contract pursuant to due authority of the court of his or their appointment) shall be deemed a breach of this contract and a default hereunder; whereupon Car Company may elect to declare the entire unpaid balance of the purchase price immediately due and payable as hereinbefore provided and may thereupon forthwith retake possession of the cars or any of them and exercise and enforce any and all other remedies as provided by section 15 hereof.

17. Wherever provision is made in this contract for any notice or demand to or upon Vendee, or if at any time, Car Company shall desire to give notice to or make any demand upon Vendee, the same may be given or made by depositing a written statement thereof, enclosed in a postpaid envelope in any United States Postoffice, directed to Vendee, respectively at its office or place of business in the City of St. Paul, Minnesota, and an affidavit by any person so depositing such notice in respect of such mailing shall be deemed to be and shall be conclusive evidence of the giving and receipt of such notice and of the making of such demand.

18. Any provision of this contract prohibited by any applicable law of any state, or which by any applicable law of any state would convert this contract into any instrument other than a contract of conditional sale, shall as to such state be ineffective, without modifying as to such state the remaining provisions of this agreement. Where, however, the conflicting provisions of any applicable state law may be waived, they are hereby waived by Vendee to the full extent permitted by Law.

19. Any extension of time granted by Car Company to Vendee for the payment of any sum due under this contract, shall not be deemed a waiver of the title of Car Company reserved hereunder nor of any of its rights and remedies hereunder or otherwise existing.

20. Vendee shall cause this contract to be filed, registered and recorded wherever required for the proper protection, to the satisfaction of counsel for Car Company, of Car Company's title to the cars and any replacement or replacements thereof, and its rights under this contract; and Vendee shall from time to time do and perform any other act, and will execute, acknowledge, deliver, file, register and record any and all further

instruments, required by law or reasonably requested by Car Company for the purpose of such protection of its title and rights, or for the purpose of carrying out the intention of this agreement.

21. Vendee shall pay all cost, charges and expenses incident to the preparation, execution, acknowledgment, filing, registering and recording of this contract and of any instrument supplemental hereto or amendatory hereof above referred to excepting only assignments or instruments of transfer between Car Company and its assignee or assignees.

22. This contract may be simultaneously executed in seventeen or more counterparts, each of which so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same instrument, which shall be sufficiently evidenced by any such original counterpart.

23. In the event that this contract is assigned by Car Company, as provided in Section 14 hereof, the rights of any party who may succeed to Pullman-Standard Car Manufacturing Company hereunder by any sale, assignment or transfer, or successive sales, assignments or transfers, of title to the cars or any of them, together with all or any part of the rights of Car Company under this contract, shall not be subject to any set off or counterclaim whatsoever arising out of a breach of any obligations in respect of the cars by the Pullman-Standard Car Manufacturing Company; and all such obligations in respect of the cars and each of them (without implication that such obligations may arise or exist) shall be and remain enforceable by Vendee, its successors and assigns, against and only against Pullman-Standard Car Manufacturing Company and shall not be enforceable against any party or parties in whom title to the cars or any of them and all or any part of the rights of said Pullman-Standard Car Manufacturing Company hereunder shall vest by sale, assignment or transfer, or successive sales, assignments or transfers.

24. This agreement of conditional sale, together with the specifications hereinabove referred to, constitutes the entire contract between Vendee and Car Company with respect to the construction, delivery and sale of the 1000 box cars herein referred to (except as to any adjustment due to changes in specifications, and to allowances on specialties, which are covered by Car Company's letter to Vendee dated May 9, 1939). No variation or modification of this contract and no waiver of any of its provisions or conditions, shall be valid unless in writing and signed by duly authorized officers unless in writing and signed by duly authorized officers of Vendee and Car Company.

25. So long as Vendee shall not be in default under this contract it shall be entitled to the possession of the cars and shall have the full right of use thereof upon the lines of railroad owned, leased or operated by it, or over which it has trackage rights, and upon connecting and other railroads in the usual interchange of freight cars, but subject at all times to all terms and conditions of this contract.

26. The terms of this Contract and all rights and obligations hereunder shall be governed by the law of the State of Illinois.

IN WITNESS WHEREOF, Car Company and Vendee, respectively, each pursuant to due corporate authority, have caused these presents to be signed in their respective corporate names and their respective corporate seals to be hereunto affixed, duly attested, as of the day and year first above written.

(CORPORATE SEAL)

PULLMAN-STANDARD MANUFACTURING COMPANY,

C. A. LIDDLE
President.

Attest:

J. A. KNOWLTON
Secretary.

Signed, sealed and delivered in the
presence of:

R. R. Fischler

P. Meekma

(CORPORATE SEAL)

GREAT NORTHERN RAILWAY COMPANY,

F. G. DORETY
Vice President

Attest:

F. L. Paetzold
Secretary

Signed, sealed and delivered in the
presence of:

Robert W. Cronon

C. F. Ziegahn

STATE OF MINNESOTA,)
COUNTY OF RAMSEY.) SS.:

I, Alpha M. Sarchet, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 3 day of June, 1939, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, F. G. Dorety and F. L. Paetzold, each to me personally known and known to me to be respectively a Vice President and the Secretary of Great Northern Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Secretary respectively in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said F. G. Dorety and F. L. Paetzold being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said F. G. Dorety resides in the City of St. Paul, in the State of Minnesota, and that said F. L. Paetzold resides in the City of St. Paul in the State of Minnesota; that said F. G. Dorety is a Vice President and said F. L. Paetzold is the Secretary of Great Northern Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said F. G. Dorety and F. L. Paetzold, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and as the free and voluntary act and deed and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said County of Ramsey, State of Minnesota, this the day and year in this my certificate first above written.

(NOTARIAL SEAL)

ALPHA M. SARCHET
Notary Public.

My Commission expires July 9, 1942.

Alpha M. Sarchet
Notary Public, Ramsey County, Minn.
My Commission Expires July 9th, 1942.

STATE OF ILLINOIS,)
) SS:
COUNTY OF COOK,)

I, Chas. F. Walters, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 2nd day of June, 1939, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, C. A. Liddle and J. A. Knowlton, each to me personally known and known to me to be respectively the President and Secretary of Pullman-Standard Car Manufacturing Company, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such President and Secretary respectively in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said C. A. Liddle and J. A. Knowlton being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that said C. A. Liddle resides in the City of Chicago in the State of Illinois; and that the said J. A. Knowlton resides in the Village of Oak Park in the State of Illinois, Illinois; and that said J. A. Knowlton is the Secretary of Pullman-Standard Car Manufacturing Company, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said C. A. Liddle and J. A. Knowlton, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as President and Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

(NOTARY PUBLIC)

CHAS. F. WALTERS
Notary Public.

My Commission expires March 30, 1941.

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS.

Received this 8th day of June A.D. 1939 at 11:05 o'clock A.M. and recorded in Vol. 34 of R. R. Mtgs. on page 229-241, incl. FRED R. ZIMMERMAN Secretary of State

Index 158-D

Equipment Trust Series T

RELEASE OF GENERAL MORTGAGE

Between

UNITED STATES TRUST COMPANY, N.Y. as Trustee

and

CHICAGO, MILWAUKEE, ST. PAUL & PACIFIC RAILROAD COMPANY.

EQUIPMENT TRUST, SERIES "T".

Dated June 27, 1939

* *

THIS INDENTURE, made this 27 day of June, A. D. 1939, by and between UNITED STATES TRUST COMPANY OF NEW YORK, as Trustee (hereinafter referred to as "Trustee"), party of the first part, and CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY (hereinafter referred to as the "Railroad Company") party of the second part, WITNESSETH:

THAT WHEREAS, by an instrument bearing date May 1, 1889, and recorded in the office of the Secretary of State of the State Wisconsin June 17, 1889, in Vol. 8 of Railway Mortgages, pages 406, et seq., Chicago, Milwaukee and St. Paul Railway Company (hereinafter called the "Railway Company") mortgaged to United States Trust Company of New York, as Trustee, as security for certain bonds therein particularly described and referred to, the lines of railway and property therein specifically described, including the property hereinafter particularly described and released by the party of the first part, which mortgage is hereinafter referred to as "General Mortgage"; and

WHEREAS, in and by Article XI of said General Mortgage it is provided that upon the certificate of the Railway Company expressed by resolution of its Board of Directors or Executive Committee, duly certified, setting forth that the Railway Company desires to dispose of any real or personal property covered by said General Mortgage, and that the same is no longer requisite or convenient for the operation of the lines of railway conveyed by said General Mortgage, and that it is for the interest of the parties thereto that the same be sold or disposed of, the said Trustee shall, from time to time, release such property from the lien and operation of said General Mortgage; and

WHEREAS, the Railroad Company, party of the second part herein, is the grantee of and successor to the Railway Company in the ownership of the lines of railway and property subject to the lien of said General Mortgage and has assumed the obligations of the Railway Company in respect of said General Mortgage and of the bonds issued and outstanding thereunder; and

WHEREAS, the use of the property hereinafter particularly described and released by the party of the first part, from the lien of said General Mortgage is no longer requisite, necessary, convenient, or advantageous for the use or convenience of the Railroad Company in connection with, or in the operation of, the lines of railway conveyed by, and subject to, the lien of said General Mortgage, or other lines of railway which may be subject thereto, and it is to the interest of said Railroad Company and of the Trustee under said General Mortgage that the property be sold, disposed of and released from the lien of said General Mortgage; and

WHEREAS, the Trustees of the Railroad Company, Debtor, have sold and conveyed to V. P. Nelson and Paul B. Robb the property, hereinafter described, for the cash consideration of Two Hundred Thirty-one Thousand, Six Hundred Ninety-eight Dollars and Fifty-nine Cents ($231,698.59), and have requested the Trustee of said Mortgage to release the

property, hereinafter described, from the lien of said General Mortgage; and

WHEREAS, the recitals herein contained are made only in behalf of said Railroad Company;

NOW, THEREFORE, United States Trust Company of New York, as Trustee, in consideration of the premises and of the sum of One Dollar to it paid, the receipt of which is hereby acknowledged, does hereby release, from the lien of the aforesaid General Mortgage, the property which is particularly described in Exhibit "A" hereto attached;

IN WITNESS WHEREOF, United States Trust Company of New York, Trustee, has caused these presents to be executed in its corporate name by its Vice President, with its corporate seal hereto attached, attested by its Assistant Secretary, the day and year first above written.

(CORPORATE SEAL)

UNITED STATES TRUST COMPANY OF NEW YORK,
TRUSTEE.

By T. H. WILSON
Vice President

Attest:

H. L. SMITHERS
Assistant Secretary

In the presence of :

E. Witting

Charles S. Yarwood, Jr.

STATE OF NEW YORK)
) SS
NEW YORK COUNTY)

Personally came before me this 27 day of June, 1939, the within named T. H. Wilson, Vice President of United States Trust Company of New York, and H. L. Smithers, Asst. Secy. of United States Trust Company of New York, both to me personally known to be the persons therein described who executed the foregoing instrument and acknowledged the same.

Given under my hand and notarial seal this 27 day of June, A. D. 1939.

(NOTARIAL SEAL)

CHARLES S. YARWOOD, JR
Notary Public

Charles S. Yarwood, Jr. Notary Public
Queens Co. Clk's No. 2087, Reg. No. 5447
Cert. filed N.Y. Co. Clk's No. 17, Reg. No. 1-Y-10
Commission expires March 30, 1941.

EXHIBIT "A"

LIST OF MATERIAL TO BE PURCHASED BY THE OWNERS FROM THE RAILROAD TRUSTEES TO BE USED IN THE CONSTRUCTION OF 1,000 - 50 TON BOX CARS

Item No.		No. of Units	S.H. or New	Price Base	Unit Price	Amount
1.	Brake Shoes	8,000	New	New	36¢ ea.	$ 2,880.00
2.	C.I. Trust plates 3# ea	2,000	"	"	3.39 cwt.	203.40
3.	C.I. Brake Lever badge plates 3½# ea	1,000	"	"	3.39 cwt.	118.65
4.	Wheels-cast iron	8,000	"	"	8.00 ea.	64,000.00
5.	Dust guards 5½ x 10	8,000	"	"	35.17 M	281.36
6.	Dust guard closure 5½ x 10	8,000	"	"	4.45 M	35.60
7.	Journal Box Packing	85,000	"	"	5.52 cwt.	4,692.00

Item No.		No. of Units	S.H. or New	Price Base	Unit Price	Amount
8.	Truck bolsters Patt. 6229 & 6452	200	S.H.	50% of new	15.75 ea.	$ 3,150.00
9.	Truck sides Patt. Nos. 568,-A,-B,-C.	1,000	"	" " "	13.79 ea.	13,790.00
10.	Truck springs, inner 6¼# ea	7,500	"	" " "	3.89 cwt.	1,823.44
11.	Truck springs, outer, 23# ea	15,000	"	" " "	3.89 cwt.	13,420.50
12.	Axles	4,000	"	75% of new	17.14 ea.	68,560.00
13.	Axles-Scrap for follower plates, 788# ea.	315	Scrap	20.00 NT	7.88 ea.	2,482.20
14.	Forgings	195,000#	S.H.	50% of new	2.01½ cwt.	3,929.25
15.	Drawings & Designs	-	New	--	--	2,000.00
16.	Jigs & Dies	-	New or S.H.	--	--	6,000.00
17.	Patterns	-	New	--	--	1,000.00
18.	Steel-Bars, Plates, etc	90,000	New	New	2.13 cwt. (Average)	1,917.00
19.	Screws	1,400 gr	"	"	.514 gr. (Average)	719.60
20.	Bolts, nuts & Rivets	20,000#	"	"	6.08 cwt. (Average)	1,216.00
21.	Steel strips-shearings	20,000#	"	20% of new	.50¢ cwt.	100.00
					TOTAL- - - - - - -	$192,319.00

List of Material to be purchased by the Owners from the Railroad Trustees to be used in the construction of 75 new cabooses.

1.	Brake shoes	600	New	New	36¢ ea.	216.00
2.	C.I. Trust Plates 3# ea	150	"	"	3.39 cwt.	15.26
3.	C.I. Brake Lever Badge plates 3½# ea.	75	"	"	3.39 cwt.	8.90
4.	Journal Box Packing	5,625#	"	"	5.52 cwt.	310.50
5.	Couplers 5 x 7	150	S.H.	50% of new	10.30 ea.	1,545.00
6.	Coupler Yokes	150	"	" " "	4.25 ea.	637.50
7.	Air Brakes Eqpt. carset	75	"	" " "	50.00 ea.	3,750.00
8.	Brake connection pins	2,100	S.H.	50% of new	2.98 C	62.58
9.	Rolled Steel Wheels	600	"	25.7% of new	11.98 ea.	7,188.00
10.	Axles	300	"	75% of new	14.14 ea.	4,242.00
11.	Axles-Scrap for follower plates & brake hanger blocks (788# ea.)	29	Scrap	$20.00 NT	7.88 ea.	228.52
12.	Acme single oil lamps	75	S.H.	25% of new	2.00 ea.	150.00
13.	Coach Seats	150	"	" " "	20.00 ea.	3,000.00
14.	Forgings	45,050#	"	50% of new	2.01½ cwt.	907.76
15.	Superheater flues (for smoke jack)	4,500#	Scrap	--	50¢ cwt.	22.50
16.	Curled hair	700#	S.H.	50% of new	31½¢ lb.	220.50
17.	Welding and filler rod	1,300#	New	New	6.24 cwt. (Avg)	81.12
18.	Screws	2,000 gr.	"	"	.514 gr (Avg)	1,028.00
19.	Hardware	624 pcs	"	"	.78184 ea. (Avg)	487.87

Item No.		No. of Units	S.H. or New	Price Base	Unit Price	Amount
20.	Bolts, nuts & Rivets	17,000#	New	New	6.08 cwt. (Avg)	1,033.60
21.	Insulation (sq. ft.)	14,000	"	"	.115 sq.ft (Avg)	1,610.00
22.	Steel-bars, Plates, etc.	20,000#	"	"	2.22 cwt. (Avg)	444.00
23.	Caboose stoves	75	"	"	20.04 ea.	1,503.00
24.	Miscl. small castings (from Mil. Shops Foundry)	3,100#	"	"	3.39 cwt.	105.09
25.	Steel sprips-shearings	10,000#	"	20% of new	.50 cwt.	50.00
26.	Train line clamp fillers 3/4 # ea.	150	"	New	3.46 cwt.	3.89
27.	Miscl. Lumber	25,000 BF	"	"	40.00 MBF (Avg)	1,000.00
28.	Drawings & Designs	-	"	--	--	2,000.00
29.	Jigs & Dies	-	"	--	--	6,000.00
30.	Patterns	-	"	--	--	1,000.00
31.	Steel Bushings	600	"	New	.88 ea.	528.00
					TOTAL - - - - - - -	$ 39,379.59
					GRAND TOTAL - - - - - -	$231,698.59

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS.

Received this 5th day of
July A. D. 1939 at 3:00
o'clock P. M. and recorded ✓
in Vol. 34 of R. R. Mtgs.
on page 242 - 245, incl.

FRED R. ZIMMERMAN
Secretary of State

RELEASE
of
FIRST AND REFUNDING MORTGAGE

between

CHEMICAL BANK & TRUST COMPANY
Successor by merger to United States Mortgage
and Trust Co. Corporate Trustee

and

HOWARD B. SMITH
Successor Individual Trustee.

EQUIPMENT TRUST, SERIES "T".

Dated June 28, 1939.

* *

THIS INDENTURE made this 28 day of June, A. D. 1939, by and between CHEMICAL BANK & TRUST COMPANY, Successor by Merger to United States Mortgage and Trust Company, as Corporate Trustee, a corporation of the State of New York and Howard B. Smith, Successor Individual Trustee, of the City of Montclair, in the State of New Jersey, (hereinafter referred to as "Trustees") parties of the first part, and CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY (hereinafter referred to as the "Railroad Company") party of the second part,

W I T N E S S E T H :

THAT WHEREAS, by an instrument bearing date as of February 2, 1925, and filed for record in the office of the Secretary of State of the State of Wisconsin on March 8, 1928, and recorded in Book 27 of Railroad Mortgages, page 77, the Railroad Company mortgaged to said United States Mortgage and Trust Company and Calvert Brewer, Trustees, as security for certain bonds therein mentioned, the lines of railway and property therein specifically described, including the property hereinafter particularly described and released by the parties of the first part, which mortgage is hereinafter referred to as "First and Refunding Mortgage;" and

WHEREAS, Chemical Bank & Trust Company is the Successor by Merger to United States Mortgage and Trust Company, pursuant to agreement dated June 11, 1929, filed with and approved by the Banking Department of the State of New York on June 29, 1929, and valid and effective as of that date, all as provided by law; and

WHEREAS, in and by Article Ten of said Mortgage, it is provided that from time to time the Railroad Company, subject to the conditions and limitations in said Article Ten prescribed, and not otherwise, may sell, and the Trustees upon the delivery to the Corporate Trustee of the resolution, opinion and certificate as in Section 12 of said Article Ten provided, shall release from the lien and operation of said First and Refunding Mortgage, any property which it shall no longer be necessary or expedient to retain for the operation, maintenance or use of the lines of railroad then subject to said First and Refunding Mortgage, or for use in the business of the Railroad Company; and

WHEREAS, the Railroad Company has delivered to the Corporate Trustee, a certified copy of the resolutions of the Board of Directors adopted on the 14th day of June, 1939, and the opinion and certificate as required in said Section 12 of Article Ten of said First and Refunding Mortgage, whereby it appears that it is no longer necessary or expedient to retain the property hereinafter described for the operation, maintenance or use of the lines of railroad now subject to said First and Refunding Mortgage, or for use in the business of said Railroad Company; that the action and release requested are authorized by the provisions of said Article Ten of said First and Refunding Mortgage

and that the resolutions and certificate aforesaid furnished to the Corporate Trustee are in compliance with the provisions of Section 12 of said Article Ten; and

WHEREAS, the Trustees of the Railroad Company, Debtor, have sold and conveyed to V. P. Nelson and Paul B. Robb, the property, hereinafter described, for the cash consideration of Two Hundred Thirty-one Thousand, Six Hundred Ninety-eight Dollars and Fifty-nine Cents ($231,698.59), and have requested the parties of the first part to release the property hereinafter described from the lien of said First and Refunding Mortgage; and

WHEREAS, the property hereinafter described is subject to the General Mortgage of Chicago, Milwaukee and St. Paul Railway Company (predecessor of the Railroad Company in ownership of said property) dated May 1, 1889, which is a lien upon said property prior to the lien of said First and Refunding Mortgage, and United States Trust Company of New York, Trustee under said General Mortgage, has released said property from the lien thereof; and

WHEREAS, the recitals herein contained are made only in behalf of said Railroad Company;

NOW, THEREFORE, the parties of the first part, as Trustees, in consideration of the premises and of the sum of One Dollar to them paid, the receipt of which is hereby acknowledged, do hereby release from the lien of the aforesaid First and Refunding Mortgage, the property which is particularly described in Exhibit "A" hereto attached;

PROVIDED ALWAYS, that nothing herein contained shall in any wise affect, alter or diminish the lien or encumbrance of the aforesaid First and Refunding Mortgage on the remaining parts of the properties, premises and franchises covered by it or the rights given by it against the Railroad, its successors or assigns, as security for the bonds and the performance of the covenants and obligations to be by the Railroad Company performed.

The Trustees neither assume nor shall incur any liability or responsibility in respect of recitals herein contained.

IN WITNESS WHEREOF, Chemical Bank & Trust Company, Successor Corporate Trustee by Merger to United States Mortgage and Trust Company, Trustee, has caused these presents to be executed in its corporate name by its Corporate Trust Officer, with its corporate seal hereto affixed, attested by one of its Assistant Secretaries, and said Howard B. Smith has hereunto set his hand and seal, all on the day and year first above written.

(CORPORATE SEAL)

CHEMICAL BANK & TRUST COMPANY,
Successor Corporate Trustee,

By J. A. W. RICHARDSON, JR
Corporate Trust Officer

Attest:

H. C. OTTIWELL
Assistant Secretary

HOWARD B. SMITH (SEAL)

In the presence of

Fred J. Pobl

N. Miller (?)

This is page 4 of a release dated June 28, 1939, releasing from the lien of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company First and Refunding Mortgage certain new and second-hand materials described in resolutions of the Board of Directors of the Company adopted on June 14, 1939.

STATE OF NEW YORK)
NEW YORK COUNTY) SS

Personally came before me this 28th day of June, 1939, the within named J. A. W.

RICHARDSON, JR., Corporate Trust Officer of Chemical Bank & Trust Company, and H. C. OTTIWELL, Asst. Secretary, of Chemical Bank & Trust Company, both to me personally known to be the persons therein described, who executed the foregoing instrument and acknowledged the same.

GIVEN under my hand and notarial seal this 28th day of June, A. D. 1939.

(NOTARIAL SEAL)

R. H.SHERMAN
Notary Public

R. H. SHERMAN
Notary Public, Queens Co. No. 2350
Certificates filed, Queens Co. Register's No. 2528
N.Y. Co. Clerk's No. 1246, Register's No.O-S-794
Commission expires March 30, 1940.

STATE OF NEW YORK)
) SS
NEW YORK COUNTY)

Personally came before me this 28th day of June, 1939, the within named Howard B. Smith, to me personally known to be the person therein described, who executed the foregoing instrument and acknowledged the same.

GIVEN under my hand and notarial seal this 28th day of June, A. D. 1939.

(NOTARIAL SEAL)

R. H. SHERMAN
Notary Public

R. H. SHERMAN
Notary Public, Queens Co. No. 2350
Certificates filed, Queens Co. Register's No.2528
N.Y. Co. Clerk's No. 1246, Register's No.O-S-794
Commission expires March 30, 1940

EXHIBIT "A"

LIST OF MATERIAL TO BE PURCHASED BY THE OWNERS FROM THE RAILROAD TRUSTEES TO BE USED IN THE CONSTRUCTION OF 1,000 - 50 TON BOX CARS

Item No.		No. of Units	S.H. or New	Price Base	Unit Price	Amount
1.	Brake Shoes	8,000	New	New	36¢ ea.	$ 2,880.00
2.	C.I. Trust plates 3# ea	2,000	"	"	3.39 cwt.	203.40
3.	C.I. Brake Lever badge plates 3½# ea	1,000	"	"	3.39 cwt.	118.65
4.	Wheels-cast iron	8,000	"	"	8.00 ea.	64,000.00
5.	Dust guards 5½ x 10	8,000	"	"	35.17 M	281.36
6.	Dust guard closure 5½ x 10	8,000	"	"	4.45 M	35.60
7.	Journal Box Packing	85,000	"	"	5.52 cwt.	4,692.00
8.	Truck bolsters Patt. 6229 & 6452	200	S.H.	50% of new	15.75 ea.	3,150.00
9.	Truck sides Patt. Nos. 568,-A,-B,-C.	1,000	"	" " "	13.79 ea.	13,790.00
10.	Truck springs, inner 6¾# ea	7,500	"	" " "	3.89 cwt.	1,823.44
11.	Truck springs, outer 23# ea	15,000	"	" " "	3.89 cwt.	13,420.50
12.	Axles	4,000	"	75% of new	17.14 ea.	68,560.00
13.	Axles-Scrap for follower plates 788# ea.	315	Scrap	20.00 NT	7.88 ea.	2,482.20
14.	Forgings	195,000#	S.H.	50% of new	2.01½ cwt.	3,929.25
15.	Drawings & Designs	--	New	--	--	2,000.00
16.	Jigs & Dies	--	New or S.H.	--	--	6,000.00
17.	Patterns	--	New	--	--	1,000.00

Item No.		No. of Units	S.H. or New	Price Base	Unit Price	Amount
18.	Steel-Bars, Plates, etc.	90,000#	New	New	2.13 cwt. (Average)	1,917.00
19.	Screws	1,400 gr	"	"	.514 gr. (Average)	719.60
20.	Bolts, nuts & Rivets	20,000#	"	"	6.08 cwt. (Average)	1,216.00
21.	Steel strips-shearings	20,000#	"	20% of new	50¢ cwt.	100.00
					TOTAL - - - - -	$192,319.00

List of Material to be purchased by the Owners from the Railroad Trustees to be used in the construction of 75 new cabooses.

1.	Brake shoes	600	New	New	36¢ ea.	216.00
2.	C.I. Trust plates 3# ea	150	"	"	3.39 cwt.	15.26
3.	C.I. Brake Lever Badge plates 3½# ea	75	"	"	3.39 cwt.	8.90
4.	Journal Box Packing	5,625#	"	"	5.52 cwt.	310.50
5.	Couplers 5x7	150	S.H.	50% of new	10.30 ea.	1,545.00
6.	Coupler Yokes	150	"	" " "	4.25 ea.	637.50
7.	Air Brake Eqpt. carset	75	"	" " "	50.00 ea.	3,750.00
8.	Brake connection pins	2,100	"	" " "	2.98 C	62.58
9.	Rolled Steel Wheels	600	"	25.7% of new	11.98 ea.	7,188.00
10.	Axles	300	"	75% of new	14.14 ea.	4,242.00
11.	Axles-Scrap for follower plates & brake hanger blocks (788# ea)	29	Scrap	$20.00 NT	7.88 ea.	228.52
12.	Acme single oil lamps	75	S.H.	25% of new	2.00 ea,	150.00
13.	Coach Seats	150	"	" " "	20.00 ea.	3,000.00
14.	Forgings	45,050#	"	50% of new	2.01½ cwt.	907.76
15.	Superheater flues (for smoke jack)	4,500#	Scrap	--	50¢ cwt.	22.50
16.	Curled hair	700#	S.H.	50% of new	31½¢ lb.	220.50
17.	Welding and filler rod	1,300#	New	New	6.24 cwt. (Avg)	81.12
18.	Screws	2,000 gr.	"	"	.514 gr (Avg)	1,028.00
19.	Hardware	624 pcs	"	"	.78184 ea(Avg)	487.87
20.	Bolts, nuts & Rivets	17,000#	"	"	6.08 cwt. (Avg)	1,033.60
21.	Insulation (sq. ft)	14,000	"	"	.115 sq.ft.(Avg)	1,610.00
22.	Steel-Bars, Plates, etc.	20,000#	"	"	2.22 cwt. (Avg)	444.00
23.	Caboose stoves	75	"	"	20.04 ea.	1,503.00
24.	Miscl. small castings (from Mil. Shops Foundry)	3,100#	"	"	3.39 cwt.	105.09
25.	Steel strips-shearings	10,000#	"	20% of new	.50 cwt.	50.00
26.	Train line clamp fillers 3/4# ea.	150	"	New	3.46 cwt.	3.89
27.	Miscl. Lumber	25,000 BF	"	"	40.00 MBF (Avg)	1,000.00

Item No.		No. of Units	S.H. or New	Price Base	Unit Price	Amount
28.	Drawings & Designs	--	New	--	--	$ 2,000.00
29.	Jigs & Dies	--	"	--	--	6,000.00
30.	Patterns	--	"	--	--	1,000.00
31.	Steel Bushings	600	"	New	.88 ea	528.00
					TOTAL - - - - - - -	$ 39,379.59
					GRAND TOTAL - - - - -	$231,698.59

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS

Received this 5th day of July A. D. 1939 at 3:00 o'clock P.M. and recorded in Vol. 34 of R. R. Mtgs. on page 246 - 250, incl.

FRED R. ZIMMERMAN
Secretary of State

Dates 38-2

Equipment Trust T

RELEASE
of
FIFTY YEAR MORTGAGE

BETWEEN

GUARANTY TRUST CO. OF N.Y. & MERREL P. CALLAWAY, Trustees

and

CHICAGO, MILWAUKEE, ST. PAUL & PACIFIC RAILROAD COMPANY.

EQUIPMENT TRUST, SERIES "T".

Dated June 29, 1939.

* *

THIS INDENTURE made this 29th day of June, A. D. 1939, by and between GUARANTY TRUST COMPANY OF NEW YORK, a corporation of the State of New York and MERREL P. CALLAWAY of the City of New York and State of New York, as Trustees (hereinafter referred to as the "Trustees") parties of the first part, and CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY (hereinafter referred to as the "Railroad Company") party of the second part,

WHEREAS, by an instrument bearing date as of February 2, 1925 (hereinafter referred to as "Fifty-Year Mortgage") and filed for record in the office of the Secretary of State of the State of Wisconsin, on March 8, 1928, and there recorded in Book 28 of Railroad Mortgages, on page 15, the Railroad Company mortgaged to said Trustees as security for certain bonds therein mentioned, the lines of railway and property therein specifically described, including the property hereinafter particularly described in Exhibit "A" hereto attached and released by the parties of the first part; and

WHEREAS, in and by Article Eleven of said Mortgage, it is provided that from time to time the Railroad Company, subject to the conditions and limitations in said Article Eleven prescribed, and not otherwise, may sell, and the Trustees upon the delivery to the Corporate Trustee of the resolutions, opinion and certificate as in Section 12 of said Article Eleven provided, shall release from the lien and operation of said Fifty-Year Mortgage, any property which it shall no longer be necessary or expedient to retain for the operation, maintenance or use of the lines of railroad then subject to said Fifty-Year Mortgage, or for use in the business of the Railroad Company; and

WHEREAS, the Trustees of the Railroad Company, Debtor, have sold and conveyed to V. P. NELSON and PAUL B. ROBB, the property hereinafter described, for the cash consideration of Two Hundred Thirty-one Thousand, Six Hundred Ninety-eight Dollars and Fifty-nine Cents ($231,698.59), and have requested the parties of the first part to release the property hereinafter described from the lien of said Fifty-Year Mortgage; and

WHEREAS, United States Trust Company of New York, Trustee under the General Mortgage of Chicago, Milwaukee and St. Paul Railway Company (predecessor of the Railroad Company in the ownership of said property) dated May 1, 1889, which mortgage is a lien upon said property prior to the lien of said Fifty-Year Mortgage, has released said property from the lien of said General Mortgage;

WHEREAS, the Railroad Company has delivered to the Trustees, a certificate of the Corporate Trustee under the First and Refunding Mortgage of the Railroad Company, which is a lien on said property prior to the lien of said Fifty-Year Mortgage, that the Trustees thereunder have released said property from the lien of said First and Refunding Mortgage in pursuance of its provisions governing releases of mortgage property; and

WHEREAS, the recitals herein contained are made only in behalf of said Railroad Company;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That the parties of the first part, as Trustees, in consideration of the premises and of the sum of One Dollar ($1.00) to them paid, the receipt of which is hereby acknowledged, do hereby release from the lien of the aforesaid Fifty-Year Mortgage and Deed of Trust, the property which is particularly described as follows, to-wit:

EXHIBIT "A"

LIST OF MATERIAL TO BE PURCHASED BY THE OWNERS FROM THE RAILROAD TRUSTEES TO BE USED IN THE CONSTRUCTION OF 1,000 - 50 TON BOX CARS

Item No.		No. of Units	S.H. or New	Price Base	Unit Price	Amount
1.	Brake Shoes	8,000	New	New	36¢ ea.	$ 2,880.00
2.	C.I. Trust Plates 3# ea	2,000	"	"	3.39 cwt.	203.40
3.	C.I. Brake Lever badge plates 3½# ea.	1,000	"	"	3.39 cwt.	118.65
4.	Wheels-cast iron	8,000	"	"	8.00 ea.	64,000.00
5.	Dust guards 5½ x 10	8,000	"	"	35.17 M	281.36
6.	Dust guard closure 5½ x 10	8,000	"	"	4.45 M	35.60
7.	Journal Box Packing	85,000	"	"	5.52 cwt.	4,692.00
8.	Truck bolsters Patt. 6229 & 6452	200	S.H.	50% of new	15.75 ea.	3,150.00
9.	Truck sides Patt. Nos. 568,-A,-B,-C.	1,000	"	" " "	13.79 ea.	13,790.00
10.	Truck springs, inner 6¼# ea	7,500	"	" " "	3.89 cwt.	1,823.44
11.	Truck springs, outer 23# ea	15,000	"	" " "	3.89 cwt.	13,420.50
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14.	Forgings	195,000	S.H.	50% of new	2.01½ cwt.	3,929.25
15.	Drawings & Designs	--	New	--	--	2,000.00
16.	Jigs & Dies	--	New or S.H.	--	--	6,000.00
17.	Patterns	--	New	--	--	1,000.00
18.	Steel-Bars, Plates, etc.	90,000#	New	New	2.13 cwt. (Average)	1,917.00
19.	Screws	1,400 gr	"	"	.514 gr. (Average)	719.60
20.	Bolts, nuts & Rivets	20,000#	"	"	6.08 cwt. (Average)	1,216.00
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					TOTAL - - - - -	$192,319.00

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3.	C.I. Brake Lever Badge plates 3½# ea	75	"	"	3.39 cwt.	8.90
4.	Journal Box Packing	5,625#	"	"	5.52 cwt.	310.50

Item No.		No. of Units	S.H. or New	Price Base	Unit Price	Amount
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6.	Coupler Yokes	150	"	" " "	4.25 ea.	637.50
7.	Air Brake Eqpt. Carset	75	"	" " "	50.00 ea.	3,750.00
8.	Brake connection pins	2,100	"	" " "	2.98 C	62.58
9.	Rolled Steel Wheels	600	"	25.7% of new	11.98 ea.	7,188.00
10.	Axles	300	"	75% of new	14.14 ea.	4,242.00
11.	Axles-Scrap for follower plates & brake hanger blocks (788# ea.)	29	Scrap	$20.00 NT	7.88 ea.	228.52
12.	Acme single oil lamps	75	S.H.	25% of new	2.00 ea.	150.00
13.	Coach Seats	150	"	25% of new	20.00 ea.	3,000.00
14.	Forgings	45,050#	"	50% of new	2.01½ cwt.	907.76
15.	Superheater flues (for smoke jack)	4,500#	Scrap	--	50¢ cwt.	22.50
16.	Curled hair	700#	S.H.	50% of new	31½¢ lb.	220.50
17.	Welding and filler rod	1,300#	New	New	6.24 cwt. (Avg)	81.12
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19.	Hardware	624 pcs	"	"	.78184 ea(Avg)	487.87
20.	Bolts, nuts & Rivets	17,000#	"	"	6.08 cwt. (Avg)	1,033.60
21.	Insulation (sq. ft.)	14,000	"	"	.115 sq.ft. (Avg)	1,610.00
22.	Steel-Bars, Plates, etc.	20,000#	"	"	2.22 cwt. (Avg)	444.00
23.	Caboose stoves	75	"	"	20.04 ea.	1,503.00
24.	Miscl. small castings (from Mil. Shops Foundry)	3,100#	"	"	3.39 cwt.	105.09
25.	Steel strips-shearings	10,000#	"	20% of new	.50 cwt.	50.00
26.	Train line clamp fillers 3/4# ea.	150	"	New	3.46 cwt.	3.89
27.	Miscl. Lumber	25,000 BF	"	"	40.00 MBF (Avg)	1,000.00
28.	Drawings & Designs	--	"	--	--	2,000.00
29.	Jigs & Dies	--	"	--	--	6,000.00
30.	Patterns	--	"	--	--	1,000.00
31.	Steel Bushings	600	"	New	.88 ea.	528.00
					TOTAL - - - - - - -	$ 39,379.59
					GRAND TOTAL - - - - -	$ 231,698.59

PROVIDED ALWAYS, NEVERTHELESS, that nothing herein contained shall in anywise affect, alter or diminish the lien or encumbrance of the aforesaid Fifty-Year Mortgage on the remaining parts of the properties, premises and franchises covered by it, or the remedies given by it against said Chicago, Milwaukee, St. Paul and Pacific Railroad Company, its successors and assigns, as security for the bonds and performance of the acts secured by it.

IN WITNESS WHEREOF, Guaranty Trust Company of New York, Trustee, has caused these presents to be executed in its corporate name by its Vice President, with its corporate seal hereto affixed, attested by its Assistant Secretary, and said Merrel P. Callaway has hereunto set his hand and seal all on the day and year first above written.

(CORPORATE SEAL) GUARANTY TRUST COMPANY OF NEW YORK,

BY HENRY A. THEIS
Vice President.

Attest:

L. B. BICHER
Assistant Secretary

MERREL P. CALLAWAY (SEAL)

In the presence of:

J. F. McCarty

Greene F. Johnson

This is page 7 of instrument dated 6/29/39 releasing from lien of Chicago Milwaukee St. Paul & Pacific Railroad Company Mortgage & Deed of Trust dated February 2, 1925 certain property in County of Milwaukee, Wisconsin and conveying same to .....

STATE OF NEW YORK)
) SS
NEW YORK COUNTY)

Personally came before me, this 30th day of June, 1939, the within named HENRY A. THEIS, a Vice President of Guaranty Trust Company of New York, and L. B. BICHER, an Assistant Secretary, of Guaranty Trust Company of New York, both to me personally known to be the persons thereindescribed, who executed the foregoing instrument and acknowledged the same.

GIVEN under my hand and notarial seal this 30th day of June, A. D. 1939

(NOTARIAL SEAL)

W. J. BURNHAM
Notary Public

W. J. BURNHAM
Notary Public, New York County
Clerk's No. 432, Register No. 0B560
Commission expires March 30, 1940

STATE OF NEW YORK) SS
NEW YORK COUNTY)

Personally came before me this 30th day of June, 1939, the within named Merrel P. Callaway, to me personally known to be the person therein described, who executed the foregoing instrument and acknowledged the same.

GIVEN under my hand and notarial seal this 30th day of June, A. D. 1939.

(NOTARIAL SEAL)

W. J. BURNHAM
Notary Public

W. J. Burnham
Notary Public, New York County
Clerk's No. 432, Register No. 0B560
Commission expires March 30, 1940.

STATE OF WISCONSIN) SS
DEPARTMENT OF STATE)

Received this 5th day of July A. D. 1939 at 3:00 o'clock P. M. and recorded in Vol. 34 of R. R. Mtgs. on page 251-254, incl.

FRED R. ZIMMERMAN
Secretary of State

Equipment Trust Series T

RELEASE

OF

ADJUSTMENT MORTGAGE

between

THE NATIONAL CITY BANK, N.Y. & WILLIAM W. HOFFMAN, Trustees

and

CHICAGO, MILWAUKEE, ST. PAUL & PACIFIC RAILROAD CO.

EQUIPMENT TRUST, SERIES "T".

Dated June 30, 1939.

* *

INDENTURE made this 30th day of June, A. D. 1939, by and between THE NATIONAL CITY BANK OF NEW YORK, a corporation organized and existing as a national banking association under the laws of the United States of America, and William W. Hoffman, of the City of New York in said State, as Trustees (hereinafter referred to as the "Trustees") parties of the first part and CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY (hereinafter referred to as the "Railroad Company") party of the second part.

WHEREAS, by an instrument bearing date as of February 2, 1925, (hereinafter referred to as " Adjustment Mortgage") and filed for record in the office of the Secretary of State of the State of Wisconsin, and there recorded in Book 29 of Railroad Mortgages, page 1, on the 8th day of March, 1928, the Railroad Company mortgaged to said Trustees as security for certain bonds therein mentioned, the lines of railway and property therein specifically described, including the property particularly described in attached Exhibit "A" and released by the parties of the first part; and

WHEREAS, in and by Article Twelve of said Mortgage, it is provided that from time to time the Railroad Company, subject to the conditions and limitations in said Article Twelve prescribed, and not otherwise, may sell, and the Trustees upon the delivery to the Corporate Trustee of the resolutions, opinion and certificate as in Section 12 of said Article Twelve provided, shall release from the lien and operation of said Adjustment Mortgage, any property which it shall no longer be necessary or expedient to retain for the operation, maintenance or use of the lines of railroad then subject to said Adjustment Mortgage, or for use in the business of the Railroad Company; and

WHEREAS, the Trustees of the Railroad Company, Debtor, have sold and conveyed to V. P. NELSON and PAUL B. ROBB, the property hereinafter described for the cash consideration of Two Hundred Thirty-one Thousand, Six Hundred Ninety-eight Dollars and Fifty-nine Cents, ($231,698.59) and have requested the parties of the first part to release the property hereinafter described from the lien of said Adjustment Mortgage; and

WHEREAS, United States Trust Company of New York, Trustee under the General Mortgage of Chicago, Milwaukee and St. Paul Railway Company (predecessor to the Railroad Company in the ownership of said property) dated May 1, 1889, which mortgage is a lien upon said property prior to the lien of said Adjustment mortgage, has released said property from the lien of said General Mortgage; and

WHEREAS, the Railroad Company has delivered to the Trustees, a certificate of the Corporate Trustee under its First and Refunding Mortgage, which mortgage is a lien upon said property prior to the lien of said Adjustment mortgage, that the Trustees thereunder have released said property from the lien of that mortgage, in pursuance of its provisions governing releases of mortgaged property; and

WHEREAS, the Trustees under the Fifty-Year Mortgage of the Railroad Company, dated as of February 2, 1925, which mortgage is a lien upon said property prior to the lien of the Adjustment Mortgage, have executed, or simultaneously herewith will execute, a release of said property from the lien of the Fifty-Year Mortgage; and

WHEREAS, the recitals herein contained are made only in behalf of said Railroad Company;

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That the parties of the first part, as Trustees, in consideration of the premises and of the sum of One Dollar ($1.00) to them paid, the receipt of which is hereby acknowledged, do hereby release from the lien of the aforesaid Adjustment Mortgage, the property which is particularly described in Exhibit "A" hereto attached;

PROVIDED ALWAYS, NEVERTHELESS, that nothing herein contained shall in anywise affect, alter or diminish the lien or encumbrance of the aforesaid Adjustment Mortgage on the remaining parts of the properties, premises and franchises covered by it, or the remedies given by it against said Chicago, Milwaukee, St. Paul and Pacific Railroad Company, its successors and assigns, as security for the bonds and performance of the acts secured by it.

IN WITNESS WHEREOF, The National City Bank of New York, Trustee, has caused these presents to be executed in its corporate name by one of its Vice Presidents, with its corporate seal hereto affixed, attested by one of its Assistant Cashiers and said William W. Hoffman has hereunto set his hand and seal, all on the day and year first above written.

(CORPORATE SEAL) THE NATIONAL CITY BANK OF NEW YORK, TRUSTEE,

BY STEWART C. PRATT
Vice President

Attest:

J. WALLACE
Assistant Cashier

WILLIAM W. HOFFMAN (SEAL)

In the presence of:

E. F. Mitchell

P. D. Dolsen (?)

STATE OF NEW YORK)
) SS
NEW YORK COUNTY)

Personally came before me, this 30th day of June, 1939, the within named Stewart C. Pratt Vice President of The National City Bank of New York and J. Wallace, Assistant Cashier of The National City Bank of New York, both to me personally known to be the persons therein described, who executed the foregoing instrument and acknowledged the same.

GIVEN under my hand and notarial seal this 30th day of June, A. D. 1939.

(NOTARIAL SEAL)

STANLEY A. NELSON
Notary Public

Stanley A. Nelson
Notary Public, Queens County No. 2616, Reg. No. 6481
Cert. filed in N.Y. Co. No. 131, Reg. No. 1-N-84
Commission expires March 30, 1941

STATE OF NEW YORK)
) SS
NEW YORK COUNTY)

Personally came before me this 30th day of June, 1939, the within named William W. Hoffman, to me personally known to be the person therein described, who executed the foregoing instrument and acknowledged the same.

GIVEN under my hand and notarial seal this 30th day of June, A. D. 1939.

(NOTARIAL SEAL)

STANLEY A. NELSON
Notary Public

Stanley A. Nelson
Notary Public, Queens County No. 2616, Reg. No. 6481
Cert. filed in N.Y. Co. No. 131, Reg. No. 1-N-84
Commission expires March 30, 1941

EXHIBIT "A"

LIST OF MATERIAL TO BE PURCHASED BY THE OWNERS FROM THE RAILROAD TRUSTEES TO BE USED IN THE CONSTRUCTION OF 1,000 - 50 TON BOX CARS

Item No.		No. of Units	S.H. or New	Price Base	Unit Price	Amount
1.	Brake Shoes	8,000	New	New	36¢ ea.	$ 2,880.00
2.	C.I. Trust plates 3# ea	2,000	"	"	3.39 cwt.	203.40
3.	C.I. Brake Lever badge plates 3½# ea.	1,000	"	"	3.39 cwt.	118.65
4.	Wheels-cast iron	8,000	"	"	8.00 ea.	64,000.00
5.	Dust guards 5½ x 10	8,000	"	"	35.17 M	281.36
6.	Dust guard closure 5½ x 10	8,000	"	"	4.45 M	35.60
7.	Journal Box Packing	85,000#	"	"	5.52 cwt.	4,692.00
8.	Truck bolsters Patt. 6229 & 6452	200	S.H.	50% of new	15.75 ea.	3,150.00
9.	Truck sides Patt. Nos. 568,-A,-B,-C.	1,000	"	" " "	13.79 ea.	13,790.00
10.	Truck springs, inner 6¼# ea	7,500	"	" " "	3.89 cwt.	1,823.44
11.	Truck springs, outer, 23# ea	15,000	"	" " "	3.89 cwt.	13,420.50
12.	Axles	4,000	"	75% of new	17.14 ea.	68,560.00
13.	Axles-Scrap for follower plates, 788# ea.	315	Scrap	20.00 NT	7.88 ea.	2,482.20
14.	Forgings	195,000#	S.H.	50% of new	2.01½ cwt.	3,929.25
15.	Drawings & Designs	--	New	--	--	2,000.00
16.	Jigs & Dies	--	New or S.H.	--	--	6,000.00
17.	Patterns	--	New	--	--	1,000.00
18.	Steel-Bars, Plates, etc.	90,000#	"	New	2.13 cwt.(Average)	1,917.00
19.	Screws	1,400 gr	"	"	.514 gr.(Average)	719.60
20.	Bolts, nuts & Rivets	20,000#	"	"	6.08 cwt.(Average)	1,216.00
21.	Steel strips-shearings	20,000#	"	20% of new	50¢ cwt.	100.00
				TOTAL - - - - - - -		$192,319.00

List of Material to be purchased by the Owners from the Railroad Trustees to be used in the construction of 75 new cabooses.

1.	Brake shoes	600	New	New	36¢ ea.	216.00
2.	C.I. Trust Plates 3# ea	150	"	"	3.39 cwt.	15.26
3.	C.I. Brake Lever Badge plates 3½# ea.	75	"	"	3.39 cwt.	8.90
4.	Journal Box Packing	5,625#	"	"	5.52 cwt.	310.50

Item No.		No. of Units	S.H. or New	Price Base	Unit Price	Amount
5.	Couplers 5 x 7	150	S.H.	50% of new	10.30 ea	$ 1,545.00
6.	Coupler Yokes	150	"	" " "	4.25 ea.	637.50
7.	Air Brakes Eqpt. carset	75	"	" " "	50.00 ea.	3,750.00
8.	Brake connection pins	2,100	"	" " "	2.98 C	62.58
9.	Rolled Steel Wheels	600	"	25.7% of new	11.98 ea.	7,188.00
10.	Axles	300	"	75% of new	14.14 ea.	4,242.00
11.	Axles-Scrap for follower plates & brake hanger blocks (788# ea.)	29	Scrap	$20.00 NT	7.88 ea.	228.52
12.	Acme single oil lamps	75	S.H.	25% of new	2.00 ea.	150.00
13.	Coach Seats	150	"	" " "	20.00	3,000.00
14.	Forgings	45,050#	"	50% of new	2.01½ cwt.	907.76
15.	Superheater flues (for smoke jack)	4,500#	Scrap	--	50¢ cwt.	22.50
16.	Curled hair	700#	S.H.	50% of new	31½¢ lb.	220.50
17.	Welding and filler rod	1,300#	New	New	6.24 cwt.(Avg)	81.12
18.	Screws	2,000	"	"	.514 gr (Avg)	1,028.00
19.	Hardware	624 pcs	"	"	.78184 ea (Avg)	487.87
20.	Bolts, nuts & Rivets	17,000#	"	"	6.08 cwt. (Avg)	1,033.60
21.	Insulation (sq. ft.)	14,000	"	"	.115 sq. ft.(Avg)	1,610.00
22.	Steel-Bars, Plates, etc.	20,000#	"	"	2.22 cwt. (Avg)	444.00
23.	Caboose stoves	75	"	"	20.04 ea.	1,503.00
24.	Miscl. small castings (from Mil. Shops Foundry)	3,100#	"	"	3.39 cwt.	105.09
25.	Steel strips-shearings	10,000#	"	20% of new	.50 cwt.	50.00
26.	Train line clamp fillers 3/4# ea.	150	"	New	3.46 cwt.	3.89
27.	Miscl. Lumber	25,000 BF	"	"	40.00 MBF (Avg.)	1,000.00
28.	Drawings & Designs	--	"	--	--	2,000.00
29.	Jigs & Dies	--	"	--	--	6,000.00
30.	Patterns	--	"	--	--	1,000.00
31.	Steel Bushings	600	"	New	.88 ea.	528.00
					TOTAL - - - -	$39,379.59
					GRAND TOTAL - - - -	$231,698.59

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS

Received this 5th day
of July A. D. 1939 at 3:00
o'clock P.M. and recorded
in Vol. 34 of R. R. Mtgs.
on page 255 - 258, incl.

FRED R. ZIMMERMAN
Secretary of State

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AGREEMENT

Dated July 5, 1939

between

ELECTRO-MOTIVE CORPORATION
and
THE FIRST NATIONAL BANK OF CHICAGO

ASSIGNING

CERTAIN RAILROAD EQUIPMENT

COVERED BY

CONDITIONAL SALE AGREEMENT

Dated April 1, 1939.

AGREEMENT dated July 5, 1939, between ELECTRO-MOTIVE CORPORATION, a corporation duly organized and existing under the laws of the State of Delaware with its principal office and place of business in the Village of La Grange, Illinois, (hereinafter referred to as the "Manufacturer"), and THE FIRST NATIONAL BANK OF CHICAGO, a national banking association duly organized and existing under the laws of the United States of America with its principal office and place of business in the City of Chicago, Illinois, (hereinafter referred to as the "Bank"),

WITNESSETH THAT:

WHEREAS, the Manufacturer and HENRY A SCANDRETT, WALTER J. CUMMINGS and GEORGE I. HAIGHT, as Trustees of the property of Chicago, Milwaukee, St. Paul, and Pacific Railroad Company, (hereinafter referred to as the "Buyers"), entered into a Conditional sale Agreement dated as of April 1, 1939, duly recorded as required by law prior to the execution of this Agreement, covering the following railroad equipment:

Two (2) new, 125-ton 1,000 horsepower Diesel switching locomotives bearing Manufacturer's shop Numbers 845 and 846 and Buyers' road Numbers 1650 and 1651

and

Two (2) new, 100-ton, 600 horsepower Diesel switching locomotives bearing Manufacturer's shop Numbers 878 and 879 and Buyers' road Numbers 1610 and 1611,

all as more particularly described in said Conditional Sale Agreement, for the aggregate price of Two Hundred Ninety-four Thousand Ninety Dollars ($294,090.00), payable in installments and with interest as therein provided;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS that in consideration of the sum of Two Hundred Ninety-four Thousand Ninety Dollars ($294,090.00) paid by the Bank to the Manufacturer after completion of the delivery of said railroad equipment to and the acceptance of the same by the Buyers and prior to or simultaneous with the ensealing and delivery hereof, the receipt of which sum so paid by the Bank the Manufacturer does hereby acknowledge, and in further consideration of the mutual covenants herein contained, the parties hereto do hereby covenant and agree as follows, towit:

1. The Manufacturer hereby sells, assigns, transfers, and sets over unto the Bank all the right, title, and interest of the Manufacturer in and to the said equipment, together with all the rights and subject to all the obligations in respect thereof set forth in the above mentioned Conditional Sale Agreement as applying to the "Seller" thereunder as therein defined, without any recourse, however, against the Manufacturer for or on account of the failure of the Buyers to make any of the payments provided for in, or otherwise to comply with any of the provisions of, the same Conditional Sale Agreement;

provided, however, that this assignment shall not pass, or in any way affect or modify the liability of the Manufacturer, or of any successor or successors to its manufacturing property and business, in respect of its guaranty obligation; it being understood and agreed that notwithstanding this assignment all said obligations of the Manufacturer to the Buyers in respect of the said equipment shall be and remain enforceable by the Buyers, their successors, and assigns, against and only against the Manufacturer, and any successor or successors to all or substantially all of its property and business, as in said Conditional Sale Agreement provided. Without hereby limiting the generality of the foregoing assignment and transfer, the Manufacturer hereby authorizes and empowers the Bank to sue for, collect, receive and enforce, in the name of and as attorney, hereby irrevocable constituted, for the Manufacturer but at the expense and liability and for the sole benefit of the Bank (against which expense and liability the Bank agrees to hold harmless and to indemnify the Manufacturer), with full power to substitute any one or more persons with like power, or in the name of the Bank, all sums payable and all action to be taken by the Buyers under said Conditional Sale Agreement in respect of the equipment described therein.

2. The Manufactuter covenants and agrees with the Bank that the Manufacturer is the lawful owner of the said equipment and rights under said Conditional Sale Agreement sole, assigned, transferred and set over, or intended to be sold, assigned, transferred and set over, to the Bank by this Agreement; that the same are free from all liens or encumbrances; that the Manufacturer has good and lawful right to sell the same as aforesaid; and that the Manufacturer will warrant and defend the same against the lawful demands of all persons whomsoever based on claims originating prior to the delivery of the said equipment by the Manufacturer to the Buyers and/or prior to the execution and delivery of this assignment by the Manufacturer to the Bank; all subject, however, to the provisions of the aforesaid Conditional Sale Agreement, and the rights of the Buyers thereunder.

3. The Manufacturer covenants and agrees with the Bank that, in any suit or action brought by the Bank under said Conditional Sale Agreement for any installment of the purchase price, the Manufacturer will save, indemnidy and keep harmless the Bank from and against all expense, loss or damage suffered by reason of any defense, set-off or counterclaim of the Buyers arising out of a breach by the Manufacturer of any of the Manufacturer's obligations respecting any of said equipment under the terms and conditions of said Conditional Sale Agreement. The Manufacturer agrees to save, indemnify and keep harmless the Bank from and against any and all royalties, damages, claims, suits, judgments, and costs that may arise from the use of any patented article, except with regard to any appliances, devices, or materials specified by the Buyers and not manufactured by the Manufacturer.

4. The Manufacturer warrants that at the time of the delivery of said equipment to the Buyers, it delivered to the Buyers metal plates, for ready attachment on both sides of each unit of said equipment, plainly and conspicuously marked as follows:

"The First National Bank of Chicago, Owner by Assignment from Electro-Motive Corporation, Manufacturer and Prior Owner."

5. All rights and obligations hereunder shall be governed by the laws of the State of Illinois.

This agreement may be simultaneously executed in two (2) or more counterparts, each of which so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same instrument, which shall be sufficiently evidenced

for all purposes by any such original counterpart.

IN WITNESS WHEREOF, the Parties hereto, pursuant to due corporate authority, have caused this Agreement to be executed in their respective corporate names by their respective officers thereunto duly authorized, and their respective corporate seals to be hereunto affixed, duly attested, as of the day and year first above written.

(CORPORATE SEAL)

ELECTRO-MOTIVE CORPORATION

By F. H. PRESCOTT
Vice President

ATTEST:

A. D. PEDLAR
Assistant Secretary

Signed, sealed, and delivered by Electro-Motive Corporation in the presence of:

V. L. Koch

M. K. Lauden
Attesting Witnesses

(CORPORATE SEAL)

THE FIRST NATIONAL BANK OF CHICAGO

By J. L. BUCHANAN
Vice President

ATTEST:

Ellerton A. Lodge
Assistant Cashier

Signed, sealed, and delivered by The First National Bank of Chicago in the presence of:

R. Raymond Muller

Jessie Hart
Attesting Witnesses

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Franklin G. Wolfgram, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements, and hereditaments in said County, DO HEREBY CERTIFY that on the 5th day of July, 1939, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named F. H. Prescott and A. D. Pedlar, to me personally known and known to me to be, respectively, the Vice President and Assistant Secretary of Electro-Motive Corporation, the corporation described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Assistant Secretary, respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and said F. H. Prescott and A. D. Pedlar being by me severally suly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that said F. H. Prescott resides in Hinsdale, in the State of Illinois, and that said A. D. Pedlar resides in La Grange, in the State of Illinois; that said F. H. Prescott is Vice President and said A. D. Pedlar is Assistant Secretary of Electro-Motive Corporation, the corporation described in and which executed the within and foregoing instrument in writing; that they, said F. H. Prescott, Vice President, and A. D. Pedlar, Assistant Secretary, know the corporate seal of said

corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto by authority of the Board of Directors of said corporation; that they and each of them signed their names to, and executed the foregoing instrument in their respective capacities as Vice President and Assistant Secretary in behalf of said corporation by like authority; that they signed, sealed with the corporate seal, executed, and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires March 23, 1941.

(NOTARIAL SEAL) FRANKLIN G. WOLFGRAM
Notary Public in and
for the State of Illinois, County of Cook.

STATE OF ILLINOIS)
) SS.
COOK COUNTY)

I, MICHAEL J. FLYNN, County Clerk of the County of Cook, DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County, and as such officer am duly authorized to issue certificates of magistracy, that FRANKLIN G. WOLFGRAM whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is genuine.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 7th day of July 1939.

(COUNTY OF COOK SEAL) MICHAEL J. FLYNN County Clerk.

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, GAYLORD A. FREEMAN, JR., a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements, and hereditaments in said County, DO HEREBY CERTIFY that on the 5th day of July, 1939, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named J. L. BUCHANAN and ELLERTON A LODGE, to me personally known and known to me to be, respectively, the Vice President and Assistant Cashier of THE FIRST NATIONAL BANK OF CHICAGO, a national banking association described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and

Assistant Cashier, respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and said J. L. BUCHANAN and ELLERTON A LODGE, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that said J. L. BUCHANAN resides in Chicago in the State of Illinois, and that said ELLERTON A. LODGE resides in Chicago in the State of Illinois; that said J. L. BUCHANAN is Vice President and said ELLERTON A. LODGE is Assistant Cashier of THE FIRST NATIONAL BANK OF CHICAGO, the National banking association described in and which executed the within and foregoing instrument in writing; that they, said J. L. BUCHANAN Vice President, and ELLERTON A. LODGE Assistant Cashier, know the corporate seal of said national banking association; that the seal affixed to said instrument as the seal of said national banking association is such corporate seal, that it was so affixed thereto by order and authority of the Board of Directors of said national banking association; that they and each of them signed their names to, and executed the foregoing instrument in their respective capacities as Vice President and Assistant Cashier in behalf of said national banking association by like order and authority; that they signed, sealed with the corporate seal, executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said national banking association for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said national banking association and that said national banking association executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires October 7, 1939.

(NOTARIAL SEAL) GAYLORD A. FREEMAN, JR.
Notary Public in and for the State of
Illinois, County of Cook.

STATE OF ILLINOIS)
) SS.
COOK COUNTY)

I, MICHAEL J. FLYNN, County Clerk of the County of Cook, DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County, and as such officer am duly authorized to issue certificates of magistracy, that GAYLORD A. FREEMAN, JR., whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is genuine.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 7th day of July, 1939.

(COOK COUNTY SEAL) MICHAEL J. FLYNN County Clerk

STATE OF WISCONSIN)SS
DEPARTMENT OF STATE)

Received this 11th day of July A.D. 1939 at 10:00 o'clock A.M. and recorded in Vol. 34 of R.R. Mtgs. on page 259-263, incl. FRED R. ZIMMERMAN Secretary of State

Index
7-8-L

AGREEMENT OF ASSIGNMENT

BETWEEN

PULLMAN-STANDARD CAR MANUFACTURING COMPANY

AND

THE UNION TRUST COMPANY OF PITTSBURGH

Dated June 27th, 1939

(This title page is not a part of instrument as signed)

ASSIGNMENT

THIS AGREEMENT OF ASSIGNMENT, Made this 27th day of June, 1939, between PULLMAN-STANDARD CAR MANUFACTURING COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Delaware, (hereinafter called "Car Company"), and THE UNION TRUST COMPANY OF PITTSBURGH, a corporation organized and existing under and by virtue of the laws of the State of Pennsylvania, (hereinafter designated as "Assignee") WITNESSETH THAT:

WHEREAS an agreement of conditional sale was made between Car Company and Great Northern Railway Company on June 3, 1939 for the construction and sale by Car Company of 1,000 double sheathed box cars of 50 tons capacity and for the delivery thereof by Car Company f.o.b. Chicago, Illinois, all in accordance with and subject to the terms and conditions set forth therein, a true copy of said agreement of conditional sale being attached hereto and made a part hereof; and

WHEREAS, Assignee has offered to purchase from Car Company and Car Company has agreed to assign and transfer to Assignee all of its right, title and interest in, to and under said agreement of conditional sale including the right to collect and receive all payments to become due and payable thereunder from said Great Northern Railway Company.

NOW THEREFORE, Know all men by these presents that:

1. Car Company, in consideration of the amounts hereinafter agreed to be paid by Assignee, does hereby sell, assign, transfer and set over unto Assignee, its successors and assigns, all its right, title and interest in, to and under the agreement of conditional sale made by the Car Company and Great Northern Railway Company dated June 3, 1939, together with and including all payments to become due from Great Northern Railway Company under said agreement, a true copy of said agreement of conditional sale being attached hereto and made a part hereof; provided, however, that this assignment shall not subject Assignee to or relieve Car Company or the successor or successors to its manufacturing property and business from any of the obligations of Car Company as to the construction or delivery of the cars or as to any indemnity with respect thereto, or from any other duty, obligation or liability except the duty to execute necessary and proper instruments of transfer as and when the Great Northern Railway Company shall be entitled thereto pursuant to the provisions of Section 9 of said Agreement.

2. The rights of Assignee to the entire unpaid purchase price of said 1,000 box cars, and interest thereon, as well as any other rights as may be so assigned hereunder shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever arising out of any breach of any obligation of Car Company or the successor or successors

to its manufacturing properties and business in respect of the cars or the manufacture or delivery thereof, or in respect of any indemnity herein contained, nor subject to any defense, set-off, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Great Northern Railway Company by Car Company or the successor to its manufacturing business. Any and all such obligations, howsoever arising, shall be and remain enforceable by the Great Northern Railway Company against and only against Car Company and the successor or successors to its manufacturing properties and business, and shall not be enforceable against Assignee or any party or parties in whom title to the cars or any of them, or the rights of Car Company under said Agreement, shall vest by reason of this assignment or transfer, or of successive sales, assignments or transfers.

3. Car Company covenants and agrees that it will construct all said 1,000 box cars in full and complete accordance with the specifications and plans as set forth in said agreement of conditional sale and will deliver said cars on completion thereof to said Great Northern Railway Company free of all liens and incumbrances and in accordance with the provisions of said agreement of conditional sale; and that, notwithstanding this assignment, it will perform and fully comply with each and all the covenants and conditions of said Agreement, set forth to be performed and complied with by Car Company.

4. Car Company further upon completion and delivery of each lot of said cars will execute and deliver to Assignee for the purpose of effectuating this assignment, several bills of sale transferring title to all cars in each such lot, concurrently with shipment and delivery thereof to said Great Northern Railway Company, and will forward to Assignee with such executed bills of sale, documents evidencing the delivery of all said cars and the acceptance thereof by said Great Northern Railway Company, all in accordance with the provisions of said agreement of conditional sale.

Upon receipt of each such bill of sale, Assignee will pay to Car Company the sum of Two Thousand Nine Hundred and Twelve Dollars, ($2,912.00) for each and every box car so delivered, as evidenced by bills of sale and shipping documents so forwarded to the Assignee, the total amount to be paid by Assignee for all of said cars being the aggregate purchase price of Two Million Nine Hundred Twelve Thousand Dollars ($2,912,000.00) for all said 1,000 cars.

5. Car Company hereby represents and warrants to Assignee, and its successors and assigns:

That said agreement of conditional sale was lawfully executed for a valid consideration and that it is a valid subsisting contract according to its terms binding upon the parties thereto;

That the box cars therein provided for are now under construction according to schedule, and will be completed and delivered as provided in said Agreement.

That no payments have been made by Great Northern Railway Company to Car Company under said Agreement, and that upon completion and delivery of said cars each and all the installment payments will become and be due and payable, in the amounts and at times as set forth in said Agreement.

6. Without hereby limiting the generality of the foregoing assignment, Car Company hereby authorizes and empowers Assignee to sue for, collect, receive and enforce, in the name of and as attorney, hereby irrevocably constituted, for Car Company, or in the name of the Assignee, but in either case at the expense and liability and for the sole benefit of Assignee (against which expense and liability the Assignee agrees to hold harmless

and indemnify Car Company), with full power to Assignee to substitute any one or more persons with like power, the payment of all sums and to enforce all action to be taken by the Great Northern Railway Company under said agreement of conditional sale in respect of said cars.

7. Car Company covenants and agrees with Assignee that in any suit or action brought by Assignee for the recovery of any sum or sums provided in said conditional sale agreement to be paid by Great Northern Railway Company, Car Company will save, indemnify and keep harmless Assignee from any and all expense, loss and damage suffered by reason of any defense, set-off, counterclaims or recoupment of Great Northern Railway Company arising out of the breach by Car Company of any of Car Company's obligations respecting any of said cars under the terms and conditions of said conditional sale agreement. Car Company agrees to save, indemnify and keep harmless Assignee from and against any and all royalties, damages, claims, suits, judgments and costs that may arise from the use of any patented article on said cars at the time of delivery, except with regard to any appliances, devices or materials specified by the Great Northern Railway Company and not manufactured by Car Company.

8. The terms of this Contract and all rights and obligations hereunder shall be governed by the law of the State of Illinois.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed by the parties the day and year first above written.

(CORPORATE SEAL) PULLMAN-STANDARD CAR MANUFACTURING COMPANY,

BY C. A. LIDDLE
President.

Attest:

J. A. KNOWLTON
Secretary.

(CORPORATE SEAL) THE UNION TRUST COMPANY OF PITTSBURGH

By C. STANLEY
President.

Attest:

B. I. PATTON
Assistant Secretary.

STATE OF ILLINOIS,)
)SS
COUNTY OF COOK.)

I, the undersigned, a Notary Public of said State, in and for and residing in said County, DO HEREBY CERTIFY that on this 27th day of June, 1939, personally appeared before me, C. A. Liddle and J. A. Knowlton, to me personally known to be the identical persons whose names are subscribed to the above instrument in writing, bearing date the 27th day of June, 1939, as President and Secretary, respectively, of Pullman-Standard Car Manufacturing Company, a corporation described in said agreement and one of the makers thereof, and being by me duly sworn did depose and say that they are the President and Secretary, respectively, of said Corporation, authorized by said Corporation to execute and acknowledge deeds, contracts and other writings of said corporation, and that the seal affixed to said instrument is the corporate seal of said corporation; that said instrument was signed and sealed by them on behalf of said corporation, by its authority duly given, and they acknowledged the said instrument to be the act and deed of said corporation, and by them as its President and Secretary, respectively, thereunto duly authorized, voluntarily done and executed, and that they signed, sealed and delivered the said

instrument as the free and voluntary act of said Corporation and as their own free and voluntary act as President and Secretary, respectively, for the uses and the purposes therein set forth.

GIVEN UNDER MY HAND AND SEAL OF OFFICE the day and year first above written.

(NOTARIAL SEAL) G. H. CASE
Notary Public

My Commission Expires August 13th, 1940.

STATE OF PENNSYLVANIA,)
) SS.
COUNTY OF ALLEGHENY.)

I, the undersigned, a Notary Public of said State, in and for and residing in said County, DO HEREBY CERTIFY that on this 30th day of June, 1939, personally appeared before me C. Stanley and B. I. Patton, to me personally known to be the identical persons whose names are subscribed to the above instrument in writing, bearing date the 30th day of June, 1939, as President and Asst. Secretary, respectively, of The Union Trust Company of Pittsburgh, a corporation described in said agreement and one of the makers thereof, and being by me duly sworn did depose and say that they are the President and Asst. Secretary, respectively, of said Corporation, authorized by said Corporation to execute and acknowledge deeds, contracts and other writings of said Corporation, and that the seal affixed to said instrument is the corporate seal of said corporation; that said instrument was signed and sealed by them on behalf of said corporation, by its authority duly given, and they acknowledge the said instrument to be the act and deed of said corporation, and by them as its President and Asst. Secretary, respectively, thereunto duly authorized, voluntarily done and executed, and that they signed, sealed and delivered the said instrument as the free and voluntary act of said Corporation and as their own free and voluntary act as President and Asst. Secretary, respectively, for the uses and purposes therein set forth.

GIVEN UNDER MY HAND AND SEAL OF OFFICE the day and year first above written.

(NOTARIAL SEAL) ROBERT KANE
Notary Public.

ROBERT KANE, Notary Public
My commission expires
Jan. 24, 1943

I hereby certify that I am not an officer or Director in the Union Trust Company or Pittsburgh.

STATE OF WISCONSIN) SS
DEPARTMENT OF STATE)

Received this 26th day of July A. D. 1939 at 10:30 o'clock A. M. and recorded in Vol. 34 of R. R. Mtgs. on page 264-267, incl.

FRED R. ZIMMERMAN
Secretary of State

"Original of Conditional Sale Agreement dated June 3, 1939, between Pullman-Standard Car Manufacturing Company and Great Northern Railway Company for purchase of one thousand box cars, referred to in the foregoing assignment, is recorded in Volume 34 of Railroad Mortgages, on pages 229-241, incl., on June 3, 1939 in the office of Secretary of State, Madison, Wisconsin."

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SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT
Dated July 12, 1939
Between
THE PENNSYLVANIA COMPANY FOR INSURANCES ON LIVES AND GRANTING ANNUITIES
and
TRUSTEES OF CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY

Executed in 15 Counterparts
No. 14

SUPPLEMENT TO "C"

SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated July 12, 1939, between THE PENNSYLVANIA COMPANY FOR INSURANCES ON LIVES AND GRANTING ANNUITIES, a Pennsylvania corporation, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and HENRY A. SCANDRETT, WALTER J. CUMMINGS and GEORGE I. HAIGHT, as Trustees of the property of CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY, (hereinafter called the Railroad Trustees), parties of the second part.

WHEREAS, by a Lease of Railroad Equipment dated April 1, 1923, Bank of North America and Trust Company, a Pennsylvania corporation, leased certain railroad equipment described therein to Chicago, Milwaukee & St. Paul Railway Company pursuant to the terms of an Agreement, also dated April 1, 1923, between the Vendors named in said Agreement, said Bank of North America and Trust Company and Chicago, Milwaukee & St. Paul Railway Company, creating Chicago, Milwaukee and St. Paul Railway Equipment Trust Series C; and

WHEREAS the Trustee has succeeded to all of the rights and obligations of Bank of North America and Trust Company as Lessor under said Lease and as Trustee under said Agreement dated April 1, 1923; and

WHEREAS the Railroad Trustees has been duly appointed Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company (successor corporation to Chicago, Milwaukee & St. Paul Railway Company) by order of the District Court of the United States for the Northern District of Illinois, Eastern Division, in a proceeding pending in said court entitled "In the Matter of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, Debtor" in proceedings for the reorganization of a railroad, No. 60463, and said appointment has been duly ratified by order of the Interstate Commerce Commission, and said persons have duly qualified and are now acting as Trustees of the property of said Railroad Company; and

WHEREAS, pursuant to the provisions of paragraph (a) of Article Fifth of said Lease, the Railroad Trustees have caused to be delivered to the Trustee 11 new 50-ton welded steel box cars, numbered 19017 to 19027, both inclusive, in replacement of 9 steel frame, single sheath, 40-ton capacity box cars numbered 708621, 709310, 709853, 710148, 710281, 710324, 710327, 710465 and 718917; and 16 steel composite, 50-ton capacity gondola coal cars, numbered 305755, 306916, 306980, 307905, 307949, 307999, 308537, 308592, 308794, 309073, 309186, 309222, 309327, 309498, 309959 and 310573, all of which cars so replaced had been worn out, lost or destroyed, as of April 30, 1939;

NOW, THEREFORE, this Supplement to said Lease witnesseth:

1. Pursuant to the provisions of said paragraph (a) of Article Fifth of said Lease, the Trustee has let and leased, and does hereby let and lease, to the Railroad Trustees, the said 11 new 50-ton welded steel box cars, numbered 19017 to 19027, both inclusive, subject to all the terms and conditions of said Lease and of said Agreement, both dated April 1, 1923, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Trustees covenant that, with all convenient speed after the execution hereof, they will cause this Supplement to said Lease to be duly filed, registered or recorded in all offices in which said Lease is now filed, registered or recorded.

3. Except as hereinabove otherwise expressly provided, said Lease, and all the terms and provisions thereof, shall remain in full force and effect and shall apply in full force and effect to said new equipment.

4. This Supplement to said Lease may be simultaneously executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the Trustee and the Railroad Trustees have caused these presents to be duly executed, as of the day and year first above written.

THE PENNSYLVANIA COMPANY FOR INSURANCES
ON LIVES AND GRANTING ANNUITIES,

(CORPORATE)
(SEAL)

By L. J. CLARK

Attest:

H. E. RIGHTER
A. Secretary

Signed, sealed and delivered by
The Pennsylvania Company for
Insurances on Lives and Granting
Annuities in the presence of

E. M. MARTIN

C. FOX
Witnesses.

HENRY A. SCANDRETT,
WALTER J. CUMMINGS,
GEORGE I. HAIGHT,
As Trustees of the Property of Chicago,
Milwaukee, St. Paul and Pacific Rail-
Road Company, but not individually,

By WALTER V. WILSON
Comptroller.

Signed, sealed and delivered for
and on behalf of the Railroad
Trustees, by Walter V. Wilson,
Comptroller, in the presence of

W. C. HANNENBERG

F. W. LIPPERT
Witnesses.

STATE OF PENNA.)
) ss.
COUNTY OF PHILA.)

I, J. WALLACE HENSLER, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, DO HEREBY CERTIFY that on this 14th day of July, 1939, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named L. J. Clark and H. E. Righter, each to me personally known and known to me to be, respectively, a vice president and an assistant secretary of The Pennsylvania Company for Insurances on Lives and Granting Annuities, the corporation described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such vice president and assistant secretary respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and said L. J. Clark and H. E. Righter being by me severally duly sworn, did on oath, each for himself and not one for

the other severally depose and say and acknowledge in the presence of said witnesses that said L. J. Clark resides in Phila., in the State of Penna., and that said H. E. Righter resides in Phila., in the State of Penna.; that said L. J.Clark is a vice president and said H. E. Righter is an assistant secretary of /The Pennsylvania Company for Insurances on Lives and Granting Annuities, the corporation described in and which executed the within and foregoing instrument in writing; that they, said L. J. Clark, vice president, and H. E. Righter, assistant secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto by order and authority of the Board of Directors of said corporation; that they and each of them signed their names to, and executed, the foregoing instrument in their respective capacities as vice president and assistant secretary in behalf of said corporation by like order and authority; they they signed, sealed with the corporate seal, executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Phila., State of Penna., this the day and year in this my certificate first above written.

J. WALLACE HENSLER
NOTARY PUBLIC
My Commission Expires Mar. 6, 1943

My commission expires.....

(NOTARIAL SEAL)

I am not a Stockholder, Director or Officer of within mentioned Corporation.

STATE OF ILLINOIS,)
) ss.
COUNTY OF COOK.)

I. R. W. SPANGENBERG, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, DO HEREBY CERTIFY that on the 12th day of July, 1939, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within Walter V. Wilson, the duly authorized agent of Henry A. Scandrett, Walter J. Cummings and George I. Haight, Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, to me personally known and known to me to be the identical person who subscribed his name to and who executed the within and foregoing instrument in writing as such authorized agent of said Trustees in my presence and in the presence of the two witnesses whose names are subscribed as such, and said Walter V. Wilson duly acknowledged to me in the presence of said witnesses that he is the Comptroller for said Trustees; that he is duly authorized by said Trustees to sign, seal, execute and deliver this instrument for and on their behalf as their duly authorized agent; and that he signed, sealed, executed and delivered said instrument as his free and voluntary act and deed, as the authorized agent of said Trustees and as the free and voluntary act and deed of said Trustees, for the consideration, objects, uses and purposes therein mentioned, stated and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this

the day and year in this my certificate first above written.

My commission as such Notary Public expires June 7, 1943.

(NOTARIAL SEAL)

R. W. SPANGENBERG
Notary Public in and for the State of Illinois, County of Cook.

STATE OF ILLINOIS)
) ss.
COOK COUNTY.)

I, MICHAEL J. FLYNN, County Clerk of the County of Cook, DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County, and as such officer am duly authorized to issue certificates of magistracy, that R. W. Spangenberg, whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is gemine; and, further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 14 day of August, 1939.

(SEAL)

MICHAEL J. FLYNN
County Clerk.

STATE OF WISCONSIN)
) ss.
Department of State)

Received this 16th day of August A.D. 1939 at 11:00 o'clock A.M. and recorded in Vol. 34 of R. R. Mtges. on page 268-271, inclusive.

FRED R. ZIMMERMAN,
Secretary of State

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SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT
Dated July 12, 1939
Between
THE PENNSYLVANIA COMPANY FOR INSURANCES ON LIVES AND GRANTING ANNUITIES
and
TRUSTEES OF CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY

Executed in 15 Counterparts
No. 14

SUPPLEMENT TO "D"

SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated July 12, 1939, between THE PENNSYLVANIA COMPANY FOR INSURANCES ON LIVES AND GRANTING ANNUITIES, a Pennsylvania corporation, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and HENRY A. SCANDRETT, WALTER J. CUMMINGS and GEORGE I. HAIGHT, as Trustees of the property of CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY, (hereinafter called the Railroad Trustees), parties of the second part.

WHEREAS, by a Lease of Railroad Equipment dated August 1, 1925, Bank of North America and Trust Company, a Pennsylvania corporation, leased certain railroad equipment described therein to H. E. Byram, Mark W. Potter and Edward J. Brundage as Receivers of Chicago, Milwaukee & St. Paul Railway Company pursuant to the terms of an Agreement, also dated August 1, 1925, between the Vendors named in said Agreement, said Bank of North America and Trust Company and H. E. Byram, Mark W. Potter and Edward J. Brundage as Receivers of Chicago, Milwaukee & St. Paul Railway Company, creating Chicago, Milwaukee and St. Paul Railway Equipment Trust Series D; and

WHEREAS the Trustee has succeeded to all of the rights and obligations of Bank of North America and Trust Company as Lessor under said Lease and as Trustee under said Agreement dated August 1, 1925; and

WHEREAS the Railroad Trustees have been duly appointed Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company (successor corporation to Chicago, Milwaukee & St. Paul Railway Company) by order of the District Court of the United States for the Northern District of Illinois, Eastern Division, in a proceeding pending in said court entitled "In the Matter of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, Debtor" in proceedings for the reorganization of a railroad, No. 60463, and said appointment has been duly ratified by order of the Interstate Commerce Commission, and said persons have duly qualified and are now acting as Trustees of the property of said Railroad Company; and

WHEREAS, pursuant to the provisions of paragraph (a) of Article Fifth of said Lease, the Railroad Trustees have caused to be delivered to the Trustee, 11 new 50-ton welded steel box cars, numbered 19028 to 19038, both inclusive, in replacement of 15 steel underframe, steel upper frame, 40-ton capacity box cars, numbered 711218, 711252, 711478, 711594, 711785, 711937, 712341, 712449, 712466, 712490, 712580, 712867, 712955, 713157 and 713174; 4 steel underframe, steel upper frame, 40-ton capacity automobile box cars, numbered 592252, 592289, 592335 and 592855; and 1 steel underframe, steel upper frame, 40-ton capacity, single deck stock car, numbered 102770, all of which cars so replaced had been worn out, lost or destroyed, as of April 30, 1939;

NOW, THEREFORE, this Supplement to said Lease witnesseth:

1. Pursuant to the provisions of said paragraph (a) of Article Fifth of said Lease, the Trustee has let and leased, and does hereby let and lease, to the Railroad Trustees, the said 11 new 50-ton welded steel box cars, numbered 19028 to 19038, both inclusive, subject to all the terms and conditions of said Lease and of said Agreement, both dated

August 1, 1925, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Trustees covenant that, with all convenient speed after the execution hereof, they will cause this Supplement to said Lease to be duly filed, registered or recorded in all offices in which said Lease is now filed, registered or recorded.

3. Except as hereinabove otherwise expressly provided, said Lease, and all the terms and provisions thereof, shall remain in full force and effect and shall apply in full force and effect to said new equipment.

4. This Supplement to said Lease may be simultaneously executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the Trustee and the Railroad Trustees have caused these presents to be duly executed, as of the day and year first above written.

(CORPORATE)
(SEAL)

THE PENNSYLVANIA COMPANY FOR INSURANCES
ON LIVES AND GRANTING ANNUITIES,

By L. J. CLARK
Vice President.

Attest:

H. E. RIGHTER
A. Secretary

Signed, sealed and delivered by
The Pennsylvania Company for
Insurances on Lives and Granting Annuities in the presence of

E. M. MARTIN

C. FOX
Witnesses.

HENRY A. SCANDRETT,
WALTER J. CUMMINGS,
GEORGE I. HAIGHT,
As Trustees of the Property of
Chicago, Milwaukee, St. Paul
and Pacific Railroad Company,
but not individually,

By WALTER V. WILSON
Comptroller.

Signed, sealed and delivered for
and on behalf of the Railroad
Trustees, by Walter V. Wilson,
Comptroller, in the presence of

W. C. HANNENBERG

F. W. LIPPERT
Witnesses.

STATE OF PENNA.)
) ss.
COUNTY OF PHILA.)

I, J. WALLACE HENSLER, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and fuly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, DO HEREBY CERTIFY that on this 14th day of July, 1939, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named L. J. Clark and H. E. Righter, each to me personally known and known to me to be, respectively, a vice president and an assistant secretary of The Pennsylvania Company for Insurances on Lives and Granting Annuities, the corporation described in and which

executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such vice president and assistant secretary, respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and said L. J. Clark and H. E. Righter being by me severally duly sworn, did on oath, each for himself and not one for the other severally depose and say and acknowledge in the presence of said witnesses that said L. J. Clark resides in Phila., in the State of Penna., and that said H. E. Righter resides in Phila., in the State of Penna.; that said L. J. Clark is a vice president and said H. E. Righter is an assistant secretary of The Pennsylvania Company for Insurances on Lives and Granting Annuities, the corporation described in and which executed the within and foregoing instrument in writing; that they, said L. J. Clark, vice president, and H. E. Righter, assistant secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto by order and authority of the Board of Directors of said corporation, that they and each of them signed their names to, and executed, the foregoing instrument in their respective capacities as vice president and assistant secretary in behalf of said corporation by like order and authority; that they signed, sealed with the corporate seal, executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Phila., State of Penna., this the day and year in this my certificate first above written.

J. WALLACE HENSLER
NOTARY PUBLIC
My Commission Expires Mar. 6, 1943

My commission expires.....

(NOTARIAL SEAL)

I am not a Stockholder, Director or Officer of within mentioned Corporation

STATE OF ILLINOIS,)
) ss.
COUNTY OF COOK.)

I, R. W. SPANGENBERG, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, DO HEREBY CERTIFY that on the 12th day of July, 1939, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within Walter V. Wilson, the duly authorized agent of Henry A. Scandrett, Walter J. Cummings and George I. Haight, Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, to me personally known and known to me to be the identical person who subscribed his name to and who executed the within and foregoing instrument in writing as such authorized agent of said Trustees in my presence and in the presence of the two witnesses whose names are subscribed as such, and said Walter V. Wilson duly acknowledged to me in the presence of said witnesses that he is the Comptroller for said Trustees; that he is duly authorized by said Trustees to sign, seal, execute and deliver this instrument for and on their behalf as their duly authorized agent; and that he signed, sealed, executed and delivered said instrument as his free and voluntary act and deed,

as the authorized agent of said Trustees and as the free and voluntary act and deed of said Trustees, for the consideration, objects, uses and purposes therein mentioned, stated and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires June 7, 1943.

(Notarial Seal)

R. W. SPANGENBERG
Notary Public in and for the State of Illinois, County of Cook.

STATE OF ILLINOIS,)
) ss.
COOK COUNTY.)

I, MICHAEL J. FLYNN, County Clerk of the County of Cook, DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County, and as such officer am duly authorized to issue certificates of magistracy, that R. W. SPANGENBERG, whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is genuine; and, further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 14 day of August, 1939.

(SEAL)

MICHAEL J. FLYNN
County Clerk.

STATE OF WISCONSIN)
) ss.
Department of State)

Received this 16th day of August A.D. 1939 at 11:00 o'clock A.M. and recorded in Vol. 34 of R. R. Mtges. on page 272-275, inclusive.

FRED R. ZIMMERMAN,
Secretary of State

SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT
Dated July 12, 1939
Between
THE PENNSYLVANIA COMPANY FOR INSURANCES ON LIVES AND GRANTING ANNUITIES
and
TRUSTEES OF CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY

Executed in 15 Counterparts
No. 14

SUPPLEMENT TO "E"

SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated July 12, 1939, between THE PENNSYLVANIA COMPANY FOR INSURANCES ON LIVES AND GRANTING ANNUITIES, a Pennsylvania corporation, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and HENRY A. SCANDRETT, WALTER J. CUMMINGS and GEORGE I. HAIGHT, as Trustees of the property of CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY, (hereinafter called the Railroad Trustees), parties of the second part.

WHEREAS, by a Lease of Railroad Equipment dated July 2, 1928, Bank of North America and Trust Company, a Pennsylvania corporation, leased certain railroad equipment described therein to Chicago, Milwaukee, St. Paul and Pacific Railroad Company pursuant to the terms of an Agreement, also dated July 2, 1928, between the Vendors named in said Agreement, said Bank of North America and Trust Company, and Chicago, Milwaukee, St. Paul and Pacific Railroad Company, creating The Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust, Series E; and

WHEREAS the Trustee has succeeded to all of the rights and obligations of Bank of North America and Trust Company, as Lessor under said Lease and as Trustee under said Agreement dated July 2, 1928; and

WHEREAS the Railroad Trustees have been duly appointed Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company by order of the District Court of the United States for the Northern District of Illinois, Eastern Division, in a proceeding pending in said court entitled "In the Matter of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, Debtor" in proceedings for the reorganization of a railroad, No. 60463, and said appointment has been duly ratified by order of the Interstate Commerce Commission, and said persons have duly qualified and are now acting as Trustees of the property of said Railroad Company, and

WHEREAS, pursuant to the provisions of paragraph (a) of Article Fifth of said Lease, the Railroad Trustees have caused to be delivered to the Trustee 1 new 50-ton welded steel box car, numbered 19039, in replacement of 2 steel underframe, composite steel frame superstructure, wood lining, 50-ton capacity box cars, numbered 715952 and 715995, which cars so replaced had been worn out, lost or destroyed, as of April 30, 1939.

NOW, THEREFORE, this Supplement to said Lease witnesseth:

1. Pursuant to the provisions of said paragaph (a) of Article Fifth of said Lease, the Trustee has let and leased, and does hereby let and lease, to the Railroad Trustees, the said new 50-ton welded steel box car, numbered 19039, subject to all the terms and conditions of said Lease and of Said Agreement, both dated July 2, 1928, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Trustees covenant that, with all convenient speed after the execution hereof, they will cause this Supplement to said Lease to be duly filed, registered or recorded in all offices in which said Lease is now filed, registered or recorded.

3. Except as hereinabove otherwise expressly provided, said Lease, and all the terms and provisions thereof, shall remain in full force and effect and shall apply in full force and effect to said new equipment.

4. This Supplement to said Lease may be simultaneously executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the Trustee and the Railroad Trustees have caused these presents to be duly executed, as of the day and year first above written.

(CORPORATE)
(SEAL)

THE PENNSYLVANIA COMPANY FOR INSURANCES ON LIVES AND GRANTING ANNUITIES,

By L. J. CLARK
Vice President.

Attest:

H. E. RIGHTER
A. Secretary.

Signed, sealed and delivered by The Pennsylvania Company for Insurances on Lives and Granting Annuities in the presence of:

E. M. MARTIN

C. FOX
Witnesses.

HENRY A. SCANDRETT,
WALTER J. CUMMINGS,
GEORGE I. HAIGHT,

As Trustees of the Property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, but not individually,

By WALTER V. WILSON
Comptroller.

Signed, sealed and delivered for and on behalf of the Railroad Trustees, by Walter V. Wilson, Comptroller, in the presence of

W. C. HANNENBERG

F. W. LIPPERT
Witnesses.

STATE OF PENNA.,)
) ss.
COUNTY OF PHILA.,)

I, J. Wallace Hensler, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, DO HEREBY CERTIFY that on this 14th day of July, 1939, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named L. J. Clark and H. E. Righter, each to me personally known and known to me to be, respectively, a vice president and an assistant secretary of The Pennsylvania Company for Insurances on Lives and Granting Annuities, the corporation described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such vice president and assistant secretary, respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and said L. J. Clark and H.E. Righter, being by me severally duly sworn, did on oath, each for himself and not one for the other severally depose and say and acknowledge in the presence of said witnesses that said L. J.Clark resides in Phila., in the State of Penna., and that said H. E. Righter resides in Phila., in the State of Penna.; that said L. J. Clark is a vice president and said H. E. Righter is an assistant secretary

of The Pennsylvania Company for Insurance on Lives and Granting Annuities, the corporation described in and which executed the within and foregoing instrument in writing; that they, said L. J. Clark, vice president, and H. E. Righter, assistant secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto by order and authority of the Board of Directors of said corporation; that they and each of them signed their names to, and executed, the foregoing instrument in their respective capacities as vice president and assistant secretary in behalf of said corporation by like order and authority; that they signed, sealed with the corporate seal, executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Phila., State of Penna., this the day and year in this my certificate first above written.

My commission expires.....

(NOTARIAL SEAL)

J. WALLACE HENSLER
Notary Public
My Commission Expires Mar. 6, 1943

I am not a Stockholder, Director or Officer of within mentioned Corporation.

STATE OF ILLINOIS,)
) ss.
COUNTY OF COOK,)

I, R. W. SPANGENBERG, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, DO HEREBY CERTIFY that on the 12th day of July, 1939, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within Walter V. Wilson, the duly authorized agent of Henry A. Scandrett, Walter J. Cummings and George I. Haight, Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, to me personally known and known to me to be the identical person who subscribed his name to and who executed the within and foregoing instrument in writing as such authorized agent of said Trustees in my presence and in the presence of the two witnesses whose names are subscribed as such, and said Walter V. Wilson duly acknowledged to me in the presence of said witnesses that he is the Comptroller for said Trustees; that he is duly authorized by said Trustees to sign, seal, execute and deliver this instrument for and on their behalf as their duly authorized agent; and that he signed, sealed, executed and delivered said instrument as his free and voluntary act and deed, as the authorized agent of said Trustees and as the free and voluntary act and deed of said Trustees, for the consideration, objects, uses and purposes therein mentioned, stated and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires June 7, 1943.

(NOTARIAL SEAL)

R. W. SPANGENBERG
Notary Public in and for the State of Illinois, County of Cook.

STATE OF ILLINOIS,)
) ss.
COOK COUNTY.)

IM MICHAEL J. FLYNN, County Clerk of the County of Cook, DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County, and as such officer am duly authorized to issue certificates of magistracy, that R. W. Spangenberg, whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is genuine; and, further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 14th day of August, 1939.

(SEAL)

MICHAEL J. FLYNN
County Clerk

STATE OF WISCONSIN)
) ss.
Department of State)

Received this 16th day of August A.D. 1939 at 11:00 o'clock A.M. and recorded in Vol. 34 of R. R. Mtges. on page 276-279, inclusive.

FRED R. ZIMMERMAN,
Secretary of State

Executed in 38 COUNTERPARTS

No.15

SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT

DATED AUGUST 11, 1939

between

MANUFACTURERS TRUST COMPANY

and

TRUSTEES OF CHICAGO, MILWAUKEE, ST. PAUL & PACIFIC R. R. CO.

* * * * * * * * *

SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated August 11, 1939, between MANUFACTURERS TRUST COMPANY, a New York corporation, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and HENRY A. SCANDRETT, WALTER J. CUMMINGS and GEORGE I. HAIGHT, as Trustees of the property of CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY, (hereinafter called the Railroad Trustees), parties of the second part.

WHEREAS, by a Lease of Railroad Equipment dated July 15, 1922, Metropolitan Trust Company of the City of New York, a New York corporation, leased certain railroad equipment described therein to Chicago, Milwaukee & St. Paul Railway Company pursuant to the terms of an Agreement, also dated July 15, 1922, between the Vendors named in said Agreement, said Metropolitan Trust Company of the City of New York and Chicago, Milwaukee & St. Paul Railway Company, creating St. Paul Railway Equipment Trust Series A; and

WHEREAS the Trustee has succeeded to all of the rights and obligations of Metropolitan Trust Company of the City of New York as Lessor under said Lease and as Trustee under said Agreement dated July 15, 1922; and

WHEREAS the Railroad Trustees have been duly appointed Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company (successor corporation to Chicago, Milwaukee & St. Paul Railway Company) by order of the District Court of the United States for the Northern District of Illinois, Eastern Division, in a proceeding pending in said court entitled "In the Matter of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, Debtor" in proceedings for the reorganization of a railroad, No.60463, and said appointment has been duly ratified by order of the Interstate Commerce Commission, and said persons have duly qualified and are now acting as Trustees of the property of said Railroad Company; and

WHEREAS, pursuant to the provisions of paragraph (b) of Article Third of said Lease, 17 new 50-ton welded steel box cars, numbered 19000 to 19016, both inclusive, have been or will be delivered to the Trustee in replacement of 27 steel underframe 40-ton box cars, numbered 705050, 705206, 705320, 705389, 705520, 705586, 705604, 705615,705650, 705853, 706078, 706083, 706223, 706324, 706451, 706458, 707109, 707193, 707350, 707456, 707521, 707571, 707708, 708327, 708331, 718217 and 718454; 5 steel underframe composite 50-ton gondola cars, numbered 303779, 304472, 304773, 304864 and 305136; and 2 automobile 40-ton box cars, numbered 591082 and 591172, all of which cars so replaced had been worn out, lost or destroyed, as of April 30, 1939;

NOW, THEREFORE, this Supplement to said Lease witnesseth:

1. Pursuant to the provisions of said paragraph (b) of Article Third of said Lease, the Trustee has let and leased, and does hereby let and lease, to the Railroad Trustees, the said 17 new 50-ton welded steel box cars, numbered 19000 to 19016, both inclusive, subject to all the terms and conditions of said Lease and said Agreement, both dated

July 15,1922, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Trustees covenant that, with all convenient speed after the execution hereof, they will cause this Supplement to said Lease to be duly filed, registered or recorded in all offices in which said Lease is now filed, registered or recorded.

3. Except as hereinabove otherwise expressly provided, said Lease, and all the terms and provisions thereof, shall remain in full force and effect and shall apply in full force and effect to said new equipment.

4. This Supplement to said Lease may be simultaneously executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the Trustee and the Railroad Trustees have caused these presents to be duly executed, as of the day and year first above written.

(CORPORATE SEAL)

MANUFACTURERS TRUST COMPANY,

By F. E. LOBER
Vice President.

Attest:

A. F. KEUTHEN
Asst. Secretary.

Signed, sealed and delivered by
Manufacturers Trust Company
in the presence of

F. M. Wiegman

E. P. Gannon
Witnesses.

HENRY A. SCANDRETT,
WALTER J. CUMMINGS,
GEORGE I. HAIGHT,
As Trustees of the Property of
Chicago, Milwaukee, St. Paul
and Pacific Railroad Company,
but not individually,

By J. W. Severs
Assistant Comptroller.

Signed, sealed and delivered for and
on behalf of the Railroad Trustees,
by J. W. Severs, Assistant Comptroller,
in the presence of

W. C. Hannenberg

F. W. Lippert
Witnesses.

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

I, H. Z. Lake, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, DO HEREBY CERTIFY that on this 11th day of August, 1939, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named F. E. Lober and A. F. Keuthen, each to me personally known and known to me to be,

respectively, a Vice-President and an Asst. Secretary of Manufacturers Trust Company, the corporation described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice-President and Asst. Secretary, respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and said F. E. Lober and A. F. Keuthen, being by me severally duly sworn, did on oath, each for himself and not one for the other severally depose and say and acknowledge in the presence of said witnesses that said F. E. Lober resides in Maplewood, 18 Tower Drive, in the State of New Jersey, and that said A. F. Keuthen resides in Port Richmond, Staten Island, in the State of New York; that said F. E. Lober is a Vice-President and said A. F. Keuthen is an Asst. Secretary of Manufacturers Trust Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said F. E. Lober, Vice-President, and A. F. Keuthen, Asst. Secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto by order and authority of the Board of Directors of said corporation; that they and each of them signed their names to, and executed, the foregoing instrument in their respective capacities as Vice-President and Asst. Secretary in behalf of said corporation by like order and authority; that they signed, sealed with the corporate seal, executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration [redacted], objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of New York, State of New York, this the day and year in this my certificate first above written.

H. Z. Lake

My commission expires _____

Henri Z. Lake
Notary Public, New York County
N. Y. Co. Clk's No.7, Reg. No.1L4
Certificates filed in
Bronx Co.Clk's No.1, Reg. No.1L41
Kings Co. Clk's No.1, Reg.No.1000
Queens Co.Clk's No.1197, Reg.No.4230
Commission Expires March 30, 1941

No. 6510

(NOTARIAL SEAL)

STATE OF NEW YORK,)
COUNTY OF NEW YORK,)ss.

I, ARCHIBALD R. WATSON, Clerk of the County of New York, and also Clerk of the Supreme Court for the said County, the same being a Court of Record, having a seal, DO HEREBY CERTIFY, That

H. Z. LAKE

whose name is subscribed to the deposition or certificate of the proof or acknowledgment of the annexed instrument, and thereon written, was, at the time of taking such deposition, or proof and acknowledgment, a Notary Public in and for such County, duly commissioned and sworn, and authorized by the laws of said State, to take depositions and to administer oaths to be used in any Court of said State and for general purposes; and also to take acknowledgments and proofs of deeds, of conveyances for land, tenements or

hereditaments in said State of New York. And further, that I am well acquainted with the handwriting of such Notary Public, and verily believe that the signature to said deposition or certificate of proof or acknowledgment is genuine.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the said Court and County, the 14th day of Aug. 1939.

(COUNTY SEAL)

Archibald R. Watson
Clerk.

STATE OF ILLINOIS,)
COUNTY OF COOK.)ss.

I, R. W. Spangenberg, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, DO HEREBY CERTIFY that on the 8th day of August, 1939, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within J. W. Severs, the duly authorized agent of Henry A. Scandrett, Walter J. Cummings and George I. Haight, Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, to me personally known and known to me to be the identical person who subscribed his name to and who executed the within and foregoing instrument in writing as such authorized agent of said Trustees in my presence and in the presence of the two witnesses whose names are subscribed as such, and said J. W. Severs duly acknowledged to me in the presence of said witnesses that he is the Assistant Comptroller for said Trustees; that he is duly authorized by said Trustees to sign, seal, execute and deliver this instrument for and on their behalf as their duly authorized agent; and that he signed, sealed, executed and delivered said instrument as his free and voluntary act and deed, as the authorized agent of said Trustees and as the free and voluntary act and deed of said Trustees, for the consideration, objects, uses and purposes therein mentioned, stated and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires June 7, 1943.

(NOTARIAL SEAL)

R. W. Spangenberg
Notary Public in and for the State of Illinois, County of Cook.

STATE OF ILLINOIS,)
COOK COUNTY.)ss.

I, MICHAEL J. FLYNN, County Clerk of the County of Cook, DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County, and as such officer am duly authorized to issue certificates of magistracy, that R. W. Spangenberg, whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or hereditaments in said

State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is genuine; and, further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 16th day of August 1939.

Michael J. Flynn
County Clerk.

(COUNTY SEAL)

STATE OF WISCONSIN)
) ss.
DEPARTMENT OF STATE)

Received this 18th day of Aug. A. D. 1939 at 10:45 o'clock A. M. and recorded in Vol. 34 of R. R. Mtgs on page 280-284 incl.

FRED R. ZIMMERMAN
Secretary of State.

AGREEMENT

Dated Aug. 10, 1939

between

THE FIRST NATIONAL BANK OF NEW YORK

and

NORTHERN PACIFIC RAILWAY COMPANY

Covering certain railroad equipment.

* *

NORTHERN PACIFIC RAILWAY EQUIPMENT TRUST OF 1937
SUPPLEMENTAL LEASE OF EQUIPMENT

AGREEMENT dated the 10th day of August, 1939, between THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK, a corporation duly organized and existing under the laws of the United States of America, (hereinafter called the "Trustee") party of the first part, and NORTHERN PACIFIC RAILWAY COMPANY, a corporation duly organized and existing under the laws of the State of Wisconsin (hereinafter called the "Company"), party of the second part:

WHEREAS, by the terms of a certain lease of railroad equipment dated the first day of May, 1937, between the parties hereto, the Trustee did lease to the Company the railroad equipment described in the inventory attached to said lease; and

WHEREAS, one 50-ton capacity, 52-foot steel underframe flat car bearing serial No. 61071, included in the railroad equipment so described, has been destroyed by accident, and the Trustee, at the request of the Company, has purchased from Northwestern Improvement Company, a New Jersey corporation, for replacement thereof, one 50-ton capacity, wood-sheathed, wood-lined box car bearing serial No. 9487, theretofore leased to the Company under the provisions of a certain lease agreement dated September 1, 1937, between said Northwestern Improvement Company and the Company;

NOW THIS AGREEMENT WITNESSETH:

That pursuant to the provisions of paragraph Fourth of said lease of railroad equipment dated the first day of May, 1937, the Trustee has let and leased, and does hereby let and lease to the Company, said 50-ton capacity, wood-sheathed, wood-lined box car, bearing serial No. 9487, under and subject to all the terms and conditions of said lease of railroad equipment dated the first day of May, 1937, and the Company has accepted and does hereby accept delivery and possession of said box car thereunder;

And the parties hereto do hereby agree that said box car No. 9487 shall be deemed a portion of the trust equipment leased by the Trustee to the Company under said lease of railroad equipment dated the first day of May, 1937, in all respects as if the same had been so delivered to the Company simultaneously with the execution and delivery of said lease of railroad equipment, and shall be subject to all the terms and provisions of said lease and subject to all the terms and conditions of that certain agreement dated May 1, 1937, between Northwestern Improvement Company, Vendor, The First National Bank of the City of New York, Trustee, and Northern Pacific Railway Company annexed to and made a part of said lease.

It is understood and agreed that, except as otherwise provided in said lease dated May 1, 1937, the title to and ownership of said box car No. 9487 shall be reserved to and remain in the Trustee, notwithstanding the delivery of the same to and the possession and use thereof by the Company.

IN WITNESS WHEREOF, the Trustee and the Company, pursuant to due corporate authority,

have caused these presents to be signed and their respective corporate names and their respective corporate seals to be hereto affixed and attested, as of the day and year first above written.

(CORPORATE SEAL) THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK,

By HENRY S. STURGIS
Vice President.

Attest:

S. L. SEARLES
Assistant Cashier.

Signed, sealed and delivered
in the presence of:

V. P. Borden

G. Thomas

(CORPORATE SEAL) NORTHERN PACIFIC RAILWAY COMPANY,

By B. W. SCANDRETT

Attest:

E. V. JOHNSON
Assistant Secretary.

Signed, sealed and delivered
in the presence of:

C. B. Theits

H. J. Sackett

STATE OF NEW YORK)
) SS
COUNTY OF NEW YORK)

I, WM. H. BRUDER, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 17th day of August, 1939, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, HENRY S. STURGIS and S. L. SEARLES, each to me personally known and known to me to be respectively a Vice President and an Assistant Cashier of The First National Bank of the City of New York, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Assistant Cashier, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said HENRY S. STURGIS and S. L. SEARLES, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said HENRY S. STURGIS resides in Cedarhurst L.I. N.Y., and that the said S. L. SEARLES resides in Leonia, N. J.; that said HENRY S. STURGIS is a Vice President and said S. L. SEARLES is an Assistant Cashier of The First National Bank of the City of New York, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said HENRY S. STURGIS and S. L. SEARLES know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and

authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Assistant Cashier in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation, and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said County of New York, State of New York, this the day and year in this my certificate first above written.

(NOTARIAL SEAL) WM. H. BRUDER

Wm. H. Bruder
Notary Public, New York County, No. 646
New York County Register's No. 0B847
Commission expires March 30, 1940.

STATE OF MINNESOTA)
) SS
COUNTY OF RAMSEY)

I, C. B. THEITS, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on the 10th day of August, 1939, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, B. W. SCANDRETT and E. V. JOHNSON, each to me personally known and known to me to be respectively the Vice President and the Assistant Secretary of Northern Pacific Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Assistant Secretary respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said B. W. SCANDRETT and E. V. JOHNSON, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said B. W. SCANDRETT resides in the City of St. Paul and State of Minnesota, and that the said E. V. JOHNSON resides in the City of St. Paul and State of Minnesota; that said B. W. SCANDRETT is the Vice President and said E. V. JOHNSON is the Assistant Secretary of Northern Pacific Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said B. W. SCANDRETT and E. V. JOHNSON, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Assistant Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly

acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said County of Ramsey, State of Minnesota, this the day and year in this my certificate first above written.

(NOTARIAL SEAL) C. B. THEITS

C. B. Theits, Notary Public, Ramsey Co., Minn.
My Commission Expires January 24, 1944.

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS

Received this 28th day of August A.D. 1939 at 11:00 o'clock A.M. and recorded in Vol. 34 of R. R. Mtgs. on page 285-288, incl.

FRED R. ZIMMERMAN
SECRETARY OF STATE

Index to

A-501

Executed in Triplicate
Triplicate

APPOINTMENT
OF
HENRY F. WHITNEY AS SUBSTITUTE TRUSTEE
AND
ACCEPTANCE OF APPOINTMENT

IN THE MATTER OF

THE WISCONSIN CENTRAL RAILWAY COMPANY
FIRST AND REFUNDING MORTGAGE
DATED JUNE 17, 1939.

K N O W A L L M E N B Y T H E S E P R E S E N T S : that the EMPIRE TRUST COMPANY, a corporation of the State of New York, having its principal place of business at 120 Broadway, Borough of Manhattan, New York City, does hereby, pursuant to the power and authority conferred upon it in and by Section 2 of Article VI of that certain Indenture dated the 1st day of April, 1909, made between Wisconsin Central Railway Company of the first part, and Empire Trust Company and Leroy W. Baldwin of the second part, which Indenture is known as the First and Refunding Mortgage of said Railway Company and secures an issue of Sixty Million Dollars ($60,000,000.) of Four Per Cent. Gold Bonds, and pursuant to all other power and authority to said Empire Trust Company appertaining, does hereby nominate, constitute and appoint HENRY F. WHITNEY, residing at Cottage Road, Lawrence Farms, Mount Kisco, Westchester County, State of New York, a citizen of the United States of America to be and to act as Trustee under said Indenture or Mortgage, jointly with said Empire Trust Company and in succession to Leroy W. Baldwin who died on the sixth day of March, 1939.

IN WITNESS WHEREOF, said Empire Trust Company has caused these presents to be executed on its behalf by its President or one of its Vice Presidents thereunto duly authorized and its common seal to be hereto affixed and attested by its Secretary or one of its Assistant Secretaries the 17th day of June, 1939.

(CORPORATE SEAL) EMPIRE TRUST COMPANY

In presence of:

M. R. Kelly

Esther E. Coyle

by EUGENE MILLER
Vice-President

Attest: CHAS. A. DEAN
Assistant Secretary

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On this 17th day of June, 1939, before me a Notary Public for the above named county and state, personally appeared Eugene Miller and Chas A. Dean, Vice-President and Assistant Secretary respectively of the Empire Trust Company, to me personally known to be the persons who signed the foregoing instrument, who being by me each duly sworn did say that he, the said Eugene Miller is Vice-President and that he, the said Chas A. Dean is the Assistant Secretary of said Empire Trust Company, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and he, the said Eugene Miller signed and acknowledged the said instrument as Vice-President of the said Empire Trust Company and he, the said Chas A. Dean countersigned the same as Assistant Secretary thereof and that they caused the corporate seal of the said corporation to be affixed thereto on behalf of the said Empire Trust Company by authority of its Board of Directors. And the said Eugene Miller and Chas A. Dean severally acknowledged that they executed said instrument on behalf of said Empire Trust Company as its free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial sea at

office in the City of New York, in the State of New York, the day and year lastly above written.

(NOTARIAL SEAL)

GEO. W. JAEGER

Geo. W. Jaeger
Notary Public, Rockland County
N.Y. Co. Clk's No. 162 Reg. No. 0 J-109
Commission expires March 30, 1940

K N O W A L L M E N B Y T H E S E P R E S E N T S : that I, HENRY F. WHITNEY, residing at Cottage Road, Lawrence Farms, Mount Kisco, Westchester County, State of New York, DO HEREBY ACCEPT the appointment made by Empire Trust Company to act as Trustee jointly with it and in succession to Leroy W. Baldwin, deceased, under that certain Indenture dated the 1st day of April, 1909 made between Wisconsin Central Railway Company of the first part and Empire Trust Company and Leroy W. Baldwin of the second part, which Indenture is known as the First and Refunding Mortgage of said Railway Company and secures an issue of Sixty Million Dollars ($60,000,000.) of Four Per Cent. Gold Bonds.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 17 day of June, 1939.

H. P. WHITNEY (L.S.)

In presence of:

Geo. W. Jaeger

M. A. Gribbon

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On the 17th day of June, A. D. 1939, before me, a Notary Public for the above-named county and state, personally appeared HENRY F. WHITNEY, to me personally known and acknowledged the execution of the foregoing instrument to be his voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal at office in the City of New York in the State of New York the day and year lastly above written.

(NOTARIAL SEAL)

GEO. W. JAEGER

Geo. W. Jaeger
Notary Public, Rockland County
N.Y. Co. Clk's No. 162 Reg. No. O-J-109
Commission expires March 30, 1940.

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS

Received this 13th day of
Sept. A. D. 1939 at 10:30
o'clock A. M. and recorded
in Vol. 34 of R. R. Mtgs.
on page 289 & 290.

FRED R. ZIMMERMAN
Secretary of State

Index 16 C

Executed in 5 counterparts
No. 3

WISCONSIN CENTRAL RAILWAY COMPANY

AND

E. A. WHITMAN, AS RECEIVER

TO

EMPIRE TRUST COMPANY, and
HENRY F. WHITNEY, TRUSTEES

- - - - - - - - - - - - - - -

SUPPLEMENTAL MORTGAGE

- - - - - - - - - - - - - - -

Dated July 1, 1939.

THIS INDENTURE, made and entered into this 1st day of July, 1939, by and between WISCONSIN CENTRAL RAILWAY COMPANY, a corporation organized and existing under the laws of the State of Wisconsin (hereinafter sometimes called the "Railway Company"), and E. A. Whitman, as the duly appointed, qualified, and acting Receiver of said Wisconsin Central Railway Company and not as an individual (hereinafter sometimes called the "Receiver"), parties of the first part, and EMPIRE TRUST COMPANY, a corporation organized and existing under the laws of the State of New York, and HENRY F. WHITNEY, of New York, New York (hereinafter sometimes collectively called the "Trustees"), parties of the second part.

WHEREAS, the Railway Company has heretofore executed its First and Refunding Mortgage dated April 1, 1909 (hereinafter called the "Refunding Mortgage"); and

WHEREAS, the Railway Company and the Receiver have entered into an agreement dated May 22, 1936 (hereinafter called the "Co-ordination Agreement"), with Chicago and North Western Railway Company and Charles P. Megan, Trustee of its property, and Minneapolis, St. Paul and Sault Ste. Marie Railway Company, for the abandonment of certain trackage between Marshfield and Wisconsin Rapids, in the County of Wood, State of Wisconsin, by the Railway Company and Chicago and North Western Railway Company respectively, and for joint use of the remaining trackage of said two Railway Companies between said points, and being the agreement (referred to as a "Co-ordination Agreement") mentioned in and covered by an order of the District Court of the United States, for the District of Minnesota, Fourth Division, dated November 11, 1935, authorizing the Receiver to execute said Co-ordination Agreement, a copy of which agreement is hereto attached as an exhibit and hereby made a part of this instrument; and

WHEREAS, said Refunding Mortgage in Subdivision 2 of Article II, and Subdivision (m) of Article IV, requires the Railway Company to execute such proper conveyance or deed of assurance as the Trustees may reasonably require, or as shall be necessary for further and more perfectly assuring to and to the use of the Trustees and upon the trusts and for the purposes expressed in said Refunding Mortgage all and every part of the trust estate, and for effectually vesting in the Trustees upon the trusts and for the purposes aforesaid all property, rights and franchises conveyed thereby or intended so to be; and

WHEREAS, the Trustees have requested such indenture of further assurance covering the estate, right, title, and interest acquired by the Railway Company in respect to the portion of the line of said Chicago and North Western Railway Company joint use of which was granted to the Railway Company under said Co-ordination Agreement, subject to the prior lien of the Railway Company's Marshfield and South Eastern Division Purchase Money

First Mortgage to United States Trust Company of New York, Trustee, dated May 1, 1901; and

WHEREAS, the Trustees have requested such indenture of further assurance covering the estate, right, title, and interest acquired by the Railway Company in respect to the portion of the line of said Chicago and North Western Railway Company joint use of which was granted to the Railway Company under said Co-ordination Agreement, subject to the prior lien of the Railway Company's Marshfield and South Eastern Division Purchase Money First Mortgage to United States Trust Company of New York, Trustee, dated May 1, 1901; and

WHEREAS, the execution and delivery of said indenture of further assurance have been in all respects duly authorized by resolution of the Board of Directors of the Railway Company and by an order of the District Court of the United States for the District of Minnesota, Fourth Division;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that for and in consideration of the sum of One Dollar, lawful money of the United States, and other valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties of the first part, Wisconsin Central Railway Company and E. A. Whitman as said Receiver and not as an individual, do hereby grant, bargain, sell, assign, transfer, and convey unto said Empire Trust Company and Henry F. Whitney, as Trustees, and to their successors in trust under said Refunding Mortgage, a lien upon all of the right, title, and interest of the Railway Company and/or of the Receiver and of the successors or assigns of either or both of them, in and to said Co-ordination Agreement, subject, however, to the prior lien of the Railway Company's Marshfield and South Eastern Division Purchase Money First Mortgage to United States Trust Company of New York, Trustee, dated May 1, 1901.

The foregoing is intended to include all of the estate, right, title, and interest whatsoever in law as well as in equity of the Railway Company and/or the Receiver and of the successors or assigns of either or both of them in, to, and under said Co-ordination Agreement, whether in possession or expectancy, all subject, however, to said prior mortgage of the Railway Company.

The Railway Company does hereby further covenant and agree with the Trustees as follows:

(a) It will duly perform all of its obligations assumed in said Co-ordination Agreement.

(b) If any notice is served upon it by Chicago and North Western Railway Company or by its said Trustee, or its or his successors or assigns, of an intention to terminate said Co-ordination Agreement as provided in Section 12 thereof, it will promptly deliver a copy of such notice or notices to the President or a Vice President or the Secretary for the time being of Empire Trust Company, or of its successors in trust, and to Henry F. Whitney, or to his successors in trust.

(c) In the event of default by it in the performance of said Co-ordination Agreement of such character that Chicago and North Western Railway Company or its said Trustee, or its or his successors or assigns, shall have the right to terminate said Co-ordination Agreement as provided in Section 12 thereof (and if default is not waived or if default or exclusion is not cured as provided in said Section 12), such default shall also be deemed a default under said Refunding Mortgage and entitle the Bondholders and said Trustees and their successors in trust to exercise any rights and remedies which they respectively have in any event of default by the Railway Company specified in said Refunding Mortgage.

The Trustees shall not be responsible in any manner whatsoever for or in respect of

the validity or sufficiency of this supplemental indenture, or the due execution thereof by the Railway Company and the Receiver, or for the due recording or filing thereof by the Railway Company or the Receiver, nor shall the Trustees be answerable or accountable for anything whatsoever in connection with this supplemental indenture except for its or his own unlawful misconduct or gross negligence.

In order to facilitate the recording of this supplemental indenture the same may be executed simultaneously in several counterparts, each of which if executed shall be deemed to be an original, and such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, Wisconsin Central Railway Company and Empire Trust Company each has caused this supplemental indenture to be signed by its President or one of its Vice Presidents and to be attested by its Secretary or an Assistant Secretary and its corporate seal to be hereunto affixed, and the said Henry F. Whitney has likewise executed and sealed the same, and the said E. A. Whitman as said Receiver has likewise executed the same, and this indenture has been signed, sealed, and delivered in the presence of witnesses, all as of the day and year first above written.

(CORPORATE SEAL)

WISCONSIN CENTRAL RAILWAY COMPANY

By C. T. JAFFRAY
President

Attest:

P.J. STOCK
Secretary

Signed, sealed, acknowledged, and delivered by said Wisconsin Central Railway Company in the presence of:

E. M. Edlund

A. M. Sheridan

Signed, acknowledged, and delivered by said E. A. Whitman in the presence of:

R. F. Blacik

A. J. Hopper

E. A. WHITMAN
As Receiver of Wisconsin Central Railway Company and not as an Individual.

(CORPORATE SEAL)

EMPIRE TRUST COMPANY,

By EUGENE MILLER
Vice President

Attest:

Chas A. Dean
Asst. Secretary

Signed, sealed, acknowledged, and delivered by said Empire Trust Company in the presence of:

M. R. Kelly

Edw. Plover (?)

Signed, sealed, acknowledged, and delivered by said Henry F. Whitney in the presence of:

M. R. Kelly

Edw. Plover (?)

HENRY F. WHITNEY (SEAL)

STATE OF MINNESOTA)
) SS.
COUNTY OF HENNEPIN)

I, C. W. Arine, a Notary Public in and for said County and State, do hereby certify that C. T. Jaffray and P. J. Stock, personally known to me to be the President and Secretary, respectively, of said Wisconsin Central Railway Company, and personally known to me to be the same persons whose names are severally subscribed to and who executed the foregoing instrument as such President and Secretary, respectively, appeared before me this 20th day of July, 1939, in person and severally acknowledged said instrument and further acknowledged that they signed, sealed, executed, and delivered the said instrument as President and Secretary, respectively, of the said Wisconsin Central Railway Company, and caused the corporate seal of said corporation to be affixed thereto, all pursuant to authority given by the Board of Directors of said corporation, as their free and voluntary act and deed and as the free and voluntary act and deed of the said corporation, for the uses and purposes therein set forth, and on the day and year therein mentioned.

IN WITNESS WHEREOF I have hereunto subscribed my name and affixed my notarial seal this 20th day of July, 1939.

(NOTARIAL SEAL)

C. W. ARINE

C. W. Arine
Notary Public, Hennepin County, Minn.
My Commission Expires Jan. 12, 1946.

STATE OF MINNESOTA)
) SS.
COUNTY OF HENNEPIN)

I, C. W. Arine, a Notary Public in and for said County and State, do hereby certify that E. A. Whitman, personally known to me and known to me to be the duly appointed, qualified, and acting Receiver of Wisconsin Central Railway Company and known to me to be the same person whose name is subscribed to the foregoing instrument as such Receiver, appeared before me this 20th day of July, 1939, in person and acknowledged said instrument and further acknowledged that he is the duly appointed, qualified, and acting Receiver of Wisconsin Central Railway Company and that he signed, sealed, executed, and delivered the said instrument as his free and voluntary act as such Receiver and pursuant to the authority of the District Court of the United States for the District of Minnesota, Fourth Division, for the uses and purposes therein set forth, and on the day and year therein mentioned.

IN WITNESS WHEREOF I have hereunto subscribed my name and affixed my notarial seal this 20th day of July, 1939.

(NOTARIAL SEAL)

C. W. ARINE

C. W. Arine
Notary Public, Hennepin County, Minn.
My Commission Expires Jan. 12, 1946.

STATE OF NEW YORK)
) SS.
COUNTY OF NEW YORK)

I, Geo. W. Jaeger, a Notary Public in and for said County and State, do hereby certify that Eugene Miller and Chas A. Dean, personally known to me to be the Vice President and Assistant Secretary, respectively, of Empire Trust Company, and personally known to me to be the same persons whose names are severally subscribed to and who executed the foregoing instrument as such Vice President and Assistant Secretary, respectively, appeared before me this 26 day of July, 1939, in person and severally acknowledged said

instrument, and further acknowledged that they signed, sealed, executed, and delivered the said instrument as Vice President and Assistant Secretary, respectively, of the said Empire Trust Company and caused the corporate seal of said corporation to be affixed thereto, all pursuant to authority given by the Board of Directors of said corporation, as their free and voluntary act and deed and as the free and voluntary act and deed of the said corporation, for the uses and purposes therein set forth, and on the day and year therein mentioned.

IN WITNESS WHEREOF I have hereunto subscribed my name and affixed my notarial seal this 26 day of July, 1939.

(NOTARIAL SEAL)

GEO W. JAEGER
Notary Public, New York County, N.Y.
My Commission Expires

Geo. W. Jaeger
Notary Public, Rockland County
N.Y. Co. Clk's No. 162 Reg. No. 0-J-109
Commission Expires March 30, 1940.

STATE OF NEW YORK)
) SS.
COUNTY OF NEW YORK)

I, Geo. W. Jaeger, a Notary Public in and for said County and State, do hereby certify that Henry F. Whitney, personally known to me and known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this 26 day of July, 1939, in person and acknowledged said instrument and further acknowledged that he signed, sealed, executed, and delivered the said instrument as his free and voluntary act and deed, for the uses and purposes therein set forth, and on the day and year therein mentioned.

IN WITNESS WHEREOF I have hereunto subscribed my name and affixed my notarial seal this 26 day of July, 1939.

(NOTARIAL SEAL)

GEO W. JAEGER
Notary Public, New York County, N.Y.
My Commission Expires

Geo. W. Jaeger
Notary Public, Rockland County
N.Y. Co. Clk's No. 162 Reg. No. 0-J-109
Commission expires March 30, 1940

EXHIBIT

THIS AGREEMENT Made and entered into this 22nd day of May, 1936, by and between CHICAGO AND NORTH WESTERN RAILWAY COMPANY and CHARLES F. MEGAN, Trustee of its property (hereinafter collectively called "North Western"), WISCONSIN CENTRAL RAILWAY COMPANY and A. E. WALLACE, its Receiver (hereinafter collectively called "Wisconsin Central"), and MINNEAPOLIS, ST. PAUL AND SAULT STE. MARIE RAILWAY COMPANY (hereinafter called "Soo Line");

W I T N E S S E T H:

The North Western desires to discontinue the use of that portion of its line of railroad between Marshfield and Arpin, Wisconsin, located as shown by green line between the letters "C" and "F" on the white print dated October 5, 1934, which is hereto attached, marked "Exhibit A" and made a part hereof, and to use in lieu thereof the adjacent and parallel line of railroad of the Wisconsin Central and tracks connecting therewith. The Wisconsin Central desires to discontinue the use of that portion of its track between Wisconsin Rapids and Arpin, Wisconsin, located as shown by green line between the letters "A" and "D" on said Exhibit "A" and to use in lieu thereof the adjacent and parallel line of railroad of the North Western and tracks connecting therewith. These parties therefore desire to provide for the joint operation over tracks shown on said "Exhibit A"

between "E-D", "D-C" and "C-B" upon the terms and conditions hereinafter stated.

Those portions of main lines of railroad now owned and those portions of railroad hereafter to be contructed by the parties and, which are to be jointly operated by the parties between the letters "B" and "E", as shown on said Exhibit "A", are hereinafter referred to as "Joint Section".

NOW, THEREFORE, in consideration of the mutual dependent promises hereinafter stated, the parties hereto have agreed as follows:

1. Track connections between the respective lines of the North Western and Wisconsin Central shall be constructed in the locations shown on said Exhibit "A" by red line "A-B," "C-D" and "E-P". The North Western and the Wisconsin Central shall each construct, maintain, renew and own such portions of said track connections as shall be located upon their respective rights of way.

2. The North Western grants to the Wisconsin Central the right to connect the industry track of the Wisconsin Central at Vesper with the main line track of the North Western and the right to occupy and use such portion of its right of way at Vesper as required for the construction, maintenance, renewal and use of the connecting track. The North Western shall, at the sole cost and expense of the Wisconsin Central, construct, maintain and renew that portion of said connecting track from switch point designated by letter "O" to the clearance point designated by letter "X" on said Exhibit "A" and the Wisconsin Central shall at its sole cost and expense construct, maintain and renew the remainder of said connecting track between points designated by letters "X" and "N" on said Exhibit "A". All of said connecting track "O-X-N" shall be owned by the Wisconsin Central. Said industry track and said connecting track shall be used exclusively by the Wisconsin Central and are not to be a part of said Joint Section.

The Wisconsin Central grants to the North Western the right to connect the industry track of the North Western at Arpin with the main line track of the Wisconsin Central and the right to occupy and use such portion of its right of way at Arpin as required for the construction, maintenance, renewal and use of the connecting track. The Wisconsin Central shall, at the sole cost and expense of the North Western, relocate the west switch of, and extend, its passing track at Arpin as shown in yellow color and designated by the letters "Q-R-S" on said Exhibit "A" and shall likewise construct, maintain and renew that portion of the connecting track from switch point, designated by the letter "R", to the clearance point, designated by the letter "T" on said Exhibit "A"; and the North Western shall at its sole cost and expense construct, maintain and renew the remainder of said connecting track between points designated by letters "T" and "U" on said Exhibit "A". All of said connecting track "R-T-U" shall be owned by the North Western. The North Western shall pay to the Wisconsin Central one-half of the cost and expense incurred by the Wisconsin Central in maintaining that portion of its track designated by letters "Q" and "R" and of additions and betterments thereto. Said industry track and said connecting track "R-T-U" shall be used exclusively by the North Western and are not to be a part of said Joint Section.

The term "cost and expense", for the purposes of this agreement, shall include all assignable items of cost and in addition the items and percentages specified in the rules of the General Managers' Association of Chicago, covering preparation of joint facility bills in effect at the time the work is performed.

3. The North Western hereby grants to the Wisconsin Central the right to the full, equal and joint possession and use, in common with the North Western and such other

companies as it may admit, of the main line of the North Western shown by dashed yellow and black line on said Exhibit "A" between letters "B" and "C", and also the right to use the parts of said connecting tracks shown by red line between letters "A" and "B" and "C" and "D", that are owned by the North Western as herein provided, it being understood and agreed that the North Western shall not operate on track "A-B". The normal position of the switch at the point designated by the letter "B" shall be for operations of the North Western. The Wisconsin Central shall restore said switch to its normal position immediately after operation of any of its trains, engines, or cars thereover. The Wisconsin Central with its own employes and equipment, may do and transact over, upon and by means of said main line of railroad, and connecting tracks, together with the appurtenances thereof and the additions, improvements and betterments thereto, all such business as is or may be hereafter carried on by a railroad common carrier, including mail and express, subject only to the terms and conditions hereafter stated.

4. The Wisconsin Central hereby grants to the North Western the right to the full, equal and joint use in common with the Wisconsin Central and such other companies as it may admit, of the main line of the Wisconsin Central shown by dashed solid yellow and broken blue line on said Exhibit "A" between letters "D" and "E" and also the right to use the parts of said connecting tracks shown by red line between letters "C" and "D", and "E" and "F", that are owned by the Wisconsin Central, as herein provided, it being understood and agreed that the Wisconsin Central shall not operate on track "E-F". The normal position of the switch at the point designated by the letter "E" shall be for operations of the Wisconsin Central. The North Western shall restore said switch to its normal position immediately after operation of any of its trains, engines or cars thereover. The North Western, with its own employes and equipment, may do and transact over, upon and by means of said main line of railroad and connecting tracks, together with the appurtenances thereof and the additions, improvements and betterments thereto, all such business as is or may be hereafter carried on by a railroad common carrier, including mail and express, subject only to the terms and conditions hereinafter stated.

5. The North Western, in respect of its tracks shown by dashed yellow and black line on said Exhibit "A" between letters "B" and "C", and in respect to the parts of the connecting tracks shown by red line between letters "A" and "B", "C" and "D", and "E" and "F", owned by it as hereinabove provided, and the Wisconsin Central in respect of its tracks shown by dashed solid yellow and broken blue line on said Exhibit "A" between letters "D" and "E" and in respect to the parts of said connecting tracks owned by it as hereinabove provided, may each be referred to hereafter in this agreement as the "Owning Company".

The North Western, in respect of its use of the tracks of the Wisconsin Central shown by dashed solid yellow and broken blue line on said Exhibit "A" between letters "D" and "E", and in respect of its use of the parts of said connecting tracks owned by the Wisconsin Central, and the Wisconsin Central, in respect of its use of the tracks of the North Western shown by dashed yellow and black line on said Exhibit "A" between letters "B" and "C" and in respect of its use of the parts of said connecting tracks owned by the North Western, may each be referred to hereafter in this agreement as the "Using Company".

6. In case it shall be necessary to make any changes in the telegraph or telephone lines of the parties at Wisconsin Rapids, Arpin or Marshfield, Wisconsin, in order to

insure the proper operation of trains between Wisconsin Rapids and Marshfield, the cost of such changes shall be borne equally by the North Western and Wisconsin Central. The telegraph and telephone lines of each party hereto between Wisconsin Rapids and Marshfield and the wires and appurtenances thereof shall remain the separate property of such party and shall not be a part of the Joint Section and each party hereto shall maintain its said telegraph and telephone facilities at its own expense.

7. The industrial tracks and station facilities of each party hereto at Vesper and Arpin, Wisconsin, shall remain the separate property of such party and shall not be a part of the Joint Section, and each party thereto shall maintain its said industrial and spur tracks and station facilities at its own expense. It is not intended to change service heretofore rendered by the parties and each party agrees that it will not undertake to render service to any industry having trackage facilities which has heretofore been exclusively serviced by the other party, and each party further agrees that it will not at any time, directly or indirectly, take any action that will change or attempt to change the service to industries which have heretofore been exclusively serviced by the other party.

8. The movement of engines, cars and trains of both parties shall be ordered and directed over the Joint Section by the North Western for a period of one year from and after the date that joint operations are commenced and by the Wisconsin Central during the second year, and thereafter alternately for successive periods of one year each by the North Western and Wisconsin Central. The manner of operation shall be in accordance with such reasonable rules and regulations as may be adopted by the Superintendents of the parties hereto of the divisions of which the Joint Section is a part.

9. Except as to the matter of operation thereover as provided in Section 8 hereof, each Owning Company shall have charge, supervision and control of the portion of the Joint Section owned by it and shall pay all taxes (other than taxes on earnings) and assessments that may be levied thereon and shall maintain and repair same and make such additions, betterments and changes therein as shall at all times be necessary to keep same in suitable condition for operation of the parties thereover and shall do all acts and things proper for the operation thereof, and comply with all regulations prescribed by law or in any public authority with respect thereto for safety of the public or otherwise.

10. Neither party shall make any charge against the other on account of rental for the use of or the expense of maintenance, repair or operation of any part of the Joint Section owned by it, nor of any additions, betterments or changes therein.

11. In the event either party shall lawfully abandon all operations and service between Wisconsin Rapids and Marshfield, Wisconsin, it shall convey its interest in the industrial tracks, spur tracks, station facilities, right of way and Joint Section to the other party upon payment to it by such other party of a fair amount for the right of way and the salvage value of the track and station facilities and thereupon this agreement shall terminate.

12. Should the Using Company fail in any respect to perform any of the terms and conditions of this contract, and should any such failure continue for six (6) months after written notice given by the Owning Company to the Using Company specifying the failure complained of, the Owning Company may, at its option, exclude the Using Company from all use of the property of the Owning Company, exclude the Using Company from all use of the

property of the Owning Company described herein; provided that failure to make any payment which is the subject of arbitration or litigation between the parties shall not, pending such arbitration or litigation, be deemed a cause of forfeiture hereunder. Provided further that any person or corporation coming into possession, after such default or exclusion of the Using Company, and pursuant to the provisions of any mortgages or trust deeds now in effect and applicable thereto, of that portion of the Joint Section owned by the Using Company shall, notwithstanding such default of the Using Company, be entitled to the benefit of all rights and privileges granted to the Using Company hereunder, upon assuming and thereafter discharging all accrued and subsequently accruing obligations of the Using Company under the contract.

13. The Owning Company shall be bound to use only reasonable and customary care, skill and diligence in maintaining and repairing the Joint Section and in making additions, betterments and changes therein.

14. The Using Company shall not, by reason of any defect in the property or by reason of the failure or neglect of the Owning Company to repair such defect, make against the Owning Company any claim or demand for loss, damage or injury arising from such defect, neglect or failure; but should the Owning Company fail to repair any defect within a reasonable time after bing notified so to do by the Using Company, then the Using Company may make the necessary repairs at once and the cost thereof shall be paid by the Owning Company.

15. As between the North Western and the Wisconsin Central each party hereto assumes and agrees to bear all loss and damage to its own property and agrees to discharge any liability for loss or damage to property carried by it and for all injury to or death of persons carried by it or exclusively controlled or employed by it, arising by reason of or in connection with the maintenance, repair, use or operation of said Joint Section or the making of additions, betterments or changes therein, in all respects as if it had been in the exclusive use or control of said Joint Section, except only such loss, damage, injury or death as shall be solely caused by the negligence of the sole employe or employes of the other party, and the North Western and the Wisconsin Central each hereby agrees to save the other harmless from all such loss, damage injury or death and from all claims, demands and liability therefor, and from all consequent costs and expenses.

Subject to the same exception as to cases resulting solely from negligence of the other party's sole employe or employes, the North Western and Wisconsin Central each agrees to discharge all liability for loss, damage, injury or death which its engines, cars or trains or employes may cause to third persons or to the property of third persons, in connection with the maintenance, repair, use or operation of said Joint Section or the making of additions, betterments or changes therein, and the North Western and Wisconsin Central each hereby agrees to save the other harmless from all such loss, damage, injury or death and from all claims, demands and liability therefor and from all consequent costs and expenses.

If any loss, damage, injury or death shall occur to third persons or to the property of third persons in connection with the operation of engines, cars or trains in such way that it cannot be determined what company's engines, cars or trains caused the injury, the compensation, if any is made to the injured party, shall be apportioned equally between the North Western and Wisconsin Central.

Neither party shall, under any circumstances, have any cause of action against the

other for loss or damage of any kind caused by or resulting from interruption of or delay to its business.

In case a suit shall be commenced against either party for damages for which the other is ultimately liable under the foregoing provisions, the party sued may give notice of such suit to the other party and thereupon the latter shall assume the defense of the suit and shall save the party sued harmless therefrom.

The parties will settle as between themselves any claim for loss, damage, injury or death according to the terms of this contract, notwithstanding any judgment or decree of a court or any other tribunal in a proceeding brought by third parties.

This Section 15 is not provided for the benefit of parties other than the parties hereto and is not intended to create any obligation upon either party hereto in favor of such other parties.

16. If at any time a question shall arise touching the construction of this contract or concerning the business or manner of transacting the business to be carried on under its provisions or the observance or performance of any of its covenants, upon which question the parties cannot agree, such question shall be submitted to the arbitrament of three disinterested persons familiar with such business and experienced in railway management. The party demanding such reference shall give to the other party written notice thereof, stating specifically the question to be submitted for decision and nominating a person who has the required qualifications to act as one referee. Within thirty (30) days after the receipt of such notice the party receiving it shall nominate a second referee having like qualifications and shall notify the other party of such nomination and in default of such nomination within said period the party demanding the reference may make such selection. The first and second referees chosen shall select a third and thereupon the three referees shall fix a day and place for the hearing, of which the parties shall be severally notified. If the referees chosen shall be unable to agree upon the third referee, such third referee may be appointed by any judge of the United States Circuit Court of Appeals for the Seventh Circuit, upon motion of either party, after ten (10) days' written notice thereof given to the other party. The books and papers of both parties, so far as they relate to any matter submitted for arbitration, shall be open to the examination of the referees; and after hearing the testimony and arguments which may be submitted by each party, the referees, if they unanimously agree upon an award, shall state it in writing and cause a copy thereof to be delivered to each of the parties, and thereupon such award shall be binding and conclusive and each party expressly agrees to be conclusively bound thereby. If the referees cannot agree unanimously, they shall forthwith select two additional referees having like qualifications. If the two additional referees cannot be agreed upon, they may be appointed by any judge of the court above mentioned. To the board thus constituted shall be submitted a statement of the facts upon which the three referees first selected unanimously agree and the testimony as to the matters remaining in dispute. The award of the majority of the five referees shall be in writing, and when copies thereof shall have been delivered to each of the parties, such award shall be final and conclusive, as an award by the first chosen referees would have been. Until the referees shall make their award upon any question submitted to them, the business to be transacted under the terms of this contract shall continue to be transacted and made in the manner and form existing prior to the arising of such question. Immediately after receiving a copy of any award each party shall make

such changes in the conduct of its business, or such payments ~~SO SHALL MAKE SUCH CHANGES in the conduct of its business, or such payments~~ or restitution, as the case may be, as are in and by such award required of it to be made; and the amount of the costs and expenses of the reference and the proportion thereof to be paid by each of the parties shall be determined by the referees. If either party shall refuse to keep or perform any award made as aforesaid, the adverse party may enforce the same by apt proceedings in any court having jurisdiction.

17. This agreement shall become effective (1) when authorized by order or certificate of the Interstate Commerce Commission, (2) upon the entry of an order in the United States District Court for the Northern District of Illinois, Eastern Division, authorizing the abandonment of the North Western trackage herein provided for, by the said Trustee of its property, (3) upon the Wisconsin Central obtaining from the District Court of the United States, for the District of Minnesota, Fourth Division, and from the United States District Court for the Northern District of Illinois, Eastern Division, having jurisdiction of the property affected hereby, orders specifically authorizing the making and execution of this agreement and making the terms hereof binding upon subsequent purchasers, owners and possessors of the Wisconsin Central's Railroad property as provided in Section 21 hereof, (4) upon the North Western obtaining an order from the District Court of the United States for the Northern District of Illinois, Eastern Division, specifically authorizing the making and execution of this agreement, and (5) upon the North Western obtaining a further order from said Court providing that the terms hereof shall be binding upon any successor or successors of the said Trustee of its property, and upon any additional Trustee or Trustees of the North Western's property hereafter appointed by that Court in the pending proceedings under Section 77 of the Federal Bankruptcy Act, and binding upon subsequent purchasers, owners, and possessors of the North Western's railroad property, as provided in Section 22 hereof. Thereupon this agreement shall continue in force and effect thereafter in perpetuity or until terminated as hereinabove provided, or by mutual consent.

18. Except as herein otherwise provided, neither the North Western nor the Wisconsin Central shall assign, or in any manner transfer this agreement, or any right or privilege under, and by it granted. The rights created by this agreement shall attach to and run with the parts of the railways of the North Western and Wisconsin Central, respectively, that are involved hereunder and shall inure to the benefit of and be binding upon their successors and assigns, respectively, and either the North Western or the Wisconsin Central in connection with and as a part of its railway line, may sell, assign, lease or mortgage the rights herein granted it.

19. All notices required to be given by either party to the other may be given by serving the same in writing upon its president, vice-president, or secretary for the time being.

20. The Soo Line joins in the execution of this instrument solely for the purpose of consenting to its execution by the other parties in so far as the Soo Line may now or hereafter have any interest whether by purchase, lease or in any other manner whatsoever in the Wisconsin Central or its properties and for the purpose of agreeing that the Soo Line will exercise any control that it may now or hereafter have over the Wisconsin Central or its said properties for the purpose of bringing about performance of the covenants and agreement herein set forth on the part of the Wisconsin Central to be kept

and performed.

21. The execution of this agreement by said A. E. Wallace is solely as Receiver of the Wisconsin Central Railway Company and not as an individual, and neither he nor any one who shall succeed him as such Receiver shall be bound by any of the terms or conditions of this agreement after the date of his or their discharge as such Receiver. As such Receiver he further agrees, pursuant and subject to an order of the United States District Court for the District of Minnesota, Fourth Division, entered November 11, 1935, that upon any sale or lease of the line of railroad of the Wisconsin Central covered by this agreement, or upon any reorganization of the Wisconsin Central, upon termination of the existing Receivership of said company, or upon the happening of any other event which shall pass the title, ownership and/or possession of the said line of railroad, the party or parties, acquiring title, ownership, and/or possession thereof shall be required as a condition of such acquisition to give assent to this agreement and agree to be bound by all of the terms and conditions hereof, and to execute such written instrument or instruments as may be appropriate to evidence same.

22. The execution of this agreement by Charles P. Megan is solely as trustee of the property of Chicago and North Western Railway Company and not as an individual, and neither he nor any one who shall succeed him as such Trustee or any additional such Trustees shall be bound by any of the terms or conditions of this agreement after the date of his or their discharge as such Trustee or Trustees.

Upon and subject to the entry of the orders of the District Court of the United States, for the Northern District of Illinois, Eastern Division, referred to in Section 17, hereof, this agreement shall be binding upon any successor or additional Trustee, or Trustees, of the North Western's property hereafter appointed by said Court in the pending proceedings under Section 77 of the Federal Bankruptcy Act, wherein the North Western is the Debtor, and upon final confirmation by said Court of any plan of reorganization of said Debtor, the order confirming said plan, or any other order for sale or disposition of the North Western's property of which its line of railroad from Marshfield to Wisconsin Rapids is a part, shall provide that any party or parties acquiring the title, ownership, and/or possession of said line, pursuant to said plan or pursuant to any other sale or lease of said line or happening of any other event which shall pass the title, ownership or possession thereof, shall be required as a condition of such acquisition to give assent to this agreement and agree to be bound by all the terms and conditions hereof, and to execute such written instrument or instruments as may be appropriate to evidence same.

IN WITNESS WHEREOF the North Western, the Wisconsin Central, and the Soo Line (solely for the purpose stated in Section 20 hereof) have caused this agreement to be executed by their respective officers thereunto duly authorized, and the Receiver of the Wisconsin Central has executed same pursuant to authorization and order of the District Court of the United States, for the Fourth Division of Minnesota, as of the day and year first above written.

CHICAGO AND NORTH WESTERN RAILWAY COMPANY,

By Fred W. Sargent
President.

ATTEST:

Barret Conway
Secretary.

WISCONSIN CENTRAL RAILWAY COMPANY,

By C. T. Jaffray
President

ATTEST:

P.J. Stock
Ass't Secretary

MINNEAPOLIS, ST. PAUL & SAULT STE. MARIE RAILWAY COMPANY,

By C. T. Jaffray
President

ATTEST:

P.J. Stock
Ass't Secretary

Charles P. Megan
as Trustee of the property of Chicago and North Western Railway Company.

A. E. Wallace
as Receiver of Wisconsin Central Railway Company, and not as an individual.

STATE OF ILLINOIS,)
) SS.
COUNTY OF COOK,)

On this 26th day of May, 1936, before me Margaret C. Carmody, a Notary Public in and for the State and County aforesaid, personally appeared Fred W. Sargent and Barret Conway, who are personally known to me to be the President and the Vice President and Secretary, respectively, of Chicago and North Western Railway Company, a corporation, and two of the persons who executed the foregoing instrument, and they each acknowledged execution of the same, as such officers, on behalf of said corporation.

Margaret C. Carmody
Notary Public for Cook County, Illinois.

My Commission expires July 20th, 1937.

STATE OF MINNESOTA,) SS
COUNTY OF HENNEPIN.)

On this 22nd day of May, 1936, before me C. W. Arine, a Notary Public in and for the State and County aforesaid, personally appeared C. T. Jaffray and P. J. Stock, who are personally known to me to be the President and Assistant Secretary, respectively, of Wisconsin Central Railway Company, a corporation, and two of the persons who executed the foregoing instrument and they each acknowledged execution of the same, as such officers, on behalf of said corporation.

C. W. Arine
Notary Public for Hennepin County, Minnesota

My Commission Expires Jan. 12th, 1939.

STATE OF MINNESOTA,) SS.
COUNTY OF HENNEPIN.)

On this 22nd day of May, 1936, before me C. W. Arine, a Notary Public in and for the State and County aforesaid, personally appeared C. T. Jaffray and P. J. Stock, who are personally known to me to be the President and the Assistant Secretary, respectively, of Minneapolis, St. Paul and Sault Ste. Marie Railway Company, a corporation, and two of the persons who executed the foregoing instrument, and they each acknowledged execution of the same, as such officers, on behalf of said corporation.

C. W. Arine
Notary Public for Hennepin County, Minnesota
My Commission expires Jan. 12th, 1939

STATE OF MINNESOTA,)
COUNTY OF HENNEPIN.) SS.

On this 22nd day of May, 1936, before me C. W. Arine, a Notary Public in and for the State and County aforesaid, personally appeared A. E. Wallace, who is personally known to me to be the Receiver of Wisconsin Central Railway Company, a corporation, and one of the persons who executed the foregoing instrument, and he acknowledged execution of the same as such Receiver.

C. W. Arine
Notary Public for Hennepin County, Minnesota
My Commission Expires Jan. 12th, 1939.

STATE OF ILLINOIS,)
COUNTY OF COOK.) SS.

On this 26th day of May, 1936, before me, Margaret C. Carmody, a Notary Public in and for the State and County aforesaid, personally appeared Charles P. Megan, who is personally known to me to be the Trustee of the property of Chicago and North Western Railway Company, and who executed the foregoing instrument, and he acknowledged the execution of same in his capacity as such Trustee.

Margaret C. Carmody
Notary Public for Cook County, Illinois
My Commission Expires July 20, 1937.

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS.

Received this 13th day of Sept. A. D. 1939 at 10:30 o'clock A. M. and recorded in Vol. 34 of R. R. Mtgs. on page 291 - 304, incl.

FRED R. ZIMMERMAN
Secretary of State

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ACKNOWLEDGMENT

BY

THE FIRST NATIONAL BANK OF N.Y., TRUSTEE

OF FULL PERFORMANCE OF THE TRUST AGREEMENT AND LEASE

CONVEYING THE TRUST AGREEMENT

TO THE

GREAT NORTHERN RAILWAY COMPANY

Dated Sept. 19, 1939.

* *

KNOW ALL MEN BY THESE PRESENTS; That,

WHEREAS, pursuant to an agreement dated September 1, 1924, between GREAT NORTHERN EQUIPMENT COMPANY, a corporation duly organized and existing under the laws of the state of Minnesota (hereinafter called the "Vendor"), of the first part, THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK, a corporation duly organized and existing under the laws of the United States of America, as Trustee (hereinafter called the "Trustee"), of the second part, and GREAT NORTHERN RAILWAY COMPANY, a corporation duly organized and existing under the laws of the state of Minnesota (hereinafter called the "Company"), of the third part, constituting "Great Northern Railway Equipment Trust, Series C", the Vendor sold, assigned, transferred and delivered certain railroad equipment (hereinafter referred to as the "Trust Equipment") to the Trustee: and

WHEREAS, pursuant to said agreement of September 1, 1924, the Trustee issued and delivered to the Vendor or at its direction $4,500,000 par value of Great Northern Railway Equipment Trust, Series C, Four and One-Half Per Cent Serial Trust Certificates, and leased the Trust Equipment to the Company by lease also dated September 1, 1924, under which the Company was required, among other things, to pay rental to the Trustee in amounts sufficient to pay the principal of and dividends on the Trust Certificates as the same became due and payable; and

WHEREAS, pursuant to said lease of September 1, 1924, and various instruments subsequently executed (a) certain additional railroad equipment has been subjected to said lease in replacement of Trust Equipment which has become worn out, lost or destroyed, and (b) certain of the Trust Equipment has been renumbered, all of which replacement and renumbered equipment is to be deemed as included in each reference hereinafter to the Trust Equipment and replacements thereof; and

WHEREAS said lease provides that at the termination thereof and after all payments due or to become due from the Company under said lease and/or agreement shall have been completed and fully made to the Trustee, (1) such payments shall be applied and treated as purchase money and as the full purchase price of the Trust Equipment, (2) title to all of the Trust Equipment and to all replacements thereof shall vest in the Company, and (3) thereupon the Trustee will execute, for record in public offices, such instrument or instruments in writing as reasonably shall be requested by the Company in order to made clear upon the public records the title of the Company to all of the Trust Equipment and replacements thereof, under the laws of any jurisdiction; and,

WHEREAS the Company has duly and punctually paid the rentals required of it in said lease and has made all other payments required by said agreement and lease, and has performed all the covenants, obligations and agreements contained in said agreement and lease, in accordance with the provisions thereof, and has requested the Trustee to execute

an instrument to make clear upon the public records title of the Company to all of the Trust Equipment and replacements thereof, and compliance with all the terms of said agreement and lease:

NOW, THEREFORE, THIS INSTRUMENT WITNESSETH:

That said The First National Bank of the City of New York, Trustee under said agreement and lease dated September 1, 1924, in consideration of the premises and in accordance with the terms of said lease, does hereby acknowledge full and complete payment and satisfaction by said Company of the rental payments required in said lease and all other payments required by said agreement and lease, and full and complete compliance with all the terms and conditions of said agreement and lease, and for the purpose of passing to and vesting in Great Northern Railway Company the title to all of the Trust Equipment and replacements thereof subject to said agreement and lease, does hereby release assign, sell, transfer and deliver to said Company, Great Northern Railway Company, its successors and assigns, all right, title and interest of said Trustee in and to the Trust Equipment and replacements thereof subject to said agreement and lease, but without any representation as to the correctness of the numbering of such equipment or as to whether or not it is in existence and now in the possession of said Great Northern Railway Company.

TO HAVE AND TO HOLD the same unto the said Company, Great Northern Railway Company, its successors and assigns, forever.

IN WITNESS WHEREOF, the said The First National Bank of the City of New York, Trustee, has caused its corporate name to be hereunto subscribed by its President, or one of its Vice Presidents, and its corporate seal to be hereunto affixed and attested by its Cashier, or an Assistant Cashier, this 19th day of September, 1939.

(CORPORATE SEAL)

THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK,

By HENRY S. STURGIS
Vice President.

Attest: THOS. F. MCGOWAN
Asst. Cashier

Signed, sealed, attested, executed and delivered in the presence of -

F. A. DOOLING

H. MICHAEL

UNITED STATES OF AMERICA,)
State of New York,) SS.:
County of New York,)

BE IT REMEMBERED, and I do hereby certify, that on this 19th day of September, in the year 1939 A. D., in the county of New York, State of New York, before me, the undersigned Notary Public in and for the County of New York, in the State of New York, personally came and appeared HENRY S. STURGIS, a Vice President, and THOS. F. MCGOWAN, an Assistant Cashier of The First National Bank of the City of New York, both being to me personally known and known to me to be officers of and a Vice President and an Assistant Cashier, respectively, of The First National Bank of the City of New York, the above mentioned corporation, that is described in and that executed this, the within and foregoing instrument, that was produced to me by the parties therein, having authority to execute such instrument, who, being by me duly sworn, did depose and say that the said HENRY S. STURGIS, Vice President, resides in Cedarhurst, County of Nassau and State of New York; and that the said THOS. F. MCGOWAN, Assistant Cashier, resides in Rockville Centre, County of Nassau and State of New York; that they are a Vice President and an

Assistant Cashier, respectively, of The First National Bank of the City of New York, and that they are the persons who executed the within and foregoing instrument as such officers, and on oath stated that they were authorized so to execute such instrument; that said instrument was executed, signed, sealed and delivered on and in behalf of the said corporation by its authority and by the authority of its Board of Directors, and said HENRY S. STURGIS, Vice President, and said THOS F. MCGOWAN, Assistant Cashier, acknowledged said instrument to be the free act and deed of said corporation, and of said HENRY S. STURGIS, Vice President, and of said THOS F. MCGOWAN, Assistant Cashier, of said corporation, for the uses and purposes therein mentioned and set forth, and acknowledged to me that such corporation executed the same; and said HENRY S. STURGIS, Vice President, and said THOS F. MCGOWAN, Assistant Cashier, did/depose and say that he knows the corporate seal of the said corporation; that the seal affixed to and the affixed seal of the foregoing instrument is the corporate seal of said corporation and was so affixed by order of its Board of Directors, and said HENRY S. STURGIS, Vice President, said that by like order he signed the same as Vice President, and said THOS F. MCGOWAN, Assistant Cashier, said that by like order he attested the same as Assistant Cashier.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

(NOTARIAL SEAL)

H. B. NELSON

H. B. Nelson, Notary Public, Richmond County
N. Y. County Clerk's No. 58, Reg. No. O-N-53
Commission Expires March 30, 1940

STATE OF WISCONSIN)
) SS.
DEPARTMENT OF STATE)

Received this 26th day of Sept. A. D. 1939 at 10:30 o'clock A. M. and recorded in Vol. 34 of R. R. Mtgs on page 305-307, incl.

R. W. DIXON
Assistant Secretary of State

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AGREEMENT OF CONDITIONAL

SALE

Dated September 15, 1939

between

PULLMAN-STANDARD CAR MANUFACTURING COMPANY.

E. A. WHITMAN, RECEIVER OF PROPERTY OF WISCONSIN CENTRAL RAILWAY COMPANY.

and

WISCONSIN CENTRAL RAILWAY COMPANY

COVERING 100 AUTOMOBILE CARS AND 100 FLAT CARS

AGREEMENT OF CONDITIONAL SALE

THIS AGREEMENT, Made this Fifteenth day of September, 1939, by and between PULLMAN-STANDARD CAR MANUFACTURING COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Delaware (hereinafter called Car Company), party of the first part, and E. A. WHITMAN, Receiver of the property of the WISCONSIN CENTRAL RAILWAY COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Wisconsin (hereinafter called Vendee), party of the second part, and WISCONSIN CENTRAL RAILWAY COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Wisconsin, (hereinafter designated as Railway Company), party of the third part:

WHEREAS, E. A. Whitman has been duly appointed Receiver of the property of the Wisconsin Central Railway Company by order of the District Court of the United States for the District of Minnesota, Fourth Division, in a proceeding pending in said Court, entitled "Northwestern Fire & Marine Insurance Company, Plaintiff, against Wisconsin Central Railway Company, Defendant, in Equity No. 2581", and said E. A. Whitman has duly qualified and is now acting as Receiver of said Railway Company; and

WHEREAS, by the order of Court dated September Fourteenth, 1939, the Receiver was authorized and empowered to enter into and to join with the Railway Company in this contract, and to make and to carry out the covenants and agreements on his part herein contained.

THIS AGREEMENT WITNESSETH THAT:

In consideration of the mutual promises of the parties hereto hereinafter set forth, the parties hereto agree as follows:

1. Car Company will build for Vendee and on completion thereof will sell and deliver to Vendee, f.o.b. rails of Railway Company at Chicago, Illinois, the following freight cars:

100-50'-50-ton Automobile Cars at a price of $3,150 each.

100-52'-6" 50-ton Flat Cars at a price of $2,457 each.

AUTOMOBILE CARS.

Said automobile cars will be duplicates of cars built for Vendee in 1937 under Car Company's Lot No. 5569 with the following exceptions:

Side plate reinforcements to be the same as used in cars built under Car Company's Lot No. 5580.

Welded strikers arranged for union centering device will be used instead of cast Steel strikers.

Welded body side bearing brace will be used in place of cast steel.

Body bolsters and cross bearers will be welded instead of riveted.

Push pole pockets will be of pressed steel instead of cast steel.

Spring plank type of truck of same dimensions as the spring plankless type of truck used on the cars built under Car Company's Lot No. 5580, will be installed.

FLAT CARS.

The flat cars will be built to Car Company's sketch F-5135-A with the following exceptions:

Cars will be built of copper bearing steel with spring plank type of truck of the same character as above designated for automobile cars; body bolsters and cross bearers will be welded instead of riveted.

Specialties to be same as for automobile cars where they apply.

2. Vendee will accept delivery of and purchase said cars on completion thereof subject to all the terms and conditions of this contract, and will pay Car Company therefor an aggregate purchase price of $560,700.00, said amount, however, being subject to adjustment as provided in Section 3 hereof, in case of change in specifications. Said purchase price will be payable to Car Company at the office of its Treasurer in the City of Chicago, Illinois, or at such bank or Trust Company either in Chicago, New York or elsewhere as Car Company may direct, free of expense to Car Company for collection or other charges, as follows:

Upon completion of the delivery of not less than one hundred (100), or one-half, of said cars, Vendee will pay to Car Company an amount of $150,000.00 as a cash down payment on the said aggregate purchase price. Payment of the balance of the said aggregate purchase price of all of said cars, or $410,700.00, will be made by Vendee in forty-eight (48) equal monthly installments of $4,278.13, each, commencing on January 1, 1940, and continuing on the first day of each calendar month thereafter until and including the first day of December, 1943, and in forty-eight (48) equal monthly installments of $4,278.12, each, commencing on January 1, 1944, and continuing on the first day of each calendar month thereafter until and including the first day of December, 1947; in addition to each such principal installment, interest will be paid monthly at the rate of 2% per annum on the diminishing unpaid balances of the purchase price remaining to be paid on the first day of each such month.

A schedule of such payments to be so made by Vendee showing the amounts and dates of the installment payments, the amounts of interest due as of each such payment date, and the balance of the unpaid purchase price of the cars remaining unpaid, after credit of payment made as of said date, is as follows:

SCHEDULE OF PAYMENTS.

No.	Date	Principal Installment	Interest at 2%	Total Payment	Balance due on Purchase Price as of this date after payment then due has been made
					$410,700.00
1	January 1, 1940	$ 4,278.13	$ 684.50	$ 4,962.63	406,421.87
2	February 1, 1940	4,278.13	677.37	4,955.50	402,143.74
3	March 1, 1940	4,278.13	670.24	4,948.37	397,865.61
4	April 1, 1940	4,278.13	663.11	4,941.24	393,587.48
5	May 1, 1940	4,278.13	655.98	4,934.11	389,309.35
6	June 1, 1940	4,278.13	648.85	4,926.98	385,031.22
7	July 1, 1940	4,278.13	641.72	4,919.85	380,753.09
8	August 1, 1940	4,278.13	634.59	4,912.72	376,474.96
9	September 1, 1940	4,278.13	627.46	4,905.59	372,196.83
10	October 1, 1940	4,278.13	620.33	4,898.46	367,918.70
11	November 1, 1940	4,278.13	613.20	4,891.33	363,640.57

SCHEDULE OF PAYMENTS

No.	Date	Principal Installment	Interest at 2%	Total Payment	Balance due on Purchase Price as of this date after payment then due has been made
12	December 1, 1940	$ 4,278.13	$ 606.07	$ 4,884.20	$359,362.44
13	January 1, 1941	4,278.13	598.94	4,877.07	355,084.31
14	February 1, 1941	4,278.13	591.81	4,869.94	350,806.18
15	March 1, 1941	4,278.13	584.68	4,862.81	346,528.05
16	April 1, 1941	4,278.13	577.55	4,855.68	342,249.92
17	May 1, 1941	4,278.13	570.42	4,848.55	337,971.79
18	June 1, 1941	4,278.13	563.29	4,841.42	333,693.66
19	July 1, 1941	4,278.13	556.16	4,834.29	329,415.53
20	August 1, 1941	4,278.13	549.03	4,827.16	325,137.40
21	September 1, 1941	4,278.13	541.90	4,820.03	320,859.27
22	October 1, 1941	4,278.13	534.77	4,812.90	316,581.14
23	November 1, 1941	4,278.13	527.64	4,805.77	312,303.01
24	December 1, 1941	4,278.13	520.51	4,798.64	308,024.88
25	January 1, 1942	4,278.13	513.37	4,791.50	303,746.75
26	February 1, 1942	4,278.13	506.24	4,784.37	299,468.62
27	March 1, 1942	4,278.13	499.11	4,777.24	295,190.49
28	April 1, 1942	4,278.13	491.98	4,770.11	290,912.36
29	May 1, 1942	4,278.13	484.85	4,762.98	286,634.23
30	June 1, 1942	4,278.13	477.72	4,755.85	282,356.10
31	July 1, 1942	4,278.13	470.59	4,748.72	278,077.97
32	August 1, 1942	4,278.13	463.46	4,741.59	273,799.84
33	September 1, 1942	4,278.13	456.33	4,734.46	269,521.71
34	October 1, 1942	4,278.13	449.20	4,727.33	265,243.58
35	November 1, 1942	4,278.13	442.07	4,720.20	260,965.45
36	December 1, 1942	4,278.13	434.94	4,713.07	256,687.32
37	January 1, 1943	4,278.13	427.81	4,705.94	252,409.19
38	February 1, 1943	4,278.13	420.68	4,698.81	248,131.06
39	March 1, 1943	4,278.13	413.55	4,691.68	243,852.93
40	April 1, 1943	4,278.13	406.42	4,684.55	239,574.80
41	May 1, 1943	4,278.13	399.29	4,677.42	235,296.67
42	June 1, 1943	4,278.13	392.16	4,670.29	231,018.54
43	July 1, 1943	4,278.13	385.03	4,663.16	226,740.41
44	August 1, 1943	4,278.13	377.90	4,656.03	222,462.28
45	September 1, 1943	4,278.13	370.77	4,648.90	218,184.15
46	October 1, 1943	4,278.13	363.64	4,641.77	213,906.02
47	November 1, 1943	4,278.13	356.51	4,634.64	209,627.89
48	December 1, 1943	4,278.13	349.38	4,627.51	205,349.76
49	January 1, 1944	4,278.12	342.25	4,620.37	201,071.64
50	February 1, 1944	4,278.12	335.12	4,613.24	196,793.52
51	March 1, 1944	4,278.12	327.99	4,606.11	192,515.40
52	April 1, 1944	4,278.12	320.86	4,598.98	188,237.28
53	May 1, 1944	4,278.12	313.73	4,591.85	183,959.16
54	June 1, 1944	4,278.12	306.60	4,584.72	179,681.04
55	July 1, 1944	4,278.12	299.47	4,577.59	175,402.92
56	August 1, 1944	4,278.12	292.34	4,570.46	171,124.80
57	September 1, 1944	4,278.12	285.21	4,563.33	166,846.68
58	October 1, 1944	4,278.12	278.08	4,556.20	162,568.56
59	November 1, 1944	4,278.12	270.95	4,549.07	158,290.44
60	December 1, 1944	4,278.12	263.82	4,541.94	154,012.32
61	January 1, 1945	4,278.12	256.69	4,534.81	149,734.20
62	February 1, 1945	4,278.12	249.56	4,527.68	145,456.08
63	March 1, 1945	4,278.12	242.43	4,520.55	141,177.96
64	April 1, 1945	4,278.12	235.30	4,513.42	136,899.84
65	May 1, 1945	4,278.12	228.17	4,506.29	132,621.72
66	June 1, 1945	4,278.12	221.04	4,499.16	128,343.60
67	July 1, 1945	4,278.12	213.91	4,492.03	124,065.48
68	August 1, 1945	4,278.12	206.78	4,484.90	119,787.36
69	September 1, 1945	4,278.12	199.65	4,477.77	115,509.24
70	October 1, 1945	4,278.12	192.52	4,470.64	111,231.12
71	November 1, 1945	4,278.12	185.38	4,463.50	106,953.00
72	December 1, 1945	4,278.12	178.25	4,456.37	102,674.88
73	January 1, 1946	4,278.12	171.12	4,449.24	98,396.76
74	February 1, 1946	4,278.12	163.99	4,442.11	94,118.64
75	March 1, 1946	4,278.12	156.86	4,434.98	89,840.52
76	April 1, 1946	4,278.12	149.73	4,427.85	85,562.40
77	May 1, 1946	4,278.12	142.60	4,420.72	81,284.28
78	June 1, 1946	4,278.12	135.47	4,413.59	77,006.16
79	July 1, 1946	4,278.12	128.34	4,406.46	72,728.04
80	August 1, 1946	4,278.12	121.21	4,399.33	68,449.92
81	September 1, 1946	4,278.12	114.08	4,392.20	64,171.80
82	October 1, 1946	4,278.12	106.95	4,385.07	59,893.68
83	November 1, 1946	4,278.12	99.82	4,377.94	55,615.56
84	December 1, 1946	4,278.12	92.69	4,370.81	51,337.44
85	January 1, 1947	4,278.12	85.56	4,363.68	47,059.32
86	February 1, 1947	4,278.12	78.43	4,356.55	42,781.20
87	March 1, 1947	4,278.12	71.30	4,349.42	38,503.08
88	April 1, 1947	4,278.12	64.17	4,342.29	34,224.96
89	May 1, 1947	4,278.12	57.04	4,335.16	29,946.84
90	June 1, 1947	4,278.12	49.91	4,328.03	25,668.72
91	July 1, 1947	4,278.12	42.78	4,320.90	21,390.60
92	August 1, 1947	4,278.12	35.65	4,313.77	17,112.48
93	September 1, 1947	4,278.12	28.52	4,306.64	12,834.36
94	October 1, 1947	4,278.12	21.39	4,299.51	8,556.24
95	November 1, 1947	4,278.12	14.26	4,292.38	4,278.12
96	December 1, 1947	4,278.12	7.13	4,285.25	-0-
		$410,700.00	$33,198.22	$443,898.22	

The above schedule of payments is based on acceptance of December 1, 1939, as average date of delivery of the cars. In case the actual average date of delivery shall be either prior to or subsequent to said date, an adjustment will be made in the first monthly installment payment by adding thereto if delivery be earlier, or subtracting therefrom if delivery be later, an amount equal to $22.50 per day (representing interest for one day on $410,700.00 at the rate of two per cent (2%) per annum) for each day that such actual average date of delivery may be before or after December 1, 1939.

Vendee shall have the right on the first day of any month, provided he shall have given not less than 15 days prior notice of his intention so to do, and provided he be not in default hereunder, to make payment of the entire balance of the purchase price then payable hereunder as shown on said schedule of payments, with interest accrued to such date of payment. Such payment will be accepted by Car Company in full discharge of all Vendee's obligations hereunder.

Vendee shall also have the right at any time on notice as above provided, to anticipate the payment of one or more of the future monthly payments of principal agreed to be made hereunder; and such payments will be credited by Car Company toward payment of balance due on such cars, and interest will be computed thereafter on the actual balance of principal remaining to be paid thereon. Neither the making of any such advance payment of principal by Vendee nor the acceptance thereof by the Car Company shall relieve the Vendee of his obligation to make monthly payments of interest due the first day of each month on the unpaid balance of the purchase price remaining to be paid on the first day of each such month.

3. The drawings and specifications above referred to may be modified or supplemented by further drawings, specifications and written instructions prepared and submitted by Vendee, provided, however, that Car Company shall not be required to accept or agree to any such change or modification if in its judgment such change will not be practicable or will unduly delay the work. If such change or modification shall increase or decrease the cost of said cars, an adjustment will be made therefor in the first installment payment of the purchase price.

4. Car Company will give Vendee full opportunity to inspect said cars during the construction thereof at its Michigan City Plant. On completion of any of said cars Vendee will arrange for final inspection thereof and will have his inspector execute in duplicate the usual form of Certificate of Inspection covering all cars which are found, on inspection, to be completed in accordance with the plans and specifications.

Each such certificate with respect to the cars covered thereby shall be final and conclusive evidence that such cars have been constructed and conform in all respects to the requirements and provisions of this contract.

5. Car Company will deliver said cars at Chicago, Illinois, ready for service and free of all liens, incumbrances and claims of any nature by or in favor of any person or party, subject only to the reservation of title by Car Company under the provisions hereof. Delivery of cars will be commenced within sixty (60) days after settlement of mechanical details of construction and the securing of necessary Court order, and will continue at rate of ten (10) cars per working day until completed, subject only to the ability of Car Company to obtain the necessary materials and subject to delays caused by strikes, fires, accidents or other unavoidable causes or contingencies beyond the Car Company's control.

Vendee will save Car Company harmless from all claims on account of use of any

patented device or design (other than such as may be owned or controlled by Car Company) specified by Vendee for use in the cars; and Car Company in like manner will save Vendee harmless from all claims on account of use of any other patented device or design in the cars not so specified by Vendee.

6. All payments by Vendee hereunder shall be free of expenses to Car Company for collection or other charges, and no deductions shall be made therefrom of the amount of any Federal, State or other taxes, assessments, or governmental charges (other than income taxes) hereafter levied or imposed upon said cars, or upon the selling, shipment, delivery or use thereof, all of which expenses and taxes Vendee assumes and agrees to pay in addition to the above mentioned purchase price of the cars. All payments provided for in this contract shall be made by Vendee to Car Company in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Vendee shall also pay promptly all taxes, assessments and governmental charges (other than income taxes) which from time to time may be imposed upon the cars, or the earnings arising therefrom, or the operation thereof, or upon Car Company by reason of its ownership thereof, by any jurisdiction in which the cars may be located, and Vendee agrees at all times to keep the cars free and clear of all tax liens and incumbrances; provided, however, that Vendee shall not be required to pay any tax, assessment or other governmental charge, the validity of which Vendee shall contest in good faith and by appropriate legal proceedings until such contest shall have been decided, unless in the judgment of Car Company its right and interests may be materially endangered by such delay.

Vendee shall comply in all respects with all laws of the United States and of the States in which the said cars may be operated covering the use, operation or maintenance of said cars and with the lawful rules of the Interstate Commerce Commission , and of every other legislative, administrative or judicial body exercising any power or jurisdiction over said cars with respect thereto; and in the event that the said laws or rules require any alterations of any of said cars, or any additional equipment or appliances thereon Vendee shall conform therewith at its own expense and shall maintain said cars in proper condition for operation under such laws and rules during the life of this contract.

7. Car Company shall retain full legal title to and property in all said cars until Vendee shall have made all the payments and shall have performed all of the covenants in this contract provided to be made, kept or performed by Vendee notwithstanding the delivery of cars to and the possession and use thereof by Vendee as herein provided. Any and all replacements of parts of the cars or additional equipment or facilities installed thereon or therein shall constitute accessions to the cars and shall be subject to all the terms, reservations and conditions of this contract. When Vendee shall have paid in full the entire purchase price for all of said cars, with interest thereon, and all other payments herein provided to be made by Vendee with respect thereto, title to and property in each and all said cars shall pass to Vendee without further transfer or act on the part of Car Company, but in such case Car Company will, if requested by Vendee so to do, cancel this contract and execute and deliver to Vendee a bill or bills of sale covering the cars free and clear of all liens and encumbrances in favor of Car Company or any one claiming under it.

8. At all times while this contract is in force, Vendee at his own expense, shall keep the above cars insured against damage or destruction by fire, to an amount not less than the unpaid installment payments remaining to be paid hereunder and in a company or

companies to be approved by Car Company. The policies shall specify that all payments of loss on said cars shall be made to Car Company as its interest may appear, and such policies or certified copies thereof shall be deposited with Car Company. In case Vendee shall fail to keep such cars so insured and to deposit policies as aforesaid, Car Company may itself insure such cars, and in this event Vendee shall be obligated to repay to Car Company the amount of premiums paid therefor with interest thereon at rate of five per cent (5%) per annum from the time of such payment until repaid.

Upon satisfactory proof of the proper repair or replacement of any of said cars which may be destroyed or damaged by fire, all insurance money collected or received by Car Company on account thereof shall be paid over to Vendee in reimbursement of the cost of such repair or replacement. Any moneys collected or received by Vendee from any company or companies issuing such policies, as result of loss covered by said insurance, or received from another railroad company on account of said cars being damaged or destroyed by accident or otherwise on the lines of such other railroad, (not in excess however of balance due for such car or cars as provided in Section 9 below) shall be immediately remitted to Car Company to be held by Car Company for the account of the Vendee pending repair or replacement of such cars by Vendee.

9. Vendee at his own cost shall keep all said cars in good order and proper running repair and in case of damage thereto by fire, accident or otherwise will promptly repair the car or cars so damaged and restore them to good running order. In case any car shall be damaged beyond repair or destroyed, Vendee shall promptly pay Car Company an amount equal to the full unpaid balance of the purchase price remaining to be paid on such car, (any payment already received by Car Company as insurance or as compensation for such damage or loss from another Railroad Company to be first credited toward payment of such balance), and such amount with suitable allowance of interest thereon at rate of two per cent (2%) per annum will be credited by Car Company toward payment in reverse order of latest installment payment or payments to be made by Vendee hereunder. Within twenty (20) days after receiving advice of damage to or destruction of any of said cars, Vendee will give Car Company written notice thereof with full particulars of the extent of the loss or damage incurred. Any failure on the part of Vendee to replace any such cars with reasonable promptness or to pay for each car which may be destroyed shall entitle Car Company to declare a default hereunder and to take such action as is authorized to be taken by Car Company in case of a default in making payment for said cars as herein provided.

Vendee will permit inspection of said cars from time to time by agents of Car Company and upon prior request of Car Company will furnish as of June 30th of any year, a statement showing the condition of said cars and what, if any, substantial repairs, have been or are being made upon any of them since the last preceding report.

10. Before delivery of said cars to Vendee, Car Company will fasten upon each side of each car a metal plate bearing the following words in letters not less than onehalf of an inch in height: "PULLMAN-STANDARD CAR MANUFACTURING COMPANY, OWNER". Such plates will be so located as to be readily visible and to indicate plainly Car Company's ownership of said cars. In case, during the continuance of this contract, such plates or markings shall at any time be removed, defaced or destroyed, Vendee shall immediately at its own cost, cause the same to be restored or replaced; and if by reason of change of law or otherwise, additional or other plates or markings shall be required to protect the interests of Car Company, Vendee shall provide and install and thereafter maintain the same on all such cars.

The cars may be lettered and numbered in such appropriate manner, as Vendee may desire, for convenience in identification; but Vendee, during the continuance of this contract, will not allow the name of any corporation or other party to be placed on any of the cars, in such manner that such name or designation might be interpreted as a claim of ownership thereof by any person, association or corporation other than Car Company or its assignee. In case Vendee shall change the lettering or number assigned to or placed on any car, immediate notice of such change shall be given to Car Company so that it may correct its records accordingly.

In the event of a transfer or assignment, or successive transfers or assignments by Car Company or its assignees of title to said cars and of Car Company's rights hereunder in respect thereof, whenever requested by any such transferee or assignee, Vendee shall change the name plates on all the cars to indicate the title of such transferee or assignee to such cars and its succession to rights of Car Company hereunder, but the expense of making such change in plates shall be borne by the party or parties requesting such change or by Car Company.

11. Vendee shall bear the risk of and shall not be released from its obligations hereunder in the event of any damage to or destruction or loss of any of the said cars from any cause whatsoever after delivery thereof to Vendee. Vendee further agrees to save, indemnify and keep harmless Car Company from and against all loss, damages, injuries, claims or demands whatsoever, regardless of the cause thereof, in connection with any accident or otherwise arising from or caused by operation or use of said cars while this contract is in force.

12. All or any of the rights of Car Company under this contract including the right to receive the payments herein provided to be made by Vendee, may be assigned by Car Company and reassigned by any Assignee at any time and from time to time, provided, however, that no such assignment shall subject any assignee to, or relieve Pullman-Standard Car Manufacturing Company or the successor or successors to its manufacturing property and business from, any of the obligations of Pullman-Standard Car Manufacturing Company as to the construction or delivery of the cars or as to any indemnity with respect thereto, or from any other duty, obligation or liability except the duty to execute necessary and proper instruments of transfers as and when Vendee shall be entitled thereto pursuant to the provisions of Section 7 hereof.

Upon any such assignment the assignor shall give written notice to Vendee, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee, ~~and such assignee~~ shall by virtue of such assignment acquire all of the Car Company's right, title and interest in and to the cars and each and every part thereof, subject only to such reservations as may be contained in such assignment. From and after the receipt by Vendee of the notification of any such assignment, all payments thereafter to be made by Vendee hereunder to the extent so assigned, shall be made to the assignee.

In the event that this contract is assigned by Car Company as hereinbefore provided, the rights of such assignee to the entire unpaid purchase price or such part thereof as may be assigned, and interest thereon, as well as any other rights as may be so assigned hereunder shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever arising out of any breach of any obligation of Pullman-Standard Car Manufacturing Company or the successor or successors to its manufacturing properties and business in respect of the cars or the manufacture or delivery thereof,

or in respect of any indemnity herein contained, nor subject to any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to Vendee by Pullman-Standard Car Manufacturing Company. Any and all such obligations, howsoever arising, shall be and remain enforceable by Vendee against and only against Pullman-Standard Car Manufacturing Company and the successor or successors to its manufacturing properties and business, and shall not be enforceable against any party or parties in whom title to the cars or any of them, or the rights of Car Company hereunder, shall vest by reason of any sale, assignment or transfer, or successive sales, assignments or transfers.

The term "Car Company" whenever used in this Contract means, before any assignment of all or any rights of Car Company hereunder as hereinbefore provided in this paragraph 12, Pullman-Standard Car Manufacturing Company, and after any such assignment, the assignee or assignees for the time being of all of the rights hereunder, or in the event of any assignment of any less than all of the rights hereunder, both any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also the assignor as regards any rights hereunder retained and excluded from such assignment; and the term "Pullman-Standard Car Manufacturing Company" whenever used in this contract means, both before and after any such assignment, the party hereto of the first part, and any successor or successors for the time being to its manufacturing property and business.

13. (a) In case Vendee shall make default in the payment of any installment of principal or of interest each month, as herein provided, and shall remain in default for more than thirty (30) days after such payment shall have become due, or shall be in default under the provisions of section 14 hereof; or shall fail or refuse to comply with any other of the terms and covenants in this contract on his part to be kept and performed, or to make provisions satisfactory to Car Company for such compliance, and any such failure or refusal, other than a default under section 14 hereof or a default in the payment of a monthly payment hereunder, shall continue for more than thirty (30) days after notice in writing thereof to Vendee, then, in any such case (herein sometimes called events of default) at any time thereafter during the continuance of such default Car Company may, without further notice or demand except to the extent necessary in order to comply with any legal requirements then in force and applicable to such action by Car Company, declare the entire unpaid balance of the purchase price of the cars immediately due and payable, without further demand, together with interest thereon at the rate of two per cent (2%) per annum to such date of default and thereafter interest shall be payable by Vendee upon any portion thereof overdue at rate of five per cent (5%) per annum; and Car Company shall thereupon be entitled to recover judgment for the entire amount so payable by Vendee with interest thereon at said rate, and to collect such judgment out of any property of Vendee wherever situated. Car Company, at its election may, (and, if before sale or before completion of other enforcement of this agreement, all costs and expenses of Car Company incidental to any such default and the enforcement by Car Company of the provisions hereof, and all sums which shall then have become due and payable by Vendee hereunder, other than such part of said purchase price as shall have become due only because of a declaration of default under this section as aforesaid, shall have been paid by Vendee, and all other existing events of default shall have been remedied, or provision therefor satisfactory to Car Company shall have been made, then and in every such case Car Company shall) waive any such event of default and its

consequences and rescind and annul any such declaration or termination by notice to Vendee in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such cured default had existed and no such declaration or termination had been made; but no such waiver, rescission or annulment shall limit or affect Car Company's right, upon any other default, to declare the unpaid balance of said purchase price due as aforesaid, or extend to or affect any other default, or impair any rights or remedies consequent thereon.

(b) If Vendee shall make default as hereinabove provided, then at any time thereafter during the continuance of such default Car Company, without further notice or demand except to the extent necessary in order to comply with any such legal requirements, may take or cause to be taken by its agent or agents immediate possession of the cars, or any of them, and all present and future equipment, attachments and accessories thereof, without liability to return to Vendee any sums theretofore paid, and free from all claims whatsoever except as hereinafter in this section 13 expressly provided, and may remove the same from the use and possession of Vendee and for such purpose may enter upon Vendee's premises where the cars may be located, and may use and employ in connection with such removal any available trackage and other facilities or means of Vendee, without process of law; and Vendee shall assemble and deliver the cars, with all replacements, improvements, equipment, attachments and accessories thereof, at his own cost at such place or places on his railroad as Car Company may reasonably designate, and in case of such retaking or delivery Car Company shall have the right to store the same upon the premises of Vendee without charge until Car Company shall have had a reasonable opportunity to remove the same therefrom. The assembling and delivery of the cars as hereinbefore provided is of the essence of this contract between the parties and upon application to any court of equity having jurisdiction in the premises, Car Company shall be entitled to a decree against Vendee requiring specific performance hereof.

(c) If Vendee shall make default as hereinbefore provided, then at any time thereafter during the continuance of such default, and after declaring the entire purchase price immediately due and payable as hereinbefore provided, Car Company with or without retaking possession thereof may sell the cars or any of them, and all replacements thereof, and all improvements, equipment, attachments and accessories placed thereon, free from any and all claims of Vendee, or of any other party claiming by, through or under it at law or in equity, at public or private sale and with or without advertisement as Car Company may determine, all subject to and in compliance with any legal requirements then in force and applicable to such sale. To the extent permitted by any such legal requirements, any sale or sales hereunder may be held or conducted at such location and at such time or times as Car Company may fix, in one lot and as an entirety or in separate lots, and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as Car Company may determine in compliance with any such legal requirements, provided that written notice of such sale shall be given to Vendee at least ten (10) days prior thereto, by telegram, or registered mail addressed to Vendee at his office in Minneapolis, Minnesota, or such other notice, if any, as may be necessary to comply with any such legal requirements. If such sale shall be a private sale permitted by such legal requirements, it shall be subject to the right of Vendee to purchase or provide a purchaser, within ten (10) days after notice of the proposed sale price, at the same or better price as offered by the intending purchaser. To the extent not prohibited by any legal requirements then in force and applicable to such sale, Car Company may

itself bid for and become the purchaser of the cars, or any of them so offered for sale without accountability to Vendee (except to the extent of surplus money received as hereinafter provided in the last paragraph of this section 13) and in payment of such purchase price Car Company shall be entitled to the extent aforesaid to have credited on account thereof all sums due to Car Company by Vendee hereunder.

(d) Each and every power or remedy hereby specifically given to Car Company shall be in addition to every other power or remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by Car Company. All such powers and remedies shall be cumulative and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of Car Company in the exercise of any such power or remedy, and no renewal or extension of any payments due hereunder shall impair any such power or remedy, or shall be construed to be a waiver of any default, or an acquiescence therein.

(e) If Car Company shall exercise any of the powers or remedies conferred upon it hereunder, Vendee shall have the right after all sums due hereunder to Car Company shall have been received by it in full, including its proper costs and expenses incident to the collection thereof, to require title to any of the cars, if not previously sold or otherwise disposed of by Car Company pursuant to the provisions hereof, to be transferred and assigned by Car Company to Vendee free from any further liabilities or obligations to Car Company. If after applying all sums of money realized by Car Company under the remedies herein provided, there shall remain any amount due it under the provision of this contract, Vendee shall pay the amount of such deficit to Car Company. If after applying as aforesaid, all sums realized by Car Company, there shall remain a surplus in the possession of Car Company, such surplus shall be paid to Vendee.

14. Vendee shall not assign nor transfer this contract or any of his rights hereunder, nor transfer nor sublet the said cars or any of them (except to Railway Company or to its successor conditioned on the assumption by said Railway Company, or by such successor of all Vendee's obligations hereunder) without Car Company's written consent first had and obtained, and shall not cause nor permit any of said cars to be pledged or held for any debt or obligation owing by Vendee or by Railway Company or to be in any manner encumbered, and shall not suffer the said cars or any of them to pass out of Vendee's control except in the ordinary course of the operation of freight cars in through joint movement and interchange over lines of connecting and other railway carriers.

If by the filing by creditors of Railway Company of any petition for reorganization or for debt adjustment, either under Section 77 of the Bankruptcy Act, or under any provision of the Bankruptcy Act as now or hereafter existing, or by any other amendment or revision thereof, or under any other judicial or administrative proceeding, decree or process, or otherwise, either Vendee or Railway Company shall be no longer obligated to perform or able to perform and comply with their obligations under this contract (and if successor in interest to Vendee or Railway Company shall refuse to affirm in writing, on his or its behalf, this contract and its then unfulfilled obligations), such action shall be deemed a breach of this contract and a default hereunder; whereupon Car Company may elect to declare the entire unpaid balance of the purchase price immediately due and payable as hereinbefore provided and may thereupon forthwith retake possession of the cars or any of them and exercise and enforce any and all other remedies as provided by Section 13 hereof.

15. Wherever provision is made in this contract for any notice or demand to or upon

Vendee, or if at any time Car Company shall desire to give notice to or make any demand upon Vendee, the same may be given or made by depositing a written statement thereof, enclosed in a postpaid envelope in any United States Postoffice, directed to Vendee at his office or place of business in the City of Minneapolis, Minnesota, and an affidavit by any person so depositing such notice in respect of such mailing shall be deemed to be and shall be conclusive evidence of the giving and receipt of such notice and of the making of such demand.

16. Any provision of this contract prohibited by any applicable law of any state, or which by any applicable law of any state would convert this contract into any instrument other than a contract of conditional sale, shall as to such state be ineffective, without modifying as to such state the remaining provisions of this agreement. Where, however, the conflicting provisions of any applicable state law may be waived, they are hereby waived by Vendee to the full extent permitted by law.

17. Any extension of time granted by Car Company to Vendee for the payment of any sum due under this contract, shall not be deemed a waiver of the title of Car Company reserved hereunder nor of any of its rights and remedies hereunder or otherwise existing.

18. Vendee shall cause this contract to be filed, registered and recorded wherever required for the proper protection, to the satisfaction of counsel for Car Company, of Car Company's title to the cars and any replacement or replacements thereof, and of its rights under this contract; and Vendee shall from time to time do and perform any other act, and will execute, acknowledge, deliver, file, register and record any and all further instruments, required by law or reasonably requested by Car Company, for the purpose of such protection of its title and rights, or for the purpose of carrying out the intention of this contract.

19. Vendee shall pay all cost, charges and expenses incident to the printing, filing, registering and recording of this contract and of any instrument supplemental hereto or amendatory hereof above referred to, excepting only assignments or instruments of transfer between Car Company and its assignee or assignees.

20. This contract may be simultaneously executed in ten or more counterparts, each of which so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same instrument, which shall be sufficiently evidenced by any such original counterpart.

21. This contract of conditional sale, together with the specifications hereinabove referred to, constitute the entire contract between Vendee and Car Company with respect to the sale of the 200 cars herein referred to. No variation or modification of this contract (except changes in plans and specifications which may be made as provided in Section 3 hereof) and no waiver of any of its provisions or conditions, shall be valid unless in writing and signed by Vendee, Car Company and Railway Company.

22. So long as the Vendee shall not be in default under this agreement, he shall be entitled to the possession of the cars and to the use thereof upon the lines of railroad operated by him, or over which he has trackage rights, and upon connecting and other railroads in the usual interchange of freight cars, from and after the delivery of the cars by Car Company to Vendee but only upon and subject to all terms and conditions of this contract.

23. Railway Company joins in this contract as party of the third part, and covenants and agrees that all covenants and agreements hereinbefore set out which are binding on Vendee shall be binding likewise on it, and that wherever the word "Vendee" appears herein,

the same shall be deemed to include the Railway Company, unless the context or express language otherwise requires.

This contract shall inure in favor of and shall be binding on Vendee as Receiver of the property of Wisconsin Central Railway Company and upon his successor or successors as such, if any; it being understood that such obligation is solely the obligation of Vendee as such Receiver and not as an individual and that neither E. A. Whitman, nor anyone who shall succeed him as such Receiver shall be bound individually by any of the obligations or conditions of this contract after the termination of his receivership; provided, however, that upon the termination of said receivership, the Railway Company, or the purchaser assignee, or transferee of the properties of Railroad Company, or the trustee or trustees appointed to operate said property shall take the place of Vendee under this contract, and shall be bound by all the obligations and entitled to all the benefits accruing to Vendee hereunder.

24. The terms of this contract and all rights and obligations hereunder shall be governed by the law of the State of Illinois.

IN WITNESS WHEREOF, Car Company by its officers thereunto duly authorized by its Board of Directors, and Vendee and Railway Company, pursuant to order of said Court, have caused this contract to be duly executed, as of the day and year first above written.

(CORPORATE SEAL) PULLMAN-STANDARD CAR MANUFACTURING COMPANY,

By HUNTLY H. GILBERT
Vice President.

Attest:

J. A. KNOWLTON
Secretary.

Signed, sealed and delivered by Pullman-Standard Car Manufacturing Company in the presence of:

Bernita Deardorff

Isabel Reynolds
Attesting Witnesses.

E. A. WHITMAN
As Receiver of the property of Wisconsin Central Railway Company but not individually.

Signed, sealed and delivered by E. A. Whitman, in the presence of:

A. J. Hopper

R. F. Blacik
Attesting Witnesses.

(CORPORATE SEAL) WISCONSIN CENTRAL RAILWAY COMPANY,

By C. T. JAFFRAY
President.

Attest:

P. J. STOCK
Secretary.

Signed, sealed and delivered by Wisconsin Central Railway Company in the presence of:

E. M. Edlund

Dorothy Green
Attesting Witnesses.

STATE OF ILLINOIS, } SS.
COUNTY OF COOK. }

I, Chas. F. Walters, a Notary Public in and for the State and County aforesaid, residing therein, do hereby certify that on this 28th day of September, 1939, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named Huntly H. Gilbert and J. A. Knowlton, each to me personally known and known to me to be, respectively, a vice president and the secretary of Pullman-Standard Car Manufacturing Company, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such vice president and secretary, respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and said Huntly H. Gilbert and J. A. Know lton, being by me severally duly sworn, did on oath, each for himself and not one for the other severally depose and say and acknowledge in the presence of said witnesses that said Huntly H. Gilbert resides in the City of Chicago, in the State of Illinois, and that said J. A. Knowlton resides in the Village of Oak Park, in the State of Illinois; that said Huntly H. Gilbert is a vice president and said J. A. Knowlton is the secretary of Pullman-Standard Car Manufacturing Company, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, said Huntly H. Gilbert, vice president, and J. A. Knowlton, secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was was so affixed thereto by order and authority of the Board of Directors of said corporation; that they and each of them signed their names to, and executed, the foregoing instrument in their respective capacities as vice president and secretary in behalf of said corporation by like order and authority; that they signed, sealed with the corporate seal, executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

(NOTARIAL SEAL) CHAS. F. WALTERS

My commission expires March 30-1941.

STATE OF MINNESOTA)
COUNTY OF HENNEPIN.) SS.

I, E. G. WATTS, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on the 5th day of October, 1939, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named E. A. Whitman, Receiver of the property of Wisconsin Central Railway Company, to me personally known and known to me to be the individual described and named in and the identical person who subscribed his name to and whose name is subscribed to and who executed the within and foregoing instrument in writing as such Receiver in my presence

and in the presence of the two witnesses whose names are thereunto subscribed as such, and said E. A. Whitman duly acknowledged to me in the presence of said witnesses that he signed, sealed, executed and delivered said instrument as his free and voluntary act and deed, as such receiver, for the consideration, objects, uses and purposes therein mentioned, stated and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Hennepin, State of Minnesota, this the day and year in this my certificate first above written.

(NOTARIAL SEAL) E. G. WATTS

My commission expires Oct. 10, 1945.

STATE OF MINNESOTA, } SS.
COUNTY OF HENNEPIN. }

I, E. G. WATTS, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 16th day of October, 1939, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named C. T. Jaffray and P. J. Stock, each to me personally known and known to me to be, respectively, the president and secretary of Wisconsin Central Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instruments as such president and secretary, respectively, in my presence and in the presence of the two witnesses, whose names are hereunto subscribed as such, and said C. T. Jaffray and P. J. Stock, being by me severally duly sworn, did on oath, each for himself and not one for the other severally depose and say and acknowledge in the presence of said witnesses that said C. T. Jaffray resides in the City of Minneapolis, in the State of Minnesota; that said P. J. Stock resides in the City of Minneapolis, in the State of Minnesota; that said C. T. Jaffray is the president and said P. J. Stock is the secretary of Wisconsin Central Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, said C. T. Jaffray, president, and P. J. Stock, secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto by order and authority of the Board of Directors of said corporation; that they and each of them signed their names to, and executed, the foregoing instrument in their respective capacities as president and secretary in behalf of said corporation by like order and authority; that they signed, sealed with the corporate seal; executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Hennepin, State of Minnesota, this the day and year in this my certificate first above written.

(NOTARIAL SEAL) E. G. WATTS

My commission expires Oct. 10th, 1945.

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS.

Received this 18th day of Oct. A. D. 1939 at 10:30 o'clock A. M. and recorded in Vol. 34 of R. R. Mtgs. on page 308-322, incl.

FRED R. ZIMMERMAN
Secretary of State

Index #8

RELEASE OF

TITLE, INTEREST, ETC., ACQUIRED BY DEED OF TRUST

Dated May 1, 1920

By

CITY BANK FARMERS TRUST COMPANY
(formerly The Farmers Loan & Trust Company)

to

QUALITY OIL COMPANY, A WISCONSIN CORPORATION.

Dated May 31, 1932.

KNOW ALL MEN BY THESE PRESENTS.

That CITY BANK FARMERS TRUST COMPANY, formerly THE FARMERS LOAN AND TRUST COMPANY, a corporation of the State of New York, as surviving Trustee, for and in consideration of the sum of ONE DOLLAR ($1.00) and other good and valuable considerations, the receipt whereof is hereby confessed, does hereby remise, release, convey and quit-claim to QUALITY OIL COMPANY, A WISCONSIN CORPORATION all right, title, interest, claim and demand whatsoever it may have acquired in, through or by a certain Deed of Trust bearing date May 1, 1920, recorded in the office of the Secretary of State of Wisconsin, on June 17, 1920, in Volume 21 of Railroad Mortgages, etc. on Page 1 et seq. and Indenture supplemental thereto, dated May 9, 1928 and recorded in the office of the Secretary of State of Wisconsin, on June 6, 1928 in Volume 27 of Railroad Mortgages, etc. on Pages 193 to 204, in and to the following described premises, situated in the County of Milwaukee and State of Wisconsin, to-wit:

A part of the Northwest Quarter of the Northeast Quarter of Section Twenty-five (25), Township Eight (8) North, Range Twenty-one (21) East of the Fourth Principal Meridian, bounded and described as follows, to-wit:

Beginning at a point on the West line of said Northwest Quarter of said Northeast Quarter of said section which point is eight hundred fifty-eight (858) feet South of the Northwest corner of said Northwest Quarter of the Northeast Quarter and running thence North along the West line of said Northwest Quarter of the Northeast Quarter two hundred and forty (240) feet; thence North eighty-seven degrees, thirty-four minutes and ten seconds (87° 34' 10") East parallel with and sixty-three and twelve one-hundredths (63.12) feet Southerly measured at right angles from the center line between the two main tracks of the Madison Division of the Chicago and North Western Railway a distance of four hundred and forty-four one-hundredths (400.44) feet; thence Easterly on a curve to which the last described course is a tangent, deflecting to the right with a radius of one thousand, eight hundred forty-six and ninety-six one-hundredths (1846.96) feet and parallel with said center line between said two main tracks a distance of four hundred and thirty-five (435) feet, more or less, to the center line of the Cedarburg Road; thence South eight degrees, twenty-eight minutes (8° 28') East along the center line of said road two hundred twenty-six and seven-tenths (226.7) feet, more or less, to a point which is on a line which runs East from the point of beginning above described and makes a right angle with the West line of said Northwest Quarter of said Northeast Quarter of said section; thence West on said right angle line eight hundred sixty-five and seventy-eight one-hundredths (865.78) feet, more or less, to the point of beginning.

Provided, however, that the frontage on Cedarburg Road thirty-three (33) feet in depth shall not now or at any time in the future ever be used for any purpose inconsistent with the widening of Cedarburg Road on the West Side to the extent of thirty-three (33) feet or to any change of grade in said Cedarburg Road which may be directly or indirectly chargeable to the Railway Company on account of the overhead bridge now or hereafter constructed carrying said Cedarburg Road over the tracks of the Railway Company adjoining and adjacent on the North.

Reserving, however, a right of way for roadway purposes fifty (50) feet in width off the South side of the above described premises said right of way to be used by the parties hereto and others whom they may elect.

This Release is executed upon the written request of the CHICAGO AND NORTH WESTERN RAILWAY COMPANY, approved by Resolution of its Board of Directors in pursuance of the power and authority vested in said Trustee by the provision of Section One of Article Eight of said Deed of Trust.

EDWIN S. MARSTON, individual Trustee named in said Deed of Trust, having heretofore

died, and no individual Trustee having been appointed, this Instrument is executed by CITY BANK FARMERS TRUST COMPANY, formerly THE FARMERS LOAN AND TRUST COMPANY, Trustee, under authority of Article 9, Section 6, Paragraph 7 of said Deed of Trust.

IN WITNESS WHEREOF, the said CITY BANK FARMERS TRUST COMPANY has caused these presents to be signed by its Vice President, its corporate seal to be hereunto affixed and attested by its Ass't. Secretary, all on the 31st day of May A. D., Nineteen Hundred and thirty-two.

(CORPORATE SEAL)

CITY BANK FARMERS TRUST COMPANY, AS TRUSTEE,

BY STEWART C. PRATT
ITS VICE PRESIDENT

ATTEST:

GEO. J. KENNY
ASS'T. SECRETARY.

SIGNED, SEALED AND DELIVERED ON BEHALF OF CITY BANK FARMERS TRUST COMPANY IN PRESENCE OF:

S. N. Smith

Noel E. Narf

STATE OF NEW YORK)
CITY AND) SS.
COUNTY OF NEW YORK)

I, G. E. Turner, a Notary Public, in and for said City and County of New York, in the State of New York, do hereby certify that Stewart C. Pratt personally known to me to be the Vice President of CITY BANK FARMERS TRUST COMPANY and Geo J. Kenny personally known to me to be the Ass't Secretary of CITY BANK FARMERS TRUST COMPANY, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Vice President and Ass't. Secretary, appeared before me this day in person and severally acknowledged that they as such Vice President and Ass't. Secretary, respectively, signed, sealed and delivered the said instrument as the free and voluntary act of CITY BANK FARMERS TRUST COMPANY, pursuant to authority given by the Board of Trustees of said Company, for the uses and purposes therein set forth, and I further certify that I know the seal affixed to said instrument to be the corporate seal of said Company.

GIVEN under my hand and official seal this 1st day of June A. D., Nineteen Hundred and Thirty-two.

(NOTARIAL SEAL)

G. E. TURNER
Notary Public

Notary Public, Kings Co. No. 229, Reg. No.3069
Cert. filed in N.Y. Co. No. 117, Reg. No.3-T-94
Commission expires March 30, 1933.

My Commission expires:

_____

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS

Received this 4th day of Nov. A. D. 1939 at 9:00 o'clock A. M. and recorded in Vol. 34 of R. R. Mtgs. on page 323-324.

R. W. DIXON
Assistant Secretary of State

Lodes
v8

RELEASE OF
TITLE, INTEREST, ETC., ACQUIRED BY DEED OF TRUST
Dated Mar. 1, 1912
by
CITY BANK FARMERS TRUST COMPANY
(formerly The Farmers Loan & Trust Company)
to
QUALITY OIL COMPANY, A WISCONSIN CORPORATION.
Dated May 31, 1932.

KNOW ALL MEN BY THESE PRESENTS.

That CITY BANK FARMERS TRUST COMPANY, formerly THE FARMERS LOAN AND TRUST COMPANY, a corporation of the State of New York, as surviving Trustee, for and in consideration of the sum of ONE DOLLAR ($1.00) and other good and valuable considerations, the receipt whereof is hereby confessed, does hereby remise, release, convey and quit-claim to QUALITY OIL COMPANY, a Wisconsin Corporation, all right, title, interest, claim and demand whatsoever it may have acquired in, through or by a certain Deed of Trust bearing date March 1, 1912, recorded in the office of the Secretary of State of Wisconsin on March 1, 1912 in Volume 16 of Railroad Mortgages and Trust Deeds, on Page 226 et seq in and to the following described premises, situated in the County of Milwaukee and State of Wisconsin, to-wit:

A part of the Northwest Quarter of the Northeast Quarter of Section Twenty-five (25), Township Eight (8) North, Range Twenty-one (21) East of the Fourth Principal Meridian, bounded and described as follows, to-wit:

Beginning at a point on the West line of said Northwest Quarter of said Northeast Quarter of said section which point is eight hundred fifty-eight (858) feet South of the Northwest corner of said Northwest Quarter of the Northeast Quarter and running thence North along the West lines of said Northwest Quarter of the Northeast Quarter two hundred and forty (240) feet; thence North eighty-seven degrees, thirty-four minutes and ten seconds (87° 34' 10") East parallel with and sixty-three and twelve one-hundredths (63.12) feet Southerly measured at right angles from the center line between the two main tracks of the Madison Division of the Chicago and North Western Railway a distance of four hundred and forty-four one-hundredths (400.44) feet; thence Easterly on a curve to which the last described course is a tangent, deflecting to the right with a radius of one thousand, eight hundred forty-six and nine-six one-hundredths (1846.96) feet and parallel with said center line between said two main tracks a distance of four hundred and thirty-five (435) feet, more or less, to the center line of the Cedarburg Road; thence South eight degrees, twenty-eight minutes (8°28') East along the center line of said road two hundred twenty-six and seven-tenths (226.7) feet, more or less, to a point which is on a line which runs East from the point of beginning above described and makes a right angle with the West line of said Northwest Quarter of said Northeast Quarter of said Section; thence West on said right angle line eight hundred sixty-five and seventy-eight one-hundredths (865.78) feet, more or less, to the point of beginning.

Provided, however, that the frontage on Cedarburg Road thirty-three (33) feet in depth shall not now or at any time in the future ever be used for any purpose inconsistent with the widening of Cedarburg Road on the West Side to the extent of thirty-three (33) feet or to any change of grade in said Cedarburg Road which may be directly or indirectly chargeable to the Railway Company on account of the overhead bridge now or hereafter constructed carrying said Cedarburg Road over the tracks of the Railway Company adjoining and adjacent on the North.

Reserving, however, a right of way for roadway purposes fifty (50) feet in width off the South side of the above described premises said right of way to be used by the parties hereto and others whom they may elect.

This Release is executed upon the written request of the CHICAGO AND NORTH WESTERN RAILWAY COMPANY, as the successor in interest and as the owner of all the railroad, rights, franchises and property of every kind or nature of the Milwaukee, Sparta and North Western Railway Company, approved by Resolution of its Board of Directors in pursuance of the power and authority vested in said Trustee by the provision of Section One of Article Six of said Deed of Trust.

EDWIN S. MARSTON, individual Trustee named in said Deed of Trust, having heretofore

died, and no individual Trustee having been appointed, this Instrument is executed by CITY BANK FARMERS TRUST COMPANY, formerly THE FARMERS LOAN AND TRUST COMPANY, Trustee, under authority of Article Seven, Section Five of said Deed of Trust.

IN WITNESS WHEREOF the said CITY BANK FARMERS TRUST COMPANY has caused these presents to be signed by its Vice President, its corporate seal to be hereunto affixed and attested by its Ass't. Secretary, all on the 31st day of May A. D., Nineteen Hundred and Thirty-two.

(CORPORATE SEAL)

CITY BANK FARMERS TRUST COMPANY, AS TRUSTEE,

BY STEWART C. PRATT
ITS VICE PRESIDENT

ATTEST:

GEO. J. KENNY
ASS'T. SECRETARY

SIGNED, SEALED AND DELIVERED ON BEHALF OF CITY BANK FARMERS TRUST COMPANY IN PRESENCE OF:

L. N. Smith

Noel E. Narf

STATE OF NEW YORK)
CITY AND)SS.
COUNTY OF NEW YORK)

I, G. E. Turner, a Notary Public, in and for said City and County of New York, in the State of New York, do hereby certify that Stewart C. Pratt personally known to me to be the Vice President of CITY BANK FARMERS TRUST COMPANY and Geo. J. Kenny personally known to me to be the Ass't Secretary of CITY BANK FARMERS TRUST COMPANY, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Vice President and Ass't. Secretary, appeared before me this day in person and severally acknowledged that they as such Vice President and Ass't. Secretary, respectively, signed, sealed and delivered the said instrument as the free and voluntary act of CITY BANK FARMERS TRUST COMPANY, pursuant to authority given by the Board of Trustees of said Company, for the uses and purposes therein set forth, and I further certify that I know the seal affixed to said instrument to be the corporate seal of said company.

GIVEN under my hand and official seal this 1st day of June A. D., Nineteen Hundred and Thirty-two.

(NOTARIAL SEAL)

G. E. TURNER
NOTARY PUBLIC

Notary Public Kings Co. No. 229, Reg. No. 3069
Cert. filed in N.Y. Co. No. 117, Reg. No.3-T-94
Commission expires March 30, 1933

MY COMMISSION EXPIRES:

_____

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS

Received this 4th day of Nov. A. D. 1939 at 9:00 o'clock A. M. and recorded in Vol. 34 of R. R. Mtgs. on page 325-326.

R. W. DIXON
Assistant Secretary of State

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APPOINTMENT OF
NORTHWESTERN NATIONAL BANK AND TRUST COMPANY, TRUSTEE
UNDER WISCONSIN CENTRAL RAILWAY COMPANY'S
MARSHFIELD AND SOUTH EASTERN DIVISION PURCHASE MONEY FIRST MORTGAGE
DATED MAY 1, 1901
TO FILL VACANCY CAUSED BY THE RESIGNATION OF
THE UNITED STATES TRUST COMPANY OF NEW YORK

WISCONSIN CENTRAL RAILWAY COMPANY
RESOLUTION APPOINTING SUCCESSOR TRUSTEE UNDER
MARSHFIELD AND SOUTH EASTERN DIVISION PURCHASE
MONEY FIRST MORTGAGE

WHEREAS, the United States Trust Company of New York, Trustee under this Company's Marshfield and South Eastern Division, Purchase Money First Mortgage dated May 1, 1901, has given written notice of its resignation as such Trustee, as provided in Article VI, Section 6, of said Mortgage, thereby creating a vacancy in the office of Trustee thereunder.

RESOLVED, that the President or Vice President and Secretary of this Company be and they are hereby ordered to execute an instrument in the name and on behalf of this Company, appointing Northwestern National Bank and Trust Company of Minneapolis, 620 Marquette Avenue, Minneapolis, Minnesota, as successor Trustee under said Mortgage, to fill such vacancy until a new Trustee shall be appointed by the bondholders, pursuant to the provisions of Article VI, Section 7, of said Mortgage.

FURTHER RESOLVED, that notice of the foregoing appointment of said successor Trustee be published once in each week for six successive weeks in a daily newspaper published in the City of New York, State of New York, and in a daily newspaper published in the City of Milwaukee, State of Wisconsin, as provided in Article VI, Section 7, of said Mortgage.

* * *

APPOINTMENT OF MORTGAGE TRUSTEE.

Northwestern National Bank and
Trust Company of Minneapolis,
620 Marquette Avenue,
Minneapolis, Minnesota.

Gentlemen:

By order of the Board of Directors of the Wisconsin Central Railway Company, Northwestern National Bank and Trust Company of Minneapolis is hereby appointed Trustee under the Wisconsin Central Railway Company's Marshfield and South Eastern Division, Purchase Money First Mortgage, dated May 1, 1901, to fill the vacancy in the office of Trustee thereunder caused by the resignation of United States Trust Company of New York, until a new Trustee shall be appointed by the bondholders, as provided in Article VI, Section 7, of said Mortgage.

Dated this 13th day of November, 1939.

WISCONSIN CENTRAL RAILWAY COMPANY,

By (Sgd.) C. T. Jaffray,
President.

ATTEST: (SEAL)

(Sgd.) P. J. Stock
Secretary.

ACCEPTANCE OF APPOINTMENT AS MORTGAGE TRUSTEE.

United States Trust Company of New York,
45 Wall Street,
New York, New York.
and
Wisconsin Central Railway Company
First National-Soo Line Building,
Minneapolis, Minnesota.

Gentlemen:

The Northwestern National Bank and Trust Company of Minneapolis hereby accepts the appointment as Trustee under the Wisconsin Central Railway Company's Marshfield and South Eastern Division, Purchase Money First Mortgage, dated May 1, 1901, to fill the vacancy in the office of Trustee thereunder caused by the resignation of United States Trust Company of New York, until a new Trustee shall be appointed by the bondholders, as provided in Article VI, Section 7, of said Mortgage.

Dated this 16 day of November, 1939.

NORTHWESTERN NATIONAL BANK AND
TRUST COMPANY OF MINNEAPOLIS,

By (Sgd.) M. K. Mark
Vice President.

Witness:

(Sgd.) Ronald R. Nelson

(Sgd.) J. S. Mikkali.

ATTEST:

(Sgd.) G. V. Fait (SEAL)
Asst. Secretary.

State of Minnesota)
) ss
Hennepin County)

Personally came before me this 16th day of November, 1939, M. K. Mark, Vice President, and G. V. Fait, Assistant Secretary, of the above named corporation, to me known to be the persons who executed the foregoing instrument, and to me known to be such Vice President and Assistant Secretary of said corporation, and acknowledged that they executed the foregoing instrument as such officers as the deed of said corporation, by its authority.

(Sgd.) Ruth M. Dahlen
RUTH M. DAHLEN (SEAL)

Notary Public, Hennepin County, Minn.
My Commission expires April 24, 1942.

* * *

I, P. J. Stock, do hereby certify that I am Secretary of the Wisconsin Central Railway Company and the Custodian of its records; that the above and foregoing resolutions are true and by me compared copies of the original resolutions adopted by the Board of Directors of said Railway Company at a meeting duly called and held at Minneapolis, Minnesota, on November 13, 1939, at which meeting a quorum of said Board of Directors was present; that the above and foregoing appointment of Northwestern National Bank and Trust Company of Minneapolis by C. T. Jaffray, President and P. J. Stock, Secretary of said Railway Company, and the above and foregoing acceptance of such appointment by Northwestern National Bank and Trust Company of Minneapolis are true and correct copies of the originals thereof on file and of record in my office.

(CORPORATE SEAL)

P. J. Stock Secretary.

STATE OF WISCONSIN SS
DEPARTMENT OF STATE

Received this 24th day of Nov. A. D. 1939 at 3:30 o'clock P. M. and recorded in Vol. 34 of R. R. Mtgs. on page 327 & 328.

R. W. DIXON
Assistant Secretary of State

APPOINTMENT OF CHEMICAL BANK & TRUST COMPANY
AND JOHN A. W. RICHARDSON, JR., TRUSTEES
UNDER WISCONSIN CENTRAL RAILWAY COMPANY'S
SUPERIOR AND DULUTH DIVISION AND TERMINAL FIRST MORTGAGE
DATED MAY 1, 1906 TO FILL VACANCY CAUSED
BY THE RESIGNATIONS OF THE UNITED STATES
TRUST COMPANY OF NEW YORK AND WILLIAMSON PELL

WISCONSIN CENTRAL RAILWAY COMPANY
RESOLUTION APPOINTING SUCCESSOR TRUSTEES UNDER
SUPERIOR AND DULUTH DIVISION AND TERMINAL FIRST MORTGAGE

WHEREAS, the United States Trust Company of New York and Williamson Pell, Trustees under this Company's Superior and Duluth Division and Terminal First Mortgage, dated May 1, 1906, have given notice of their resignations as such Trustees, as provided in Article Seven, Section 3, of said Mortgage, thereby creating a vacancy in the office of Trustee thereunder.

RESOLVED, that the President or Vice President and Secretary of this Company be and they are hereby ordered to execute an instrument in the name and on behalf of this Company, appointing Chemical Bank & Trust Company, and John A. W. Richardson, Jr., of 165 Broadway, New York, New York, as successor Trustees under said Mortgage, to fill such vacancy until a new Trustee shall be appointed by the bondholders, pursuant to the provisions of Article Seven, Section 4, of said Superior and Duluth Division and Terminal First Mortgage, dated May 1, 1906.

FURTHER RESOLVED, that notice of the foregoing appointments of said successor Trustees be published once a week for two consecutive weeks in a newspaper published in the City of New York in the State of New York, as provided in Article Seven, Section 4, of said Mortgage.

* * *

APPOINTMENT OF MORTGAGE TRUSTEES

Chemical Bank & Trust Company
and
Mr. John A. W. Richardson, Jr.,
165 Broadway
New York, New York

Gentlemen:

By order of the Executive Committee of the Wisconsin Central Railway Company, Chemical Bank & Trust Company and John A. W. Richardson, Jr. are hereby appointed Trustees under the Wisconsin Central Railway Company's Superior and Duluth Division and Terminal First Mortgage, dated May 1, 1906, to fill the vacancy in the office of Trustee thereunder caused by the resignations of United States Trust Company of New York and Williamson Pell, until a new Trustee shall be appointed by the bondholders, as provided in Article Seven, Section 4, of said Mortgage.

Dated this 30th day of October, 1939.

WISCONSIN CENTRAL RAILWAY COMPANY,

By (Signed) C. T. Jaffray
President.

ATTEST (SEAL)

(Signed) P. J. Stock
Secretary.

ACCEPTANCE OF APPOINTMENT AS MORTGAGE TRUSTEES

Wisconsin Central Railway Company,
First National-Soo Line Building,
Minneapolis, Minnesota

Gentlemen:

We, Chemical Bank & Trust Company and John A. W. Richardson, Jr. do hereby accept the appointment as Trustees under the Wisconsin Central Railway Company's Superior and Duluth Division and Terminal First Mortgage, dated May 1, 1906, to fill the vacancy in the office of Trustee thereunder caused by the resignations of United States Trust Company of New York and Williamson Pell, until a new Trustee shall be appointed by the bondholders, as provided in Article Seven, Section 4, of said Mortgage.

Dated this 10th day of November, 1939.

(SEAL) CHEMICAL BANK & TRUST COMPANY,
By (Sgd.) Howard B. Smith
Trust Officer

In the presence of:

W. Miller

Frank J. Pahl

ATTEST:

(Sgd.) H. C. Ottiwell
Assistant Secretary.

(Sgd.) John A. W. Richardson, Jr.

STATE OF NEW YORK)
) SS
NEW YORK COUNTY)

Personally came before me this 10th day of November, 1939, Howard B. Smith, Trust Officer, and H. C. Ottiwell, Assistant Secretary, of the above named corporation, to me known to be the persons who executed the foregoing instrument, and to me known to be such Trust Officer and Assistant Secretary of said corporation, and acknowledged that they executed the foregoing instrument as such officers as the deed of said corporation, by its authority.

(Sgd.) R. H. Sherman
Notary Public, New York County, New York
My Commission expires March 30, 1940

(SEAL)

R. H. Sherman
Notary Public, Queens Co. No. 2350
Certificates filed, Queens Co. Register's No.2528
N.Y. Co. Clerk's No. 1246, Register's No.o-s-794
Commission expires March 30, 1940.

STATE OF NEW YORK)
) SS
NEW YORK COUNTY)

Personally came before me this 10th day of November, 1939, the above named John A. W. Richardson, Jr., to me known to be the person who executed the foregoing instrument and acknowledged the same.

(Sgd.) R. H. Sherman
Notary Public, New York County, New York
My Commission expires March 30, 1940

R. H. Sherman
Notary Public, Queens Co. No. 2350
Certificate filed, Queens Co. Register's No.2528
N.Y. Co. Clerk's No. 1246, Register's No.o-s-794
Commission expires March 30, 1940

* * *

I, P. J. Stock, do hereby certify that I am Secretary of the Wisconsin Central Railway Company and the custodian of its records; that the above and foregoing resolutions are true and by me compared copies of the original resolutions adopted by the Executive Committee of said Railway Company at a meeting duly called and held at Minneapolis, Minnesota, on October 30, 1939, at which meeting a quorum of said Executive Committee was present; that the above and foregoing appointments of Chemical Bank & Trust Company and

John A. W. Richardson, Jr., Trustees, by C. T. Jaffray, President, and P. J. Stock, Secretary of said Railway Company, and the above and foregoing acceptances of such appointment by Chemical Bank & Trust Company and John A. W. Richardson, Jr. are true and correct copies of the originals thereof/on file and of record in my office.

(CORPORATE SEAL) P. J. Stock

STATE OF WISCONSIN)SS
DEPARTMENT OF STATE)

Received this 24th day of Nov. A. D. 1939 at 3:30 o'clock P. M. and recorded in Vol. 34 of R. R. Mtgs. on page 329-331, incl.

R. W. DIXON
Assistant Secretary of State

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PENNSYLVANIA RAILROAD EQUIPMENT TRUST,
SERIES J

LEASE OF RAILROAD EQUIPMENT
Dated October 1, 1939

FIDELITY-PHILADELPHIA TRUST COMPANY

To

THE PENNSYLVANIA RAILROAD COMPANY

Lease of Railroad Equipment, dated the first day of October, 1939, between FIDELITY-PHILADELPHIA TRUST COMPANY, of Philadelphia, Pennsylvania, a corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania, Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and THE PENNSYLVANIA RAILROAD COMPANY, a corporation duly organized and existing under the laws of the said Commonwealth (hereinafter called the Company), party of the second part:

WHEREAS, by certain Agreement, bearing date the first day of October, 1939, between Horace W. Latimer and Charles McCall, Vendors, said Fidelity-Philadelphia Trust Company, as Trustee, and The Pennsylvania Railroad Company, a counterpart original whereof is hereto annexed and made a part hereof, there was constituted the "Pennsylvania Railroad Equipment Trust, Series J," and it was agreed that the railroad equipment which said Vendors transfer or cause to be transferred to the Trustee thereunder is to be leased to the Company hereunder; and

WHEREAS, pursuant to the provisions of said Agreement, the railroad equipment hereinafter described has been or will be transferred to the Trustee thereunder, and the title to said railroad equipment vested in the Trustee:

NOW THIS AGREEMENT WITNESSETH:

That the Trustee, acting in pursuance of said Agreement, for and in consideration as well of the sum of one dollar to it paid by the Company at or before the ensealing and delivery hereof, the receipt of which is hereby acknowledged, as of the rents and covenants hereinafter mentioned to be paid, kept and performed by the Company, has let and leased, and does hereby let and lease, to the Company all the standard gauge railroad equipment of the Pennsylvania Railroad Equipment Trust, Series J (hereinafter collectively called the Trust Equipment), to wit:

1,000 Class X37 Steel Box Cars, with single side doors; numbered 65400 to 66399, both inclusive.

1,000 Class X37 Steel Automobile Box Cars, with double side doors; numbered 66400 to 67399, both inclusive.

500 Class X38 Steel Automobile Box Cars, with double side doors; numbered 58300 to 58799, both inclusive.

20 Class GG1 Electric Passenger Locomotives for high speed service with heavy trains, operating from an overhead wire at 11,000 volts, single phase; numbered 4889 to 4908, both inclusive.

Together with such other or additional railroad equipment as shall be acquired for said trust and subjected to this Lease as hereinafter provided.

The estimated cost of the railroad equipment above specifically described, when completed, has been certified to the Trustee to be not less than $11,820,000. The cost of

the Trust Equipment, whenever referred to herein or in said Agreement, shall mean the actual cost thereof, including only such items as may properly be included in such cost under the accounting rules of the Interstate Commerce Commission.

In case the actual cost of said equipment specifically described shall not amount to at least said sum, then in addition to said equipment above specifically described, there shall be acquired by the Vendors and subjected to this Lease (subject, however, to the provisions of Section 5 of Article I of said Agreement) other new standard gauge railroad equipment, approved as to character b y the Trustee, of such cost that the aggregate cost of all the Trust Equipment will be at least said sum; and the Trustee shall execute to the Company a supplemental lease thereof, describing the same, upon and subject to the terms and conditions hereof and of said Agreement, and such additional equipment shall be part of the Trust Equipment, subject to all the terms and conditions hereof and of said Agreement in all respects as though it had been part of the original Trust Equipment herein described. Such supplemental lease shall be filed or recorded in the same manner as this Lease. As and when the Trust Equipment shall from time to time be transferred and delivered to the Trustee under said Agreement and marked in accordance with the provisions of Article Fourth hereof, the same shall be delivered to the Company, and shall upon such delivery to the Company ipso facto and without further deed of lease or transfer pass under and become subject to all the terms and provisions of this Lease, and be deemed a portion of the Trust Equipment leased by the Trustee to the Company hereunder, in all respects as if the same had been so delivered simultaneously with the execution and delivery hereof.

And the Company, in consideration of the premises, by these presents covenants and agrees with the Trustee as follows:

FIRST. The Company hereby accepts (subject to the conditions mentioned in said Agreement) this Lease of all the Trust Equipment, and hereby covenants and agrees to accept delivery and possession hereunder of the Trust Equipment as hereinbefore provided; and the Company covenants and agrees to pay to the Trustee or its assigns (or in the case of taxes to the proper taxing authority) rent hereunder which shall be sufficient to pay and discharge the following items, when and as the same shall become due and payable:

(a) Promptly upon the execution of this lease, and whether or not at the time any of the Trust Equipment shall have been delivered to the Company, such amount of cash as may be necessary, if any, when added to the net proceeds of the sale of the Trust Certificates paid to the Trustee by the subscribers to the Trust Certificates pursuant to the said Agreement to make the total sum deposited with the Trustee equal to Eight Million, Eight Hundred and Sixty-five Thousand Dollars ($8,865,000).

(b) From time to time, as and when any of the Trust Equipment shall be delivered to the Company, amounts in cash equal to the difference between the cost of the Trust Equipment so delivered, as certified to the Trustee by the President or a Vice-President, or the Treasurer or an Assistant Treasurer, of the Company, and the principal amount of Trust Certificates issuable in respect thereof as provided in Section 2 of Article I of said Agreement, provided that the aggregate of all amounts so paid to the Trustee shall never be less than twenty-five per cent. (25%) of the cost of all the Trust Equipment which shall then and theretofore have been delivered hereunder.

(c) If the aggregate cost of all the Trust Equipment which shall then and theretofore have been delivered hereunder should exceed $11,820,000, an amount which, with all other payments previously made under this clause (c), shall equal such excess.

(d) The necessary and reasonable expenses of the trust, including all expenses connected with the Trust Equipment and this Lease thereof, and with the preparation, issuance and sale of the Trust Certificates.

(e) Any and all taxes, assessments and other governmental charges upon the income or property of the Trust, or said Agreement evidencing the same, which the Trustee under said Agreement may be required to pay, and any and all taxes, assessments and other governmental charges (other than Federal income taxes and except such portion of such taxes, assessments or other charges of the Commonwealth of Pennsylvania or any political subdivision thereof as may be in the aggregate in excess of four mills per annum on each dollar of the principal of the Trust Certificates) which the Company or the Trustee may be required to pay or to retain from the principal of the Trust Certificates issued as provided in said Agreement (herein called the Trust Certificates) or from the dividends thereon, under any present or future law of the United States of America or of the Commonwealth of Pennsylvania.

(f) The dividend warrants attached to the Trust Certificates when and as the same shall become payable, and, in the case of the issue of temporary Trust Certificates, the dividends payable thereon; also a sum equal to accrued dividends at the warrant rate, from the due date, upon the amount of any installments of rental payable under this paragraph (f) and the following paragraph (g) which shall not be paid when due.

(g) The principal of the Trust Certificates when and as the same shall become payable, whether by declaration or upon the respective dates of maturity thereof, to wit:

October 1, 1940.	$591,000
October 1, 1941.	591,000
October 1, 1942.	591,000
October 1, 1943.	591,000
October 1, 1944.	591,000
October 1, 1945.	591,000
October 1, 1946.	591,000
October 1, 1947.	591,000
October 1, 1948.	591,000
October 1, 1949.	591,000
October 1, 1950.	591,000
October 1, 1951.	591,000
October 1, 1952.	591,000
October 1, 1953.	591,000
October 1, 1954.	591,000

The Company shall not be required, however, to pay any tax, assessment or other governmental charge so long as the Company shall in good faith and by appropriate legal proceedings contest the validity thereof, unless thereby, in the judgment of the Trustee, the rights or interests of the Trustee or of the Trust Certificate holders may be

materially endangered; provided that nothing herein shall qualify or affect the right of the Trust Certificate holders to receive full and punctual payment of both dividends and principal without deduction for such taxes, assessments or other governmental charges to the extent provided in subdivision (e) of this Article First.

All rentals payable hereunder shall be payable at the principal office of the Trustee in the City of Philadelphia, Commonwealth of Pennsylvania, in such coin or currency of the United States of America as, at the time of payment, is legal tender for public and private debts.

SECOND. This Lease shall continue in force until the rent so paid hereunder shall furnish moneys sufficient to meet, discharge and cancel all the interests in said Pennsylvania Railroad Equipment Trust, Series J, created in respect of the Trust Equipment, and the dividends thereon, as well as the other payments and charges aforesaid. At the termination of this Lease and after all such payments required hereby shall have been completed and fully made to the Trustee, the Trust Equipment hereby leased, whether the same shall be delivered to the Company simultaneously with or after the execution hereof, shall at the option of the Company and upon payment by the Company of the sum of one dollar to the Trustee be assigned and transferred by the Trustee to the Company or its nominee or nominees, and shall thereupon be and become the absolute property of the Company or its nominee or nominees; provided, however, and it is agreed, that until then the title to none of the Trust Equipment shall pass to or vest in the Company but title to and ownership of all the Trust Equipment shall be reserved to and remain in the Trustee, notwithstanding the delivery of the Trust Equipment to and the possession and use thereof by the Company.

THIRD. Upon the written request of the Company, stating that the use of any of the Trust Equipment is no longer required by the Company, evidenced by a resolution of its Board of Directors, the Trustee may, while the Company is not in default hereunder, execute and deliver a bill of sale assigning and transferring to the purchaser named by the Company the absolute title to any of the Trust Equipment; provided, however, that none of the Trust Equipment shall be so assigned or transferred, unless simultaneously the Trustee shall receive from said purchaser the agreed purchase price thereof and from the Company a sum in cash equal to the difference, if any, between said purchase price and the original cost (as previously certified pursuant to subdivision (d) of Section 5 of Article I of said Agreement) to the Vendors of the equipment so assigned and transferred, less an amount representing depreciation arising from reasonable wear and tear to be determined by the method at the time in standard railroad practice for determining such depreciation, as certified to the Trustee by the President or a Vice-President of the Company, of the equipment so assigned and transferred. The sums so paid to the Trustee shall be held by it for the equal and proportionate benefit of the bearers and registered holders of the Trust Certificates and dividend warrants, until paid out by the Trustee upon the written request of the Company for the purchase by the Trustee of new standard gauge railroad rolling stock, free from liens, and upon the delivery of such new equipment to the Trustee accompanied by a bill or bills of sale, an opinion of counsel (who may be counsel to the Company) and a certificate as to delivery and cost in like manner as is provided in Section 5 of Article I of said Agreement. The Company will pay as rental for the Trust Equipment any additional moneys necessary to be paid to the manufacturers of such new railroad rolling stock, if the cost thereof exceeds sums then in the hands of

the Trustee to be applied on account thereof. Any new equipment so acquired and substituted shall be marked in accordance with the provisions of Article Fourth hereof and immediately upon being so marked shall be part of the Trust Equipment, subject to all the terms and conditions hereof and of said Agreement in all respects as though it had been part of the original Trust Equipment herein described, and the Company and the Trustee shall execute, and the Company shall file and/or record, as required by law, a supplemental lease thereof, describing the same, upon and subject to all the terms and conditions hereof. The term "Trust Equipment," wherever used herein, unless otherwise indicated by the context, is intended to include any new equipment so acquired or otherwise subjected to this Lease or required or intended so to be.

FOURTH. At or before the delivery to the Company of each unit of the Trust Equipment, there shall be plainly, distinctly, permanently and conspicuously placed and fastened upon each side of each thereof a metal plate bearing the following words, or such words shall be otherwise plainly, distinctly, permanently and conspicuously marked on each side of each thereof, in either case in letters not less than one inch in height:

"Pennsylvania Railroad Equipment Trust, Series J, Fidelity-Philadelphia Trust Co., Trustee, Owner and Lessor."

Such plate or marks shall be such as to be readily visible and as to indicate plainly the Trustee's ownership of the Trust Equipment. In case, during the continuance of this Lease, any of such plates or marks shall at any time be removed, defaced or destroyed, the Company will immediately cause the same to be restored or replaced. The Company will not change, or permit to be changed, the numbers upon any of the Trust Equipment (Nor any numbers which may be substituted as herein provided), except in accordance with a statement of new numbers to be substituted therefor, which previously shall have been filed with the Trustee by the Company. In any such case the new numbers shall be set forth in a Supplemental Lease or in an amendment of this Lease, which shall be filed or recorded in the same manner as this Lease.

The Trust Equipment may be lettered "The Pennsylvania Railroad," "Pennsylvania," "P. R. R.," or in some other appropriate manner, for convenience of identification of the leasehold interest of the Company therein; but the Company, during the continuance of this Lease, will not allow the name of any person, association or corporation to be placed on any of the Trust Equipment as a designation which might be interpreted as a claim of ownership thereof by the Company or by any person, association or corporation other than the Trustee.

FIFTH. (a) The Company, during the continuance of this Lease, will maintain and keep all the Trust Equipment in good order and repair, at its own proper cost and charge, and will replace, at its own cost, any of the Trust Equipment that may be worn out, lost or destroyed, by new standard gauge railroad rolling stock of equal value, the value of the new rolling stock to be figured at cost if that be below market value, or at market value if that be below cost. For the purpose of this Article Fifth the value of such replaced equipment shall be taken to be the cost thereof, determined as provided in Article First hereof, less depreciation accrued thereon determined as provided in Article Third hereof. The title to all rolling stock procured for such replacement shall be taken in the name of the Trustee, free from liens, and such rolling stock shall be marked in accordance with the provisions of Article Fourth hereof. At the time of every such replacement the Company shall deliver to the Trustee a certificate of the Treasurer or an

Assistant Treasurer of the Company stating the value of the Trust Equipment so worn out, lost or destroyed and the cost and the reasonable market value of the equipment with which it is replaced, together with a bill or bills of sale, an opinion of counsel satisfactory to the Trustee (who may be counsel to the Company) and a certificate as to delivery, in like manner as is provided in Section 5 of Article I of said Agreement.

Thereupon, such new equipment shall be deemed part of the Trust Equipment, subject to all the terms and conditions hereof and of said Agreement, as though it had been part of the original Trust Equipment; but the Trustee and the Company shall execute a supplemental lease thereof, describing the same, upon and subject to all the terms and conditions hereof, which shall be filed or recorded in the same manner as this Lease.

(b) The Company covenants and agrees to furnish to the Trustee, whenever required by the Trustee, and at least once in every year during the continuance of this Lease, an accurate statement of the amount, description and numbers of the Trust Equipment then covered hereby, and the amount, description and numbers of all that may have been worn out, lost or destroyed by accident or otherwise, and the number of units of Trust Equipment repaired during the previous year, and the number of units then undergoing repairs and in the shops for repairs. Together with said statement the Company shall also furnish to the Trustee a statement signed by its Chief of Motive Power or an Assistant Chief of Motive Power, stating that in the case of all of the Trust Equipment repainted during the preceding year, the marks required by Article Fourth hereof have been preserved, or that the same when repainted has been again marked as required by said Article. The Trustee shall have the right, by its agents, to inspect the Trust Equipment once in every year during the continuance of this Lease.

(c) The Company covenants and agrees to indemnify and protect the Trustee and its assigns in the use of any and all patented inventions employed in and about the Trust Equipment and to comply in all respects with the laws of the United States and of all the States in which the Trust Equipment or any thereof may be operated and with all lawful acts, rules, regulations and orders of the Interstate Commerce Commission and of all other commissions, boards and other legislative, executive or judicial bodies or officers having power to regulate or supervise any of the Trust Equipment, including, but without limitation, all lawful acts, rules, regulations and orders of any body having competent jurisdiction relating to automatic coupler devices or attachments, air brakes or other appliances; provided, however, that the Company may in good faith contest the validity of any such act, rule, regulation or order or the application thereof to the Trust Equipment or any part thereof, in any reasonable manner which will not, in the judgment of the Trustee, materially endanger the rights or interests of the Trustee or of the holders of the Trust Certificates.

SIXTH. The Company, so long as it shall not be in default under this Lease, shall be entitled to the possession of the Trust Equipment and the use thereof upon the lines of railroad owned or operated by it under lease or otherwise, or over which it has trackage rights, and upon those of any railroad company a majority of whose capital stock is at the time owned by the Company, and also upon connecting and other railroads in the usual interchange of traffic, from and after the delivery of the Trust Equipment by the Trustee to the Company, but only upon and subject to all the terms and conditions of this lease.

The Company covenants to file or record as required by law this Lease and said

Agreement and any supplemental lease or supplemental agreement as provided in Section 4 of Article III of said Agreement.

The Company will not either assign or transfer this Lease, or transfer or sublet the Trust Equipment or any part thereof, without the written consent of the Trustee first had and obtained; and the Company shall not, without such written consent, except as hereinbefore provided, part with the possession of, or suffer or allow to pass out of its possession or control, any of the Trust Equipment. A transfer to a railroad company which shall acquire all or substantially all the lines of railroad of the Company, and which shall assume and agree to perform each and all of the obligations and covenents of the Company, hereunder and under said Agreement, shall not be deemed a breach of this covenant, nor shall the appointment of a temporary receiver or receivers, trustee or trustees, for the Company or its property, be deemed such a breach; but the appointment of a permanent receiver or receivers, trustee or trustees, shall be deemed a breach of this covenant. The Trustee shall have the right to declare this Lease terminated in case of any unauthorized assignment or transfer of this Lease or transfer or sublease of the Trust Equipment. The election of the Trustee to terminate this Lease under this clause shall have the same effect as the retaking of the Trust Equipment by the Trustee as hereinafter provided.

SEVENTH. In case the Company

(1) shall make default in the payment of any part of said rent for more than thirty (30) days after the same shall become due and payable, or

(2) shall make or suffer any unauthorized assignment or transfer of its rights or interest in, or any unauthorized sublease of, or, except as herein authorized, part with the possession of, the Trust Equipment, or any thereof, and shall fail or refuse either to cause such assignment or transfer or sublease to be cancelled by agreement of all parties having any interest therein and recover possession of such Trust Equipment within thirty days after the Trustee shall have demanded in writing such cancellation and recovery of possession, or within said thirty days to deposit with the Trustee a sum in cash equal to the original cost to the Vendors of the Trust Equipment so assigned or transferred or subleased as certified to the Trustee pursuant to Section 5 of Article I of said Agreement (any sum so deposited to be returned to the Company upon the cancellation of such assignment, transfer or sublease, and the recovery of possession by the Company of such Trust Equipment in good condition, subject to ordinary usage), or

(3) shall, for more than ninety (90) days after the Trustee shall have demanded in writing performance thereof, fail or refuse to comply with any other of the terms and covenants herein or in said Agreement on its part to be kept and performed, or to make provision satisfactory to the Trustee for such compliance,

then, in any such case (herein and in said Agreement sometimes called events of default), the Trustee at its option may, and on the request of the holders of one-quarter in amount of the then outstanding Trust Certificates shall, by its agents, enter upon the railroads and premises of the Company and take possession of all or any part of the Trust Equipment, and withdraw the same from said railroads and premises, retaining all payments which up to that time may have been made on account of rental for the Trust Equipment and otherwise, and shall be entitled to collect, receive and retain all unpaid per diem, mileage or other charges of any kind earned by the Trust Equipment or any thereof, ~~and may lease the Trust~~

~~Equipment or any thereof~~, and may lease the Trust Equipment or any part thereof, or sell the same or any part thereof, so far as it may deem necessary or desirable to perform and fulfill the trusts under said Agreement, at public or private sale, for cash or upon credit, in its discretion, and otherwise proceed to enforce its right and the rights of the owners of interests under said Agreement and under this Lease in the manner therein and herein provided; and upon such taking possession or withdrawal or lease or sale of the Trust Equipment, the Company shall cease to have any rights or remedies in respect of the Trust Equipment under this Lease, but all such rights and remedies shall be deemed thenceforth to have been waived and surrendered by the Company; and no payments theretofore made by the Company for the rent or use of the Trust Equipment, or any of it, shall in case of the happening of any such event of default and such taking possession, withdrawal, lease or sale by the Trustee, give to the Company any legal or equitable interest or title in or to the Trust Equipment, or any of it, or any cause or right of action, at law or in equity, in respect of the Trust Equipment against the Trustee or the owners of interests in said Pennsylvania Railroad Equipment Trust, Series J; and such taking possession or withdrawal or lease or sale of the Trust Equipment by the Trustee shall not be a bar to the recovery by the Trustee from the Company of rentals then or thereafter due and payable, and the Company shall be and remain liable for the same, until such sum shall have been realized as, with the proceeds of the lease or sale of the Trust Equipment, shall be sufficient for the discharge and payment in full of all the various items mentioned in subdivisions (a), (b), (c), (d), (e), (f) and (g) of Article First hereof, whether they shall have then matured or not; and, in the event that the Trustee shall have declared the principal of all the trust certificates then outstanding to be due and payable as provided in Section 2 of Article IV of said Agreement, theTrustee, at its option, may, and upon the written request of the holders of one-quarter in amount of the then outstanding trust certificates shall, by notice in writing delivered to the Company, declare to be due and payable forthwith the entire amount of the rentals (except rentals required for the payment of dividends accruing after the date of such declaration) payable by the Company as set forth in Article First of this Lease, and not theretofore paid; and thereupon the entire amount of said rentals as aforesaid shall become and be due and payable immediately, without further demand, together with interest thereafter at the dividend warrant rate on any portion thereof overdue; and for the total amount so becoming forthwith payable by the Company the Trustee shall be entitled to recover judgment, with interest at the dividend warrant rate, and to collect such judgment out of any property of the Company wherever situated.

In case the Trustee shall rightfully demand possession of the Trust Equipment in pursuance of this Lease, and shall reasonably designate a point or points upon the railroad of the Company, or upon the railroad of any company a majority of whose capital stock is at the time directly or indirectly owned by the Company, for the delivery of the Trust Equipment to it, the Company will, at its own expense, forthwith and in the usual manner and at reasonable speed, cause the Trust Equipment to proceed or be drawn to such point or points on said railroad as shall be designated by the Trustee and will there deliver or cause to be delivered the same to the Trustee; or the Trustee at its option may keep the Trust Equipment on any of the lines of railroad or premises of the Company until the Trustee shall have leased, sold or otherwise disposed of the same, and for such purpose the Company agrees to furnish without charge for rent or storage

the necessary tracks at any convenient point or points selected by the Trustee. It is hereby expressly covenanted and agreed that the performance of the foregoing covenants is of the essence of the contract and that upon application to any court of equity having jurisdiction in the premises the Trustee shall be entitled to a decree against the Company requiring the specific performance thereof.

The remedies in this Lease and in said Agreement provided in favor of the Trustee and the holders of Trust Certificates, or any of them, shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in their favor existing at law or in equity.

If the Trustee shall exercise any of the powers or remedies conferred upon it hereunder, the Company shall have the right, after all rentals and other sums due hereunder to the Trustee shall have been received by the Trustee, to require title to such of the Trust Equipment as shall not previously have been sold, assigned, transferred or otherwise disposed of by the Trustee to others to be transferred and assigned by the Trustee to the Company free from any further liabilities or obligations to the Trustee hereunder. If after applying all sums of money received by the Trustee in the exercise of such powers or remedies there shall remain any amount due to the Trustee under the provisions of this Lease, the Company hereby agrees to pay to the Trustee the amount of such deficiency. If after applying as aforesaid all sums so received by the Trustee there shall remain a surplus in the possession of the Trustee, such surplus shall be paid to the Company.

EIGHTH. This Lease may be simultaneously executed in several counterparts, each of which, so executed, shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed in their names by their respective Presidents or Vice-Presidents, and sealed with their corporate seals, attested by their respective Secretaries or Assistant Secretaries, as of the day and year first above written.

Signed, sealed, acknowledged and delivered in the presence of:

F. B. PRIESTLEY

F. E. GODFREY

FIDELITY-PHILADELPHIA TRUST COMPANY,

(Corporate) (Seal)

By - D. S. MATHERS,
Vice-President.

Attest: V. R. TILDEN,
Assistant Secretary.

THE PENNSYLVANIA RAILROAD COMPANY,

(Corporate) (Seal)

By - F. J. FELL, JR.
Vice-President.

Attest: J. TANEY WILLCOX,
Secretary.

COMMONWEALTH OF PENNSYLVANIA)
) ss.
CITY AND COUNTY OF PHILADELPHIA)

I, F. B. Priestley, a Notary Public duly commissioned, qualified and acting within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on Oct. 13, 1939, before me the subscriber, a Notary Public as aforesaid, personally appeared D. S. MATHERS, Vice-President of Fidelity-Philadelphia Trust Company, one of the corporations which executed the foregoing instrument in writing, bearing date of October 1, 1939, whose name is signed thereto, and the said D. S. MATHERS, to me personally known, being by me duly sworn, did depose and say that he resides in Philadelphia,

in the County of Philadelphia, in the State of Pennsylvania; that he is a Vice-President of the said Fidelity-Philadelphia Trust Company, one of the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation; that he knows the contents of the said instrument; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed, sealed and delivered by him as Vice-President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; and that he acknowledged the said foregoing instrument to be the free and voluntary act and deed of the said Fidelity-Philadelphia Trust Company; and that he desired the same to be recorded as such.

D. S. MATHERS.

Subscribed and sworn before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

I am not a stockholder, director or officer of said Trust Company.

(Notarial) (Seal)

F. B. PRIESTLEY,
Notary Public.

My Commission Expires December 2, 1940

Commonwealth of Pennsylvania)
) ss.
City and County of Philadelphia)

I, F. T. Sheneman, a Notary Public duly commissioned, qualified and acting within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on 13th Oct. 1939, before me the subscriber, a Notary Public as aforesaid, personally appeared F. J. Fell, Jr., Vice-President of The Pennsylvania Railroad Company, one of the corporations which executed the foregoing instrument in writing, bearing date of October 1, 1939, whose name is signed thereto, and the said F. J. Fell, Jr., to me personally known, being by me duly sworn did depose and say that he resides in Upper Providence Township, in the County of Montgomery, in the State of Pennsylvania; that he is a Vice-President of said The Pennsylvania Railroad Company, one of the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation; that he knows the contents of the said instrument; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed, sealed and delivered by him as Vice-President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; and that he acknowledged the said foregoing instrument to be the free and voluntary act and deed of said The Pennsylvania Railroad Company; and that he desired the same to be recorded as such.

F. J. Fell, Jr.

Subscribed and sworn before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

(Notarial Seal)

F. T. Sheneman
Notary Public

Commission Expires 2, August, 1942.

AGREEMENT

Dated October 1, 1939

HORACE W. LATIMER

and

CHARLES McCALL, VENDORS

with

FIDELITY-PHILADELPHIA TRUST COMPANY

and

THE PENNSYLVANIA RAILROAD COMPANY

* * * * * * *

This Agreement, dated the first day of October, 1939, by and between Horace W. Latimer and Charles McCall (hereinafter called the Vendors), of the first part, Fidelity-Philadelphia Trust Company, of Philadelphia, Pennsylvania (hereinafter called the Trustee), of the second part, and The Pennsylvania Railroad Company (hereinafter called the Company), of the third part, witnesseth as follows:

Whereas, the Vendors have contracted to acquire or will acquire or contract to acquire the railroad equipment (hereinafter called the Trust Equipment) specifically described in the Lease of Railroad Equipment from the Trustee to the Company prefixed to this Agreement, to which Lease reference is hereby made; and

Whereas, subscriptions have been or are being secured for the aggregate principal amount of eight million, eight hundred sixty-five thousand dollars ($8,865,000.) of the Pennsylvania Railroad Equipment Trust Certificates, Series J, the proceeds to constitute a fund to be furnished to the Trustee to be applied by it in part payment of the purchase price of said Trust Equipment to be acquired by the Trustee; and

Whereas, said Vendors desire to secure to the parties subscribing to said fund, or their assigns, the payment of the amount thereof in fifteen annual installments, payable respectively on October 1, in each year, from October 1, 1940 to October 1, 1954, both inclusive, as hereinafter more particularly provided, with dividends to said dates of maturity respectively at the rate of two and three-quarters per cent. (2 3/4%) per annum from October 1, 1939, payable semi-annually on April 1 and October 1, in each year; and to evidence the rights of the subscribers to said fund by Trust Certificates in substantially the form hereinafter set forth:

Now, therefore, in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

ARTICLE I.

Section 1. The Vendors hereby agree to sell, assign, transfer and set over unto the Trustee, as trustee for the bearers and registered holders of the Trust Certificates hereinafter described, the Trust Equipment described in said Lease prefixed hereto when and as the Trust Equipment or any part thereof is constructed and completed, together with all the Vendors' rights under contracts for the manufacture thereof. The Vendors will deliver, or cause to be delivered, the Trust Equipment to the person or persons designated by the Trustee as its agent or agents to receive such delivery, who may be any one or more of the officers and agents of the Company, and the certificate

of any and every agent so designated shall be conclusive evidence of such delivery. The Trustee and the Company, simultaneously with the execution of this Agreement, have executed and delivered said Lease of all the Trust Equipment.

Section 2. Upon the transfer and delivery to the Trustee of any of the Trust Equipment it shall, subject to the provisions of Section 5 of this Article I, issue to the subscribers to said Pennsylvania Railroad Equipment Trust, Series J, as designated in writing by the Vendors, such of the certificates to be known as Pennsylvania Railroad Equipment Trust Certificates, Series J, herein called the Trust Certificates, as shall be designated by the Vendors, to a principal amount equal to seventy-five per cent. (75%) of the cost of the Trust Equipment so transferred and delivered to it, or to the greatest multiple of $1,000 contained therein, and make payment to the Vendors, or upon their order, in cash, of the remainder of said cost, out of the installment of rental payable upon such delivery pursuant to subdivision (b) of Article First of said Lease. Any amount by which seventy-five per cent. (75%) of the cost of such Trust Equipment shall exceed the greatest multiple of $1,000 contained therein shall be adjusted upon the delivery of the next lot of Trust Equipment hereunder.

Section 3. In lieu of executing and delivering Trust Certificates against the delivery of Trust Equipment as in Section 2 of this Article I provided, the Trustee shall at any time, upon request of the Vendors, execute and deliver to the subscribers to said Pennsylvania Railroad Equipment Trust, Series J, as designated in writing by the Vendors, all the Trust Certificates issuable hereunder, upon the deposit in cash with the Trustee, or to its credit as Trustee hereunder, with such banks, bankers or trust companies as may be designated by the Vendors and approved by the President or a Vice-President, or the Treasurer of the Company, and also approved by the President or a Vice-President, or the Treasurer of the Trustee, of the proceeds of the Trust Certificates and the installment of rental, if any, due under subdivision (a) of Article First of said Lease, the aggregate amount of such deposit to be not less than Eight Million Eight Hundred and Sixty-five Thousand Dollars ($8,865,000). The Trustee may likewise cause to be deposited with such banks, bankers or trust companies the installments of rental payable to it on each delivery of Trust Equipment pursuant to subdivisions (b) and (c) of Article First of said Lease, and any sums received by it pursuant to Article Third of said Lease.

Any interest allowed by the Trustee or by said banks, bankers or trust companies upon any monies so deposited, and any premium received by the Trustee over and above the principal amount of the Trust Certificates upon the issue thereof, shall, upon completion of delivery of the Trust Equipment as in this Agreement and in said Lease provided, belong to the Company and be paid to it by or upon the order of the Trustee, so long as the Company shall not be in default hereunder or under said Lease, in lieu of the use of the Trust Equipment for the period before the delivery thereof. The certificates of the banks, bankers or trust companies so designated, stating that they hold a stated amount subject to the order of the Trustee, shall be full protection to the Trustee for its action on the faith thereof. Said banks, bankers or trust companies shall be fully protected in paying said moneys so deposited with them, and any such interest, to or upon the order of the Trustee, and shall be under no obligation to see to the application thereof in accordance with the provisions of this Agreement.

In respect of such Trust Certificates so issued against deposits of cash, the Company will pay to the Trustee all rentals which it would be required by subdivisions (d), (e), (f) and (g) of Article First of the aforementioned Lease to pay to the Trustee (at the same times and in the same amounts and manner) if such Trust Certificates were issued against a proportionate amount of Trust Equipment actually delivered to the Trustee and leased by it to the Company.

Section 4. The proceeds of the Trust Certificates and the installment of rental, if any, under Subdivision (a) of Article First of said Lease, deposited with or to the credit of the Trustee, as in Section 3 of this Article I provided (hereinafter called the Deposited Cash), any installments of rental paid upon the delivery of Trust Equipment pursuant to subdivisions (b) or (c) of Article First of said Lease, and any sums received by said Trustee pursuant to Article Third of said Lease, shall, until paid out by the Trustee as herein provided, be held in trust for the benefit of the holders of the Trust Certificates. Whenever from time to time any of the Trust Equipment shall be transferred and delivered to the Trustee, the Trustee shall, if requested so to do, subject to the provisions of Section 5 of this Article I, pay to the Vendors, or upon their order out of the Deposited Cash, an amount equal to seventy-five per cent. (75%) of the cost of the Trust Equipment so transferred and delivered to it, and shall make payment of the remainder thereof out of the installment of rental payable on such delivery pursuant to subdivision (b) of Article First of said Lease.

If, whenever any of the Trust Equipment shall be transferred and delivered to the Trustee, the aggregate cost of all the Trust Equipment which shall then and theretofore have been delivered should exceed $11,820,000., the Trustee shall, if requested to do so, subject to the provisions of Section 5 of this Article I, make payment to the Vendors, or upon their order, to the extent of such excess, out of the installment of rental payable on such delivery pursuant to subdivision (c) of Article First of said Lease.

Section 5. The Trustee shall not issue any Trust Certificates, or pay out any Deposited Cash or sums received by it under subdivisions (b) or (c) of Article First of said Lease, against the delivery of any of the Trust Equipment, unless and until it shall have received

(a) a certificate of the agent or agents designated by the Trustee to receive delivery of the Trust Equipment stating that Trust Equipment specified by number in such certificate has been delivered to such agent or agents and marked in accordance with the provisions of Article Fourth of said Lease;

(b) a bill or bills of sale of such Trust Equipment from the manufacturer or owner thereof or the Vendors to the Trustee, containing or accompanied by a warranty or guaranty to the Trustee that the title to the Trust Equipment described therein is free from all liens or encumbrances;

(c) an opinion of counsel satisfactory to the Trustee (who may be counsel to the Company) that such bill or bills of sale are valid and effective, either alone or in connection with any other instruments executed in connection therewith, to vest in the Trustee, free from all liens and encumbrances, the title so transferred to the Trustee, and that the provisions of Section 4 of Article III of this Agreement, with respect to filing or recording, have been complied with; and

(d) a certificate as to the cost of such Trust Equipment signed by the President or a Vice-President, or the Treasurer or an Assistant Treasurer of the Company, which certificates may state either that the cost of such Trust Equipment is an amount therein specified or that the cost of such Trust Equipment is not less than an amount therein specified.

Any certificate as to cost may state that the cost of the Trust Equipment therein referred to is tentatively determined, subject to final adjustment as evidenced by a final certificate or certificates of cost to be delivered to the Trustee. If the aggregate final cost of all the Trust Equipment specifically described in the said Lease should be less than the estimated cost of $11,820,000., the Vendors will acquire and transfer, or cause to be acquired and transferred, to the Trustee, subject to all the terms of this Agreement, other new standard gauge railroad equipment, approved as to character by the Trustee, of such cost that the aggregate cost of all the Trust Equipment will be at least the said sum.

Section 6. The provisions of the preceding sections of this Article I are intended to permit (upon compliance with the conditions and requirements thereof) deliveries from time to time of portions of the Trust Equipment listed in any one item of the description thereof contained in the aforesaid Lease, and the issuance of Trust Certificates or payment out of the Deposited Cash or out of the installments of rental payable on such delivery pursuant to the subdivisions (b) and (c) of Article First of said Lease, as against such deliveries; and shall not be construed as requiring deliveries of all of the equipment listed in any one item of such description as a condition to such issuance or payment.

Section 7. Anything in this Article contained to the contrary notwithstanding, the aggregate principal amount of the Trust Certificates which shall be executed and delivered by the Trustee under this Agreement shall not exceed the sum of eight million, eight hundred sixty-five thousand dollars ($8,865,000.) at any one time outstanding (subject, however, to the provisions of Section 6 of Article II of this Agreement).

ARTICLE II.

Section 1. Each of the Trust Certificates shall represent an interest to the amount of one thousand dollars ($1,000) in the trust of the Trust Equipment hereby created, and the bearer or registered holder thereof shall be entitled to receive dividends on said amount at the rate of two and three-quarters per cent. (2-3/4%) per annum from October 1, 1939, payable semi-annually on April 1 and October 1, in each year. The Principal of the Trust Certificates shall become due and payable as follows:

On October 1, 1940.....$591,000.
On October 1, 1941..... 591,000.
On October 1, 1942..... 591,000.
On October 1, 1943..... 591,000.
On October 1, 1944..... 591,000.
On October 1, 1945..... 591,000.
On October 1, 1946..... 591,000.
~~On October 1, 1946..... 591,000.~~
On October 1, 1947.....591,000.
On October 1, 1948..... 591,000.
On October 1, 1949..... 591,000.
On October 1, 1950..... 591,000.
On October 1, 1951..... 591,000.

On October 1, 1952.....$591,000.

On October 1, 1953..... 591,000.

On October 1, 1954..... 591,000.

The due date of each Trust Certificate shall appear upon its face. The Trust Certificates shall be numbered from 1 consecutively upward to 8,865, both inclusive.

Dividend warrants evidencing the right of the holders of the Trust Certificates to the dividends thereon, shall be annexed to the respective Trust Certificates.

Section 2. The Trust Certificates, the dividend warrants to be annexed thereto, and the guaranty to be endorsed thereon by the Company as hereinafter in Article III provided, shall be in substantially the following forms:

(Form of Trust Certificate.)

$1,000 No.

PENNSYLVANIA RAILROAD EQUIPMENT TRUST

Series J

Total Issue $8,865,000

Dividends at the Rate of 2-3/4 Per Centum per annum.

Payable April 1 and October 1.

Fidelity-Philadelphia Trust Company, of Philadelphia, Pennsylvania, Trustee.

Principal Hereof Due October 1, 19 .

FIDELITY-PHILADELPHIA TRUST COMPANY, Trustee under an Agreement dated October 1, 1939, between Horace W. Latimer and Charles McCall, of the first part, Fidelity-Philadelphia Trust Company, Trustee, of the second part, and The Pennsylvania Railroad Company, of the third part, hereby certifies that the bearer, or, ifthis certificate be registered, the registered holder hereof, is entitled to an interest of One Thousand Dollars in the PENNSYLVANIA RAILROAD EQUIPMENT TRUST, SERIES J, payable on October 1, 19 , and to dividends thereon at the rate of 2-3/4 per centum per annum from October 1, 1939, payable semi-annually on April 1 and October 1 in each year, but only upon presentation and surrender as they severally mature, of the dividend warrants hereunto attached, both principal and dividends being payable at the office of the Trustee in the City of Philadelphia, Pennsylvania, or at the option of the bearer or registered holder, at its agency in the Borough of Manhattan, The City of New York, (which agency may be the office of The Pennsylvania Railroad Company in said Borough and City), in such coin or currency of the United States of America as, at the time of payment, is legal tender for public and private debts, all without deduction for any tax, assessment or other governmental charge (other than Federal income taxes and except such portion of such taxes, assessments or other charges of the Commonwealth of Pennsylvania or any political subdivision thereof as may be in the aggregate in excess of four mills per annum on each dollar of the principal of this trust certificate) which The Pennsylvania Railroad Company or the Trustee may be required to pay, or to retain therefrom, under any present or future law of the United States of America or of the Commonwealth of Pennsylvania, but only from and out of rentals received by the Trustee from a certain Lease of railroad equipment made by Fidelity-Philadelphia Trust Company, Trustee, to The Pennsylvania Railroad Company, dated October 1, 1939.

This certificate is one of an issue of 8,865 certificates for $1,000 each, substantially identical except as to dates of maturity, all issued or to be issued under said Agreement, under which said railroad equipment (or deposited cash in lieu thereof

as provided in said Agreement) and said Lease thereof are held by said Trustee in trust for the pro rata benefit of the holders of the interests represented by said certificates, to which Agreement and Lease, filed with the Trustee at its office in the City of Philadelphia, Pennsylvania, reference is made for a further statement of the rights of the bearer or registered holder hereof thereunder.

This certificate may be registered in the name of the holder hereof at the office of the Trustee in the City of Philadelphia, Pennsylvania, or at its agency in the Borough of Manhattan, The City of New York, and such registration noted hereon by or on behalf of the Trustee. Thereafter title to the interest represented by this certificate shall pass only by transfer registered at said office or agency unless and until a transfer to bearer shall have been similarly registered and noted hereon. Such registration shall apply only to the principal of this certificate and not to the dividend warrants hereunto attached, which shall continue to be transferable by delivery merely and payable to bearer. Unless so registered every holder hereof by accepting this certificate agrees that for all purposes the bearer hereof shall be treated as the absolute owner hereof.

In case of default in the performance or observance of any of the covenants of The Pennsylvania Railroad Company in said Agreement or Lease contained, the principal amount represented by this certificate may become or be declared due and payable in the manner and with the effect therein provided.

In Witness Whereof, the Trustee has caused this certificate to be signed by its President or one of its Vice-Presidents, and its corporate seal to be hereunto affixed and to be attested by its Secretary or an Assistant Secretary, and dividend warrants bearing the facsimile signature of its Treasurer to be attached hereto, as of the first day of October, 1939.

FIDELITY-PHILADELPHIA TRUST COMPANY,

TRUSTEE,

By

President,

Attest:

Secretary

(Form of Dividend Warrant.)

$13.75 No.

Due to the bearer hereof on the first day of ,19 , on surrender hereof at the office of the undersigned Trustee in Philadelphia, Pa., or at its agency in the Borough of Manhattan, The City of New York, Thirteen and 75/100 Dollars without deduction for Federal or Pennsylvania taxes (other than Federal income taxes and except such portion of such taxes, assessments or other charges of the Commonwealth of Pennsylvania or any political subdivision thereof as may be in the aggregate in excess of four mills per annum on each dollar of the principal of the trust certificate from which this warrant has been detached), required by law to be paid or retained as provided in, and being the semi-annual dividend then due on, certificate No. of the Pennsylvania Railroad Equipment Trust, Series J, payable only out of rentals received by the Trustee under the Lease referred to in said certificate.

FIDELITY-PHILADELPHIA TRUST COMPANY,

Trustee,

By

Treasurer.

(Form of Guaranty.)

The Pennsylvania Railroad Company, for a valuable consideration, hereby unconditionally guarantees to the bearer or registered holder of the within certificate the prompt payment of the prinicpal of said certificate, when the same shall become due and payable, whether at the maturity thereof or by declaration or otherwise, and of the dividends thereon on the semi-annual dividend dates, as provided in the said certificate and the dividend warrants thereunto attached, all in such coin or currency of the United States of America as, at the time of payment, is legal tender for public and private debts.

THE PENNSYLVANIA RAILROAD COMPANY,

By

President.

Section 3. The Trust Certificates shall be signed in the name and on behalf of the Trustee by its President or one of its Vice-Presidents, and its corporate seal shall be thereunto affixed and attested by its Secretary or one of its Assistant Secretaries. In case any of the officers of the Trustee who shall have signed and sealed any of the Trust Certificates shall cease to be such officers of the Trustee before the Trust Certificates so signed and sealed shall have been issued and delivered by the Trustee, such Trust Certificates shall be adopted by the Trustee and be issued and delivered as though the persons who signed and sealed such Trust Certificates had not ceased to be such officers of the Trustee. The dividend warrants to be thereunto attached shall be authenticated by the facsimile signature of the present or any future Treasurer of the Trustee; and the Trustee shall adopt and use for that purpose any such facsimile signature notwithstanding the fact that such Treasurer shall have ceased to be such Treasurer at the time when any such Trust Certificate shall be issued and delivered as herein provided. Before executing or delivering any Trust Certificates all matured dividend warrants thereto appertaining shall be cut off and cancelled and delivered by the Trustee to the Company.

Section 4. Temporary printed Trust Certificates, with or without dividend warrants, in such form and denominations as the Trustee may determine, may be issued by the Trustee, having endorsed thereon said guaranty of the Company, which shall be exchangeable upon surrender for definitive engraved or lithographed Trust Certificates, having endorsed thereon said guaranty of the Company, when the same shall have been prepared. Each of such temporary Trust Certificates shall designate the date or dates of maturity of the definitive Trust Certificate or Certificates for which it is exchangeable and until such exchange said temporary Trust Certificates shall be entitled to the same benefit of this Agreement in all respects as said definitive Trust Certificates, including the guaranty of payment by the Company.

Section 5. The Trust Certificates shall be negotiable and shall pass by delivery unless registered as to principal in the manner hereinafter provided. Any of the definitive Trust Certificates may be registered in the name of the holder at the office of the Trustee in the City of Philadelphia, Pennsylvania, or at its agency in the Borough of Manhattan, The City of New York (which agency may be the office of The Pennsylvania Railroad Company in said Borough and City), and such registration shall be noted thereon by or on behalf of the Trustee. Thereafter no transfer thereof shall be valid unless made at said office or agency by the registered holder thereof, in person or by his duly authorized attorney, and similarly noted; but the same may be discharged from registration by being in like manner transferred to bearer and thereupon transferability by delivery

shall be restored; and such Trust Certificates may again and from time to time be registered or transferred to bearer as before.

Such registration, however, shall not affect the dividend warrants, but every such dividend warrant shall continue to be transferable by delivery merely and shall remain payable to bearer.

Anything to the contrary herein notwithstanding, the parties hereto may deem and treat the bearer of any unregistered Trust Certificate, or of any Trust Certificate registered payable to bearer, or of any dividend warrant, as the absolute owner of such Trust Certificate or dividend warrant, as the case may be, for the purpose of receiving payment thereof, and for all other purposes, and shall not be affected by any notice to the contrary. The parties hereto may deem and treat the registered holder of any registered Trust Certificate as the absolute owner of such Trust Certificate for all purposes except payment of dividends, and shall not be affected by any notice to the contrary.

For any registration, transfer or discharge from registration, the Trustee at its option may, and if so requested by the Company shall, require the payment of a sum sufficient to reimburse it for any stamp tax or other governmental charge connected therewith.

Section 6. In case any Trust Certificate, or the dividend warrants thereto attached, shall become mutilated or defaced or be lost or destroyed, then on the terms herein set forth, and not otherwise, the Trustee shall, upon the request of the Company, execute and deliver a new Trust Certificate (and the Company shall execute its guaranty thereon), with all unpaid dividend warrants appertaining thereto, of like maturity, tenor and date, and bearing the same serial number as the one mutilated, defaced, lost or destroyed, in exchange and substitution for, and upon cancellation of, the mutilated or defaced Trust Certificate and warrants, or in lieu of and substitution for the same if lost or destroyed, and make payment of any matured dividend warrants appertaining to the same. The applicant for a new Trust Certificate shall furnish to the Trustee and to the Company evidence to their satisfaction of the loss or destruction of such Trust Certificate or warrants alleged to have been lost or destroyed and of the ownership and authenticity of such mutilated, defaced, lost or destroyed Trust Certificate and warrants, and also such security or indemnity as may be required by the Trustee and by the Company in their discretion; and shall pay all expenses and charges of such substitution or exchange. All Trust Certificates are held and owned upon the express condition that the foregoing provisions are exclusive in respect of the replacement of mutilated, defaced, lost or destroyed Trust Certificates and warrants and shall preclude any and all other rights and remedies, any law or statute now existing or hereinafter enacted to the contrary notwithstanding.

ARTICLE III.

Section 1. The Company hereby accepts and becomes bound by all the terms of this Agreement, and hereby covenants and agrees to make payment of the reasonable expenses of the Trustee, and of all taxes, assessments and other governmental charges herein mentioned for which the Trustee may be liable, or which (other than Federal income taxes and except such portion of such taxes, assessments or other charges of the Commonwealth of Pennsylvania or any political subdivision thereof as may be in the aggregate in excess of four mills per annum on each dollar of the principal of the Trust Certificates) the Trustee or the Company may be required to pay or to retain from the principal of the

Trust Certificates or the dividends payable in respect thereof, under any present or future law of the United States of America or of the Commonwealth of Pennsylvania.

Section 2. The Company covenants and agrees and guarantees that the bearer or registered holder of each of the Trust Certificates shall receive the sum of One Thousand Dollars, or, in the case of temporary Trust Certificates, the principal amount therein expressed to be payable, in such coin or currency of the United States of America as, at the time of payment, is legal tender for public and private debts, when and as the same shall become due and payable, whether at the maturity thereof or by declaration or otherwise, and shall receive dividends thereon in like coin or currency at the rate of two and three-quarters per cent. (2-3/4%) per annum, from October 1, 1939, payable semi-annually on April 1 and October 1 in each year, all without deduction for any tax, assessment or other governmental charge (other than Federal income taxes and except such portion of such taxes, assessments or other charges of the Commonwealth of Pennsylvania or any political subdivision thereof as may be in the aggregate in excess of four mills per annum on each dollar of the principal of the Trust Certificates) which the Company or the Trustee may be required to pay, or to retain therefrom, under any present or future law of the United States of America or of the Commonwealth of Pennsylvania, and at the times and place and otherwise as expressed in the Trust Certificates and in the dividend warrants thereto attached; and the Company further covenants and agrees to endorse upon each of the Trust Certificates, at or before the issue and delivery thereof by the Trustee, its guaranty of the prompt payment of the principal thereof and of the dividends thereon, in substantially the form in Section 2 of Article II hereof provided. Said guaranty so endorsed shall be signed in the name and on behalf of the Company by the President or one of its Vice-Presidents, or by such other person or persons as shall have been duly authorized by its Board of Directors to sign for the President and upon behalf of the Company. In case any of the officers of the Company who shall have signed said guaranty shall cease to be such officers of the Company before the Trust Certificates shall have been actually issued and delivered by the Trustee, such guaranty shall nevertheless be as effective and binding upon the Company as though the persons who signed such guaranty had not ceased to be such officers of the Company.

Section 3. The Company covenants and agrees that it will pay or cause to be paid or discharged, or make adequate provision for the satisfaction or discharge of, any debt, obligation or claim which, if unpaid, might become a lien or charge upon or against any of the Trust Equipment, except upon the leasehold interest of the Company therein; but this provision shall not require the payment of any such debt, obligation or claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings, unless thereby, in the judgment of the Trustee, the rights or interests of the holders of Trust Certificates may be materially endangered.

Section 4. The Company convenants and agrees to pay the expenses incident to the preparation and execution of the Trust Certificates and dividend warrants, including any temporary Trust Certificates to be issued hereunder, or connected with the preparation, execution, recording, registration and filing hereof or of said Lease or of any instruments executed under the provisions hereof or of said Lease in respect of the Trust Equipment or Lease, or any equipment or parts used to replace any of the same. The Company with all convenient speed will cause this Agreement and said Lease, and all supplemental leases and agreements which may be executed under the terms of this

Agreement or of said Lease, to be duly filed, refiled, recorded and re-recorded in all States wherein are situated railroad lines owned or operated by the Company under lease or otherwise, or by any railroad company a majority of the capital stock of which is owned by the Company and to which it shall permit the use of any of the Trust Equipment, or lines over which the Company or such a railroad company has trackage rights, and in all states where any of the Trust Equipment shall be delivered, and otherwise as may be required by law, so that this Agreement and said Lease and all said other instruments may at all times be duly filed and recorded.

Section 5. The Company covenants and agrees from time to time to do all such acts and execute all such instruments of further assurance as it shall be reasonably requested by the Trustee to do or execute for the purpose of fully carrying out and effectuating this Agreement and said Lease and the intent thereof.

ARTICLE IV.

Section 1. In order to prevent any accumulation of Trust Certificates or of dividend warrants after, maturity, neither the Trustee nor the Company shall directly or indirectly extend or assent to the extension of the time for the payment of any Trust Certificate or dividend warrant, but the same shall be paid and cancelled at maturity, and no Trust Certificate or dividend warrant in substitution therefor shall be issued, and neither the Trustee nor the Company shall directly or indirectly be a party to or approve of any arrangement for purchasing or funding any of said Trust Certificates or dividend warrants, or for an advance or loan upon the same, at or after maturity. In case the time for payment of any Trust Certificate or dividend warrant shall be so extended, whether or not such extension be by or with the consent of the Trustee or the Company, or in case, at or after maturity, any Trust Certificate or dividend warrant shall be purchased or funded, or an advance or loan upon the same shall be made, by or on behalf of the Trustee or the Company or pursuant to any arrangement requested or approved by either of them or to which either of them shall be a party or made with the privity of the Trustee or the Company, such Trust Certificate or dividend warrant shall not be entitled to the benefit of said Lease or of this Agreement, except subject to the prior payment in full of the principal of all other Trust Certificates and dividend warrants, whether the same be then matured or unmatured.

Section 2. In case one or more of the events of default described in Article Seventh of said Lease shall happen, the Trustee in its discretion may, and at the request of the bearers or registered holders of one-quarter in amount of the Trust Certificates then outstanding shall, declare the principal of all the Trust Certificates then outstanding to be due and payable, and thereupon the same shall become and be immediately due and payable. In case one or more of said events of default shall happen (whether the principal of the Trust Certificates shall have been declared due and payable or not), the Trustee may retake possession of the Trust Equipment or any part thereof and may either hold or lease the same or any part thereof, or dispose of the same or any part thereof in such manner, so far as may be necessary to perform the trusts hereunder, at public or private sale, for cash or upon credit, or partly for cash and partly upon credit, as the Trustee may deem most beneficial to the interests of the bearers or registered holders of said Trust Certificates, and upon the written request of the bearers or registered holders of one-quarter in amount of the Trust Certificates at the time outstanding, it shall be the duty of the Trustee, upon being indemnified as hereinafter provided, to take all steps for the protection and enforce-

ment of its rights and the rights of the holders of the Trust Certificates, and to exercise one or more of the powers of entry, sale and lease in said Lease conferred, or to take appropriate judicial proceedings by action, suit or otherwise, as the Trustee being advised by counsel shall deem most expedient in the interest of the holders of the Trust Certificates; but, anything in this Agreement to the contrary notwithstanding, upon proper indemnity to the Trustee, the holders of a majority in amount of the Trust Certificates then outstanding shall have the right from time to time to direct and control the proceedings for any enforcement of said Lease and this Agreement and the sale or lease of the Trust Equipment. The proceeds of such proceedings or lease or sale shall be applied by the Trustee to the payment, after deducting its reasonable compensation, the expenses of the trust and any and all taxes, assessments and other governmental charges which the Trustee may by law be required to pay in respect of the trust or the Trust Certificates aforesaid or the dividends thereon:

(1) of the dividends then due with interest on any overdue dividends at the rate of two and three-quarters per cent. per annum; and

(2) of the principal of all said outstanding Trust Certificates with interest thereon at the rate of two and three-quarters per cent. per annum from the last preceding dividend date, whether said Trust Certificates or any of them shall then have matured by their terms or not;

all said payments to be in full, if said proceeds shall be sufficient, and if not, then pro rata, without preference of principal over dividends, or of dividends over principal or otherwise (subject, however, to Section 1 of this Article IV), and without regard to the dates of maturity thereof. All certificates and dividend warrants shall be surrendered to the Trustee and cancelled if paid in full, and if paid in part only shall be presented to the Trustee and notice of such part payment stamped thereon.

The foregoing provisions, however, are subject to the condition that if at any time after the principal of the Trust Certificates shall have been declared and have become due and payable, as hereinbefore provided, but before October 1, 1954, all arrears of rental (with interest upon any overdue installment at the rate of two and three-quarters per cent. per annum), the expenses of the Trust, the reasonable compensation of the Trustee, and all other sums which shall have become due and payable by the Company hereunder or under said Lease (other than the principal of Trust Certificates and rental installments which shall not at the time have matured according to their terms), shall be paid by the Company before any taking possession, withdrawal, sale or lease by the Trustee of any of the Trust Equipment, and every other default in the observance or performance of any covenant or condition of this Agreement or said Lease shall be made good or secured to the satisfaction of the Trustee, or provision deemed by the Trustee to be adequate shall be made therefor, then and in every such case the Trustee, if so requested by the bearers or registered holders of a majority in principal amount of the Trust Certificates then outstanding, shall, by written notice to the Company, waive the default by reason of which the principal of the Trust Certificates shall have been declared and become due and the consequences of such default, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

Neither such retaking possession nor any withdrawal or lease or sale of the Trust Equipment by the Trustee nor any action or failure or omission to act, against the Company or in respect to the Trust Equipment, on the part of the Trustee or on the part

of any bearer or registered holder of any Trust Certificate or the bearer of any dividend warrant, nor any delay or indulgence granted to the Company by the Trustee or any such holder, shall affect the obligations of the Company under this Agreement or under said Lease or under its guaranty.

ARTICLE V.

Section 1. The Trustee hereby covenants and agrees, so far as reasonably possible, to enforce the performance of, all and singular, the terms, conditions and covenants of said Lease, including, without limitation, the marking of the Trust Equipment.

Section 2. The Trustee covenants and agrees to apply and distribute the rentals received by it under subdivisions (d), (e), (f) and (g) of Article First of said Lease, when and as the same shall be received, for the following purposes, to wit:

(a) to the payment of the Trustee's reasonable compensation and the necessary and reasonable expenses of the trust connected with the Trust Equipment and said Lease thereof;

(b) to the payment of any and all taxes, assessments and other governmental charges upon the income or property of the trust, or the agreements evidencing the same, which the Trustee may be required to pay; and of any and all taxes, assessments and other governmental charges (other than Federal income taxes and except such portion of such taxes, assessments or other charges of the Commonwealth of Pennsylvania or any political subdivision thereof as may be in the aggregate in excess of four mills per annum on each dollar of the principal of the Trust Certificates) which the Trustee may be required to pay or to retain from the principal of the Trust Certificates or from the dividends payable thereon, under any present or future law of the United States of America or of the Commonwealth of Pennsylvania;

(c) to the payment of the dividends payable on the Trust Certificates when and as the same shall become payable; and

(d) to the payment of the principal of the Trust Certificates when and as the same shall become payable according to the terms thereof or hereof.

Section 3. The Trustee shall cause to be kept, at an agency in the Borough of Manhattan, The City of New York, books for the registration and transfer of the Trust Certificates, and upon presentation for such purpose the Trustee will register or cause to be registered as hereinbefore provided, and under such reasonable regulations as may be prescribed, any of the Trust Certificates. The Trustee, at all times until the payment of the principal of all the Trust Certificates, shall keep an agency in the Borough of Manhattan in The City of New York, where the Trust Certificates and dividend warrants may be presented for payment. Such agency may be the office of the Company in said Borough and City.

Section 4. The Trustee assumes no liability for anything other than its own wilful default, misconduct or gross neglect, or that of its officers. It shall be required to undertake no act or duty in the way of taking care of or taking possession of the Trust Equipment until fully secured against all liability and expenses. No duty of insurance or of repairs or of protection of any of the Trust Equipment is incumbent upon it, nor shall it be responsible for the filing, refiling, recording or re-recording of this Agreement or of said Lease; and the Trustee may issue and

deliver Trust Certificates in advance of such filing or recording.

The Trustee shall incur no liability or responsibility by reason of its application of the proceeds of the Trust Certificates and/or of rentals payable to it under Article First, subdivisions (a), (b) or (c) of the Lease, or any part thereof, from time to time in varying amounts, prior to the completion and delivery of all the Trust Equipment, and/or prior to the final certification to it of the cost of the Trust Equipment, provided such application is made in accordance with the provisions of this Agreement.

In accepting delivery of and making payment for the Trust Equipment hereunder, the Trustee may rely upon and shall be fully protected by the certificates, bills of sale and opinions of counsel to be furnished to it under Section 5 of Article I of this Agreement.

The Trustee may exercise its powers and perform its duties by or through such attorneys, employes, agents and servants as it shall appoint, and it shall be entitled to the advice of counsel (who may in cases deemed by the Trustee, in its reasonable discretion, to be appropriate, be counsel to the Company), and shall be protected by the advice of such counsel in anything done or omitted to be done by it in accordance with such advice. The Trustee shall not be liable or reponsible for the neglect, default or misconduct of any attorney, agent, employe or servant appointed and retained by it in the exercise of reasonable care, but nothing in this sentence contained shall limit any liability of the Trustee, pursuant to the first sentence of this Section 4, for acts, neglects or defaults of its officers.

Section 5. The Trustee shall be under no obligation to take any action for the execution or enforcement of any of the trusts hereby created unless requested thereunto in writing by the holders of not less than one-quarter in amount of the then outstanding Trust Certificates and upon being satisfactorily indemnified against expense and liability with respect thereto, and also furnished with proof satisfactory to it as to the ownership of the Trust Certificates and dividend warrants in respect of which any notice or request may be made; but neither any such request nor this provision therefore shall affect any discretion herein elsewhere specifically given to the Trustee to determine what action it shall take in respect of any such default, or to take action without request.

Section 6. No bearer or registered holder of any Trust Certificate or the bearer of any dividend warrant issued hereunder shall have any right to institute any suit, action or proceeding for the execution or enforcement of the trust hereby created unless, after the aforesaid request in writing by the bearers or registered holders of not less than one-quarter in amount of the then outstanding Trust Certificates shall have been made upon the Trustee, indemnity satisfactory to it provided, and a reasonable time elapsed for action by the Trustee upon such request, it shall decline to institute any proceedings pursuant thereto.

Section 7. The Trustee may, for all purposes, conclusively assume that the company is not in default under the terms hereof until notified in writing to the contrary by the bearers or registered holders of at least one-tenth in amount of the Trust Certificates then outstanding, which notice shall distinctly specify the default desired to be brought to the attention of the Trustee.

Section 8. The Trustee shall not incur any liability to anybody in acting upon any notice, consent, order, certificate, warrant, receipt, request, opinion, or other paper or instrument believed by it to be genuine or authentic, and to be signed by the proper party or parties.

Section 9. The Trustee will allow interest upon all moneys received by it under the provisions of this Agreement or of said Lease at the rate generally prevailing among Philadelphia trust companies or allowed by it upon deposits of a similar character.

Section 10. The Trustee shall, at least once in each year, if requested by the Company, render to the Company a statement of its said trust and of the accounts relating thereto, and covering such matters as the Company may properly require, and the Vendors and the Company or either of them, may from time to time examine the books and accounts of the Trustee relating to said Trust Certificates and said Lease, to this Agreement and to the acts of the Trustee hereunder.

Section 11. The Trustee may resign and be discharged from the trusts created by this Agreement by giving to the Company and to the holders of the Trust Certificates then outstanding notice in writing of such resignation, specifying a date when such resignation shall take effect. Such notice may be given to the holders of the Trust Certificates by publication of the notice at least once in each of three successive calendar weeks prior to the date specified in such notice in a daily newspaper published in the Borough of Manhattan in The City of New York, and in a daily newspaper published in the City of Philadelphia, Pennsylvania. Such resignation shall take effect on the date specified in such notice (which date shall not be less than thirty days after the giving or first publication of such notice), unless previously a successor trustee shall be appointed as hereinafter provided, in which event such resignation shall take effect immediately upon the appointment of such successor trustee.

Any trustee hereunder may be removed at any time by an instrument in writing filed with the Trustee and executed by the holders of a majority in principal amount of the Trust Certificates at the time outstanding.

Section 12. In case at any time the Trustee shall resign or shall be removed or otherwise shall become incapable of acting, a successor may be appointed by the bearers or registered holders of a majority in principal amount of the Trust Certificates at the time outstanding, by an instrument or concurrent instruments signed by such Certificate holders or their attorneys in fact duly authorized; but until a new trustee shall be appointed by said Certificate holders as herein authorized, the Company, by an instrument executed under its corporate seal, may appoint a trustee to fill such vacancy. Every such successor trustee, whether appointed by the Certificate holders or by the Company, shall always be a trust company or bank having power so to act and organized under the laws of the United States of America, the Commonwealth of Pennsylvania or the State of New York and having an office either in the City of Philadelphia, Pennsylvania, or in the Borough of Manhattan in The City of New York, and having a capital and surplus aggregating at least five million dollars. After any such appointment by the Company, it shall cause notice of such appointment to be published once a week in each of four successive weeks in a daily newspaper published and of general circulation in the Borough of Manhattan, The City of New York, and in one such newspaper published and of general circulation in the City of Philadelphia, Pennsylvania; but any new trustee so appointed by the Company shall immediately, and without further act,

be superseded by a trustee appointed, in the manner above provided, by the bearers or registered holders of a majority in principal amount of the Trust Certificates at the time outstanding.

Any successor trustee appointed hereunder shall execute, acknowledge and deliver to the Company an instrument accepting such appointment hereunder, and thereupon such successor trustee, without any further act, deed or conveyance, shall become vested with title to the trust estate, and with all the rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named as trustee herein, and the trustee ceasing to act shall, on the written request of such successor trustee, assign and transfer the trust estate or cause the trust estate to be assigned and transferred to the successor trustee, and shall thereupon be entitled to the payment of its charges and expenses theretofore incurred. Upon request of such successor trustee, the Company shall execute and deliver such instruments of further assurance as may reasonably be required for more fully and certainly vesting in and confirming to such successor trustee all the right, title and interest of the predecessor trustee in and to the trust estate and such rights, powers, trusts, duties and obligations. All instruments herein provided for shall be at the cost of the Company.

Any appointment of a new or successor Trustee, acceptance of such appointment by such new or successor Trustee, assignment and transfer of the Trust estate to such new or successor Trustee, or instrument of further assurance, shall be incorporated in a supplemental agreement, which shall be filed and recorded as required by the provisions of Section 4, of Article III, hereof.

Any corporation resulting from any merger or consolidation to which the Trustee, or any successor to it, shall be a party, provided such corporation shall be a corporation having power so to act and organized under the laws of the United States of America, the Commonwealth of Pennsylvania or the State of New York, and shall do business in the City of Philadelphia, Pennsylvania, or the Borough of Manhattan in The City of New York, and have a capital and surplus aggregating at least five million dollars, shall be the successor trustee under this agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

ARTICLE VI.

No recourse under any obligation, covenant or agreement of this Agreement, or of the Trust Certificates, or of the guaranty of the Company respecting any Trust Certificate or dividend warrant issued hereunder, shall be had against any stockholder, officer or director, as such, of the Company, or of the Trustee, by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise, it being expressly agreed and understood that this Agreement, said Lease and said guaranty are solely corporate obligations of the Company, and that this Agreement and said Lease and the Trust Certificates and dividend warrants issued hereunder are solely trust obligations of the Trustee, and that no personal liability whatever shall attach to or be incurred by the stockholders, officers or directors, as such, of the Company, or of the Trustee, or any of them, under or by reason of any of the obligations, covenants or agreements contained in this Agreement, the Trust

Certificates, said lease or the guaranty of the Company respecting any of the Trust Certificates or dividend warrants issued hereunder, or implied therefrom, and that any and all personal liability, either at common law or in equity, or by statute or constitution, of every such stockholder, officer or director, as such, is hereby expressly waived as a condition of and consideration for the execution of this Agreement and the issue of such Trust Certificates and dividend warrants.

ARTICLE VII.

Any request or other instrument required by this Agreement to be signed or executed by bearers or registered holders of Trust Certificates may be in any number of concurrent instruments of similar tenor, and may be executed by such Certificate holders in person, or by an agent or attorney appointed by an instrument in writing. Proof of the execution of any such request or other instrument, or of a writing appointing any such agent or attorney, or of the holding by any person of Trust Certificates, shall be sufficient for any purpose of this Agreement, and shall be conclusive in favor of the Trustee with regard to any action taken by the Trustee under such request or other instrument, if made in the following manner, viz.:

(a) the fact and date of the execution of any person of any such request or of any other instrument in writing may be proved by the certificate of any notary public or of any other office authorized to take, either within or without the Commonwealth of Pennsylvania or the State of New York, acknowledgments of deeds to be recorded in either of said States or in the State where the acknowledgment may be taken, certifying that the persons signing such request or other instrument acknowledged to him the execution thereof; or by the affidavit of a witness to such execution;

(b) the amount of Trust Certificates held by any person executing any such request or other instrument as a Certificate holder, and the serial numbers of the Trust Certificates held by such person and the date of his holding the same, may be proved by a certificate executed by any trust company, bank, bankers or other depositary wheresoever situated whose certificate shall be deemed by the Trustee to be satisfactory, showing that, at the date therein mentioned, such person had on deposit with such depositary, or exhibited to such depositary, the Trust Certificates numbered and described in such certificate. The Trustee may presume the continuance of any such deposit or holding unless and until it receives proof satisfactory to it to the contrary.

ARTICLE VIII.

At the termination of said Lease to the Company any moneys remaining in the hands of the Trustee, after paying the principal of and dividends upon the Trust Certificates, and the expenses of the Trustee, including its reasonable compensation, and after the payment of all other sums payable by the Company hereunder, shall be paid to the Company.

ARTICLE IX.

Nothing in this Agreement, expressed or implied, is intended or shall be construed to confer upon, or to give to, any person, firm or corporation other than the parties hereto and the bearers and registered holders of the Trust Certificates and the bearers

of the appurtenant dividend warrants, any right, remedy or claim, under or by reason of this Agreement or said Lease, or of any term, covenant or condition hereof or thereof, and all the terms, covenants, conditions, promises and agreements in this Agreement or in said Lease contained shall be for the sole and exclusive benefit of the parties hereto and their successors and of the bearers and registered holders of the Trust certificates and the bearers of the dividend warrants.

ARTICLE X.

The term "Trustee" as used herein and in said Lease shall be held and construed to mean Fidelity-Philadelphia Trust Company, its successors and assigns; and the word "Company" herein, to mean and include the party of the third part, its successors and assigns. The term "Trust Equipment" wherever used herein or in said Lease, unless otherwise indicated by the context, is intended to include all railroad equipment at any time covered by said Lease or any supplemental lease or this Agreement or required or intended so to be. The term " Trust Certificate " or " Trust Certificates ", whenever used herein or in said Lease, includes, unless the context otherwise indicates, both temporary and definitive certificates. The term " State ", whenever used here in or in said Lease, shall include the District of Columbia.

In case of the death, resignation or inability to act of either of the Vendors, the remaining Vendor shall appoint a successor Vendor, satisfactory to the Trustee, who shall have all the powers and perform all the duties of a Vendor under this Agreement. Any action taken under this Agreement by either of the Vendors herein named, or by any successor Vendor, shall have the same force and effect as if taken by both of the original Vendors. The Vendors shall incur no liability hereunder, or under any bill of sale, guaranty or warranty executed by them as herein provided, for anything other than their own wilful default, misconduct or gross neglect. The Vendors shall be entitled to the advice of counsel (who may in appropriate cases be counsel to the Company or to the Trustee) and shall be protected by the advice of such counsel in anything done or omitted to be done by them in accordance with such advice.

Whenever, under the provisions hereof, it is necessary or proper for any notice or demand to be given to or made upon the Company, or if at any time it is desired to give any such notice or make any such demand, such notice or demand may be given or made to the Company by depositing a written statement thereof, securely enclosed in a postpaid wrapper, in the United States registered mail, directed to the Company at Philadelphia, Pennsylvania, and an affidavit by any person representing or acting on behalf of the Trustee as to such mailing, shall be conclusive evidence of the giving of such notice and the making of such demand.

This agreement may be simultaneously executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

IN WITNESS WHEREOF the parties of the first part have hereunto set their hands and seals, and the parties of the second and third parts have caused their names to be signed hereto by their respective Presidents or Vice-Presidents, and sealed with their corporate seals, attested by their respective Secretaries or Assistant Secretaries, as

of the day and year first above written.

Signed, sealed, acknowledged
and delivered in the presence of:

F. B. PRIESTLEY
F. E. GODFREY

HORACE W. LATIMER,
CHARLES Mc CALL.

Fidelity-Philadelphia Trust Company,

By

D. S. MATHERS,
Vice-President

(Seal)

Attest:

V. R. TILDEN,
Assistant Secretary

The Pennsylvania Railroad Company,

By

F. J. Fell, Jr.
Vice-President

(Seal)

Attest:

J. TANEY WILLCOX,
Secretary

Commonwealth of Pennsylvania)
ss.
City and County of Philadelphia)

I, F. B. Priestly, a Notary Public within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on October 13, 1939 before me the subscriber, a Notary Public as aforesaid, personally appeared Horace W. Latimer and Charles McCall, to me known as the Vendors in the foregoing instrument in writing bearing date of October 1, 1939, and acknowledged that they signed, sealed, and delivered the said instrument as their free and voluntary act and deed for the uses and purposes therein set forth, and desired the same to be recorded as such.

In Testimony Whereof, I have hereunto subscribed my name and affixed my notarial seal the day and year aforesaid.

F. B. Priestley
Notary Public

(Notarial Seal)

My Commission Expires December 2, 1940

Commonwealth of Pennsylvania)
ss.
City and County of Philadelphia)

I, F. B. Priestley, a Notary Public duly commissioned, qualified and acting within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on October 13, 1939, before me the subscriber, a Notary Public as aforesaid, personally appeared D. S. Mathers, Vice-President of Fidelity-Philadelphia Trust Company, one of the corporations which executed the foregoing instrument in writing, bearing date of October 1, 1939, whose name is signed thereto, and the said D. S. Mathers, to me personally known, being by me duly sworn, did depose and say that he resides in Philadelphia, in the County of Philadelphia in the State of Pennsylvania, that he is a Vice-President of the said Fidelity-Philadelphia Trust Company, one of

the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation; that he knows the contents of the said instrument; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed, sealed and delivered by him as Vice-President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; and that he acknowledged the said foregoing instrument to be the free and voluntary act and deed of the said Fidelity-Philadelphia Trust Company; and that he desired the same to be recorded as such.

D. S. Mathers,

Subscribed and sworn before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

I am not a stockholder, director or officer of said Trust Company.

F. B. Priestley
Notary Public
My Commission Expires
December 2, 1940

(Notarial Seal)

Commonwealth of Pennsylvania)
(ss.
City and County of Philadelphia)

I, F. T. Sheneman, a Notary Public duly commissioned, qualified and acting within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on 13th Oct., 1939, before me the subscriber, a Notary Public as aforesaid, personally appeared F. J. Fell, Jr., Vice-President of The Pennsylvania Railroad Company, one of the corporations which executed the foregoing instrument in writing, bearing date of October 1, 1939, whose name is signed thereto, and the said F. J. Fell, Jr., to me personally known, being by me duly sworn, did depose and say that he resides in Upper Providence Township, in the County of Montgomery, in the State of Pennsylvania; that he is a Vice-President of said The Pennsylvania Railroad Company, one of the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation; that he knows the contents of the said instrument; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed, sealed and delivered by him as Vice-President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; and that he acknowledged the said foregoing instrument to be the free and voluntary act and deed of said The Pennsylvania Railroad Company; and that he desired the same to be recorded as such.

F. J. Fell, Jr.

Subscribed and sworn before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

(Notarial Seal)

F. T. Sheneman,
Notary Public
Commission Expires 2, August, 1942.

State of Wisconsin)
Department of State)ss

Received this 27th day of November A. D. 1939, at 11:55 o'clock A. M., and recorded in Volume 34 of R. R. Mtgs. on pages 332-360, inclusive.

R. W. Dixon
Assistant Secretary of State.

Index #15

SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT
Dated September 1, 1939

Between

FIDELITY-PHILADELPHIA TRUST COMPANY, of Philadelphia, Pennsylvania
and
PENNSYLVANIA RAILROAD COMPANY

SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated the First day of September, 1939, between FIDELITY-PHILADELPHIA TRUST COMPANY, of Philadelphia, Pennsylvania, a corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania, Trustee (hereinafter called the "Trustee"), party of the first part, and THE PENNSYLVANIA RAILROAD COMPANY, a corporation organized and existing under the laws of the said Commonwealth (hereinafter called the "Company"), party of the second part:

WHEREAS, by a certain Agreement, bearing date the 1st day of July, 1938, between Horace W. Latimer and Charles McCall, Vendors, Fidelity-Philadelphia Trust Company, as Trustee, and The Pennsylvania Railroad Company, a counterpart original whereof was annexed to and made a part of a lease of Railroad Equipment between the Fidelity-Philadelphia Trust Company, Trustee, and The Pennsylvania Railroad Company, dated the 1st day of July, 1938, there was constituted the "Pennsylvania Railroad Equipment Trust, Series I," and it was agreed that the railroad equipment which the said Vendors transferred or caused to be transferred to the Trustee under the said Agreement bearing date the 1st day of July, 1938, was to be leased to the Company under the said Lease;

WHEREAS, it is recited in the said Lease of Railroad Equipment, dated the 1st day of July, 1938, that pursuant to the provisions of the said Agreement dated the 1st day of July, 1938, the railroad equipment described in the said Lease had been or would be transferred to the Trustee under the said Agreement, and the title to the said railroad equipment vested in the Trustee;

WHEREAS, it is set forth in the said Lease of Railroad Equipment that the estimated cost of the railroad equipment described therein has been certified to the Trustee to be not less than $8,440,000 and it is provided in said Lease that in case the actual cost of said railroad equipment specifically described therein shall not amount to at least said sum, then in addition to said equipment there may be acquired by the Vendors and subjected to the said Lease (subject, however, to the provisions of Section 5 of Article I of said Agreement bearing date the 1st day of July, 1938) other new railroad equipment, approved as to character by the Trustee, of such cost that the aggregate cost of all the Trust Equipment will be at least the said sum, and that the Trustee shall execute to the Company a Supplemental Lease thereof, describing the same, upon and subject to the terms and conditions of said Lease and said Agreement, and that such additional equipment shall be part of the Trust Equipment, subject to all the terms and conditions of said Lease and of said Agreement in all respects as though it had been part of the original Trust Equipment;

WHEREAS, all the Trust Equipment specifically described in the said Lease dated the 1st day of July, 1938, has been acquired by the Vendors and sold, assigned, transferred and set over unto the Trustee, as Trustee for the bearers and registered owners of the Trust Certificates, as provided in Section 1 of Article I of the said Agreement dated the 1st day of July, 1938, and leased by the Trustee to the Company under and by the said Lease dated the 1st day of July, 1938;

WHEREAS, the Company has paid to the Trustee, under Subdivision (a) of Article First of the said Lease dated the 1st day of July, 1938, on the basis of the cost of Trust Equipment as tentatively determined in accordance with the provisions of subdivision (d) of Section 5 of Article I of the said Agreement dated the 1st day of July, 1938, installments of rental which in the aggregate are equal to twenty-five per cent. (25%) of the cost of the Trust Equipment specifically described in the said Lease dated the 1st day of July, 1938, as estimated when the said Lease was executed and delivered;

WHEREAS, the aggregate cost of the Trust Equipment specifically described in the said Lease, as certified to the Trustee under the provisions of Section 5, Article I, of the said Agreement dated the 1st day of July, 1938, is $7,970,186.56, and the Trustee is holding an unexpended balance which is sufficient to acquire three Class P82R Lightweight Passenger Coaches;

WHEREAS, the Vendors, the Trustee and the Company have executed a Supplemental Agreement dated the 1st day of September, 1939, a counterpart original whereof is hereto annexed and made a part hereof, in which it is agreed that the Vendors will acquire or contract to acquire and transfer or cause to be transferred to the Trustee, as Trustee for the bearers and registered owners of the Trust Certificates, other new railroad equipment, to wit, three Class P82R Lightweight Passenger Coaches, the estimated cost of which is $213,000;

WHEREAS, it is the desire of the Company and the Trustee to subject to the said Lease dated the 1st day of July, 1938, such other new railroad equipment:

NOW THIS AGREEMENT WITNESSETH:

That the Trustee, acting in pursuance of the said Agreement dated the 1st day of July, 1938, and of the said Supplemental Agreement dated the 1st day of September, 1939, for and in consideration as well of the sum of One Dollar to it paid by the Company at or before the ensealing and delivery hereof, the receipt of which is hereby acknowledged, as of the rents and covenants to be paid, kept and performed by the Company, has let and leased, and does hereby let and lease, to the Company the following new railroad equipment of the Pennsylvania Railroad Equipment Trust, Series I, to wit:

3 Class P82R Lightweight Passenger Coaches,
numbered 4015 to 4017, both inclusive;

The estimated cost of the said new railroad equipment above specifically described, when completed, has been certified to the Trustee to be $213,000.

As and when the said new railroad equipment shall from time to time be transferred and delivered to the Trustee, as Trustee under the said Agreement dated the 1st day of July, 1938, and Supplemental Agreement dated the 1st day of September, 1939, for the bearers and registered owners of the Trust Certificates, and marked in accordance with the provisions of Article Fourth of the said Lease dated the 1st day of July, 1938, the same shall be delivered to the Company, and shall upon such delivery to the Company ipso facto and without further deed of lease or transfer pass under and become subject to all the terms and provisions of the said Lease dated the 1st day of July, 1938, and be deemed a part of the Trust Equipment leased by the Trustee to the Company thereunder, in all respects as if the same had been so delivered simultaneously with the execution and delivery of the said Lease.

And the Company, in consideration of the premises, by these presents covenants and agrees with the Trustee as follows:

1. The Company hereby accepts (subject to the conditions mentioned in the said Agreement dated the 1st day of July, 1938), this Supplemental Lease of Railroad Equipment, and hereby covenants and agrees to accept delivery and possession hereunder, and

under the said Lease dated the 1st day of July, 1938, of the new railroad equipment hereinbefore specifically described, and agrees that the said new railroad equipment shall be a part of the Trust Equipment covered by the said Lease, and subject to all the terms and provisions thereof with respect to the said Trust Equipment, in all respects and to the same extent as if the said new railroad equipment had been specifically described in the said Lease as a part of the original Trust Equipment.

2. The Company agrees that, in lieu of payments of rental under Subdivision (a) of Article First of the said Lease dated the 1st day of July, 1938, from time to time as and when any of the new railroad equipment described herein shall be delivered to it hereunder, all installments of rent paid by it under the provisions of the said Subdivision (a) in excess of twenty-five per cent. (25%) of the aggregate final cost of the Trust Equipment specifically described in the said Lease, as certified to the Trustee pursuant to the provisions of Subdivision (d) of Section 5 of Article I of the said Agreement dated the 1st day of July, 1938, shall be held and applied by the Trustee as provided in Section 3 of the Supplemental Agreement dated the 1st day of September, 1939.

3. The Company covenants and agrees that if, whenever any new railroad equipment (whether described herein or in any further or additional Supplemental Lease of Railroad Equipment) shall be delivered to the Company, the aggregate cost of all the Trust Equipment, including the new railroad equipment described herein and in any further or additional Supplemental Lease and the Trust Equipment specifically described in the said Lease dated the 1st day of July, 1938, which shall then and theretofore have been delivered to the Company, shall exceed $8,440,000, the Company upon such delivery will pay to the Trustee or its assigns, as additional rental, an amount which, with all other payments previously made, shall equal such excess.

4. The Company agrees, in respect of the new railroad equipment described herein, faithfully to keep, observe and carry out all the covenants and agreements and to do all the acts and things which by the terms of the said Lease dated the 1st day of July, 1938, subject to this Supplemental Lease, are by it to be kept, done and performed.

5. Subject to this Supplemental Lease, all the covenants, agreements, terms and stipulations contained in the said Lease dated the 1st day of July, 1938, shall remain in full force and effect, and binding upon the Company.

6. This Supplemental Lease shall be simultaneously executed in the same number of counterparts as the original Lease dated the 1st day of July, 1938, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed in their names by their respective Presidents, or Vice-Presidents, and sealed with their corporate seals, attested by their respective Secretaries or Assistant Secretaries, as of the day and year first above written.

FIDELITY-PHILADELPHIA TRUST COMPANY,
By
F. M. HARDT
Vice-President.

(CORPORATE)
(SEAL)

Attest:
M. S. ALTEMOSE
Assistant Secretary.

THE PENNSYLVANIA RAILROAD COMPANY,
By
F. J. FELL, JR.
Vice-President.

(CORPORATE)
(SEAL)

Attest:
J. TANEY WILLCOX
Secretary.

Signed, sealed, acknowledged and delivered
by both parties in the presence of:

F. E. GODFREY

F. B. PRIESTLEY

COMMONWEALTH OF PENNSYLVANIA)
) SS:
CITY AND COUNTY OF PHILADELPHIA)

I, F. B. PRIESTLEY, a Notary Public duly commissioned, qualified and acting within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on OCT. 17, 1939 before me the subscriber, a Notary Public as aforesaid, personally appeared F. M. HARDT, Vice-President of Fidelity-Philadelphia Trust Company, one of the corporations which executed the foregoing instrument in writing, bearing date of September 1, 1939, whose name is signed thereto, and the said F. M. HARDT, to me personally known, being by me duly sworn, did depose and say that he resides in Bryn Mawr, in the County of Montgomery, in the State of Pennsylvania; that he is a Vice-President of the said Fidelity-Philadelphia Trust Company, one of the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation; that he knows the contents of the said instrument; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed, sealed and delivered by him as Vice-President in behalf of the said corporation by its authority, duly given, and by authority of its board of Directors; and that he acknowledged the said foregoing instrument to be the free and voluntary act and deed of the said Fidelity-Philadelphia Trust Company; and that he desired the same to be recorded as such.

F. M. HARDT

Subscribed and sworn before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

I am not a stockholder, director or officer of said Trust Company.

F. B. PRIESTLEY
Notary Public

(NOTARIAL)
(SEAL)

My Commission Expires December 2, 1940.

COMMONWEALTH OF PENNSYLVANIA)
) SS:
CITY AND COUNTY OF PHILADELPHIA)

I, F. T. SHENEMAN, a Notary Public duly commissioned, qualified and acting within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on OCT. 17, 1939 before me the subscriber, a Notary Public as aforesaid, personally appeared F. J. Fell, Jr., Vice-President of The Pennsylvania Railroad Company, one of the corporations which executed the foregoing instrument in writing, bearing date of September 1, 1939, whose name is signed thereto, and the said F. J. Fell, Jr., to me personally known, being by me duly sworn, did depose and say that he resides in Upper Providence Township, County of Montgomery, in the State of Pennsylvania; that he is a Vice-President of said The Pennsylvania Railroad Company, one of the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation; that he knows the contents of the said instrument; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed, sealed and delivered by him as Vice-President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; that he acknowledged the said foregoing instrument to be the free and voluntary act and deed of said The Pennsylvania Railroad Company; and that he desired the same to be recorded as such.

F. J. FELL, JR.

Subscribed and sworn before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

F. T. SHENEMAN
Notary Public

(NOTARIAL)
(SEAL)

My Commission expires 2, August, 1942.

SUPPLEMENTAL AGREEMENT
Dated September 1st, 1939

By and Between

HORACE W. LATIMER and CHARLES McCALL, VENDORS,

FIDELITY-PHILADELPHIA TRUST COMPANY, of Philadelphia, Pennsylvania
TRUSTEE
and
THE PENNSYLVANIA RAILROAD COMPANY

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This SUPPLEMENTAL AGREEMENT, dated the 1st day of September, 1939, by and between HORACE W. LATIMER and CHARLES McCALL (hereinafter called the "Vendors"), of the first part, FIDELITY-PHILADELPHIA TRUST COMPANY, of Philadelphia, Pennsylvania (hereinafter

called the "Trustee"), as Trustee, of the second part, and THE PENNSYLVANIA RAILROAD COMPANY (hereinafter called the "Company"), of the third part, WITNESSETH AS FOLLOWS:

WHEREAS, in an Agreement dated the 1st day of July, 1938, by and between the Vendors, the Trustee, and the Company, it was recited that the Vendors had contracted or would contract to acquire the railroad equipment (therein called the "Trust Equipment") specifically described in the Lease of Railroad Equipment from the Trustee to the Company, dated the 1st day of July, 1938, prefixed to the said Agreement; that subscriptions had been or were being secured in an amount not exceeding Six Million Three Hundred Thirty Thousand Dollars ($6,330,000) to a fund to be known as Pennsylvania Railroad Equipment Trust, Series I, which said fund would be furnished to the Trustee to be applied by it in part payment of the purchase price of the Trust Equipment to be acquired by the Trustee; and that the Vendors desired to secure to the parties subscribing to the said fund, or their assigns, the payment of the amount thereof in installments with dividends to the dates of maturity, all as specifically provided in the said Agreement, and to evidence the rights of the subscriber or subscribers to said fund by Trust Certificates;

WHEREAS, by the said Agreement dated the 1st day of July, 1938, the Vendors agreed to sell, assign, transfer and set over unto the Trustee, as Trustee for the bearers and registered holders of Trust Certificates, the Trust Equipment described in the said Lease from the Trustee to the Company when and as the Trust Equipment or any part thereof was constructed or completed, and it was provided that the Trustee shall issue to the subscribers to said Pennsylvania Railroad Equipment Trust, Series I, as designated in writing by the Vendors, such of the certificates to be known as Pennsylvania Railroad Equipment Trust Certificates, Series I, herein called the "trust certificates", as shall be designated by the Vendors, all as specifically provided and set forth in the said Agreement.

WHEREAS, the Vendors have acquired and sold, assigned, transferred and set over unto the Trustee, as Trustee for the bearers and registered holders of Trust Certificates, the Trust Equipment specifically described in the said Lease dated the 1st day of July, 1938; and the Trustee, at the request of the Vendors, and upon the deposit of cash as required by Section 3, or Article I, of the said Agreement dated the 1st day of July, 1938, has executed and delivered to the subscribers to the said fund known as Pennsylvania Railroad Equipment Trust, Series I, Trust Certificates of the aggregate principal amount of $6,330,000;

WHEREAS, the estimated cost of the railroad equipment specifically described in the said Lease was certified to the Trustee to be not less than $8,440,000, and the aggregate final cost of the said railroad equipment as certified to the Trustee under the provisions of Subdivision (d) of Section 5 of Article I of the said Agreement dated the 1st day of July, 1938, is $7,970,186.56;

WHEREAS, the Company has paid to the Trustee, under Subdivision (a) of Article First of the said Lease dated the 1st day of July, 1938, based on the cost of Trust Equipment as tentatively determined under the provisions of Subdivision (d) of Section 5 of Article I of the said Agreement dated the 1st day of July, 1938, installments of rental which in the aggregate are equal to twenty-five per cent. (25%) of the estimated cost of the Trust Equipment specifically described in the said Lease, and the Trustee is holding an unexpended balance of such rental and an unexpended balance of Deposited Cash remaining from the proceeds of the Trust Certificates, the aggregate of the unexpended sums so held by the Trustee being $469,813.44;

WHEREAS, the Vendors have contracted to acquire, or will contract to acquire, other
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new railroad equipment, to wit, three Class P82R Lightweight Passenger Coaches, the estimated cost of which is $213,000, and it is desired that the Vendors shall sell, assign, transfer and set over unto the Trustee, as Trustee for the bearers and registered owners of the Trust Certificates, as provided in the said Agreement dated the 1st day of July, 1938, such other new railroad equipment;

WHEREAS, by a Supplemental Lease of Railroad Equipment dated the 1st day of September, 1939, prefixed hereto, the Trustee has leased to the Company, subject to the terms and conditions of the Lease of Railroad Equipment dated the 1st day of July, 1938, the said new railroad equipment, to wit, three Class P82R Lightweight Passenger Coaches;

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

1. The Vendors hereby agree to sell, assign, transfer and set over unto the Trustee as Trustee for the bearers and registered holders of the Trust Certificates described in the said Agreement dated the 1st day of July, 1938, to which this Agreement is a supplement, the railroad equipment described in and leased to the Company by the said Supplemental Lease prefixed hereto, when and as the said railroad equipment, or any part thereof, is constructed or completed. The Vendors will deliver, or cause to be delivered, the said railroad equipment, or any part thereof, when and as constructed or completed, to the person or persons designated by the Trustee as its agent or agents to receive such delivery, who may be any one or more of the officers and agents of the Company, and the certificate of any and every agent so designated shall be conslusive evidence of such delivery. The Trustee and the Company, simultaneously with the execution of this Supplemental Agreement, have executed and delivered the said Supplemental Lease of the said railroad equipment.

2. The said new railroad equipment shall be a part of the Trust Equipment covered by the said Agreement dated the 1st day of July, 1938, and the sale, assignment, transfer and delivery thereof by the Vendors to the Trustee, as Trustee for the bearers and registered owners of the Trust Certificates, shall be subject to all the terms, provisions and requirements of the said Agreement, as supplemented by this Supplemental Agreement, to the same extent as if the said new railroad equipment had been specifically included therein, and specifically described in the said Lease dated the 1st day of July, 1938, when the said Agreement and Lease were executed.

3. The unexpended amount of $469,813.44 shall, until paid out by the Trustee as herein provided, be held by the Trustee for the benefit of the holders and registered owners of the Trust Certificates. Whenever from time to time any of the new railroad equipment shall be transferred and delivered to the Trustee, the Trustee shall, if requested so to do, subject to the provisions of Section 5 of Article I of the said Agreement dated the 1st day of July, 1938, pay to the Vendors, or upon their order, out of the said unexpended amount of $469,813.44, the cost of the new railroad equipment so transferred and delivered to it.

If, whenever any new railroad equipment (whether as described in the said Supplemental Lease of Railroad Equipment dated the 1st day of September, 1939, or in any further or additional Supplemental Lease) shall be transferred and delivered to the Trustee, the aggregate cost of all the Trust Equipment, including the said new railroad equipment and the Trust Equipment specifically described in the said Lease dated the 1st day of July, 1938, which shall then and theretofore have been delivered, shall exceed $8,440,000, the Trustee shall, if requested to do so, subject to the provisions of Section 5 of

Article I of the said Agreement dated the 1st day of July, 1938, make payment to the Vendors, or upon their order, to the extent of such excess out of the installment of rental payable on such delivery pursuant to Section 3 of the said Supplemental Lease dated the 1st day of September, 1939.

4. The Vendors, the Trustee and the Company covenant and agree faithfully to keep, observe and carry out, in respect of the new railroad equipment which the Vendors have herein agreed to sell, assign, transfer and set over unto the Trustee, as Trustee for the bearers and registered owners of the Trust Certificates, all the agreements and obligations and to do all the things which by the terms of the said Agreement dated the 1st day of July, 1938, subject to this Supplemental Agreement, are by the Vendors, the Trustee and the Company, respectively, to be kept, observed, and performed, in all respects as though the said new railroad equipment had been specifically included therein, and specifically described in the said Lease dated the 1st day of July, 1938, when the said Agreement and Lease were executed.

5. Subject to this Supplemental Agreement, all the covenants, agreements, terms and stipulations contained in the said Agreement dated the 1st day of July, 1938, shall remain in full force and effect, and binding upon the respective parties.

6. The Company, with all convenient speed, will cause this Supplemental Agreement and the said Supplemental Lease dated the 1st day of September, 1939, to be duly filed, refiled, recorded and re-recorded in all States wherein is filed, refiled, recorded and re-recorded the said Agreement and Lease dated the 1st day of July, 1938, so that this Supplemental Agreement and the said Supplemental Lease may at all times be duly filed and recorded.

7. This Supplemental Agreement shall be simultaneously executed in the same number of counterparts as the original Agreement dated the 1st day of July, 1938, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

IN WITNESS WHEREOF the parties of the first part have hereunto set their hands and seals, and the parties of the second and third parts have caused their names to be signed hereto by their respective Presidents or Vice-Presidents, and sealed with their corporate seals, attested by their respective Secretaries or Assistant Secretaries, as of the day and year first above written.

HORACE W. LATIMER

CHARLES McCALL

FIDELITY-PHILADELPHIA TRUST COMPANY
By
F. M. HARDT
Vice-President.

(CORPORATE)
(SEAL)

Attest:
M. S. ALTEMOSE
Assistant Secretary.

THE PENNSYLVANIA RAILROAD COMPANY
By
F. J. FELL, JR.
Vice-President.

(CORPORATE)
(SEAL)

Attest:
J. TANEY WILLCOX
Secretary.

Signed, sealed, acknowledged, and delivered by all parties in the presence of:

F. E. GODFREY

F. B. PRIESTLEY

COMMONWEALTH OF PENNSYLVANIA)
) SS:
CITY AND COUNTY OF PHILADELPHIA)

I, F. B. PRIESTLEY, a Notary Public within and for the city and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on OCT. 17, 1939, before me the subscriber, a Notary Public as aforesaid, personally appeared Horace W. Latimer and Charles McCall, to me known as the Vendors in the foregoing instrument in writing bearing date September 1, 1939, and acknowledged that they signed, sealed, and delivered the said instrument as their free and voluntary act and deed for the uses and purposes therein set forth, and desired the same to be recorded as such.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal the day and year aforesaid.

F. B. PRIESTLEY
Notary Public.

(NOTARIAL)
(SEAL)

My Commission Expires December 2, 1940.

COMMONWEALTH OF PENNSYLVANIA)
) SS:
CITY AND COUNTY OF PHILADELPHIA)

I, F. B. PRIESTLEY, a Notary Public duly commissioned, qualified and acting within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on OCT. 17, 1939, before me the subscriber, a Notary Public as aforesaid, personally appeared F. M. HARDT, Vice-President of Fidelity-Philadelphia Trust Company, one of the corporations which executed the foregoing instrument in writing, bearing date of September 1, 1939, whose name is signed thereto, and the said F. M. HARDT, to me personally known, being by me duly sworn, did depose and say that he resides in Bryn Mawr, in the County of Montgomery, in the State of Pennsylvania, that he is a Vice-President of the said Fidelity-Philadelphia Trust Company, one of the corporation described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation; that he knows the contents of the said instrument; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed, sealed and delivered by him as Vice-President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; and that he acknowledged the said foregoing instrument to be the free and voluntary act and deed of the said Fidelity-Philadelphia Trust Company; and that he desired the same to be recorded as such.

F. M. HARDT

Subscribed and sworn before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

I am not a stockholder, director or officer of said Trust Company.

F. B. PRIESTLEY
Notary Public.

(NOTARIAL)
(SEAL)

My Commission Expires December 2, 1940

COMMONWEALTH OF PENNSYLVANIA)
) SS:
CITY AND COUNTY OF PHILADELPHIA)

I, F. T. SHENEMAN, a Notary Public duly commissioned, qualified and acting within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on OCT. 17, 1939, before me the subscriber, a Notary Public as aforesaid, personally appeared F. J. Fell, Jr., Vice-President of The Pennsylvania Railroad Company, one of the corporations which executed the foregoing instrument in writing, bearing date of September 1, 1939, whose name is signed thereto, and the said F. J. Fell, Jr., to me personally known, being by me duly sworn, did depose and say that he resides in Upper Providence Township, County of Montgomery, in the State of Pennsylvania; that he is a Vice-President of said The Pennsylvania Railroad Company, one of the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation; that he knows the contents of the said instrument; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed, sealed and delivered by him as Vice-President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; that he acknowledged the said foregoing instrument to be the free and voluntary act and deed of said The Pennsylvania Railroad Company; and that he desired the same to be recorded as such.

F. J. FELL, JR.

Subscribed and sworn before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

F. T. SHENEMAN
Notary Public.

(NOTARIAL)
(SEAL)

My Commission expires 2, August, 1942.

STATE OF WISCONSIN)
) ss.
Department of State)

Received this 28th day of December A.D. 1939 at 9:00 o'clock A.M. and recorded in Vol. 34 of R. R. Mortgages on pages 361-368, incl.

FRED R. ZIMMERMAN,
Secretary of State

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CONDITIONAL SALE CONTRACT

DATED, JANUARY 4, 1940.

BETWEEN

BETHLEHEM STEEL COMPANY,
Seller,

AND

GREAT NORTHERN RAILWAY COMPANY,
Buyer.

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THIS AGREEMENT made and entered into the 4th day of January, 1940, by and between BETHLEHEM STEEL COMPANY, a corporation of the State of Delaware (hereinafter called the "Seller"), as party of the first part, and GREAT NORTHERN RAILWAY COMPANY, a corporation of the State of Minnesota (hereinafter called the "Buyer"), as party of the second part,

WITNESSETH:

That in consideration of the mutual promises hereinafter set forth, the parties hereto agree as follows:

1. Construction, Sale and Delivery. The Seller hereby agrees to construct, sell and deliver to the Buyer, and the Buyer hereby agrees to buy from the Seller and, as hereinafter provided, to accept delivery of seven hundred fifty (750) all steel ore cars of seventy-five (75) tons capacity each (hereinafter referred to as "equipment") to be constructed in accordance with Buyer's specifications No. 438, dated September 21, 1939, and as per general arrangement drawing 27954. Said cars shall be numbered 91750 to 92499 inclusive.

Delivery of said equipment shall be made by the Seller to the Buyer on tracks of such railroad at Johnstown, Pennsylvania, as may be designated by the Buyer in writing, which Buyer agrees to do promptly upon notice from the Seller that said equipment or any part thereof has been completed and is ready for delivery.

The design and quality of material and equipment in said cars shall conform to all A. A. R. and I. C. C. requirements and specifications as they apply or may apply to cars of this character. The Seller shall deliver said equipment to the Buyer at such place in first-class operating condition, and complete with all equipment of whatever nature necessary for the complete and immediate use of same. Any defective workmanship or material shall be promptly replaced by the Seller without charge if failure develops within one year after said equipment goes into actual operation, or within one year from date of delivery of any unit in case such unit shall not be placed in operation during such year.

The Seller agrees to proceed with the construction of said equipment with all reasonable dispatch and that delivery thereof will be commenced on or about February 1, 1940, and will continue at the rate of not less than fifteen (15) units per day, excluding Saturdays, Sundays and legal holidays, subject, however, to any and all delays due to causes beyond Seller's control.

At all reasonable times during construction, the cars shall be subject to inspection by the Buyer and, upon completion, the Seller will submit the cars to the Buyer at the Cambria Plant at Johnstown, Pennsylvania, for final inspection and the Buyer will promptly inspect the same and, if in conformity with the requirements hereof, the Buyer, or its duly authorized representative, will deliver to the Seller a certificate to that effect, which certificate shall be conclusive evidence that the cars covered thereby conform in all respects to this contract and are accepted as such by the Buyer.

The Seller shall furnish to the Buyer a complete set of direct process tracings followed in the construction of said equipment, a complete bill of material and a complete list of material specified, including any specialties, promptly upon completion and delivery of said equipment to the Buyer.

2. Amount and Payment of Purchase Price. The aggregate purchase price of the aforesaid equipment is Two Million, Seventy Five Thousand, One Hundred Eighty Two and 50/100 Dollars ($2,075,182.50). Said purchase price together with interest thereon at the rate of two and three quarters per cent. (2 3/4%) per annum shall be payable to the Seller at the office of The First National Bank of St. Paul, Minnesota, or elsewhere as may be agreed upon, as follows:

(a) Ten per cent. (10%) of the amount of said purchase price upon the date of delivery of the last delivered unit of said equipment, together with interest at the rate of two and three-quarters per cent. (2 3/4%) per annum on the purchase price of each such unit ($2,766.91) from the date of delivery thereof in the manner aforesaid to said date of delivery of the last delivered unit.

(b) On the first day of the calendar month following the date of delivery of the last delivered unit of said equipment as aforesaid, interest on the unpaid balance of the purchase price at the rate of two and three-quarters per cent (2 3/4%) per annum from such date of delivery to said first day of the following calendar month.

(c) On the first day of the second calendar month following the date of delivery of the last delivered unit of said equipment as aforesaid, the sum of Twenty-two Thousand Eight Hundred Twelve and 50/100 Dollars ($22,812.50), and a like sum on the first day of each calendar month thereafter until the total purchase price, with interest from the first day of the month following said date of delivery at the rate of two and three-quarters per cent (2 3/4%) per annum on the diminishing unpaid balances of the purchase price, shall have been paid in full. Each of said monthly payments shall be applicable first to the interest then due, and the balance to principal. Any monthly payment or payments, at the option of the Buyer, may be paid in advance of maturity, on any payment date, any such payment or payments in advance of maturity to be discounted to a sum which, at the rate of two and three-quarters per cent (2 3/4%) per annum, simple interest, would produce the agreed payment or payments upon the due date or dates.

3. Interest, Taxes and Payments in United States Coin or Currency. All said payments by the Buyer hereunder shall bear interest at the highest rate permitted by law but not exceeding five per cent. (5%) per annum, if unpaid, from and after the due date of such payment, and shall be free of expenses to the Seller for collection or other charges, and of the amount of any State and/or Federal tax (other than State and/or Federal Income Taxes) hereafter levied or imposed upon this agreement, and/or upon any sale, payment, shipment or delivery under the terms hereof, all of which expenses and taxes the Buyer assumes and agrees to pay in addition to the above-mentioned purchase price of the equipment. The Buyer shall also pay promptly all taxes and assessments which may be imposed upon the equipment, or the earnings arising therefrom, or the operation thereof, or upon the Seller by reason of its ownership thereof, by any jurisdiction in which the equipment shall be operated by the Buyer, and agrees to keep the equipment at all times free and clear of all taxes, assessments, liens and encumbrances, and covenants that the equipment will at all times be maintained, used and operated under and in compliance with all laws and regulations in any jurisdiction to which the equipment may be subject.

All payments provided for in this agreement shall be made by the Buyer to the Seller in such coin or currency of the United States of America as, at the time of payment, shall be legal tender for the payment of both public and private debts.

4. Title to the Equipment. The Seller shall retain the full legal title to and property in all equipment until the Buyer shall have made all of the payments and shall have kept and performed all of the covenants in this agreement provided to be made, kept or performed by the Buyer notwithstanding the delivery of the equipment to and the possession and use thereof by the Buyer as herein provided. Any and all replacements of the equipment, and of parts of the equipment, or any of it, and additions thereto, shall constitute accessions to the equipment and shall be subject to all the terms and conditions of this agreement and included in the word "equipment" as used in this agreement. When and only when the Seller shall have been paid in the aforesaid money the full purchase price for all equipment, with interest and all other payments as herein provided, and all the Buyer's covenants and conditions herein contained have been performed by the Buyer, title to and property in all of the equipment shall pass to and vest in the Buyer without further transfer or act on the part of the Seller, except that the Seller shall, if requested by the Buyer so to do, execute and deliver to the Buyer a bill or bills of sale of all of said equipment, transferring the title to and property in said equipment to the Buyer free and clear of all liens and encumbrances whatsoever, and shall execute for record or filing in public offices, such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the title of the Buyer to all of said equipment under the laws of any jurisdiction; provided, however, that if the Seller shall have assigned its interest in and to said equipment and its rights hereunder pursuant to section 8 hereof, such assignee of the Seller shall execute and deliver to the Buyer a bill of sale conveying said equipment to the Buyer free of any interest of such assignee and of any liens arising through any action of such assignee.

5. Compliance with Laws and Rules. The Buyer shall comply in all respects with the laws of the United States, and of the states and territories into which its operation involving the equipment may extend during the term of this agreement, and with the lawful rules of the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over any of the equipment, and, in the event that the said laws or rules require the alteration of any of the equipment, the Buyer agrees to conform therewith at its expense and to maintain the equipment in proper condition for operation under such laws and rules during the life of this agreement; provided, however, that the Buyer may in good faith contest the application of any such law or rule in any reasonable manner which will not affect the title of the Seller in and to the equipment.

6. Maintenance, Replacements, Marking, Reports, Inspection, and Possession and Use of the Equipment. At all times as long as this agreement shall be in force, the Buyer shall keep and maintain the equipment in good order and proper repair at its own expense, and cause the same to be kept numbered with its road numbers, and kept plainly, distinctly, permanently and conspicuously marked, on metal plates upon both sides of each unit of the equipment covered by this agreement, with the name, in letters not less than one-half inch in size, of the Seller or of the Seller's assignee, as the case may be, followed by the word "Owner" or other appropriate words designated by the Seller, and the Buyer agrees that it will not place said equipment in operation or exercise any control or dominion over any part thereof until said metal plates so marked shall have

been attached on both sides of each unit of said equipment. The Buyer shall replace the equipment, or any of it, at its own cost, if it, or any of it, shall be lost or destroyed from any cause whatever during the continuance of this agreement, with other equipment of similar type, and of substantially as good material and construction as that lost or destroyed. The Buyer will cause any such new equipment to be marked as above provided. Title to all such new equipment shall be taken in the name of the Seller or its assignee as the case may be and shall be immediately subject to all the terms and conditions of this agreement in all respects as though it were part of the original equipment delivered hereunder. The Buyer, however, shall have the right, instead of replacing any such destroyed equipment, to pay to the Seller the then unpaid balance properly assignable to such equipment and all future payments of principal and interest shall be correspondingly reduced. The Buyer further agrees to maintain and keep said equipment in good order and repair at all times, and shall bear the risk and shall not be released from its obligations hereunder in case of any and all damage, loss or destruction of said property.

The Buyer further agrees to furnish to the Seller, if requested, once in every year as long as this agreement shall be in force, an accurate inventory of the equipment in actual service, the numbers and the description of such equipment as may have been destroyed and replaced, and the then location of said equipment as nearly as may be determined at the time and a statement showing the amount, description and numbers of all equipment then undergoing repairs or then withdrawn from use for repairs. Whether or not requested, an accurate inventory of the equipment in actual service, showing the date when each unit was first placed in service, shall be furnished the Seller within one year after the delivery of the last unit.

In the event of a sale, transfer, or assignment, or successive sales, transfers or assignments, by the Seller of title to any of the equipment and of the Seller's rights hereunder in respect thereof, the Buyer shall, whenever requested by such vendee, transferee or assignee, change the name plates at the expense of the assignor (except that the expense of such change in connection with the first assignment or assignments by the Seller of title to the equipment shall be paid by the Buyer) to indicate the title of such vendee, transferee or assignee to such equipment, and succession to such rights of the Seller hereunder.

Except as above provided, the Buyer will not allow the name of any person, association or corporation to be placed on the equipment or any replacement thereof as a designation that might be interpreted as a claim of ownership thereof; provided, however, that the Buyer may cause the equipment to be lettered with appropriate words or marks for convenience of identification of the Buyer's interest therein, and of any joint service in which said equipment may be used.

The Seller shall have the right, but shall be under no obligation, to inspect the equipment at any reasonable time or times during the continuance of this agreement. The Buyer agrees, in so far as it may legally do so, to supply free transportation over its lines to designated agents of the Seller, for the purpose of enabling such agents to reach the point or points where the equipment is in operation, for the purpose of making such inspection and assisting and instructing the employees of the Buyer in the proper operation and maintenance of the equipment. During the continuance of this agreement the equipment shall not, without the written consent of the Seller, be removed from the possession of the Buyer; provided, however, that said equipment may be used on the lines of railroad owned or operated by the Buyer or by any corporation, a majority of whose stock shall be owned directly or indirectly by the Buyer or over which the Buyer or any

such corporation has trackage rights, and also upon connecting and other railroads in the usual interchange of traffic, from and after the delivery of the equipment to the Buyer, but only upon and subject to all the terms and conditions of this contract.

7. Guaranties and Indemnities. The Buyer shall bear the risk, and shall not be released from its obligations hereunder, in the event of any damage to, or the destruction or loss of, any or all of the equipment; provided, however, that the Seller, and any successor or successors to its manufacturing property and business, shall not as to any of the equipment by reason of this provision be relieved from its guaranty covering material and workmanship set forth herein or in the specifications therefore. The Seller, for itself and any successor or successors to its manufacturing property and business also agrees, as part of said guaranty, to save, indemnify and keep harmless the Buyer from and against any and all royalites, damages, claims, suits, judgments and costs that may arise from the use of any patented article, except with regard to any appliances, devices or materials specified by the Buyer and not manufactured by the Seller, as to which the Buyer will save, indemnify and keep harmless the Seller from and against any and all royalties, damages, claims, suits, judgments and costs that may arise from the use of any such article that may be patented.

The Buyer agrees to save, indemnify and keep harmless the Seller from and against all losses, damages, injuries, claims and demands whatsoever, regardless of the cause thereof, arising on account of the equipment, or the use or operation thereof, while this agreement shall be in force. The provisions of this paragraph, however, shall in no way affect the Seller's responsibility under this agreement.

The Buyer shall pay or satisfy and discharge any sum claimed by any party by, through or under the Buyer, its successors and assigns, which if unpaid might become a lien or a charge upon the equipment or any of it, but shall not be required to pay or discharge any such claim as long as the validity thereof shall be contested in good faith and by appropriate legal proceedings in any reasonable manner which will not affect the title of the Seller in and to the equipment.

8. Assignments by the Seller and the Buyer. All or any of the rights of the Seller under this agreement may be assigned by the Seller, and reassigned by any assignee, at any time, or from time to time, subject in any case to the obligations of the Seller under this agreement, except that such assignment shall not be subject to the Seller's obligation of indemnity referred to in section 7 hereof, its obligation to replace defective workmanship and material, referred to in section 1, and its obligation to construct and deliver the equipment as hereinbefore provided, it being understood and agreed that no such assignment shall pass to such assignee, or in any way affect or modify said obligations of the Seller. Upon any such assignment, the assignor shall give written notice to the Buyer, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall, by virtue of such assignment, acquire, subject to the provisions of this agreement, all of the Seller's right, title and interest in and to the equipment, or any of it, or such of the Seller's rights and obligations under this agreement as shall be specified in each such assignment. From and after the receipt by the Buyer of the notification of any such assignment, all payments thereafter to be made by the Buyer hereunder shall, to the extent so assigned, be made to the assignee of all or any rights hereunder by assignment or successive assignments as hereinbefore provided in this section, or to his nominee upon written notification to the Buyer of such nominee's name and post office address. For every purpose of this agreement, unless the context or some provision hereof requires

some other meaning, the term "Seller" wherever used in this agreement shall include any successor or successors for the time being to the manufacturing property of the Seller, and also any assignee, at any time or from time to time, of any of the rights and obligations under this agreement which can be assigned by said Seller, to the extent of such assignment, and any assignee, at any time or from time to time, of such assignee, as the context of this agreement and the provisions of any such assignment may require.

The Buyer's interest in this agreement shall not be transferred or assigned by the Buyer at any time without the written consent of the Seller.

9. Defaults and Remedies. (a) In case the Buyer shall make default in the payment of any installment of the purchase price of any delivered equipment as herein provided for more than twenty (20) days after the same shall have become payable, or shall be in default under the provisions of section 10 hereof; or shall fail or refuse to comply with any other of the terms and covenants in this agreement on its part to be kept and performed, or to make provisions satisfactory to the Seller for such compliance, for more than thirty (30) days after notice in writing thereof to the Buyer, then, in any such case (herein sometimes called events of default) at any time thereafter during the continuance of such event of default the Seller may, without further notice or demand except to the extent necessary in order to comply with any mandatory legal requirements then in force and applicable to such action by the Seller, declare the entire purchase price of the equipment, whether the same shall then have fallen due or not, immediately due and payable, and it shall become so, without further demand, together with interest at the highest rate permitted by law but not exceeding five per cent. (5%) per annum from the date of such declaration.

The Seller may waive any such default and its consequences, and rescind and annul any such declaration or termination by written notice to the Buyer. In the event of any default, if, before sale or full performance of this agreement, all costs and expenses of the Seller incidental to any such default and to the enforcement by the Seller of the provisions hereof, and all sums which shall then have become due and payable by the Buyer hereunder (except such part of the purchase price as shall have become due only because of a declaration under this section as aforesaid) shall have been paid by the Buyer, and all other existing defaults shall have been remedied, or provision therefor satisfactory to the Seller shall have been made, then, and in every such case, the Seller shall waive any such default and its consequences and rescind and annul any such declaration. Upon such waiver, rescission or annulment, the respective rights of the parties shall be as they would have been if no such cured default had existed and no such declaration or termination had been made; but no such waiver, rescission or annulment shall limit or affect the Seller's right, upon any other or similar default, to declare said purchase price due as aforesaid, or extend to or affect any other default, or impair any rights or remedies consequent thereon.

(b) If the Buyer shall make default as hereinabove provided, then at any time thereafter during the continuance of such default the Seller may, without further notice or demand except to the extent necessary in order to comply with any mandatory legal requirements, take or cause to be taken by its agent or agents immediate possession of the equipment, or any of it, and/or any replacements and improvements, and all present and future attachments and accessories thereof, without liability to return to the Buyer any sums theretofore paid by the Buyer, and free from all claims whatsoever except as hereinafter in this section 9 expressly provided, and may remove the same from the use and possession of the Buyer and for such purpose may enter upon the Buyer's premises where

the equipment may be located, and may use and employ in connection with such removal any supplies, services and aids, and any available trackage and other facilities or means of the Buyer, without process of law; and the Buyer shall deliver the equipment, or any of it, with all replacements, improvements, equipment, attachments and accessories thereof, at its own cost at such place or places on its railroad as the Seller may reasonably designate and for such purpose, move or draw the equipment in the usual manner and at the customary speed of trains, and in case of such retaking or delivery the Seller shall have the right to store the same upon the premises of the Buyer without charge until the Seller shall desire to remove the same therefrom. And it is hereby expressly agreed by the Buyer that performance of this agreement to deliver the equipment as hereinbefore provided is of the essence of the agreement between the parties and that, upon application to any court of equity having jurisdiction in the premises, the Seller shall be entitled to a decree against the Buyer requiring specific performance hereof.

(c) If the Buyer shall make default as hereinbefore provided, then at any time thereafter during the continuance of such default, and after declaring the entire purchase price immediately due and payable as hereinbefore provided, the Seller with or without retaking possession thereof may sell the equipment, or any of it, and any such replacements, improvements, equipment, attachments and accessories, free from any and all claims of the Buyer, or of any other party claiming by through or under it at law or in equity, at public or private sale and with or without advertisement as the Seller may determine, all subject to and in compliance with any mandatory legal requirements then in force and applicable to such sale. To the extent permitted by any such mandatory legal requirements, any sale or sales hereunder may be held or conducted at St. Paul, Minnesota, or such other place as the Seller may specify in writing, at such time or times as the Seller may fix, in one lot and as an entirety or in separate lots, and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Seller may determine in compliance with any such mandatory legal requirements, provided that the Buyer shall be given written notice of such sale at least ten (10) days prior thereto, by telegram or registered mail addressed to the Buyer at 175 East Fourth Street, St. Paul, Minnesota, or such other notice, if any, as may be necessary to comply with any mandatory legal requirements. If such sale shall be a private sale permitted by such mandatory legal requirements, it shall be subject to the right of the Buyer to purchase or provide a purchaser, within ten (10) days after notice of the proposed sale price, at not less than the same price offered by the intending purchaser. To the extent not prohibited by any mandatory legal requirements then in force and applicable to such sale, the Seller may itself bid for and become the purchaser of the equipment or any of it so offered for sale without accountability to the Buyer (except to the extent of surplus money received as hereinafter provided in the last paragraph of this section 9), and in payment of such pruchase price the Seller shall be entitled to the extent aforesaid to have credited on account thereof all sums due to the Seller by the Buyer hereunder.

(d) Each and every power or remedy hereby specifically given to the Seller shall be in addition to every other power or remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Seller. All such powers and remedies shall be cumulative and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Seller in the exercise of any such power or remedy, and no

renewal or extension of any payments due hereunder, shall impair any such power or remedy, or shall be construed to be a waiver of any default, or any acquiescence therein.

(e) The Buyer hereby waives, to the fullest extent that they may be waived, all statutory requirements for notice of acceleration, or for notice of the Seller's intention to take possession of said equipment, or for notice of any such sale, as well as all such requirements as to the time, place and terms of any such sale. The Buyer agrees that the rights granted herein shall constitute its only rights in and to said equipment excepting only such additional rights as the Buyer may have under applicable legal provisions, the benefit of which may not be waived.

(f) If the Seller shall exercise any of the powers or remedies conferred upon it hereunder, the Buyer shall have the right after all sums due hereunder to the Seller shall have been received by the Seller in full, including its proper costs and expenses incident to the collection thereof, to require title to the equipment, if not previously sold or otherwise disposed of by the Seller pursuant to the provisions hereof, to be transferred and assigned by the Seller to the Buyer free from any further liabilities or obligations to the Seller. If after applying all sums of money realized by the Seller under the remedies herein provided, there shall remain any amount due to it under the provisions of this agreement, the Buyer shall pay the amount of such deficit to the Seller. If after applying as aforesaid all sums realized by the Seller there shall remain a surplus in the possession of the Seller, such surplus shall be paid to the Buyer.

10. Reorganization or Adjustment Proceedings and Transfers of the Buyer's Interest, a Default. The occurrence of any one or more of the following events, to-wit:

(a) the commencement of any proceedings by or against the Buyer for any relief under any bakruptcy or insolvency laws, or laws relating to the relief of debtors, readjustment of indebtedness, reorganizations, arrangements, compositions, or extensions; or

(b) the transfer, or attempted transfer, by the Buyer of its interest in or under this agreement without the consent of the Seller; or

(c) the involuntary transfer of the Buyer's interest in or under this agreement effected either by bankruptcy or by the appointment of a receiver or trustee or by execution or by any judicial or administrative decree or process or otherwise, except as authorized by section 8 hereof, and except the appointment of a receiver or trustee and the adoption by the latter, duly authorized by the court of his appointment, of this agreement, and his agreement within thirty (30) days from the date of his appointment to be bound by the terms and obligations hereof; shall be deemed a breach of this agreement and a default hereunder; whereupon the Seller may elect to declare the entire purchase price immediately due and payable, as hereinbefore provided, and may thereupon forthwith take possession of said equipment, or any of it, and exercise and enforce any and all other remedies as provided by section 9 hereof.

11. Applicable State Laws. Any provision of this agreement prohibited by any applicable law of any state, or which by any applicable law of any state would convert this agreement into any instrument other than an agreement of conditional sale, shall as to such state be ineffective, without modifying the remaining provisions of this agreement. Where, however, the conflicting provisions of any applicable state law may be waived they are hereby waived by the Buyer to the full extent permitted by law.

12. Extension Not a Waiver. Any extension of time granted by the Seller to the Buyer for the payment of any sum due under this agreement, whether that extension be for an intermediate payment or for final payment, shall not be deemed a waiver of the title of the Seller reserved hereunder or of any of its rights and remedies hereunder or otherwise existing.

13. Recording. The Buyer shall cause this agreement to be filed, registered and recorded in the office of the Secretary of State of the States of Wisconsin, Minnesota, Iowa, South Dakota, North Dakota, Montana, Idaho and California, in the proper offices of the States of Washington and Oregon, and in such counties thereof as may be required by law, to the satisfaction of counsel for the Seller, for the protection of the Seller's title to said equipment and any replacement or replacements thereof and its rights under this agreement; and the Buyer shall from time to time do and perform any other act, and will execute, acknowledge, deliver, file, register, and record any and all further instruments required by law or reasonably requested by the Seller for the purpose of such protection of its title and rights, or for the purpose of carrying out the intention of this agreement. After this agreement shall have been duly filed, registered and recorded in the proper public offices of said states, or the counties thereof, where said equipment, or any of it, may be operated or used by the Buyer, as may be required by law, as above provided, said equipment shall not, nor shall any of it, be removed to or operated or used by the Buyer in any other state or states, except in the usual interchange of traffic and except for casual, isolated and incidental use not in the ordinary course of business, unless and until the Buyer shall have given to the Seller, or its assignee, not less than 20 days' notice in writing stating its intention to operate said equipment or some of it in such other state or states and shall have duly filed this instrument for record or registration as required by law in such other state or states.

14. Payment of Expenses. The Buyer shall pay all costs, charges and expenses, except the counsel fees of Seller, incident to the preparation, execution, acknowledgment, filing, registering and recording of this agreement and of the first assignment or assignments by the Seller of title to the equipment, and of any instrument supplemental hereto or amendatory hereof.

15. Execution of Counterparts. This agreement may be simultaneously executed in two or more counterparts, each of which so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart.

16. Section Headings. All section, paragraph or division headings are inserted for convenience only and shall not affect any construction or interpretation of this agreement.

17. Buyer's Counterclaims. In the event that this agreement shall be assigned by the Seller, as provided in section 8 hereof, the rights of any party who may succeed to the Seller hereunder by any sale, assignment or transfer, or successive sales, assignments or transfers, of title to the equipment or any of it, together with all or any part of the rights of the Seller under this agreement, shall not be subject to any set-off or counterclaim whatsoever arising out of a breach of any obligation in respect of the equipment by the Seller; and all such obligations in respect of the equipment and any of it shall be and remain enforceable by the Buyer, its successors and assigns against and only against the Seller, and shall not be enforceable against any party or parties in whom title to the equipment or any of it and all or any part of the rights of the Seller hereunder shall vest by sale, assignment or transfer, or successive sales, assignments or transfers.

18. Modification of Agreement. This agreement of conditional sale, together with the specifications hereinabove referred to, constitutes the entire agreement between the Buyer and the Seller with respect to the sale of the equipment herein referred to. No variation or modification of this agreement, and no waiver of any of its provisions or

conditions, shall be valid unless in writing and signed by duly authorized officers of the Buyer and the Seller.

19. Possession and Use of the Equipment by the Buyer. So long as the Buyer shall not be in default under this agreement, the Buyer shall be entitled to the possession of the equipment and to the use thereof as hereinbefore provided, from and after the delivery of the equipment by the Seller to the Buyer, but only upon and subject to all terms and conditions of this agreement.

20. Successors and Assigns. Subject to the definitions contained in section 8 hereof, and to the provisions contained in Section 10 regarding reorganization, adjustment and other proceedings in bankruptcy, and regarding transfers and assignments, voluntary and involuntary, and regarding the continuing obligations of the Seller after its assignment of any or all of the equipment and of any or all of its rights hereunder, this agreement shall bind and inure to the benefit of the successors and assigns of the parties hereto, as well as the said parties themselves.

21. Law Governing. The terms of the agreement and all rights and obligations hereunder shall be governed by the laws of the State of Minnesota.

IN WITNESS WHEREOF the parties hereto, pursuant to due corporate authority, have caused this agreement to be executed in their respective corporate names by their respective officers thereunto duly authorized, and their respective corporate seals to be hereunto affixed, duly attested, as of the day and year first above written.

BETHLEHEM STEEL COMPANY
Seller,

(CORPORATE SEAL)

By /s/ C. A. BUCK
Vice President

ATTEST:

/s/ W. H. JOHNSTONE,
Assistant Secretary

Signed, Sealed and delivered as to Bethlehem Steel Company, in the presence of

/s/ V. G. REIS,

/s/ W. K. HALLMAN,
Witnesses

GREAT NORTHERN RAILWAY COMPANY,
Buyer

(CORPORATE SEAL)

By /s/ F. G. DORETY
Vice President

ATTEST:

/s/ F. L. PAETZOLD,
Secretary

Signed, sealed and delivered as to Great Northern Railway Company in the presence of

/s/ H. V. RHEDIN,

/s/ R. F. BERG,
Witnesses

STATE OF PENNSYLVANIA,)
)SS.:
COUNTY OF NORTHAMPTON,)

I, George E. Sellers, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 11th day of January, A. D. 1940, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such as to Bethlehem Steel Company, to the within and foregoing instrument, C. A. Buck and W. H. Johnstone, each to me personally known and known to me to be respectively Vice President and Assistant Secretary of Bethlehem Steel Company, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons

who subscribed their names to and who executed said instrument as such Vice President and such Assistant Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said C. A. Buck and W. H. Johnstone, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said C. A. Buck resides in the City of Bethlehem and State of Pennsylvania, and that the said W. H. Johnstone, resides in the City of Friedensville and State of Pennsylvania, that said C. A. Buck is Vice President and said W. H. Johnstone is Assistant Secretary of Bethlehem Steel Company, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said Vice President and said Assistant Secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Assistant Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said county of Northampton, State of Pennsylvania, this the day and year in this my certificate first above written.

/s/ George E. Sellers,
Notary Public, Northampton County

(NOTARIAL SEAL)

My commission expires January 31, 1941.

STATE OF MINNESOTA,)
)SS.:
COUNTY OF RAMSEY,)

I, Alpha M. Sarchet, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 4th day of January, A. D. 1940, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such as to Great Northern Railway Company to the within and foregoing instrument, F. G. Dorety and F. L. Paetzold, each to me personally known and known to me to be respectively Vice President and Secretary of the Great Northern Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said F. G. Dorety and F. L. Paetzold, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said F. G. Dorety resides in the City of St. Paul, and State of Minnesota, and that the said F. L. Paetzold resides in the City of St. Paul and State of Minnesota; that said F. G. Dorety is Vice President and said F. L. Paetzold is Secretary of the Great Northern Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said Vice President and Secretary know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said county of Ramsey, State of Minnesota, this the day and year in this my certificate first above written.

(NOTARIAL SEAL)

/s/ Alpha M. Sarchet,
Notary Public, Ramsey County.

My commission expires July 9, 1942.

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS.

Received this 17th day of January, A. D. 1940 at 9:00 o'clock A.M. and recorded in Vol. 34 of Railroad Mortgages on pages 369-379, inclusive.

R. W. Dixon
Assistant Secretary of State

Index 1584

Executed in 18 Counterparts, No. 18

SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT

Dated March 1, 1937

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO

and

TRUSTEES OF CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC R.R. CO.

Executed March 4, 1940

* * * * * * * * * * * * *

THIRD SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated March 4, 1940, between CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, an Illinois corporation, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and HENRY A SCANDRETT, WALTER J. CUMMINGS and GEORGE I. HAIGHT, as Trustees of the property of CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY, (hereinafter called the Railroad Trustees), parties of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of March 1, 1937, Continental Illinoise National Bank and Trust Company of Chicago, an Illinois corporation, leased certain railroad equipment described therein to Henry A. Scandrett, Walter J. Cummings, and George I. Haight, Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company pursuant to the terms of an Agreement, also dated as of March 1, 1937, between the Vendors named in said Agreement, said Continental Illinois National Bank and Trust Company of Chicago, and Henry A. Scandrett, Walter J. Cummings and George I. Haight, Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series Q; and

WHEREAS, pursuant to the provisions of paragraph (a) of Article Fifth of said Lease, the Railroad Trustees have caused to be delivered to the Trustee One(1) New Non-propelling 200 Ton Steam Wrecking Derrick - No. X 17, in replacement of cash on deposit with the Trustee in the amount of $4,613.04, (being the balance remaining unexpended in replacement of equipment worn out, lost, destroyed or rendered unfit for use as of April 30, 1939), and one (1) Coach and Baggage Car (passenger space air-conditioned) No. 203, which car so replaced had been worn out, lost, destroyed or rendered unfit for use as of January 31, 1940.

NOW, THEREFORE, this Supplement to said Lease witnesseth:

1. Pursuant to the provisions of said paragraph (a) of Article Fifth of said Lease, the Trustee has let and leased, and does hereby let and lease, to the Railroad Trustees, the said one (1) New Non-propelling 200 Ton Steam Wrecking Derrick, numbered X 17, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of March 1, 1937, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Trustees covenant that, with all convenient speed after the execution hereof, they will cause this Supplement to said Lease to be duly filed, registered or recorded in all offices in which said Lease is now filed, registered or recorded.

3. Except as hereinabove otherwise expressly provided, said Lease, and all the terms and provisions thereof, shall remain in full force and effect and shall apply in full force and effect to said new equipment.

4. This Supplement to said Lease may be simultaneously executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the Trustee and the Railroad Trustees have caused these presents to be duly executed, as of the day and year first above written.

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST

COMPANY OF CHICAGO,

F.E. MUSGROVE,
Vice-President.

(Corporate Seal)

Attest :

E. B. STOFFT,
Asst. Secretary,

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of :

E. J. FRIEDRICH,
R. E. GUITHER.
Witnesses.

HENRY A. SCANDRETT,
WALTER J. CUMMINGS,
GEORGE I. HAIGHT,
As Trustees of the Property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, but not individually,

Signed, sealed and delivered by Henry A. Scandrett, Walter J. Cummings and George I. Haight, in the presence of :

W. A. DIETZE,
HOWAD A. FLORUS,
Witnesses.

STATE OF ILLINOIS,)
) ss.
COUNTY OF COOK.)

I, H. J. GROENER, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, DO HEREBY CERTIFY that on this 4th day of March, 1940, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named F. E. Musgrove and E. B. Stofft, each to me personally known and known to me to be, respectively, a Vice President and an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the corporation described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Assistant Secretary respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed, as such, and said F. E. Musgrove and E. B. Stofft, being by me severally duly sworn, did on oath, each for himself and not one for the other severally depose and say and acknowledge in the presence of said witnesses that said F. E. Musgrove resides in Chicago, in the State of Illinois, and that said E. B. Stofft resides in Park Ridge, in the State of Illinois; that said F. E. Musgrove is a Vice President and said E. B. Stofft is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the corporation described in and which executed the within and foregoing instrument in writing; that they, said F. E. Musgrove, Vice President, and E. B. Stofft, Assistant Secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto by order and authority of

the Board of Directors of said corporation; that they and each of them signed their names to, and executed, the foregoing instrument in their respective capacities as Vice President and Assistant Secretary in behalf of said corporation by like order and authority; that they signed, sealed with the corporate seal, executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

H. J. GROENER,
Notary Public in and for the State of Illinois, County of Cook.

(NOTARIAL SEAL)

My Commission expires April 29, 1940.

STATE OF ILLINOIS)
COUNTY OF COOK) ss.

I, Michael J. Flynn, County Clerk of the County of Cook, DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County, and as such officer am duly authorized to issue certificates of magistracy, that H. J. Groener, whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is genuine; and, further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 5 day of March, 1940.

MICHAEL J. FLYNN,
County Clerk

(SEAL)

STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

I, J. M. JARMOTZ, a Notary Public in and for the State and County aforesaid, residing therein, duly comissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, DO HEREBY CERTIFY that on the 1st day of March, 1940, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named Henry A. Scandrett, Walter J. Cummings and George I. Haight, Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, to me personally known and known to me to be the individuals described and named in and the identical persons who subscribed their names to and whose names are subscribed to and who executed the within and foregoing instrument in writing as such Trustees in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said Henry A. Scandrett, Walter J. Cummings and George I. Haight, and each of them, duly acknowledged to me in the presence of said witnesses that they signed, sealed, executed and delivered said instrument as their free and voluntary act and deed, as such Trustees, for the consideration, objects, uses and purposes therein mentioned, stated and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

J. M. JARMOTZ,
Notary Public in and for the State of Illinois, County of Cook.

(NOTARIAL SEAL)

My Commission as such Notary Public expires July 21, 1943.

STATE OF ILLINOIS)
COUNTY OF COOK) ss.

I, Michael J. Flynn, County Clerk of the County of Cook, DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County, and as such officer am duly authorized to issue certificates of magistracy, that J. M. Jarmotz, whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or heriditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature of the said proof of acknowledgment is genuine; and, further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 5 day of March, 1940.

MICHAEL J. FLYNN,
County Clerk

(SEAL)

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS.

Received this 7th day of January A. D. 1940 at 9:00 o'clock A. M. and recorded in Vol. 34 of Railroad Mortgages on pages 380-383, inclusive.

R. W. Dixon
Assistant Secretary of State

RELEASE OF CERTAIN LAND IN TAYLOR COUNTY, WIS., FROM LIEN OF FIRST GENERAL MORTGAGE, DATED JULY 13, 1899
TO
WISCONSIN CENTRAL RAILWAY COMPANY
BY
NORTHWESTERN NATIONAL BANK AND TRUST COMPANY OF MINNEAPOLIS
ATTORNEY IN FACT FOR
UNITED STATES TRUST COMPANY OF NEW YORK AND WILLIAMSON PELL, TRUSTEES

DATED, FEBRUARY 28, 1940

****

KNOW ALL MEN BY THESE PRESENTS, that UNITED STATES TRUST COMPANY OF NEW YORK, a corporation of the State of New York, and WILLIAMSON PELL, as Trustees acting under and by virtue of an Indenture of Trust and Mortgage of Wisconsin Central Railway Company, dated the 13th day of July A.D. 1899, known and described and designated as Wisconsin Central Railway Company First General Mortgage, for and in consideration of One Dollar and other valuable considerations, receipt whereof is hereby acknowledged, do hereby REMISE, RELEASE and foreverQUIT CLAIM unto JOHN S. OWEN LUMBER COMPANY, a Wisconsin Corporation of Owen, Wisconsin, all right, title and interest which it may have acquired in, through or by virtue of said Indenture of Trust and Mortgage, in and to that portion only of the property subject to said Indenture of Trust and Mortgage, which is situated in Taylor County, Wisconsin, and particularly described as follows:

The West Half of the Southeast Quarter ($W\frac{1}{2}$ $SE\frac{1}{4}$) of Section Thirteen (13), Township Thirty (30) North, Range Two (2) West, of the Fourth Principal Meridian, containing eighty (80) acres, more or less, according to the Government Survey.

This release is made by said Trustees, and accepted by John S. Owen Lumber Company, upon the express condition that it in no way shall affect the lien of said Indenture of Trust and Mortgage upon other premises and property now subject thereto and not hereby expressly released.

IN WITNESS WHEREOF, said UNITED STATES TRUST COMPANY OF NEW YORK has caused these presents to be executed by its proper officers thereunto duly authorized, and its corporate seal to be hereunto affixed, and said Williamson Pell has hereunto set his hand and seal as of the 28th day of February, A.D. 1940.

UNITED STATES TRUST COMPANY OF NEW YORK (SEAL)
WILLIAMSON PELL (SEAL)
Trustees

In Presence of:

M. K. KLASSEY (?)

R. M. DAHLEN

By the NORTHWESTERN NATIONAL BANK AND TRUST COMPANY OF MINNEAPOLIS Attorney in Fact

By M. K. MARK
Vice President

Countersigned S. H. ROGERS
Asst Secretary

STATE OF MINNESOTA)
)SS
COUNTY OF HENNEPIN)

On this 16th day of March A.D. 1940, personally came before me the above named M.K. Mark, Vice President, and S. H. Rogers, Assistant Secretary of the Northwestern National Bank and Trust Company of Minneapolis, Attorney in Fact for the above named United States Trust Company of New York and Williamson Pell, Trustees, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

(Notarial)
(Seal)

RUTH M. DAHLEN
Notary Public, Hennepin County, Minnesota.
My Commission expires

RUTH M. DAHLEN
Notary Public, Hennepin County, Minn.
My Commission Expires April 24, 1942.

STATE OF WISCONSIN)
)ss
Department of State)

Received this 25th day of March A.D. 1940 at 10:15 o'clock A.M. and recorded in Vol. 34 of Railroad Mortgages on page 384.

R. W. DIXON
Assistant Secretary of State

GREAT NORTHERN RAILWAY COMPANY

A S S I G N M E N T
of
CONDITIONAL SALE AGREEMENT, DATED JANUARY 4, 1940

From

BETHLEHEM STEEL COMPANY
To
THE FIRST NATIONAL BANK OF SAINT PAUL

DATED APRIL 17, 1940

AGREEMENT, dated April 17, 1940, between BETHLEHEM STEEL COMPANY, a corporation duly organized and existing under the laws of the State of Delaware, hereinafter referred to as the "Manufacturer," party of the first part, and THE FIRST NATIONAL BANK OF SAINT PAUL, a national banking association duly organized and existing under the laws of the United States, hereinafter referred to as the "Bank," party of the second part:

WHEREAS, the Manufacturer and Great Northern Railway Company, hereinafter referred to as the "Railroad," have entered into a Conditional Sale Agreement, dated January 4, 1940, covering seven hundred fifty (750) all steel ore cars of seventy-five (75) tons capacity each (hereinafter referred to as "equipment") all as more particularly described therein for the aggregate price of Two Million, Seventy Five Thousand, One Hundred Eighty Two and 50/100 Dollars ($2,075,182.50), payable in installments, with interest as therein provided; NOW THEREFORE

KNOW ALL MEN BY THESE PRESENTS, that in consideration of the sum of One Million, Eight Hundred Sixty Seven Thousand, Six Hundred Sixty Four and 25/100 Dollars ($1,867,664.25) plus accrued interest paid by the Bank to the Manufacturer after completion of the delivery of said railroad equipment to and the acceptance thereof by the Railroad and at or before the ensealing and delivery hereof, the receipt of which from the Bank the Manufacturer hereby acknowledges, and of the mutual covenants herein contained, the parties hereto do hereby covenant and agree as follows, to-wit:

1. The Manufacturer hereby sells, assigns, transfers and sets over unto the Bank all the right, title and interest of the Manufacturer in and to the said equipment, together with all the rights in respect thereof set forth in the above mentioned Conditional Sale Agreement as applying to the " Seller " thereunder as therein defined, without any recourse, however, against the Manufacturer for or on account of the failure of the Railroad to make any of the payments provided for in, or otherwise to comply with any of the provisions of, the said Conditional Sale Agreement; provided, however, that this assignment shall not pass, or in any way affect or modify the liability of the Manufacturer, or of any successor or successors to its manufacturing property and business, in respect of its obligation to manufacture and deliver the said railroad equipment, and its guaranty obligations, it being understood and agreed that notwithstanding this assignment all obligations of the Manufacturer to the Railroad in respect of the said equipment and its manufacture and delivery shall be and remain enforceable by the Railroad, its successors and assigns, against and only against the Manufacturer, and any successors or successors to all or substantially all of its property and business, as in said Conditional Sale Agreement provided, Without hereby limiting the generality of the foregoing assignment and transfer the Manufacturer hereby authorizes and empowers the Bank to sue for, collect, receive and enforce, in the name of and as attorney, hereby irrevocably constituted, for the Manufacturer but at the expense and liability and for the sole benefit of the Bank

(against which expense and liability the Bank agrees to hold harmless and to indemnify the Manufacturer), with full powers to substitute any one or more persons with like power, or in the name of the Bank, all sums payable and all action to be taken by the Railroad under said Conditional Sale Agreement in respect of the equipment described therein.

2. The Manufacturer covenants and agrees with the Bank that the Manufacturer is the lawful owner of the said equipment and rights under said Conditional Sale Agreement sold, assigned, transferred and set over, or intended to be sold, assigned, transferred and set over, to the Bank by this Agreement; that the same are free from all liens or encumbrances; that the Manufacturer has good and lawful right to sell the same as aforesaid; and that the Manufacturer will warrant and defend the same against the demands of all persons whomsoever based on claims originating prior to the delivery of the said equipment by the Manufacturer to the Railroad and/or prior to the execution and delivery of this assignment by the Manufacturer to the Bank; all subject, however, to the provisions of the aforesaid Conditional Sale Agreement, and the rights of the Railroad thereunder.

3. The Manufacturer covenants and agrees with the Bank that, in any suit or action brought by the Bank under said Conditional Sale Agreement for any installment of the purchase price, the Manufacturer will save, indemnify and keep harmless the Bank from and against all expense, loss or damage suffered by reason of any defense, set-off or counterclaim of the Railroad arising out of a breach by the Manufacturer of any of the Manufacturer's obligations respecting any of said equipment, its manufacture and delivery, under the terms and conditions of said Conditional Sale Agreement, provided that the Manufacturer is given due notice of such defense, set-off or counterclaim, and reasonable opportunity to defend against the same. The Manufacturer agrees to save, indemnify and keep harmless the Bank from and against any and all royalties, damages, claims, suits, judgements and costs that may arise from the use of any patented article, except with regard to any appliances, devices or materials specified by the Railroad and not manufactured by the Manufacturer, as to which the Railroad is to save, indemnify and keep harmless the Bank and the Manufacturer from and against any and all royalties, claims, judgments and costs that may arise from the use of any such article that may be patented.

4. The Manufacturer warrants that at the time of the delivery of said equipment to the Railroad, it delivered to the Railroad metal plates, for ready attachment on both sides of each unit of said equipment, plainly and conspicuously marked as follows:

" The First National Bank of Saint Paul, Owner by assignment from BETHLEHEM STEEL COMPANY, Manufacturer and Prior Owner. "

5. All rights and obligations hereunder shall be governed by the laws of the State of Minnesota.

This Agreement may be simultaneosuly executed in two (2) or more counterparts, each of which so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same instrument, which shall be sufficiently evidenced for all purposes by any such original counterpart.

IN WITNESS WHEREOF the parties hereto, pursuant to due corporate authority, have caused this Agreement to be executed in their respective corporate names by their respective officers thereunto duly authorized, and their respective corporate seals to be hereunto affixed, duly attested, as of the day and year first above written.

BETHLEHEM STEEL COMPANY,

By Quincy Bent

Vice President (SEAL)

Attest:

W. H. Johnstone

Assistant Secretary

Signed, sealed and delivered as to Bethlehem Steel Company, in the presence of

W. R. Foy, Jr.

Everett Lent

Witnesses

THE FIRST NATIONAL BANK OF SAINT PAUL,

By N. P. Delander

Vice President

Attest :

A. W. Mc Nee (SEAL)

Cashier

Signed, sealed and delivered as to The First National Bank of Saint Paul in the presence of

A. L. Peters

P. C. Faundart (?)

Witnesses

STATE OF PENNSYLVANIA)
) ss.
COUNTY OF NORTHAMPTON)

I, Margaret C. Foley, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 17 th day of April, A.D. 1940, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to Bethlehem Steel Company, to the within and foregoing instrument, Quincy Bent and W.H. Johnstone, each to me personally known and known to me to be respectively a Vice-President and an Assistant Secretary of Bethlehem Steel Company, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Assistant Secretary respectively in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said Quincy Bent and W. H. Johnstone, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said Quincy Bent resides in the City of Bethlehem and State of Pennsylvania, and W. H. Johnstone resides in the City of Friendensville and State of Pennsylvania; that said Quincy Bent is a Vice President and said W. H. Johnstone is an Assistant Secretary of Bethlehem Steel Company, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said Vice President and Assistant Secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Assistant Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed by official seal as such notary public, in the said county of Northampton, State of Pennsylvania, this the day and year in this my certificate first above written.

(Notarial)
(Seal)

MARGARET C. FOLEY
Notary Public, Northampton County.

My commission expires End of next Senate

State of Pennsylvania,)
)
County of Northampton,)

(SEAL) I, A. THURMAN SCHLABACH, Prothonotary of said County, and Clerk of the Court of Common Pleas , in and for said County, do hereby certify, that the said Court is a Court of Record. That Margaret C. Foley Esq., whose name is subscribed to the certificate or proof of acknowledgment of the annexed instrument, was at the time of taking the same a NOTARY PUBLIC in and for said County and a resident of said County, duly commissioned and sworn, and qualified to act as such; that as such NOTARY PUBLIC he was at the time of taking such acknowledgement duly authorized by the laws of the State of Pennsylvania, to take acknowledgments and proofs of deeds and conveyances for lands, tenements or hereditaments in the State of Pennsylvania, that I am well acquainted with the handwriting of said NOTARY PUBLIC and verily believe that this signature to the same is genuine.

That his commission dated December 15, 1939, and will expire End of Next Senate .

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said office at Easton, this 17th day of April A.D. 1940.

A. Thurman Schlabach Prothonotary

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

I, E. D. Dufva, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 19 day of April, A.D. 1940, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to The First National Bank of Saint Paul to the within and foregoing instrument N. P. Delander and A. W. Mc Nee, each to me personally known and known to me to be respectively vice President and _____ Cashier of The First National Bank of Saint Paul, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such vice President and _____ Cashier, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said N. P. Delander and A. W. Mc Nee, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said N. P. Delander resides in the City of St. Paul, in the County of Ramsey, and State of Minnesota, and that the said A. W. Mc Nee resides in the City of St. Paul, in the County of Ramsey, and State of Minnesota; that said N. P. Delander is Vice President and said A. W. Mc Nee is _____ Cashier of The First National Bank of Saint Paul, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said Vice President and _____ Cashier, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and _____ Cashier in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said County of Ramsey, State of Minnesota, this the day and year in this my certificate first above written.

E. D. Dufva

Notary Public, Ramsey County.

My commission expires _____(SEAL)

E. D. Dufva,
Notary Public, Ramsey County, Minn.
My commission expires June 19, 1941.

STATE OF WISCONSIN)
) SS
Department of State)

Received this 25th day of April, A. D. 1940 at 11:00 o'clock A. M. and recorded in Vol. 34 of Railroad Mortgages on pages 385-388, incl.

R. W. DIXON
Assistant Secretary of State

GREAT NORTHERN RAILWAY COMPANY

A S S I G N M E N T
(Covering Conditional Sale Agreement, dated December 14, 1939)

From

PRESSED STEEL CAR COMPANY, INC.

To

THE FIRST NATIONAL BANK OF SAINT PAUL

DATED, APRIL 25, 1940.

- - - - - - - - - - -

AGREEMENT, dated April 25, 1940, between PRESSED STEEL CAR COMPANY, INC., a corporation duly organized and existing under the laws of the State of Pennsylvania, hereinafter referred to as the "Manufacturer," party of the first part, and THE FIRST NATIONAL BANK OF SAINT PAUL, a national banking association duly organized and existing under the laws of the United States, hereinafter referred to as the "Bank," party of the second part:

WHEREAS, the Manufacturer and Great Northern Railway Company, hereinafter referred to as the " Railroad", have entered into a Conditional Sale Agreement, dated December 14, 1939, covering seven hundred fifty (750) all steel ore cars of seventy-five (75) tons capacity each (hereinafter referred to as "equipment") all as more particularly described therein for the aggregate price of Two Million, Seventy Eight Thousand, Three Hundred Seventy Seven and 50/100 Dollars ($2,078,377.50), payable in installments, with interest as therein provided; NOW THEREFORE

KNOW ALL MEN BY THESE PRESENTS, that in consideration of the sum of One Million, Eight Hundred Seventy Thousand, Five Hundred Thirty Nine and 75/100 Dollars ($1,870,539.75) plus accrued interest paid by the Bank to the Manufacturer after completion of the delivery of said railroad equipment to and the acceptance thereof by the Railroad and at or before the ensealing and delivery hereof, the receipt of which from the Bank the Manufacturer hereby acknowledges, and of the mutual covenants herein contained, the parties hereto do hereby covenant and agree as follows, to-wit:

1. The Manufacturer hereby sells, assigns, transfers and sets over unto the Bank all the right, title and interest of the Manufacturer in and to the said equipment, together with all the rights in respect thereof set forth in the above mentioned Conditional Sale Agreement as applying to the "Seller" thereunder as therein defined, without any recourse, however, against the Manufacturer for on account of the failure of the Railroad to make any of the payments provided for in, or otherwise to comply with any of the provisions of, the said Conditional Sale Agreement; provided, however, that this assignment shall not pass, or in any way affect or modify the liability of the Manufacturer, or of any successor or successors to its manufacturing property and business, in respect of its obligation to manufacture and deliver the said railroad equipment, and its guaranty obligations, it being understood and agreed that notwithstanding this assignment all obligations of the Manufacturer to the Railroad in respect of the said equipment and its manufacture and delivery shall be and remain enforceable by the Railroad, its successors and assigns, against and only against the Manufacturer, and any successor successors to all or substantially all of its property and business, as in said Conditional Sale Agreement provided. Without hereby limiting the generality of the foregoing assignment and transfer the Manufacturer hereby authorizes and empowers the Bank to sue for, collect, receive and enforce, in the name of and as attorney, hereby irrevocably

constituted, for the Manufacturer but at the expense and liability and for the sole benefit of the Bank(against which expense and liability the Bank agrees to hold harmless and to indemnify the Manufacturer), with full power and to substitute any one or more persons with like power, or in the name of the Bank, all sums payable and all action to be taken by the Railroad under said Conditional Sale Agreement in respect of the equipment described therein.

2. The Manufacturer covenants and agrees with the Bank that the Manufacturer is the lawful owner of the said equipment and rights under said Conditional Sale Agreement sold, assigned, transferred and set over, or intended to be sold, assigned, transferred and set over, to the Bank by this Agreement; that the same are free from all liens or encumbrances; that the Manufacturer has good and lawful right to sell the same as aforesaid; and that the Manufacturer will warrant and defend the same against the demands of all persons whomsoever based on claims originating prior to the delivery of the said equipment by the Manufacturer to the Railroad and/or prior to the execution and delivery of this assignment by the Manufacturer to the Bank; all subject, however, to the provisions of the aforesaid Conditional Sale Agreement, and the rights of the Railroad thereunder.

3. The Manufacturer covenants and agrees with the Bank that, in any suit or action brought by the Bank under said Conditional Sale Agreement for any installment of the purchase price, the Manufacturer will save, indemnify and keep harmless the Bank from and against all expense, loss or damage suffered by reason of any defense, set-off or counterclaim of the Railroad arising out of a breach by the Manufacturer of any of the Manufacturer's obligations respecting any of said equipment, its manufacture and delivery, under the terms and conditions of said Conditional Sale Agreement, provided that the Manufacturer is given due notice of such defense, set-off or counterclaim, and reasonable opportunity to defend against the same. The Manufacturer agrees to save, indemnify and keep harmless the Bank from and against any and all royalties, damages, claims, suits, judgments and costs that may arise from the use of any patented article, except with regard to any appliances, devices or materials specified by the Railroad and not manufactured by the Manufacturer.

4. The Manufacturer warrants that at the time of the delivery of said Equipment to the Railroad, it delivered to the Railroad metal plates, for ready attachment on both sides of each unit of said equipment, plainly and conspicuously marked a s follows:

" The First National Bank of Saint Paul, Owner by assignment from Pressed Steel Car Company, Inc., Manufacturer and Prior Owner. "

5. All rights and obligations hereunder shall be governed by the laws of the State of Minnesota.

This Agreement may be simultaneously executed in two(2) or more counterparts, each of which so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same instrument, which shall be sufficiently evidenced for all purposes by any such original counterpart.

IN WITNESS WHEREOF the parties hereto, pursuant to due corporate authority, have caused this Agreement to be executed in their respective corporate names by their respective officers thereunto duly authorized, and their respective corporate seals to be hereunto affixed, duly attested, as of the day and year first above written.

(SEAL)

PRESSED STEEL CAR COMPANY, INC.,

By Geo. H. Fleming
Vice President

ATTEST:

H. J. Gearhart
Secretary

Signed, sealed and delivered as to Pressed Steel Car Company, Inc., in the presence of

C. P. Mapp (?)

J. J. Arnold
Witnesses

THE FIRST NATIONAL BANK OF SAINT PAUL,

By N. P. Delander
Vice President

(SEAL)

ATTEST:

A. L. Peters
Asst. Cashier

Signed, sealed and delivered as to The First National Bank of Saint Paul in the presence of

Walter A. Younghans

Mary A. Hustin
Witnesses

STATE OF PENNSYLVANIA,)
) ss.
COUNTY OF ALLEGHENY,)

I, F. D. Evans, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 25 th day of April, A.D. 1940, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to ~~me~~ Pressed Steel Car Company, Inc., to the within and foregoing instrument Geo. H. Fleming and H. J. Gearhart, each to me personally known and known to me to be ~~respectively~~ Vice President and Secretary of Pressed Steel Car Company,Inc., one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Secretary respectively in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said Geo. H. Fleming and H. J. Gearhart, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said Geo. H. Fleming resides in the City of Pittsburgh and State of Pennsylvania, and H. J. Gearhart resides in the City of Pittsburgh and State of Pennsylvania; that said Geo. H. Fleming is Vice President and said H. J. Gearhart is Secretary of Pressed Steel Car Company, Inc., one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said Vice President and Secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public in the said county of Allegheny, State of Pennsylvania, this the day and year in this my certificate first above written.

(SEAL)

F. D. Evans
Notary Public, Allegheny County.

~~My commission expires~~ F.D. Evans, Notary Public
My Commission Expires
March 1, 1941

STATE OF MINNESOTA,)
) ss.
COUNTY OF RAMSEY,)

I, F. W. Manke, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 29th day of April, A.D. 1940, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such as to The First National Bank of Saint Paul to the within and foregoing instruments, N. P. Delander and A. L. Peters, each to me personally known and known to me to be respectively Vice President and Asst. Cashier of The First National Bank of Saint Paul, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice Presi-

dent and Asst. Cashier, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said N. P. Delander and A. L. Peters, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said N. P. Delander resides in the City of St. Paul, in the County of Ramsey, and State of Minnesota, and that the said A. L. Peters resides in the City of St. Paul, in the County of Ramsey, and State of Minnesota; that said N. P. Delander is Vice President and said A. L. Peters is Asst. Cashier of The First National Bank of Saint Paul, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said Vice President and Asst. Cashier, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporations, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Asst. Cashier in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said County of Ramsey, State of Minnesota, this the day and year in this my certificate first above written.

F. W. Manke

(SEAL)

NotaryPublic, Ramsey County.
F. W. Manke,
Notary Public, Ramsey County, Minn.
My commission expires Sept. 6th, 1941.

~~My commission expires~~

STATE OF WISCONSIN)
) ss.
DEPARTMENT OF STATE)

Received this 2nd day of May A.D. 1940 at 9:00 o'clock A.M. and recorded in Vol. 34 of Railroad Mortgages on pages 389-392 incl.

R. W. Dixon
Assistant Secretary of State

DEED TO CERTAIN LAND IN SHAWANO COUNTY

STATE OF WISCONSIN

TO

CHICAGO & NORTHWESTERN RAILWAY COMPANY

UNITED STATES OF AMERICA

THE STATE OF WISCONSIN

Julius P. Heil, Governor

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETING:

WHEREAS, By an act of Congress of the United States approved June 3rd 1856, entitled "An Act granting public lands to the State of Wisconsin to aid in the construction of railroads in said State," certain lands were granted to the State of Wisconsin to aid in the construction of railroads; and

WHEREAS, By an act of the Legislature of the State of Wisconsin approved October 8, 1856, an act to accept the grant and execute the trust conferred upon the State of Wisconsin by an act of Congress entitled "An act granting public lands to the State of Wisconsin to aid in the construction of railroads in said state said grant was accepted upon the terms, conditions and restrictions, contained in said Act of Congress, and the trust created by the said act of Congress was assumed and undertaken by said State of Wisconsin; and

WHEREAS, by an Act of the Legislature of the State of Wisconsin approved October 11, 1856, entitled "An Act to execute the trust created by an Act of Congress entitled "AN act granting public lands to the State of Wisconsin, to aid in the construction of railroads in said state," approved June 3rd, 1856, by incorporating the Wisconsin and Superior Railroad Company, and granting a portion of said lands thereto," it was enacted that the said Wisconsin and Superior Railroad Company be entitled to and invested with all and singular the rights, privileges and immunities granted or conferred by the said Act of Congress, approved June 3rd A. D. 1856, to the extent of the whole of the lands granted by said Act of /of/ Congress, for the purpose of aiding in the construction of a railroad from Fond du Lac on Lake Winnebago northerly to the state line, under certain conditions therein contained; and

WHEREAS, said Wisconsin and Superior Railroad Company was consolidated with the Chicago, St. Paul and Fond du Lac Railroad Company, under and by the name of the Chicago, St. Paul and Fond du Lac Railroad Company, pursuant to the provisions of an Act of the Legislature of the State of Wisconsin, approved February 12, 1857, entitled "An Act to authorize the Chicago, St. Paul and Fond du Lac Railroad Company and the Wisconsin and Superior Railroad Company to consolidate"; and

WHEREAS, it was in said last named act enacted that the said consolidated company shall be entitled to and invested with the title and ownership of all the lands, and all and singular the rights, privileges and immunities granted or conferred by the said Act of Congress, approved June 3, A.D. 1856 to the extent of the whole of the lands granted by said Act of Congress for the purpose of aiding in the construction of a railroad from Fond du Lac on Lake Winnebago, northerly to the state line, as fully and completely as the said Wisconsin and Superior Railroad Company is by its charter entitled to and invested with the same; and

WHEREAS, By an act of the Legislature of the State of Wisconsin approved March 14, 1859, entitled "An Act to facilitate and authenticate the formation of a corporation

by the purchasers of the Chicago, St. Paul and Fond du Lac Railroad Company; it was enacted that in case the railroad of the Chicago, St. Paul and Fond du Lac Railroad Company, or any part of the said railroad lying within this state shall be sold by virtue of any mortgage or mortgages, or deed or deeds, of trust either by foreclosure or other proceedings in law or equity, or by advertisement in pursuance of a power or authority in any such mortgage or deed of trust contained, the purchaser or purchasers in any such case, his or their associates, successors or assigns, if desiring to form a corporation under or by virtue of the laws of this state or the states of Illinois, or Michigan, or any or all of said states, may file in the office of the Secretary of State of this State, a certificate specifying the name of the said corporation, the number of the Directors, and the names of the Directors for the first year as designated in the said certificate or as elected by the said purchaser or purchasers, their successors or assigns, and upon the filing of any such certificate the persons who shall have signed the same shall be a body politic and corporate by the name stated in such certificate, and the said corporation shall possess all the privileges, powers, authorities and capacities acquired by the said purchaser or purchasers or possessed by the Chicago, St. Paul and Fond du Lac Railroad Company by virtue of any law of this state or of the states of Illinois or Michigan; and

WHEREAS, All and singular the rights, franchises and property of the said Chicago, St. Paul and Fond du Lac Railroad Company were sold under foreclosure on the 2nd day of June A.D. 1859, and the purchasers thereof, pursuant to the provisions of the said last named act, did on the 6th day of June, A.D. 1859, make the certificate of said Act required under and by the name of the Chicago and North Western Railway Company, and the same was duly filed and said last named company did become entitled to and invested with all and singular the lands granted or intended to be granted by the said Act of Congress approved June 3, 1856, to the extent of the whole of the lands granted by said Act of Congress for the purpose of aiding the construction of a railroad from Fond du Lac, on Lake Winnebago, northerly to the state line; and

WHEREAS, the Congress of the United States did by Joint Resolution approved April 25, 1862 entitled "A resolution explanatory of and in addition to the act of June 3, 1856, granting public lands to the State of Wisconsin, to aid in the construction of railroads in said State," provided, that the word "northerly" in the first section of the act entitled "An act granting public lands to the State of Wisconsin to aid in the construction of railroads in said state, approved June 3, 1856, shall without forfeiture to said state or its assigns or any rights or benefits under said Act, or exemption from any of the conditions or obligations imposed thereby, be construed to authorize the location of the line of railroad in said first section provided for, upon any eligible route within Ranges sixteen to twenty-three inclusive, east of the fourth principal meridian, and the line of railroad as now located according to the records of the General Land Office in pursuance of said act is hereby authorized to be changed to within the above specified limits and that upon the construction of said railroad upon the new line, or of a sufficient part thereof, according to the terms of said act, the State of Wisconsin, its grantee's or assigns, shall receive upon the route originally located, and in the manner prescribed by the act, the same quantity of lands and no more or other, except as hereinafter provided for, as it or they would have received if such railroad had been constructed upon the line originally located; and

WHEREAS, by An Act of Congress Approved March 3, 1865, entitled "An act to extend

the time for the completion of certain railroads to which land grants have been made in the State of Michigan and Wisconsin," the time for the completion of the railroads from Fond du Lac to the Wisconsin State line, at or near the mouth of the Menomonie River was extended to June 3, A.D. 1871; and

WHEREAS, by Joint resolution of Congress approved March 20, 1868, it was provided that if the projected line of railway from the City of Fond du Lac in the state of Wisconsin, northerly to Escanaba, in the State of Michigan, shall be fully completed in the manner required by law on or before the 31st day of December A.D. 1872, then the failure to comply with certain conditions of said act of Congress approved March 3, A.D. 1865, shall not cause any forfeiture or reversion to the United States of any lands granted to the States of Michigan and Wisconsin or either of them to aid in the construction of the railroads therein described; and

WHEREAS, by an Act of Congress entitled "An act making appropriations for sundry civil expenses of the government for the year ending June 30, 1870, and for other purposes" approved March 3, 1869, it was enacted that such construction shall be given to the Joint Resolution number thirty, approved 25th of April, 1862, as shall not abridge the grant under the Act of June 3, 1856, for a railroad from Fond du Lac, northerly to the state line, and the Chicago and North Western Railroad Company may select their lands along the full extent of the original route of said road as filed under the said act; and

WHEREAS, the Legislature of the State of Wisconsin, by an act entitled "An Act to protect purchasers of railroad land grant lands in this state", approved March 11th, 1876, did enact that whenever any railroad company or railway company, in this state holding grants of lands to aid in the construction of its railroad have or shall have finished and put in running order its said railroad, and the same shall have been certified to the Secretary of the Interior of the United States, by the Governor of this State, as completed in compliance with the several acts and resolutions of the Congress of the United States and the act or acts of the Legislature of this state, granting said lands for the construction of said railroad, and lists of said lands so granted, or of any portion thereof, have been certified by the Secretary of the Interior of the United States to this state for said company or its predecessor, by and under which the right to have said lands may have been acquired by said company, the Governor of this state, acting in the name of and for the state, is hereby authorized and directed to convey said lands so certified by deed or deeds in the usual form, to said company or its assigns; and

WHEREAS, the said Chicago and North Western Railway Company did fully complete according to law, and within the time limited and determined by said several acts and resolutions of the Congress of the United States and of the Legislature of the State of Wisconsin all of the said line of railway from the said city of Fond du Lac in the State of Wisconsin to the northerly line of said state near the mouth of the Menominee River, and the completion of said railway was from time to time duly certified to the Secretary of the Interior of the United States by the governors of this state, and lists of said lands so granted have been certified by the Secretary of the Interior of the United States to this state for said company and said company has become entitled to receive patents from the State of Wisconsin of the lands hereinafter described, being a part of the lands so granted by the United States to the said state of Wisconsin to aid in the construction of said line of railway;

NOW THEREFORE KNOW YE, that the State of Wisconsin in consideration of the premises and in pursuance of the several acts of Congress and of the Legislature of said state, has given and granted, and by these presents do hereby give, grant and convey unto the Chicago and Northwestern Railway Company, aforesaid and to its successors and assigns all and singular the following described lands, to-wit:

The South East quarter of the North West quarter of Section Thirty-three (33), Township Twenty-six (26) North, Range Fifteen (15), East of the fourth principal meridian, Wisconsin, containing Forty (40) acres.

To have and to hold the same together with all the rights, privileges, and appurtenances thereunto belonging, or in any wise appertaining unto the said Chicago and North Western Railway Company, its successors and assigns forever.

IN TESTIMONY WHEREOF, I have caused these letters to be made patent, and hereunto set my hand and caused the Great Seal of the State of Wisconsin to be affixed. Done at the Capitol in the City of Madison, this seventh day of March, in the year of our Lord, one thousand nine hundred and forty.

(SEAL)

Julius P. Heil
Governor

By the Governor:

Fred R. Zimmerman
Secretary of State

STATE OF WISCONSIN
Department of State ss
Received this 30th day of March A.D. 1940 at 9:00 o'clock A. M. and recorded in Vol. 34 of Railroad Mortgages on pages 393-396, incl.
R. W. Dixon
Assistant Secretary of State

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Counterpart # 7

ASSIGNMENT AGREEMENT

BETWEEN

THE BALDWIN LOCOMOTIVE WORKS

AND

THE FIRST NATIONAL BANK OF CHICAGO

ASSIGNMENT AGREEMENT

THIS AGREEMENT, dated May 21, 1940, between THE BALDWIN LOCOMOTIVE WORKS, a corporation duly organized and existing under the laws of the State of Pennsylvania, with its principal office and place of business in the Borough of Eddystone, Penna., (hereinafter referred to as the "Manufacturer"), and THE FIRST NATIONAL BANK OF CHICAGO, a national banking association duly organized and existing under the laws of the United States of America with its principal office and place of business in the City of Chicago, Illinois, (hereinafter referred to as the "Bank"),

WITNESSETH THAT:

WHEREAS, the Manufacturer and HENRY A. SCANDRETT, WALTER J. CUMMINGS and GEORGE I. HAIGHT, as Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, (hereinafter referred to as the "Buyers"), entered into a Conditional Sale Agreement dated as of March 1, 1940, duly filed and/or recorded as required by law prior to the execution of this Agreement, covering the following railroad equipment (hereinafter sometimes referred to as the "Equipment"):

One (1) new, 100-ton, 660-horsepower Diesel switching locomotive, bearing Seller's No. 62,393, and Buyers' No. 1649, as described and warranted by Seller's specification No. 40-DE-1, and Seller's proposal dated February 14, 1940, copy of which specification and proposal have been furnished to the Buyers and reference to which is hereby expressly made,

all as more particularly described in said Conditional Sale Agreement for the aggregate price of Sixty-one Thousand Five Hundred Dollars ($61,500.00), payable in installments and with interest as therein provided;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS that in consideration of the sum of Sixty-one Thousand Five Hundred Dollars ($61,500.00) paid by the Bank to the Manufacturer after completion of the delivery of said Equipment to and the acceptance of the same by the Buyers, and prior to or simultaneous with the ensealing and delivery hereof, the receipt of which sum so paid by the Bank the Manufacturer does hereby acknowledge, and in further consideration of the mutual covenants herein contained, the parties hereto do hereby covenant and agree as follows, to-wit:

1. The Manufacturer hereby sells, assigns, transfers and sets over unto the Bank all of the right, title, and interest of the Manufacturer in and to the said Equipment, together with all the rights in respect thereof set forth in the above mentioned Conditional Sale Agreement as applying to the "Seller" thereunder as therein defined, without any recourse, however, against the Manufacturer for or on account of the failure of the Buyers to make any of the payments provided for in, or otherwise to comply with any of the provisions of, the said Conditional Sale Agreement; provided, however, that this assignment shall not pass, assign, set over, or transfer to the Bank, or in any way affect or modify, the liability of the Manufacturer, or of any successor or successors to its manufacturing property and business, in respect of its guaranty or warranty obligations; it being understood and agreed that notwithstanding this assignment all said

obligations of the Manufacturer to the Buyers in respect of the said Equipment shall be and remain enforceable by the Buyers, their successors, and assigns, against and only against the Manufacturer, and any successor or successors to all or substantially all of its property and business, as in said Conditional Sale Agreement provided. Without hereby limiting the generality of the foregoing assignment and transfer, the Manufacturer hereby authorizes and empowers the Bank to sue for, collect, receive and enforce, in the name of and as attorney, hereby irrevocably constituted, for the Manufacturer but at the expense and liability and for the sole benefit of the Bank (against which expense and liability the Bank agrees to hold harmless and to indemnify the Manufacturer), with full power to substitute any one or more persons with like power, or in the name of the Bank, all sums payable and all action to be taken by the Buyers under said Conditional Sale Agreement in respect of the Equipment described therein.

2. The Manufacturer represents, covenants and agrees with the Bank that the Manufacturer is the lawful owner of the said Equipment and rights under said Conditional Sale Agreement sold, assigned, transferred and set over, or intended to be sold, assigned, transferred and set over, to the Bank by this Agreement; that the same are free from all liens or encumbrances; that the Manufacturer has good and lawful right to sell the same as aforesaid; and that the Manufacturer will warrant and defend the same against the lawful demands of all persons whomsoever based on claims originating prior to the execution and delivery of this assignment by the Manufacturer to the Bank; all subject, however, to the provisions of the aforesaid Conditional Sale Agreement, and the rights of the Buyers thereunder.

3. The Manufacturer covenants and agrees with the Bank that, in any suit or action brought by the Bank for the recovery of any sum or sums provided for in said Conditional Sale Agreement, to be paid by the Buyers, the Manufacturer will save, indemnify and keep harmless the Bank from and against all expense, loss or damage suffered by reason of any defense, set-off or counterclaim of the Buyers arising out of a breach by the Manufacturer of any of the Manufacturer's obligations respecting any of said Equipment under the terms and conditions of said Conditional Sale Agreement. The Manufacturer agrees to save, indemnify and keep harmless the Bank from and against any and all royalties, damages, claims, suits, judgments, and costs that may arise from the use of any patented article, except with regard to any appliances, devices or materials specified by the Buyers and not manufactured by the Manufacturer.

4. The Manufacturer warrants that at the time of the delivery of said Equipment to the Buyers, it delivered to the Buyers metal plates, for ready attachment on both sides of each unit of said equipment, plainly and conspicuously marked as follows:

"The First National Bank of Chicago, Owner by assignment from The Baldwin Locomotive Works, Manufacturer and Prior Owner."

5. All rights and obligations hereunder shall be governed by the laws of the State of Illinois.

This agreement may be simultaneously executed in two (2) or more counterparts, each of which, so executed, shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same instrument, which shall be sufficiently evidenced for all purposes by any such original counterpart.

IN WITNESS WHEREOF, the Parties hereto, pursuant to due corporate authority, have caused this Agreement to be executed in their respective corporate names by their respective officers thereunto duly authorized, and their respective corporate seals to be hereunto affixed, duly attested, as of the day, month and year first above written.

THE BALDWIN LOCOMOTIVE WORKS,

(CORPORATE SEAL)

By: /s/ William H. Harman
Vice-President.

ATTEST:

/s/ Charles E. Acker
Secretary.

Signed, sealed and delivered by The Baldwin Locomotive Works in the presence of:

/s/ Harry T. Gordon

/s/ Mary H. Joyce
Attesting Witnesses.

THE FIRST NATIONAL BANK OF CHICAGO,

(CORPORATE SEAL)

By: /s/ J. L. Buchanan
Vice-President.

ATTEST:

/s/ Ellerton A. Lodge
Assistant Cashier.

Signed, sealed and delivered by The First National Bank of Chicago in the presence of:

/s/ W (?) S. Weaver

/s/ Agnes J. Galvin
Attesting Witnesses.

STATE OF Pennsylvania)
COUNTY OF Delaware) SS.

I, William Friedman, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements, and hereditaments in said County, DO HEREBY CERTIFY that on the 21st day of May, 1940, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named William H. Harman and Charles E. Acker, to me personally known and known to me to be, respectively, the Vice President and Secretary of The Baldwin Locomotive Works, the corporation described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Secretary, respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and said William H. Harman and Charles E. Acker, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that said William H. Harman resides in Merion, in the State of Pennsylvania, and that said Charles E. Acker resides in Wallingford, in the State of Pennsylvania; that said William H. Harman is Vice President and said Charles E. Acker is Secretary of The Baldwin Locomotive Works, the corporation described in and which executed the within and foregoing instrument in writing; that they, said William H. Harman, and said Charles E. Acker, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto by authority of the Board of Directors of said corporation; that they and each of them signed their names to, and executed the foregoing instrument in their respective capacities as Vice President and Secretary in behalf of said corporation by like authority; that they signed, sealed with the corporate seal, executed, and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said Corporation for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Delaware, State of Pennsylvania, this, the day and year in this my certificate first above written.

My commission as such Notary Public expires August 2, 1942.

/s/ William Friedman

(NOTARIAL SEAL)

Notary Public in and for the State of Pennsylvania, County of Delaware.

In the Courts of Common Pleas of Delaware County

State of Pennsylvania)
County of Delaware, SS)

I, R. J. MacBride, Prothonotary of the Courts of Common Pleas of said County, which are Courts of Record having a common seal, being the officer authorized by the laws of the State of Pennsylvania to make the following certificate, do Certify, That William Friedman Esquire before whom the annexed affidavit or acknowledgement was made, was at the time of so doing a NOTARY PUBLIC for the Commonwealth of Pennsylvania, residing in the County aforesaid, duly commissioned and qualified to administer oaths and affirmations and to take acknowledgements and Proofs of Deeds or conveyances for lands, tenements and hereditaments to be recorded in said State of Pennsylvania, and to all whose acts, as such, full faith and credit are and ought to be given, as well in Courts of Judicature as elsewhere; and that I am well acquainted with the handwriting of the said NOTARY PUBLIC William Friedman and verily believe the signature thereto is genuine, and that said oath or affirmation, purports to be taken in all respects as required by the laws of the State of Pennsylvania.

The impression of the seal of the Notary Public is not required by law to be filed in this office.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court, this 22nd day of May in the year of our Lord one thousand nine hundred forty.

R. J. MacBride, Prothonotary.

(SEAL)

By /s/ John R. Gibb Deputy Prothonotary.

STATE OF ILLINOIS)
COUNTY OF COOK) SS.

I, Jessie Hart, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements, and hereditaments in said County, DO HEREBY CERTIFY that on the 29th day of May, 1940, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named J. L. Buchanan and Ellerton A. Lodge, to me personally known and known to me to be, respectively, the Vice-President and Assistant Cashier of THE FIRST NATIONAL BANK OF CHICAGO, a national banking association described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice-President and Assistant Cashier, respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and said J. L. Buchanan and Ellerton A. Lodge, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that said J. L. Buchanan resides in Chicago, in the State of Illinois, and that said Ellerton A. Lodge resides in Chicago, in the State of Illinois; that said J. L. Buchanan, is Vice-President, and said Ellerton A. Lodge is Assistant Cashier of THE FIRST NATIONAL BANK OF CHICAGO, the national banking association described in and which executed the within and foregoing instrument in writing; that they, said J. L. Buchanan, Vice-President, and Ellerton A. Lodge, Assistant Cashier, know the corporate seal of said national banking association; that the seal affixed to said instrument as the seal of said national banking association is such corporate seal; that it was so affixed thereto by order and authority of the Board of Directors of said national banking association; that they and each of them signed their names to, and executed the foregoing instrument in their respective capacities as Vice-President and Assistant Cashier in behalf of said national banking association by like order and authority; that they signed, sealed with the corporate seal, executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said national banking association, for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said national banking association, and that said national banking association executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this, the day and year in this my certificate first above written.

My commission as such Notary Public expires Feb. 4, 1944.

(NOTARIAL SEAL)

/s/ Jessie Hart
Notary Public in and for the State of Illinois, County of Cook.

STATE OF ILLINOIS) SS.
COOK COUNTY)

I, MICHAEL J. FLYNN, County Clerk of the County of Cook, DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County, and as such officer am duly authorized to issue certificates of magistracy, that Jessie Hart whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is genuine; and, further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 1 day of June 1940.

(SEAL)

/s/ Michael J. Flynn
County Clerk

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS.

Received this 5th day of June A.D. 1940 at 11 o'clock A.M., and recorded in Vol. 34 of Railroad Mortgages on pages 397-400, inclusive.

/s/ Robert C. Zimmerman
Assistant Secretary of State

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Executed in 12 Counterparts - Counterpart No. 7

CONDITIONAL SALE AGREEMENT

Dated as of March 1, 1940

Between

THE WHITCOMB LOCOMOTIVE COMPANY

and

HENRY A. SCANDRETT, WALTER J. CUMMINGS AND GEORGE I. HAIGHT,
TRUSTEES OF THE PROPERTY OF
CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY

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THIS AGREEMENT, dated as of March 1, 1940, by and between THE WHITCOMB LOCOMOTIVE COMPANY, a corporation organized and existing under the laws of the State of Delaware, with its principal office in the Borough of Eddystone, Penna., and its manufcturing plant in the City of Rochelle, Illinois, (hereinafter sometimes called the "Seller"), as party of the first part; and HENRY A. SCANDRETT, WALTER J. CUMMINGS and "GEORGE I. HAIGHT, as Trustees of the property of CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY, appointed by order of the United States District Court for the Northern District of Illinois, Eastern Division, in a certain proceeding therein pending entitled "In the Matter of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, Debtor," Docket No. 60463, not individually but solely as such Trustees (hereinafter sometimes referred to as the "Buyers");

WITNESSETH THAT:

In consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

(1) Construction, Sale and Delivery. The Seller hereby agrees to construct, in accordance with the specifications and proposal hereinafter referred to, sell and deliver to the Buyers, and the Buyers hereby agree to buy from the Seller and to accept delivery as hereinafter provided, and to pay therefor as hereinafter set forth, the following described railroad equipment (hereinafter sometimes referred to as "Equipment"):

One (1) new, 44-ton, 360-horsepower Diesel switching locomotive bearing Seller's Number 60037, and Buyers' Number 1699, as described and warranted by Seller's specification No. 44-DE-8, dated January 30, 1940, and Seller's proposal dated February 14, 1940, copy of which specification and proposal have been furnished to the Buyers and reference to which is hereby expressly made.

The price of said 360-horsepower Diesel switching locomotive shall be the principal amount of Twenty-Seven Thousand Fifty-five dollars ($27,055.00) F. O.B. Buyers' station, Milwaukee, Wisconsin. Interest shall be paid at the rate of 2½% per annum upon unpaid balances of said principal amount and such interest shall be computed from the date of acceptance of the locomotive at Milwaukee, Wisconsin, by the Buyers. After receipt and inspection of the locomotive by the Buyers or their agents, the Buyers' Superintendent of Motive Power or his duly authorized representative, shall, if said locomotive meets said specifications, execute a certificate of acceptance. The execution of such certificate of acceptance shall be conclusive evidence the locomotive covered conforms with specifications and is acceptable to the Buyers in all details.

It is agreed by the Seller that it will accept return of said locomotive and cancel this order, without any obligation whatsoever on the part of the Buyers if said locomotive exceeds the maximum weight of 88,000 pounds on drivers with engineman in cab and locomotive in full working order with full fuel supply tank and full sand boxes.

The Seller shall deliver said locomotive, freight charges prepaid, to the Buyers at the Buyers' station in Milwaukee, Wisconsin, when said locomotive is completed and ready for shipment. The Seller agrees to assume the expense, responsibility and risk of loss

in and of the removal of the said locomotive from the Seller's plant at Rochelle, Illinois, to the place of delivery to the Buyers.

(2) Amount and Payment of Purchase Price. Conditional only upon the receipt and acceptance of said Equipment, which may be conclusively presumed from the execution of the certificate of acceptance above referred to, the Buyers hereby promise to pay to the Seller, or the assignee thereof, at the office of The First National Bank of Chicago, as the purchase price of said equipment, the following amounts:

(a) On the first day of the calendar month succeeding that in which the acceptance of the locomotive has been completed, interest on the principal purchase price of such locomotive from the date of its acceptance by the Buyers.

(b) Commencing on the first day of the second calendar month succeeding that in which the locomotive is accepted and continuing for a total of 96 consecutive monthly payments, the amount of $311.24 per month. Each of said 96 monthly payments includes both principal and interest at the rate of 2½% per annum and shall be applicable first to the interest then due and balance to principal.

The Buyers further covenant and agree to pay interest at the rate of 6% per annum upon all such amounts, principal and interest, after the same become due and payable pursuant to the terms and provisions hereof.

All payments provided for in this Agreement shall be made by the Buyers in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

The Buyers shall have the privilege of prepaying at any time, without the payment of any premium, any sum of the principal in an amount of $5,000.00 or any multiple thereof, together with interest accumulated to the date of such payment on such sum so prepaid. All such principal sums so prepaid shall be applied toward the payment of the last maturing principal installment or installments due hereunder.

(3) Title to the Equipment. The Seller shall, and hereby does, retain the full legal title to and property in, said Equipment until the Buyers shall have made all of the payments, and shall have kept and performed all of the covenants, in this Agreement provided to be made, kept or performed by the Buyers, notwithstanding the delivery of the Equipment to, and the possession and use thereof by, the Buyers as herein provided.

The Buyers covenant and agree that they will cause the Equipment to be kept numbered with the proper road number and to be kept plainly marked, on metal plates upon both sides of the Equipment covered by this Agreement, with the name of the Seller or of the Seller's assignee, as the case may be, followed by the word "Owner" or other appropriate words designated by the Seller, and the Buyers agree that they will not accept delivery of, or place said Equipment in operation or exercise any control or dominion over any part thereof until said metal plates so marked have been attached on both sides thereof.

The Buyers shall replace the Equipment or any parts, at their own cost if it or any parts of it shall be lost or destroyed from any cause whatever during the continuance of this Agreement, with other Equipment of similar type and of substantially as good material and construction as that lost or destroyed. The Buyers will cause any such new Equipment to be marked as above provided and to be numbered with the same road number as the Equipment so replaced. Any and all such replacements of Equipment and of any parts shall constitute accessions to the Equipment and shall be subject to all of the terms and conditions of the Agreement, as though part of the original Equipment delivered hereunder, and included in the word "Equipment" as used in this Agreement. Title to all such new

Equipment shall be taken initially, and shall remain, in the name of the Seller (or if this Agreement shall have been assigned, in the name or names of the assignee or assignees, as the case may may be) subject to the provisions hereof.

Except as above provided, the Buyers will not allow the name of any person, association or corporation to be placed on the Equipment or any replacements thereof, as a designation that might be interpreted as a claim of ownership thereof; provided, however, that the Buyers may cause the Equipment to be lettered with appropriate words or marks for convenience of identification of the Buyers' interest therein.

When and only when the Seller has been paid the full purchase price for the Equipment, together with interest and any and all other payments as herein provided, and all of the Buyers' covenants and conditions herein contained have been performed by the Buyers, title to and property in the Equipment shall pass to and vest in the Buyers without further transfer or act on the part of the Seller, except that the Seller shall, if so requested by the Buyers so to do, execute and deliver to the Buyers a bill or bills of sale for said Equipment, transferring the title to and property in said Equipment to the Buyers free and clear of all liens and encumbrances created or retained, hereby, and shall execute for record or for filing in public offices such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the title of the Buyers to said Equipment.

(4) Taxes. All payments to be made by the Buyers hereunder shall be free of expenses to the Seller for collection or other charges, and of the amount of any State, Federal or Municipal taxes (other than State, Federal and Municipal income taxes) hereafter levied or imposed directly upon this Agreement and/or any sale, payment, shipment or delivery under the terms hereof, all of which expenses and taxes the Buyers assume and agree to pay in addition to the above mentioned purchase price of said Equipment. The Buyers shall also pay promptly all taxes and assessments which may be imposed upon the Equipment or the earnings arising therefrom or the operation thereof, or upon the Seller by reason of its ownership thereof, by any jurisdiction in which the Equipment is operated by the Buyers, and agree to keep at all times all and every part of the Equipment free and clear of all taxes, assessments, liens and encumbrances.

(5) Compliance with Laws, Rules and Regulations. The Buyers covenant that the Equipment will at all times be maintained, used and operated under and in compliance with all laws and regulations in any jurisdiction to which the Equipment may be subject. The Buyers further covenant that they will comply in all respects with all acts of Congress and with the laws of the United States and of the States and Territories into which their operations involving the Equipment may extend during the term of this Agreement, and with all lawful rules of the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over any of the Equipment, and in the event that said laws or rules require the alteration of any of the Equipment, the Buyers agree to conform therewith, at their expense, and to maintain the same in proper condition for operation under such laws and rules during the life of this Agreement; provided, however, that the Buyers may in good faith contest, in any reasonable manner, the application of any such law or rule which does not, in the judgment of Seller, affect the Seller's title in and to the Equipment.

(6) Servicing, Replacements and Maintenance. Seller will send a competent person with the locomotive to the point of delivery and, if requested by the Buyers, to such

further point at which such locomotive is to be placed in service, to superintend the placing of the same in working condition. Buyers shall provide each such person, without expense to Seller, with all the necessary labor, materials, locomotive supplies and transportation on lines owned or controlled by Buyers.

The Buyers covenant and agree that they will at all times after the delivery of such equipment, maintain and keep said Equipment in good order and repair at all times, at their expense, and shall bear the risk, and shall not be released from their obligations hereunder in case of any and all damage, loss or destruction of said Equipment from whatever cause arising.

The Whitcomb Locomotive Company shall furnish and install at its expense, at its works, or deliver to Buyers at The Whitcomb Locomotive Company's works, a new part or parts to replace any part or parts which in the locomotive may fail under normal service within one year after shipment from the Whitcomb Locomotive Company's works, by reason of faulty work performed or defective material furnished by the Whitcomb Locomotive Company; provided that Buyers notify The Whitcomb Locomotive Company of the fault when it is first discovered and The Whitcomb Locomotive Company is accorded an opportunity to verify the same. The Whitcomb Locomotive Company shall not be liable for any fault or defect in the locomotive, except as in this paragraph provided; and does not guarantee appliances, devices or materials, specified or required by the Buyers, and not manufactured by The Whitcomb Locomotive Company.

(7) Reports and Inspection. The Buyers hereby agree to furnish to the Seller, if requested, once in every year as long as this Agreement shall be in force, the number and the description of such Equipment as may have been destroyed and replaced by other, and the then location of said Equipment. In addition thereto, the Buyers agree to furnish to the Seller, if requested, once in each year, as long as this agreement shall remain in force, a report of inspection by the Buyers' Superintendent of Motive Power, or, if the Seller shall so request, by a competent disinterested party, satisfactory to the Seller, certifying that said equipment has been maintained, and is, in good order and repair.

The Buyers shall promptly and fully inform the Seller of any loss or destruction of the Equipment and of any substantial repairs made or being made upon it. If requested by the Seller, the Buyer shall furnish to the Seller a report of the Buyers' Superintendent of Motive Power, or, if the Seller shall so request, of a competent disinterested party, satisfactory to the Seller, covering the nature and extent of any damage to the equipment, and the satisfactory repair thereof.

The Seller shall have the right, but shall be under no obligation, to inspect the Equipment at any reasonable time or times during the continuance of this Agreement. The Buyers agree, in so far as they may legally do so, to supply free transportation over their lines to designated agents of the Seller for the purpose of enabling such agents to reach the point or points where the Equipment is in operation, for the purpose of making such inspection or of assisting and instructing the employees of the Buyers in the proper operation and maintenance of their Equipment.

(8) Use and Location. The Buyers agree that after the delivery of the equipment and at all times during the continuance of this Agreement, said Equipment will be kept, maintained and used solely by the Buyers upon the lines of railroad owned and operated by them in the States of Illinois, Indiana, Iowa, Wisconsin, Minnesota and South Dakota;

provided, however, that upon giving the Seller fifteen(15) days' notice in writing, stating where the equipment is to be transferred and the route to be followed in the transfer, the Buyers may remove said equipment to another state or states.

(9) Prohibition against Liens. The Buyers hereby agree to pay or satisfy and discharge any and all sums claimed by any party by, through or under the Buyers and their successors or substitutes or assigns which, if unpaid, might become a lien or a charge upon the Equipment or any part of it, superior to the title of the Seller therein, but shall not be required to pay or discharge any such claim as long as the validity thereof shall be contested in good faith and by appropriate legal proceedings in any reasonable manner which will not affect the title of the Seller in and to the Equipment.

(10) Indemnities and Guaranties. The Buyers hereby agree to save, indemnify and keep harmless the Seller from and against all losses, damages, injuries, claims and demands whatsoever, regardless of the cause thereof, arising on account of the Equipment or the use or operation thereof. Said covenant of indemnity shall continue in full force and effect notwithstanding the full payment of the purchase price and the conveyance of the Equipment, as provided in paragraph 3 hereof.

The Buyers will bear the risk, and shall not be released from their obligations hereunder in the event, of any damage to, or the destruction or loss of the Equipment; provided, however, that The Whitcomb Locomotive Company and any successor or successors to its manufacturing property and business shall not, as to the Equipment, be relieved from its guaranty covering material and workmanship set forth in the specifications hereinbefore referred to. The Whitcomb Locomotive Company for itself and any successor or successors to its manufacturing property and business, also agrees to save, indemnify and keep harmless the Buyers from and against any and all royalties, damages, claims, suits, judgments and costs that may arise in the use of any patented article on the equipment at the time of delivery, except with regard to any appliances, devices or materials specified or required by the Buyers and not manufactured by the Seller.

(11) Assignments by the Seller. All or any of the rights of the Seller under this Agreement, including the right to receive the payments herein provided to be made by the Buyers, may be assigned by the Seller and reassigned by any assignee at any time and from time to time, provided, however, that no such assignment shall subject any assignee to, or relieve The Whitcomb Locomotive Company or the successor or successors to its manufacturing property and business from, any of the obligations of The Whitcomb Locomotive Company as to the construction, delivery, guaranty, warranty or indeminity, or any other duty, obligation or liability, if any, except the duty to execute necessary and proper instruments of transfer, as and when the Buyers shall be entitled thereto, pursuant to the provisions of Paragraph 3 hereof.

Upon any such assignment the assignor shall give written notice to the Buyers, together with a counterpart or copy of such assignment, stating the identity and postoffice address of the assignee, and such assignee shall by virtue of such assignment acquire all of the Seller's right, title and interest in and to the Equipment and each and every part thereof, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Buyers of the notification of any such assignment, all payments therafter to be made by the Buyers hereunder shall, to the extent so assigned, be made to the assignee.

In the event that this Agreement is assigned by the Seller as hereinbefore provided, the rights of such assignee to the entire unpaid purchase price, or such part thereof as may be assigned together with interest thereon as well as any other rights

hereunder which may be so assigned, shall not be subject to any defense, set-off, counterclaim or recoupment whatsoever arising out of any breach of any obligation of The Whitcomb Locomotive Company or the successors to its manufacturing business in respect of the Equipment or the manufacture, delivery, guaranty or warranty thereof, or in respect of any indeminity herein contained, nor subject to any defense, set-off, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Buyers by The Whitcomb Locomotive Company or the successors to its manufacturing business. Any and all such obligations howsoever arising, shall be and remain enforceable by the Buyers against and only against The Whitcomb Locomotive Company and the successor or successors to its manufacturing property and business, and shall not be enforceable against any party or parties in whom title to the Equipment, or the rights of the Seller hereunder, shall vest by reason of any sale, assignment or transfer, or successive sales, assignments or transfers.

In the event of any such sale, transfer or assignment, or successive sales, transfers or assignments by the Seller, of title to the Equipment and of the Seller's rights hereunder in respect thereof, the Buyers shall, whenever requested by such vendee, transferee or assignee, change the name plates to be attached on both sides of the Equipment so as to indicate the title of such vendee, transferee or assignee to such equipment and its succession to the rights of the Seller hereunder, such plates to bear such words or legend as shall be specified by said vendee, transferee or assignee. The cost of obtaining and attaching the first series of such substituted plates shall be borne by the Seller. The cost of obtaining and attaching plates in connection with any subsequent assignment shall be borne by such subsequent vendee, transferee or assignee.

The term "Seller" whenever used in this Agreement means, before any assignment of all or any rights of the Seller hereunder as hereinbefore provided in this paragraph 11, The Whitcomb Locomotive Company, and after any such assignment, the assignee or assignees for the time being of all of the rights hereunder.

(12) Successors to and Assignments by the Buyers. The Buyers hereby represent and warrant that their execution of this Agreement and their assumption and undertaking of the obligations, duties and liabilities hereof, have been expressly authorized by an order of the District Court of The United States for the Northern District of Illinois, Eastern Division, entered March 15, 1940, in a certain proceeding therein pending entitled "In the Matter of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, Debtor"--In Proceedings for the Reorganization of a Railroad, Docket No. 60463. Said order further provides that as a condition to the termination of the trusteeship of said Railroad, whether pursuant to a plan of reorganization or otherwise, all the obligations then existing or to accrue of the Buyers under this Agreement, shall be assumed as a general obligation by said Railroad or by any other corporation or any receiver or receivers in equity that shall succeed to the Buyers in the possession of not less than 75% of the owned lines of railroad comprising the Buyers' estate. Said order further provides that in case of any sale or conveyance of not less than 75% of all of said owned lines of railroad, the purchaser or transferee of the purchaser shall not be at liberty to refuse to accept this Agreement or to disaffirm the same (but if acquiring not less than 75% of all of said owned lines of railroad for the purpose of transferring them to a corporation formed for the purpose of reorganization, any such purchaser shall not incur any personal liability under or in respect of this Agreement,

provided such transferee corporation shall assume, as a general obligation, all the obligations of the Buyers under this Agreement). Said order further provides that in case any corporation, or any receiver or receivers in equity, shall so succeed the Buyers in possession of not less than 75% of all of said owned lines of railroad, and shall assume, as a general obligation, all the obligations of the Buyers then existing and to accrue under this Agreement, the Buyers shall thereupon be relieved from any further liability under or in respect of this Agreement. Said order further provides that in the event that upon the confirmation of a plan of reorganization, or upon the dismissal or termination of said proceeding, neither the Debtor nor any other corporation, or receiver or receivers in equity, shall alone succeed to the possession of 75% of all of said owned lines of railroad, then all of the unpaid installments of the purchase price hereunder, together with accrued interest thereon, and all of the other obligations and liabilities of the Buyers hereunder, shall become immediately due and payable on the date of such confirmation, dismissal or termination, and that the Court will make such provision for the payment thereof as will be equitable.

The Buyers covenant and agree that they will not sell, assign, transfer or otherwise dispose of their rights under this Agreement, nor transfer possession of said Equipment to any other firm, person or corporation without first obtaining the written consent of the Seller to such sale, assignment or transfer; provided, however, that this provision shall not apply to any transfer upon the termination of said trusteeship if said transfer is effected in the manner hereinbefore provided in this paragraph 12.

The Buyers hereby covenant and agree that they will not pledge, hypothecate or in any way encumber, or permit the encumbrance of, any part or all of said Equipment.

The term "Buyers" whenever used in this Agreement means, before any assignment of the rights of the Buyers hereunder as hereinbefore provided in the second preceding subparagraph of this paragraph 12, Henry A. Scandrett, Walter J. Cummings and George I. Haight, as Trustees aforesaid, as well as any successor or additional Trustees, and not individually, and after any such assignment shall include said Trustees and any assignees thereof, except only in so far as the Seller may specifically, in writing, relieve the Trustees or any of them or any such assignee from the obligations hereof as above provided.

(13) Defaults and Acceleration. In the event that any one or more of the following events of default shall occur, to-wit:

(a) The Buyers shall fail to pay in full when due any installment of principal or of interest at the time and in the manner hereinbefore contracted to be paid as provided in paragraph 2 hereof; or

(b) The Buyers shall fail or refuse to comply with any covenant, agreement, term or provision of this Agreement on their part to be kept and performed;

then at any time after the occurrence of such an event of default, the Seller may, upon written notice to the Buyers, and upon compliance with any legal requirements then in force and applicable to such action by the Seller, declare the entire purchase price of the Equipment, together with the unpaid interest thereon, whether the same shall then have fallen due or not, immediately due and payable, without further demand, and thereafter the entire sum shall carry interest at the rate of 6% per annum upon any portion thereof then overdue, from the date of such default.

The Seller may at its election (and, if before sale or before full performance of this Agreement all costs and expenses of the Seller incidental to any such default and

to the enforcement by the Seller of the provisions hereof, and all sums which shall then have become due and payable by the Buyers hereunder, other than such part of said purchase price as shall have become due only because of a declaration under this paragraph as aforesaid, shall have been paid by the Buyers, and all other existing defaults shall have been remedied, or provision therefor satisfactory to the Seller shall have been made, then and in every such case the Seller shall) waive any such event of default and its consequences and rescind and annul any such declaration or termination by notice to the Buyers in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such cured default had existed and no such declaration or termination had been made; but no such waiver, rescission or annulment shall limit or affect the Seller's right, upon any other default, or impair any rights or remedies consequent thereon.

(14) Remedies. If the Buyers shall make default as hereinabove provided, then at any time after such notice of declaration of default and during the continuance of such default the Seller may, without further notice or demand except to the extent necessary in order to comply with any legal requirements, take or cause to be taken by its agent or agents immediate possession of the Equipment, and/or any replacements and improvements, and all present and future attachments and accessories thereof, without liability to return to the Buyers any sums theretofore paid, and free from all claims whatsoever except as hereinafter in this paragraph 14 expressly provided, and may remove the same from the use and possession of the Buyers and for such purpose may enter upon the Buyers' premises where the Equipment may be located, and may use and employ in connection with such removal, at the expense of the Buyers, any supplies, services and aids, and any available trackage and other facilities or means of the Buyers, without process of law; and the Buyers shall deliver the Equipment, or any of it, with all replacements, improvements, equipment, attachments and accessories thereof, at its own cost at such place or places on its railroad as the Seller may reasonably designate and for such purpose move or draw the Equipment in the usual manner and at the customary speed of trains, and in case of such retaking or delivery the Seller shall have the right to store the same upon the premises of the Buyers without charge until the Seller shall desire to remove the same therefrom. And it is hereby expressly agreed by the Buyers that performance of this Agreement to deliver the Equipment as hereinbefore provided is of the essence of the Agreement between the parties and that, upon application to any court of equity having jurisdiction in the premises, the Seller shall be entitled to a decree against the Buyers requiring specific performance hereof.

If the Buyers shall make default as hereinbefore provided, then at any time thereafter during the continuance of such default, and after declaring the entire purchase price immediately due and payable as hereinbefore provided, the Seller with or without retaking possession thereof may sell the Equipment, and any such replacements, improvements, equipment, attachments and accessories, free from any and all claims of the Buyers, or of any other party claiming by, through or under them at law or in equity, at public or private sale and with or without advertisement as the Seller may determine, all subject to and in compliance with any legal requirements then in force and applicable to such sale. To the extent permitted by any such legal requirements, any sale or sales hereunder may be held or conducted at Chicago, Illinois, at such time or times as the Seller may fix (unless the Seller shall, as so permitted, specify a different place or

places, in which case the sale or sales shall be held at such place or places and at such time or times as the Seller may specify), and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Seller may determine in compliance with any such legal requirements, provided that the Buyers shall be given written notice of such sale as provided in any such applicable legal requirements, but in any event no less than ten (10) days prior thereto, by telegram or registered mail addressed to the Buyers at Chicago, Illinois. If such sale shall be a private sale permitted by such legal requirements, it shall be subject to the right of the Buyers to purchase or provide a purchaser, within ten (10) days after notice of the proposed sale price, at the same or better price as offered by the intending purchaser. To the extent not prohibited by any legal requirements then in force and applicable to such sale, the Seller may itself bid for and become the purchaser of the Equipment and any such replacements, improvements, equipment, attachment and accessories so offered for sale without accountability to the Buyers (except to the extent of surplus money received as hereinafter provided in the last paragraph of this paragraph 14), and in payment of such purchase price the Seller shall be entitled to the extent aforesaid to have credited on account thereof all sums due to the Seller by the Buyers hereunder.

Each and every power or remedy hereby specifically given to the Seller shall be in addition to every other power or remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Seller. All such powers and remedies shall be cumulative and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Seller in the exercise of any such power or remedy, and no renewal or extension of any payments due hereunder shall impair any such power or remedy, or shall be construed to be a waiver of any default, or any acquiescence therein.

If the Seller shall exercise any of the powers or remedies conferred upon it hereunder, the Buyers shall have the right after all sums due hereunder to the Seller shall have been received by it in full, including its proper costs and expenses incident to the collection thereof, to require title to the Equipment, if not previously sold or otherwise disposed of by the Seller pursuant to the provisions hereof, to be transferred and assigned by the Seller to the Buyers free from any further liabilities or obligations to the Seller. If after payment of all proper costs and expenses of the Seller incurred in the enforcement of its remedies hereunder and after applying all sums of money realized by the Seller under the remedies herein provided, there shall remain any amount due to it under the provisions of this Agreement, the Buyers shall pay the amount of such deficit to the Seller. If after payment of all proper costs and expenses of the Seller incurred in the enforcement of its remedies hereunder and after applying as aforesaid all sums realized by the Seller there shall remain a surplus in the possession of the Seller, such surplus shall be paid to the Buyers.

(15) Applicable State Laws. Any provision of this Agreement prohibited by any applicable law of any State, or which by any applicable law of any State would convert this Agreement into any instrument other than an agreement of conditional sale, shall as to such State be ineffective, without modifying the remaining provisions of this Agreement. Where, however, the conflicting provisions of any applicable State law may be waived they are hereby waived by the Buyers to the full extent permitted by law, to the end that this Agreement shall be deemed to be a conditional sale and enforced as such.

(16) Extension Not a Waiver. Any extension of time granted by the Seller to the Buyers for the payment of any sum due under this Agreement, whether that extension be for an intermediate payment or for final payment, shall not be deemed a waiver of the title of the Seller reserved hereunder nor any of its rights and remedies hereunder or otherwise existing.

(17) Recording. The Buyers shall cause this Agreement to be filed, registered and recorded wherever required for the proper protection, to the satisfaction of counsel for the Seller, of the Seller's title to the Equipment and any replacement or replacements, and its rights under this Agreement; and the Buyers shall from time to time do and perform any other act, and will execute, acknowledge, deliver, file, register and record any and all further instruments, required by law or reasonably requested by the Seller for the purpose of such protection of its title and rights, or for the purpose of carrying out the intention of this Agreement.

(18) Payment of Expenses. The Buyers shall pay all costs, charges and expenses, except the counsel fees of Seller, incident to the preparation, execution, acknowledgment, filing, registering and recording of this Agreement and of the first assignment or assignments by the Seller of title to the Equipment, and of any instrument supplemental hereto or amendatory hereof.

(19) Execution of Counterparts. This Agreement may be simultaneously executed in two or more counterparts, each of which so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart.

(20) Section Headings. All section, paragraph or division headings are inserted for convenience only and shall not affect any construction of interpretation of this Agreement.

(21) Modification of Agreement. This Agreement of conditional sale, together with the specifications hereinabove referred to, constitutes the entire Agreement between the Buyers and the Seller with respect to the sale of the Equipment herein referred to. No variation or modification of this Agreement, and no waiver of any of its provisions or conditions, shall be valid unless in writing and signed by duly authorized officers of the Buyers and the Seller.

(22) Possession and Use of the Equipment by the Buyers. So long as the Buyers shall not be in default under this Agreement, the Buyers shall be entitled to the possession of the Equipment and to the use thereof upon the lines of railroad aforesaid from and after the delivery of the Equipment by the Seller to the Buyers, but only upon and subject to all terms and conditions of this Agreement.

(23) Law Governing. As the Equipment covered by this Agreement may be used in various states which may have conflicting laws as to the rights and obligations of the parties hereunder, it is agreed that, irrespective of the place of execution of this Agreement or of the place of delivery and use of the Equipment, all rights and obligations of the parties hereto to each other under the terms of this Agreement, shall be governed by the laws of the State of Illinois.

IN WITNESS WHEREOF, The Whitcomb Locomotive Company has caused these presents to be executed by its duly elected officers pursuant to lawful resolutions, and Henry A. Scandrett, Walter J. Cummings and George I. Haight, as Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, as aforesaid and not individually have

hereunto set their hands and seals, all as of the day, month and year first above written.

(Corporate)
(Seal)

THE WHITCOMB LOCOMOTIVE COMPANY,
By /s/ W. H. WINTERROWD
Vice-President.

Attest:

/s/ CHARLES E. ACKER
Secretary.

Signed, sealed and delivered by The Whitcomb Locomotive Company in the presence of:

/s/ HARRY T. GORDON

/s/ MARY H. JOYCE
Attesting Witnesses.

/s/ HENRY A. SCANDRETT (Seal)

/s/ WALTER J. CUMMINGS (Seal)

/s/ GEORGE I. HAIGHT (Seal)

As Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company but not individually.

Signed, sealed and delivered by Henry A. Scandrett, Walter J. Cummings and George I. Haight in the presence of:

/s/ W. A. DIETZE

/s/ HOWARD A. FLORUS
Attesting Witnesses.

STATE OF PENNSYLVANIA,)
) ss.
COUNTY OF DELAWARE)

I, William Friedman, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements, and hereditaments in said County, DO HEREBY CERTIFY that on the 7th day of June, 1940, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named W. H. Winterrowd and Charles E. Acker, to me personally known and known to me to be, respectively, the Vice President and Secretary of The Whitcomb Locomotive Company, the corporation described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Secretary, respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and said Vice President and Secretary, being by me severally duly sworn, did on oath, each for himself and not one for the other severally depose and say and acknowledge in the presence of said witnesses that said W. H. Winterrowd resides in Bryn Mawr in the State of Pennsylvania, and that said Charles E. Acker resides in Wallingford, the State of Pennsylvania; that said W. H. Winterrowd is Vice President and said Charles E. Acker is Secretary of the Whitcomb Locomotive Company, the corporation described in and which executed the within and forgoing instrument in writing; that they, said W. H. Winterrowd, Vice President, and Charles E. Acker, Secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto by order and authority of the Board of Directors of said corporation; that they and each of them signed their names to, and executed, the foregoing instrument in their respective capacities as Vice President and Secretary in behalf of said corporation by like order and authority; that they signed, sealed with the corporate seal, executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act, and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Delaware, State of Pennsylvania, this the day and year in this my certificate first above written.

My commission as such Notary Public expires August 2, 1942.

(Notarial)
(Seal)

/s/ WILLIAM FRIEDMAN
Notary Public in and for the State of Pennsylvania, County of Delaware.

In the Courts of Common Pleas of Delaware County

State of Pennsylvania)
)SS
County of Delaware,)

I, R. J. MacBRIDE, Prothonotary of the Courts of Common Pleas of said County, which are Courts of Record having a common seal, being the officer authorized by the laws of the State of Pennsylvania to make the following certificate do Certify, That William Friedman, Esquire before whom the annexed affidavit or acknowledgement was made, was at the time of so doing a NOTARY PUBLIC for the Commonwealth of Pennsylvania, residing in the County aforesaid, duly commissioned and qualified to administer oaths and affirmations and to take acknowledgements and Proofs of Deeds or conveyances for lands, tenements and hereditaments to be recorded in said State of Pennsylvania, and to all whose acts, as such, full faith and credit are and ought to be given, as well in Courts of Judicature as elsewhere; and that I am well acquainted with the handwriting of the said NOTARY PUBLIC William Friedman and verily believe the signature thereto is genuine, and that said oath or affirmation, purports to be taken in all respects as required by the laws of the State of Pennsylvania.

The impression of the seal of the Notary Public is not required by law to be filed in this office.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court, this 7th day of June in the year of our Lord one thousand nine hundred forty.

(Court)
(Seal)

R. J. MacBRIDE, Prothonotary.

By /s/ LITA R. CONNOR
Deputy Prothonotary

STATE OF ILLINOIS,)
) ss
County Of Cook)

I, C. L. Lane, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County DO HEREBY CERTIFY that on the 20th day of May, 1940, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named Henry A. Scandrett, Walter J. Cummings and George I. Haight, Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, to me personally known and known to me to be the individuals described and named in and the identical persons who subscribed their names to and whose names are subscribed to and who executed the within and foregoing instrument in writing as such Trustees in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said Henry A. Scandrett, Walter J. Cummings and George I. Haight, and each of them, duly acknowledged to me in the presence of said witnesses that they signed, sealed, executed and delivered said instrument as their free and voluntary act and deed, as such Trustees, for the consideration, objects, uses and purposes therein mentioned, stated and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires Nov. 19, 1941.

(Notarial)
(Seal)

/s/ C. L. LANE
Notary Public in and for the State of Illinois, County of Cook.

STATE OF ILLINOIS,)
COOK COUNTY.)SS

I, MICHAEL J. FLYNN, County Clerk of the County of Cook, DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County, and as such officer am duly authorized to issue certificates of magistracy, that C. L. Lane whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is genuine; and, further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 12 day of June, 1940.

(County)
(Seal)

/s/ MICHAEL J. FLYNN
County Clerk

State of Wisconsin)
) ss
Department of State)

Received this 15th day of June, A. D. 1940 at 9:00 o'clock A. M. and recorded in Vol. 34 of Railroad Mortgages on pages 401-412, incl.

/s/ ROBERT C. ZIMMERMAN
Assistant Secretary of State

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Executed in 12 Counterparts - Counterpart No. 12.

CONDITIONAL SALE AGREEMENT

DATED AS OF MARCH 1, 1940

BETWEEN

GENERAL ELECTRIC COMPANY

AND

HENRY A. SCANDRETT, WALTER J. CUMMINGS AND GEORGE I. HAIGHT

TRUSTEES OF THE PROPERTY OF

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY

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THIS AGREEMENT, dated as of March 1, 1940, by and between GENERAL ELECTRIC COMPANY, a corporation organized and existing under the laws of the State of New York, with its principal office and place of business in the City of Schenectady, New York, (hereinafter sometimes called the "Seller"), as party of the first part; and HENRY A. SCANDRETT, WALTER J. CUMMINGS and GEORGE I. HAIGHT, as Trustees of the property of CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY, appointed by order of the United States District Court for the Northern District of Illinois, Eastern Division, in a certain proceeding therein pending entitled "In the Matter of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, Debtor," Docket No. 60463, not individually but solely as such Trustees (hereinafter sometimes referred to as the "Buyers");

WITNESSETH THAT:

In consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

(1) Construction, Sale and Delivery. The Seller hereby agrees to construct, in accordance with the specifications and proposal hereinafter referred to, sell and deliver to the Buyers, and the Buyers hereby agree to buy from the Seller and to accept delivery as hereinafter provided, and to pay therefor as hereinafter set forth, the following described railroad equipment (hereinafter sometimes referred to as "Equipment"):

One (1) new, 44-ton, 360-horsepower Diesel switching locomotive bearing Seller's Number 12,909, and Buyers' Number 1690, as described and warranted by Seller's specifications No. 4719A, and Seller's proposal dated February 14, 1940, copy of which specifications and proposal have been furnished to the Buyers and reference to which is hereby expressly made.

The price of said 360-horsepower Diesel switching locomotive shall be the principal amount of Thirty-five Thousand Five Hundred Seventy-two Dollars ($35,572.00) F.O.B. Buyers' station, Milwaukee, Wisconsin. Interest shall be paid at the rate of 2½% per annum upon unpaid balances of said principal amount and such interest shall be computed from the date of acceptance of the locomotive at Milwaukee, Wisconsin, by the Buyers. After receipt and inspection of the locomotive by the Buyers or their agents, the Buyers' Superintendent of Motive Power or his duly authorized representative, shall, if said locomotive meets said specifications, execute a certificate of acceptance. The execution of such certificate of acceptance shall be conclusive evidence the locomotive covered conforms with specifications and is acceptable to the Buyers in all details.

It is agreed by the Seller that it will accept return of said locomotive and cancel this order, without any obligation whatsoever on the part of the Buyers, if said locomotive exceeds the maximum weight of 89,000 pounds on drivers with engineman in cab

and locomotive in full working order with full fuel supply tank and full sand boxes.

The Seller shall deliver said locomotive, freight charges prepaid, to the Buyers at the Buyers' station in Milwaukee, Wisconsin, when said locomotive is completed and ready for shipment. The Seller agrees to assume the expense, responsibility and risk of loss in and of the removal of the said locomotive from the Seller's plant at Schenectady, New York, to the place of delivery to the Buyers.

(2) Amount and Payment of Purchase Price. Conditional only upon the receipt and acceptance of said Equipment, which may be conclusively presumed from the execution of the certificate of acceptance above referred to, the Buyers hereby promise to pay to the Seller, or the assignee thereof, at the office of The First National Bank of Chicago, as the purchase price of said equipment, the following amounts:

(a) On the first day of the calendar month succeeding that in which the acceptance of the locomotive has been completed, interest on the principal purchase price of such locomotive from the date of its acceptance by the Buyers.

(b) Commencing on the first day of the second calendar month succeeding that in which the locomotive is accepted and continuing for a total of 96 consecutive monthly payments, the amount of $409.22 per month. Each of said 96 monthly payments includes both principal and interest at the rate of 2½% per annum and shall be applicable first to the interest then due and balance to principal.

The Buyers further covenant and agree to pay interest at the rate of 6% per annum upon all such amounts, principal and interest, after the same become due and payable pursuant to the terms and provisions hereof.

All payments provided for in this Agreement shall be made by the Buyers in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

The Buyers shall have the privilege of prepaying at any time, without the payment of any premium, any sum of the principal in an amount of $5,000.00 or any multiple thereof, together with interest accumulated to the date of such payment on such sum so prepaid. All such principal sums so prepaid shall be applied toward the payment of the last maturing principal installment or installments due hereunder.

(3) Title to the Equipment. The Seller shall, and hereby does, retain the full legal title to and property in, said Equipment until the Buyers shall have made all of the payments, and shall have kept and performed all of the covenants, in this Agreement provided to be made, kept or performed by the Buyers, notwithstanding the delivery of the Equipment to, and the possession and use thereof by, the Buyers as herein provided.

The Buyers covenant and agree that they will cause the Equipment to be kept numbered with the proper road number and to be kept plainly marked, on metal plates upon both sides of the Equipment covered by this Agreement, with the name of the Seller or of the Seller's assignee, as the case may be, followed by the word "Owner" or other appropriate words designated by the Seller, and the Buyers agree that they will not accept delivery of, or place said Equipment in operation or exercise any control or dominion over any part thereof until said metal plates so marked have been attached on both sides thereof.

The Buyers shall replace the Equipment or any parts, at their own cost if it or any parts of it shall be lost or destroyed from any cause whatever during the continuance of this Agreement, with other Equipment of similar type and of substantially as good material and construction as that lost or destroyed. The Buyers will cause any such new Equipment to be marked as above provided and to be numbered with the same road number as

the Equipment so replaced. Any and all such replacements of Equipment and of any parts shall constitute accessions to the Equipment and shall be subject to all of the terms and conditions of this Agreement, as though part of the original Equipment delivered hereunder, and included in the word "Equipment" as used in this Agreement. Title to all such new Equipment shall be taken initially, and shall remain, in the name of the Seller (or if this Agreement shall have been assigned, in the name or names of the assignee or assignees, as the case may may be) subject to the provisions hereof.

Except as above provided, the Buyers will not allow the name of any person, association or corporation to be placed on the Equipment or any replacements thereof, as a designation that might be interpreted as a claim of ownership thereof; provided, however, that the Buyers may cause the Equipment to be lettered with appropriate words or marks for convenience of identification of the Buyers' interest therein.

When and only when the Seller has been paid the full purchase price for the Equipment, together with interest and any and all other payments as herein provided, and all of the Buyers' covenants and conditions herein contained have been performed by the Buyers, title to and property in the Equipment shall pass to and vest in the Buyers without further transfer or act on the part of the Seller, except that the Seller shall, if so requested by the Buyers so to do, execute and deliver to the Buyers a bill or bills of sale for said Equipment, transferring the title to and property in said Equipment to the Buyers free and clear of all liens and encumbrances created or retained hereby, and shall execute for record or for filing in public offices such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the title of the Buyers to said Equipment.

(4) Taxes. All payments to be made by the Buyers hereunder shall be free of expenses to the Seller for collection or other charges, and of the amount of any State or Federal taxes (other than State and Federal income taxes) hereafter levied or imposed directly upon this Agreement and/or any sale, payment, shipment or delivery under the terms hereof, all of which expenses and taxes the Buyers assume and agree to pay in addition to the above mentioned purchase price of said Equipment. The Buyers shall also pay promptly all taxes and assessments which may be imposed upon the Equipment or the earnings arising therefrom or the operation thereof, or upon the Seller by reason of its ownership thereof, by any jurisdiction in which the Equipment is operated by the Buyers, and agree to keep at all times all and every part of the Equipment free and clear of all taxes, assessments, liens and encumbrances.

(5) Compliance with Laws, Rules and Regulations. The Buyers covenant that the Equipment will at all times be maintained, used and operated under and in compliance with all laws and regulations in any jurisdiction to which the Equipment may be subject. The Buyers further covenant that they will comply in all respects with all acts of Congress and with the laws of the United States and of the States and Territories into which their operations involving the Equipment may extend during the term of this Agreement, and with all lawful rules of the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over any of the Equipment, and in the event that said laws or rules require the alteration of any of the Equipment, the Buyers agree to conform therewith, at their expense, and to maintain the same in proper condition for operation under such laws and rules during the life of this Agreement; provided, however, that the Buyers may in good faith contest, in any reasonable manner, the application of any such law or rule which does not, in the judgment of Seller, affect the Seller's title in and to the Equipment.

(6) Servicing, Replacements and Maintenance. Seller will send a competent person with the locomotive to the point of delivery and, if requested by the Buyers, to such further point at which such locomotive is to be placed in service, to superintend the placing of the same in working condition. Buyers shall provide each such person, without expense to Seller, with all the necessary labor, materials, locomotive supplies and transportation on lines owned or controlled by Buyers.

The Buyers covenant and agree that they will at all times after the delivery of such equipment, maintain and keep said Equipment in good order and repair at all times, at their expense, and shall bear the risk, and shall not be released from their obligations hereunder in case of any and all damage, loss or destruction of said Equipment from whatever cause arising.

General Electric Company shall furnish and install at its expense, at its works, or deliver to Buyers at General Electric Company's works, a new part or parts to replace any part or parts which in the locomotive may fail under normal service within one year after shipment from General Electric Company's works, by reason of faulty work performed or defective material furnished by General Electric Company; provided that Buyers notify General Electric Company of the fault when it is first discovered and General Electric Company is accorded an apportunity to verify the same. General Electric Company shall not be liable for any fault or defect in the locomotive, except as in this paragraph and in said specifications and proposal provided.

(7) Reports and Inspection. The Buyers hereby agree to furnish to the Seller, if requested, once in every year as long as this Agreement shall be in force, the number and the description of such Equipment as may have been destroyed and replaced by other, and the then location of said Equipment. In addition thereto, the Buyers agree to furnish to the Seller, if requested, once in each year, as long as this agreement shall remain in force, a report of inspection by the Buyers' Superintendent of Motive Power, or, if the Seller shall so request, by a competent disinterested party, satisfactory to the Seller, certifying that said equipment has been maintained, and is, in good order and repair.

The Buyers shall promptly and fully inform the Seller of any loss or destruction of the Equipment and of any substantial repairs made or being made upon it. If requested by the Seller, the Buyer shall furnish to the Seller a report of the Buyers' Superintendent of Motive Power, or, if the Seller shall so request, of a competent disinterested party, satisfactory to the Seller, covering the nature and extent of any damage to the equipment, and the satisfactory repair thereof.

The Seller shall have the right, but shall be under no obligation, to inspect the Equipment at any reasonable time or times during the continuance of this Agreement. The Buyers agree, in so far as they may legally do so, to supply free transportation over their lines to designated agents of the Seller for the purpose of enabling such agents to reach the point or points where the Equipment is in operation, for the purpose of making such inspection or of assisting and instructing the employees of the Buyers in the proper operation and maintenance of their Equipment.

(8) Use and Location. The Buyers agree that after the delivery of the equipment and at all times during the continuance of this Agreement, said Equipment will be kept, maintained and used solely by the Buyers upon the lines of railroad owned and operated by them in the States of Illinois, Indiana, Iowa, Wisconsin, Minnesota and South Dakota; provided, however, that upon giving the Seller fifteen (15) days' notice in writing, stating where the equipment is to be transferred and the route to be followed in the

transfer, the Buyers may remove said equipment to another state or states.

(9) Prohibition against Liens. The Buyers hereby agree to pay or satisfy and discharge any and all sums claimed by any party by, through or under the Buyers and their successors or substitutes or assigns which, if unpaid, might become a lien or a charge upon the Equipment or any part of it, superior to the title of the Seller therein, but shall not be required to pay or discharge any such claim as long as the validity thereof shall be contested in good faith and by appropriate legal proceedings in any reasonable manner which will not affect the title of the Seller in and to the Equipment.

(10) Indemnities and Guaranties. The Buyers hereby agree to save, indemnify and keep harmless the Seller from and against all losses, damages, injuries, claims and demands whatsoever, regardless of the cause thereof, arising on account of the Equipment or the use or operation thereof. Said covenant of indemnity shall continue in full force and effect notwithstanding the full payment of the purchase price and the conveyance of the Equipment, as provided in paragraph 3 hereof.

The Buyers will bear the risk, and shall not be released from their obligations hereunder in the event, of any damage to, or the destruction or loss of the Equipment; provided, however, that General Electric Company and any successor or successors to its manufacturing property and business shall not, as to the Equipment, be relieved from its guaranty covering material and workmanship set forth in the specifications hereinbefore referred to. General Electric Company for itself and any successor or successors to its manufacturing property and business, also agrees to save, indemnify and keep harmless the Buyers from and against any and all royalties, damages, claims, suits, judgments and costs that may arise in the use of any patented article on the equipment at the time of delivery, except with regard to any appliances, devices or materials specified or required by the Buyers and not manufactured by the Seller.

(11) Assignments by the Seller. All or any of the rights of the Seller under this Agreement, including the right to receive the payments herein provided to be made by the Buyers, may be assigned by the Seller and reassigned by any assignee at any time and from time to time, provided, however, that no such assignment shall subject any assignee to, or relieve General Electric Company or the successor or successors to its manufacturing property and business from, any of the obligations of General Electric Company as to the construction, delivery, guaranty, warranty or indemnity, or any other duty, obligation or liability, if any, except the duty to execute necessary and proper instruments of transfer, as and when the Buyers shall be entitled thereto, pursuant to the provisions of Paragraph 3 hereof.

Upon any such assignment the assignor shall give written notice to the Buyers, together with a counterpart or copy of such assignment, stating the identity and post-office address of the assignee, and such assignee shall by virtue of such assignment acquire all of the Seller's right, title and interest in and to the Equipment and each and every part thereof, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Buyers of the notification of any such assignment, all payments thereafter to be made by the Buyers hereunder shall, to the extent so assigned, be made to the assignee.

In the event that this Agreement is assigned by the Seller as hereinbefore provided, the rights of such assignee to the entire unpaid purchase price, or such part thereof as may be assigned together with interest thereon as well as any other rights hereunder which may be so assigned, shall not be subject to any defense, set-off, counterclaim or recoupment whatsoever arising out of any breach of any obligation of General Electric

Company or the successors to its manufacturing business in respect of the Equipment or the manufacture, delivery, guaranty or warranty thereof, or in respect of any indemnity herein contained, nor subject to any defense, set-off, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Buyers by General Electric Company or the successors to its manufacturing business. Any and all such obligations, howsoever arising, shall be and remain enforceable by the Buyers against and only against General Electric Company and the successor or successors to its manufacturing property and business, and shall not be enforceable against any party or parties in whom title to the Equipment, or the rights of the Seller hereunder, shall vest by reason of any sale, assignment or transfer, or successive sales, assignments or transfers.

In the event of any such sale, transfer or assignment, or successive sales, transfers or assignments by the Seller, of title to the Equipment and of the Seller's rights hereunder in respect thereof, the Buyers shall, whenever requested by such vendee, transferee or assignee, change the name plates to be attached on both sides of the Equipment so as to indicate the title of such vendee, transferee or assignee to such equipment and its succession to the rights of the Seller hereunder, such plates to bear such words or legend as shall be specified by said vendee, transferee or assignee. The cost of obtaining and attaching the first series of such substituted plates shall be borne by the Seller. The cost of obtaining and attaching plates in connection with any subsequent assignment shall be borne by such subsequent vendee, transferee or assignee.

The term "Seller" whenever used in this Agreement means, before any assignment of all or any rights of the Seller hereunder as hereinbefore provided in this paragraph 11, General Electric Company, and after any such assignment, the assignee or assignees for the time being of all of the rights hereunder.

(12) Successors to and Assignments by the Buyers. The Buyers hereby represent and warrant that their execution of this Agreement and their assumption and undertaking of the obligations, duties and liabilities hereof, have been expressly authorized by an order of the District Court of the United States for the Northern District of Illinois, Eastern Division, entered March 15, 1940, in a certain proceeding therein pending entitled "In the Matter of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, Debtor" — In Proceedings for the Reorganization of a Railroad, Docket No. 60463. Said order further provides that as a condition to the termination of the trusteeship of said Railroad, whether pursuant to a plan of reorganization or otherwise, all the obligations then existing or to accrue of the Buyers under this Agreement, shall be assumed as a general obligation by said Railroad or by any other corporation or any receiver or receivers in equity that shall succeed to the Buyers in the possession of not less than 75% of the owned lines of railroad comprising the Buyers' estate. Said order further provides that in case of any sale or conveyance of not less than 75% of all of said owned lines of railroad, the purchaser or transferee of the purchaser shall not be at liberty to refuse to accept this Agreement or to disaffirm the same (but if acquiring not less than 75% of all of said owned lines of railroad for the purpose of transferring them to a corporation formed for the purpose of reorganization, any such purchaser shall not incur any personal liability under or in respect of this Agreement, provided such transferee corporation shall assume, as a general obligation, all the obligations of the Buyers under this Agreement). Said order further provides that in case any corporation, or any receiver or receivers in equity, shall so succeed the Buyers in the possession of not less than 75% of all of said owned lines of railroad, and shall assume, as a general

obligation, all the obligations of the Buyers then existing and to accrue under this Agreement, the Buyers shall thereupon be relieved from any further liability under or in respect of this Agreement. Said order further provides that in the event that upon the confirmation of a plan of reorganization, or upon the dismissal or termination of said proceeding, neither the Debtor nor any other corporation, or receiver or receivers in equity, shall alone succeed to the possession of 75% of all of said owned lines of railroad, then all of the unpaid installments of the purchase price hereunder, together with accrued interest thereon, and all of the other obligations and liabilities of the Buyers hereunder, shall become immediately due and payable on the date of such confirmation, dismissal or termination, and that the Court will make such provision for the payment thereof as will be equitable.

The Buyers covenant and agree that they will not sell, assign, transfer or otherwise dispose of their rights under this Agreement, nor transfer possession of said Equipment to any other firm, person or corporation without first obtaining the written consent of the Seller to such sale, assignment or transfer; provided, however, that this provision shall not apply to any transfer upon the termination of said trusteeship if said transfer is effected in the manner hereinbefore provided in this paragraph 12.

The Buyers hereby covenant and agree that they will not pledge, hypothecate or in any way encumber, or permit the encumbrance of, any part or all of said Equipment.

The term "Buyers" whenever used in this Agreement means, before any assignment of the rights of the Buyers hereunder as hereinbefore provided in the second preceding subparagraph of this paragraph 12, Henry A. Scandrett, Walter J. Cummings and George I. Haight, as Trustees aforesaid, as well as any successor or additional Trustees, and not individually, and after any such assignment shall include said Trustees and any assignees thereof, except only in so far as the Seller may specifically, in writing, relieve the Trustees or any of them or any such assignee from the obligations hereof as above provided.

(13) Defaults and Acceleration. In the event that any one or more of the following events of default shall occur, to-wit:

(a) The Buyers shall fail to pay in full when due any installment of principal or of interest at the time and in the manner hereinbefore contracted to be paid as provided in paragraph 2 hereof; or

(b) The Buyers shall fail or refuse to comply with any covenant, agreement, term or provision of this Agreement on their part to be kept and performed;

then at any time after the occurrence of such an event of default, the Seller may, upon written notice to the Buyers, and upon compliance with any legal requirements then in force and applicable to such action by the Seller, declare the entire purchase price of the Equipment, together with the unpaid interest thereon, whether the same shall then have fallen due or not, immediately due and payable, without further demand, and thereafter the entire sum shall carry interest at the rate of 6% per annum upon any portion thereof then overdue, from the date of such default.

The Seller may at its election (and, if before sale or before full performance of this Agreement all costs and expenses of the Seller incidental to any such default and to the enforcement by the Seller of the provisions hereof, and all sums which shall then have become due and payable by the Buyers hereunder, other than such part of said purchase price as shall have become due only because of a declaration under this paragraph as aforesaid, shall have been paid by the Buyers, and all other existing defaults shall have been remedied, or provision therefor satisfactory to the Seller shall have been made, then and in every such case the Seller shall) waive any such event of default and

its consequences and rescind and annul any such declaration or termination by notice to the Buyers in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such cured default had existed and no such declaration or termination had been made; but no such waiver, rescission or annulment shall limit or affect the Seller's right, upon any other default, or impair any rights or remedies consequent thereon.

(14) Remedies. If the Buyers shall make default as hereinabove provided, then at any time after such notice of declaration of default and during the continuance of such default the Seller may, without further notice or demand except to the extent necessary in order to comply with any legal requirements, take or cause to be taken by its agent or agents immediate possession of the Equipment, and/or any replacements and improvements, and all present and future attachments and accessories thereof, without liability to return to the Buyers any sums theretofore paid, and free from all claims whatsoever except as hereinafter in this paragraph 14 expressly provided, and may remove the same from the use and possession of the Buyers and for such purpose may enter upon the Buyers' premises where the Equipment may be located, and may use and employ in connection with such removal, at the expense of the Buyers, any supplies, services and aids, and any available trackage and other facilities or means of the Buyers, without process of law; and the Buyers shall deliver the Equipment, or any of it, with all replacements, improvements, equipment, attachments and accessories thereof, at its own cost at such place or places on its railroad as the Seller may reasonable designate and for such purpose move or draw the Equipment in the usual manner and at the customary speed of trains, and in case of such retaking or delivery the Seller shall have the right to store the same upon the premises of the Buyers without charge until the Seller shall desire to remove the same therefrom. And it is hereby expressly agreed by the Buyers that performance of this Agreement to deliver the Equipment as hereinbefore provided is of the essence of the Agreement between the parties and that, upon application to any court of equity having jurisdiction in the premises, the Seller shall be entitled to a decree against the Buyers requiring specific performance hereof.

If the Buyers shall make default as hereinbefore provided, then at any time thereafter during the continuance of such default, and after declaring the entire purchase price immediately due and payable as hereinbefore provided, the Seller with or without retaking possession thereof may sell the Equipment, and any such replacements, improvements, equipment, attachments and accessories, free from any and all claims of the Buyers, or of any other party claiming by, through or under them at law or in equity, at public or private sale and with or without advertisement as the Seller may determine, all subject to and in compliance with any legal requirements then in force and applicable to such sale. To the extent permitted by any such legal requirements, any sale or sales hereunder may be held or conducted at Chicago, Illinois, at such time or times as the Seller may fix (unless the Seller shall, as so permitted, specify a different place or places, in which case the sale or sales shall be held at such place or places and at such time or times as the Seller may specify), and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Seller may determine in compliance with any such legal requirements, provided that the Buyers shall be given written notice of such sale as provided in any such applicable legal requirements, but in any event no less than ten (10) days prior thereto, by telegram or registered mail addressed to the Buyers at Chicago, Illinois. If such sale shall be a private sale permitted by such legal requirements, it shall be subject to the right of

the Buyers to purchase or provide a purchaser, within ten (10) days after notice of the proposed sale price, at the same or better price as offered by the intending purchaser. To the extent not prohibited by any legal requirements then in force and applicable to such sale, the Seller may itself bid for and become the purchaser of the Equipment or any of it so offered for sale without accountability to the Buyers (except to the extent of surplus money received as hereinafter provided in the last paragraph of this paragraph 14), and in payment of such purchase price the Seller shall be entitled to the extent aforesaid to have credited on account thereof all sums due to the Seller by the Buyers hereunder.

Each and every power or remedy hereby specifically given to the Seller shall be in addition to every other power or remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Seller. All such powers and remedies shall be cumulative and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Seller in the exercise of any such power or remedy, and no renewal or extension of any payments due hereunder shall impair any such power or remedy, or shall be construed to be a waiver of any default, or any acquiescence therein.

If the Seller shall exercise any of the powers or remedies conferred upon it hereunder, the Buyers shall have the right after all sums due hereunder to the Seller shall have been received by it in full, including its proper costs and expenses incident to the collection thereof, to require title to the Equipment, if not previously sold or otherwise disposed of by the Seller pursuant to the provisions hereof, to be transferred and assigned by the Seller to the Buyers free from any further liabilities or obligations to the Seller. If after payment of all proper costs and expenses of the Seller incurred in the enforcement of its remedies hereunder and after applying all sums of money realized by the Seller under the remedies herein provided, there shall remain any amount due to it under the provisions of this Agreement, the Buyers shall pay the amount of such deficit to the Seller. If after payment of all proper costs and expenses of the Seller incurred in the enforcement of its remedies hereunder and after applying as aforesaid all sums realized by the Seller there shall remain a surplus in the possession of the Seller, such surplus shall be paid to the Buyers.

(15) Applicable State Laws. Any provision of this Agreement prohibited by any applicable law of any State, or which by any applicable law of any State would convert this Agreement into any instrument other than an agreement of conditional sale, shall as to such State be ineffective, without modifying the remaining provisions of this Agreement. Where, however, the conflicting provisions of any applicable State law may be waived they are hereby waived by the Buyers to the full extent permitted by law, to the end that this Agreement shall be deemed to be a conditional sale and enforced as such.

(16) Extension Not a Waiver. Any extension of time granted by the Seller to the Buyers for the payment of any sum due under this Agreement, whether that extension be for an intermediate payment or for final payment, shall not be deemed a waiver of the title of the Seller reserved hereunder nor any of its rights and remedies hereunder or otherwise existing.

(17) Recording. The Buyers shall cause this Agreement to be filed, registered and recorded wherever required for the proper protection, to the satisfaction of counsel for the Seller, of the Seller's title to the Equipment and any replacement or replacements, and its rights under this Agreement; and the Buyers shall from time to time do and per-

form any other act, and will execute, acknowledge, deliver, file, register and record any and all further instruments, required by law or reasonably requested by the Seller for the purpose of such protection of its title and rights, or for the purpose of carrying out the intention of this Agreement.

(18) Payment of Expenses. The Buyers shall pay all costs, charges and expenses, except the counsel fees of Seller, incident to the preparation, execution, acknowledgment, filing, registering and recording of this Agreement and of the first assignment or assignments by the Seller of title to the Equipment, and of any instrument supplemental hereto or amendatory hereof.

(19) Execution of Counterparts. This Agreement may be simultaneously executed in two or more counterparts, each of which so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart.

(20) Section Headings. All section, paragraph or division headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

(21) Modification of Agreement. This Agreement of conditional sale, together with the specifications hereinabove referred to, constitutes the entire Agreement between the Buyers and the Seller with respect to the sale of the Equipment herein referred to. No variation or modification of this Agreement, and no waiver of any of its provisions or conditions, shall be valid unless in writing and signed by duly authorized officers of the Buyers and the Seller.

(22) Possession and Use of the Equipment by the Buyers. So long as the Buyers shall not be in default under this Agreement, the Buyers shall be entitled to the possession of the Equipment and to the use thereof upon the lines of railroad aforesaid from and after the delivery of the Equipment by the Seller to the Buyers, but only upon and subject to all terms and conditions of this Agreement.

(23) Law Governing. As the Equipment covered by this Agreement may be used in various states which may have conflicting laws as to the rights and obligations of the parties hereunder, it is agreed that, irrespective of the place of execution of this Agreement or of the place of delivery and use of the Equipment, all rights and obligations of the parties hereto to each other under the terms of this Agreement, shall be governed by the laws of the State of Illinois.

IN WITNESS WHEREOF, General Electric Company has caused these presents to be executed by its duly elected officers pursuant to lawful resolutions, and Henry A. Scandrett, Walter J. Cummings and George I. Haight, as Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, as aforesaid and not individually, have hereunto set their hands and seals, all as of the day, month and year first above written.

GENERAL ELECTRIC COMPANY,

(CORPORATE SEAL)

By /s/ C. L. Kenyon
Assistant Treasurer

Attest:

/s/ A. D. Marshall
Assistant Secretary.

Signed, sealed and delivered by
General Electric Company
in the presence of:
/s/ R. Mansfield
/s/ Claire M. Nosher
Attesting Witnesses.

/s/ Henry A. Scandrett (SEAL)
/s/ Walter J. Cummings (SEAL)
/s/ George I. Haight (SEAL)
As Trustees of the property of
Chicago, Milwaukee, St. Paul
and Pacific Railroad Company
but not individually.

Signed, sealed and delivered by
Henry A. Scandrett, Walter J.
Cummings and George I. Haight
in the presence of:
/s/ W. A. Dietze
/s/ Howard A. Florus
Attesting Witnesses.

STATE OF NEW YORK,)
COUNTY OF SCHENECTADY,) SS.

I, Sylvanus J. Kelly, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements, and hereditaments in said County, DO HEREBY CERTIFY that on the 12th day of June, 1940, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named C. L. Kenyon and A. D. Marshall, to me personally known and known to me to be, respectively, the Asst. Treasurer and Asst. Secretary of General Electric Company, the corporation described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Asst. Treasurer and Asst. Secretary, respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and said C. L. Kenyon and A. D. Marshall, being by me severally duly sworn, did on oath, each for himself and not one for the other severally depose and say and acknowledge in the presence of said witnesses that said C. L. Kenyon resides in Schenectady in the State of New York, and that said A. D. Marshall resides in RD 2, Scotia, the State of New York; that said C. L. Kenyon is Asst. Treasurer and said A. D. Marshall is Asst. Secretary of General Electric Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said C. L. Kenyon, Asst. Treasurer, and A. D. Marshall, Asst. Secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto by order and authority of the Board of Directors of said corporation; that they and each of them signed their names to, and executed, the foregoing instrument in their respective capacities as Asst. Treasurer and Asst. Secretary in behalf of said corporation by like order and authority; that they signed, sealed with the corporate seal, executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act, and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Schenectady, State of New York, this the day and year in this my certificate first above written.

My commission as such Notary Public expires March 30, 1941.

/s/ Sylvanus J. Kelly

(NOTARIAL SEAL)

Notary Public in and for the State of
New York, County of Schenectady.

COUNTY OF SCHENECTADY)
CLERK'S OFFICE) SS.
STATE OF NEW YORK)

I, CARROLL A. GARDNER, Clerk of the County of Schenectady, and also Clerk of the Supreme and County Courts, being Courts of Record held therein, do hereby certify that Sylvanus J. Kelly whose name is subscribed to the Certificate of acknowledgment or proof of the annexed instrument, and thereon written, or whose name is subscribed to the annexed jurat, was at the time of taking such acknowledgment, or proof, or of administering

such oath or affirmation, a Notary Public in and for said County, residing therein, duly commissioned and sworn and authorized by the laws of the State of New York to take the acknowledgments and proofs of deeds or conveyances, for land, tenements, or hereditaments and to administer oaths or affirmations in said County. And further, that I am well acquainted with the handwriting of said officer and verily believe that the signature to said jurat or certificate of acknowledgment or proof is genuine.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said Courts and County, the 13 day of June, 1940.

/s/ Carroll A. Gardner Clerk

(SEAL)

3522

STATE OF ILLINOIS,) SS.
COUNTY OF COOK.)

I, J. M. Jarmotz, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County DO HEREBY CERTIFY that on the 4th day of June, 1940, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named Henry A. Scandrett, Walter J. Cummings and George I. Haight, Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, to me personally known and known to me to be the individuals described and named in and the identical persons who subscribed their names to and whose names are subscribed to and who executed the within and foregoing instrument in writing as such Trustees in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said Henry A. Scandrett, Walter J. Cummings and George I. Haight, and each of them, duly acknowledged to me in the presence of said witnesses that they signed, sealed, executed and delivered said instrument as their free and voluntary act and deed, as such Trustees, for the consideration, objects, uses and purposes therein mentioned, stated and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires July 21, 1943.

/s/ J. M. Jarmotz
Notary Public in and for the State of Illinois, County of Cook.

(NOTARIAL SEAL)

STATE OF ILLINOIS,) SS.
COOK COUNTY.)

I, MICHAEL J. FLYNN, County Clerk of the County of Cook, DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County, and as such officer am duly authorized to issue certificates of magistracy, that J. M. Jarmotz whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is genuine; and, further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 24 day of June, 1940.

(SEAL) /s/ Michael J. Flynn County Clerk

GENERAL ELECTRIC COMPANY

General Office
Schenectady, N. Y.

CONTRACTS, EXECUTION OF

Upon motion, duly seconded, it was

RESOLVED that resolution of this Board #956 on the above subject, passed at its meeting on December 17, 1937, be and hereby is rescinded.

Upon motion, duly seconded, it was

RESOLVED that contracts, bonds and other obligations, conveyances, powers of attorney, proxies, court pleadings and other instruments, may be executed for and on behalf of this Company by the Chairman of the Board, the President, a Vice President, the Treasurer, or an Assistant Treasurer, and attested by the Secretary or an Assistant Secretary.

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STATE OF NEW YORK)
COUNTY OF SCHENECTADY) ss:

I, A. D. Marshall, Assistant Secretary of the General Electric Company, do hereby

certify that the foregoing is a true and correct copy of resolution adopted by the Board of Directors of the General Electric Company at a meeting duly called and held on December 29, 1939, a quorum being present and voting; and that said resolution has not been rescinded or amended and I do further certify that C. L. Kenyon who executed the attached document is Assistant Treasurer of the General Electric Company.

WITNESS my hand and seal of said Company this 12th day of June, 1940.

(CORPORATE SEAL) /s/ A. D. Marshall
ASSISTANT SECRETARY

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS.

Received this 27th day of June A. D. 1940 at 9:00 o'clock A. M., and recorded in Vol. 34 of Railroad Mortgages on pages 413-425, inclusive.

/s/ Robert C. Zimmerman
Assistant Secretary of State

CONDITIONAL SALE CONTRACT

BETWEEN

PULLMAN-STANDARD CAR MANUFACTURING COMPANY

AND

G. W. WEBSTER AND JOSEPH CHAPMAN

TRUSTEES OF THE PROPERTY OF

MINNEAPOLIS, ST. PAUL & SAULT STE. MARIE RAILWAY COMPANY

COVERING

100 AUTO-BOX CARS AND 400 BOX CARS

DATED JUNE 8, 1940

****

AGREEMENT OF CONDITIONAL SALE

THIS AGREEMENT, Made this eighth day of June, 1940 by and between PULLMAN-STANDARD CAR MANUFACTURING COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Delaware (hereinafter called Car Company), party of the first part, and G. W. WEBSTER and JOSEPH CHAPMAN, Trustees of the property of the MINNEAPOLIS, ST. PAUL & SAULT STE. MARIE RAILWAY COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Minnesota and other States (said Trustees, without regard to plurality of number, being hereinafter called Vendee), party of the second part,

WITNESSETH, THAT:

WHEREAS, G. W. Webster and Joseph Chapman were duly appointed Trustees of the property of Minneapolis, St. Paul & Sault Ste. Marie Railway Company (sometimes herein referred to as "Railway Company") by Order of the District Court of the United States for the District of Minnesota, Fourth Division, dated January 29, 1938, in a proceeding for the reorganization of a railroad, entitled "In the Matter of Minneapolis, St. Paul & Sault Ste. Marie Railway Company, Debtor", No. 13816, and have duly qualified and are now acting as such Trustees; and

WHEREAS, by Order of the Court dated June 8, 1940, said Trustees were authorized and empowered to enter into this contract, and to make and to carry out the covenants and agreements on their part herein contained.

NOW, THEREFORE, in consideration of the premises and of the mutual promises of the parties hereto hereinafter set forth, the parties hereto agree as follows:

1. Car Company will build for Vendee and on completion thereof will sell and deliver to Vendee, f. o. b. at Burlington, Wisconsin, the following freight cars:

100-50' 50-ton Auto Box Cars at a price of $3,171 each.

400-40'6" 50-ton Box Cars at a price of $2,812.50 each.

AUTO-BOX CARS.

Said auto-box cars will be duplicates of cars built for Receiver of Wisconsin Central Railway Company in 1939 under Car Company's Lot No. 5599, with the following exceptions:

Clear inside height to be increased to 10 ft. 5 13/32 in.

Decking to be common dense yellow pine select from A. A. R. Par. 58.

Truck spring planks to be omitted.

Mixed wool packing to A. A. R. specifications.

Snubber springs to be A. S. F. Simplex type.

BOX CARS.

Said box cars will be duplicates of auto-box cars built for Railway Company in 1937 under Lot No. 5580 with the following exceptions:

Clear inside height to be increased to 10 ft. 5 15/32 in.

Welded draft sill and underframe construction same as for auto-box cars Lot No. 5599.

Door openings to be 6 ft. 0 in., wide, with door post construction and side sill reinforcement the same as were used on cars built for Railway Company under Car Company's Lot No. 5534.

Decking to be common dense yellow pine select from A. A. R. Par. 58.

Mixed wool packing to A. A. R. specifications.

Specialties to be same as for said 100 auto-box cars covered by this contract except:

(a) Snubber springs to be Cardwell-Westinghouse for 200 cars and Miner for 200 cars.

(b) Draft gears to be Waugh 403 for 150 cars and Peerless H-1 for 250 cars.

2. Vendee will accept delivery of and purchase said cars on completion thereof subject to all the terms and conditions of this contract, and will pay Car Company therefor an aggregate purchase price of $1,442,100.00, said amount, however, being subject to adjustment as provided in Section 3 hereof, in case of any change in specifications. Said purchase price will be payable to Car Company at the office of its Treasurer in the City of Chicago, Illinois, or at such bank or Trust Company either in Chicago, New York or elsewhere as Car Company may direct, free of expense to Car Company for collection or other charges, as follows:

Upon completion of the delivery of not less than two hundred fifty (250), or one-half, of said cars, Vendee will pay to Car Company $144,210.00 as a cash down payment on the said aggregate purchase price. Payment of the balance of said purchase price will be made by Vendee at rate of $1.00 per car per day in equal quarterly installments of $45,625.00, each (except as to the last installment, which will be $34,766.75) commencing on December 1, 1940, and continuing thereafter on the first day of each third calendar month until the balance of the aggregate purchase price together with interest at the rate of 2% per annum on the diminishing unpaid balances of such purchase price, be thereby paid and discharged.

A schedule of such payments to be so made by Vendee showing the amounts and dates of the installment payments, the amounts of interest included in each such installment, and the balance of the unpaid purchase price of the cars remaining unpaid, after credit of payment made as of said date, is as follows:

SCHEDULE OF PAYMENTS

Installment No.	Date of Payment	Amount of Installment	Interest Included at 2%	Balance Applied to Principal	Balance of Purchase Price Unpaid After Payment of This Installment
1	December 1st, 1940	45,625.00	6,489.45	39,135.55	1,258,754.45
2	March 1st, 1941	45,625.00	6,293.77	39,331.23	1,219,423.22
3	June 1st, 1941	45,625.00	6,097.12	39,527.88	1,179,895.34
4	September 1st, 1941	45,625.00	5,899.48	39,725.52	1,140,169.82
5	December 1st, 1941	45,625.00	5,700.85	39,924.15	1,100,245.67
6	March 1st, 1942	45,625.00	5,501.23	40,123.77	1,060,121.90
7	June 1st, 1942	45,625.00	5,300.61	40,324.39	1,019,797.51
8	September 1st, 1942	45,625.00	5,098.99	40,526.01	979,271.50
9	December 1st, 1942	45,625.00	4,896.36	40,728.64	938,542.86
10	March 1st, 1943	45,625.00	4,692.71	40,932.29	897,610.57
11	June 1st, 1943	45,625.00	4,488.05	41,136.95	856,473.62
12	September 1st, 1943	45,625.00	4,282.37	41,342.63	815,130.99
13	December 1st, 1943	45,625.00	4,075.65	41,549.35	773,581.64
14	March 1st, 1944	45,625.00	3,867.91	41,757.09	731,824.55

15	June	1st, 1944	45,625.00	3,659.12	41,965.88	689,858.67
16	September	1st, 1944	45,625.00	3,449.29	42,175.71	647,682.96
17	December	1st, 1944	45,625.00	3,238.41	42,386.59	605,296.37
18	March	1st, 1945	45,625.00	3,026.48	42,598.52	562,697.85
19	June	1st, 1945	45,625.00	2,813.49	42,811.51	519,886.34
20	September	1st, 1945	45,625.00	2,599.43	43,025.57	476,860.77
21	December	1st, 1945	45,625.00	2,384.30	43,240.70	433,620.07
22	March	1st, 1946	45,625.00	2,168.10	43,456.90	390,163.17
23	June	1st, 1946	45,625.00	1,950.82	43,674.18	346,488.99
24	September	1st, 1946	45,625.00	1,732.44	43,892.56	302,596.43
25	December	1st, 1946	45,625.00	1,512.98	44,112.02	258,484.41
26	March	1st, 1947	45,625.00	1,292.42	44,332.58	214,151.83
27	June	1st, 1947	45,625.00	1,070.76	44,554.24	169,597.59
28	September	1st, 1947	45,625.00	847.99	44,777.01	124,820.58
29	December	1st, 1947	45,625.00	624.10	45,000.90	79,819.68
30	March	1st, 1948	45,625.00	399.10	45,225.90	34,593.78
31	June	1st, 1948	34,766.75	172.97	34,593.78	-0-
			1,403,516.75	105,626.75	1,297,890.00	

The above schedule of payments is based on acceptance of September 1, 1940, as average date of delivery of the cars. In case the actual average date of delivery shall be either prior to or subsequent to said date, an adjustment will be made in the first quarterly installment payment by adding thereto if delivery be earlier, or subtracting therefrom if delivery be later, an amount equal to $71.12 per day (such amount representing interest for one day on $1,297,890.00 at the rate of two per cent (2%) per annum) for each day that such actual average date of delivery may be before or after September 1, 1940.

Vendee shall have the right at the time of any quarterly payment, provided he shall have given not less than 15 days prior notice of his intention so to do, and he be not in default hereunder, to make payment of the entire balance of the purchase price then payable hereunder as shown on said schedule of payments. Such payment will be accepted by Car Company in full discharge of all Vendee's obligations hereunder, and this contract shall thereupon be cancelled, and Car Company will execute and deliver to Vendee, a bill of sale covering the cars, with covenant against all liens and encumbrances in favor of Car Company or anyone claiming under it.

Vendee shall also have the right at any time on notice as above provided, to anticipate the payment of one or more of the future quarterly payments of principal agreed to be made hereunder; and such payments will be credited by Car Company toward payment of balance due on such cars, and interest will be computed thereafter on the actual balance of principal remaining to be paid thereon. Neither the making of any such advance payment of principal by Vendee nor the acceptance thereof by the Car Company shall relieve the Vendee of his obligation to make quarterly payments of interest due on each quarterly payment date set forth in the Schedule of Payments, on the unpaid balance of the purchase price actually remaining to be paid on such date.

3. The plans and specifications may be modified or supplemented by further drawings, specifications and written instructions prepared and submitted by Vendee, provided, that Car Company shall not be required to accept or agree to any such change or modification if in its judgment such change will not be practicable or will unduly delay the work. If such change or modification shall increase or decrease the cost of said cars, an adjustment equal to the full amount of such increase or decrease will be made in the first quarterly installment payment of the purchase price.

4. Car Company will give Vendee full opportunity to inspect said cars during the construction thereof at its Michigan City Plant. On completion of any of said cars Vendee will arrange for final inspection thereof and will have his inspector execute in duplicate the usual form of Certificate of Inspection covering all cars which are found, on inspection, to be completed in accordance with the plans and specifications.

Each such certificate with respect to the cars covered thereby shall be final and conclusive evidence that such cars conform in workmanship, material, construction, and in all other respects to the requirements and provisions of this contract.

5. Car Company will deliver said cars at Burlington, Wisconsin, ready for service and free of all liens, incumbrances and claims of any nature by or in favor of any person or party, and subject only to the reservation of title therein by Car Company under the provisions hereof. Delivery of cars will be commenced within sixty (60) days after settlement of mechanical details of construction, and will continue at rate of twenty-four cars per working day until completed, subject only to the ability of Car Company to obtain necessary materials and subject to delays caused by strikes, fires, accidents or other unavoidable causes or contingencies beyond the Car Company's control.

Vendee will save Car Company harmless from all claims on account of use of any patented device or design (other than such as may be owned or controlled by Car Company) specified by Vendee for use in the cars; and Car Company in like manner will save Vendee harmless from all claims on account of use of any other patented device or design in the cars not so specified by Vendee.

6. All payments by Vendee hereunder shall be free of expense to Car Company for collection or other charges and no deduction shall be made therefrom of the amount of any Federal, State or other taxes, assessments, or governmental charges (other than income taxes), levied or imposed upon said cars, or upon the selling, shipment, delivery or use thereof, all of which expenses and taxes Vendee assumes and agrees to pay in addition to the above mentioned purchase price of the cars. All payments provided for in this contract shall be made by Vendee to Car Company in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Vendee shall also pay promptly all taxes, assessments and governmental charges (not including taxes on net income of Car Company) which from time to time may be imposed upon the cars, or the earnings arising therefrom, or the operation thereof, or upon ~~the~~ Car Company by reason of its ownership thereof, by any government of any country, state or political subdivision thereof in which the cars may be located, or which shall have jurisdiction over the cars or any part of them and Vendee agrees at all times to keep the cars free and clear of all tax liens and incumbrances; provided, however, that Vendee shall not be required to pay any tax, assessment or other governmental charge, the validity of which Vendee shall contest in good faith and by appropriate legal proceedings until such contest shall have been decided, unless in the judgment of Car Company its right and interests may be materially endangered by such delay.

Vendee shall comply in all respects with all laws of the United States and of the States in which the said cars may be operated covering the use, operation or maintenance of said cars and with the lawful rules with respect to the cars, of the Interstate Commerce Commission, and of every other legislative, administrative or judicial body exercising any power or jurisdiction over said cars; and in the event that the said laws or rules require any alterations of any of said cars, or any additional equipment or appliances thereon Vendee shall conform therewith at his own expense and shall maintain said cars in proper condition for operation under such laws and rules during the term of this contract.

7. Car Company shall retain full legal title to and property in all said cars until Vendee shall have made all the payments and shall have performed all of the covenants in this contract provided to be made, kept or performed by Vendee, notwithstanding

the delivery of cars to and the possession and use thereof by Vendee as herein provided. Any and all replacements of parts of the cars or additional equipment or facilities installed thereon or therein shall constitute accessions to the cars and shall be subject to all the terms, reservations and conditions of this contract. When Vendee shall have paid in full the entire purchase price for all of said cars, with interest thereon, and all other payments herein provided to be made by Vendee with respect thereto, title to and property in each and all said cars shall pass to Vendee without further transfer or act on the part of Car Company, but Car Company will, if requested by Vendee so to do, execute and deliver to Vendee a bill of sale covering the cars with covenant against all liens and encumbrances in favor of Car Company or anyone claiming under it, when all such purchase price and interest and other payments shall have been fully paid.

8. At all times while this contract is in force, Vendee at his own expense, shall keep the above cars insured against damage or destruction by fire, to an amount not less than the balance of the purchase price remaining to be paid hereunder and in a company or companies to be approved by Car Company. The policy or policies shall specify that all payments of loss on said cars shall be made to Car Company, owner, as its interest may appear, and such policies or certified copies thereof shall be deposited with Car Company. In case Vendee shall fail to keep such cars so insured and to deposit policies as aforesaid, Car Company may itself insure such cars, and in this event Vendee shall be obligated to repay to Car Company the amount of premiums paid therefor with interest thereon at rate of five per cent (5%) per annum from the time of such payment until repaid.

Upon satisfactory proof of the proper repair or replacement of any of said cars which may be destroyed or damaged by fire, all insurance money collected or received by Car Company on account thereof shall be paid over to Vendee in reimbursement of the cost of such repair or replacement. Any moneys collected or received by Vendee from any company or companies issuing such policies, as result of loss covered by said insurance, or received from another railroad company on account of said cars being damaged or destroyed by accident or otherwise on the lines of such other railroad, (not in excess however of balance due for such car or cars as provided in Section 9 below) shall be immediately remitted to Car Company to be held by Car Company for the account of the Vendee pending repair or replacement of such cars by Vendee.

9. Vendee at his own cost shall keep all said cars in good order and proper running repair and in case of damage thereto by fire, accident or otherwise will promptly repair the car or cars so damaged and restore them to good running order. In case any car shall be damaged beyond repair or destroyed, Vendee shall promptly pay Car Company an amount equal to the full unpaid balance of the purchase price remaining to be paid on such car, (any payment already received by Car Company as insurance or as compensation for such damage or loss from another Railroad Company to be first credited toward payment of such balance), and such amount with suitable allowance of interest thereon at rate of two per cent (2%) per annum will be credited by Car Company toward payment in reverse order of latest installment payment or payments to be made by Vendee hereunder. Within twenty (20) days after receiving advice of damage to or destruction of any of said cars, Vendee will give Car Company written notice thereof with full particulars of the extent of the loss or damage incurred. Any failure on the part of Vendee to repair any such cars with reasonable promptness or to pay for each car which may be destroyed shall entitle Car Company to declare a default hereunder and to take such action as is authorized to be taken by Car Company in case of a default in making payment for said

cars as herein provided.

Vendee will permit inspection of said cars from time to time by agents of Car Company and upon prior request of Car Company will furnish as of June 30th of any year, a statement showing the condition of said cars and what, if any, substantial repairs have been or are being made upon any of them since the last preceding report.

10. Before delivery of said cars to Vendee, Car Company will fasten upon each side of each car a metal plate bearing the following words in letters not less than one-half of an inch in height: "Pullman-Standard Car Manufacturing Company, Owner". Such plates will be so located as to be readily visible and to indicate plainly Car Company's ownership of said cars. In case, during the continuance of this contract, such plates or markings shall at any time be removed, defaced or destroyed, Vendee shall immediately at its own cost, cause the same to be restored or replaced; and if by reason of change of law or otherwise, additional or other plates or markings shall be required to protect the interests of Car Company, Vendee shall provide and install and thereafter maintain the same on all such cars.

The cars may be lettered and numbered in such appropriate manner, as Vendee may desire, for convenience in identification; but Vendee, during the continuance of this contract, will not allow the name of any corporation or other party to be placed on any of the cars, in such manner that such name or designation might be interpreted as a claim of ownership thereof by any person, association or corporation other than Car Company or its assignee. In case Vendee shall change the lettering or number assigned to or placed on any car, immediate notice of such change shall be given to Car Company so that it may correct its records accordingly.

In the event of a transfer or assignment, or successive transfers or assignments by Car Company or its assignees of title to said cars and of Car Company's rights hereunder in respect thereof, whenever requested by any such transferee or assignee, Vendee shall change the name plates on all the cars to indicate the title of such transferee or assignee to such cars and its succession to rights of Car Company hereunder, but the expense of making such change in plates shall be borne by the party or parties requesting such change or by Car Company.

11. Vendee shall bear the risk of and shall not be released from its obligations hereunder in the event of any damage to or destruction or loss of any of the said cars from any cause whatsoever after delivery thereof to Vendee. Vendee further agrees to save, indemnify and keep harmless Car Company from and against all loss, damages, injuries, claims or demands whatsoever, regardless of the cause thereof, in connection with any accident or otherwise arising from or caused by operation or use of said cars while this contract is in force.

12. All or any of the rights of Car Company under this contract including the right to receive the payments herein provided to be made by Vendee, may be assigned by Car Company and reassigned by any Assignee at any time and from time to time, provided, however, that no such assignment shall subject any assignee to, or relieve Pullman-Standard Car Manufacturing Company or the successor or successors to its manufacturing property and business from, any of the obligations of Pullman-Standard Car Manufacturing Company as to the construction or delivery of the cars or as to any indemnity with respect thereto, or from any other duty, obligation or liability except the duty to execute necessary and proper instruments of transfer as and when Vendee shall be entitled thereto pursuant to the provisions of Section 7 hereof.

Upon any such assignment the assignor shall give written notice to Vendee, together

with a counterpart or copy of such assignment, stating the identity and postoffice address of the assignee, and such assignee shall by virtue of such assignment acquire all of the Car Company's right, title and interest in and to the cars and each and every part thereof, subject only to such reservations as may be contained in such assignment. From and after the receipt by Vendee of the notification of any such assignment, all payments thereafter to be made by Vendee hereunder to the extent so assigned, shall be made to the assignee.

In the event that this contract is assigned by Car Company as hereinbefore provided, the rights of such assignee to the entire unpaid purchase price or such part thereof as may be assigned, and interest thereon, as well as any other rights as may be so assigned hereunder shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever arising out of any breach of any obligation of Pullman-Standard Car Manufacturing Company or the successor or successors to its manufacturing properties and business in respect of the cars or the manufacture or delivery thereof, or in respect of any indemnity herein contained, nor subject to any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to Vendee by Pullman-Standard Car Manufacturing Company. Any and all such obligations, howsoever arising, shall be and remain enforceable by Vendee against and only against Pullman-Standard Car Manufacturing Company and the successor or successors to its manufacturing properties and business, and shall not be enforceable against any party or parties in whom title to the cars or any of them, or the rights of Car Company hereunder, shall vest by reason of any sale, assignment or transfer, or successive sales, assignments or transfers.

The term "Car Company" whenever used in this Contract means, before any assignment of all or any rights of Car Company hereunder as hereinbefore provided in this paragraph 12, Pullman-Standard Car Manufacturing Company, and after any such assignment, the assignee or assignees for the time being of all of the rights hereunder, or in the event of any assignment of any less than all of the rights hereunder, both any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also the assignor as regards any rights hereunder retained and excluded from such assignment; and the term "Pullman-Standard Car Manufacturing Company" whenever used in this contract means, both before and after any such assignment, the party hereto of the first part, and any successor or successors for the time being to its manufacturing property and business.

13. (a) In case Vendee shall make default in the payment of any installment of principal or of interest each quarter year, as herein provided, and shall remain in default for more than thirty (30) days after such payment shall have become due, or shall be in default under the provisions of section 14 hereof; or shall fail or refuse to comply with any other of the terms and covenants in this contract on his part to be kept and performed, or to make provisions satisfactory to Car Company for such compliance, and any such failure or refusal, other than a default under section 14 hereof or a default in the payment of quarterly payment hereunder, shall continue for more than thirty (30) days after notice in writing thereof to Vendee, then, in any such case (herein sometimes called events of default) at any time thereafter during the continuance of such default Car Company may, without further notice or demand except to the extent necessary in order to comply with any legal requirements then in force and applicable to such action by Car Company, declare the entire unpaid balance of the purchase price of the cars immediately due and payable, without further demand, together with interest thereon at the

rate of two per cent (2%) per annum to such date of default and thereafter interest shall be payable by Vendee upon any portion thereof overdue at rate of five per cent (5%) per annum; and Car Company shall thereupon be entitled to recover judgment for the entire amount so payable by Vendee with interest thereon at said rate, and to collect such judgment out of any property of Vendee wherever situated. Car Company, may at its election, (and, if before the sale of the cars as in paragraph 13 (c) hereof provided, the Vendee shall have paid to Car Company, all costs and expenses of Car Company incidental to any such default, and all sums which shall then have become due and payable by Vendee hereunder, other than such part of said purchase price as shall have become due only because of the declaration of Car Company under this section, and shall have remedied all other existing events of default or made provision therefor satisfactory to Car Company, then Car Company shall) waive each and every event of default prior to such date and its consequences and rescind and annul any such declaration or termination by giving notice to Vendee in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such event of default had occurred and no such declaration or termination had been made; but no such waiver, rescission or annulment shall limit or affect Car Company's right, upon any other default, to declare the unpaid balance of said purchase price due in the manner provided in this section or extend to or affect any other default, or impair any rights or remedies consequent upon any such other default.

(b) If Vendee shall make default as hereinabove provided, then at any time thereafter during the continuance of such default Car Company, without further notice or demand except to the extent necessary in order to comply with any such legal requirements, may take or cause to be taken by its agent or agents immediate possession of the cars, or any of them, and all present and future equipment, attachments and accessories thereof, without liability to return to Vendee any sums theretofore paid, and free from all claims whatsoever except as hereinafter in this section 13 expressly provided, and may remove the same from the use and possession of Vendee and for such purpose may enter upon Vendee's premises where the cars may be located, and may use and employ in connection with such removal any available trackage and other facilities or means of Vendee, without process of law; and Vendee shall assemble and deliver the cars, with all replacements, improvements, equipment, attachments and accessories thereof, at his own cost at such place or places on his railroad as Car Company may reasonably designate, and in case of such retaking or delivery Car Company shall have the right to store the same upon the premises of Vendee without charge until Car Company shall be able within a reasonable time to remove the same therefrom. The assembling and delivery of the cars as hereinbefore provided is of the essence of this contract between the parties and upon application to any court of equity having jurisdiction in the premises, Car Company shall be entitled to a decree against Vendee requiring specific performance hereof.

(c) If Vendee shall make default as hereinbefore provided, then at any time thereafter during the continuance of such default, and after declaring the entire purchase price immediately due and payable as hereinbefore provided, Car Company with or without retaking possession thereof may sell the cars or any of them, and all replacements thereof, and all improvements, equipment, attachments and accessories placed thereon, free from any and all claims of Vendee, or of any other party claiming by, through or under it at law or in equity, at public or private sale and with or without advertisement as Car Company may determine, all subject to and in compliance with any legal requirements then in force and applicable to such sale. To the extent permitted by any such legal

requirements, any sale or sales hereunder may be held or conducted at such location and at such time or times as Car Company may fix, in one lot and as an entirety or in separate lots, and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as Car Company may determine in compliance with any such legal requirements, provided that written notice of such sale shall be given to Vendee at least ten (10) days prior thereto, by telegram or registered mail addressed to Vendee at his office in Minneapolis, Minnesota, or such other notice, if any, as may be necessary to comply with any such legal requirements. If such sale shall be a private sale permitted by such legal requirements, it shall be subject to the right of Vendee to purchase or provide a purchaser, within ten (10) days after notice of the proposed sale price, at the same or better price as offered by the intending purchaser. To the extent not prohibited by any legal requirements then in force and applicable to such sale, Car Company may itself bid for and become the purchaser of the cars, or any of them so offered for sale without accountability to Vendee (except to the extent of surplus money received as hereinafter provided in the last paragraph of this section 13) and in payment of such purchase price Car Company shall be entitled to the extent aforesaid to have credited on account thereof all sums due to Car Company by Vendee hereunder.

(d) Each and every power or remedy hereby specifically given to Car Company shall be in addition to every other power or remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by Car Company. All such powers and remedies shall be cumulative and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of Car Company in the exercise of any such power or remedy, and no renewal or extension of any payments due hereunder, shall impair any such power or remedy, or shall be construed to be a waiver of any default, or an acquiescence therein.

(e) If Car Company shall exercise any of the powers or remedies conferred upon it hereunder, Vendee shall have the right after all sums due hereunder to Car Company shall have been received by it in full, including its proper costs and expenses incident to the collection thereof, to require title to any of the cars, if not previously sold or otherwise disposed of by Car Company pursuant to the provisions hereof, to be transferred and assigned by Car Company to Vendee free from any further liabilities or obligations to Car Company. If after applying all sums of money realized by Car Company under the remedies herein provided, there shall remain any amount due it under the provisions of this contract, Vendee shall pay the amount of such deficit to Car Company. If after applying as aforesaid all sums realized by Car Company, there shall remain a surplus in the possession of Car Company, such surplus shall be paid to Vendee.

14. Vendee shall not assign nor transfer this contract or any of his rights hereunder, nor transfer nor sublet the said cars or any of them (except to Railway Company or to its successor conditioned on the assumption by said Railway Company, or by such successor of all Vendee's obligations hereunder) without Car Company's written consent first had and obtained, and shall not cause nor permit any of said cars to be pledged or held for any debt or obligation owing by Vendee or to be in any manner encumbered, and shall not suffer the said cars or any of them to pass out of Vendee's control except in the ordinary course of the operation of freight cars in through joint movement and interchange over lines of connecting and other railway carriers.

If by reason of any judicial or administrative proceeding, decree, order, or otherwise, Vendee shall be no longer obligated to perform or able to perform and comply with

their obligations under this contract (and if successor in interest to Vendee shall refuse to affirm in writing, on his or its behalf, this contract and its then unfulfilled obligations), such action shall be deemed a breach of this contract and a default hereunder; whereupon Car Company may elect to declare the entire unpaid balance of the purchase price immediately due and payable as hereinbefore provided and may thereupon forthwith retake possession of the cars or any of them and exercise and enforce any and all other remedies as provided by Section 13 hereof.

15. Wherever provision is made in this contract for any notice or demand to or upon Vendee, or if at any time Car Company shall desire to give notice to or make any demand upon Vendee, the same may be given or made by depositing a written statement thereof, enclosed in a postpaid envelope in any United States Postoffice, directed to Vendee at his office or place of business in the City of Minneapolis, Minnesota, and an affidavit by any person so depositing such notice in respect of such mailing shall be deemed to be and shall be conclusive evidence of the giving and receipt of such notice and of the making of such demand.

16. Any provision of this contract prohibited by any applicable law of any state, or which by any applicable law of any state would convert this contract into any instrument other than a contract of conditional sale, shall as to such state be ineffective, without modifying as to such state the remaining provisions of this contract. Where, however, the conflicting provisions of any applicable state law may be waived, they are hereby waived by Vendee to the full extent permitted by law.

17. Any extension of time granted by Car Company to Vendee for the payment of any sum due under this contract, shall not be deemed a waiver of the title of Car Company reserved hereunder nor of any of its rights and remedies hereunder or otherwise existing.

18. Vendee shall cause this contract to be filed, registered and recorded wherever required for the proper protection, to the satisfaction of counsel for Car Company, of Car Company's title to the cars and any replacement or replacements thereof, and of its rights under this contract; and Vendee shall from time to time do and perform any other act, and will execute, acknowledge, deliver, file, register and record any and all further instruments, required by law or reasonably requested by Car Company, for the purpose of such protection of its title and rights, or for the purpose of carrying out the intention of this contract.

19. Vendee shall pay all cost, charges and expenses incident to the printing, filing, registering and recording of this contract and of any instrument supplemental hereto or amendatory hereof above referred to, excepting only assignments or instruments of transfer between Car Company and its assignee or assignees.

20. This contract may be simultaneously executed in ten or more counterparts, each of which so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same instrument, which shall be sufficiently evidenced by any such original counterpart.

21. This contract of conditional sale constitutes entire contract between Vendee and Car Company with respect to the sale of the 500 cars herein referred to. No variation or modification of this contract (except changes in plans and specifications which may be made as provided in Section 3 hereof) and no waiver of any of its provisions or conditions, shall be valid unless in writing and signed by Vendee and Car Company.

22. So long as the Vendee shall not be in default under this agreement, he shall be entitled to the possession of the cars and to the use thereof upon the lines of railroad operated by him, or over which he has trackage rights, and upon connecting and

other railroads in the usual interchange of freight cars, from and after the delivery of the cars by Car Company to Vendee, but only upon and subject to all terms and conditions of this contract.

23. This contract shall inure to the benefit of and be binding upon said G. W. Webster and Joseph Chapman and their successors in office, not as individuals, but solely as Trustees of the property of the Minneapolis, St. Paul & Sault Ste. Marie Railway Company. Any order confirming a Plan of Reorganization or any order approving the sale of all or substantially all of the estate of the Debtor, shall provide as a condition thereof that the Debtor corporation, or any purchaser, assignee, or transferee of the estate shall take the place of the Trustees of the Debtor's property and shall be bound by all of the obligations imposed upon them by this Conditional Sale Contract, and be entitled to all benefits accruing to them thereunder; and upon any dismissal of these proceedings, the order of dismissal shall contain as a term thereof a provision that any Receiver or Receivers, Trustee or Trustees taking possession of all or substantially all of the estate of the Debtor, shall take the place of the Trustees in this Conditional Sale Contract, and shall be bound thereby.

24. The terms of this contract and all rights and obligations hereunder shall be governed by the law of the State of Illinois.

IN WITNESS WHEREOF, Car Company, by its officers hereunto duly authorized by its Board of Directors, and Vendee, pursuant to order of said Court, have caused this contract to be duly executed, as of the day and year first above written.

PULLMAN-STANDARD CAR MANUFACTURING COMPANY,

(CORPORATE SEAL)

/s/ H. H. Gilbert,
Vice President.

ATTEST:

/s/ J. A. Knowlton,
Secretary.

Signed, sealed and delivered by Pullman-Standard Car Manufacturing Company in the presence of:

/s/ R. R. Fischler

/s/ R. J. Nyman
Attesting Witnesses

/s/ G. W. Webster

/s/ Joseph Chapman

As Trustees of the Property of Minneapolis, St. Paul & Sault Ste. Marie Railway Company but not individually.

Signed, sealed and delivered by G. W. Webster and Joseph Chapman, in the presence of:

/s/ P. J. Stock

/s/ James L. Hetland
Attesting Witnesses

STATE OF ILLINOIS,)
COUNTY OF COOK.) ss.

I, the undersigned, a Notary Public of said State, in and for and residing in said county, DO HEREBY CERTIFY that on this 25th day of June, 1940, personally appeared before me, H. H. Gilbert and J. A. Knowlton, to me personally known to be the identical persons whose names are subscribed to the above instrument in writing, bearing date the 8th day of June, 1940, as Vice President and Secretary, respectively, of Pullman-Standard Car Manufacturing Company, a corporation described in said agreement and one of the makers thereof, and being by me duly sworn did depose and say that they are the Vice President and Secretary, respectively, of said Corporation, authorized by said Corporation to execute and acknowledge deeds, contracts and other writings of said Corporation, and that the seal affixed to said instrument is the corporate seal of said corporation;

that said instrument was signed and sealed by them on behalf of said corporation, by the authority of its board of directors duly given, and they acknowledged the said instrument to be the act and deed of said corporation, and by them as its Vice President and Secretary, respectively, thereunto duly authorized, voluntarily done and executed, and that they signed, sealed and delivered the said instrument as the free and voluntary act of said corporation, and as their own free and voluntary act as such Vice President and Secretary, respectively, for the consideration and purpose therein set forth.

Given under my hand and seal of office the day and year first above written.

(NOTARIAL SEAL)

/s/ Chas. F. Walters
Notary Public

My commission expires March 30, 1941.

STATE OF MINNESOTA,)
COUNTY OF HENNEPIN.) ss.

I, the undersigned, a Notary Public of said State, in and for and residing in said County, DO HEREBY CERTIFY that on this 1st day of July, 1940, personally appeared before me G. W. Webster and Joseph Chapman, each to me personally known, and known to me to be Trustees of the Property of Minneapolis, St. Paul & Sault Ste. Marie Railway Company, Debtor, and known to me to be the identical persons who subscribed their names to and who executed the foregoing instrument in my presence; and said G. W. Webster and Joseph Chapman, being by me severally duly sworn, did on oath each for himself severally depose and say that the said G. W. Webster and Joseph Chapman are Trustees of the Property of Minneapolis, St. Paul & Sault Ste. Marie Railway Company, Debtor; that they and each of them signed their names to, and executed, the foregoing instrument in their capacities as Trustees of the property of said corporation pursuant to authority conferred upon them by the District Court of the United States for the District of Minnesota, Fourth Division; that they signed, sealed, executed and delivered said instrument as their own free and voluntary act and deed as such Trustees for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be their free and voluntary act and deed as Trustees and that they executed the same.

Given under my hand and notarial seal the day and year first above written.

(NOTARIAL SEAL)

/s/ E. G. Watts
Notary Public

E. G. Watts
Notary Public Hennepin County, Minn.
My commission expires Oct. 10, 1945.

STATE OF WISCONSIN)
) ss.
DEPARTMENT OF STATE)

Received this 13th day of July A. D. 1940 at 9 o'Clock A. M., and recorded in Vol. 34 of Railroad Mortgages on pages 426-437, incl.

/s/ Fred R. Zimmerman
Secretary of State

Index #8

Received for C & N.W. Agreement dated Aug. 16, 1940

COUNTERPART NO. 3
EXECUTED IN TEN COUNTERPARTS

A G R E E M E N T

Dated, August 16, 1940

By and Between

THE NORTHERN TRUST COMPANY and S. A. WEAVER, AS CO-TRUSTEES,
and CHARLES M. THOMSON, AS TRUSTEE OF THE PROPERTY
of
CHICAGO AND NORTH WESTERN RAILWAY COMPANY

(Covering the purchase of 60 seventy ton covered steel hopper cars)

- - - - - - - - -

THIS AGREEMENT made and entered into this 16th day of August, 1940, by and between THE NORTHERN TRUST COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Illinois, and S. A. WEAVER, as Co-Trustees (hereinafter sometimes called "Co-Trustees" or "Vendor"), parties of the first part, and CHARLES M. THOMSON, as Trustee of the property of CHICAGO AND NORTH WESTERN RAILWAY COMPANY, a corporation organized and existing under and by virtue of the laws of the States of Illinois, Wisconsin, and Michigan (hereinafter called "Railroad Trustee"), party of the second part;

W I T N E S S E T H:

WHEREAS, the Vendor is now about to purchase from General American Transportation Corporation (herein called "General American"), delivered at Kenosha, Wisconsin, sixty (60) covered hopper cars of steel construction and of seventy (70) ton truck capacity, with a cubical capacity of approximately one thousand nine hundred fifty-eight (1,958) cubic feet (said cars being hereinafter referred to as "said cars"); and

WHEREAS, said cars are now in the course of construction by General American pursuant to plans and specifications heretofore approved by General American and the Railroad Trustee, and identified by signatures of their duly authorized representatives;

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, it is hereby agreed as follows:

FIRST: The Vendor agrees to sell said cars to the Railroad Trustee and the Railroad Trustee agrees to purchase said cars from the Vendor upon the terms and conditions in this agreement set forth. Said cars shall be initialed C.N.W. and numbered 69001 to 69119, both numbers inclusive, but odd numbers only. Said cars shall become subject to the terms of this agreement and this agreement shall become effective only when and as said cars are completed in accordance with the plans and specifications aforesaid, accepted by the Railroad Trustee as being in compliance therewith, and delivered into the possession of the Railroad Trustee on the track of the Railroad Trustee at Kenosha, Wisconsin.

SECOND: The Railroad Trustee hereby agrees to accept delivery of said cars at Kenosha, Wisconsin, if found to have been completed according to the plans and specifications aforesaid, and to use the same as part of his railroad equipment. As and when any of said cars shall, from time to time, be delivered to the Railroad Trustee and shall be accepted in writing by the Railroad Trustee, or his duly authorized representative, as in compliance with the above mentioned plans and specifications, such cars shall thereupon pass under and become subject to all of the terms of this agreement.

THIRD: The Railroad Trustee agrees to pay as the purchase price of each of said cars the sum of Three Thousand Nine Hundred and Eighty-Two Dollars and Twenty-One Cents ($3,982.21) in equal monthly installments, each of which is to include accrued interest on the unpaid balance of the purchase price at the rate of two and one-half per

cent (2½%) per annum, as shown in the table hereto attached and made a part hereof. Said monthly installments shall be paid in the sum of Fifty-One Dollars and Seventy-Three Cents ($51.73) per car for each of the successive eighty-four (84) months commencing on the average date of delivery of all of said cars. Said installments shall be paid at the times and in the manner as follows: Upon the completion of the delivery, and acceptance, of all of said cars the average date of delivery of all of said cars shall immediately be computed and endorsed on this agreement; the date in each month succeeding the month which includes such average date of delivery and which date corresponds to the average date of delivery is hereinafter sometimes referred to as "corresponding average delivery date," (for example; If August 25, 1940 is the average date of delivery, then the twenty-fifth of each succeeding month is the "corresponding average delivery date"); immediately upon the computation of the average date of delivery of all of said cars, the Railroad Trustee shall pay to the Vendor the installment or installments due upon all of said cars from said average date of delivery to the corresponding average delivery date immediately succeeding the date of such computation; the Railroad Trustee shall thereafter pay said installments to the Vendor, monthly in advance, beginning on the corresponding average delivery date immediately succeeding the date of such computation and upon the corresponding average delivery date in each succeeding month until a total of eighty-four (84) such equal monthly payments have been made (counting and including the installment or installments paid upon the computation of said average delivery date); all such payments shall be made to the Vendor at its place of business at LaSalle and Monroe Streets, Chicago, Illinois, without deduction, and each installment shall bear interest at the rate of six per cent (6%) per annum from the date such installment is due until paid.

The Railroad Trustee shall have the option on thirty(30) days' notice in writing to the Vendor to prepay on any date on which any installment of the purchase price falls due hereunder the whole of the unpaid principal of the purchase price of all of said cars herein provided for, plus accrued interest thereon, upon payment of a premium of one-half of one per cent (½ of 1%) of such unpaid principal balance.

FOURTH: The Railroad Trustee acknowledges that his possession of the said cars shall be under the terms of this agreement and that he has and shall have no right, title or interest in the said cars except under and subject to the terms of this agreement. The Railroad Trustee, so long as he shall not be in default under this agreement, shall be entitled to the possession of said cars and the use thereof upon the lines of railroad owned or operated by him, or over which he has trackage rights, and upon connecting and other railroads in the usual interchange of traffic, from and after the delivery of said cars to the Railroad Trustee and his acceptance thereof, but subject to all the terms and conditions of this agreement. It is expressly understood and agreed that until payment by the Railroad Trustee to the Vendor of the entire purchase price of the said cars hereinabove specified, and until all obligations of the Railroad Trustee hereunder shall have been fully complied with and performed, the title to the said cars shall not pass to or vest in the Railroad Trustee, but all of the title, legal and equitable, in and to said cars is hereby reserved unto and shall remain in the Vendor notwithstanding delivery of said cars to and possession and use thereof by the Railroad Trustee. Notwithstanding the foregoing reservation of title to it, the Vendor hereby covenants and agrees that at the time of delivery of said cars to the Railroad Trustee the Vendor's title to said cars shall be free and clear of all liens and encumbrances of every kind and nature whatsoever created by the Vendor or arising out of any

act, obligation, or liability on its part, and the Vendor further covenants and agrees to refrain from creating or permitting to be created any such lien or encumbrance upon any of said cars and to keep itself in position to convey title to said cars to the Railroad Trustee free and clear of all such liens and encumbrances at such time or times as he shall be entitled to such conveyance by virtue of his performance of this agreement.

FIFTH: Upon payment in full by the Railroad Trustee to the Vendor of the total purchase price of said cars, together with interest on the unpaid balance of the purchase price, as hereinbefore specified, and performance of all other obligations of the Railroad Trustee hereunder, title to said cars shall vest in the Railroad Trustee, and the Vendor agrees upon request of the Railroad Trustee then to execute and deliver to the Railroad Trustee a bill-of-sale covering all of said cars then remaining in existence, free and clear of all liens and encumbrances of every kind and nature whatsoever created by the Vendor or arising out of any act, obligation or liability on its part.

SIXTH: The Vendor shall not be liable in any respect for the delivery to the Railroad Trustee of any of the said cars described in this agreement, nor for any defect or imperfection of the said cars, nor for anything relating to the value or title thereof (except as to liens and encumbrances created by the Vendor or arising out of any act, obligation or liability on its part), nor for any destruction, deterioration, injury or damage which may be done to or suffered by said cars, nor for any infringements, claims, demands, royalties, costs or expenses that may arise in any way from the use of any patented inventions employed in the construction, repair, alteration or improvement of the said cars, nor for any claims, suits, or loss for or by reason of the construction, management, maintenance, custody or operation of the said cars covered by this agreement.

SEVENTH: The Railroad Trustee agrees at his expense to make all necessary repairs upon said cars according to the rules of Interchange of Railroads and requirements of Interstate Commerce Commission and the Association of American Railroads, to maintain said cars and all parts thereof in good order and condition, and to pay any and all operating tariff and other charges arising out of the use of or in connection with said cars.

EIGHTH: The Railroad Trustee hereby indemnifies and agrees to hold harmless the Vendor (as co-Trustees and individually) from and against any and all costs, charges, damages, and expenses arising from the use or operation of said cars after acceptance of delivery of said cars by the Railroad Trustee and during such time as the Railroad Trustee shall remain in possession and use of said cars pursuant to this agreement, on account of damage to shipments moved in said cars, loss or damage to other property and injuries to or death of persons. The Railroad Trustee agrees to indemnify and save harmless said Vendor (as Co-Trustee and individually) from any and all royalties, damages, claims, suits, judgments, costs and expenses that may arise from the use of any patented articles or process incorporated in or used upon or in connection with the construction or operation of said cars.

NINTH: The Railroad Trustee covenants and agrees to furnish to the Vendor, whenever required by the Vendor, and at least once in every year during the continuance of this agreement, an accurate statement of the amount, description, and serial numbers of the said cars then covered hereby showing (a) the cars then in actual service and the condition thereof, (b) any that may have been damaged, lost, or destroyed, and (c) any then undergoing repairs or then withdrawn from use for repairs. Together with said

statement the Railroad Trustee shall furnish to the Vendor also a statement that in the case of all of the said cars repaired during the preceding year the ownership plates required by this agreement have been preserved thereon. And the Vendor shall have the right, by its agent or agents, but shall be under no duty, to inspect the said cars at any time during the continuance of this agreement and shall have the right to enter upon the premises of the Railroad Trustee for such purpose, and the Railroad Trustee shall furnish all reasonable facilities to the Vendor for making such inspection. The Railroad Trustee agrees to pay the expense of any such inspection made after the occurrance of any event of default hereunder. In connection with such reports and inspections the Vendor shall have the right of access, during all reasonable times business hours, to the books and records of the Railroad Trustee in so far as such books and records may disclose information as to the whereabouts and condition of said cars and the cost of repairs made thereto.

TENTH: If any of said cars are damaged, wheresoever located when damaged, the Railroad Trustee shall immediately repair such damaged car or cars without expense to the Vendor. If any of said cars are lost or destroyed the Railroad Trustee shall immediately pay to the Vendor for such lost or destroyed car or cars an amount equal to the then remaining unpaid purchase price, per car, as stated in the last column of the table attached to this agreement, plus accrued interest to date of such payment with adjustment for prepaid interest, and no further payments shall accrue under this agreement with respect to such lost or destroyed car or cars, from the date or dates of such payment.

ELEVENTH: At or before the delivery to the Railroad Trustee of each of said cars there shall, without cost to the Vendor, be plainly, distinctly, permanently and conspicuously placed and fastened upon each side of each thereof a metal plate bearing the following words in letters not less than one-half inch in height:

THE NORTHERN TRUST COMPANY OF CHICAGO
AND S.A. WEAVER, CO-TRUSTEES, OWNERS.
CHICAGO AND NORTH WESTERN RAILWAY COMPANY
TRUSTEE EQUIPMENT TRUST AUGUST, 1940.

Such plates shall be such as to be readily visible and as to indicate plainly the Vendor's ownership of said equipment. The Railroad Trustee covenants and agrees to keep and maintain said plates on said cars at his expense and in case, during the continuance of this agreement, any of such plates shall at any time be removed, defaced or destroyed, the Railroad Trustee shall immediately cause the same to be restored or replaced. The Railroad Trustee agrees to furnish the Vendor, at or before the delivery of said cars, a certificate of an officer of said Chicago and North Western Railway Company that the said metal plates have been affixed to all of said cars as hereinabove provided, and the Vendor may rely and act on such certificate.

The Railroad Trustee shall not change, or permit to be changed, the serial numbers of any of said cars at any time covered by this agreement (nor any serial numbers which may be substituted as herein provided), except in accordance with a statement of new serial numbers to be substituted therefor, which shall previously have been filed with the Vendor by the Railroad Trustee and consented to by the Vendor and recorded or filed in each public office where this instrument shall have been recorded or filed.

The Railroad Trustee will not allow the names of any persons, associations, or corporations to be placed on any of said cars as a designation which may be interpreted as a claim of ownership by the Railroad Trustee or anyone other than the Vendor, provided, however, that the Railroad Trustee may cause the said cars to be lettered "Chicago and North Western Railway" or "North Western" or "C.N.W." or in some other and substantially similar manner for convenience of identification.

TWELFTH: The Railroad Trustee with all convenient speed, without expense to the Vendor, shall cause this agreement to be duly filed or recorded in the proper recording or filing office as required by law for the protection of the rights of the Vendor and the title of the Vendor to the said cars in all states wherein are situated railroad lines owned or operated by it (either alone or jointly with another) or by any corporation a majority of whose stock shall be owned directly or indirectly by the Railroad Trustee or over which the Railroad Trustee or any such corporation has trackage rights, and otherwise as may be required by law or requested by the Vendor for the full protection of the title of the Vendor, and will promptly furnish to the Vendor a certificate of an officer of said Chicago and North Western Railway Company that such filing or recording has been completed. The Railroad Trustee will from time to time do and perform any other act and will execute, acknowledge and deliver, file, register and record any and all further instruments required by law or reasonably requested by the Vendor for the purpose of protection of its title or for the purpose of fully carrying out and effectuating this agreement, all to the satisfaction of the counsel for the Vendor and at the sole expense of the Railroad Trustee.

THIRTEENTH: In all cases where notice is required to be given under the terms hereof, such notice shall be by registered United States mail and shall be addressed to the Vendor at 50 South LaSalle Street, Chicago, Illinois, or addressed to the Railroad Trustee at 400 West Madison Street, Chicago, Illinois, as the case may be. Any notice so to be given shall, if mailed and registered in the City of Chicago, Illinois, be deemed to have been given on the date following the date of the mailing and registration thereof.

FOURTEENTH: The Railroad Trustee agrees to cause said cars to be included under the fire, derailment, overturning, collision and other insurance coverage provided by its blanket insurance policies in accordance with its usual practice, to an aggregate amount equal at all times to the unpaid balance of the purchase price hereunder, and to keep said cars so insured until the total purchase price of said cars, and other obligations of the Railroad Trustee hereunder, shall have been paid or discharged as provided in this agreement; and the Railroad Trustee shall furnish to the Vendor evidence satisfactory to the latter of such insurance coverage. In the event of damage or loss to any of said cars, the Vendor will permit the Railroad Trustees to use the proceeds of any such insurance received on account of such loss or damage for the repair of any of said cars so damaged and for the making of the payments called for under Paragraph Tenth of this agreement to be made to the Vendor with respect to any of said cars which may be lost or destroyed, upon written request of the Railroad Trustee to the Vendor within sixty (60) days after receipt of such insurance money by the Vendor, and upon furnishing to the Vendor satisfactory evidence, in the case of cars damaged, of the repair of the same. Any excess moneys not so used shall be applied on the unpaid balance of the purchase price of said cars hereunder in inverse order of maturities, any surplus to be paid to or upon the order of the Railroad Trustee.

FIFTEENTH: The Railroad Trustee agrees that he will not assign or transfer his interest under this agreement or in said cars, in any way, without written consent of the Vendor, except as such an assignment or transfer of a person, firm or corporation or receiver or receivers in equity who shall alone succeed to the possession of seventy-five per cent (75%) of all of the owned lines of said Chicago and ~~&~~ and North Western

Railway Company may be contemplated under the provisions of this agreement in connection with the reorganization proceedings hereinafter referred to.

SIXTEENTH: The Railroad Trustee agrees to pay promptly and in apt time to avoid any forefeiture or seizure of any of said cars any and all taxes, assessments, imposts and charges of every kind and character levied upon or assessed against said cars or against the Vendor (as Co-Trustees or individually) by reason of the ownership thereof or by reason of this agreement or the transaction covered hereby, all of which shall be paid by the Railroad Trustee as part of the purchase price, and the payment thereof is expressly made one of the obligations to be performed by the Railroad Trustee before title to said cars covered by this agreement shall vest in the Railroad Trustee. The Railroad Trustee shall have the right to file any and all reports and returns that may be required by various states in connection with said taxes, assessments, imposts, and charges against said cars and shall have the right to contest in his name or in the name of the Vendor any such tax, assessment, impost or charge.

SEVENTEENTH: It is mutually covenanted and agreed that the time of payment of the instalments of the purchase price hereunder is of the essence of this contract and in the event that the Railroad Trustee

(1) Shall fail to pay any installment of the principal of the purchase price hereunder or the interest thereon when the same shall become due and payable hereunder and such default shall continue for thirty (30) days, or

(2) Shall make or suffer any unauthorized assignment or transfer of his rights or interest in said cars or any part thereof, and such default shall continue for a period of thirty (30) days, or

(3) Shall fail or refuse to comply with any other of the terms, conditions or covenants of this agreement on his part to be complied with or performed and such default shall continue for a period of sixty (60) days after written notice thereof from the Vendor to the Railroad Trustee, or

(4) In the event of any proceeding by or against any successor in interest of the Railroad Trustee for any relief under any bankruptcy or insolvency law or laws relating to the relief of debtors, readjustment of indebtedness, reorganization, arrangements, compositions or extensions, or a receiver or receivers should be appointed for the property of any such successor in interest,

then and in any of said events and upon expiration of the respective periods of time above specified (herein sometimes called events of default), the Vendor may in its discretion exercise any one or more of the following rights, powers and remedies:

(a) The Vendor may, by written notice to the Railroad Trustee, declare the entire unpaid purchase price of said cars, whether the same shall have become due or not, immediately due and payable, and such entire amount shall thereupon become and shall be due and payable immediately, without further notice or demand, with interest thereon at the rate or two and one-half per cent (2½%) per annum to the date of such default, and shall bear interest after such default at the rate of six per cent (6%) per annum; and for the total amount so becoming immediately payable by the Railroad Trustee, the Vendor shall be entitled to recover judgment against the Railroad Trustee with interest as aforesaid and to

collect such judgment out of any property of the Railroad Trustee wherever situated; or

(b) The Vendor may, without further notice or demand, retake possession of all or any part of the said cars, together with any improvements thereon, without liability to return to the Railroad Trustee any sums theretofore paid thereon and free from all claims whatsoever of the Railroad Trustee and of all persons claiming under and from the Railroad Trustee, and for this purpose the Vendor may enter upon any premises where the said cars or any of them may be located and shall, in connection with such retaking, be entitled to the use of any supplies, services, aids, trackage or other facilities or means of the Railroad Trustee without process of law. Immediately after any such retaking or repossession, the Vendor shall give notice thereof to the Railroad Trustee. In the event of any such retaking or repossession or election by the Vendor of its right to retake or repossess the said cars or any of them, the Railroad Trustee agrees that he will at his own expense forthwith, and in the usual manner and with the usual speed, cause said cars and any improvements thereon to be drawn to such point or points upon the lines of the railroad of the Railroad Trustee as the Vendor may designate, and will there deliver or cause to be delivered the same to the Vendor or on its order, all without charge or expense therefor to the Vendor. In the event of any such retaking or delivery, the Vendor shall have the right, at its option, to store any part or all of said cars upon the premises of the Railroad Trustee until the Vendor shall desire to remove the same therefrom, and for such purpose the Railroad Trustee agrees to lease to the Vendor the necessary trackage at any convenient point or points selected by the Vendor, where storage tracks are available, at an aggregate rental of Twenty-Five Dollars ($25.00) a month. It is hereby expressly agreed that the foregoing provisions and covenants are of the essence of this contract, and that upon application to any court having jurisdiction in the premises the Vendor shall be entitled to a decree against the Railroad Trustee, requiring the specific performance thereof; or

(c) The Vendor may lease said cars or any of them to others for such rentals and upon such terms as it may see fit; or

(d) The Vendor may, with or without retaking possession of said cars, sell the same or any part thereof, including any improvements thereon, free from any and all claims of the Railroad Trustee or anyone claiming by, through or under the Railroad Trustee, in law or in equity, by public or private sale and with or without advertisement as the Vendor may determine. Such sale or sales may be held at such place or places and at such time or times and from time to time as the Vendor may specify, and may be in one lot as an entirety or in separate lots and without the necessity of causing the said cars or any of them to be gathered at the place of sale, and in general such sale or sales may be conducted in such manner as the Vendor may determine; or

(e) The Vendor may otherwise proceed to enforce its rights under this agreement.

In the event that the Vendor shall retake possession of said cars or any of them as aforesaid, the Vendor shall be entitled to collect, receive and retain all unpaid per diem, mileage or other charges of any kind earned by said cars or any of them prior to such retaking possession thereof. The proceeds of any such sale or sales or lease or leases or per diem or mileage charges shall be applied first to the cost and expense (including attorneys' fees) of the Vendor in connection with the retaking of said cars and the making of such sale or sales, lease or leases, collection of rentals and charges, and in general all costs and expenses, including attorneys' fees, in connection

with the realization of such proceeds and the enforcement by the Vendor of its rights under this agreement, and the balance shall then be applied upon the unpaid balance of the total purchase price of said cars hereunder, including interest thereon, and any other unpaid obligations of the Railroad Trustee hereunder. The Railroad Trustee shall remain liable for and agrees to pay the Vendor any balance, after such application, remaining unpaid of such total purchase price of said cars, and the interest thereon, and any other obligations of the Railroad Trustee hereunder, including costs and expenses (including attorneys' fees) of the Vendor in realizing said proceeds as aforesaid and in exercising or enforcing any of its rights under this agreement and no such taking possession or sale or lease of said cars, or other exercise by the Vendor of its rights hereunder shall be a bar to the recovery by the Vendor from the Railroad Trustee of the full amount of said balance remaining unpaid. If, however, after applying as hereinabove provided all such proceeds realized by the Vendor there shall remain a surplus in the possession of the Vendor, it shall be paid to or upon the order of the Railroad Trustee.

The Railroad Trustee hereby waives to the fullest extent that it may be waived, all statutory requirements, including, but not limited to, any statutory requirements for notice of acceleration of payment of the purchase price or for notice of intention of the Vendor to take possession of the said cars, as well as all such requirements as to time, place and terms of any such sale thereof. In the event of any such taking possession or sale or lease of said cars or any of them hereinabove provided for, the Railroad Trustee shall cease to have any rights or remedies in respect to the said cars under this agreement, and all such rights and remedies shall be deemed thenceforth to have been waived and surrendered by the Railroad Trustee and no payments theretofore made by the Railroad Trustee upon the purchase price of said cars shall, in the case of the happening of any such event of default and such taking possession, sale or lease by the Vendor, give to the Railroad Trustee any legal or equitable interest or title in or to the said cars or any part thereof, or any cause or right of action, at law or in equity, in respect to the said cars against the Vendor (as Co-Trustees or individually), its successors or assigns.

All rights, powers, and remedies given to the Vendor hereunder shall be in addition to any other rights, powers or remedies existing at law or in equity, and all such rights, powers and remedies shall be cumulative, and the exercise of any one shall not be a waiver of any other such right, power or remedy, and all such rights, powers and remedies may be exercised from time to time and simultaneously and as often as deemed expedient by the Vendor. No delay or omission of the Vendor in the exercise of any right, power or remedy shall impair any right, power or remedy or be construed to be a waiver of any default or acquiescence therein.

In case the Vendor shall have proceeded to enforce any right under this agreement by repossession, sale or any other manner herein provided and such proceeding shall have been determined adversely to the Vendor, then and in every such case the Vendor shall be restored to its former position and rights hereunder with respect to the said cars and otherwise under this agreement except as otherwise adjudicated in such proceeding.

EIGHTEENTH: The Vendor may exercise any and all of its rights, powers and remedies under any of the provisions of this agreement through such attorneys, agents and employees as it shall appoint and designate and shall be entitled to reimbursements for its reasonable expenses (including attorneys' fees) in connection with the exercise of such rights, powers and remedies, all of which shall be paid by the Railroad

Trustee as part of the purchase price and the payment of which is expressly made one of the obligations to be performed by the Railroad Trustee before title to the said cars shall vest in the Railroad Trustee.

NINETEENTH: The Railroad Trustee agrees, at his expense, to comply in all respects with the laws of the United States of America and of all the states in which the said cars or any thereof may be operated and with all lawful acts, rules, regulations and orders of the Interstate Commerce Commission and of all other commissions, boards and other legislative, executive or judicial bodies or officers having power to regulate or supervise any of the said cars.

TWENTIETH: This agreement shall be binding upon and inure to the benefit of the Vendor, its successors and assigns, and the Railroad Trustee, his successors and assigns, (including the Chicago and North Western Railway Company and any other purchaser, transferee, possessor or operator of the property of the Debtor to the extent provided below), in accordance with the order of the District Court of the United States for the Northern District of Illinois, Eastern Division, entered August 15th, 1940, in a certain proceeding therein pending entitled "In the Matter of Chicago and North Western Railway Company, Debtor," Docket No. 60448. In accordance with said order it is agreed that the obligations of the Railroad Trustee under and in respect to this agreement, are his obligations solely as Trustee of the property of the Chicago and North Western Railway Company, and not individually, and shall constitute only the general obligations of the estate of which he is Trustee; that as a condition to the termination of the said reorganization proceedings, whether pursuant to a plan of reorganization or otherwise, all the rights and obligations then existing or to accrue, of the Railroad Trustee under this agreement, shall be possessed, enjoyed and assumed as a general obligation by said Chicago and North Western Railway Company, or by any other person, firm or corporation, or any receiver or receivers in equity, that shall succeed the Railroad Trustee in the possession of not less than seventy-five per cent (75%) of the owned lines of railroad comprising the trust estate; that in case of any sale or conveyance of not less than seventy-five per cent (75%) of all of said owned lines of railroad, the purchaser or transferee of the purchaser shall not be at liberty to refuse to accept this agreement or to disaffirm the same (but if acquiring not less than seventy-five per cent (75%) of all of said owned lines of railroad for the purpose of transferring them to a corporation formed for the purpose of reorganization, any such purchaser shall not incur any personal liability under or in respect of this agreement, provided such transferee corporation shall assume, as a general obligation, all of the obligations of the Railroad Trustee under this agreement); that in case any person, firm or corporation, or any receiver or receivers in equity, shall so succeed the Railroad Trustee in the possession of not less than seventy-five per cent (75%) of all of said owned lines of railroad, and shall assume, as a general obligation, all of the obligations of the Railroad Trustee then existing and to accure under this agreement, and provided further the Railroad Trustee shall not be in default hereunder, the Railroad Trustee shall thereupon be relieved from any further liability under or in respect of this agreement; that in the event that, upon the confirmation of a plan of reorganization, or upon the dismissal or termination of said proceeding, neither the Debtor nor any other person, firm or corporation, or receiver or receivers in equity, shall alone succeed to the possession of seventy-five per cent (75%) of all of said owned lines of railroad, then the balance of the purchase price then remaining unpaid of each of said cars then in existence, as shown in the last column of the said

table hereto attached, with accrued interest thereon and all other obligations of the Railroad Trustee hereunder, shall become immediately due and payable on the date of such confirmation, dismissal, or termination, and no such confirmation, dismissal or termination shall relieve the Railroad Trustee or the assets of the estate of which he is trustee or the Chicago and North Western Railway Company from the obligations of this agreement; provided, however, that if the debtor or any other such person, firm or corporation, or receiver or receivers in equity succeeding at that time to the possession of less than seventy-five per cent (75%) of all of said owned lines of railroad shall, with the consent and approval in writing of the Vendor, voluntarily assume, as a general obligation, all of the obligations of the Railroad Trustee then existing and to accrue under this agreement, the Railroad Trustee shall thereupon be relieved from any further liability under or in respect of this agreement.

TWENTY-FIRST: Any provision of this agreement prohibited by any applicable law in any state, or which by any such law would convert this agreement into any instrument other than an agreement of conditional sale, shall as to such state be ineffective without modifying the remaining provisions of this agreement, but where the conflicting provisions of any applicable state law may be waived, they are waived by the Railroad Trustee.

TWENTY-SECOND: The term "Vendor" as used herein shall include and mean both The Northern Trust Company and S. A. Weaver as Co-Trustees, and singular instead of plural reference to "Vendor", for example by use of the word "it", shall include both of said Co-Trustees, unless the context otherwise specifically requires. In the event of the resignation of said The Northern Trust Company, then said S. A. Weaver or any successor in trust shall act as sole Trustee with all rights, powers and duties theretofore possessed by said Co-Trustees. In the event of the death, resignation, incapacity or inability to act of said S. A. Weaver or any successor in trust, then, whether he be Co-Trustee or such sole Trustee, an individual or corporate successor to said S. A. Weaver or any such successor in trust may be appointed at any time by instrument in writing signed by the person or persons at that time entitled to receive from the Vendor fifty-one per cent (51%) or more of the payments provided to be made hereunder by the Railroad Trustee or his successor in interest and filed with the Northern Trust Company and the Railroad Trustee or his successor in interest. In the event of the appointment of a successor in trust to said S. A. Weaver or in the event of such resignation of The Northern Trust Company, the ownership plates on the cars subject to this agreement, inscribed as hereinabove provided, need not be changed to substitute the name of such successor in trust or to indicate such sole trusteeship, but such plates shall be deemed evidence of ownership hereunder by said The Northern Trust Company and S. A. Weaver or his successor in trust as Co-Trustees or of said S. A. Weaver or such successor in trust as such sole Trustee, as the case may be, without any change in the lettering thereon.

The Vendor, in carrying out or enforcing the terms of this agreement, shall act from time to time on the direction or authorizations of whoever may be entitled to receive from the Vendor fifty-one per cent (51%) or more of the payments from time to time made hereunder by the Railroad Trustee or his successor.

TWENTY-THIRD: The terms of this agreement and all rights and obligations hereunder shall be governed by the laws of the State of Illinois.

TWENTY-FOURTH: In order to facilitate the filing and recording of this agreement, the same may be simultaneously executed in two or more counterparts, each of which so

executed shall be deemed to be an original; and such counterparts shall together constitute but one and the same instrument.

The Northern Trust Company and S. A. Weaver execute this instrument not personally but as Co-Trustees as aforesaid and are not, nor is either of them, to be held liable in its or his individual capacity in any way by reason of the same. Any recourse hereunder is to be had only against the trust estate.

IN WITNESS WHEREOF, THE NORTHERN TRUST COMPANY has caused this instrument to be duly executed by its duly authorized Vice President, its corporate seal to be hereunto affixed and attested by its duly authorized Assistant Secretary, and S. A. Weaver has hereunto placed his hand and seal, and the Railroad Trustee has hereunto placed his hand and seal, pursuant to authorization thereunto from the court of his appointment, all the day and year first above written.

THE NORTHERN TRUST COMPANY

By L. H. Date
Vice President

ATTEST:

T. L. McDermand
Assistant Secretary

and

S. A. Weaver (SEAL)
As Co-Trustees

In the presence of

Nye F. Moorhouse

Charles M. Thomson
As Trustee of the property of
CHICAGO AND NORTH WESTERN
RAILWAY COMPANY

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Esther C. Haeeberg, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that on this 16th day of August, 1940, before me personally appeared L. H. Date and T. L. McDermand, Vice President and Assistance Secretary, respectively, of the Northern Trust Company, a corporation, each being personally known to me to be the Vice President and Assistant Secretary, respectively, of said corporation and the same persons whose names are subscribed to the foregoing instrument, and the said L. H. Date and T. L. McDermand then and there severally acknowledged that they signed, sealed and delivered the foregoing instrument as such Vice President and Assistant Secretary, respectively, of said The Northern Trust Company, and caused the corporate seal of said corporation to be affixed thereto pursuant to authority given by the Board of Directors of said corporation, as a free and voluntary act and deed of said corporation as Co-Trustee, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal as Notary Public aforesaid this 16th day of August, 1940.

Esther C. Haeeberg
Notary Public in and for
Cook County, Illinois

My Commission expires:

January 12, 1943

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Esther C. Haeeberg, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that on this 16th day of August, 1940, before me personally appeared S. A. Weaver, personally known to me to be the person whose name is subscribed to in the foregoing instrument, and acknowledged that he executed the same as his free and voluntary act and deed as Co-Trustee for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal as Notary Public aforesaid this 16th day of August, 1940.

Esther C. Haeeberg
Notary Public in and for
Cook County, Illinois.

My Commission expires:

January 12, 1943

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Margaret C. Carmody, a Notary Public in and for said County in said State of Illinois, DO HEREBY CERTIFY that on this 16th day of August, 1940, CHARLES M. THOMSON, the duly appointed, qualified and acting Trustee of the property of Chicago and North Western Railway Company, personally known to me as such, appeared before me in person and acknowledged that he had signed, sealed and delivered the foregoing instrument as his free and voluntary act for the uses and purposes therein set forth as such Trustee.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal as Notary Public aforesaid, this 16th day of August, 1940.

Margaret C. Carmody
Notary Public in and for
Cook County, Illinois

My Commission expires
July 20, 1941.

$3,982.21 at 2½% per annum on Diminishing Balances of 84 Equal Monthly Payments including Interest and Principal

No.	Payment	Interest	Principal	Balance
1	$51.73	$8.30	$43.43	$3,938.78
2	"	8.21	43.52	3,895.26
3	"	8.12	43.61	3,851.65
4	"	8.02	43.71	3,807.94
5	"	7.93	43.80	3,764.14
6	"	7.84	43.89	3,720.25
7	"	7.75	43.98	3,676.27
8	"	7.66	44.07	3,632.20
9	"	7.57	44.16	3,588.04
10	"	7.47	44.26	3,543.78
11	"	7.38	44.35	3,499.43
12	"	7.29	44.44	3,454.99
13	"	7.20	44.53	3,410.46
14	"	7.11	44.62	3,365.84
15	"	7.01	44.72	3,321.12
16	"	6.92	44.81	3,276.31
17	"	6.82	44.91	3,231.40
18	"	6.73	45.00	3,186.40
19	"	6.64	45.09	3,141.31
20	"	6.54	45.19	3,096.12
21	"	6.45	45.28	3,050.84
22	"	6.36	45.37	3,005.47
23	"	6.26	45.47	2,960.00
24	"	6.17	45.56	2,914.44
25	"	6.07	45.66	2,868.78
26	"	5.98	45.75	2,823.03
27	"	5.88	45.85	2,777.18
28	"	5.79	45.94	2,731.24
29	"	5.69	46.04	2,685.20
30	"	5.59	46.14	2,639.06
31	"	5.50	46.23	2,592.83
32	"	5.40	46.33	2,546.50
33	"	5.31	46.42	2,500.08
34	"	5.21	46.52	2,453.56
35	"	5.11	46.62	2,406.94
36	"	5.01	46.72	2,360.22
37	"	4.92	46.81	2,313.41
38	"	4.82	46.91	2,266.50
39	"	4.72	47.01	2,219.49
40	"	4.63	47.10	2,172.39
41	"	4.54	47.19	2,125.20
42	"	4.44	47.29	2,077.91
43	"	4.34	47.39	2,030.52
44	"	4.24	47.49	1,983.03
45	"	4.14	47.59	1,935.44
46	"	4.04	47.69	1,887.75
47	"	3.94	47.79	1,839.96
48	"	3.84	47.89	1,792.07
49	"	3.74	47.99	1,744.08
50	"	3.64	48.09	1,695.99
51	"	3.54	48.19	1,647.80
52	"	3.44	48.29	1,599.51
53	"	3.34	48.39	1,551.12

No.	Payment	Interest	Principal	Balance
54	$51.73	$3.24	$48.49	$1,502.63
55	"	3.14	48.59	1,454.04
56	"	3.04	48.69	1,405.35
57	"	2.94	48.79	1,356.56
58	"	2.84	48.89	1,307.67
59	"	2.73	49.00	1,258.67
60	"	2.63	49.10	1,209.57
61	"	2.53	49.20	1,160.37
62	"	2.43	49.30	1,111.07
63	"	2.32	49.41	1,061.66
64	"	2.22	49.51	1,012.15
65	"	2.12	49.61	962.54
66	"	2.01	49.72	912.82
67	"	1.91	49.82	863.00
68	"	1.81	49.92	813.08
69	"	1.70	50.03	763.05
70	"	1.60	50.13	712.92
71	"	1.49	50.24	662.68
72	"	1.39	50.34	612.34
73	"	1.29	50.44	561.90
74	"	1.18	50.55	511.35
75	"	1.07	50.66	460.69
76	"	.97	50.76	409.93
77	"	.86	50.87	359.06
78	"	.76	50.97	308.09
79	"	.65	51.08	257.01
80	"	.54	51.19	205.82
81	"	.44	51.29	154.53
82	"	.33	51.40	103.13
83	"	.22	51.51	51.62
84	"	.11	51.62	"

Accounting Department,
A.C.E. August 8, 1940

STATE OF WISCONSIN))
DEPARTMENT OF STATE) ss.

Received this 17th day of August A. D. 1940 at 9:00 A. M., and recorded in Vol. 34 of Railroad Mortgages on pages 438-450 inclusive.

/s/ Robert R. Zimmerman
Assistant Secretary of State

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RELEASE OF CERTAIN LAND IN CRAWFORD COUNTY, WISCONSIN, FROM LIEN OF GENERAL MORTGAGE OF MAY 1, 1889

DATED, JULY 3rd, 1940.

- - - - - - - - - - - - - - - -

Crawford County, Wisconsin
31.19 acres

THIS INDENTURE, made this 3rd day of July, A. D. 1940, by and between United States Trust Company of New York, as Trustee (hereinafter referred to as "Trustee"), party of the first part, and Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter referred to as the "Railroad Company") party of the second part,

W I T N E S S E T H :

THAT WHEREAS, by an instrument bearing date May 1, 1889, and filed for record in the office of the Secretary of the State of Wisconsin, Chicago, Milwaukee and St. Paul Railway Company (hereinafter called the "Railway Company") mortgaged to United States Trust Company of New York, as Trustee, as security for certain bonds therein particularly described and referred to, the lines of railway and property therein specifically described, including the property hereinafter particularly described and released by the party of the first part, which mortgage is hereinafter referred to as "General Mortgage"; and

WHEREAS, in and by Article XI of said General Mortgage, it is provided that upon the certificate of the Railway Company, expressed by resolution of its Board of Directors, duly certified, setting forty that the Railway Company desires to dispose of any real or personal property covered by said General Mortgage, and that the same is no longer requisite or convenient for the operation of the lines of railway conveyed by said General Mortgage, and that it is for the interest of the parties thereto that the same be sold or disposed of, the said Trustees shall, from time to time, release such property from the lien and operation of said General Mortgage; and

WHEREAS, the Railroad Company, party of the second part herein, is the grantee of and successor to the Railway Company in the ownership of the lines of railway and property subject to the lien of said General Mortgage and has assumed the obligations of the Railway Company in respect of said General Mortgage and of the bonds issued and outstanding thereunder; and

WHEREAS, the use of the property hereinafter particularly described and released by the party of the first part, from the lien of said General Mortgage is no longer requisite, necessary, convenient, or advantageous for the use or convenience of the Railroad Company in connection with, or in the operation of, the lines of railway conveyed by, and subject to, the lien of said General Mortgage, or other lines of railway which may be subject thereto, and it is to the interest of said Railroad Company and of the Trustee under said General Mortgage that the property be sold, disposed of and released from the lien of said General Mortgage; and

WHEREAS, the Trustees of the Railroad Company, Debtor, have sold and conveyed to Crawford County, Wisconsin the property, hereinafter described, for the cash consideration of $1,559, and have requested the Trustee of said Mortgage to release the property, hereinafter described, from the lien of said General Mortgage; and

WHEREAS, the recitals herein contained are made only in behalf of said Railroad Company;

NOW, THEREFORE, United States Trust Company of New York, as Trustee, in consideration of the premises and of the sum of One Dollar ($1.00) to it paid, the receipt of which is hereby acknowledged, does hereby release from the lien of the aforesaid General Mortgage, the property which is particularly described as follows:

All the right of way of the line of railroad, now abandoned, between the south line of Lot One (1) in Section Three (3), Township Eight (8) North, Range Four (4) West and the west line of the East Half of the Northeast Quarter (E½ NE¼) of Section Twenty-eight (28), Township Nine (9) North, Range Four (4) West, all in Crawford County, Wisconsin, more particularly described as follows:

1. A parcel of land one hundred (100) feet wide having fifty (50) feet of such width on each side of the center line of the main track of the railroad as the same was laid and operated across Lot One (1) of Section Three (3), Township Eight (8) North, Range Four (4) West and Lots Eight and Seven (8 & 7) of Section Thirty-four (34), Township Nine (9) North, Range Four (4), West, containing 9.61 acres, more or less.

2. A parcel of land fifty (50) feet wide having twenty-five (25) feet of such width on each side of said center line of main track across Lot Six (6) of Section Thirty-four (34), Township Nine (9) North, Range Four (4) West, containing 0.69 of an acre, more or less.

3. A parcel of land one hundred (100) feet wide having fifty (50) feet of such width on each side of said center line of main track across Lots Five and Four (5 & 4) in the Northwest Quarter (NW¼) of said Section Thirty-four (34), and also that part of said Lot Four (4) lying west of said one hundred (100) foot strip and seven hundred (700) feet south of the north line of said Lot Four (4), containing in all 8.49 acres, more or less.

4. All that part of the Northwest Quarter (NW¼) of said Section Thirty-four (34) lying between the one hundred (100) foot parcel of land last above described and Blocks Five, Four and Three (5, 4 & 3) in the Village of Barnum, containing 1.1 acres, more or less.

5. A parcel of land fifty (50) feet wide having twenty-five (25) feet of such width on each side of said center line of main track across the west part of Lot Three (3) of Section Twenty-seven (27), Township Nine (9) North, Range Four (4) West, containing 1.71 acres, more or less.

6. A parcel of land one hundred (100) feet wide having fifty (50) feet of such width on each side of said center line of main track across the South Half (S½) of Lot Two (2) of said Section Twenty-seven (27), containing 1.54 acres, more or less.

7. A parcel of land fifty (50) feet wide having twenty-five (25) feet of such width on each side of said center line of main track across the North Half (N½) of Lot Two (2) and the South Half of the Northwest Quarter (S½ NW¼) of said Section Twenty-seven (27), containing 2.76 acres, more or less.

8. A parcel of land one hundred (100) feet wide having fifty (50) feet of such width on each side of said center line of main track across the Northwest Quarter of the Northwest Quarter (NW¼ NW¼) of said Section Twenty-seven (27,) containing 2.12 acres, more or less.

9. A parcel of land one hundred (100) feet wide having fifty (50) feet of such width on each side of said center line of main track across so much of Lot Two (2) as lies

in the East Half of the Northeast Quarter (E½ NE¼) of Section Twenty-eight (28), Township Nine (9) North, Range Four (4) West, containing 3.17 acres, more or less.

The total area of the land above described is 31.19 acres, more or less.

IN WITNESS WHEREOF, United States Trust Company of New York, Trustee, has caused these presents to be executed in its corporate name by its Asst. Vice President, with its corporate seal hereto attached and attested by its Asst. Secretary, the day and year first above written.

UNITED STATES TRUST COMPANY
OF NEW YORK, TRUSTEE

By H. L. Smithers
Asst. Vice-President

Attest:

H. M. Mansell
Asst. Secretary

In the presence of:

S. P. Marten

W. J. Rauch

WISCONSIN

FORM

STATE OF NEW YORK)
) SS
NEW YORK COUNTY)

Personally came before me this 3rd day of July, 1940, the within named H. L. Smithers, Asst. Vice President of United States Trust Company of New York, and H. M Mansell, Asst. Secretary of United States Trust Company of New York, both to me personally known to be the persons therein described who executed the foregoing instrument and acknowledged the same.

Given under my hand and notarial seal this 3rd day of July, A. D. 1940.

Edward A. Moeller

Notary Public

Edward A. Moeller
Notary Public, Kings County
Kings Co. Clk's No. 570, Reg. No. 1161
N. Y. Co. Clk's No. 289, Reg. No. 1M224
Commission expires March 30, 1941

STATE OF WISCONSIN)
DEPARTMENT OF STATE)SS

Received this 10th day of September A. D. 1940 at 9:00 O'clock A.M. and recorded in Vol. 34 of Railroad Mortgages on pages 451-453, inclusive.

ROBERT C. ZIMMERMAN
Asst. Secretary of State

Index 1588

RELEASE OF CERTAIN LAND IN CRAWFORD COUNTY, WISCONSIN, FROM LIEN OF FIRST AND REFUNDING MORTGAGE OF FEBRUARY 2, 1925 DATED, JULY 11th, 1940.

- - - - - - - - - - - -

Crawford County, Wisconsin
31.19 Acres

THIS INDENTURE, made this 11th day of July A. D., 1940, by and between CHEMICAL BANK & TRUST COMPANY, Successor by Merger to United States Mortgage and Trust Company, as Corporate Trustee, a corporation of the State of New York and Howard B. Smith, Successor Individual Trustee, of the City of Montclair, in the State of New Jersey (hereinafter referred to as "Trustees") parties of the first part, and CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY, (hereinafter referred to as the "Railroad Company") party of the second part,

W I T N E S S E T H :

THAT WHEREAS, by an instrument bearing date as of February 2, 1925, and filed for record in the office of the Secretary of the State of Wisconsin, the Railroad Company mortgaged to said Trustee, as security for certain bonds therein mentioned, the lines of railway and property therein specifically described, including the premises hereinafter particularly described and released by the parties of the first part, which mortgage is hereinafter referred to as "First and Refunding Mortgage; and

WHEREAS, Chemical Bank & Trust Company is the Successor by Merger to United States Mortgage and Trust Company, pursuant to agreement dated June 11, 1929, filed with and approved by the Banking Department of the State of New York on June 29, 1929, and valid and effective as of that date, all as provided by law; and

WHEREAS, in and by Article Ten of said Mortgage, it is provided that from time to time the Railroad Company, subject to the conditions and limitations in said Article Ten prescribed, and not otherwise, may sell, and the Trustees upon the delivery to the Corporate Trustee of the resolution, opinion and certificate as in Section 12 of said Article Ten provided, shall release from the lien and operation of said First and Refunding Mortgage, any part of the lines of railroad which are or shall be at any time subject to said First and Refunding Mortgage provided (1) that the Railroad Company is not thereby prevented from maintaining and operating, in the manner set forth in said First and Refunding Mortgage, a continuous railroad system between the termini set out in said First and Refunding Mortgage substantially as direct and available for transportation purposes as the continuous railroad system so maintained by the Railroad Company at the date of the execution and delivery of said First and Refunding Mortgage and (2) that it shall no longer be necessary or expedient to retain such part of said lines of railroad as a part of the system of railroads subject to said First and Refunding Mortgage, and any real estate or other property which it shall no longer be necessary or expedient to retain for the operation, maintenance or use of the lines of railroad then subject to said First and Refunding Mortgage, or for use in the business of the Railroad Company; and

WHEREAS, the Railroad Company has delivered to the Corporate Trustee, a certified copy of the resolution of the Board of Directors adopted on the 13th day of June, 1940, and the opinion and certificate as required in said Section 12 of Article Ten of said First and Refunding Mortgage, whereby it appears that the release of the property hereinafter described will not prevent the Trustees of the Railroad Company

from maintaining and operating in the manner set forth in said First and Refunding Mortgage, a continuous railroad system between the termini set out in said First and Refunding Mortgage substantially as direct and available for transportation purposes as the continuous railroad system so maintained by the Railroad Company at the date of the execution and delivery of said First and Refunding Mortgage and that it is no longer necessary or expedient to retain said property for the operation, maintenance or use of the lines of railroad now subject to said First and Refunding Mortgage, or for use in the business of said Railroad Company; that the action and release requested are authorized by the provisions of said Article Ten of said First and Refunding Mortgage and that the resolutions and certificate aforesaid furnished to the Corporate Trustee are in compliance with the provisions of Section 12 of said Article Ten; and

WHEREAS, the Trustees of the Railroad Company, Debtor, have sold and agreed to convey to Crawford County, Wisconsin the property hereinafter described for the cash consideration of $1,559, and have requested the parties of the first part to release the property from the lien of said First and Refunding Mortgage; and

WHEREAS, the property hereinafter described is subject to the General Mortgage of Chicago, Milwaukee and St. Paul Railway Company (predecessor of the Railroad Company in ownership of said property) dated May 1, 1889, which is a lien upon said property prior to the lien of said First and Refunding Mortgage, and United States Trust Company of New York, Trustee under said General Mortgage has released said property from the lien thereof; and

WHEREAS, the recitals herein contained are made only in behalf of said Railroad Company;

NOW, THEREFORE, the parties of the first part, as Trustees in consideration of the premises and of the sum of one dollar ($1.00) to them paid, the receipt of which is hereby acknowledged, do hereby release from the lien of the aforesaid First and Refunding Mortgage, the property which is particularly described as follows, to-wit:

All the right of way of the line of railroad, now abandoned, between the south line of Lot One (1) in Section Three (3), Township Eight (8) North, Range Four (4) West and the west line of the East Half of the Northeast Quarter (E½ NE¼) of Section Twenty-eight(28) Township Nine (9) North, Range Four (4) West, all in Crawford County, Wisconsin, more particularly described as follows:

1. A parcel of land one hundred (100) feet wide having fifty (50) feet of such width on each side of the center line of the main track of the railroad as the same was laid and operated across Lot One (1) of Section Three (3), Township Eight (8) North, Range Four (4) West and Lots Eight and Seven (8 & 7) of Section Thirty-four (34), Township Nine (9) North, Range Four (4), West, containing 9.61 acres, more or less.

2. A parcel of land fifty(50) feet wide having twenty-five(25) feet of such width on each side of said center line of main track across Lot Six (6) of Section Thirty-four (34), Township Nine (9) North, Range Four (4) West, containing 0.69 of an acre, more or less.

3. A parcel of land one hundred (100) feet wide having fifty (50) feet of such width on each side of said center line of main track across Lots Five and Four (5 & 4) in the Northwest Quarter (NW¼) of said Section Thirty-four (34), and also that part of said Lot Four (4) lying west of said one hundred (100) foot strip and seven hundred

(700) feet south of the north line of said Lot Four (4), containing in all 8.49 acres, more or less.

4. All that part of the Northwest Quarter (NW¼) of said Section Thirty-four (34) lying between the one hundred (100) foot parcel of land last above described and Blocks Five, Four and Three (5, 4 & 3) in the Village of Barnum, containing 1.1 acres, more or less.

5. A parcel of land fifty (50) feet wide having twenty-five (25) feet of such width on each side of said center line of main track across the west part of Lot Three (3) of Section Twenty-seven (27), Township Nine (9) North, Range Four (4) West, containing 1.71 acres, more or less.

6. A parcel of land one hundred (100) feet wide having fifty (50) feet of such width on each side of said center line of main track across the South Half (S½) of Lot Two (2) of said Section Twenty-seven (27), containing 1.54 acres, more or less.

7. A parcel of land fifty (50) feet wide having twenty-five (25) feet of such width on each side of said center line of main track across the North Half (N½) of Lot Two(2) and the South Half of the Northwest Quarter (S½ NW¼) of said Section Twenty-seven (27), containing 2.76 acres, more or less.

8. A parcel of land one hundred (100) feet wide having fifty (50) feet of such width on each side of said center line of main track across the Northwest Quarter of the Northwest Quarter (NW¼ NW¼) of said Section Twenty-seven (27), containing 2.12 acres, more or less.

9. A parcel of land one hundred (100) feet wide having fifty (50) feet of such width on each side of said center line of main track across so much of Lot Two (2) as lies in the East Half of the Northeast Quarter (E½ NE¼) of Section Twenty-eight (28), Township Nine (9) North, Range Four (4) West, containing 3.17 acres, more or less.

The total area of the land above described is 31.19 acres, more or less.

PROVIDED ALWAYS, that nothing herein contained shall in anywise affect, alter or diminish the lien or encumbrance of the aforesaid First and Refunding Mortgage on the remaining parts of the properties, premises and franchises covered by it or the rights given by it against the Railroad, its successors or assigns, as security for the bonds and the performance of the covenants and obligations to be by the Railroad Company performed.

The Trustees neither assume nor shall incur any liability or responsibility in respect of recitals herein contained.

IN WITNESS WHEREOF, Chemical Bank & Trust Company, Successor Corporate Trustee by Merger to United States Mortgage and Trust Company, Trustee, has caused these presents to be executed in its corporate name by its Corporate Trust Officer, with its corporate seal hereto affixed, attested by one of its Assistant Secretaries, and said Howard B. Smith has hereunto set his hand and seal, all on the day and year first above written.

CHEMICAL BANK & TRUST COMPANY
Successor Corporate Trustee,

BY J. A. W. Richardson, Jr.
Corporate Trust Officer

Attest:

H. C. Ottiwell
Assistant Secretary

Howard B. Smith (SEAL)

In the presence of:

Fred J. Pohl

W. Mullen (?)

This is page 6 of a release dated July 11, 1940 releasing from the lien of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company First and Refunding Mortgage certain property situated in Crawford County, Wisconsin.

WISCONSIN FORM

STATE OF NEW YORK)
NEW YORK COUNTY) SS
)

Personally came before me, this 2nd. day of July 1940, the within named J. A. W. Richardson, Jr. Corporate Trust Officer, of Chemical Bank & Trust Company, and H. C. Ottiwell, Asst. Secretary, of Chemical Bank & Trust Company, both to me personally known to be the persons therein described, who executed the foregoing instrument and acknowledged the same.

GIVEN under my hand and notarial seal this 12th day of July, A. D. 1940.

L.E. Cox

Notary Public

Le Roy E. Cox
Notary Public Westchester County
Certificates Filed in
N.Y. Co. Clerk's No. 471, Register's No. 1-C-301
Commission Expires March 30, 1941

STATE OF NEW YORK)
) SS
NEW YORK COUNTY)

Personally came before me this 12th day of July, 1940, the within named Howard B. Smith, to me personally known to be the person therein described, who executed the foregoing instrument and acknowledged the same.

GIVEN under my hand and notarial seal this 12th day of July, A. D. 1940.

L. E. Cox

Notary Public

Le Roy E. Cox
Notary Public, Westchester County
Certificates Filed in
N.Y.Co. Clerk's No. 471, Register's No. 1-C-301
Commission Expires March 30, 1941.

STATE OF WISCONSIN)
DEPARTMENT OF STATE)SS

Received this 10th day of September A. D. 1940 at 9:00 o'clock A.M. and recorded in Vol. 34 of Railroad Mortgages on page 454-457, inclusive

ROBERT C. ZIMMERMAN
Asst. Secretary of State

Index 1587

RELEASE OF CERTAIN LAND IN CRAWFORD COUNTY, WISCONSIN, FROM LEIN OF FIFTY-YEAR MORTGAGE of FEBRUARY 2ND, 1925 DATED, JULY 30th, 1940.

Crawford County, Wisconsin
31.19 Acres

THIS INDENTURE, made this 30th day of July, A. D. 1940, by and between GUARANTY TRUST COMPANY OF NEW YORK, a corporation of the State of New York and MERRELL P. CALLAWAY of the City of New York and State of New York, as Trustees (hereinafter referred to as the "Trustees") parties of the first part, and CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY (hereinafter referred to as the "Railroad Company") party of the second part,

WHEREAS, by an instrument bearing date as of February 2, 1925 (hereinafter referred to as "Fifty-Year Mortgage") filed in the office of the Secretary of the State of Wisconsin, the Railroad Company mortgaged to said Trustees as security for certain bonds therein mentioned, the lines of railway and property therein specifically described, including the property hereinafter particularly described and released by the parties of the first part; and

WHEREAS, in and by Article Eleven of said Mortgage, it is provided that from time to time the Railroad Company, subject to the conditions and limitations in said Article Eleven prescribed, and not otherwise, may sell, and the Trustees upon the delivery to the Corporate Trustee of the resolutions, opinion and Certificate as in Section 12 of said Article Eleven provided, shall release from the lien and operation of said Fifty-Year Mortgage, any property which it shall no longer be necessary or expedient to retain for the operation, maintenance or use of the lines of railroad then subject to said Fifty-Year Mortgage, or for use in the business of the Railroad Company; and

WHEREAS, the Trustees of the Railroad Company, Debtor, have sold and agreed to convey to Crawford County, Wisconsin the property hereinafter described for the cash consideration of $1,559, and have requested the parties of the first part to release the property hereinafter described from the lien of said Fifty-Year Mortgage; and

WHEREAS, United States Trust Company of New York, Trustee under the General Mortgage of Chicago, Milwaukee and St. Paul Railway Company (predecessor of the Railroad Company in the ownership of said property) dated May 1, 1889, which mortgage is a lien upon said property prior to the lien of said Fifty-Year Mortgage, has released said property from the lien of said General Mortgage; and

WHEREAS, the Railroad Company has delivered to the Trustees, a certificate of the Corporate Trustee under the first and Refunding Mortgage of the Railroad Company, which is a lien on said property prior to the lien of said Fifty-Year Mortgage, that the Trustees thereunder have released said property from the lien of said First and Refunding Mortgage in pursuance of its provisions governing releases of mortgage property; and

WHEREAS, the recitals herein contained are made only in bahlf of said Railroad Company;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That the parties of the First part, as Trustees, in consideration of the premises and of the sum of One Dollar ($1.00) to them paid, the receipt of which is hereby acknowledged, do hereby release from the lien of the aforesaid Fifty-Year Mortgage and Deed of Trust, the property which is particularly described as follows, to-wit:

All the right of way of the line of railroad, now abandoned, between the south line of Lot One (1) in Section Three (3), Township Eight (8) North, Range Four (4) West and the west line of the East Half of the Northeast Quarter (E½ NE¼) of Section Twenty-eight (28), Township Nine (9) North, Range Four (4) West, all in Crawford County, Wisconsin, more particularly described as follows:

1. A parcel of land one hundred (100) feet wide having fifty (50) feet of such width on each side of the center line of the main track of the railroad as the same was laid and operated across Lot One (1) of Section Three (3), Township Eight (8) North, Range Four (4) West and Lots Eight and Seven (8 & 7) of Section Thirty-four (34), Township Nine (9) North, Range Four (4), West, containing 9.61 acres, more or less.

2. A parcel of land fifty (50) feet wide having twenty-five (25) feet of such width on each side of said center line of main track across Lot Six (6) of Section Thirty-four (34), Township Nine (9) North, Range Four (4) West, containing 0.69 of an acre, more or less.

3. A parcel of land one hundred (100) feet wide having fifty (50) feet of such width on each side of said center line of main track across Lots Five and Four (5 & 4) in the Northwest Quarter (NW¼) of said Section Thirty-four (34), and also that part of said Lot Four (4) lying west of said one hundred (100) foot strip and seven hundred (700) feet south of the north line of said Lot Four (4), containing in all 8.49 acres, more or less.

4. All that part of the Northwest Quarter (NW¼) of said Section Thirty-four (34) lying between the one hundred (100) foot parcel of land last above described and Blocks Five, Four and Three (5, 4 & 3) in the Village of Barnum, containing 1.1 acres, more or less.

5. A parcel of land fifty (50) feet wide having twenty-five (25) feet of such width on each side of said center line of main track across the west part of Lot Three (3) of Section Twenty-seven (27), Township Nine (9) North, Range Four (4) West, containing 1.71 acres, more or less.

6. A parcel of land one hundred (100) feet wide having fifty (50) feet of such width on each side of said center line of main track across the South Half (S½) of Lot Two (2) of said Section Twenty-seven (27) containing 1.54 acres, more or less.

7. A parcel of land fifty (50) feet wide having twenty-five (25) feet of such width on each side of said center line of main track across the North Half (N½) of Lot Two (2) and the South Half of the Northwest Quarter (S½ NW¼) of said Section Twenty-seven (27), containing 2.76 acres, more or less.

8. A parcel of land one hundred (100) feet wide having fifty (50) feet of such width on each side of said center line of main track across the Northwest Quarter of the Northwest Quarter (NW¼ NW¼) of said Section Twenty-seven (27), containing 2.12 acres, more or less.

9. A parcel of land one hundred (100) feet wide having fifty (50) feet of such width on each side of said center line of main track across so much of Lot Two (2) as lies in the East Half of the Northeast Quarter (E½ NE¼) of Section Twenty-eight (28), Township Nine (9) North, Range Four (4) West, containing 3.17 acres, more or less.

The total area of the land above described is 31.19 acres, more or less.

PROVIDED ALWAYS, NEVERTHELESS, that nothing herein contained shall in anywise affect, alter or diminish the lien or encumbrance of the aforesaid Fifty-Year Mortgage on the remaining parts of the properties, premises and franchises covered by it, or the remedies given by it against said Chicago, Milwaukee, St. Paul and Pacific Railroad Company, its successors and assigns, as security for the bonds and performance of the acts secured by it.

IT WITNESS WHEREOF, Guaranty Trust Company of New York, Trustee, has caused these presents to be executed in its corporate name by its Vice President, with its corporate seal hereto affixed, attested by its Assistant Secretary and said Merrel P. Callaway as individual Trustee has hereunto set his hand and seal as of the day and year first above written.

QUARANTY TRUST COMPANY OF NEW YORK
Corporate Trustee

By Arthur E. Burke
Vice - President

Merrel P. Callaway

Attest:

J. C. Buttery
Assistant Secretary

In the presence of:

G. Greene

W. C. Sandy

W I S C O N S I N F O R M

STATE OF NEW YORK)
) SS
NEW YORK COUNTY)

Personally came before me, this 31st. day of July 1940, the within named Arthur E. Burke, a Vice-President of Guaranty Trust Company of New York, and J. C. Buttery, a or an Assistant Secretary of Guaranty Trust Company of New York, both to me personally known to be the persons therein described, who executed the foregoing instrument and acknowledged the same.

GIVEN under my hand and notarial seal this 31st day of July, A. D. 1940.

Wm. J. Burnham
Notary Public

Wm. J. Burnham
Notary Public New York County
Clerk's No. 396, Register's
No. 2B123
Commission Expires March 30, 1942

STATE OF NEW YORK)
) SS
NEW YORK COUNTY)

Personally came before me this 31st. day of July, 1940, the within named Merrel P. Callaway, to me personally known to be the person therein described, who executed the foregoing instrument and acknowledged the same.

GIVEN under my hand and notarial seal this 31st. day of July, A. D. 1940

Wm. J. Burnham
Notary Public New York Co.
Clerk's No. 396, Register's
No. 2B123
Commission Expires March 30, 1942

Wm. J. Burnham
Notary Public

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS

Received this 10th day of September A. D. 1940 at 9:00 O'clock A. M. and recorded in Vol. 34 of Railroad Mortgages on page 458-460, inclusive.

ROBERT C. ZIMMERMAN
Asst. Secretary of State

RELEASE OF CERTAIN LAND IN CRAWFORD COUNTY, WISCONSIN, FROM LIEN OF ADJUSTMENT MORTGAGE of FEBRUARY 2ND, 1925

DATED, SEPTEMBER 6TH, 1940.

Crawford County, Wisconsin
31.19 Acres

INDENTURE, made this 6th day of September, A. D. 1940, by and between THE NATIONAL CITY BANK OF NEW YORK, a corporation organized and existing as a national banking association under the laws of the United States of America, and William W. Hoffman, of the City of New York in said State, as Trustees (hereinafter referred to as the "Trustees") parties of the first part and CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY (hereinafter referred to as the "Railroad Company") party of the second part.

WHEREAS, by an instrument bearing date as of February 2, 1925 (hereinafter referred to as "Adjustment Mortgage") and filed for record in the office of the Secretary of the State of Wisconsin, the Railroad Company mortgaged to said Trustees as security for certain bonds therein mentioned, the lines of railway and property therein specifically described, including the property hereinafter particularly described and released by the parties of the first part; and

WHEREAS, in and by Article Twelve of said Mortgage, it is provided that from time to time the Railroad Company, subject to the conditions and limitations in said Article Twelve prescribed, and not otherwise, may sell, and the Trustees upon the delivery of the Corporate Trustee of the resolutions, opinion and certificate as in Section 12 of said Article Twelve provided, shall release from the lien and operation of said Adjustment Mortgage, any property which it shall no longer be necessary or expedient to retain for the operation, maintenance or use of the lines of railroad then subject to said Adjustment Mortgage, or for use in the business of the Railroad Company; and

WHEREAS, the Trustees of the Railroad Company, Debtor, have sold and agreed to convey to Crawford County, Wisconsin the property hereinafter described for the cash consideration of $1,559 and have requested the parties of the first part to release the property hereinafter described from the lien of said Adjustment Mortgage; and

WHEREAS, United States Trust Company of New York, Trustee under the General Mortgage of Chicago, Milwaukee and St. Paul Railway Company (predecessor to the Railroad Company in the ownership of said property) dated May 1, 1889, which mortgage is a lien upon said property prior to the lien of said Adjustment Mortgage, has released said property from the lien of said General Mortgage and the $1,559 has been deposited with said Trustee; and

WHEREAS, the Railroad Company has delivered to the Trustees, a certificate of the Corporate Trustee under its First and Refunding Mortgage, which mortgage is a lien upon said property prior to the lien of said Adjustment Mortgage, that the Trustees thereunder have released said property from the lien of that mortgage, in pursuance of its provisions governing releases of mortgaged property; and

WHEREAS, the Trustees under the Fifty-Year Mortgage of the Railroad Company, dated as of February 2, 1925, which mortgage is a lien upon said property prior to the lien of the Adjustment Mortgage, have executed, or simultaneously herewith will execute, a release of said property from the lien of the Fifty-Year Mortgage; and

WHEREAS, the recitals herein contained are made only in behalf of said Railroad Company:

NOW THEREFORE, THIS INDENTURE WITNESSETH: That the parties of the first part, as Trustees, in consideration of the premises and of the sum of One Dollar ($1.00) to them paid, the receipt of which is hereby acknowledged, do hereby release from the lien of the aforesaid Adjustment Mortgage, the property which is particularly described as follows, to-wit:

All the right of way of the line of railroad, now abandoned, between the south line of Lot One (1) in Section Three (3), Township Eight (8) North, Range Four (4) West and the west line of the East Half of the Northeast Quarter (E½ NE¼) of Section Twenty-eight (28) Township Nine (9) North, Range Four (4) West, all in Crawford County, Wisconsin, more particularly described as follows:

1. A parcel of land one hundred (100) feet wide having fifty (50) feet of such width on each side of the center line of the main track of the railroad as the same was laid and operated across Lot One (1) of Section Three (3), Township Eight (8) North, Range Four(4) West and Lots Eight and Seven (8 & 7) of Section Thirty-four (34), Township Nine (9) North, Range Four (4), West, containing 9.61 acres, more or less.

2. A parcel of land fifty (50) feet wide having twenty-five (25) feet of such width on each side of said center line of main track across Lot Six (6) of Section Thirty four (34), Township Nine (9) North, Range Four (4) West, containing 0.69 of an acre, more or less.

3. A parcel of land one hundred (100) feet wide having fifty (50) feet of such width on each side of said center line of main track across Lots Five and Four (5 & 4) in the Northwest Quarter (NW¼) of said Section Thirty-four (34), and also that part of said Lot Four (4) lying west of said one hundred (100) foot strip and seven hundred (700) feet south of the north line of said Lot Four (4), containing in all 8.49 acres, more or less.

4. All that part of the Northwest Quarter (NW¼) of said Section Thirty-four (34) lying between the one hundred (100) foot parcel of land last above described and Blocks Five, Four and Three (5, 4 & 3) in the Village of Barnum, containing 1.1 acres, more or less.

5. A parcel of land fifty (50) feet wide having twenty-five (25) feet of such width on each side of said center line of main track across the west part of Lot Three (3) of Section Twenty-seven (27) Township Nine (9) North, Range Four (4) West, containing 1.71 acres, more or less.

~~5. A parcel of land fifty (50) feet wide having twenty-five (25) feet of such width on each side of said center line of main track across the west part of Lot Three (3) of Section Twenty-seven (27), Township Nine (9) North, Range Four (4) West, containing 1.71 acres, more or less.~~

6. A parcel of land one hundred (100) feet wide having fifty(50) feet of such width on each side of said center line of main track across the South Half (S½) of Lot Two(2) of said Section Twenty-seven (27) containing 1.54 acres, more or less.

7. A parcel of land fifty (50) feet wide having twenty-five (25) feet of such width on each side of said center line of main track across the North Half (N½) of Lot Two(2) and the South Half of the Northwest Quarter (S½ NW¼) of said Section Twenty-seven(27) containing 2.76 acres, more or less.

8. A parcel of land one hundred (100) feet wide having fifty (50) feet of such width on each side of said center line of main track across the Northwest Quarter of the Northwest Quarter (NW¼ NW¼) of said Section Twenty-seven (27), containing 2.12 acres, more or less.

9. A parcel of land one hundred (100) feet wide having fifty (50) feet of such width on each side of said center line of main track across so much of Lot Two (2) as lies in the East Half of the Northeast Quarter (E½ NE¼) of Section Twenty-eight (28), Township Nine (9) North, Range Four (4) West, containing 3.17 acres, more or less.

The total area of the land above described is 31.19 acres, more or less.

PROVIDED ALWAYS, NEVERTHELESS, that nothing herein contained shall in anywise affect, alter or diminish the lien or encumbrance of the aforesaid Adjustment Mortgage on the remaining parts of the properties, premises and franchises covered by it, or the remedies given by it against said Chicago, Milwaukee, St. Paul and Pacific Railroad Company, its successors and assigns, as security for the bonds and performances of the acts secured by it.

IN WITNESS WHEREOF, The National City Bank of New York, Trustee, has caused these presents to be executed in its corporate name by its Vice President, with its corporate seal hereunto affixed, attested by its Assistant Cashier and said William W. Hoffman has hereunto set his hand and seal, all on the day and year first above written.

THE NATIONAL CITY BANK OF NEW YORK,
TRUSTEE

BY Stewart C. Pratt
Vice President

Attest:

H. D. Hall
Assistant Cashier

William W. Hoffman (Seal)

In the presence of:

Max A. Rieffel

Francis M. Pitt

STATE OF NEW YORK)
) SS
NEW YORK COUNTY)

Personally came before me, this 6th day of September, 1940, the within named Stewart C. Pratt, a Vice-President of the National City Bank of New York and H.D.Hall as Assistant Cashier, of the National City Bank of New York, both to me personally known to be the persons therein described, who executed the foregoing instrument and acknowledged the same.

GIVEN under my hand and notarial seal this 6th day of September A.D. 1940.

Stanley A. Nelson
Notary Public

Stanley A. Nelson
Notary Public, Queens County No. 2616, Reg. No. 6481
Cert. filed in N.Y.Co. No. 131, Reg.No.1-N-84
Commission expires March 30, 1941

STATE OF NEW YORK)
) SS
NEW YORK COUNTY)

Personally came before me this 6th day of September 1940, the within named William W. Hoffman, to me personally known to be the person therein described, who executed the foregoing instrument and acknowledged the same.

GIVEN under my hand and notarial seal this 6th day of September, A.D. 1940.

Stanley A. Nelson
Notary Public, Queens County No. 2616,
Reg. No. 6481
Cert. filed in N.Y. Co. No. 131, Reg.No. 1-N-84
Commission expires March 30, 1941

STATE OF WISCONSIN)
) SS
DEPARTMENT OF STATE)

Received this 10th day of Sept. A.D. 1940 at 9:00 o'clock A. M. and recorded in Vol. 34 of Railroad Mortgages on page 461-464, inclusive.

ROBERT C. ZIMMERMAN
Asst. Secretary of State

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EXECUTED IN 12 COUNTERPARTS
COUNTERPART NO. 7

CONDITIONAL SALE AGREEMENT

DATED AS OF SEPTEMBER 1, 1940

between

AMERICAN LOCOMOTIVE COMPANY

and

HENRY A. SCANDRETT, WALTER J. CUMMINGS and

GEORGE I. HAIGHT

TRUSTEES OF THE PROPERTY OF

CHICAGO, MILWAUKEE, ST. PAUL and PACIFIC

RAILROAD COMPANY

* *

THIS AGREEMENT, dated as of September 1, 1940, by and between AMERICAN LOCOMOTIVE COMPANY, a corporation organized and existing under the laws of the State of New York, with its principal office and place of business in the City of New York, N. Y. (hereinafter sometimes called the "Seller") as party of the first part; and HENRY A. SCANDRETT, WALTER J. CUMMINGS and GEORGE I. HAIGHT, as Trustees of the property of CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY, appointed by order of the United States District Court for the Northern District of Illinois, Eastern Division, in a certain proceeding therein pending entitled "In the Matter of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, Debtor," Docket No. 60463, not individually but solely as such Trustees, as parties of the second part (hereinafter sometimes referred to as the "Buyers");

Witnesseth That:

In consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

(1) Construction, Sale and Delivery. The Seller hereby agrees to construct, in accordance with the specifications and proposal hereinafter referred to, sell and deliver to the Buyers, and the Buyers hereby agree to buy from the Seller and to accept delivery as hereinafter provided, and to pay therefor as hereinafter set forth, the following described railroad equipment (hereinafter sometimes referred to as "Equipment"):

Three new, 115-ton, 1,000-horsepower Diesel switching locomotives bearing Seller's Numbers 69215, 69218 and 69217, and Buyers' Numbers 1672, 1673 and 1674, as described and warranted by Seller's specifications No. E-1540, and Seller's Proposal dated July 30, 1940, copy of which specifications and proposal have been furnished to the Buyers and reference to which is hereby expressly made.

One 115-ton 1,000-horsepower Diesel switching locomotive, bearing Seller's No. 69178 and Buyers' No. 1671, as described and warranted by Seller's specifications No. E-1521-1 and Seller's proposal dated March 8, 1940, copy of which specifications and proposal have been furnished to the Buyers and reference to which is hereby expressly made.

The price of each of said three new 1,000-horsepower Diesel switching locomotives shall be the principal amount of $82,440.00, f. o. b. Buyers' Station, Milwaukee, Wisconsin, and the price of said remaining 1,000-horsepower Diesel switching locomotive shall be the principal amount of $77,500.00 f.o.b. Buyers' Station, Milwaukee, Wisconsin. Interest shall be paid at the rate of 2% per annum upon unpaid balances of said principal amount and such interest shall be computed in the case of each locomotive from the date of its acceptance at Milwaukee, Wisconsin, by the Buyers. After receipt and inspection of each

locomotive by the Buyers or their agents, the Buyers' Superintendent of Motive Power or his duly authorized representative, shall, if said locomotive meets said specifications, execute a certificate of acceptance. The execution of such certificate of acceptance shall be conclusive evidence the locomotive covered conforms with specifications and is acceptable to the Buyers in all details.

The Seller shall deliver said locomotives, freight charges prepaid, to the Buyers at the Buyers' station in Milwaukee, Wisconsin, from time to time, and whenever any of said locomotives are completed and ready for shipment. The Seller agrees to assume the expense, responsibility and risk of loss in and of the removal of the said locomotives from the Seller's plant at Schenectady, New York, to the place of delivery to the Buyers.

(2). Amount and Payment of Purchase Price. Conditional only upon the receipt and acceptance of said Equipment, which may be conclusively presumed from the execution of the certificate of acceptance above referred to, the Buyers hereby promise to pay to the Seller, or the assignee thereof, at the office of Continental Illinois National Bank and Trust Company of Chicago, Chicago, Illinois, as the purchase price of said equipment, the following amounts:

(a) On the first day of the calendar month succeeding that in which the acceptance of each of the locomotives has been completed, interest on the principal purchase price of each such locomotive from the date of its acceptance by the Buyers, and on the first day of each calendar month thereafter prior to the date specified in subparagraph (b) hereof, interest on the principal purchase price of each such locomotive from the first day of such previous calendar month.

(b) Commencing on the first day of the second calendar month succeeding that in which the last locomotive is accepted and continuing for a total of 96 consecutive monthly payments, the amount of $3,664.25 per month. Each of said 96 monthly payments includes both principal and interest at the rate of 2% per annum and shall be applicable first to the interest then due and balance to principal.

The Buyers further covenant and agree to pay interest at the rate of 6% per annum upon all such amounts, principal and interest, after the same become due and payable pursuant to the terms and provisions hereof.

All payments provided for in this Agreement shall be made by the Buyers in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

The Buyers shall have the privilege of prepaying at any time, without the payment of any premium, any sum of the principal in an amount of $25,000.00 or any multiple thereof, together with interest accumulated to the date of such payment on such sum so prepaid. All such principal sums so prepaid shall be applied toward the payment of the last maturing principal installment or installments due hereunder.

(3) Title to the Equipment. The Seller shall, and hereby does, retain the full legal title to and property in, any and all of said Equipment until the Buyers shall have made all of the payments, and shall have kept and performed all of the covenants, in this Agreement provided to be made, kept or performed by the Buyers, notwithstanding the delivery of the Equipment to, and the possession and use thereof by, the Buyers as herein provided.

The Buyers covenant and agree that they will cause each unit of the Equipment to be kept numbered with the proper road number and to be kept plainly marked, on metal plates upon both sides of each unit of the Equipment covered by this Agreement, with

the name ~~of the name~~ of the Seller or of the Seller's assignee, as the case may be, followed by the word "Owner" or other appropriate words designated by the Seller, and the Buyers agree that they will not accept delivery of, or place said Equipment in operation or exercise any control or dominion over any part thereof until said metal plates so marked have been attached on both sides of each unit of said Equipment.

The Buyers shall replace the Equipment or any of it or any parts at their own cost if it or any of it or any parts shall be lost or destroyed from any cause whatever during the continuance of this Agreement, with other Equipment of similar type and of substantially as good material and construction as that lost or destroyed. The Buyers will cause any such new Equipment to be marked as above provided and to be numbered with the same road number as the Equipment so replaced. Any and all such replacements of Equipment or any of it and of any parts shall constitute accessions to the Equipment and shall be subject to all of the terms and conditions of this Agreement, as though part of the original Equipment delivered hereunder, and included in the word "Equipment" as used in this Agreement. Title to all such new Equipment shall be taken initially, and shall remain, in the name of the Seller (or if this Agreement shall have been assigned, in the name or names of the assignee or assignees, as the case may be) subject to the provisions hereof.

Except as above provided, the Buyers will not allow the name of any person, association or corporation to be placed on the Equipment or any replacements thereof, as a designation that might be interpreted as a claim of ownership thereof; provided, however, that the Buyers may cause the Equipment to be lettered with appropriate words or marks for convenience of identification of the Buyers' interest therein.

When and only when the Seller has been paid the full purchase price for the Equipment together with interest and any and all other payments as herein provided, and all of the Buyers' covenants and conditions herein contained have been performed by the Buyers, title to and property in all of the Equipment shall pass to and vest in the Buyers without further transfer or act on the part of the Seller, except that the Seller shall, if requested by the Buyers so to do, execute and deliver to the Buyers a bill or bills of sale of all of said Equipment transferring the title to and property in said Equipment to the Buyers free and clear of all liens and encumbrances created or retained hereby, and shall execute for record or for filing in public offices such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the title of the Buyers to said Equipment.

(4) Taxes. All payments to be made by the Buyers hereunder shall be free of expenses to the Seller for collection or other charges, and of the amount of any State or Federal taxes (other than State and Federal income taxes) hereafter levied or imposed directly upon this Agreement and/or any sale, payment, shipment or delivery under the terms hereof, all of which expenses and taxes the Buyers assume and agree to pay in addition to the above mentioned purchase price of said Equipment. The Buyers shall also pay promptly all taxes and assessments which may be imposed upon the Equipment or the earnings arising therefrom or the operation thereof, or upon the Seller by reason of its ownership thereof, by any jurisdiction in which the Equipment is operated by the Buyers, and agree to keep at all times all and every part of the Equipment free and clear of all taxes, assessments, liens and encumbrances.

(5) Compliance with Laws, Rules and Regulations. The Buyers covenant that the Equipment will at all times be maintained, used and operated under and in compliance

with all laws and regulations in any jurisdiction to which the Equipment may be subject. The Buyers further covenant that they will comply in all respects with all acts of Congress and with the laws of the United States and of the States and Territories into which their operations involving the Equipment may extend during the term of this Agreement, and with all lawful rules of the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over any of the Equipment, and in the event that said laws or rules require the alteration of any of the Equipment, the Buyers agree to conform therewith, at their expense, and to maintain the same in proper condition for operation under such laws and rules during the life of this Agreement; provided, however, that the Buyers may in good faith contest, in any reasonable manner, the application of any such law or rule which does not, in the judgment of Seller, affect the Seller's title in and to the Equipment.

(6) Servicing, Replacements and Maintenance. Seller will send a competent person with each of the locomotives to the point of delivery and, if requested by the Buyers, to such further point at which such locomotive is to be placed in service, to superintend the placing of the same in working condition. Buyers shall provide each such person, without expense to Seller, with all the necessary labor, materials, locomotive supplies and transporation on lines owned or controlled by Buyers.

The Buyers covenant and agree that they will at all times after the delivery of such equipment, maintain and keep said Equipment in good order and repair, at their expense, and shall bear the risk, and shall not be released from their obligations hereunder in case of any and all damage, loss or destruction of said equipment from whatever cause arising.

American Locomotive Company shall furnish and install at its expense, at its works, or deliver to Buyers at American Locomotive Company's works, a new part or parts to replace any part or parts which in the locomotives may fail under normal service within one year after shipment from American Locomotive Company's works, by reason of faulty work performed or defective material furnished by American Locomotive Company; provided that Buyers notify American Locomotive Company of the fault when it is first discovered and American Locomotive Company is accorded an opportunity to verify the same. American Locomotive Company shall not be liable for any fault or defect in the locomotives, except as in this paragraph provided.

(7) Reports and Inspection. The Buyers hereby agree to furnish to the Seller, if requested, once in every year as long as this Agreement shall be in force, an accurate inventory of the equipment in actual service, the numbers and the description of such Equipment as may have been destroyed and replaced by other, and the then location of said Equipment. In addition thereto, the Buyers agree to furnish to the Seller, if requested, once in each year, as long as this agreement shall remain in force, a report of inspection by the Buyers' Superintendent of Motive Power, or, if the Seller shall so request, by a competent disinterested party, satisfactory to the Seller, certifying that said equipment has been maintained, and is, in good order and repair.

The Buyers shall promptly and fully inform the Seller of any loss or destruction of any of the Equipment and of any substantial repairs made or being made upon it or any of it. If requested by the Seller, the Buyers shall furnish to the Seller a report of the Buyers' Superintendent of Motive Power, or, if the Seller shall so request, of a competent disinterested party, satisfactory to the Seller, covering the nature and

extent of any damage to the equipment, and the satisfactory repair thereof.

The Seller shall have the right, but shall be under no obligation, to inspect the Equipment at any reasonable time or times during the continuance of this Agreement. The Buyers agree, in so far as they may legally do so, to supply free transporation over their lines to designated agents of the Seller for the purpose of enabling such agents to reach the point or points where the Equipment is in operation, for the purpose of making such inspection or of assisting and instructing the employees of the Buyers in the proper operation and maintenance of their Equipment.

(8) Use and Location. The Buyers agree that after the delivery of the equipment and at all times during the continuance of this Agreement, said Equipment will be kept maintained and used solely by the Buyers upon the lines of railroad owned and operated by them in the States of Illinois, Indiana, Iowa, Wisconsin, Minnesota and South Dakota; provided, however, that upon giving the Seller fifteen (15) days' notice in writing, stating where the equipment is to be transferred and the route to be followed in the transfer, the Buyers may remove said equipment to another state or states.

(9) Prohibition against Liens. The Buyers hereby agree to pay or satisfy and discharge any and all sums claimed by any party by, through or under the Buyers and their successors or substitutes or assigns which, if unpaid, might become a lien or a charge upon the Equipment or any part of it, superior to the title of the Seller therein, but shall not be required to pay or discharge any such claim as long as the validity thereof shall be contested in good faith and by appropriate legal proceedings in any reasonable manner which will not affect the title of the Seller in and to the Equipment.

(10) Indemnities and Guaranties. The Buyers hereby agree to save, indemnify and keep harmless the Seller from and against all losses, damages, injuries, claims and demands whatsoever, regardless of the cause thereof, arising on account of the Equipment or the use or operation thereof. Said covenant of indemnity shall continue in full force and effect notwithstanding the full payment of the purchase price and the conveyance of the Equipment, as provided in paragraph 3 hereof.

The Buyers will bear the risk, and shall not be released from their obligations hereunder in the event of any damage to, or the destruction or loss of, any or all of the Equipment; provided, however, that American Locomotive Company and any successor or successors to its manufacturing property and business shall not, as to any of the Equipment, be relieved from its guaranty covering material and workmanship set forth in Paragraph 6 hereof. American Locomotive Company, for itself and any successor or successors to its manufacturing property and business, also agrees to save, indemnify and keep harmless the Buyers from and against any and all royalties, damages, claims, suits, judgments and costs that may arise in the use of any patented article on the equipment at the time of delivery, except with regard to any appliances, devices or materials specified or required by the Buyers and not manufactured by the Seller.

(11) Assignments by the Seller. All or any of the rights of the Seller under this Agreement, including the right to receive the payments herein provided to be made by the Buyers, may be assigned by the Seller and reassigned by any assignee at any time and from time to time, provided, however, that no such assignment shall subject any assignee to, or relieve American Locomotive Company or the successor or successors to its manufacturing property and business from, any of the obligations of American Locomotive Company to construct and deliver the equipment herein contracted to be

delivered in accordance with the specifications, or to respond to its guaranties, warranties or indemnities contained in paragraphs 1, 6 and 10 hereof.

Upon any such assignment the assignor shall give written notice to the Buyers, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all of the Seller's right, title and interest in and to the Equipment and each and every part thereof, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Buyers of the notification of any such assignment, all payments thereafter to be made by the Buyers hereunder shall, to the extent so assigned, be made to the assignee.

In the event that this Agreement is assigned by the Seller as hereinbefore provided, the rights of such assignee to the entire unpaid purchase price, or such part thereof as may be assigned together with interest thereon as well as any other rights hereunder which may be so assigned, shall not be subject to any defense, set-off, counterclaim, or recoupment whatsoever, arising out of any breach of any obligation of American Locomotive Company or the successors to its manufacturing business in respect of the Equipment or the manufacture, delivery, guaranty or warranty thereof, or in respect of any indemnity herein contained, nor subject to any defense, set-off, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Buyers by American Locomotive Company or the successors to its manufacturing business. Any and all such obligations for which, in the case of an assignment hereof, American Locomotive Company is, as aforesaid, to remain liable to the Buyers, shall be and remain enforceable by the Buyers against and only against American Locomotive Company and the successor or successors to its manufacturing property and business, and shall not be enforceable against any party or parties in whom title to the Equipment or any of it, or the rights of the Seller hereunder, shall vest by reason of any sale, assignment or transfer, or successive sales, assignments, or transfers.

In the event of any such sale, transfer or assignment, or successive sales, transfers, or assignments by the Seller, of title to any of the Equipment and of the Seller's rights hereunder in respect thereof, the Buyers shall, whenever requested by such vendee, transferee or assignee, change the name plates to be attached on both sides of each unit of the Equipment so as to indicate the title of such vendee, transferee or assignee to such equipment and its succession to the rights of the Seller hereunder, such plates to bear such words or legend as shall be specified by said vendee, transferee or assignee. The cost of obtaining and attaching the first series of such substituted plates shall be borne by the Seller. The cost of obtaining and attaching plates in connection with any subsequent assignment shall be borne by such subsequent vendee, transferee or assignee.

The term "Seller" whenever used in this Agreement means, before any assignment of all or any rights of the Seller hereunder as hereinbefore provided in this paragraph 11, American Locomotive Company, and after any such assignment, the assignee or assignees for the time being of all of the rights hereunder.

(12) Successors to and Assignments by the Buyers. The Buyers hereby represent and warrant that their execution of this Agreement and their assumption and undertaking of the obligations, duties, and liabilities hereof, have been expressly authorized by an order of the District Court of the United States for the Northern District of Illinois,

Eastern Division, entered September 3, 1940, in a certain proceeding therein pending entitled "In the Matter of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, Debtor"--In Proceedings for the Reorganization of a Railroad, Docket No. 60463. Said order further provides that as a condition to the termination of the trusteeship of said Railroad, whether pursuant to a plan of reorganization or otherwise, all the obligations then existing or to accrue of the Buyers under this Agreement, shall be assumed as a general obligation by said Railroad or by any other corporation or any receiver or receivers in equity that shall succeed to the Buyers in the possession of not less than 75% of the owned lines of railroad comprising the Buyers' estate. Said order further provides that in case of any sale or conveyance of not less than 75% of all of said owned lines of railroad, the purchaser or transferee of the purchaser shall not be at liberty to refuse to accept this Agreement or to disaffirm the same (but if acquiring not less than 75% of all of said owned lines of railroad for the purpose of transferring them to a corporation formed for the purpose of reorganization, any such purchaser shall not incur any personal liability under or in respect of this Agreement, provided such transferee corporation shall assume, as a general obligation, all the obligations of the Buyers under this Agreement). Said order further provides that in case any corporation, or any receiver or receivers in equity, shall so succeed the Buyers in the possession of not less than 75% of all of said owned lines of railroad, and shall assume, as a general obligation, all the obligations of the Buyers then existing and to accrue under this Agreement, the Buyers shall thereupon be relieved from any further liability under or in respect of this Agreement. Said order further provides that in the event that upon the confirmation of a plan of reorganization, or upon the dismissal or termination of said proceeding, neither the Debtor nor any other corporation, or receiver or receivers in equity, shall alone succeed to the possession of 75% of all of said owned lines of railroad, then all of the unpaid installments of the purchase price hereunder, together with accrued interest thereon, and all of the other obligations and liabilities of the Buyers hereunder, shall become immediately due and payable on the date of such confirmation, dismissal or termination, and that the Court will make such provision for the payment thereof as will be equitable.

The Buyers covenant and agree that they will not sell, assign, transfer or otherwise dispose of their rights under this Agreement, nor transfer possession of said Equipment to any other firm, person or corporation without first obtaining the written consent of the Seller to such sale, assignment or transfer; provided, however, that this provision shall not apply to any transfer upon the termination of said trusteeship if said transfer is effected in the manner hereinbefore provided in this paragraph 12.

The Buyers hereby covenant and agree that they will not pledge, hypothecate or in any way encumber, or permit the encumbrance of, any part or all of said Equipment.

The term "Buyers" whenever used in this Agreement means, before any assignment of the rights of the Buyers hereunder as hereinbefore provided in the second preceding sub-paragraph of this paragraph 12, Henry A. Scandrett, Walter J. Cummings and George I. Haight, as Trustees aforesaid, as well as any successor or additional Trustees, and not individually, and after any such assignment shall include said Trustees and any assignees thereof, except only in so far as the Seller may specifically, in writing, relieve the Trustees or any of them or any such assignee from the obligations hereof as above provided.

(13) Defaults and Acceleration. In the event that any one or more of the following

events of default shall occur, to-wit:

(a) The Buyers shall fail to pay in full when due any installment of principal or of interest at the time and in the manner hereinbefore contracted to be paid as provided in paragraph 2 hereof; or

(b) The Buyers shall fail or refuse to comply with any covenant, agreement, term or provision of this Agreement on their part to be kept and performed;

then at any time after the occurrence of such an event of default, the Seller may, upon written notice to the Buyers, and upon compliance with any legal requirements then in force and applicable to such action by the Seller, declare the entire purchase price of the Equipment, together with the unpaid interest thereon, whether the same shall then have fallen due or not, immediately due and payable, without further demand, and thereafter the entire sum shall carry interest at the rate of 6% per annum upon any portion thereof then overdue, from the date of such default.

The Seller may at its election (and, if before sale or before full performance of this Agreement all costs and expenses of the Seller incidental to any such default and to the enforcement by the Seller of the provisions hereof, and all sums which shall then have become due and payable by the Buyers hereunder, other than such part of said purchase price as shall have become due only because of a declaration under this paragraph as aforesaid, shall have been paid by the Buyers, and all other existing defaults shall have been remedied, or provision therefor satisfactory to the Seller shall have been made, then and in every such case the Seller shall) waive any such event of default and its consequences and rescind and annul any such declaration or termination by notice to the Buyers in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such cured default had existed and no such declaration or termination had been made; but no such waiver, rescission or annulment shall limit or affect the Seller's right, upon any other default, or impair any rights or remedies consequent thereon.

(14) Remedies. If the Buyers shall make default as hereinabove provided, then at any time after such notice of declaration of default and during the continuance of such default the Seller may, without further notice or demand except to the extent necessary in order to comply with any legal requirements, take or cause to be taken by its agent or agents immediate possession of the Equipment, or any of it, and/or any replacements and improvements, and all present and future attachments and accessories thereof, without liability to return to the Buyers any sums theretofore paid, and free from all claims whatsoever except as hereinafter in this paragraph 14 expressly provided, and may remove the same from the use and possession of the Buyers and for such purpose may enter upon the Buyers' premises where the Equipment may be located, and may use and employ in connection with such removal, at the expense of the Buyers, any supplies, services and aids, and any available trackage and other facilities or means of the Buyers, without process of law; and the Buyers shall deliver the Equipment, or any of it, with all replacements, improvements, equipment, attachments and accessories thereof, at its own cost at such place or places on its railroad as the Seller may reasonably designate and for such purpose move or draw the Equipment in the usual manner and at the customary speed of trains, and in case of such retaking or delivery the Seller shall have the right to store the same upon the premises of the Buyers without charge until the Seller shall desire to remove the same therefrom. And it is hereby expressly agreed by the Buyers that performance of this Agreement to deliver the

Equipment as hereinbefore provided is of the essence of the Agreement between the parties and that, upon application to any court of equity having jurisdiction in the premises, the Seller shall be entitled to a decree against the Buyers requiring specific performance hereof.

If the Buyers shall make default as hereinbefore provided, then at any time thereafter during the continuance of such default, and after declaring the entire purchase price immediately due and payable as hereinbefore provided, the Seller with or without retaking possession thereof may sell the Equipment, or any of it, and any such replacements, improvements, equipment, attachments and accessories, free from any and all claims of the Buyers, or of any other party claiming by, through or under them at law or in equity, at public or private sale and with or without advertisement as the Seller may determine, all subject to and in compliance with any legal requirements then in force and applicable to such sale. To the extent permitted by any such legal requirements, any sale or sales hereunder may be held or conducted at Chicago, Illinois, at such time or times as the Seller may fix (unless the Seller shall, as so permitted, specify a different place or places, in which case the sale or sales shall be held at such place or places and at such time or times as the Seller may specify), in one lot and as an entirety or in separate lots, and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Seller may determine in compliance with any such legal requirements, provided that the Buyers shall be given written notice of such sale as provided in any such applicable legal requirements, but in any event no less than ten (10) days prior thereto, by telegram or registered mail addressed to the Buyers at Chicago, Illinois. If such sale shall be a private sale permitted by such legal requirements, it shall be subject to the right of the Buyers to purchase or provide a purchaser, within ten (10) days after notice of the proposed sale price, at the same or better price as offered by the intending purchaser. To the extent not prohibited by any legal requirements then in force and applicable to such sale, the Seller may itself bid for and become the purchaser of the Equipment or any of it so offered for sale without accountability to the Buyers (except to the extent of surplus money received as hereinafter provided in the last paragraph of this paragraph 14) and in payment of such purchase price the Seller shall be entitled to the extent aforesaid to have credited on account thereof all sums due to the Seller by the Buyers hereunder.

Each and every power or remedy hereby specifically given to the Seller shall be in addition to every other power or remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Seller. All such powers and remedies shall be cumulative and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Seller in the exercise of any such power or remedy, and no renewal or extension of any payments due hereunder shall impair any such power or remedy, or shall be construed to be a waiver of any default, or any acquiescence therein.

If the Seller shall exercise any of the powers or remedies conferred upon it hereunder, the Buyers shall have the right after all sums due hereunder to the Seller shall have been received by it in full, including its proper costs and expenses incident to the collection thereof, to require title to the Equipment, if not previously sold or otherwise disposed of by the Seller pursuant to the provisions hereof, to be

transferred and assigned by the Seller to the Buyers free from any further liabilities or obligations to the Seller. If after payment of all proper costs and expenses of the Seller incurred in the enforcement of its remedies hereunder and after applying all sums of money realized by the Seller under the remedies herein provided, there shall remain any amount due to it under the provisions of this Agreement, the Buyers shall pay the amount of such deficit to the Seller. If after payment of all proper costs and expenses of the Seller incurred in the enforcement of its remedies hereunder and after applying as aforesaid all sums realized by the Seller there shall remain a surplus in the possession of the Seller, such surplus shall be paid to the Buyers.

(15) Applicable State Laws. Any provision of this Agreement prohibited by any applicable law of any State, or which by any applicable law of any State would convert this Agreement into any instrument other than an agreement of conditional sale, shall as to such State be ineffective, without modifying the remaining provisions of this Agreement. Where, however, the conflicting provisions of any applicable State law may be waived they are hereby waived by the Buyers to the full extent permitted by law, to the end that this Agreement shall be deemed to be a conditional sale and enforced as such.

(16) Extension Not a Waiver. Any extension of time granted by the Seller to the Buyers for the payment of any sum due under this Agreement, whether that extension be for an intermediate payment or for final payment, shall not be deemed a waiver of the title of the Seller reserved hereunder nor any of its rights and remedies hereunder or otherwise existing.

(17) Recording The Buyers shall cause this Agreement to be filed, registered and recorded wherever required for the proper protection to the satisfaction of counsel for the Seller, of the Seller's title to the Equipment and any replacement or replacements, and its rights under this Agreement; and the Buyers shall from time to time do and perform any other act, and will execute, acknowledge, deliver, file register and record any and all further instruments, required by law or reasonably requested by the Seller for the purpose of such protection of its title and rights, or for the purpose of carrying out the intention of this Agreement.

(18) Payment of Expenses. The Buyers shall pay all costs, charges and expenses, except the counsel fees of Seller, incident to the preparation, execution, acknowledgment, filing, registering and recording of this Agreement and of the first assignment or assignments by the Seller of title to the Equipment, and of any instrument supplemental hereto or amendatory hereof.

(19) Execution of Counterparts. This Agreement may be simultaneously executed in two or more counterparts, each of which so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart.

(20) Section Headings. All section, paragraph or division headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

(21) Modification of Agreement. This Agreement of conditional sale, together with the specifications hereinabove referred to, constitutes the entire Agreement between the Buyers and the Seller with respect to the sale of the Equipment herein referred to. No variation or modification of this Agreement, and no waiver of any of its provisions or conditions, shall be valid unless in writing and signed by duly authorized officers of the Buyers and the Seller.

(22) Possession and Use of the Equipment by the Buyers. So long as the Buyers shall not be in default under this Agreement, the Buyers shall be entitled to the possession of the Equipment and to the use thereof upon the lines of railroad aforesaid from and after the delivery of the Equipment by the Seller to the Buyers, but only upon and subject to all terms and conditions of this Agreement.

(23) Law Governing. As the Equipment covered by this Agreement may be used in various states which may have conflicting laws as to the rights and obligations of the parties hereunder, it is agreed that, irrespective of the place of execution of this Agreement or of the place of delivery and use of the Equipment, all rights and obligations of the parties hereto to each other under the terms of this Agreement, shall be governed by the laws of the State of Illinois.

In Witness Whereof, American Locomotive Company has caused these presents to be executed by its duly elected officers pursuant to lawful resolutions, and Henry A. Scandrett, Walter J. Cummings and George I. Haight, as Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, as aforesaid and not individually, have hereunto set their hands and seals, all as of the day, month and year first above written.

AMERICAN LOCOMOTIVE COMPANY

(SEAL)

By F. J. Foley

Vice-President

Attest:

J. D. Finn

Secretary

Signed, sealed and delivered by
American Locomotive Company
in the presence of:

B. D. Dugan

Mildred Congdon

Attesting Witnesses

Henry A. Scandrett (Seal)

Walter J. Cummings (Seal)

George I. Haight (Seal)

As Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company but not individually.

Signed, sealed and delivered by
Henry A. Scandrett, Walter J.
Cummings and George I. Haight
in the presence of:

W. A. Dietze

Howard A. Florus

Attesting Witnesses

STATE OF NEW YORK)
) SS
COUNTY OF NEW YORK)

I, Samuel Markowitz, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements, and hereditaments in said County, Do Hereby Certify that on the 27th day of September, 1940, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named F. J. Foley and J. D. Finn, to me personally known and known to me to be, respectively, the Vice President and Secretary of American Locomotive Company, the corporation described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Secretary, respectively, in my presence and in the presence of the two witnesses whose

names are hereunto subscribed as such, and said F. J. Foley and J. D. Finn, being by me severally duly sworn, did on oath, each for himself and not one for the other severally depose and say and acknowledge in the presence of said witnesses that said F. J. Foley resides in New York City, in the State of N.Y. and that said J. D. Finn resides in New York City, in the State of N.Y.; that said F. J. Foley is Vice President and said J. D. Finn is Secretary of American Locomotive Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said F. J. Foley Vice President, and J. D. Finn, Secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto by order and authority of the Board of Directors of said corporation; that they and each of them signed their names to, and executed, the foregoing instrument in their respective capacities as Vice President and Secretary in behalf of said corporation, by like order and authority; that they signed, sealed with the corporate seal, executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

In Testimony Whereof, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of New York, State of New York, this the day and year in this my certificate first above written.

My commission as such Notary Public expires Mar. 30, 1941

Samuel Markowitz

(SEAL)

Notary Public in and for the State of New York, County of New York.
Notary Public, Kings Co. No. 758
New York County No. 1077
New York County Register No. 1M641
Commission Expires March 30, 1941.

State of New York)
) SS
County of New York)

No. 68902

I, ARCHIBALD R. WATSON, County Clerk and Clerk of the Supreme Court, New York County, the same being a Court of Record having by law a seal, DO HEREBY CERTIFY, that Samuel Markowitz whose name is subscribed to the annexed certificate or proof of acknowledgment of the annexed instrument was at the time of taking the same a Notary Public acting in and for said county, duly commissioned and sworn, and qualified to act as such; that he has filed in the Clerk's Office of the County of New York, a certified copy of his appointment and qualification as Notary Public for the County of Kings with his autograph signature; that as such Notary Public, he was duly authorized by the laws of the State of New York to protest notes; to take and certify depositions; to administer oaths and affirmations; to take affidavits and certify the acknowledgment and proof of deeds and other written instruments for lands, tenements and hereditaments, to be read in evidence or recorded in this state; and further, that I am well acquainted with the handwriting of such Notary Public, or that I have compared the signature of such Notary Public with his autograph signature filed in my office, and believe that his signature to such proof or acknowledgment is genuine.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Court at the City of New York, in the County of New York, this 28 day of Sept., 1940

(SEAL)

Archibald R. Watson

County Clerk and Clerk of the Supreme Court, New York County

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, J. M. Jarmotz, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County DO HEREBY CERTIFY that on the 11th day of September, 1940, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named Henry A. Scandrett, Walter J. Cummings and George I. Haight, Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, to me personally known and known to me to be the individuals described and named in and the identical persons who subscribed their names to and whose names are subscribed to and who executed the within and foregoing instrument in writing as such Trustees in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said Henry A. Scandrett, Walter J. Cummings and George I. Haight, and each of them, duly acknowledged to me in the presence of said witnesses that they signed, sealed, executed and delivered said instrument as their free and voluntary act and deed, as such Trustees, for the consideration, objects, uses and purposes therein mentioned, stated, and set forth.

In Testimony Whereof, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires July 21, 1943.

J. M. Jarmotz

(SEAL)

Notary Public in and for the State of Illinois, County of Cook

State of Illinois)
) SS
Cook County)

I, MICHAEL J. FLYNN, County Clerk of the County of Cook, DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County and as such officer am duly authorized to issue certificates of magistracy, that J. M. Jarmotz whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is genuine; and, further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 1st. day of October, 1940.

(SEAL)

Michael J. Flynn
County Clerk

STATE OF WISCONSIN)
) SS
DEPARTMENT OF STATE)

Received this 3rd day of October A. D. 1940, at 9:00 o'clock A. M. and recorded in Vol. 34 of Railroad Mortgages on pages 465-477, inclusive.

Robert C. Zimmerman
Assistant Secretary of State

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GREAT NORTHERN RAILWAY COMPANY

ASSIGNMENT AGREEMENT
between

PRESSED STEEL CAR COMPANY, INC.
and

UNION TRUST COMPANY of PITTSBURGH

DATED OCTOBER 1, 1940
* *

ASSIGNMENT

THIS AGREEMENT OF ASSIGNMENT made this 1st day of October, 1940, between PRESSED STEEL CAR COMPANY, INC. a corporation organized and existing under and by virtue of the laws of the Commonwealth of Pennsylvania (hereinafter called "Car Company"), and THE UNION TRUST COMPANY OF PITTSBURGH, a corporation organized and existing under and by virtue of the laws of the Commonwealth of Pennsylvania (hereinafter designated as "Assignee") WITNESSETH THAT:

WHEREAS an agreement of conditional sale was made between Car Company and Great Northern Railway Company on September 5, 1940, for the construction and sale by Car Company of 500 double sheathed box cars of 50 tons capacity and for the delivery thereof by Car Company at McKees Rocks, Pa., all in accordance with and subject to the terms and conditions set forth therein, a true copy of said agreement of conditional sale being attached hereto and made a part hereof; and

WHEREAS, for value received, Car Company has agreed to assign and transfer to Assignee all of its right, title and interest in, to and under said agreement of conditional sale, including the right to collect and receive all payments to become due and payable thereunder from said Great Northern Railway Company.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS THAT:

1. Car Company, for value received, has sold, assigned, transferred and set over, and hereby does sell, assign, transfer and set over unto Assignee, its successors and assigns, all its right, title and interest in, to and under the agreement of conditional sale made by the Car Company and Great Northern Railway Company dated September 5, 1940, together with and including all payments to become due from Great Northern Railway Company under said agreement, a true copy of said agreement of conditional sale being attached hereto and made a part hereof; provided, however, that this assignment shall not subject Assignee to or relieve Car Company or the successor or successors to its manufacturing property and business from any of the obligations of Car Company as to the construction or delivery of the cars or as to any indemnity with respect thereto or from any other duty, obligation or liability except the duty to execute necessary and proper instruments of transfer as and when the Great Northern Railway Company shall be entitled thereto pursuant to the provisions of Section 4 of said Agreement.

2. The rights of Assignee to the entire unpaid purchase price of said 500 box cars, and interest thereon, as well as any other rights as may be so assigned hereunder shall not be subject to any defense, set-off, counterclaim or recoupment whatsoever arising out of any breach of any obligation of Car Company or the successor or successors to its manufacturing properties and business in respect of the cars or the manufacture or delivery thereof, or in respect of any indemnity herein contained, nor subject to any defense, set-off, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Great Northern Railway Company by Car Company or the successor to its manufacturing business. Any and all such obligations, howsoever arising, shall be and remain enforceable by the

Great Northern Railway Company against and only against Car Company and the successor or successors to its manufacturing properties and business, and shall not be enforceable against Assignee or any party or parties in whom title to the cars or any of them, or the rights of Car Company under said Agreement, shall vest by reason of this assignment or transfer, or of successive sales, assignments or transfers.

3. Car Company covenants and agrees that it will construct all said 500 box cars in full and complete accordance with the specifications and plans as set forth in said agreement of conditional sale and will deliver said cars on completion thereof to said Great Northern Railway Company free of all liens and incumbrances and in accordance with the provisions of said agreement of conditional sale; and that, notwithstanding this assignment, it will perform and fully comply with each and all the covenants and conditions of said Agreement, set forth to be performed and complied with by Car Company.

4. Car Company further upon completion and delivery of each lot of said cars will execute and deliver to Assignee for the purpose of effectuating this assignment, several bills of sale transferring title to all cars in each such lot, concurrently with shipment and delivery thereof to said Great Northern Railway Company, and will forward to Assignee with such executed bills of sale, documents evidencing the delivery of all said cars and the acceptance thereof by said Great Northern Railway Company, all in accordance with the provisions of said agreement of conditional sale.

5. Car Company hereby represents and warrants to Assignee, and its successors and assigns:

That said agreement of conditional sale was lawfully executed for a valid consideration and that it is a valid subsisting contract according to its terms binding upon the parties thereto;

That the box cars therein provided for are now under construction according to schedule, and will be completed and delivered as provided in said Agreement;

That no payments have been made by Great Northern Railway Company to Car Company under said Agreement, and that upon completion and delivery of said cars each and all the installment payments will become and be due and payable in the amounts and at times as set forth in said Agreement.

6. Without hereby limiting the generality of the foregoing assignment, Car Company hereby authorizes and empowers Assignee to sue for, collect, receive and enforce, in the name of and as attorney, hereby irrevocably constituted, for Car Company, or in the name of the Assignee, but in either case at the expense and liability and for the sole benefit of Assignee (against which expense and liability the Assignee agrees to hold harmless and indemnify Car Company), with full power to Assignee to substitute any one or more persons with like power, the payment of all sums and to enforce all action to be taken by the Great Northern Railway Company under said agreement of conditional sale in respect of said cars.

7. Car Company covenants and agrees with Assignee that in any suit or action brought by Assignee for the recovery of any sum or sums provided in said conditional sale agreement to be paid by Great Northern Railway Company, Car Company will save, indemnify and keep harmless Assignee from any and all expense, loss and damage suffered by reason of any defense, set-off, counterclaims or recoupment of Great Northern Railway Company arising out of the breach by Car Company of any of Car Company's obligations respecting any of said cars under the terms and conditions of said conditional sale agreement. Car Company agrees to save, indemnify and keep harmless Assignee from and

against any and all royalties, damages, claims, suits, judgments and costs that may arise from the use of any patented article on said cars at the time of delivery, except with regard to any appliances, devices or materials specified by the Great Northern Railway Company and not manufactured by Car Company.

8. The terms of this contract and all rights and obligations hereunder shall be governed by the law of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed by the parties the day and year first above written.

Attest: PRESSED STEEL CAR COMPANY, INC.

H. J. Gearhart
Secretary

By GEO. H. FLEMING
Executive Vice President

Signed, sealed and delivered as to Pressed Steel Car Company, Inc. in the presence of

F. J. Saunders

J. A. Daschbach
Witnesses

THE UNION TRUST COMPANY OF PITTSBURGH

B. I. Patton
Assistant Secretary

By E. D. Hayes
Vice President

Signed, sealed and delivered as to the Union Trust Company of Pittsburgh in the presence of

Stuart Nye Hutchison, Jr.

Jane E. Laudenslager
Witnesses

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF ALLEGHENY)

I, the undersigned, a Notary Public of said Commonwealth, in and for and residing in said County, DO HEREBY CERTIFY that on the 16th day of October, 1940, personally appeared before me, GEO. H. FLEMING and H. J. GEARHART, to me personally known to be the identical persons whose names are subscribed to the above instrument in writing, bearing date the 1st day of October, 1940, as Executive Vice President and Secretary, respectively of PRESSED STEEL CAR COMPANY, INC., the corporation described in said agreement and one of the makers thereof, and being by me duly sworn did depose and say that they are the Executive Vice President and Secretary, respectively, of said Corporation, authorized by said Corporation to execute and acknowledge deeds, contracts and other writings of said Corporation, and that the seal affixed to said instrument is the corporate seal of said Corporation; that said instrument was signed and sealed by them on behalf of said Corporation, by its authority duly given, and they acknowledged the said instrument to be the act and deed of said Corporation, and by them as its Executive Vice President and Secretary, respectively, thereunto duly authorized, voluntarily done and executed, and that they signed, sealed and delivered the said instrument as the free and voluntary act of said Corporation and as their own free and voluntary act as Executive Vice President and Secretary, respectively, for the uses and the purposes therein set forth.

GIVEN UNDER MY HAND AND SEAL OF OFFICE the day and year first above written.

(SEAL)

F. D. EVANS
Notary Public
My Commission Expires
March 1, 1941

My commission expires: March 1, 1941

COMMONWEALTH OF PENNSYLVANIA)
) SS.
COUNTY OF ALLEGHENY)

I, the undersigned, a Notary Public of said Commonwealth, in and for and residing in said County, DO HEREBY CERTIFY that on this 15th day of October, 1940, personally appeared before me E. D. HAYES and B. I. PATTON, to me personally known to be the identical persons whose names are subscribed to the above instrument in writing, bearing date the 1st. day of October, 1940 as Vice President and Asst. Secretary, respectively, of THE UNION TRUST COMPANY OF PITTSBURGH, a corporation described in said agreement and one of the makers thereof, and being by me duly sworn, did depose and say that they are the Vice President and Asst. Secretary, respectively, of said Corporation, authorized by said Corporation to execute and acknowledge deeds, contracts and other writings of said Corporation, and that the seal affixed to said instrument is the corporate seal of said Corporation; that said instrument was signed and sealed by them on behalf of said Corporation, by its authority duly given, and they acknowledge the said instrument to be the act and deed of said Corporation, and by them as its Vice President and Asst. Secretary, respectively, thereunto duly authorized, voluntarily done and executed, and that

they signed, sealed and delivered the said instrument as the free and voluntary act of said Corporation and as their own free and voluntary act as Vice President and Asst. Secretary, respectively, for the uses and purposes therein set forth.

GIVEN UNDER MY HAND AND SEAL OF OFFICE the day and year first above written.

(SEAL)

ROBERT KANE
Notary Public

My commission expires: Jan. 24, 1943.

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF ALLEGHENY)

I, F. D. Evans, a Notary Public in and for the Commonwealth and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 16th day of October, A. D. 1940, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such as to Pressed Steel Car Company, Inc., to the within and foregoing instrument, GEO. H. FLEMING and H. J. GEARHART, each to me personally known and known to me to be respectively Executive Vice President and Secretary of Pressed Steel Car Company, Inc., one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Executive Vice President and such Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said Geo. H. Fleming and H. J. Gearhart, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said Geo. H. Fleming resides in the City of Pittsburgh and Commonwealth of Pennsylvania, and that the said H. J. Gearhart resides in the City of Pittsburgh and Commonwealth of Pennsylvania, that said Geo. H. Fleming is Executive Vice President and said H. J. Gearhart is Secretary of Pressed Steel Car Company, Inc., one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said Executive Vice President and said Secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Executive Vice President and Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said county of Allegheny, Commonwealth of Pennsylvania, this the day and year in this my certificate first above written.

(SEAL)

F. D. EVANS
Notary Public, Allegheny County
My Commission Expires
March 1, 1941

My commission expires: March 1, 1941

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF ALLEGHENY)

I, Robert Kane, a Notary Public in and for the Commonwealth and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 15th day of October, A. D. 1940, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such as to The Union Trust Company of Pittsburgh to the within and foregoing instrument, E. D. HAYES and B. I. PATTON, each to me personally known and known to me to be respectively Vice President and Assistant Secretary of The Union Trust Company of Pittsburgh, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Assistant Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said E. D. Hayes and B. I. Patton, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said E. D. Hayes resides in the Township of Mt. Lebanon and Commonwealth of Pennsylvania and that the said B. I. Patton resides in the City of Pittsburgh and Commonwealth of Pennsylvania; that said E. D. Hayes is Vice President and said B. I. Patton is Assistant Secretary of The Union Trust Company of Pittsburgh, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said Vice President and Assistant Secretary know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Assistant Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly

acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said county of Allegheny, Commonwealth of Pennsylvania, this the day and year in this my certificate first above written.

(SEAL)

ROBERT KANE
Notary Public, Allegheny County
My commission expires Jan. 24, 1943

STATE OF WISCONSIN)
) SS
Department of State)

Received this 30th day of October A. D., 1940 at 11:00 o'clock A. M. and recorded in Vol. 34 of Railroad Mortgages on pages 478-482, Inclusive.

ROBERT C. ZIMMERMAN
Assistant Secretary of State

CONDITIONAL SALE CONTRACT

DATED SEPTEMBER 5, 1940

between

PRESSED STEEL CAR COMPANY, INC.
Seller

and

GREAT NORTHERN RAILWAY COMPANY
Buyer

* *

THIS AGREEMENT made and entered into the 5th day of September, 1940, by and between PRESSED STEEL CAR COMPANY, INC., a corporation of the State of Pennsylvania (hereinafter called the "Seller"), as party of the first part, and GREAT NORTHERN RAILWAY COMPANY, a corporation of the State of Minnesota (hereinafter called the "Buyer"), as party of the second part,

WITNESSETH:

That in consideration of the mutual promises hereinafter set forth, the parties hereto agree as follows :

1. Construction, Sale and Delivery. The Seller hereby agrees to construct, sell and deliver to the Buyer, and the Buyer hereby agrees to buy from the Seller and to accept delivery of as hereinafter provided, five hundred (500) Double Sheathed Box Cars of fifty (50) tons capacity each (hereinafter referred to as "Equipment") to be constructed in accordance with the Buyer's specifications No. 440, revised as of May 11, 1940, general arrangement drawing 28836, dated August 16, 1939, and the Buyer's letters of June 4 and June 14, 1940, detailing specialities to be applied to the cars. Said cars shall be numbered 49000 to 49499 inclusive.

The Seller shall deliver said Equipment to the Buyer, free of all liens and encumbrances and free of any claims of any nature by, or in favor of any person or party and subject only to the reservation of title thereto by the Seller in accordance with the provisions hereof, on tracks of such railroad at McKees Rocks, Pennsylvania, as may be designated by the Buyer in writing, which the Buyer agrees to do promptly upon notice from the Seller that said Equipment or any part thereof has been completed and is ready for delivery.

The design and quality of material and equipment in said cars shall conform to all A. A. R. and I. C. C. requirements and specifications as they apply or may apply to cars of this character. The Seller shall deliver said Equipment to the Buyer at such place in first-class operating condition. The lumber and plywood used by the Seller in constructing said Equipment shall be Pacific Coast fir and plywood, meeting the Buyer's specifications; and said lumber and said plywood shall be purchased from mills tributary to the Buyer's railroad, and shall be routed via said railroad to St. Paul, Minnesota, and thence via the Chicago, Burlington and Quincy Railroad to Chicago, Illinois.

The Seller agress to proceed with the construction of said Equipment with all reasonable dispatch and that delivery thereof will be commenced on or about September 15, 1940, and will continue at the rate of approximately twenty-two (22) units per day, excluding Saturdays, Sundays and legal holidays, subject, however, to any and all delays due to causes beyond the Seller's control.

At all times during construction, the Equipment shall be subject to inspection by the Buyer and, upon completion, the Seller will submit the Equipment to the Buyer at the Seller's plant at McKees Rocks, Pennsylvania, for final inspection and the Buyer will promptly inspect the same and, if in conformity with the requirements hereof,

the Buyer, or its duly authorized representative, will deliver to the Seller a certificate to that effect, which certificate shall be conclusive evidence that the units of Equipment covered thereby conform in all respects to this agreement and are accepted by the Buyer.

The Seller shall furnish to the Buyer a complete set of direct process tracings followed in the construction of said Equipment, a complete bill of material and a complete list of material specified, including any specialties, promptly upon completion and delivery of said Equipment to the Buyer.

2. Amount and Payment of Purchase Price. The Buyer will pay the Seller on the basis of the sum of Two Thousand Eight Hundred Four Dollars Fifty-five Cents ($2,804.55) per car as completed and ready for shipment at McKees Rocks, Pennsylvania, or a total purchase price of all of said Equipment of One Million Four Hundred Two Thousand Two Hundred Seventy-five Dollars ($1,402,275.00). Said purchase price, together with interest thereon at the rate of two per cent. (2%) per annum, shall be payable to the Seller at its principal offices in Pittsburgh, Pennsylvania, or elsewhere as may be agreed upon, as follows:

(a) Upon the date of delivery of the last delivered unit of said Equipment, an amount equal to the interest at the rate of two per cent. (2%) per annum on the aforesaid purchase price of each unit ($2,804.55) from the date of delivery thereof in the manner aforesaid, to said date of delivery of the last delivered unit.

(b) On the first day of the calendar month following the date of delivery of the last delivered unit of said Equipment as aforesaid, interest on the total purchase price at the rate of two per cent. (2%) per annum from such date of delivery to said first day of the following calendar month.

(c) On the first day of the second calendar month following the date of delivery of the last delivered unit of said Equipment, as aforesaid, the sum of Fifteen Thousand Two Hundred Eight Dollars Thirty-three Cents ($15,208.33) and a like sum on the first day of each calendar month thereafter until the total purchase price, with interest from the first day of the month following said date of delivery at the rate of two per cent. (2%) per annum on the diminishing unpaid balances of the purchase price, shall have been paid in full. Each of said monthly payments shall be applicable first to the interest then due, and the balance to principal. Any monthly payment or payments, at the option of the Buyer, may be paid in advance of maturity, on any payment date, any such payment or payments in advance of maturity to be discounted to a sum which, at the rate of two per cent (2%) per annum, simple interest, would produce the agreed payment or payments upon the due date or dates.

3. Interest, Taxes and Payments in United States Coin or Currency. All said payments by the Buyer hereunder shall bear interest at the highest rate permitted by law but not exceeding five per cent (5%) per annum, if unpaid, from and after the due date of such payment, and shall be free of expenses to the Seller for collection or other charges, and of the amount of any Municipal, State and/or Federal tax (other than State and/or Federal Income Taxes) hereafter levied or imposed upon this agreement, and/or upon any sale, payment, shipment or delivery under the terms hereof, all of which expenses and taxes the Buyer assumes and agrees to pay in addition to the above mentioned purchase price of the Equipment. The Buyer shall also pay promptly all taxes and assessments which may be imposed upon the Equipment, or the earnings arising therefrom, or the operation thereof, or upon the Seller by reason of its ownership thereof, by any jurisdiction in which the Equipment shall be operated by the Buyer, and agrees to keep the Equipment at all times

free and clear of all taxes, assessments, liens and encumbrances, and covenants that the Equipment will at all times be maintained, used and operated under and in compliance with all laws and regulations in any jurisdiction to which the Equipment may be subject: provided, however, that the Buyer shall not be required to pay any tax, assessment or other governmental charge, the validity of which the Buyer shall contest in good faith, and by appropriate legal proceedings, until such contest shall have been decided, unless in the judgment of the Seller, its rights and interests in the Equipment may be materially endangered by such delay.

All payments provided for in this agreement shall be made by the Buyer to the Seller in such coin or currency of the United States of America as, at the time of payment, shall be legal tender for the payment of both public and private debts.

4. Title to the Equipment. The Seller shall retain the full legal title to and property in all Equipment until the Buyer shall have made all of the payments, and shall have kept and performed all of the covenants in this agreement provided to be made, kept or performed by the Buyer notwithstanding the delivery of the Equipment to and the possession and use thereof by the Buyer as herein provided. Any and all replacements of the Equipment, and of parts of the Equipment, or any of it, and additions thereto, shall constitute accessions to the Equipment, the title to which shall be immediately vested in the Seller and which shall be subject to all the terms and conditions of this agreement and included in the word "Equipment" as used in this agreement. When and only when the Seller shall have been paid in the aforesaid money the full purchase price for all Equipment, with interest and all other payments as herein provided, and all the Buyer's covenants and conditions herein contained have been performed by the Buyer, title to and property in all of the Equipment shall pass to and vest in the Buyer without further transfer or act on the part of the Seller, except that the Seller shall, if requested by the Buyer so to do, execute and deliver to the Buyer a bill or bills of sale of all of said Equipment, transferring the title to and property in said Equipment to the Buyer free and clear of all liens and encumbrances whatsoever, and shall execute for record of filing in public offices, such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the title of the Buyer to all of said Equipment under the laws of any jurisdiction; provided, however, that if the Seller shall have assigned its interest in and to said Equipment and its rights hereunder pursuant to section 9 hereof, such assignee of the Seller shall execute and deliver to the Buyer a bill of sale transferring said Equipment to the Buyer free of any interest of such assignee and of any liens arising through any action of such assignee.

5. Compliance with Laws and Rules. The Buyer shall comply in all respects with the laws of the United States, and of the states and territories into which its operations involving the Equipment may extend during the term of this agreement, and with the lawful rules of the Interstate Commerce Commission, and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over any of the Equipment, and, in the event that the said laws or rules require the alteration of any of the Equipment, the Buyer agrees to conform therewith at its expense and to maintain the Equipment in proper condition for operation under such laws and rules during the life of this agreement; PROVIDED, HOWEVER, that the Buyer may in good faith contest the application of any such law or rule in any reasonable manner which will not affect the title of the Seller in and to the Equipment.

6. Maintenance, Replacements, Marking, Reports, Inspection, and Possession and Use of the Equipment.

At all times as long as this agreement shall be in force, the Buyer shall keep and maintain the Equipment in good order and proper repair at its own expense, and cause the same to be kept numbered with its road numbers, and kept plainly, distinctly, permanently and conspicuously marked, on metal plates upon both sides of each unit of the Equipment covered by this agreement, with the name in letters not less than one inch in size, of the Seller or of the Seller's assignee, as the case may be, followed by the word "Owner" or other appropriate words designated by the Seller, and the Buyer agrees that it will not place said Equipment in operation or exercise any control or dominion over any part thereof until said metal plates so marked shall have been attached on both sides of each unit of said Equipment. The Buyer shall replace the Equipment, or any of it, at its own cost, if it, or any of it, shall be lost or destroyed from any cause whatever during the continuance of this agreement, with other Equipment of similar type, and of substantially as good material and construction as that lost or destroyed. The Buyer will cause any such new Equipment to be marked as above provided. Title to all such new Equipment shall be taken in the name of the Seller or its assignee as the case may be and shall be immediately subject to all the terms and conditions of this agreement in all respects as though it were part of the original Equipment delivered hereunder. The Buyer, however, shall have the right, instead of replacing any such lost or destroyed Equipment, to pay to the Seller the then unpaid balance properly assignable to such Equipment, any payment received by the Seller as insurance or from any other railroad company as compensation for such damage or loss, as hereinafter provided, to be first credited toward payment of such balance, and all future payments of principal and interest shall be correspondingly reduced.

The Buyer further agrees to furnish to the Seller, if requested, once in every year as long as this agreement shall be in force, an accurate inventory of the Equipment in actual service, the numbers and the description of such Equipment as may have been lost or destroyed and replaced, and the then location of said Equipment as nearly as may be and a statement showing the amount, description and numbers of all Equipment then undergoing repairs or then withdrawn from service.

In the event of a sale, transfer, or assignment, or successive sales, transfers or assignments, by the Seller of title to any of the Equipment and of the Seller's rights hereunder in respect thereof, the Buyer shall, whenever requested by such vendee, transferee or assignee, change the name plates at the expense of the assignee to indicate the title of such vendee, transferee or assignee to such Equipment.

Except as above provided, the Buyer will not allow the name of any person, association or corporation to be placed on the Equipment or any replacement thereof as a designation that might be interpreted as a claim of ownership thereof; PROVIDED, HOWEVER, that the Buyer may cause the Equipment to be lettered with appropriate words or marks for convenience of identification of the Buyer's interest therein, and of any joint service in which said Equipment may be used.

Within twenty (20) days after receiving the advice of damage to or destruction of any unit or units of said Equipment, the Buyer will give the Seller written notice thereof with full particulars of the extent of the loss or damage incurred. Any failure on the part of the Buyer to replace any such unit of equipment with reasonable promptness, or to pay for each such unit which may be lost or destroyed, shall entitle the Seller to declare a default hereunder and to take such action as is authorized to be taken by the Seller in case of a default by the Buyer in making payment for said Equipment as herein provided.

The Seller shall have the right, but shall be under no obligation, to inspect the Equipment at any reasonable time or times during the continuance of this agreement. The Buyer agrees, in so far as it may legally do so, to supply free transportation over its lines to designated agents of the Seller, for the purpose of enabling such agents to reach the point or points where the Equipment is in operation, for the purpose of making such inspection and assisting and instructing the employees of the Buyer in the proper operation and maintenance of the Equipment. During the continuance of this agreement the Equipment shall not, without the written consent of the Seller, be removed from the possession of the Buyer; provided, however, that said Equipment may be used on the lines of railroad owned or operated by the Buyer or by any corporation, a majority of whose stock shall be owned directly or indirectly by the Buyer or over which the Buyer or any such corporation has trackage rights, and also upon connecting and other railroads in the usual interchange of traffic, from and after the delivery of the Equipment to the Buyer, but only upon and subject to all the terms and conditions of this agreement.

7. Insurance. At all times while this agreement is in force, the Buyer at its own expense, shall keep the Equipment insured against damage or destruction by fire, to an amount not less than the unpaid installment payments remaining to be paid hereunder and in an insurance company or companies approved by the Seller. The policies shall specify that all payments of loss on said Equipment shall be made to the Seller as its interest may appear, and such policies or certified copies thereof shall be deposited with the Seller. In case the Buyer shall fail to keep such Equipment so insured and to deposit policies as aforesaid, the Seller may itself insure such Equipment, and in this event, the Buyer shall be obligated to repay to the Seller the amount of premiums paid therefor with interest thereon at rate of five per cent (5%) per annum from the time of such payment until repaid.

Upon satisfactory proof of the proper repair or replacement of any unit or units of said Equipment which may be destroyed or damaged by fire, all insurance money collected or received by the Seller on account thereof shall be paid over to the Buyer in reimbursement of the cost of such repair or replacement. Any moneys collected or received by the Buyer from any company or companies issuing such policies, as result of loss covered by said insurance, or received from another railroad company on account of said Equipment being damaged or destroyed by accident or otherwise on the lines of such other railroad, not in excess, however, of the unpaid balance of the purchase price remaining to be paid thereon, shall be immediately remitted to the Seller to be held by the Seller for the account of the Buyer pending repair or replacement of such Equipment by the Buyer.

8. Guaranties and Indemnities. The Buyer shall bear the risk, and shall not be released from its obligations hereunder, in the event of any damage to, or the destruction or loss of, any or all of the Equipment. The Seller, for itself and any successor or successors to its manufacturing property and business agrees to save, indemnify and keep harmless the Buyer from and against any and all royalties, damages, claims, suits, judgments and costs that may arise from the use of any patented article, except with regard to any appliances, devices or materials specified by the Buyer and not manufactured by the Seller.

The Buyer agrees to save, indemnify and keep harmless the Seller from and against all losses, damages, injuries, claims and demands whatsoever, regardless of the cause thereof, arising on account of the Equipment, or the use or operation thereof, while

this agreement shall be in force. The provisions of this paragraph, however, shall in no way affect the Seller's responsibility under this agreement.

The Buyer shall pay or satisfy and discharge any sum claimed by any party by, through or under the Buyer, its successors and assigns, which if unpaid might become a lien or a charge upon the Equipment or any of it, but shall not be required to pay or discharge any such claim as long as the validity thereof shall be contested in good faith and by appropriate legal proceedings in any reasonable manner which will not affect the title of the Seller in and to the Equipment.

9. Assignments by the Seller and the Buyer. All or any of the rights of the Seller under this agreement, including the right to receive the payments herein provided to be made by the Buyer, may be assigned by the Seller and reassigned by any assignee at any time and from time to time, provided, however, that no such assignment shall subject any assignee to or relieve Pressed Steel Car Company., Inc., or the successor or successors to its manufacturing property and business from any of the obligations of Pressed Steel Car Company, Inc., as to the construction or delivery of the Equipment or as to any indemnity with respect thereto, of from any other duty, obligation or liability except the duty to execute necessary and proper instruments of transfer as and when the Buyer shall be entitled thereto pursuant to the provisions of Section 4 hereof.

Upon any such assignment the assignor shall give written notice to the Buyer, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all of the Seller's right, title and interest in and to the Equipment and each and every unit thereof, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Buyer of the notification of any such assignment, all payments thereafter to be made by the Buyer hereunder shall, to the extent so assigned, be made to, or at the direction of, the assignee.

In the event that this agreement is assigned by the Seller as hereinbefore provided, the rights of such assignee to the entire unpaid purchase price or such part thereof as may be assigned, and interest thereon, as well as any other rights as may be so assigned hereunder shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever arising out of any breach of any obligation of Pressed Steel Car Company, Inc., or the successor or successors to its manufacturing properties and business in respect of the Equipment or the manufacture or delivery thereof, or in respect of any indemnity herein contained, nor subject to any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Buyer by Pressed Steel Car Company, Inc., or the successor to its manufacturing business. Any and all such obligations, howsoever arising, shall be and remain enforceable by the Buyer against and only against Pressed Steel Car Company, Inc., and the successor or successors to its manufacturing properties and business, and shall not be enforceable against any party or parties in whom title to the Equipment or any unit thereof, or the rights of the Seller hereunder, shall vest by reason of any sale, assignment or transfer, or successive sales, assignments or transfers.

The term Seller whenever used in this agreement, means, before any assignment of all or any rights of the Buyer hereunder as hereinbefore provided in this paragraph 9, Pressed Steel Car Company, Inc.,and, after any such assignment, the assignee or assignees for the time being of all of the rights hereunder, or in the event of any assignment of any less than all of the rights hereunder, both any assignee or assigness for the time being of such particular assigned rights as regards such rights and also the assignor

as regards any rights hereunder retained and excluded from such assignment; and the term "Pressed Steel Car Company, Inc." whenever used in this agreement means, both before and after any such assignment, the party hereto of the first part, and any successor or successors for the time being to its manufacturing property and business.

The Buyer's interest in this agreement shall not be transferred or assigned by the Buyer at any time without the written consent of the Seller.

10. Defaults and Remedies. (a) In case the Buyer shall make default in the payment of any installment of the purchase price of any delivered Equipment as herein provided for more than twenty (20) days after the same shall have become payable or shall be in default under the provisions of section 11 hereof; or shall fail or refuse to comply with any other of the terms and covenants in this agreement on its part to be kept and performed, or to make provisions satisfactory to the Seller for such compliance, for more than thirty (30) days after notice in writing thereof to the Buyer, then, in any such case (herein sometimes called events of default) at any time thereafter during the continuance of such event of default the Seller may, without further notice or demand except to the extent necessary in order to comply with any mandatory legal requirements then in force and applicable to such action by the Seller, declare the entire purchase price of the Equipment, whether the same shall then have fallen due or not, immediately due and payable, and it shall become so, without further demand, together with interest at the highest rate permitted by law but not exceeding five per cent. (5%) per annum from the date of such declaration. The Seller shall thereupon be entitled to recover judgment for the entire amount so payable by the Buyer with interest thereon at said rate, and to collect such judgment out of any property of the Buyer wherever situated.

The Seller may waive any such default and its consequences, and rescind and annul any such declaration or termination by written notice to the Buyer. In the event of any default, if, before sale or full performance of this agreement, all costs and expenses of the Seller incidental to any such default and to the enforcement by the Seller of the provisions hereof, and all sums which shall then have become due and payable by the Buyer hereunder (except such part of the purchase price as shall have become due only because of a declaration under this section as aforesaid) shall have been paid by the Buyer, and all other existing defaults shall have been remedied, or provision therefor satisfactory to the Seller shall have been made, then, and in every such case, the Seller shall waive any such default and its consequences and rescind and annul any such declaration. Upon such waiver, rescission or annulment, the respective rights of the parties shall be as they would have been if no such cured default had existed and no such declaration or termination had been made; but no such waiver, rescission or annulment shall limit or affect the Seller's right, upon any other or similar default, to declare said purchase price due as aforesaid, or extend to or affect any other default, or impair any rights or remedies consequent thereon.

(b) If the Buyer shall make default as hereinabove provided, then at any time thereafter during the continuance of such default the Seller may, without further notice or demand except to the extent necessary in order to comply with any mandatory legal requirements, take or cause to be taken by its agent or agents immediate possession of the Equipment, or any of it, and/or any replacements and improvements, and all present and future attachments and accessories thereof, without liability to return to the Buyer any sums theretofore paid by the Buyer, and free from all claims whatsoever except as herein-

after in this section 10 expressly provided, and may remove the same from the use and possession of the Buyer and for such purpose may enter upon the Buyer's premises where the Equipment may be located, and may use and employ in connection with such removal any supplies, services and aids, and any available trackage and other facilities or means of the Buyer, without process of law; and the Buyer shall deliver the Equipment, or any of it, with all replacements, improvements, equipment, attachments and accessories thereof, at its own cost at such place or places on its railroad as the Seller may reasonably designate and for such purpose, move or draw the Equipment in the usual manner and at the customary speed of trains, and in case of such retaking or delivery the Seller shall have the right to store the same upon the premises of the Buyer without charge until the Seller shall desire to remove the same therefrom. And it is hereby expressly agreed by the Buyer that performance of this agreement to deliver the Equipment as hereinbefore provided is of the essence of the agreement between the parties and that, upon application to any court of equity having jurisdiction in the premises, the Seller shall be entitled to a decree against the Buyer requiring specific performance hereof.

(c) If the Buyer shall make default as hereinbefore provided, then at any time thereafter during the continuance of such default, and after declaring the entire purchase price immediately due and payable as hereinbefore provided, the Seller with or without retaking possession thereof may sell the Equipment, or any of it, and any such replacements, improvements, equipment, attachments and accessories, free from any and all claims of the Buyer, or of any other party claiming by, through or under it at law or in equity, at public or private sale and with or without advertisement as the Seller may determine, all subject to and in compliance with any mandatory legal requirements then in force and applicable to such sale. To the extent permitted by any such mandatory legal requirements, any sale or sales hereunder may be held or conducted at St. Paul, Minnesota, or such other place as the Seller may specify in writing, at such time or times as the Seller may fix, in one lot and as an entirety or in separate lots, and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Seller may determine in compliance with any such mandatory legal requirements, provided that the Buyer shall be given written notice of such sale at least ten (10) days prior thereto, by telegram or registered mail addressed to the Buyer at 175 East Fourth Street, St. Paul, Minnesota, or such other notice, if any, as may be necessary to comply with any mandatory legal requirements. If such sale shall be a private sale permitted by such mandatory legal requirements, it shall be subject to the right of the Buyer to purchase or provide a purchase, within ten (10) days after notice of the proposed sale price, at not less than the same price offered by the intending purchaser. To the extent not prohibited by any mandatory legal requirements then in force and applicable to such sale, the Seller may itself bid for and become the purchaser of the Equipment or any of it so offered for sale without accountability to the Buyer (except to the extent of surplus money received as hereinafter provided in the last paragraph of this section 10), and in payment of such purchase price the Seller shall be entitled to the extent aforesaid to have credited on account thereof all sums due to the Seller by the Buyer hereunder.

(d) Each and every power or remedy hereby specifically given to the Seller shall be in addition to every other power or remedy specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient

by the Seller. All such powers and remedies shall be cumulative and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Seller in the exercise of any such power or remedy, and no renewal or extension of any payments due hereunder, shall impair any such power or remedy, or shall be construed to be a waiver of any default, or any acquiescence therein.

(e) The Buyer hereby waives, to the fullest extent that they may be waived, all statutory requirements for notice of acceleration, or for notice of the Seller's intention to take possession of said Equipment, of for notice of any such sale, as well as all such requirements as to the time, place and terms of any such sale. The Buyer agrees that the rights granted herein shall constitute its only rights in and to said Equipment excepting only such additional rights as the Buyer may have under applicable legal provisions, the benefit of which may not be waived.

(f) If the Seller shall exercise any of the powers or remedies conferred upon it hereunder, the Buyer shall have the right after all sums due hereunder to the Seller shall have been received by the Seller in full, including its proper costs and expenses incident to the collection thereof, to require title to the Equipment, if not previously sold or otherwise disposed of by the Seller pursuant to the provisions hereof, to be transferred and assigned by the Seller to the Buyer free from any further liabilities or obligations to the Seller. If after applying all sums of money realized by the Seller under the remedies herein provided, there shall remain any amount due to it under the provisions of this agreement, the Buyer shall pay the amount of such deficit to the Seller. If after applying as aforesaid all sums realized by the Seller there shall remain a surplus in the possession of the Seller, such surplus shall be paid to the Buyer.

11. Reorganization or Adjustment Proceedings and Transfers of the Buyer's Interest, a Default. The occurrence of any one or more of the following events, to-wit:

(a) the commencement of any proceedings by or against the Buyer for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustment of indebtedness, reorganizations, arrangements, compositions, or extensions; or

(b) the transfer, or attempted transfer, by the Buyer of its interest in or under this agreement without the consent of the Seller; or

(c) the involuntary transfer of the Buyer's interest in or under this agreement effected either by bankruptcy or by the appointment of a receiver or trustee or by execution or by any judicial or administrative decree or process or otherwise, except as authorized by section 9 hereof, and except the appointment of a receiver or trustee and the adoption by the latter, duly authorized by the court of his appointment, of this agreement, and his agreement within ~~thirty (30)~~ thirty (30) days from the date of his appointment to be bound by the terms and obligations hereof;

shall be deemed a breach of this agreement and a default hereunder; whereupon the Seller may elect to declare the entire purchase price immediately due and payable, as hereinbefore provided, and may thereupon forthwith take possession of said equipment, or any of it, and exercise and enforce any and all other remedies as provided by section 10 hereof.

12. Notice. Wherever provision is made in this agreement for any notice or demand to or upon Buyer, or if at any time, Seller shall desire to give notice to or make any demand upon Buyer, the same may be given or made by depositing a written statement thereof, enclosed in a postpaid envelope in any United States Post Office, directed to the Buyer respectively at its office or place of business in the City of St. Paul,

Minnesota, and an affidavit by any person so depositing such notice in respect of such mailing, shall be deemed to be and shall be conclusive evidence of the giving and receipt of such notice and of the making of such demand.

13. Applicable State Laws. Any provision of this agreement prohibited by any applicable law of any State, or which by any applicable law of any State would convert this agreement into any instrument other than an agreement of conditional sale, shall as to such State be ineffective, without modifying as to such State the remaining provisions of this agreement. Where, however, the conflicting provisions of any applicable State law may be waived they are hereby waived by the Buyer to the full extent permitted by law.

14. Extension Not a Waiver. Any extension of time granted by the Seller to the Buyer for the payment of any sum due under this agreement, whether that extension be for an intermediate payment or for final payment, shall not be deemed a waiver of the title of the Seller reserved hereunder or of any of its rights and remedies hereunder or otherwise existing.

15. Recording. The Buyer shall cause this agreement to be filed, registered and recorded in the office of the Secretary of State of the States of Wisconsin, Minnesota, Iowa, South Dakota, North Dakota, Montana, Idaho and California, in the proper offices of the States of Washington and Oregon, and in such counties thereof as may be required by law, to the satisfaction of counsel for the Seller, for the protection of the Seller's title to said Equipment and any replacement or replacements thereof and its rights under this agreement; and the Buyer shall from time to time do and perform any other act, and will execute, acknowledge, deliver, file, register, and record any and all further instruments required by law or reasonably requested by the Seller for the purpose of such protection of its title and rights, or for the purpose of carrying out the intention of this agreement. After this agreement shall have been duly filed, registered and recorded in the proper public offices of said States, or the counties thereof, where said Equipment, or any of it, may be operated or used by the Buyer, as may be required by law, as above provided, said Equipment shall not, nor shall any of it, be removed to or operated or used by the Buyer in any other State or States, except in the usual interchange of traffic and except for casual, isolated and incidental use not in the ordinary course of business, unless and until the Buyer shall have given to the Seller, or its assignee, not less than twenty (20) days' notice in writing stating its intention to operate said Equipment or some of it in such other State or States and shall have duly filed this instrument for record or registration as required by law in such other State or States.

16. Payment of Expenses. The Buyer shall pay all costs, charges and expenses, except the counsel fees of Seller, incidental to the preparation, execution, acknowledgment, filing, registering and recording of this agreement, and of any instrument supplemental hereto or amendatory hereof.

17. Execution of Counterparts. This agreement may be simultaneously executed in two or more counterparts, each of which so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart.

18. Section Headings. All section, paragraph or division headings are inserted for convenience only and shall not affect any construction or interpretation of this agreement.

19. Modification of Agreement. This agreement of conditional sale, together with

the specifications hereinabove referred to, constitutes the entire agreement between the Buyer and the Seller with respect to the sale of the Equipment herein referred to. No variation or modification or this agreement, and no waiver of any of its provisions or conditions, shall be valid unless in writing and signed by duly authorized officers of the Buyer and the Seller.

20. Possession and Use of the Equipment by the Buyer. So long as the Buyer shall not be in default under this agreement, the Buyer shall be entitled to the possession of the Equipment and to the use thereof as hereinbefore provided, from and after the delivery of the Equipment by the Seller to the Buyer, but only upon and subject to all terms and conditions of this agreement.

21. Successors and Assigns. Subject to the limitations contained in section 9 hereof, and to the provisions contained in Section II regarding reorganization, adjustment and other proceedings in bankruptcy, and regarding transfers and assignments, voluntary and involuntary, and regarding the continuing obligations of the Seller after its assignment of any or all of the Equipment and of any or all of its rights hereunder, this agreement shall bind and inure to the benefit of the successors and assigns of the parties hereto, as well as the said parties themselves.

22. Law Governing. The terms of the agreement and all rights and obligations hereunder shall be governed by the laws of the State of Pennsylvania.

IN WITNESS WHEREOF the parties hereto, pursuant to due corporate authority, have caused this agreement to be executed in their respective corporate names by their respective officers thereunto duly authorized, and their respective corporate seals to be hereunto affixed, duly attested, as of the day and year first above written.

PRESSED STEEL CAR COMPANY, INC.
Seller,

BY GEO. H. FLEMING,
Executive Vice President

Attest:

H. J. Gearhart,
Secretary

(CORPORATE)
(SEAL)

Signed, sealed and delivered as to
Pressed Steel Car Company, Inc.,
in the presence of
C. E. Waldron,
F. J. Saunders
Witnesses

GREAT NORTHERN RAILWAY COMPANY
Buyer,

By F. G. DORETY,
Vice President

Attest:
F. L. Paetzold,
Secretary

(CORPORATE)
(SEAL)

Signed, sealed and delivered as to
Great Northern Railway Company
in the presence of
H. V. Rhedin,
C. F. Ziegahn,
Witnesses

STATE OF PENNSYLVANIA) SS:
COUNTY OF ALLEGHENY)

I, F. D. Evans, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 9th day of September, A. D. 1940, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such as to Pressed Steel Car Company, Inc., to the within and foregoing instrument, Geo. H. Fleming and H. J. Gearhart, each to me personally known and known to me to be respectively Executive Vice President and Secretary of Pressed Steel Car Company, Inc., one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be

the idential persons who subscribed their names to and who executed said instrument as such Executive Vice President and such Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said Geo. H. Fleming and H. J. Gearhart, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said Geo. H. Fleming resides in the City of Pittsburgh and State of Pennsylvania, and that the said H. J. Gearhart resides in the City of Pittsburgh and State of Pennsylvania, that said Geo. H. Fleming is Executive Vice President and said H. J. Gearhart is Secretary of Pressed Steel Car Company, Inc., one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said Executive Vice President and said Secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed, thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Executive Vice President and Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said county of Allegheny, State of Pennsylvania, this the day and year in this my certificate first above written.

F. D . EVANS,

(NOTARIAL)
(SEAL)

Notary Public, Allegheny County.
My commission expires March 1, 1941

STATE OF MINNESOTA)
) ss:
COUNTY OF RAMSEY.)

I, Alpha M. Sarchet, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 5th day of September, A. D. 1940, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such as to Great Northern Railway Company to the within and foregoing instrument, F. G. Dorety and F. L. Paetzold, each to me personally known and known to me to be respectively Vice President and Secretary of the Great Northern Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the idential persons who subscribed their names to and who executed said instrument as such Vice President and Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said F. G. Dorety and F. L. Paetzold, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said F. G. Dorety resides in the City of St. Paul, and State of Minnesota, and that the said F. L. Paetzold resides in the City of St. Paul and State of Minnesota; that said F. G. Dorety is Vice President and said F. L. Paetzold is Secretary of the Great Northern Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said Vice President and Secretary know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledge to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my official seal as such notary public, in the said county of Ramsey, State of Minnesota, this the day and year in this my certificate first above written.

ALPHA M. SARCHET,

(NOTARIAL SEAL)

Notary Public, Ramsey County, Minn.
My Commission Expires July 9, 1942

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS

Received this 30th day of October A. D., 1940 at 11:00 o'clock A. M. and recorded in Vol. 34 of Railroad Mortgages on page 478-494, Inclusive.

ROBERT C. ZIMMERMAN
Assistant Secretary of State

Index 158 B.

AMERICAN LOCOMOTIVE COMPANY
to
CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO

(CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY)

ASSIGNMENT

Dated: November 12, 1940.

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, AMERICAN LOCOMOTIVE COMPANY, a New York corporation, having an office at No. 30 Church Street, in the Borough of Manhattan, City, County and State of New York, for value received, does hereby sell, assign and transfer unto CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO (hereinafter called the "Bank"), without recourse, except as recourse may be had upon the express warranties hereinafter set forth, all the right, title and interest of the undersigned in and to an agreement dated as of September 1, 1940, between the undersigned and Henry A. Scandrett, Walter J. Cummings and George I. Haight, as Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter called the "Trustees"), a copy of which is attached hereto and made a part hereof, for the sale by the undersigned to said Trustees of three (3) new 115-ton 1000 Horsepower Diesel Switching Locomotives, bearing the undersigned's shop numbers 69215, 69217 and 69218 and Trustees' numbers 1672, 1673 and 1674, and one (1) 115-ton 1000 Horsepower Diesel Switching Locomotive, bearing the undersigned's shop number 69178 and Trustees' number 1671, together with all the rights, powers, privileges and immunities of the undersigned under said agreement, including the retained title of the undersigned in and to said Locomotives as in said agreement set forth.

The undersigned warrants that the aggregate principal amount of the purchase price of said Locomotives under the said agreement of September 1, 1940, between the undersigned and the Trustees, is $324,820.00

Notwithstanding this assignment, the undersigned remains obligated to the Trustees to carry out the warranties and covenants contained in Articles 1, 6 and 10 of the aforesaid agreement dated September 1, 1940.

Without hereby limiting the generality of the foregoing assignment and transfer, the undersigned hereby authorizes and empowers the Bank to sue for, collect, receive and enforce all sums payable and all action to be taken by the Trustees under said Conditional Sale Agreement in respect of the Equipment described therein, with full power to substitute any one or more persons with like power, in the name of the Bank or in the name of such substituted person or persons.

The undersigned represents, covenants and agrees with the Bank that the undersigned is the lawful owner of the said Equipment and rights under said Conditional Sale Agreement sold, assigned, transferred and set over, or intended to be sold, assigned, transferred and set over to the Bank by this assignment; that the same are free from all liens or encumbrances; that the undersigned has good and lawful right to sell the same as aforesaid; and that the undersigned will warrant and defend the same against the lawful demands of all persons whomsoever based on claims originating prior to the execution and delivery of this assignment by the undersigned to the Bank; all subject, however, to the provisions of the aforesaid Conditional Sale Agreement and the rights of the Trustees thereunder.

The undersigned agrees to save, indemnify and keep harmless the Bank from and

against any and all royalties, damages, claims, suits, judgments and costs that may arise from the use of any patented article, and for which the Bank may be legally adjudged to be liable, except with regard to any appliances, devices or materials specified by the Trustees and not manufactured by the undersigned.

The undersigned warrants that at the time of the delivery of said Equipment to the Trustees, it delivered to the Trustees metal plates for ready attachment on both sides of each unit of said Equipment, plainly and conspicuously marked as follows:

"Continental Illinois National Bank and
Trust Company of Chicago, Owner by assignment
from American Locomotive Company, Manufacturer
and Prior Owner."

This assignment may be simultaneously executed in two or more counterparts, each of which, so executed, shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same instrument, which shall be sufficiently evidenced for all purposes by any such original counterpart.

IN WITNESS WHEREOF, AMERICAN LOCOMOTIVE COMPANY has caused this instrument to be executed by its Vice President and its corporate seal to be hereunto affixed, duly attested by its Secretary this 12th day of November, 1940.

(SEAL)

AMERICAN LOCOMOTIVE COMPANY

By F. J. FOLEY
Vice President.

Attest:

J. D. FINN
Secretary

Signed, sealed and delivered by
American Locomotive Company
in the presence of:

B. D. Dugan

Mildred Congdon
Attesting Witnesses.

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK,)

I, MARY E. ARMSTRONG, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements, and hereditaments in said County, DO HEREBY CERTIFY that on the 12th day of November, 1940, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named F. J. FOLEY and J. D. FINN, to me personally known and known to me to be, respectively, the Vice President and Secretary of AMERICAN LOCOMOTIVE COMPANY, the corporation described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Secretary, respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and said F. J. FOLEY and J. D. FINN, being by me severally duly sworn, did on oath, each for himself and not one for the other severally depose and say and acknowledge in the presence of said witnesses that said F. J. FOLEY resides in New York City in the State of New York, and that said J. D. FINN resides in New York City, in the State of New York; that said F. J. FOLEY is Vice President and said J. D. FINN is Secretary of American Locomotive Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said F. J. FOLEY, Vice President, and J. D. FINN, Secretary, know the corporate seal of said Corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal, that it was so affixed thereto by order and authority of the Board of Directors of said corporation; that they and each of them signed their names to, and executed, the foregoing instrument in their respective capacities as Vice President and Secretary in behalf of said corporation by like order and authority; that they signed, sealed with the corporate seal, executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth, and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of New York, State of New York, this the day and year in this my certificate first above written.

(SEAL)

MARY E. ARMSTRONG
Notary Public, New York County No.244
New York County Register's No. 2A293
Commission Expires March 30, 1942

STATE OF WISCONSIN)
) SS
DEPARTMENT OF STATE)

Received this 2nd. day of December A. D. 1940 at 9:00 o'clock A. M. and recorded in Vol. 34 of Railroad Mortgages on pages 495-497, Inclusive.

ROBERT C. ZIMMERMAN
Assistant Secretary of State

CONDITIONAL SALE AGREEMENT

Dated as of September 1, 1940
BETWEEN

AMERICAN LOCOMOTIVE COMPANY

and

HENRY A. SCANDRETT, WALTER J. CUMMINGS and
GEORGE I. HAIGHT,

Trustees of the Property of

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC
RAILROAD COMPANY

: THIS CONDITIONAL SALE AGREEMENT WHICH IS :
: MADE A PART OF THE FOREGOING ASSIGNMENT :
: IS RECORDED IN FULL ON PAGES 465-477 OF :
: THIS VOLUME. :

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AMERICAN LOCOMOTIVE COMPANY

to

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO

ASSIGNMENT

Dated: November 8th, 1940.

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, AMERICAN LOCOMOTIVE COMPANY, a New York Corporation, having an office at No. 30 Church Street, in the Borough of Manhattan, City, County and State of New York, for value received, does hereby sell, assign and transfer unto CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO (hereinafter called the "Bank"), without recourse, except as recourse may be had upon the express warranties hereinafter set forth, all the right, title and interest of the undersigned in and to an agreement dated as of October 1, 1940, between the undersigned and Chicago, St. Paul, Minneapolis and Omaha Railway Company (hereinafter called the "Railroad"), a copy of which is attached hereto and made a part hereof, for the sale by the undersigned to said Railroad of One (1) new 1000 Horsepower Diesel Switching Locomotive, bearing the undersigned's shop No. 69216, together with all the rights, powers, privileges and immunities of the undersigned under said agreement, including the retained title of the undersigned in and to said Locomotive as in said agreement set forth.

The undersigned warrants that the aggregate principal amount of the purchase price under the said agreement of October 1, 1940, between the undersigned and Railroad, is $81,800.

Notwithstanding this assignment, the undersigned remains obligated to Railroad to carry out the warranties and covenants contained in Articles 1, 6 and 10 of the aforesaid agreement dated October 1, 1940.

Without hereby limiting the generality of the foregoing assignment and transfer, the undersigned hereby authorizes and empowers the Bank to sue for, collect, receive and enforce, all sums payable and all action to be taken by the Railroad under said Conditional Sale Agreement in respect of the Equipment described therein, with full power to substitute any one or more persons with like power, in the name of the Bank, or in the name of such substituted person or persons.

The undersigned represents, covenants and agrees with the Bank that the undersigned is the lawful owner of the said Equipment and rights under said Conditional Sale Agreement sold, assigned, transferred and set over, or intended to be sold, assigned, transferred and set over, to the Bank by this assignment; that the same is free from all liens or encumbrances; that the undersigned has good and lawful right to sell the same as aforesaid; and that the undersigned will warrant and defend the same against the lawful demands of all persons whomsoever based on claims originating prior to the execution and delivery of this assignment by the undersigned to the Bank; all subject, however, to the provisions of the aforesaid Conditional Sale Agreement, and the rights of the Railroad thereunder.

The undersigned agrees to save, indemnify and keep harmless the Bank from and against any and all royalties, damages, claims, suits, judgments, and costs that may arise from the use of any patented article, and for which the Bank may be legally adjudged to be liable, except with regard to any appliances, devices or materials specified by the Railroad and not manufactured by the undersigned.

The undersigned warrants that at the time of the delivery of said Equipment to the Railroad, it delivered to the Railroad metal plates, for ready attachment on both sides of the unit of said equipment, plainly and conspicuously marked as follows:

"Continental Illinois National
Bank and Trust Company of Chicago,
Owner by assignment from American
Locomotive Company, Manufacturer
and Prior Owner."

This assignment may be simultaneously executed in two (2) or more counterparts, each of which, so executed, shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same instrument, which shall be sufficiently evidenced for all purposes by any such original counterpart.

IN WITNESS WHEREOF, AMERICAN LOCOMOTIVE COMPANY has caused this instrument to be executed by its Vice President and its corporate seal to be hereunto affixed, duly attested by its Secretary, this 8th day of November, 1940.

(SEAL)

AMERICAN LOCOMOTIVE COMPANY

BY F. J. FOLEY
Vice President

Attest:

J. D. FINN
Secretary

Signed, sealed and delivered by
AMERICAN LOCOMOTIVE COMPANY
in the presence of:

E. D. Dugan

Mildred Congden
Attesting Witnesses

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

I, Mary E. Armstrong, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements, and hereditaments in said County, DO HEREBY CERTIFY that on the 8th day of November, 1940, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named F. J. Foley and J. D. Finn, to me personally known and known to me to be, respectively, the Vice President and Secretary of AMERICAN LOCOMOTIVE COMPANY, the corporation described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Secretary, respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and said F. J. Foley and J. D. Finn, being by me severally duly sworn, did on oath, each for himself and not one for the other severally depose and say and acknowledge in the presence of said witnesses that said F. J. Foley resides in New York City in the State of New York, and that said J. D. Finn resides in New York City, in the State of New York; that said F. J. Foley is Vice President and said J. D. Finn is Secretary of American Locomotive Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said F. J. Foley, Vice President, and J. D. Finn, Secretary, know the corporate seal of said Corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto by order and authority of the Board of Directors of said corporation; that they and each of them signed their names to, and executed, the foregoing instrument in their respective capacities as Vice President and Secretary in behalf of said corporation by like order and authority; that they signed, sealed with the corporate seal, executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of New York, State of New York, this the day and year in this my certificate first above written.

(SEAL)

Mary E. Armstrong

Notary Public, New York County No. 244
New York County Register's No. 2A293
Commission Expires March 30, 1942

CONDITIONAL SALE AGREEMENT

Dated as of October 1, 1940

Between

AMERICAN LOCOMOTIVE COMPANY
and
CHICAGO, SAINT PAUL, MINNEAPOLIS AND OMAHA RAILWAY COMPANY

THIS AGREEMENT, dated as of October 1, 1940, by and between AMERICAN LOCOMOTIVE COMPANY, a corporation organized and existing under the laws of the State of New York, with its principal office and place of business in the City of New York, N. Y.(hereinafter sometimes called the "Seller"), as party of the first part; and CHICAGO, SAINT PAUL, MINNEAPOLIS AND OMAHA RAILWAY COMPANY, a railroad corporation organized under the laws of the State of Wisconsin and having its principal operating office in the City of St. Paul, Minnesota, party of the second part (hereinafter sometimes referred to as the "Buyer");

WITNESSETH THAT:

In consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

(1) Construction, Sale and Delivery. The Seller hereby agrees to construct, in accordance with the specifications and proposal hereinafter referred to, sell and deliver to the Buyer, and the Buyer hereby agrees to buy from the Seller and to accept delivery as hereinafter provided, and to pay therefor as hereinafter set forth, the following described railroad equipment (hereinafter sometimes referred to as "Equipment"):

One (1) new, 1000-horsepower Diesel switching locomotive bearing Seller's Number 69216, as described and warranted by Seller's specification No. E-1540, and Seller's proposal dated August 12, 1940, copy of which specification and proposal have been furnished to the Buyer and reference to which is hereby expressly made.

The price of said 1000-horsepower Diesel switching locomotive shall be the principal amount of Eighty-one Thousand Eight Hundred Dollars ($81,800.00) F.O.B. Buyer's station, Minneapolis, Minnesota. Interest shall be paid at the rate of 1-7/8%per annum upon unpaid balances of said principal amount and such interest shall be computed from the date of the acceptance of said locomotive at Minneapolis, Minnesota, by the Buyer. After receipt and inspection of the locomotive by the Buyer or its agents, the Buyer's Superintendent of Motive Power or his duly authorized representative, shall, if said locomotive meets said specifications, execute a certificate of acceptance. The execution of such certificate of acceptance shall be conclusive evidence the locomotive covered conforms with specifications and is acceptable to the Buyer in all details.

The Seller shall deliver said locomotive, freight charges prepaid, to the Buyer at the Buyer's station in Minneapolis, Minnesota, whenever said locomotive is completed and ready for shipment. The Seller agrees to assume the expense, responsibility and risk of loss in and of the removal of the said locomotive from the Seller's plant at Schenectady, New York, to the place of delivery to the Buyer.

(2) Amount and Payment of Purchase Price. Conditional only upon the receipt and acceptance of said Equipment, which may be conclusively presumed from the execution of the certificate of acceptance above referred to, the Buyer hereby promises to pay to the Seller, or the assignee thereof, at the office of Continental Illinois National Bank and Trust Company of Chicago, as the purchase price of said equipment, the following amounts:

(a) On the first day of the calendar month succeeding that in which the acceptance

of the locomotive has been completed, interest on the principal purchase price of such locomotive from the date of its acceptance by the Buyer.

(b) Commencing on the first day of the second calendar month succeeding that in which the locomotive is accepted and continuing for a total of 60 consecutive monthly payments, the amount of $1,429.30 per month. Each of said 60 monthly payments includes both principal and interest at the rate of 1-7/8" per annum and shall be applicable first to the interest then due and balance to principal.

The buyer further covenants and agrees to pay interest at the rate of 6% per annum upon all such amounts, principal and interest, after the same become due and payable pursuant to the terms and provisions hereof.

All payments provided for in this Agreement shall be made by the Buyer in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

The Buyer shall have the privilege of prepaying at any time, without the payment of any premium, any sum of the principal in an amount of $25,000.00 or any multiple thereof, or the entire unpaid balance of the principal amount, together with interest accumulated to the date of such payment on such sum so prepaid. All such principal sums so prepaid shall be applied toward the payment of the last maturing principal installment or installments due hereunder.

(3) Title to the Equipment. The Seller shall, and hereby does, retain the full legal title to and property right in, all of said Equipment until the Buyer shall have made all of the payments, and shall have kept and performed all of the covenants, in this Agreement provided to be made, kept or performed by the Buyer, notwithstanding the delivery of the Equipment to, and the possession and use thereof by, the Buyer as herein provided.

The Buyer covenants and agrees that it will cause the Equipment to be kept numbered with the proper road numbers and to be kept plainly marked, on metal plates upon both sides of each unit of the Equipment covered by this Agreement, with the name of the Seller or of the Seller's assignee, as the case may be, followed by the word "Owner" or other appropriate words designated by the Seller, and the Buyer agrees that it will not accept delivery of, or place said Equipment in operation or exercise any control or dominion over it until said metal plates so marked have been attached on both sides of said Equipment.

The Buyer shall replace the Equipment or any of it or any parts, at its own cost if it shall be lost or destroyed from any cause whatever during the continuance of this Agreement, with other Equipment of similar type and of substantially as good material and construction as that lost or destroyed, or, at the option of the Buyer, it may forthwith pay the entire principal amount thereof, together with interest thereon to the date of payment. The Buyer will cause any such new Equipment to be marked as above provided and to be numbered with the same road number as the Equipment so replaced. Any and all of such replacements of the Equipment and of any parts shall constitute accessions to the Equipment and shall be subject to all of the terms and conditions of this Agreement, as though part of the original Equipment delivered hereunder, and included in the word "Equipment" as used in this Agreement. Title to all such new Equipment shall be taken initially, and shall remain, in the name of the Seller (or if this Agreement shall have been assigned, in the name or names of the assignee or assignees, as the case may be) subject to the provisions hereof.

Except as above provided, the Buyer will not allow the name of any person, association

or corporation to be placed on the Equipment or any replacements thereof, as a designation that might be interpreted as a claim of ownership thereof; provided, however, that the Buyer may cause the Equipment to be lettered with appropriate words or marks for convenience of identification of the Buyer's interest therein.

When and only when the Seller has been paid the full purchase price for all Equipment, together with interest and any and all other payments as herein provided, and all of the Buyer's covenants and conditions herein contained have been performed by the Buyer, title to and property in the Equipment shall pass to and vest in the Buyer without further transfer or act on the part of the Seller, except that the Seller shall, if so requested by the Buyer so to do, execute and deliver to the Buyer a bill of sale of said Equipment, transferring the title to and property in said Equipment to the Buyer free and clear of all liens and encumbrances created or retained hereby, and shall execute for record or for filing in public offices such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the title of the Buyer to all of said Equipment.

(4) Taxes. All payments to be made by the Buyer hereunder shall be free of expenses to the Seller for collection or other charges, and of the amount of any State or Federal taxes (other than State and Federal income taxes) hereafter levied or imposed directly upon this Agreement and/or any sale, payment, shipment or delivery under the terms hereof, all of which expenses and taxes the Buyer assumes and agrees to pay in addition to the above mentioned purchase price of said Equipment. The Buyer shall also pay promptly all taxes and assessments which may be imposed upon the Equipment or the earnings arising therefrom or the operation thereof, or upon the Seller by reason of its ownership thereof, by any jurisdiction in which the Equipment is operated by the Buyer, and agrees to keep at all times all and every part of the Equipment free and clear of all taxes, assessments, liens and encumbrances, except that the Buyer may, in good faith, contest any tax or assessment levied upon said Equipment.

(5) Compliance with Laws, Rules and Regulations. The Buyer covenants that the Equipment will at all times be maintained, used and operated under and in compliance with all laws and regulations in any jurisdiction to which the Equipment may be subject. The Buyer further covenants that it will comply in all respect with all acts of Congress and with the laws of the United States and of the States and Territories into which its operations involving the Equipment may extend during the term of this Agreement, and with all lawful rules of the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over any of the Equipment, and in the event that said laws or rules require the alteration of any of the Equipment, the Buyer agrees to conform therewith, at its expense, and to maintain the same in proper condition for operation under such laws and rules during the life of this Agreement; provided, however, that the Buyer may in good faith contest, in any reasonable manner, the application of any such law or rule which does not, in the judgment of Seller, affect the Seller's title in and to the Equipment.

(6) Servicing, Replacements and Maintenance. Seller will send a competent person with the locomotive to the point of delivery and, if requested by the Buyer, to such further point at which such locomotive is to be placed in service, to superintend the placing of the same in working condition. Buyer shall provide each such person, without expense to Seller, with all the necessary labor, materials, locomotive supplies and transportation on lines owned or controlled by Buyer.

The Buyer covenants and agrees that it will at all times after the delivery of such equipment, maintain and keep said Equipment in good order and repair at all times, at its expense, and shall bear the risk, and shall not be released from its obligations hereunder in case of any and all damage, loss or destruction of said Equipment from whatever cause arising.

American Locomotive Company shall furnish and install at its expense, at its works, or deliver to Buyer at American Locomotive Company's works, a new part or parts to replace any part or parts which the locomotive may fail under normal service within one year after shipment from American Locomotive Company's works, by reason of faulty work performed or defective material furnished by American Locomotive Company; provided that Buyer notify American Locomotive Company of the fault when it is first discovered and American Locomotive Company is accorded an opportunity to verify the same. American Locomotive Company shall not be liable for any fault or defect in the locomotive, except as in this paragraph provided.

(7) Reports and Inspection. The Buyer hereby agrees to furnish to the Seller, if requested, once in every year as long as this Agreement shall be in force, an accurate inventory of the Equipment in actual service, the numbers and the description of such Equipment as may have been destroyed and replaced by other, and the then location of said Equipment. In addition thereto, the Buyer agrees to furnish to the Seller, if requested, once in each year, as long as this agreement shall remain in force, a report of inspection by the Buyer's Superintendent of Motive Power, or, if the Seller shall so request, by a competent disinterested party, satisfactory to the Seller, certifying that said equipment has been maintained, and is, in good order and repair.

The Buyer shall promptly and fully inform the Seller of any loss or destruction of the Equipment and of any substantial repairs made or being made upon it or any of it. If requested by the Seller, the Buyer shall furnish to the Seller a report of the Buyer's Superintendent of Motive Power, or, if the Seller shall so request, of a competent disinterested party, satisfactory to the Seller, covering the nature and extent of any damage to the equipment, and the satisfactory repair thereof.

The Seller shall have the right, but shall be under no obligation, to inspect the Equipment at any reasonable time or times during the continuance of this Agreement. The Buyer agrees, in so far as it may legally do so, to supply free transportation over its lines to designated agents of the Seller for the purpose of enabling such agents to reach the point or points where the Equipment is in operation, for the purpose of making such inspection or of assisting and instructing the employees of the Buyer in the proper operation and maintenance of the Equipment.

(8) Use and Location. The Buyer agrees that after the delivery of the equipment and at all times during the continuance of this Agreement, said Equipment will be kept maintained and used solely by the Buyer upon the lines of railroad owned and operated by it (or on tracks upon which it has a lawful right to operate) in the States of Iowa, Wisconsin, Minnesota, South Dakota and Nebraska; provided, however, that upon giving the Seller fifteen (15) days' notice in writing, stating where the equipment is to be transferred and the route to be followed in the transfer, the Buyer may remove said equipment to another state or states.

(9) Prohibition against Liens. The Buyer hereby agrees to pay or satisfy and discharge any and all sums claimed by any party by, through or under the Buyer and its

successors or assigns which, if unpaid, might become a lien or a charge upon the Equipment or any of it, superior to the title of the Seller therein, but shall not be required to pay or discharge any such claim as long as the validity thereof shall be contested in good faith and by appropriate legal proceedings in any reasonable manner which will not affect the title of the Seller in and to the Equipment.

(10) Indemnities and Guaranties. The Buyer hereby agrees to save, indemnify and keep harmless the Seller from and against all losses, damages, injuries, claims and demands whatsoever, regardless of the cause thereof, arising on account of the Equipment or the use or operation thereof. Said covenant of indemnity shall continue in full force and effect notwithstanding the full payment of the purchase price and the conveyance of the Equipment, as provided in paragraph 3 hereof.

The Buyer will bear the risk, and shall not be released from its obligations hereunder in the event of any damage to, or the destruction or loss of the Equipment; provided, however, that American Locomotive Company and any successor or successors to its manufacturing property and business shall not, as to any of the Equipment, be relieved from its guaranty covering material and workmanship set forth in Paragraph 6 hereof. American Locomotive Company for itself and any successor or successors to its manufacturing property and business, also agrees to save, indemnify and keep harmless the Buyer from and against any and all royalties, damages, claims, suits, judgments and costs that may arise in the use of any patented article on the equipment at the time of delivery, except with regard to any appliances, devices or materials specified or required by the Buyer and not manufactured by the Seller.

(11) Assignments by the Seller. All or any of the rights of the Seller under this Agreement, including the right to receive the payments herein provided to be made by the Buyer, may be assigned by the Seller and reassigned by any assignee at any time and from time to time, provided, however, that no such assignment shall subject any assignee to, or relieve American Locomotive Company or the successor or successors to its manufacturing property and business from, any of the obligations of American Locomotive Company to construct and deliver the equipment herein contracted to be delivered in accordance with the specifications, or to respond to its guaranties, warranties or indemnities contained in Paragraphs 1, 6 and 10 hereof.

Upon any such assignment the assignor shall give written notice to the Buyer, together with a counterpart or copy of such assignment, stating the identity and postoffice address of the assignee, and such assignee shall by virtue of such assignment acquire all of the Seller's right, title and interest in and to the Equipment and each and every part thereof, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Buyer of the notification of any such assignment, all payments thereafter to be made by the Buyer hereunder shall, to the extent so assigned, be made to the assignee.

In the event that this Agreement is assigned by the Seller as hereinbefore provided, the rights of such assignee to the entire unpaid purchase price, or such part thereof as may be assigned together with interest thereon as well as any other rights hereunder which may be so assigned, shall not be subject to any defense, set-off, counterclaim or recoupment whatsoever arising out of any breach of any obligation of American Locomotive Company or the successors to its manufacturing business in respect of the Equipment or the manufacture, delivery, guaranty or warranty thereof, or in respect of any indemnity herein contained, nor subject to any defense, set-off, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Buyer by American Locomotive Company or the successors to its manufacturing business. Any and all such obligations for which, in the case of an assignment hereof, American Locomotive Company is, as aforesaid, to remain liable to the Buyer, shall be and remain enforceable by the Buyer against and only against American Locomotive Company and the successor or successors to its manufacturing property and business, and shall not be enforceable against any party or parties in whom title to the Equipment or any of it, or the rights of the Seller hereunder, shall vest by reason of any sale, assignment or transfer, or successive sales, assignments or transfers.

In the event of any such sale, transfer or assignment, or successive sales, transfers or assignments by the Seller, of title to any of the Equipment and of the Seller's rights hereunder in respect thereof, the Buyer shall, whenever requested by such vendee, transferee or assignee, change the name plates to be attached on both sides of the unit of the Equipment so as to indicate the title of such vendee, transferee or assignee to such equipment and its succession to the rights of the Seller hereunder, such plates to bear such words or legend as shall be specified by said vendee, transferee or assignee. The cost of obtaining and attaching the first series of such substituted plates shall be borne by the Seller. The cost of obtaining and attaching plates in connection with any subsequent assignment shall be borne by such subsequent vendee, transferee or assignee.

The term "Seller" whenever used in this Agreement means, before any assignment of all or any rights of the Seller hereunder as hereinbefore provided in this paragraph 11, American Locomotive Company, and after any such assignment, the assignee or assignees for the time being of all of the rights hereunder.

(12) Successors to and Assignments by the Buyer. The Buyer covenants and agrees that it will not sell, assign, transfer or otherwise dispose of its rights under this Agreement, nor transfer possession of said Equipment to any other firm, person or corporation without first obtaining the written consent of the Seller to such sale, assignment or transfer.

The Buyer hereby covenants and agrees that it will not pledge, hypothecate or in any way encumber, or permit the encumbrance of said Equipment.

(13) Defaults and Acceleration. In the event that any one or more of the following events of default shall occur, to-wit:

(a) The Buyer shall fail to pay in full when due any installment of principal or of interest at the time and in the manner hereinbefore contracted to be paid as provided in paragraph 2 hereof; or

(b) The Buyer shall fail or refuse to comply with any covenant, agreement, term or provision of this Agreement on its part to be kept and performed;

then at any time after the occurrence of such an event of default, the Seller may, upon written notice to the Buyer, and upon compliance with any legal requirements then in force and applicable to such action by the Seller, declare the entire purchase price of the Equipment, together with the unpaid interest thereon, whether the same shall then have fallen due or not, immediately due and payable, without further demand, and thereafter the entire sum shall carry interest at the rate of 6% per annum upon any portion thereof then overdue, from the date of such default.

The Seller may at its election (and, if before sale or before full performance of this Agreement all costs and expenses of the Seller incidental to any such default and

to the enforcement by the Seller of the provisions hereof, and all sums which shall then have become due and payable by the Buyer hereunder, other than such part of said purchase price as shall have become due only because of a declaration under this paragraph as aforesaid, shall have been paid by the Buyer, and all other existing defaults shall have been remedied, or provision therefor satisfactory to the Seller shall have been made, then and in every such case the Seller shall) waive any such event of default and its consequences and rescind and annul any such declaration or termination by notice to the Buyer in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such cured default had existed and no such declaration or termination had been made; but no such waiver, rescission or annulment shall limit or affect the Seller's right, upon any other default, or impair any rights or remedies consequent thereon.

(14) Remedies. If the Buyer shall make default as hereinabove provided, then at any time after such notice of declaration of default and during the continuance of such default the Seller may, without further notice or demand except to the extent necessary in order to comply with any legal requirements, take or cause to be taken by its agent or agents immediate possession of the Equipment, and/or any replacements and improvements, and all present and future attachments and accessories thereof, without liability to return to the Buyer any sums theretofore paid, and free from all claims whatsoever except as hereinafter in this paragraph 14 expressly provided, and may remove the same from the use and possession of the Buyer and for such purpose may enter upon the Buyer's premises where the Equipment may be located, and may use and employ in connection with such removal, at the expense of the Buyer, any supplies, services and aids, and any available trackage and other facilities or means of the Buyer, without process of law; and the Buyer shall deliver the Equipment, or any of it, with all replacements, improvements, equipment, attachments and accessories thereof, at its own cost at such place or places on its railroad as the Seller may reasonably designate and for such purpose move or draw the Equipment in the usual manner and at the customary speed of trains, and in case of such retaking or delivery the Seller shall have the right to store the same upon the premises of the Buyer without charge until the Seller shall desire to remove the same therefrom. And it is hereby expressly agreed by the Buyer that performance of this Agreement to deliver the Equipment as hereinbefore provided is of the essence of the Agreement between the parties and that, upon application to any court of equity having jurisdiction in the premises, the Seller shall be entitled to a decree against the Buyer requiring specific performance hereof.

If the Buyer shall make default as hereinbefore provided, then at any time thereafter during the continuance of such default, and after declaring the entire purchase price immediately due and payable as hereinbefore provided, the Seller with or without retaking possession thereof may sell the Equipment, and any such replacements, improvements, equipment, attachments and accessories, free from any and all claims of the Buyer, or of any other party claiming by, through or under them at law or in equity, at public or private sale and with or without advertisement as the Seller may determine, all subject to and in compliance with any legal requirements then in force and applicable to such sale. To the extent permitted by any such legal requirements, any sale or sales hereunder may be held or conducted at Chicago, Illinois, at such time or times as the Seller may fix (unless the Seller shall, as so permitted, specify a different place, in which case the sale shall be held at such place and at such time as the Seller may

specify), as an entirety, and without the necessity of moving to the place of sale the property to be sold, and in general in such manner as the Seller may determine in compliance with any such legal requirements, provided that the Buyer shall be given written notice of such sale as provided in any such applicable legal requirements, but in any event no less then ten (10) days prior thereto, by telegram or registered mail addressed to the Buyer at St. Paul, Minnesota. If such sale shall be a private sale permitted by such legal requirements, it shall be subject to the right of the Buyer to purchase or provide a purchaser, within ten (10) days after notice of the proposed sale price, at the same or better price as offered by the intending purchaser. To the extent not prohibited by any legal requirements then in force and applicable to such sale, the Seller may itself bid for and become the purchaser of the Equipment so offered for sale without accountability to the Buyer (except to the extent of surplus money received as hereinafter provided in the last paragraph of this paragraph 14), and in payment of such purchase price the Seller shall be entitled to the extent aforesaid to have credited on account thereof all sums due to the Seller by the Buyer hereunder.

Each and every power or remedy hereby specifically given to the Seller shall be in addition to every other power or remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Seller. All such powers and remedies shall be cumulative and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Seller in the exercise of any such power or remedy, and no renewal or extension of any payments due hereunder shall impair any such power or remedy, or shall be construed to be a waiver of any default, or any acquiescence therein.

If the Seller shall exercise any of the powers or remedies conferred upon it hereunder, the Buyer shall have the right after all sums due hereunder to the Seller shall have been received by it in full, including its proper costs and expenses incident to the collection thereof, to require title to the Equipment, if not previously sold or otherwise disposed of by the Seller pursuant to the provisions hereof, to be transferred and assigned by the Seller to the Buyer free from any further liabilities or obligations to the Seller. If after payment of all proper costs and expenses of the Seller incurred in the enforcement of its remedies hereunder and after applying all sums of money realized by the Seller under the remedies herein provided, there shall remain any amount due to it under the provisions of this Agreement, the Buyer shall pay the amount of such deficit to the Seller. If after payment of all proper costs and expenses of the Seller incurred in the enforcement of its remedies hereunder and after applying as aforesaid all sums realized by the Seller there shall remain a surplus in the possession of the Seller, such surplus shall be paid to the Buyer.

(15) Applicable State Laws. Any provision of this Agreement prohibited by any applicable law of any State, or which by any applicable law of any State would convert this Agreement into any instrument other than an agreement of conditional sale, shall as to such State be ineffective, without modifying the remaining provisions of this Agreement. Where, however, the conflicting provisions of any applicable State law may be waived they are hereby waived by the Buyer to the full extent permitted by law, to the end that this Agreement shall be deemed to be a conditional sale and enforced as such.

(16) Extension Not a Waiver. Any extension of time granted by the Seller to the Buyer for the payment of any sum due under this Agreement, whether that extension be for an intermediate payment or for final payment, shall not be deemed a waiver of the title of the Seller reserved hereunder nor any of its rights and remedies hereunder or otherwise existing.

(17) Recording. The Buyer shall cause this Agreement to be filed, registered and recorded wherever required for the proper protection, to the satisfaction of counsel for the Seller, of the Seller's title to the Equipment and any replacement or replacements, and its rights under this Agreement; and the Buyer shall from time to time do and perform any other act, and will execute, acknowledge, deliver, file, register and record any and all further instruments, required by law or reasonably requested by the Seller for the purpose of such protection of its title and rights, or for the purpose of carrying out the intention of this Agreement.

(18) Payment of Expenses. The Buyer shall pay all costs, charges and expenses, except the counsel fees of Seller, incident to the preparation, execution, acknowledgment, filing, registering and recording of this Agreement and of the first assignment or assignments by the Seller of title to the Equipment, and of any instrument supplemental hereto or amendatory hereof.

(19) Execution of Counterparts. This Agreement may be simultaneously executed in two or more counterparts, each of which so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart.

(20) Section Headings. All section, paragraph or division headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

(21) Modification of Agreement. This Agreement of conditional sale, together with the specifications hereinabove referred to, constitutes the entire Agreement between the Buyer and the Seller with respect to the sale of the Equipment herein referred to. No variation or modification of this Agreement, and no waiver of any of its provisions or conditions, shall be valid unless in writing and signed by duly authorized officers of the Buyer and the Seller.

(22) Possession and Use of the Equipment by the Buyer. So long as the Buyer shall not be in default under this Agreement, the Buyer shall be entitled to the possession of the Equipment and to the use thereof upon the lines of railroad aforesaid from and after the delivery of the Equipment by the Seller to the Buyer, but only upon and subject to all terms and conditions of this Agreement.

(23) Law Governing. As the Equipment covered by this Agreement may be used in various states which may have conflicting laws as to the rights and obligations of the parties hereunder, it is agreed that, irrespective of the place of execution of this Agreement or of the place of delivery and use of the Equipment, all rights and obligations of the parties hereto to each other under the terms of this Agreement, shall be governed by the laws of the State of Illinois.

IN WITNESS WHEREOF, American Locomotive Company has caused these presents to be executed by its duly elected officers pursuant to lawful resolutions, and Chicago, Saint Paul, Minneapolis and Omaha Railway Company by its duly elected officers pursuant to lawful authority, have hereunto set their hands and seals, all as of the day, month and year first above written.

(SEAL)

AMERICAN LOCOMOTIVE COMPANY,
By F. J. Foley,
Vice-President.

ATTEST:
Paul L. Rathborne,
Asst. Secretary.

Signed, sealed and delivered by
American Locomotive Company
in the presence of:
B. D. Dugan,
Mildred Congdon
Attesting Witnesses

CHICAGO, SAINT PAUL, MINNEAPOLIS AND
OMAHA RAILWAY COMPANY,

By R. L. Williams
President.

ATTEST:

Barret Conway,
Secretary.

Signed, sealed and delivered by
Chicago, Saint Paul, Minneapolis
and Omaha Railway Company in
the presence of:
W. F. White
H. J. Dunham
Attesting Witnesses.

(CORPORATE SEAL)
State of New York,) SS.
County of New York)

I, Mary E. Armstrong, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements, and hereditaments in said County DO HEREBY CERTIFY that on the 4th day of October, 1940, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named F. J. Foley and Paul L. Rathborne, to me personally known and known to me to be, respectively, the Vice President and Asst. Secretary of American Locomotive Company, the corporation described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Asst. Secretary, respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and said F. J. Foley and Paul L. Rathborne, being by me severally duly sworn, did on oath, each for himself and not one for the other severally depose and say and acknowledge in the presence of said witnesses that said F. J. Foley resides in New York City in the State of New York, and that said Paul L. Rathborne resides in Bloomfield, N. J. that said F. J. Foley is Vice President and said Paul L. Rathborne is Asst. Secretary of American Locomotive Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said F. J. Foley, Vice President, and Paul L. Rathborne, Asst. Secretary, know the corporate seal of said corporation that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto by order and authority of the Board of Directors of said corporation; that they and each of them signed their names to, and executed, the foregoing instrument in their respective capacities as Vice President and Asst. Secretary in behalf of said corporation by like order and authority; that they signed, sealed with the corporate seal, executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of New York, State of New York, this the day and year in this my certificate first above written.

My commission as such Notary Public expires March 30, 1942.

Mary E. Armstrong
Notary Public in and for the State
of New York, County of New York.

(Notarial Seal)

Notary Public, New York County No. 244
New York County Register's No. 2A293.
Commission Expires March 30, 1942.

State of Illinois,) SS.
County of Cook.)

I, Margaret C. Carmody, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, DO HEREBY CERTIFY that on the 3rd day of October, 1940, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named R. L. Williams and Barret Conway, to me personally known and known to me to be the individuals described and named in and the identical persons who subscribed their names to and whose names are subscribed to and who executed the within and foregoing instrument in writing as President and Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto sub-

scribed as such, and said R. L. Williams and Barret Conway, and each of them, duly acknowledged to me in the presence of said witnesses that they signed, sealed, executed and delivered said instrument as their free and voluntary act and deed, for the consideration, objects, uses and purposes therein mentioned, stated and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires July 20, 1941.

Margaret C. Carmody,
Notary Public in and for the State of Illinois, County of Cook.

(Notarial Seal)

STATE OF WISCONSIN)
) SS
DEPARTMENT OF STATE)

Received this 23rd day of Dec. A. D. 1940, at 9:00 o'clock A. M. and recorded in Vol. 34 of Railroad Mortgages on page 498-510 inclusive.

Robert C. Zimmerman
Assistant Secretary of State

Index 778-C

ASSIGNMENT AGREEMENT

Between

PULLMAN-STANDARD CAR MANUFACTURING COMPANY

and

J. P. MORGAN & CO. INCORPORATED

covering
Conditional Sale Agreement of December 27, 1940
By and Between
Great Northern Railway Company
and
Pullman-Standard Car Manufacturing Company

DATED JANUARY 8TH, 1941

- -

AGREEMENT AND ASSIGNMENT dated this 8th day of January, 1941, between PULLMAN-STANDARD CAR MANUFACTURING COMPANY, a corporation duly organized and existing under the laws of the State of Delaware (hereinafter called "Pullman"), party of the first part, and J. P. MORGAN & CO. Incorporated, a corporation duly organized and existing under the laws of the State of New York, as Escrow Agent under a certain Escrow Agreement, dated January 8th, 1941 (hereinafter called the "Escrow Agent"), party of the second part.

WHEREAS, Pullman and Great Northern Railway Company, a corporation duly organized and existing under the laws of the State of Minnesota (hereinafter called the "Railway"), have entered into a Conditional Sale Agreement dated December 27, 1940 (hereinafter called the "Agreement"), covering the manufacture and the sale, on the conditions in the Agreement set forth, by Pullman and the purchase by the Railway of one thousand (1,000) Double Sheathed Box Cars of fifty (50) tons capacity (hereinafter called the "Cars") for the aggregate purchase price of $2,977,340, payable by the Railway in 106 equal monthly installments of $30,416.67 each and one final installment of $28,881.26, which payments include interest on the diminishing unpaid balances of said purchase price at the rate of two per cent (2%) per annum, all as in the Agreement more particularly set forth:

NOW, THEREFORE, this Agreement and Assignment Witnesseth that, in consideration of the sum of one dollar ($1) and other good and valuable consideration the receipt of which is hereby acknowledged and of the undertaking of the Escrow Agent as provided in the Escrow Agreement, Pullman hereby agrees to sell, assign, transfer and set over and hereby does sell, assign, transfer and set over unto the Escrow Agent all of its right, title and interest in and under the Agreement, without any recourse, however, against Pullman for or on account of the failure of the Railway to make any of the payments provided for in, or otherwise to comply with any of the provisions of, the Agreement, provided, however, that this Agreement and Assignment shall not pass or transfer to the Escrow Agent, or in any way affect or modify, any liability of Pullman with respect to its obligation to manufacture and deliver the Cars or with respect to its warranties of the Cars, it being understood and agreed that notwithstanding this Agreement and Assignment all obligations of Pullman with respect to the Cars and the manufacture and delivery thereof shall be and remain enforceable by the Railway, its successors and assigns, against and only against Pullman as in the Agreement provided.

Pullman covenants and agrees with the Escrow Agent that Pullman is the lawful owner of the Cars and of the rights under the Agreement sold, assigned, transferred and set over, or intended to be sold, assigned, transferred and set over, to the

Escrow Agent by this Agreement and Assignment; that the same are free from all liens or encumbrances; that Pullman has good and lawful right to sell and assign the same as aforesaid; and that Pullman will warrant and defend the same against the demands of all persons whomsoever based on claims originating prior to the delivery of the Cars by Pullman to the Railway and/or prior to the execution and delivery of this Agreement and Assignment by Pullman to the Escrow Agent, all subject, however, to the provisions of the Agreement and all rights of the Railway thereunder.

Pullman warrants that, at the time of the delivery of each of the Cars to the Railway, each thereof had or will have attached on each side thereof a metal plate so located as to be readily visible and to indicate plainly the Escrow Agent's ownership of the Car and bearing the following words in letters not less than one inch in height:

"J. P. Morgan & Co. Incorporated,
as Escrow Agent, Owner".

All rights and obligations under this Agreement and Assignment shall be governed by the laws of the State of New York.

This Agreement and Assignment shall be simultaneously executed in five or more counterparts, each of which so executed shall be deemed to be an original, and all such counterparts together shall constitute but one and the same instrument, which shall be sufficiently evidenced for all purposes by any such counterpart.

This Agreement and Assignment and the obligation of the respective parties hereunder shall inure to the benefit of and be binding upon their respective successors and assigns.

IN WITNESS WHEREOF the parties hereto, pursuant to due corporate authority, have caused this Agreement and Assignment to be signed in their respective corporate names by their respective Presidents or one of their respective Vice-Presidents, and their respective corporate seals to be hereunto affixed and to be duly attested by their respective Secretaries or one of their respective Assistant Secretaries, as of the day and year first above written.

PULLMAN-STANDARD CAR MANUFACTURING COMPANY

(SEAL)

By H. H. Gilbert

Attest:

J. A. Knowlton
Secretary

In the presence of:

J. F. Murphy

R. J. Nyman

(SEAL)

J. P. MORGAN & CO. Incorporated,
as escrow Agent,

By John M. Meyer, Jr.
Vice-President

Attest:

Stuart W. Cragin
Secretary

In the Presence of:

Caroline E. Jenne

David B. McElroy

STATE OF ILLINOIS)
) ss.:
COUNTY OF COOK)

I, Chas. F. Walters, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 6th day of January, 1941, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, H. H. Gilbert and J. A. Knowlton, each to me personally known and known to me to be respectively a Vice President and the Secretary of Pullman-Standard Car Manufacturing Company, one of the corporations described in and which executed the within and foregoing instrument in writing and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Secretary respectively in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said H. H.Gilbert and J. A. Knowlton being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said H. H. Gilbert resides at 232 E. Walton Street, Chicago, Illinois, and that the said J. A. Knowlton resides at 617 Wesley Avenue, Oak Park, Illinois; that said H. H. Gilbert is a Vice President and said J. A. Knowlton is the Secretary of Pullman-Standard Car Manufacturing Company, one of the corporations described in and which executed the within and foregoing instrument in writing; that they know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

(NOTARIAL SEAL)

Charles F. Walters
Notary Public

My Commission Expires March
30, 1941

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

I, DeWitt Peterkin Jr,, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 3rd day of January, 1941, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, John M. Meyer Jr. and Stuart W. Cragin, each to me personally known and known to me to be respectively a Vice President and the Secretary of J.P. Morgan & Co. Incorporated, one of the corporations described in and which executed the within and foregoing instrument in writing and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Secretary respectively in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said John M. Meyer Jr. and Stuart W. Cragin, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said John M. Meyer, Jr. resides at Cat Rock Road, Cos Cob, Conn., and that the said Stuart W. Cragin resides at Knollwood Drive, Greenwich, Conn.; that said John M. Meyer Jr. is a Vice President and said Stuart W. Cragin is the Secretary of J. P. Morgan & Co. Incorporated, one of the corporations described in and which executed the within and foregoing instrument in writing; that they know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said County of New York, State of New York, this the day and year in this my certificate first above written.

DeWitt Peterkin Jr.
Notary Public

(SEAL)

DeWitt Peterkin Jr.
Notary Public, New York County, N.Y. Ctf.
No. 316
Register's Office New York County No.
2-P-424
Commission Expires March 30, 1942

STATE OF WISCONSIN)
)
DEPARTMENT OF STATE)

Received this 10th day of January
A. D. 1941 at 11:00 o'clock A.M.
and recorded in Vol. 34 of Rail-
road Mortgages on pages 511-514 incl. ✓

Robert C. Zimmerman
Assistant Secretary of State

Index
A-C

CONDITIONAL SALE CONTRACT

BETWEEN

PRESSED STEEL CAR COMPANY, INC.

AND

GREAT NORTHERN RAILWAY COMPANY

Dated JANUARY 28,1941

THIS AGREEMENT made and entered into the 28th day of January, 1941, by and between PRESSED STEEL CAR COMPANY, INC., a corporation of the State of Pennsylvania (hereinafter called the "Seller"), as party of the first part, and GREAT NORTHERN RAILWAY COMPANY, a corporation of the State of Minnesota (hereinafter called the "Buyer"), as party of the second part,

WITNESSETH:

That in consideration of the mutual promises hereinafter set forth, the parties hereto agree as follows:

1. Construction, Sale and Delivery. The Seller hereby agrees to construct, sell and deliver to the Buyer, and the Buyer hereby agrees to buy from the Seller and to accept delivery of as hereinafter provided, five hundred (500) Double Sheathed Box Cars of fifty (50) tons capacity each (hereinafter sometimes referred to as "Equipment") to be constructed in accordance with the Buyer's specifications No. 440, revised as of May 11, 1940, general arrangement drawing 28836, dated August 16, 1939, and the Buyer's letters of October 11 and October 16, 1940 detailing specialties to be applied to the cars. Said cars shall be numbered 48000 to 48499 inclusive.

The Seller shall deliver said Equipment to the Buyer, free of all liens and encumbrances and free of any claims of any nature by or in favor of any person or party and subject only to the reservation of title thereto by the Seller in accordance with the provisions hereof, on tracks of such railroad at McKees Rocks, Pennsylvania, as may be designated by the Buyer in writing, which the Buyer agrees to do promptly upon notice from the Seller that said Equipment or any part thereof has been completed and is ready for delivery.

The design and quality of material and equipment in said cars shall conform to all A. A. R. and I. C. C. requirements and specifications as they apply or may apply to cars of this character. The Seller shall deliver said Equipment to the Buyer at such place in first-class operating condition. The lumber and plywood used by the Seller in constructing said Equipment shall be Pacific Coast fir and plywood, meeting the Buyer's specifications; and said lumber and said plywood shall be purchased from mills tributary to the Buyer's railroad, and shall be routed via said railroad to St. Paul, Minnesota, and thence via the Chicago, Burlington and Quincy Railroad to Chicago, Illinois.

The Seller agrees to proceed with the construction of said Equipment with all reasonable dispatch and that delivery thereof will be commenced on or about February 10,1941, and will continue at the rate of approximately twenty-two (22) units per day, excluding Saturdays, Sundays and legal holidays, subject, however, to any and all delays due to causes beyond the Seller's control.

At all times during construction, the Equipment shall be subject to inspection by the Buyer and, upon completion, the Seller will submit the Equipment to the Buyer at the Seller's plant at McKees Rocks, Pennsylvania, for final inspection and the Buyer will promptly inspect the same and, if in conformity with the requirements hereof, the Buyer,

or its duly authorized representative, will deliver to the Seller a certificate to that effect, which certificate shall be conclusive evidence that the units of Equipment covered thereby conform in all respects to this agreement and are accepted by the Buyer.

The Seller shall furnish to the Buyer a complete set of direct process tracings followed in the construction of said Equipment, a complete bill of material and a complete list of material specified, including any specialties, promptly upon completion and delivery of said Equipment to the Buyer.

2. Amount and Payment of Purchase Price. The Buyer will pay the Seller on the basis of the sum of Two Thousand Nine Hundred Twenty-three Dollars Forty-nine Cents ($2,923.49) per car as completed and ready for shipment at McKees Rocks, Pennsylvania, or a total purchase price for all of said Equipment of One Million Four Hundred Sixty-one Thousand Seven Hundred Forty-five Dollars ($1,461,745.00). Said purchase price, together with interest at the rate of two per cent. (2%) per annum, shall be payable to the Seller, or the assignee thereof, at the principal office of the Seller in Pittsburgh, Pennsylvania, or at such bank or trust company, either in the City of Chicago, Illinois, or elsewhere, as the Seller, or the assignee thereof, may, from time to time, in writing direct, as follows:

(a) Upon the date of delivery of the last delivered unit of said Equipment, an amount equal to the interest at the rate of two per cent. (2%) per annum on the aforesaid purchase price of each unit ($2,923.49) from the date of delivery thereof in the manner aforesaid, to said date of delivery of the last delivered unit.

(b) On the first day of the calendar month following the date of delivery of the last delivered unit of said Equipment as aforesaid, interest on the total purchase price at the rate of two per cent. (2%) per annum from such date of delivery to said first day of the following calendar month.

(c) On the first day of the second calendar month following the date of delivery of the last delivered unit of said Equipment, as aforesaid, the sum of Fifteen Thousand Two Hundred Eight Dollars Thirty-Three Cents ($15,208.33) and a like sum on the first day of each calendar month thereafter until the total purchase price, with interest from the first day of the month following said date of delivery at the rate of two per cent. (2%) per annum on the diminishing unpaid balances of the purchase price, shall have been paid in full. Each of said monthly payments shall be applicable first to the interest then due, and the balance to principal. The Buyer shall have the privilege of prepaying at any time, without the payment of any premium, any sum of the principal in an amount of Twenty-five Thousand Dollars ($25,000.00) or any multiple thereof, or the entire unpaid balance of the principal amount, together with interest accumulated to the date of such payment on such sum so prepaid. All such principal sums so prepaid shall at once correspondingly reduce the unpaid balance of the purchase price and shall be applied toward the payment of the last maturing principal installment or installments due hereunder.

3. Interest, Taxes and Payments in United States Coin or Currency. All said payments by the Buyer hereunder shall bear interest at the highest rate permitted by law but not exceeding five per cent. (5%) per annum, if unpaid, from and after the due date of such payment, and shall be free of expenses to the Seller for collection or other charges, and of the amount of any Municipal, State and/or Federal tax (other than State and/or

Federal Income Taxes) hereafter levied or imposed upon this agreement, and/or upon any sale, payment, shipment or delivery under the terms hereof, all of which expenses and taxes the Buyer assumes and agrees to pay in addition to the above-mentioned purchase price of the Equipment. The Buyer shall also pay promptly all taxes and assessments which may be imposed upon the Equipment, or the earnings arising therefrom, or the operation thereof,or upon the Seller by reason of its ownership thereof, by any jurisdiction in which the Equipment shall be operated by the Buyer, and agrees to keep the Equipment at all times free and clear of all taxes, assessments, liens and encumbrances, and covenants that the Equipment will at all times be maintained, used and operated under and in compliance with all laws and regulations in any jurisdiction to which the Equipment may be subject; provided, however, that the Buyer shall not be required to pay any tax, assessment or other governmental charge, the validity of which the Buyer shall contest in good faith, and by appropriate legal proceedings, until such contest shall have been decided, unless in the judgment of the Seller, its rights and interests in the Equipment may be materially endangered by such delay.

All payments provided for in this agreement shall be made by the Buyer to the Seller in such coin or currency of the United States of America as, at the time of payment, shall be legal tender for the payment of both public and private debts.

4. Title to the Equipment. The Seller shall retain the full legal title to and property in all Equipment until the Buyer shall have made all of the payments, and shall have kept and performed all of the covenants in this agreement provided to be made, kept or performed by the Buyer notwithstanding the delivery of the Equipment to and the possession and use thereof by the Buyer as herein provided. Any and all replacements of the Equipment, and of parts of the Equipment, or any of it, and additions thereto, shall constitute accessions to the Equipment, the title to which shall be immediately vested in the Seller and which shall be subject to all the terms and conditions of this agreement and included in the word "Equipment" as used in this agreement. When and only when the Seller shall have been paid in the aforesaid money the full purchase price for all Equipment, with interest and all other payments as herein provided, and all the Buyer's covenants and conditions herein contained have been performed by the Buyer, title to and property in all of the Equipment shall pass to and vest in the Buyer without further transfer or act on the part of the Seller, except that the Seller shall,if requested by the Buyer so to do, execute and deliver to the Buyer a bill or bills of sale of all of said Equipment, transferring the title to and property in said Equipment to the Buyer free and clear of all liens and encumbrances whatsoever, and shall execute for record or filing in public offices, such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the title of the Buyer to all of said Equipment under the laws of any jurisdiction; provided, however, that if the Seller shall have assigned its interest in and to said Equipment and its rights hereunder pursuant to section 9 hereof, such assignee of the Seller shall execute and deliver to the Buyer a bill of sale transferring said Equipment to the Buyer free of any interest of such assignee and of any liens arising through any action of such assignee.

5. Compliance with Laws and Rules. The Buyer shall comply in all respects with the laws of the United States, and of the states and territories into which its operations involving the Equipment may extend during the term of this agreement, and with the lawful rules of the Interstate Commerce Commission and any other legislative, executive,

administrative or judicial body exercising any power or jurisdiction over any of the Equipment, and in the event that the said laws or rules require the alteration of any of the Equipment, the Buyer agrees to conform therewith at its expense and to maintain the Equipment in proper condition for operation under such laws and rules during the life of this agreement; provided, however, that the Buyer may in good faith contest the application of any such law or rule in any reasonable manner which will not affect the title of the Seller in and to the Equipment.

6. Maintenance, Replacements, Marking, Reports, Inspection, and Possession and Use of the Equipment. At all times as long as this agreement shall be in force, the Buyer shall keep and maintain the Equipment in good order and proper repair at its own expense, and cause the same to be kept numbered with its road numbers, and kept plainly, distinctly, permanently and conspicuously marked, on metal plates upon both sides of each unit of the Equipment covered by this agreement, with the name of the Seller or of the Seller's assignee, as the case may be, followed by the word "Owner" or other appropriate words designated by the Seller, and the Buyer agrees that it will not place said Equipment in operation or exercise any control or dominion over any part thereof until said metal plates so marked shall have been attached on both sides of each unit of said Equipment. The Buyer shall replace the Equipment, or any of it, at its own cost, if it, or any of it, shall be lost or destroyed from any cause whatever during the continuance of this agreement, with other Equipment of similar type, and of substantially as good material and construction as that lost or destroyed. The Buyer will cause any such Equipment used for replacement to be marked as above provided. Title to all such Equipment used for replacement shall be taken in the name of the Seller or its assignee as the case may be and shall be immediately subject to all the terms and conditions of this agreement in all respects as though it were part of the original Equipment delivered hereunder. The Buyer, however, shall have the right, instead of replacing any such lost or destroyed Equipment, to pay to the Seller the then unpaid balance properly assignable to such Equipment, any payment received by the Seller as insurance or from any other railroad company as compensation for such damage or loss, as hereinafter provided, to be first credited toward payment of such balance, and all future payments of principal and interest shall be correspondingly reduced.

The Buyer further agrees to furnish to the Seller, if requested, once in every year as long as this agreement shall be in force, an accurate inventory of the Equipment in actual service, the numbers and the description of such Equipment as may have been lost or destroyed and replaced, and the then location of said Equipment as nearly as may be and a statement showing the amount, description and numbers of all Equipment then undergoing repairs or then withdrawn from service.

In the event of a sale, transfer, or assignment, or successive sales, transfers or assignments, by the Seller of title to any of the Equipment and of the Seller's rights hereunder in respect thereof, the Buyer shall, whenever requested by such vendee, transferee or assignee, change the name plates to indicate the title of such vendee, transferee or assignee to such Equipment. The cost of obtaining and attaching plates in connection with the first assignment shall be borne by the Seller. The cost of obtaining and attaching plates in connection with any subsequent assignment shall be borne by such subsequent vendee, transferee or assignee.

Except as above provided, the Buyer will not allow the name of any person, association or corporation to be placed on the Equipment or any replacement thereof as a

designation that might be interpreted as a claim of ownership thereof; provided, however, that the Buyer may cause the Equipment to be lettered with appropriate words or marks for convenience of identification of the Buyer's interest therein, and of any joint service in which said Equipment may be used.

Within twenty (20) days after receiving the advice of damage to or destruction of any unit or units of said Equipment, the Buyer will give the Seller written notice thereof with full particulars of the extent of the loss or damage incurred. Any failure on the part of the Buyer to replace any such unit of Equipment with reasonable promptness, or to pay for each such unit which may be lost or destroyed, shall entitle the Seller to declare a default hereunder and to take such action as is authorized to be taken by the Seller in case of a default by the Buyer in making payment for said Equipment as herein provided.

The Seller shall have the right, but shall be under no obligation, to inspect the Equipment at any reasonable time or times during the continuance of this agreement. The Buyer agrees, in so far as it may legally do so, to supply free transportation over its lines to designated agents of the Seller, for the purpose of enabling such agents to reach the point or points where the Equipment is in operation, for the purpose of making such inspection and assisting and instructing the employees of the Buyer in the proper operation and maintenance of the Equipment. During the continuance of this agreement the Equipment shall not, without the written consent of the Seller, be removed from the possession of the Buyer; provided, however, that said Equipment may be used on the lines of railroad owned or operated by the Buyer or by any corporation, a majority of whose stock shall be owned directly or indirectly by the Buyer or over which the Buyer or any such corporation has trackage rights, and also upon connecting and other railroads in the usual interchange of traffic, from and after the delivery of the Equipment to the Buyer, but only upon and subject to all the terms and conditions of this agreement.

7. Insurance. At all times while this agreement is in force, the Buyer at its own expense, shall keep the Equipment insured against damage or destruction by fire while on its lines, to an amount not less than the unpaid installment payments remaining to be paid hereunder and in an insurance company or companies approved by the Seller. The policies shall specify that all payments of loss on said Equipment shall be made to the Seller as its interest may appear, and the Buyer shall furnish evidence of such insurance satisfactory to the Seller. In case the Buyer shall fail to keep such Equipment so insured and furnish evidence of such insurance satisfactory to the Seller, the Seller may itself insure such Equipment, and in this event, the Buyer shall be obligated to repay to the Seller the amount of premiums paid therefor with interest thereon at the rate of five per cent. (5%) per annum from the time of such payment until repaid.

Any moneys collected or received by the Buyer from any company or companies issuing such policies, as result of loss covered by said insurance, or received from another railroad company on account of said Equipment being damaged or destroyed by accident or otherwise on the lines of such other railroad, not in excess, however, of the unpaid balance of the purchase price thereon, shall be immediately remitted to the Seller to be held by the Seller for the account of the Buyer pending repair or replacement of such Equipment by the Buyer. Any such moneys remitted to the Seller, or received by the Seller directly from the company or companies issuing such policies, shall be paid over to the Buyer in reimbursement of the cost of repair or replacement of any unit or units

of said Equipment damaged or destroyed by fire, or by accident or otherwise, upon satisfactory proof of such repair or replacement.

8. Guaranties and Indemnities. The Buyer shall bear the risk, and shall not be released from its obligations hereunder, in the event of any damage to, or the destruction or loss of, any or all of the Equipment. The Seller, for itself and any successor or successors to its manufacturing property and business agrees to save, indemnify and keep harmless the Buyer from and against any and all royalties, damages, claims, suits judgments and costs that may arise from the use of any patented article, except with regard to any appliances, devices or materials specified by the Buyer and not manufactured by the Seller.

The Buyer agrees to save, indemnify and keep harmless the Seller from and against all losses, damages, injuries, claims and demands whatsoever, regardless of the cause thereof, arising on account of the Equipment, or the use or operation thereof, while this agreement shall be in force. The provisions of this paragraph, however, shall in no way affect the Seller's responsibility under this agreement.

The Buyer shall pay or satisfy and discharge any sum claimed by any party by, through or under the Buyer, its successors and assigns, which if unpaid might become a lien or a charge upon the Equipment or any of it, but shall not be required to pay or discharge any such claim as long as the validity thereof shall be contested in good faith and by appropriate legal proceedings in any reasonable manner which will not affect the title of the Seller in and to the Equipment.

9. Assignments by the Seller and the Buyer. All or any of the rights of the Seller under this agreement, including the right to receive the payments herein provided to be made by the Buyer, may be assigned by the Seller and reassigned by any assignee at any time and from time to time, provided, however, that no such assignment shall subject any assignee to or relieve Pressed Steel Car Company, Inc., or the successor or successors to its manufacturing property and business from any of the obligations of Pressed Steel Car Company, Inc., as to the construction or delivery of the Equipment or as to any indemnity with respect thereto, or from any other duty, obligation or liability except the duty to execute necessary and proper instruments of transfer as and when the Buyer shall be entitled thereto pursuant to the provisions of Section 4 hereof.

Upon any such assignment the assignor shall give written notice to the Buyer, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all of the Seller's right, title and interest in and to the Equipment and each and every unit thereof, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Buyer of the notification of any such assignment, all payments thereafter to be made by the Buyer hereunder shall, to the extent so assigned, be made to, or at the direction of, the assignee.

In the event that this agreement is assigned by the Seller as hereinbefore provided, the rights of such assignee to the entire unpaid purchase price or such part thereof as may be assigned, and interest thereon, as well as any other rights as may be so assigned hereunder shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever arising out of any breach of any obligation of Pressed Steel Car Company, Inc. or the successor or successors to its manufacturing properties and business in respect of the Equipment or the manufacture or delivery thereof, or in respect of any indemnity herein contained, nor subject to any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the

Buyer by Pressed Steel Car Company, Inc. or the successor to its manufacturing business. Any and all such obligations, howsoever arising, shall be and remain enforceable by the Buyer against and only against Pressed Steel Car Company, Inc. and the successor or successors to its manufacturing properties and business, and shall not be enforceable against any party or parties in whom title to the Equipment or any unit thereof, or the rights of the Seller hereunder, shall vest by reason of any sale, assignment or transfer, or successive sales, assignments or transfers.

The term "Seller" whenever used in this agreement, means, before any assignment of all or any rights of the Buyer hereunder as hereinbefore provided in this paragraph 9, Pressed Steel Car Company, Inc. and, after any such assignment, the assignee or assignees for the time being of all of the rights hereunder, or in the event of any assignment of any less than all of the rights hereunder, both any assignee or assignees for the time being of such particular assigned rights as regards such rights and also the assignor as regards any rights hereunder retained and excluded from such assignment; and the term "Pressed Steel Car Company, Inc." whenever used in this agreement means, both before and after any such assignment, the party hereto of the first part, and any successor or successors for the time being to its manufacturing property and business.

The Buyer's interest in this agreement shall not be transferred or assigned by the Buyer at any time without the written consent of the Seller.

10. Defaults and Remedies. (a) In case the Buyer shall make default in the payment of any installment of the purchase price of any delivered Equipment as herein provided for more than twenty (20) days after the same shall have become payable or shall be in default under the provisions of section 11 hereof; or shall fail or refuse to comply with any other of the terms and covenants in this agreement on its part to be kept and performed, or to make provisions satisfactory to the Seller for such compliance, for more than thirty (30) days after notice in writing thereof to the Buyer, then, in any such case (herein sometimes called an event of default) at any time thereafter during the continuance of such event of default the Seller may, without further notice or demand except to the extent necessary in order to comply with any mandatory legal requirements then in force and applicable to such action by the Seller, declare the entire purchase price of the Equipment, whether the same shall then have fallen due or not, immediately due and payable, and it shall become so, without further demand, together with interest at the highest rate permitted by law but not exceeding five per cent. (5%) per annum from the date of such declaration. The Seller shall thereupon be entitled to recover judgment for the entire amount so payable by the Buyer with interest thereon at said rate, and to collect such judgment out of any property of the Buyer wherever situated.

The Seller may waive any such default and its consequences, and rescind and annul any such declaration or termination by written notice to the Buyer. In the event of any default, if, before sale or full performance of this agreement, all costs and expenses of the Seller incidental to any such default and to the enforcement by the Seller of the provisions hereof, and all sums which shall then have become due and payable by the Buyer hereunder (except such part of the purchase price as shall have become due only because of a declaration under this section as aforesaid) shall have been paid by the Buyer, and all other existing defaults shall have been remedied, or provision therefor satisfactory to the Seller shall have been made, then, and in every such case, the Seller shall waive any such default and its consequences and rescind and annul any such declaration. Upon

such waiver, rescission or annulment, the respective rights of the parties shall be as they would have been if no such cured default had existed and no such declaration or termination had been made; but no such waiver, rescission or annulment shall limit or affect the Seller's right, upon any other or similar default, to declare said purchase price due as aforesaid, or extend to or affect any other default, or impair any rights or remedies consequent thereon.

(b) If the Buyer shall make default as hereinabove provided, then at any time thereafter during the continuance of such default the Seller may, without further notice or demand except to the extent necessary in order to comply with any mandatory legal requirements, take or cause to be taken by its agent or agents immediate possession of the Equipment, or any of it, and/or any replacements and improvements, and all present and future attachments and accessories thereof, without liability to return to the Buyer any sum theretofore paid by the Buyer, and free from all claims whatsoever except as hereinafter in this section 10 expressly provided, and may remove the same from the use and possession of the Buyer and for such purpose may enter upon the Buyer's premises where the Equipment may be located, and may use and employ in connection with such removal any supplies, services and aids, and any available trackage and other facilities or means of the Buyer, without process of law; and the Buyer shall deliver the Equipment, or any of it, with all replacements, improvements, equipment, attachments and accessories thereof, at its own cost at such place or places on its railroad as the Seller may reasonably designate and for such purpose, move or draw the Equipment in the usual manner and at the customary speed of trains, and in case of such retaking or delivery the Seller shall have the right to store the same upon the premises of the Buyer without charge until the Seller shall desire to remove the same therefrom. And it is hereby expressly agreed by the Buyer that performance of this agreement to deliver the Equipmant as hereinbefore provided is of the essence of the agreement between the parties and that, upon application to any court of equity having jurisdiction in the premises, the Seller shall be entitled to a decree against the Buyer requiring specific performance hereof.

(c) If the Buyer shall make default as hereinbefore provided, then at any time thereafter during the continuance of such default, and after declaring the entire purchase price immediately due and payable as hereinbefore provided, the Seller with or without retaking possession thereof may sell the Equipment, or any of it, and any such replacements, improvements, equipment, attachments and accessories, free from any and all claims of the Buyer, or of any other party claiming by, through or under it at law or in equity, at public or private sale and with or without advertisement as the Seller may determine, all subject to and in compliance with any mandatory legal requirements then in force and applicable to such sale. To the extent permitted by any such mandatory legal requirements, any sale or sales hereunder may be held or conducted at St. Paul, Minnesota, or such other place as the Seller may specify in writing, at such time or times as the Seller may fix, in one lot and as an entirety or in separate lots, and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Seller may determine in compliance with any such mandatory legal requirements, provided that the Buyer shall be given written notice of such sale at least ten (10) days prior thereto, by telegram or registered mail addressed to the Buyer at 175 East Fourth Street, St. Paul, Minnesota, or such other notice, if any, as may be necessary to comply with any mandatory legal requirements. If such sale shall be a private sale permitted by such mandatory legal requirements, it shall be subject to the right of the Buyer to purchase or provide a purchaser, within ten (10) days after notice of the proposed sale price, at not less than the same price offered by the intending purchaser. To the extent not prohibited by any mandatory legal requirements then in force and applicable to such sale, the Seller may itself bid for and become the purchaser of the Equipment or any of it so offered for sale without accountability to the Buyer (except to the extent of surplus money received as hereinafter provided in the last paragraph of this section 10), and in payment of such purchase price the Seller shall be entitled to the extent aforesaid to have credited on account thereof all sums due to the Seller by the Buyer hereunder.

(d) Each and every power or remedy hereby specifically given to the Seller shall be in addition to every other power or remedy specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Seller. All such powers and remedies shall be cumulative and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Seller in the exercise of any such power or remedy, and no renewal or extension of any payments due hereunder, shall impair any such power or remedy, or shall be construed to be a waiver of any default, or any acquiescence therein.

(e) The Buyer hereby waives, to the fullest extent that they may be waived, all statutory requirements for notice of acceleration, or for notice of the Seller's intention to take possession of said Equipment, or for notice of any such sale, as well as all such requirements as to the time, place and terms of any such sale. The Buyer agrees that the rights granted herein shall constitute its only rights in and to said Equipment excepting only such additional rights as the Buyer may have under applicable legal provisions, the benefit of which may not be waived.

(f) If the Seller shall exercise any of the powers or remedies conferred upon it hereunder, the Buyer shall have the right after all sums due hereunder to the Seller shall have been received by the Seller in full, including its proper costs and expenses incident to the collection thereof, to require title to the Equipment, if not previously sold or otherwise disposed of by the Seller pursuant to the provisions hereof, to be transferred and assigned by the Seller to the Buyer free from any further liabilities or obligations to the Seller. If after applying all sums of money realized by the Seller under the remedies herein provided, there shall remain any amount due to it under the provisions of this Agreement, the Buyer shall pay the amount of such deficit to the Seller. If after applying as aforesaid all sums realized by the Seller there shall remain a surplus in the possession of the Seller, such surplus shall be paid to the Buyer.

11. Reorganization or Adjustment Proceedings and Transfers of the Buyer's Interest, a Default. The occurrence of any one or more of the following events, to-wit:

(a) the commencement of any proceedings by or against the Buyer for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustment of indebtedness, reorganizations, arrangements, compositions, or extensions; or

(b) the transfer, or attempted transfer, by the Buyer of its interest in or under this agreement without the consent of the Seller; or

(c) the involuntary transfer of the Buyer's interest in or under this agreement effected either by bankruptcy or by the appointment of a receiver or trustee or by execution or by any judicial or administrative decree or process or otherwise, except

as authorized by section 9 hereof, and except the appointment of a receiver or trustee and the adoption by the latter, duly authorized by the court of his appointment, of this agreement, and his agreement within thirty (30) days from the date of his appointment to be bound by the terms and obligations hereof;

shall be deemed a breach of this agreement and a default hereunder; whereupon the Seller may elect to declare the entire purchase price immediately due and payable, as hereinbefore provided, and may thereupon forthwith take possession of said Equipment, or any of it, and exercise and enforce any and all other remedies as provided by section 10 hereof.

12. Notice. Wherever provision is made in this agreement for any notice or demand to or upon the Buyer, or if at any time, the Seller shall desire to give notice to or make any demand upon the Buyer, the same may be given or made by depositing a written statement thereof, enclosed in a postpaid envelope in any United States Post Office, directed to the Buyer at its office or place of business in the City of St. Paul, Minnesota, and an affidavit by any person so depositing such notice in respect of such mailing shall be deemed to be and shall be conclusive evidence of the giving and receipt of such notice and of the making of such demand.

13. Applicable State Laws. Any provision of this agreement prohibited by any applicable law of any State, or which by any applicable law of any State would convert this agreement into any instrument other than an agreement of conditional sale, shall as to such State be ineffective, without modifying as to such State the remaining provisions of this agreement. Where, however, the conflicting provisions of any applicable State law may be waived they are hereby waived by the Buyer to the full extent permitted by law.

14. Extension not a Waiver. Any extension of time granted by the Seller to the Buyer for the payment of any sum due under this agreement, whether that extension be for an intermediate payment or for final payment, shall not be deemed a waiver of the title of the Seller reserved hereunder or of any of its rights and remedies hereunder or otherwise existing.

15. Recording. The Buyer shall cause this agreement to be filed, registered and recorded in the office of the Secretary of State of the States of Wisconsin, Minnesota, Iowa, South Dakota, North Dakota, Montana, Idaho and California, in the proper offices of the States of Washington and Oregon, and in such counties thereof as may be required by law, to the satisfaction of counsel for the Seller, for the protection of the Seller's title to said Equipment and any replacement or replacements thereof and its rights under this agreement; and the Buyer shall from time to time do and perform any other act, and will execute, acknowledge, deliver, file, register, and record any and all further instruments required by law or reasonably requested by the Seller for the purpose of such protection of its title and rights, ~~or for the purpose of such protection of its title and rights~~, or for the purpose of carrying out the intention of this agreement. After this agreement shall have been duly filed, registered and recorded in the proper public offices of said States, or the counties thereof, where said Equipment, or any of it, may be operated or used by the Buyer, as may be required by law, as above provided, said Equipment shall not, nor shall any of it, be removed to or operated or used by the Buyer in any other State or States, except in the usual interchange of traffic and except for casual, isolated and incidental use not in the ordinary course of business, unless and until the Buyer shall have given to the Seller, or its assignee, not less than twenty (20) days' notice in writing stating its intention to operate said Equipment or some of it in

such other State or States and shall have duly filed this instrument for record or registration as required by law in such other State or States.

16. Payment of Expenses. The Buyer shall pay all costs, charges and expenses, except the counsel fees of Seller, incident to the preparation, execution, acknowledgment, filing, registering and recording of this agreement, and of any instrument supplemental hereto or amendatory hereof.

17. Execution of Counterparts. This agreement may be simultaneously executed in two or more counterparts, each of which so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart.

18. Section Headings. All section, paragraph or division headings are inserted for convenience only and shall not affect any construction or interpretation of this agreement.

19. Modification of Agreement. This agreement of conditional sale, together with the specifications, general arrangement drawing and the Buyer's letters of October 11 and October 16, 1940, hereinabove referred to, constitutes the entire agreement between the Buyer and the Seller with respect to the sale of the Equipment herein referred to. No variation or modification of this agreement, and no waiver of any of its provisions or conditions, shall be valid unless in writing and signed by duly authorized officers of the Buyer and the Seller.

20. Possession and Use of the Equipment by the Buyer. So long as the Buyer shall not be in default under this agreement, the Buyer shall be entitled to the possession of the Equipment and to the use thereof as hereinbefore provided, from and after the delivery of the Equipment by the Seller to the Buyer, but only upon and subject to all terms and conditions of this agreement.

21. Successors and Assigns. Subject to the limitations contained in section 9 hereof, and to the provisions contained in Section 11 regarding reorganization, adjustment and other proceedings in bankruptcy, and regarding transfers and assignments, voluntary and involuntary, and regarding the continuing obligations of the Seller after its assignment of any or all of the Equipment and of any or all of its rights hereunder, this agreement shall bind and inure to the benefits of the successors and assigns of the parties hereto, as well as the said parties themselves.

22. Law Governing. As the Equipment covered by this agreement may be used in various states which may have conflicting laws as to the rights and obligations of the parties hereunder, it is agreed that, irrespective of the place of execution of this agreement or of the place of delivery and use of the Equipment, all rights and obligations of the parties hereto to each other under the terms of this agreement shall be governed by the laws of the State of Pennsylvania.

IN WITNESS WHEREOF the parties hereto, pursuant to due corporate authority, have caused this agreement to be executed in their respective corporate names by their respective officers thereunto duly authorized, and their respective corporate seals to be hereunto affixed, duly attested, as of the day and year first above written.

PRESSED STEEL CAR COMPANY, INC.,
SELLER,

(SEAL)

By Geo. H. Fleming . . . . . .
Executive Vice President

Attest:

H. J. Gearhart
Secretary

Signed, sealed and delivered as to Pressed Steel Car Company, Inc., in the presence of

C. P. Mapp

J. J. Arnold

GREAT NORTHERN RAILWAY COMPANY,

(SEAL) By F. G. Dorety BUYER
Vice President

Attest:

F. L. Paetzold
Secretary

Signed, sealed and delivered as to Great Northern Railway Company in the presence of

H. V. Rhedin

C. F. Ziegahn
Witnesses

STATE OF PENNSYLVANIA,)
COUNTY OF ALLEGHENY) SS

I, F. D. Evans, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 30th day of January, A.D.1941, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such as to Pressed Steel Car Company, Inc., to the within and foregoing instrument, Geo. H. Fleming and H. J. Gearhart, each to me personally known and known to me to be respectively Executive Vice-Presidence and Secretary of Pressed Steel Car Company, Inc., one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Executive Vice-President and such Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said Geo. H. Fleming and H. J. Gearhart, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said Geo. H. Fleming resides in the City of Pittsburgh and State of Pennsylvania, and that the said H. J. Gearhart resides in the City of Pittsburgh and State of Pennsylvania, that said Geo. H. Fleming is Executive Vice-President and said H. J.Gearhart is Secretary of Pressed Steel Car Company, Inc., one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said Executive Vice-President and said Secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Executive Vice-President and Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said county of Allegheny, State of Pennsylvania, this the day and year in this my certificate first above written.

(SEAL)
My commission expires March 1, 1941.

F. D. Evans
Notary Public, Allegheny County

F. D. Evans, Notary Public
My commission expires March 1,1941

STATE OF MINNESOTA)
COUNTY OF RAMSEY) SS

I, Alpha M. Sarchet, a Notary Public in and for the State and County aforesaid, residing therein, ~~duly~~ commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 28th day of January,A.D. 1941, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such as to Great Northern Railway Company to the within and foregoing instrument, F. G. Dorety and F. L. Paetzold, each to me personally known and known to me to be respectively Vice-President and Secretary of the Great Northern Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice-President and Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said F. G. Dorety and F. L. Paetzold, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said F.G. Dorety resides in the City of St. Paul, and State of Minnesota, and that the said F.L. Paetzold resides in the City of St. Paul and State of Minnesota; that said F.G.Dorety is Vice-President and said F. L.Paetzold is Secretary of the Great Northern Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said Vice-President and Secretary know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice-President and Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein

stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said county of Ramsey, State of Minnesota, this the day and year in this my certificate first above written.

Alpha M. Sarchet
Notary Public, Ramsey County, Minn.

My commission expires July 9th, 1942.

(SEAL)

ALPHA M. SARCHET
Notary Public, Ramsey County, Minn.
My Commission Expires July 9th, 1942

STATE OF WISCONSIN)
) SS
DEPARTMENT OF STATE)

Received this 6th day of Feb. A.D. 1941
at 10 o'clock A.M. and recorded in Vol. 34
of R.R. Mortgages on pages 515-527 both incl.

Lisle W. Schroeder
Assistant Secretary of State

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LEASE OF RAILROAD EQUIPMENT

AGREEMENT
Between
EDWARD J. MON and WILLIAM L. CARSON
Vendors
J. P. MORGAN & CO. INCORPORATED, TRUSTEE
and
NORTHERN PACIFIC RAILWAY COMPANY

For Issue of $3,000,000 Equipment Trust Certificates

DATED FEBRUARY 15, 1941

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LEASE OF RAILROAD EQUIPMENT, dated as of February 15, 1941, between J. P. Morgan & Co. Incorporated, a corporation duly organized and existing under the Banking Laws of the State of New York, Trustee (hereinafter called the "Trustee"), party of the first part, and NORTHERN PACIFIC RAILWAY COMPANY, a corporation duly organized and existing under the laws of the State of Wisconsin (hereinafter called the "Company"), party of the second part.

WHEREAS, by a certain Agreement (hereinafter called the "Agreement") dated as of February 15, 1941, between Edward J. Mon and William L. Carson, Vendors (hereinafter called the "Vendors"), J. P. Morgan & Co. Incorporated, as Trustee, and Northern Pacific Railway Company, a counterpart original whereof is hereto annexed and made a part hereof, there was constituted "NORTHERN PACIFIC RAILWAY EQUIPMENT TRUST OF 1941," whereby it was agreed that the railroad equipment which said Vendors transfer or cause to be transferred to the Trustee thereunder is to be leased to the Company hereunder; and

WHEREAS, pursuant to the provisions of the Agreement, said railroad equipment has been or will be transferred to the Trustee thereunder, and the title to said railroad equipment vested in the Trustee:

NOW THIS AGREEMENT WITNESSETH:

That J. P. Morgan & Co. Incorporated, Trustee as aforesaid (acting in pursuance of the Agreement), party of the first part, for and in consideration as well of the sum of one dollar to it paid by the Company, party of the second part, at or before the ensealing and delivery hereof, the receipt of which is hereby acknowledged, as of the rents, covenants and conditions hereinafter mentioned to be paid, kept and performed by the Company, has let and leased, and does hereby let and lease, to the Company for the term from and after February 15, 1941, to and including February 15, 1951, unless sooner terminated as herein provided, all the railroad equipment of Northern Pacific Railway Equipment Trust of 1941, to-wit:

Number of Units	Description of Equipment	Road Numbers (Both Inclusive)	Estimated Cost per Unit
8	Two-cylinder Simple type 4-8-4 passenger and freight locomotives. The Baldwin Locomotive Works, builder...	2670 to 2677	$188,147.43
6	Four cylinder articulated 4-6-6-4 freight locomotives, American Locomotive Company, builder.....	5121 to 5126	$240,613.24
3	1000 Horsepower, type O-4-4-0 Diesel Electric Switching Locomotives, Electro-Motive Corporation, Builder..	104 to 106	$ 78,796.38
2	1000 Horsepower, Type O-4-4-0 Diesel Electric Switching Locomotives, American Locomotive Company, builder..	107 to 108	$ 78,692.54
2	1000 Horsepower, Type O-4-4-0 Diesel Electric Switching Locomotives, The Baldwin Locomotive Works, builder....	109 to 110	$ 78,712.86

together with such additional, substitute, or replacing railroad equipment as may be

acquired for said Trust and subjected to this Lease as hereinafter provided (hereinafter and in the Agreement collectively called the Trust Equipment).

The estimated total cost of the railroad equipment above specifically described, when completed, has been certified to the Trustee to be not less than Three Million Four Hundred Seventy-five Thousand Dollars ($3,475,000).

If the total cost of all the Trust Equipment specifically described hereinabove shall not equal or exceed said sum, then, in accordance with the provisions of the Agreement, in addition to said described equipment there shall be acquired by the Vendors and subjected to this Lease other new standard-gauge equipment, complying with the requirements of the interchange rules of the Association of American Railroads, of substantially as good material and construction, of such cost that the aggregate total cost of all the Trust Equipment shall equal or exceed Three Million Four Hundred Seventy-five Thousand Dollars ($3,475,000); and the Trustee shall execute to the Company a supplemental lease thereof, describing the same, upon and subject to the terms and conditions hereof and of the Agreement, and such additional equipment shall be part of the Trust Equipment, subject to all the terms and conditions hereof and of the Agreement in all respects as though it had been part of the original Trust Equipment herein described.

As and when the Trust Equipment shall from time to time be transferred, sold or assigned and delivered to the Trustee under the Agreement and marked in accordance with the provisions of Article Second hereof, the same shall be delivered to the Company, and shall, upon such delivery to the Company ipso facto, and without further deed of lease or transfer, pass under and become subject to all the terms and provisions of this Lease, and be deemed a portion of the Trust Equipment leased by the Trustee to the Company hereunder in all respects as if the same had been so delivered simultaneously with the execution and delivery hereof.

And the Company, in consideration of the premises, by these presents covenants and agrees with the Trustee as follows:

ARTICLE FIRST: The Company hereby accepts this Lease of all the Trust Equipment, and hereby covenants and agrees to accept delivery and possession hereunder of the Trust Equipment as hereinbefore provided and subject to the terms and conditions mentioned in the Agreement; and the Company covenants and agrees to pay, or cause to be paid to the Trustee at the principal office of the Trustee in the City of New York in the State of New York, in such coin or currency as, at the time of payment is legal tender for the payment of public and private debts in the United States of America, rent hereunder for the Trust Equipment which shall be sufficient to pay and discharge the following items, when and as the same shall become due and payable (whether or not any of such items shall become due and payable prior to the delivery under this Lease of the Trust Equipment or any of the Trust Equipment):

(a) Promptly upon the execution of this Lease, if necessary, a sum which when added to the net proceeds of the sale of the Trust Certificates paid to the Trustee by the Vendors (excluding premium and unearned dividends, if any), will make the total sum deposited equal to $3,000,000.

(b) Prior to the first delivery of any completed unit or units of the Trust Equipment and in anticipation of such delivery, as advance rent, amounts sufficient to pay the bills of the manufacturers of the Trust Equipment to the Vendors for the Trust Equipment about to be delivered, to the extent of Four Hundred Seventy-five Thousand Dollars ($475,000), in accordance with the provisions of the second paragraph of Article Second of the Agreement.

(c) From time to time, upon request of the Trustee, amounts sufficient to reimburse the necessary and reasonable expenses of the trust created by the Agreement and pay the proper compensation of the Trustee, and the reasonable expenses incurred by the Trustee in the administration of its trust under the Agreement and under this Lease, and any other sums payable by the Company thereunder and hereunder;

(d) Sums equal to the taxes, assessments and other governmental charges upon the Trust Equipment or income of the trust created in the Agreement or upon the Agreement, which the Trustee may by law be required to pay. Nothing herein or in the Trust Certificates or the Agreement contained shall be deemed to impose on the Trustee or on the Company any obligation to pay to the bearer or registered holder of any Trust Certificate or to the bearer of any dividend warrant any amount required by any law of the United States of America or of any State or subdivision thereof or of any Territory or of the District of Columbia, to be withheld from the amount payable to the holder of any Trust Certificate or dividend warrant. The Company shall not be required to pay any tax, assessment or other governmental charge so long as the Company shall in good faith and by appropriate legal proceedings contest the validity thereof, unless thereby, in the judgment of the Trustee, the rights or interests of the Trustee or of the bearers or registered holders of the Trust Certificates may be materially endangered;

(e) Amounts sufficient to pay the dividend warrants attached to and the dividends payable on the Trust Certificates, when and as the same shall become due and payable;

(f) Amounts sufficient to pay the principal of the Trust Certificates when and as the same shall become due and payable, whether by declaration or upon the respective dates of maturity thereof, or otherwise;

(g) If default shall be made in the full payment of any such dividend warrants, dividends or principal, when and as the same shall become due and payable as aforesaid, amounts sufficient to pay interest on such unpaid dividend warrants, dividends or principal at the rate of four per cent (4%) per annum from the respective dates upon which the same shall have so become due and payable.

Anything in this Lease or in the Agreement to the contrary notwithstanding, the Company will, from time to time, on demand of the Trustee, forthwith pay to the Trustee as additional rent hereunder for the Trust Equipment such amounts as shall, together with the Four Hundred Seventy-five Thousand Dollars ($475,000) referred to in sub-paragraph (b) of this Article and the fund of Three Million Dollars ($3,000,000) to be deposited with the Trustee, be sufficient to pay the total cost of the Trust Equipment together with such other sums, if any, as may be necessary to pay in full the bills of the manufacturers for the Trust Equipment.

ARTICLE SECOND: The Company covenants and agrees with the Trustee, in addition to its agreement to pay the said rent at the times and in the manner above provided, to keep and maintain at its own expense the Trust Equipment in good order and proper repair, damage thereto to be made good, including, without limitation, damage by collision, fire or explosion.

The Company agrees to cause each unit of the Trust Equipment, at or before delivery to the Company of such unit of Trust Equipment, pursuant and subject to the terms of this Lease, to be plainly, distinctly, permanently and conspicuously marked with name plates, or to be otherwise plainly, distinctly, permanently and conspicuously marked, and to be kept so marked during the continuance of this Lease, upon both sides thereof, and in letters not less than one inch in height, with the words:

"J.P. Morgan & Co. Incorporated, Trustee, Owner and Lessor, Northern Pacific Railway Equipment Trust of 1941."

with appropriate changes thereof or additions thereto as from time to time may be required by law to protect the interests of the Trustee and the bearers and registered holders of the Trust Certificates. Such plates or marks shall be such as to be readily visible and as to indicate plainly the Trustee's ownership of the Trust Equipment. In case, during the continuance of this Lease, any of such plates or marks shall at any time be removed, defaced or destroyed, the Company will immediately, at its own expense, cause the same to be restored or replaced. The Company will not change, or permit to be changed, the numbers upon any of the Trust Equipment (or any numbers which may be substituted as herein provided) except with the prior written consent of the Trustee and in accordance with a statement of new numbers to be substituted therefor, which previously shall have been filed with the Trustee by the Company.

The Trust Equipment may be lettered "Northern Pacific Railway Company", "Northern Pacific", "N. P. Ry. Co.", or in some other appropriate manner, for convenience of identification of the leasehold interest of the Company therein; but the Company, during the continuance of this Lease, will not allow the name of any person, association or corporation to be placed on any of the Trust Equipment as a designation which might be interpreted as a claim of ownership thereof by the Company, or by any person, association or corporation other than the Trustee.

ARTICLE THIRD: The Company further covenants and agrees to furnish to the Trustee, whenever requested by the Trustee and at least once in every year during the continuance of this Lease, an accurate inventory of the Trust Equipment then covered by this Lease, the numbers and description of such units thereof as may have been worn out, lost or destroyed and of the replacements thereof, the numbers of such as were repaired during the preceding year and, so far as practicable, the numbers of such as at the date of such statement are undergoing repair or are in the shops for repair, and a list of the repairs needed on any of the Trust Equipment specifying the Trust Equipment known to be in need of repair and classifying the repairs so needed in accordance with the then current classifications of repairs of the Company. Together with the statement herein referred to, the Company shall also furnish to the Trustee a statement, signed by the Chief Accounting Officer or Treasurer of the Company, stating that in the case of all the Trust Equipment repainted during the preceding year, the marks and numbers required by Article Second hereof have been preserved, or that the same when repainted has been again marked and numbered as required by said Article Second. The Trustee may nevertheless, in its discretion, if it deems it necessary for the protection of the bearers and registered holders of the Trust Certificates, at any time and at the expense of the Company, make full investigation of all such matters and full inspection of the Trust Equipment and the Company covenants in that event to furnish to the Trustee all reasonable facilities for the making of such investigation and/or inspection.

The Company covenants and agrees to indemnify and protect the Trust against all claims arising out of or connected with the ownership or use of any of the Trust Equipment or replacements thereof, and particularly against any and all claims arising out of the use of any and all patented inventions employed in and about the Trust Equipment and to comply in all respects with the laws of the United States and of all the states in which the Trust Equipment or any thereof may be operated and with all lawful acts, rules, regulations and orders of the Interstate Commerce Commission and of all other commissions, boards and other legislative, executive or judicial bodies or officers having power to regulate or supervise any of the Trust Equipment, including without limitation all lawful acts, rules, regulations and orders of any body having competent jurisdiction relating to

automatic coupling devices or attachments, air brakes or other appliances; provided, however, that the Company may in good faith contest the validity of any such law, act, rule, regulations or order or the application thereof to the Trust Equipment or any part thereof, unless in the judgment of the Trustee, such action will materially endanger the rights or interests of the Trustee or of the bearers and registered holders of the Trust Certificates.

ARTICLE FOURTH: The Company further covenants that there shall be no assignment or transfer of this Lease or of its rights or interests in the Trust Equipment or any part thereof under this Lease, nor any subletting of the Trust Equipment or any part thereof, without the prior consent of the Trustee in writing, and the Company shall not, without such consent, except as herein provided, part with the possession of, or suffer or allow to pass out of its possession or control, any of the Trust Equipment. The Trustee shall have the right to declare this Lease terminated in case of any unauthorized assignment or transfer of this Lease or any unauthorized assignment, transfer, or subletting of the Trust Equipment or any part thereof; and if the Trustee elects to terminate this Lease as in this Article Fourth provided, it shall be entitled forthwith to retake the Trust Equipment and to exercise any and all of the remedies hereinafter provided in Article Fifth of this Lease. From and after the delivery of the Trust Equipment by the Trustee to the Company, but only upon and subject to all the terms and conditions of Article Eighth of this Lease and all the other terms and conditions of this Lease, the Company, so long as it shall not be in default under this Lease, shall be entitled to the possession of the Trust Equipment and the use thereof upon the lines of railroad owned or operated by it under lease or otherwise or over which it has trackage rights and upon those of any railroad company a majority of whose capital stock is at the time owned or controlled by the Company, and also upon connecting and other railroads in the usual interchange of traffic.

ARTICLE FIFTH: In case the Company shall make default in the payment of any part of said rent for more than thirty (30) days after the same shall have become due and payable, or shall make or suffer any unauthorized assignment or transfer of its rights or interest in the Trust Equipment or any unauthorized sublease thereof, or, except as herein authorized, shall part with the possession of the Trust Equipment, and shall fail or refuse either to cause such assignment or transfer or sublease to be cancelled by agreement of all parties having any interest therein and recover possession of such Trust Equipment within thirty (30) days after the Trustee shall have demanded in writing such cancellation and recovery of possession, or within said thirty (30) days to deposit with the Trustee a sum in cash equal to the original cost of the Trust Equipment so assigned or transferred or subleased and not so recovered (any sum so deposited to be returned to the Company upon the cancellation of such assignment, transfer or sublease and the recovery of possession by the company of such Trust Equipment), or in case the Company shall fail or refuse, for more than thirty (30) days after the Trustee shall have demanded in writing performance thereof, to perform any of the other terms or covenants in this Lease or in the Agreement contained to be performed on its part, or to make provisions satisfactory to the Trustee for such performance, the Trustee may declare this Lease terminated, retaining all payments which up to that time may have been made on account of rent for the Trust Equipment, and otherwise, and shall be entitled to collect, receive and retain all unpaid per diem, mileage or other charges of any kind earned by the Trust Equipment or any thereof. Upon such declaration all installments of rent reserved hereunder, whether said installments shall then have fallen

due or not, shall at once become forthwith due and payable. Upon any such default, the Trustee may, by an agent or agents to be appointed for the purpose, enter upon the railroad or premises whereupon or wherein the Trust Equipment may be and may retake the Trust Equipment or any part thereof, and withdraw the same from said railroad or premises, and may lease the Trust Equipment, or any part thereof, or sell the same or any part thereof, so far as the Trustee may deem necessary or desirable in order to perform and fulfill the trusts under the Agreement, at public sale, at which the Trustee may be a purchaser, or at private sale, for cash or upon credit, in its discretion, and otherwise proceed to enforce its rights and the rights of the bearers and registered holders of the Trust Certificates. Upon such taking possession, withdrawal, lease or sale of the Trust Equipment or any part thereof, the Company shall cease to have any rights or remedies in respect of the Trust Equipment under this Lease, but all such rights and remedies shall be deemed thenceforth to have been waived and surrendered by the Company; and no payments theretofore made by the Company for the rent or use of the Trust Equipment or any of it, shall, in case of any such default and such taking of possession, withdrawal, lease or sale by the Trustee, give to the Company any legal or equitable interest or title in or to the Trust Equipment, or any of it, or any cause or right of action, at law or in equity, in respect of the Trust Equipment against the Trustee or the bearers and registered holders of the Trust Certificates. Such taking of possession, withdrawal, lease or sale of the Trust Equipment by the Trustee shall not be a bar to the recovery by the Trustee from the Company for rent past due and unpaid or for future accruing rent, and the Company shall be and remain liable for the same, until such sum is realized as, with the proceeds of any lease or sale of the Trust Equipment or any part thereof, is sufficient for the payment and discharge in full of all the various sums or amounts mentioned in subdivisions (a), (b), (c), (d), (e), (f) and (g) and in the last paragraph of Article First of this Lease, whether or not they shall then have matured according to their terms, together with any and all other sums or amounts payable by the Company under this Lease or pursuant to the terms and provisions of the Agreement. Prior to February 15, 1951, and prior to any taking possession, withdrawal, sale or lease of the Trust Equipment by the Trustee, the Trustee may in its discretion, and if so requested by the bearers or registered holders of a majority in principal amount of the Trust Certificates then outstanding and which shall not then have matured according to their terms, shall, by written notice to the Company, rescind such declaration terminating this Lease upon the payment to it of all sums theretofore in default, and the expenses and reasonable compensation of the Trustee, together with all expenses occasioned by the default, and upon the performance by the Company of all its other obligations under this Lease, which theretofore it shall have failed to perform; and then and thereupon the rent remaining unpaid by the Company shall be and become payable from time to time as provided in Article First hereof.

In case the Trustee shall rightfully demand possession of the Trust Equipment in pursuance of this Lease, and shall reasonably designate a point or points upon the railroad lines in the possession or control of the Company, including any line under lease to it, or upon the railroad lines of any company a majority of whose capital stock is at the time directly or indirectly owned or controlled by the Company, for the delivery of the Trust Equipment to it, the Company will, at its own expense, forthwith and in the usual manner and at reasonable speed, cause the Trust Equipment to proceed or be drawn to such point or points on said railroad lines as shall be designated by the Trustee

and will there deliver or cause to be delivered the same to the Trustee; or the Trustee at its option may keep the Trust Equipment on any of the lines of railroad or premises of the Company until the Trustee shall have leased, sold or otherwise disposed of the same, and for such purpose the Company agrees to furnish without charge the necessary tracks at any convenient point or points selected by the Trustee. It is hereby expressly covenanted and agreed that the performance of the foregoing covenants is of the essence of the contract and that upon application to any court having jurisdiction in the premises the Trustee shall be entitled to a decree against the Company requiring the specific performance thereof.

If the Company shall commit or suffer any default and during the continuance of such default the Trustee shall exercise any of the powers conferred upon it by this Article Fifth, all payments made by the Company to the Trustee under this Lease after such default, and the proceeds of any judgments collected by the Trustee from the Company hereunder, and the proceeds of every lease and sale by the Trustee of any of the Trust Equipment, together with any other sums which may then be held by the Trustee under any of the provisions of this Lease, shall be applied by the Trustee in the order of priority following, viz: First, to the payment of all proper charges of the Trustee and of all expenses properly incurred or advances properly made by the Trustee in accordance with the provisions of this Lease, including the expenses of any retaking of the whole or any part of the Trust Equipment and all expenses of any lease or of any sale thereof; and Second, to the payment of all other sums of money due and payable to the Trustee under the provisions of this Lease.

After all such payments shall have been made in full, the title to any of the Trust Equipment remaining unsold or otherwise undisposed of by the Trustee in accordance with the provisions of this Lease shall be duly conveyed by the Trustee to the Company or its nominee or nominees to be held thereafter for its own use free from any further liabilities or obligations to the Trustee. If, after applying all of such sums of money realized by the Trustee as aforesaid, there shall remain any amount due to the Trustee under the provisions of this Lease, the Company agrees to pay the amount of such deficiency to the Trustee. If, after applying as aforesaid the sums of money realized by the Trustee, there shall remain a surplus in the possession of the Trustee, such surplus shall be paid to the Company.

Each and every power or remedy herein given to the Trustee and the bearers and registered holders of the Trust Certificates shall be in addition to every other power or remedy herein specifically given or now or hereafter existing at law or in equity, and each and every power and remedy herein specifically given or otherwise so existing shall not be deemed exclusive, but shall be cumulative, and may be exercised from time to time and as often and in such order as may be deemed expedient by the Trustee; and the exercise or the beginning of the exercise of one power or remedy shall not be deemed a waiver of the right to exercise at the same time or thereafter any other power or remedy. No delay or omission of the Trustee in the exercise of any right or power accruing upon any default, as above defined, shall impair any such right or power or shall be construed to be a waiver of such default or an acquiescence therein.

ARTICLE SIXTH: The Company covenants and agrees during the continuance of this Lease, at its own expense, to replace any of the Trust Equipment which may be worn out, obsolete, lost or destroyed from any cause whatever, by other standard railroad equipment, free from liens, the value of the replacing railroad equipment, figured at total cost if that be below market value, or at market value, if that be below total cost, to be not

less than the fair value of the replaced equipment, determined as hereinafter provided. The Company may, at its option, with the consent of the Trustee, and in lieu of such immediate replacement of worn out, obsolete, lost or destroyed Trust Equipment, deposit with the Trustee cash equal to the fair value, determined as hereinafter provided, of the Trust Equipment so worn out, obsolete, lost or destroyed. In the event that deposits in cash are made in lieu of immediate replacement, the sums so deposited shall be held by the Trustee for the equal and proportionate benefit of the bearers and registered holders of the Trust Certificates until the Trust Equipment so worn out, obsolete, lost or destroyed shall have been replaced, at which time the sums so deposited shall be paid to the Company. At the time of every such replacement or of such deposit in cash in lieu of immediate replacement, the Company shall deliver to the Trustee a certificate of the Chief Accounting Officer or Treasurer of the Company stating the total cost and the fair value of the Trust Equipment so worn out, obsolete, lost or destroyed, determined as hereinafter provided. At the time of every such replacement, the Company shall further deliver to the Trustee a certificate of its Chief Accounting Officer or Treasurer stating the total cost and the market value of the replacing equipment, together with a bill or bills of sale containing a warranty or warranties, an opinion of counsel and certificates as to delivery and acceptance, in like manner as is provided in Article Second of the Agreement.

Upon the written request of the Company stating that the use of certain of the Trust Equipment described in such request is no longer required by the Company, and accompanied by a certificate of the Chief Accounting Officer or Treasurer of the Company stating (1) the total cost of such Trust Equipment and its fair value determined as hereinafter provided, and (2) that the Company has agreed to sell such equipment and the selling price thereof, the Trustee shall, while the Company is not in default hereunder, execute and deliver a bill of sale assigning and transferring to the purchaser named by the Company the absolute title to the Trust Equipment specified in said request; provided, however, that none of the Trust Equipment shall be so assigned and transferred unless, simultaneously with the delivery of such bill of sale, the Trustee shall receive from said purchaser the agreed purchase price thereof and from the Company a sum in cash equal to the amount, if any, by which the fair value of the Trust Equipment so assigned and transferred, determined as hereinafter provided, exceeds said purchase price. The sums so paid to the Trustee shall be held by it for the equal and proportionate benefit of the bearers and registered holders of the Trust Certificates until paid out by the Trustee, upon the written request of the Company, for the purchase by the Trustee of other standard railroad equipment, free from liens. The delivery of such other equipment to the Trustee shall be accompanied by a bill or bills of sale containing a warranty or warranties, an opinion of counsel, certificates as to delivery and acceptance and a certificate as to total cost in like manner as is provided in Article Second of the Agreement.

The title to any railroad equipment acquired under this Article Sixth shall be taken in the name of the Trustee, free from liens, and such railroad equipment shall be marked in accordance with the provisions of Article Second hereof prior to the delivery thereof to the Company and immediately upon being so marked shall be part of the Trust Equipment, subject to all of the terms and conditions hereof and of the Agreement in all respects as though it had been part of the original Trust Equipment herein described, and the Company and the Trustee shall execute, and the Company shall file, register and/or record a supplemental lease thereof, describing the same, upon and subject to all the terms and conditions hereof.

The fair value of all Trust Equipment worn out, obsolete, lost or destroyed, or sold by the Trustee pursuant to this Article Sixth, shall be the total cost thereof less an amount for depreciation computed by the straight line method at a rate not greater than 1/3 of 1% of the total cost of such Trust Equipment for each calendar month between the date of delivery of such Trust Equipment to the agent of the Trustee and the time when such Trust Equipment became worn out, obsolete, lost or destroyed or was sold, as the case may be. For all purposes of this Lease and the Agreement, the maximum depreciation on the Trust Equipment, or any thereof, shall be computed as in this paragraph provided.

The Trustee may accept any certificate filed by the Chief Accounting Officer or Treasurer of the Company under the provisions of this Article Sixth as conclusive evidence of the total cost (as defined in Article Second of the Agreement), or of the market value or of the fair value, as the case may be, of the unit or units of the Trust Equipment involved, and shall incur no liability for any sale made or act done under this Article Sixth in reliance thereon.

ARTICLE SEVENTH: This Lease, unless sooner terminated as hereinabove provided, shall continue in force until the rent so paid hereunder shall furnish moneys sufficient to meet, discharge and cancel all the interests in the Trust Certificates, created in respect of the Trust Equipment, and the dividends thereon, as well as all the other payments and charges which the Company herein covenants to pay. At the expiration of this Lease and after all such payments required hereby shall have been completed and fully made to the Trustee, the Trust Equipment then covered by this Lease, whether the same shall have been delivered to the Company simultaneously with or after the execution hereof, shall at the option of the Company, be assigned and transferred by the Trustee to the Company or its nominee or nominees as its or their absolute property; provided, however, and it is agreed, that, until then, the title to none of the Trust Equipment shall pass to or vest in the Company, but title to and the ownership of all the Trust Equipment shall be vested and remain in the Trustee, notwithstanding the delivery of the Trust Equipment to and the possession and use thereof by the Company.

ARTICLE EIGHTH: The Company covenants that prior to the delivery to it of any of the Trust Equipment covered hereby, it will cause this Lease and the Agreement to be duly filed, registered or recorded and/or duly refiled, re-registered or rerecorded in each and every jurisdiction wherein are situated railroad lines owned or operated by the Company (either alone or jointly with another) or by any corporation a majority of whose capital stock shall be owned or controlled directly or indirectly by the Company or over which the Company or any such corporation has trackage rights and in every jurisdiction where any of the Trust Equipment shall initially be delivered, and in any other jurisdictions as may be required by law, and that it will thereafter from time to time cause any and all supplemental leases and agreements which may be executed pursuant to the terms hereof and of the Agreement to be so filed, registered or recorded and/or refiled, reregistered or rerecorded, in order to publish notice of and to protect the Trustee's title to the Trust Equipment and any replacements, and from time to time the Company will perform any other act required by law, and will execute, file register or record any and all further instruments that reasonably shall be requested by the Trustee for such publication and protection of such title.

ARTICLE NINTH: Until it shall have discharged all its obligations under this Lease, the Company shall pay all costs, charges and expenses incident to the performance of all terms and conditions of this Lease and the Agreement on its part to be performed, including, without limiting the generality of the foregoing, all recording and registration

taxes and fees, and all expenses incident to the preparation, execution, acknowledgment, filing, refiling, registering, reregistering, recording and rerecording of this Lease and the Agreement and of any instrument supplemental to this Lease or the Agreement or of further assurance, and all stamp taxes and other taxes, duties, imposts, assessments, charges, fines and penalties of any kind imposed upon this Lease, the Agreement or any other instrument executed in connection with the trust or the Trust Equipment or the manner of operation thereof, and shall keep the Trust Equipment and all replacements thereof free from any liens which would be an encumbrance upon the Trustee's title thereto.

ARTICLE TENTH: In order to facilitate the filing and recording of this Lease the same may be simultaneously executed in several counterparts, each of which so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

ARTICLE ELEVENTH: This lease shall be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, The Trustee and the Company acting in accordance with the terms and conditions of the Agreement, and pursuant to due corporate authority, have caused these presents to be duly executed as of February 15, 1941.

J. P. MORGAN & CO. INCORPORATED,

(SEAL)

By H. P. Davison
Vice-President.

Attest:

Fred C. Billing
Assistant Secretary

Signed, sealed, acknowledged and delivered as to J. P. Morgan & Co. Incorporated, in the presence of

Thomas A. Moran

Wm. H. Turner, Jr.

Attesting Witnesses

NORTHERN PACIFIC RAILWAY COMPANY

By B. W. Scandrett
Vice President

Attest:

F. C. Hollender
Assistant Secretary.

(SEAL)

Signed, sealed, acknowledged and delivered as to Northern Pacific Railway Company in the presence of

Thomas A. Moran

Wm. H. Turner Jr.

Attesting Witnesses

STATE OF NEW YORK,)
COUNTY OF NEW YORK) SS

I, DeWitt Peterkin, Jr., a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 18th day of February, A. D., 1941, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument bearing date as of February 15, 1941, H. P. Davison and Fred C. Billing, each to me personally known and known to me to be respectively a Vice President and an Assistant Secretary of J. P. Morgan & Co. Incorporated, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Assistant Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such and to be duly authorized to make this acknowledgment as hereinafter stated, and the said H.P. Davison and Fred C. Billing, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said H. P. Davison resides at Oyster Bay, New York; and that the said Fred C. Billing resides at Short Hills, New Jersey; that said H. P.

Davison is a Vice President and said Fred C. Billing is an Assistant Secretary of J.P. Morgan & Co. Incorporated, one of the corporations described in and which executed the within and foregoing instrument in writing: that they, the said H. P. Davison and Fred C. Billing, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by authority of the by-laws of such corporation and by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instruments in their respective capacities as Vice President and Assistant Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation, and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said County of New York, State of New York, this the day and year in this my certificate first above written.

DeWitt Peterkin, Jr.
Notary Public for the State of New York, County of New York, residing at 225 E. 74 th St. NYC

(SEAL)

DeWitt Peterkin, Jr.
Notary Public, New York County, N.Y.Ctf. No.316
Register's Office New York County No. 2-P-424
Commission Expires March 30,1942

STATE OF NEW YORK)
COUNTY OF NEW YORK)SS

I, DeWitt Peterkin Jr., a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 18th day of February, A. D. 1941, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument bearing date as of February 15, 1941, B. W. Scandrett and F. G. Hollender, each to me personally known and known to me to be respectively the Vice President and the Assistant Secretary of Northern Pacific Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Assistant Secretary respectively in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and to be duly authorized to make this acknowledgment as hereinafter stated, and the said B. W. Scandrett and F. G. Hollender being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said B. W. Scandrett resides at No. 9 Crocus Place in the City of St. Paul and State of Minnesota, and that the said F. G. Hollender resides at No. 9206 89th Avenue, Woodhaven, Long Island, in the State of New York; and said B. W. Scandrett is the Vice President and said F. G. Hollender is the Assistant Secretary of Northern Pacific Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said B. W. Scandrett and F. G. Hollender, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by authority of the by-laws of such corporation and by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Assistant Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said County of New York, State of New York, this the day and year in this my certificate first above written.

DeWitt Peterkin, Jr.
Notary Public for the State of New York, County of New York, residing at 225 E. 74 St. NYC.

(SEAL)

DeWitt Peterkin Jr.
Notary Public, New York County, N.Y.Ctf.No. 316
Register's Office New York County No.2-P-424
Commission Expires March 30, 1942

THIS AGREEMENT dated as of February 15, 1941, by and between EDWARD J. MON and WILLIAM L. CARSON (hereinafter called the "Vendors"), parties of the first part, J. P. MORGAN & CO. INCORPORATED, a corporation duly organized and existing under the Banking Laws of the State of New York, Trustee as hereinafter mentioned (hereinafter called the "Trustee"), party of the second part, and NORTHERN PACIFIC RAILWAY COMPANY, a corporation duly organized and existing under the laws of the State of Wisconsin (hereinafter called the "Company"), party of the third part, witnesseth as follows:

WHEREAS, the Company desires to obtain additional rolling stock and it has been deemed expedient to make provision therefor through the medium of an equipment trust; and

WHEREAS, the Vendors have contracted or will contract to acquire the railroad equipment specifically described in the Lease of Railroad Equipment from the Trustee to the Company prefixed to this Agreement (hereinafter called the "Lease"); and

WHEREAS, the title to the Trust Equipment is to be vested in the Trustee and is to be retained by the Trustee until transferred under the provisions of the Lease; and

WHEREAS, subscriptions have been or are being secured to the amount of Three Million Dollars ($3,000,000) to a fund to be known as "Northern Pacific Railway Equipment Trust of 1941," which said fund is to be furnished to the Vendors to be applied by them in part payment of the purchase price of said railroad equipment to be acquired by them; and

WHEREAS, the Vendors desire to secure to the subscriber or subscribers to said fund, or their assigns, the payment of the principal amount thereof in ten annual installments, payable serially in the amount of $300,000 on February 15 in each year from February 15, 1942, to February 15, 1951, both dates inclusive, as hereinafter more particularly provided, with dividends to said dates of maturity respectively at the rate of one and three quarters per cent (1 3/4%) per annum from February 15, 1941, the first dividend being payable on August 15, 1941, and dividends being payable semi-annually on each February 15 and August 15, thereafter; and to evidence the rights of the subscriber or subscribers to said fund by Trust Certificates in substantially the form hereinafter set forth; and

WHEREAS, the Company represents that all things necessary to make its guaranty as endorsed upon the Trust Certificates, when the Trust Certificates shall be issued by the Trustee under this Agreement, the valid, binding and legal obligation of the Company as herein provided, and that all things necessary to be done on its part to make this Agreement and the Lease a valid, binding and legal agreement and lease, respectively, have been done and performed.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

ARTICLE FIRST: The Vendors hereby agree to acquire and cause to be sold, assigned, transferred and set over, and do hereby sell, assign, transfer and set over unto the Trustee, as trustee for the bearers and registered holders of the Trust Certificates hereinafter described, the railroad equipment described in the Lease together with all additional railroad equipment required to be subjected to the Lease as provided therein (which together with any other railroad equipment at any time covered by the Lease or any other lease supplemental thereto or to this Agreement, or required or intended so to be, shall be hereinafter collectively called the "Trust Equipment"). The Vendors will deliver or cause to be delivered the Trust Equipment, f.o.b. tracks of the Company at points to be specified by it, when and as from time to time constructed and completed, to the person or persons designated by the Trustee as its agent or agents to receive such delivery, who may be any one or more of the officers, agents or employees of the Company, and the certificates of any and every agent so designated shall be conclusive evidence of such delivery. The Trustee and the Company shall simultaneously with the execution of this Agreement execute and deliver the Lease.

ARTICLE SECOND: Upon the execution of this Agreement, the Vendors will deposit or cause to be deposited with the Trustee, in cash, the net proceeds of the sale of the Trust Certificates issuable as hereinafter provided (together with any premiums and accrued dividends as hereinafter provided) and at the same time the Company will, if

necessary, deposit with the Trustee, in discharge pro tanto of advance rental payable by the Company to the Trustee under the aforesaid lease, such additional amount in cash as will make the total sum deposited equal to Three Million Dollars ($3,000,000). Thereupon, without waiting for the recording, registration or filing of this Agreement or of any lease of or other instrument respecting the Trust Equipment, the Trustee will issue and deliver, to or upon the written order of the Vendors, the Trust Certificates described in Article Fourth hereof to the aggregate principal amount of Three Million Dollars ($3,000,000). For the purposes of this Agreement and the Lease the terms "net proceeds" and "Deposited Cash", as herein defined, shall not be construed to include any premium or accrued dividends collected or received upon the sale of the Trust Certificates, but the amount of such premium and such accrued dividends shall, nevertheless, be deposited with the Trustee and be applied by it on account of the first and next succeeding installments of rental payable under sub-paragraph (e) of Article First of said Lease. Interest, if any, allowed upon any money so deposited shall belong to the Company and be paid to it by the Trustee, so long as the Company shall not be known to the Trustee to be in default hereunder or under the Lease, in lieu of the use of the Trust Equipment for the period before the delivery thereof. The cash deposited with the Trustee, as in this Article Second provided (hereinafter called the Deposited Cash), as well as any premium and accrued dividends collected or received upon the issue of the Trust Certificates, shall, until paid out by the Trustee as herein provided, be held in trust for the benefit of the holders of the Trust Certificates.

Prior to the first delivery of any completed unit or units of the Trust Equipment and in anticipation of such delivery the Company will pay to the Trustee advance rent in the amount of Four Hundred Seventy-five Thousand Dollars ($475,000), required by sub-paragraph (b) of Article First of the Lease. From time to time as units of the Trust Equipment are delivered the Company will, as provided in the last paragraph of Article First of the Lease, pay to the Trustee as additional rent under the Lease such amounts as shall, together with the advance rent in the amount of Four Hundred Seventy-five Thousand Dollars ($475,000) and the fund of Three Million Dollars ($3,000,000) referred to in this paragraph, be sufficient to pay the total cost of the Trust Equipment together with such other sums, if any, as may be necessary to pay in full the bills of the manufacturers for the Trust Equipment.

After said payments and deposits have been made as hereinbefore provided, then from time to time, when and as there shall be constructed and delivered to the person or persons designated by the Trustee, as aforesaid, any of the Trust Equipment leased to the Company under the provisions of the Lease, the Trustee shall pay to the Vendors, or upon their order, out of said funds deposited or caused to be deposited with the Trustee as aforesaid, an amount sufficient to pay the total cost of the Trust Equipment so delivered together with such other sums, if any, as may be necessary to pay in full the bills of the manufacturers for such Trust Equipment.

As used in this Agreement and in the Lease, the term "total cost" of the Trust Equipment shall include only such items as may be properly chargeable to Investment in Equipment under the Accounting Rules of the Interstate Commerce Commission and shall be established by the bills of the manufacturers to the Vendors, certificates of the Vendors as to the cost of materials or parts purchased by the Vendors and furnished by them to the manufacturers, and the bills of the Vendors for other expenses properly chargeable to the cost of the Trust Equipment, after deduction, in every case, of any and all rebates, allowances or discounts on the price of the Trust Equipment or any parts or materials

thereof, which have been or may hereafter be allowed to the Vendors, the Company or the manufacturers and which inure directly or indirectly to the benefit of the Vendors or the Company, which bills and certificates the Vendors will deliver to the Trustee. Any certificate as to cost may state that the cost of the Trust Equipment therein referred to is tentatively determined, subject to final adjustment as evidenced by final certificate or certificates of cost to be delivered to the Trustee within such time as the Trustee in its discretion in each instance may allow, and the Trustee shall proceed on the basis of such tentative certificate pending final determination. The total cost of the Trust Equipment shall be conclusively established by such certificate or final certificate, in case there be a final certificate.

At or prior to the time of each delivery of any of the Trust Equipment, there shall be delivered to the Trustee:

(a) Said bills of the manufacturer to the Vendors in respect of such Trust Equipment, together with said certificates of the Vendors, and together with a certificate of the General Auditor of the Company approving the same and stating that all items included in such bills and certificates of cost are properly chargeable to Investment in Equipment under the accounting rules of the Interstate Commerce Commission;

(b) a certificate in writing of the agent or agents designated by the Trustee to receive delivery of the Trust Equipment, stating that the Trust Equipment, specified by road numbers in such certificate, has been delivered to the Trustee, or its agent or agents, and that each unit of such equipment is marked in accordance with the provisions of Article Second of the Lease, and that such Trust Equipment is of the character called for by this Agreement and by the Lease;

(c) a bill or bills of sale of such Trust Equipment from the manufacturer thereof to the Trustee containing a warranty or guaranty that the title to the Trust Equipment therein described is free from all liens and encumbrances;

(d) an opinion of counsel (who may be counsel for the Company) satisfactory to the Trustee that such bill or bills of sale are valid and effective, either alone or in connection with any other instrument referred to in such opinion, to vest in the Trustee, free from all liens and encumbrances, the title to such Trust Equipment;

(e) a certificate of an agent of the Company, duly designated for that purpose, that such units of the Trust Equipment have been inspected and approved by and delivered to and accepted by the Company as lessee thereof.

If the total cost of all the Trust Equipment specifically described in the Lease shall not equal or exceed the estimated total cost of Three Million, Four Hundred Seventy-five Thousand Dollars ($3,475,000), the Vendors shall acquire and transfer, or cause to be acquired and transferred to the Trustee, subject to all the terms of this Agreement and to be subjected to the Lease as therein provided, other new standard gauge equipment, of substantially as good material and construction as the equipment specifically described in the Lease, and of such cost that the total cost of all the Trust Equipment shall equal or exceed said estimated total cost of Three Million Four Hundred Seventy-five Thousand Dollars ($3,475,000).

Anything in this Agreement contained to the contrary notwithstanding, the aggregate principal amount of the Trust Certificates which shall be executed and delivered by the Trustee under this Agreement shall not exceed the sum of Three Million Dollars ($3,000,000) at any time outstanding (subject, however, to the provisions of Article Sixth of this Agreement).

Any moneys held by the Trustee after delivery of and payment for the Trust Equipment,

the disposition of which is not herein otherwise provided for, shall be credited against the next installment or installments of rent payable under the Lease.

ARTICLE THIRD: (a) Each of the Trust Certificates shall represent an interest to the principal amount expressed upon its face in the Trust hereby created and the bearer or registered holder thereof shall be entitled to receive dividends on said principal amount at the rate of one and three quarters per cent (1 3/4%) per annum from February 15, 1941, payable semi-annually on February 15 and August 15 in each year, the first dividend being payable on August 15, 1941, but only from and out of rent received by the Trustee under the Lease. The Trust Certificates shall become due and payable as follows: $300,000 aggregate principal amount of Trust Certificates shall be due on February 15, 1942, and $300,000 aggregate principal amount of Trust Certificates shall be due thereafter on each fifteenth day of February until February 15, 1951, inclusive.

(b) The due date of each Trust Certificate shall appear upon its face. Definitive Trust Certificates shall be issued in denominations of $1,000 each, shall be dated as of February 15, 1941, and numbered from 1 consecutively upward. Dividend warrants evidencing the right of the holders of the definitive Trust Certificates to the dividends thereon shall be annexed to the respective definitive Trust Certificates, and said dividends shall be paid only on presentation and surrender of the appropriate dividend warrants.

(c) The definitive Trust Certificates and dividend warrants shall be engraved, lithographed or lithographically printed.

ARTICLE FOURTH: The definitive Trust Certificates, the dividend warrants, and the guaranty to be endorsed on the definitive Trust Certificates by the Company as hereinafter in Article Seventh provided, shall be in substantially the following forms:

(FORM OF DEFINITIVE TRUST CERTIFICATE)

$1,000 No. .....

Northern Pacific Railway

Equipment Trust of 1941

1 3/4% Serial Equipment Trust Certificate

Dividends payable

February 15 and August 15

Total Authorized Issue $3,000,000

J. P. Morgan & Co. Incorporated

Trustee

Principal hereof due February 15, 19.....

J. P. Morgan & Co. Incorporated, Trustee under an Agreement dated as of February 15, 1941, by and between Edward J. Mon and William L. Carson, Vendors, parties of the first part, J. P. Morgan & Co. Incorporated, Trustee, party of the second part, and Northern Pacific Railway Company, party of the third part, hereby certifies that the bearer hereof, or, if this Certificate is registered in the name of the holder, the registered holder hereof, is entitled to an interest of One Thousand Dollars ($1,000) in Northern Pacific Railway Equipment Trust of 1941, payable on February 15, 19...,and to dividends thereon at the rate of one and three quarters per cent (1 3/4%) per annum from February 15, 1941, to said date of maturity, payable semi-annually on the fifteenth day of February and the fifteenth day of August in each year, but only upon presentation and surrender, as they severally mature, of the dividend warrants hereto attached, both principal and dividends being payable at the principal office of the Trustee in the Borough of Manhattan, The City of New York, New York, in such coin or currency as, at the

time of payment, is legal tender for the payment of public and private debts in the United States of America, but only from and out of rent received by the Trustee from a certain Lease of Railroad Equipment made by J. P. Morgan & Co. Incorporated, Trustee, to Northern Pacific Railway Company dated as of February 15, 1941.

This Certificate is one of an issue of certificates in an aggregate principal amount not exceeding Three Million Dollars ($3,000,000), substantially identical in tenor, except as to dates of maturity, all issued or to be issued under said Agreement, under which said railroad equipment and said Lease thereof are held by said Trustee in trust for the pro rata benefit of the bearers and registered holders of said Certificates, issued or to be issued by the Trustee pursuant to said Agreement against the payments in cash to the Trustee of the principal amount thereof. Said Agreement provides that the Trustee will pay out such cash, representing the principal amount of said Certificates, in whole or in part, from time to time and in varying amounts upon delivery and receipt of said railroad equipment and for the purpose of providing for the purchase of said railroad equipment. Reference is made to said Agreement and Lease filed with the Trustee at its principal office in the City of New York, New York, for a further statement of the rights of the bearer or registered holder hereof, the rights and duties of the Trustee and the obligations of Northern Pacific Railway Company under said Agreement and Lease.

This Certificate may be registered as to principal in the name of the holder hereof at the principal office of the Trustee in the City of New York in the State of New York, and such registration noted hereon by or on behalf of the Trustee. Thereafter the title to the interest in Northern Pacific Railway Equipment Trust of 1941 represented by this Certificate shall pass only by transfer registered at said office and noted hereon, unless and until the transfer to bearer shall have been similarly registered and noted hereon. Such registration shall apply only to the principal of this Certificate and not to the dividend warrants hereunto attached, which shall continue to be payable to bearer and transferable by delivery.

This Certificate and the attached dividend warrants are issued subject to the condition that every holder of this Certificate or of any such dividend warrant, by accepting the same, agrees with every subsequent holder hereof or thereof and with the Trustee and Northern Pacific Railway Company that delivery of this Certificate (unless it be registered in the name of the holder) or any such dividend warrant by the bearer shall vest title to the vest title to, and all rights under the same in the transferee to the same extent for all purposes as would the delivery under like circumstances of any negotiable instrument payable to bearer; and the Trustee and Northern Pacific Railway Company shall be entitled to treat the bearer hereof, or the registered holder hereof, if this Certificate be registered as above provided, or the bearer of any such dividend warrant, as the case may be, as the absolute owner hereof or thereof, as the case may be, for all purposes, and shall not be affected by any notice to the contrary.

In case of default in the performance or observance of any of the covenants of Northern Pacific Railway Company in said Agreement or Lease contained, the principal amount represented by this Certificate may become or be declared due and payable in the manner and with the effect in said Agreement provided.

Neither this Certificate nor the dividend warrant attached hereto shall be deemed in anywise a promise to pay of the undersigned, except from and out of the rentals or other moneys received by the undersigned as Trustee pursuant to said Agreement.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be signed by its President or one of its Vice-Presidents, and its corporate seal, or a facsimile thereof, to be hereunto affixed and to be attested by its Secretary or an Assistant Secretary, and dividend warrants bearing the facsimile signature of its Treasurer to be attached hereto, as of February 15, 1941.

J. P. MORGAN & CO. INCORPORATED,
TRUSTEE
BY.....
Vice-President

Attest:

.....
Assistant Secretary.

(Form of Dividend Warrant)

$8.75 No. .....

Due to the bearer hereof on the fifteenth day of ....., 19....., on surrender hereof at the principal office of the undersigned Trustee in the Borough of Manhattan, The City of New York, New York, Eight Dollars and Seventy-five Cents ($8.75) payable in such coin or currency as, at the time of payment, is legal tender for the payment of public and private debts in the United States of America, as provided in, and being the semiannual dividend then due on, Certificate No. ..... of Northern Pacific Railway Equipment Trust of 1941, but only out of rent received by the Trustee under the Lease referred to in said Certificate.

J. P. MORGAN & CO. INCORPORATED,
TRUSTEE.
By .....
Treasurer.

(FORM OF GUARANTY FOR DEFINITIVE TRUST CERTIFICATE)

Northern Pacific Railway Company, for a valuable consideration, hereby unconditionally guarantees to the bearer or registered holder of the within Certificate the prompt payment of One Thousand Dollars ($1,000), being the principal of said Certificate, when the same shall become due and payable, whether at maturity thereof or by declaration or otherwise, and of all dividends thereon at the rate of one and three quarters per cent (1 3/4%) per annum on the semi-annual dates and for the period mentioned in said Certificate and in such coin or currency as, at the time of payment, is legal tender for the payment of public and private debts in the United States of America, all as more particularly provided in said Certificate and in the Agreement referred to in said Certificate.

Dated as of February 15, 1941.

NORTHERN PACIFIC RAILWAY COMPANY,
By .....
Vice President

Pending the preparation of definitive Trust Certificates, the Trustee may issue, in lieu of such definitive Trust Certificates, temporary Trust Certificates in denominations of $1,000, or such multiples thereof as the Vendors may from time to time request, substantially of the tenor hereinbefore recited, with appropriate omissions, insertions and variations, as may be approved by the Trustee, and having endorsed thereon the guaranty of the Company, substantially in the form hereinbefore recited, with appropriate omissions, insertions and variations, as may be approved by the Trustee, provided that all such temporary Trust Certificates shall be registered as to principal and dividends in the name of the holder and shall be without dividend warrants. Each temporary Trust Certificate shall designate the date of maturity of the definitive Trust Certificate or Trust Certificates for which it is exchangeable. Prior to the time when definitive Trust Certificates are ready for delivery, such temporary Trust Certificates may

be exchanged for new temporary Trust Certificates of the same respective maturities, in denominations of $1,000, or multiples thereof, as may be requested by the person entitled to receive the same, and of a like aggregate principal amount. Temporary Trust Certificates shall be transferable, upon presentation thereof for transfer at the principal office of the Trustee in the City of New York in the State of New York, accompanied by appropriate instruments of assignment and transfer duly executed by the registered holder thereof, and shall be exchangeable, as soon after February 15, 1941, as is practicable, without cost to the registered holder thereof, for definitive Trust Certificates having endorsed thereon such guaranty of the Company, when the same shall have been prepared, and until such exchange, said temporary Trust Certificates shall be entitled to the same benefit of this Agreement in all respects as said definitive Trust Certificates, including the guaranty of payment by the Company. Temporary Trust Certificates may be printed or lithographed.

ARTICLE FIFTH: (a) The Trust Certificates shall be signed in the name and on behalf of the Trustee by its President or one of its Vice-Presidents, and its corporate seal, or a facsimile thereof, shall be thereunto affixed and attested by its Secretary or one of its Assistant Secretaries. The dividend warrants to be attached to the definitive Trust Certificates shall be authenticated by the facsimile signature of the president or any future Treasurer of the Trustee. Before executing or delivering any Trust Certificates, the guaranty of the Company shall be duly executed thereon as hereinafter in Article Seventh provided, and all matured dividend warrants, if any, appertaining to definitive Trust Certificates shall be cut off and cancelled by the Trustee and shall subsequently be cremated by the Trustee. In case any signing officer of the Trustee or of the Company shall cease to be such officer before the instrument signed shall have been issued and delivered, such instrument, if thereafter issued and delivered, shall be valid in all respects as though such signing officer had not ceased to be such officer.

(b) The definitive Trust Certificates, unless registered as to principal in the name of the holder in the manner hereinafter provided, and the dividend warrants thereto appertaining, shall pass by delivery. The definitive Trust Certificates may be registered as to principal in the name of the holder at the principal office of the Trustee in the City of New York in the State of New York, and such registration shall be noted thereon by or on behalf of the Trustee. Thereafter no transfer thereof shall be valid unless made at said office by the registered holder thereof in person or by his duly authorized attorney, and similarly noted; but the same may be discharged from registration by being in like manner transferred to bearer; and such definitive Trust Certificates may again from time to time be registered or transferred to bearer as before; but the dividend warrants shall in any case pass by delivery.

(c) Anything to the contrary herein notwithstanding, the parties hereto may deem and treat the bearer of any definitive Trust Certificate (unless such Trust Certificate be registered as to principal in the name of the holder as provided in this Agreement) and the bearer of any dividend warrant as the absolute owner of such Trust Certificate, or dividend warrant, as the case may be, for the purpose of receiving payment therefor, and for all other purposes, and shall not be affected by any notice to the contrary. The parties hereto may deem and treat the registered holder of any definitive Trust Certificate, registered as to principal, as the absolute owner thereof for all purposes except for the payment of dividends, and the registered holder of any temporary Trust Certificate as the absolute owner thereof for all purposes including the payment of dividends, and shall not be affected by any notice to the contrary.

(d) The Company shall execute its guaranty upon all temporary and definitive Trust Certificates to be issued pursuant to the provisions of this Agreement.

(e) The Trustee shall cause to be kept, at its office in the City of New York in the State of New York, books for the registration and transfer of the Trust Certificates and upon presentation for such purposes, the Trustee will register, or cause to be registered, as in this Agreement provided, and under any such reasonable regulations as it may prescribe, any of the Trust Certificates. The Trustee, at all times until the payment of the principal of, and dividends upon, all the Trust Certificates, shall keep an office in the City of New York in the State of New York, where the Trust Certificates and dividend warrants may be presented for payment.

(f) For any registration, transfer or exchange, except in the case of exchange of temporary Trust Certificates for definitive Trust Certificates not registered as to principal, the Trustee, at its option, may, and if so requested by the Company, shall, require the payment of a sum sufficient to reimburse it for any stamp tax or other governmental charge connected therewith.

ARTICLE SIXTH: The Trustee hereby covenants and agrees to comply with and perform all and singular the terms, conditions and covenants of this Agreement and the Lease obligatory upon it, to enforce the performance, so far as reasonably possible, of the terms and conditions of the Lease, and to apply and distribute the rent under the Lease (other than the advance rent in the amount of Four Hundred Seventy-five Thousand Dollars ($475,000) required by subparagraph (b) of Article First of the Lease and any additional rent which may be paid by the Company in accordance with subparagraph (a) or with the last paragraph of Article First of the Lease, which shall be applied by the Trustee to the purchase of the Trust Equipment in accordance with the provisions of Article Second of this Agreement), when and as the same shall be received and to the extent that it shall be sufficient therefor, for the following purposes, to-wit:

(First) To the payment of the necessary and reasonable expenses of the Trust connected with the Trust Equipment and usual in cases of trust estates, including the proper compensation of the Trustee for its services under this Agreement and the Lease, and the reasonable expenses incurred by the Trustee in the execution and enforcement of the trust created in this Agreement;

(Second) To the payment of any and all taxes, assessments and other governmental charges upon the Trust Equipment or income of the trust created by this Agreement or upon this Agreement, which the Trustee as such may by law be required to pay;

(Third) To the payment of the dividends payable on and dividend warrants appertaining to the Trust Certificates when and as the same shall become due and payable;

(Fourth) To the payment of the principal amount of the Trust Certificates when and as the same shall become due and payable, whether by declaration or upon the respective dates of maturity thereof, or otherwise;

(Fifth) If default shall be made in the full payment of any such dividend warrants, dividends or principal, when and as the same shall become due and payable, to interest on such unpaid dividends, dividend warrants or principal at the rate of four per cent (4%) per annum, from the respective dates upon which the same shall have so become due and payable.

Nothing herein or in the Trust Certificates or said Lease contained shall be deemed to impose on the Trustee or on the Company any obligation to pay to the bearer or registered holder of any Trust Certificate or to the bearer of any dividend warrant any amount required by any law of the United States of American or of any State or subdivision

thereof to be withheld from the amount payable to the holder of any Trust Certificate or dividend warrant.

In order to prevent any accumulation of Trust Certificates or of dividends or of dividend warrants, after maturity, neither the Trustee nor the Company shall directly or indirectly extend or assent to the extension of the time for the payment of any Trust Certificate, dividend or dividend warrant, but the same shall be paid and cancelled at maturity, and no Trust Certificate or dividend warrant in substitution therefor shall be issued, and neither the Trustee nor the Company shall directly or indirectly be a party to or approve of any arrangement for purchasing or funding any of the Trust Certificates, dividends or dividend warrants, or for an advance or loan upon the same, at or after maturity. In case the time for payment of any Trust Certificate, dividend or dividend warrant shall be so extended, whether or not such extension be by or with the consent of the Trustee or the Company, or in case, at or after maturity, any Trust Certificate, dividend or dividend warrant shall be purchased or funded, or an advance or loan upon the same shall be made, by or on behalf of the Trustee or the Company, or pursuant to any arrangement requested or approved by either of them or to which either of them shall be a party or made with the privity of the Trustee or the Company, such Trust Certificate, dividend or dividend warrant shall not be entitled to the benefit of the Lease or of this Agreement, except subject to the prior payment in full of the principal of all other Trust Certificates, dividends and dividend warrants whether the same be then matured or unmatured.

In case any Trust Certificate, and the dividend warrants appertaining thereto (if any), shall become mutilated or defaced or be lost or destroyed, then on the terms herein set forth, and not otherwise, the Trustee shall execute and deliver a new Trust Certificate (and the Company shall execute its guaranty thereon), with all unmatured dividend warrants appertaining thereto (if any), of like maturity, tenor, and date, and bearing the same serial number as the one mutilated, defaced, lost or destroyed, in exchange and in substitution for, and upon cancellation of, the Trust Certificate and dividend warrants appertaining thereto (if any), if mutilated or defaced, or in lieu of and in substitution for the same if lost or destroyed, and make payment of any matured dividend warrants appertaining to the same. The applicant for a new Trust Certificate shall furnish to the Trustee and to the Company evidence to their satisfaction of the loss or destruction of such Trust Certificate and dividend warrants appertaining thereto (if any), alleged to have been lost or destroyed and of the ownership and authenticity of such mutilated, defaced, lost or destroyed Trust Certificate and dividend warrants appertaining thereto (if any), and also such security or indemnity as may be required by the Trustee and by the Company, in their discretion; and said applicant shall pay all expenses and charges of such substitution or exchange. In case any dividend warrant appertaining to any Trust Certificate shall become mutilated or defaced or be lost or destroyed but such Trust Certificate shall not have been mutilated, defaced, lost or destroyed, then on the terms herein set forth, and not otherwise, the Trustee shall execute and deliver a new dividend warrant of like maturity, tenor and date, and bearing the same serial number as the one mutilated, defaced, lost or destroyed, in exchange and in substitution for, and upon cancellation of, the dividend warrant if mutilated or defaced, or in lieu of and in substitution for the same if lost or destroyed; provided, however, that if any such mutilated, defaced, lost or destroyed dividend warrant shall have matured, the Trustee may pay the same in lieu of executing and delivering a new dividend warrant. The applicant for a new dividend warrant or for such payment of a

matured dividend warrant shall furnish to the Trustee and to the Company evidence to their satisfaction of the loss or destruction of such dividend warrant alleged to have been lost or destroyed, and of the ownership and authenticity of such mutilated, defaced, lost or destroyed dividend warrant, and also such security or indemnity as may be required by the Trustee and by the Company, in their discretion; and such applicant shall pay all expenses and charges of such substitution, exchange or payment. All Trust Certificates and dividend warrants are held and owned upon the express condition that the foregoing provisions are exclusive in respect of the replacement of mutilated, defaced, lost or destroyed Trust Certificate and/or dividend warrants, and shall preclude any and all other rights and remedies, any law or statute now existing or hereafter enacted to the contrary notwithstanding. Every new Trust Certificate and dividend warrant issued pursuant to this Article Sixth shall constitute an additional interest in the trust created in this Agreement and an additional contractual obligation on the part of the Company, to the same extent as if originally created hereunder, whether or not the lost or destroyed Trust Certificate and/or dividend warrant be at any time found by anyone, and such new Trust Certificate and/or dividend warrant shall be equally entitled to the benefits of the Lease and this Agreement with all other Trust Certificates and/or dividend warrants issued hereunder.

ARTICLE SEVENTH: The Company hereby accepts and becomes bound by all the terms of this Agreement, and hereby covenants and agrees to make payment of the reasonable compensation and expenses of the Trustee, and of all taxes, assessments and other governmental charges for which the Trustee as such may be liable.

The Company covenants and agrees and unconditionally guarantees that the bearer or registered holder of each of the Trust Certificates shall receive the principal amount thereof, in such coin or currency as, at the time of payment, is legal tender for the payment of public and private debts in the United States of America, when and as the same shall become due and payable, whether at the maturity thereof or by declaration or otherwise, and shall receive dividends thereon in like coin or currency at the rate of One and Three Quarters per cent (1 3/4%) per annum from February 15, 1941, payable semi-annually on the fifteenth day of February and the fifteenth day of August in each year to and including the date of maturity of such Trust Certificate, and at the time and place and otherwise as expressed in the Trust Certificates and in the dividend warrants, if any, appertaining thereto; and the Company further covenants and agrees to endorse upon each of the Trust Certificates, at or before the issue and delivery thereof by the Trustee, its guaranty of the prompt payment of the principal thereof and of the dividends thereon, in substantially the form hereinabove in Article Fourth provided. Said guaranty so endorsed shall be signed in the name and on behalf of the Company by such person or persons as shall have been duly authorized by it to sign said guaranty upon its behalf.

The Company covenants and agrees that it will promptly pay or cause to be paid or discharged, or make adequate provision for the satisfaction or discharge of any debt, obligation or claim which, if unpaid, might be or become a charge upon or against any of the Trust Equipment, except upon the leasehold interest of the Company therein; but this provision shall not require the payment of any such debt, obligation or claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings unless, in the judgment of the Trustee, such contest would materially endanger the rights or interests of the Trustee or of the bearers and registered holders of the Trust Certificates in the Trust Equipment.

The Company covenants and agrees to pay all costs, charges and expenses incident to the performance of all terms and conditions of this Agreement on its part to be performed, including, without limiting the generality of the foregoing, all expenses incident to the preparation and execution of the Trust Certificates and dividend warrants, including the temporary Trust Certificates, the preparation, execution, recording, re-recording, registration, re-registration, filing and refiling hereof and of the Lease and of any instruments executed under the provisions hereof or of the Lease in respect of the Trust Equipment, including any equipment or parts used to replace any of the Trust Equipment.

The Company covenants and agrees from time to time to do, or cause to be done, all such acts and execute, or cause to be executed, all such instruments of further assurance as it shall be reasonably requested by the Trustee to do or execute, or cause to be done or executed, for the purpose of fully carrying out and effectuating this Agreement and the Lease and the intent thereof.

ARTICLE EIGHTH: In case one or more of the events of default described in Article Fifth of the Lease shall happen, the Trustee in its discretion may, and at the request of the bearers or registered holders of twenty per cent (20%) in principal amount of the Trust Certificates then outstanding, shall, declare the principal of all of the Trust Certificates then outstanding to be due and payable, and thereupon the same shall become and be immediately due and payable. In any such case, the Trustee may retake possession of the Trust Equipment or any part thereof and may either hold or lease the same or any part thereof, or dispose of the same or any part thereof in such manner, at public sale, at which the Trustee may be a purchaser, or at private sale, for cash or upon credit, as the Trustee may deem proper and most beneficial to the interests of the bearers and registered holders of the Trust Certificates. In case one or more of such events of default shall happen (whether the principal of the Trust Certificates shall have been declared due and payable or not), upon the written request of the bearers or registered holders of twenty per cent (20%) in principal amount of the Trust Certificates at the time outstanding, it shall be the duty of the Trustee to take all steps for the protection and enforcement of its rights and the rights of the bearers and registered holders of the Trust Certificates, and to exercise one or more of the powers of entry, sale or lease in the Lease conferred, or to take appropriate judicial proceedings by action, suit or otherwise, as the Trustee being advised by counsel shall deem most expedient in the interests of the bearers and registered holders of the Trust Certificates; but, anything in this Agreement to the contrary notwithstanding, the bearers or registered holders of a majority in principal amount of the Trust Certificates then outstanding shall have the right from time to time to direct and control all proceedings for the enforcement of the Lease and this Agreement and the sale or lease of the Trust Equipment. The foregoing provisions of this Article Eighth are intended only for the protection of the Trustee and shall not be construed to limit or affect any discretion or power given to the Trustee by any provision of this Agreement or of the Lease to determine whether or not it shall take action in respect of any default or what action it shall take, or any power or discretion of the Trustee to take action in respect of any default without such request from bearers or registered holders of the Trust Certificates. The proceeds of such proceedings or lease or sale shall, after deducting the expenses of the execution and enforcement of the trust, the reasonable compensation of the Trustee and all taxes, assessments and other governmental charges which the Trustee may by law be required to pay in respect of the trust, the Trust Equipment or the Trust Certificates aforesaid

or the dividends thereon, be applied by the Trustee to the payment:

(First) of the dividends and dividend warrants then due with interest on any overdue dividends and dividend warrants at the rate of four per cent (4%) per annum from the date upon which such dividends or dividend warrants shall have become due and payable;and

(Second) of the principal of all outstanding Trust Certificates with interest thereon at the rate of one and three quarters per cent (1 3/4%) per annum from the last preceding dividend date to the date upon which such principal shall have become due and payable and thereafter at the rate of four per cent (4%) per annum, whether said Trust Certificates or any of them shall have matured by their terms or not;

all of said payments specified in subparagraphs (First) and (Second) of this full paragraph of this Article Eighth to be in full, if said proceeds shall be sufficient, and if not, then pro rata, without preference of principal over dividends, or of dividends over principal or otherwise (subject, however, to the provisions of the third full paragraph of Article Sixth hereof) and without regard to the dates of maturity thereof.

The foregoing provisions, however, are subject to the condition that, if at any time after the principal of the Trust Certificates shall have been declared and have become due and payable, as hereinbefore provided, but before February 15, 1951, all arrears of rent (with interest upon any overdue installments at the rate of four per cent (4%) per annum as provided in Article First of the Lease), the expenses and reasonable compensation of the Trustee, together with all expenses of the Trust occassioned by the Company's default, and all other sums which shall have become due and payable by the Company hereunder or under the Lease (other than the principal of and dividends on Trust Certificates and installments of rent which shall not at the time have matured according to their terms) shall be paid by the Company before any taking possession, withdrawal, sale or lease by the Trustee of any of the Trust Equipment, and every other default in the observance or performance of any covenant or condition of this Agreement or the Lease shall be made good or secured to the satisfaction of the Trustee, or provision deemed by the Trustee to be adequate shall be made therefor, then and in every such case the Trustee may in its discretion, and if so requested by the bearers or registered holders of a majority in principal amount of the Trust Certificates then outstanding and which shall not then have matured according to their terms, shall, by written notice to the Company, waive the default by reason of which the principal of the Trust Certificates shall have been declared and become due and the consequences of such default, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

Neither such taking possession nor any withdrawal, lease or sale of the Trust Equipment by the Trustee nor any action, or failure or omission to act, against the Company or in respect of the Trust Equipment, on the part of the Trustee or on the part of any bearer or registered holder of any Trust Certificate or dividend warrant, nor any delay or indulgence granted to the Company by the Trustee or by any such bearer or registered holder, shall affect the obligations of the Company under this Agreement or under the Lease or under its guaranty. The Company hereby waives presentation and demand in respect of any of the Trust Certificates and dividend warrants and waives notice of presentation, of demand, and of any default in the payment of principal of and dividends upon the Trust Certificates. The Trustee may at any time upon notice in writing to the Company apply to any court of competent jurisdiction for instructions as to the application and distribution of any funds or property held by it.

The remedies in this Agreement and in the Lease provided in favor of the Trustee and the bearers and registered holders of the Trust Certificates, or any of them, shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in their favor existing at law or in equity.

ARTICLE NINTH: The Trustee may resign and be discharged from the trusts created by this Agreement by giving to the Company notice in writing of such resignation, specifying a date when it is desired that such resignation shall take effect. A copy of such notice shall be published at least once in each of three successive calendar weeks prior to the date so specified in such notice in a daily newspaper printed in the English language and of general circulation published in the Borough of Manhattan in the City and State of New York. Such resignation shall take effect immediately upon, but not prior to, the appointment of, and acceptance of the trust by, a successor trustee, as hereinafter provided, whether on, prior to, or subsequent to, the date stated in said notice of resignation.

In case at any time the Trustee shall resign or otherwise shall become incapable of acting, a successor may be appointed by the bearers or registered holders of a majority in principal amount of the Trust Certificates at the time outstanding, by an instrument or concurrent instruments signed by such bearers or registered holders or their attorneys in fact duly authorized; but until a new trustee shall be appointed by such bearers or registered holders as herein authorized, the Company shall appoint a trustee to fill such vacancy. Every such successor trustee, whether appointed by the bearers or registered holders of the Trust Certificates or by the Company, shall always be a national bank or trust company which has power so to act, has an office in the City of New York, in the State of New York, and has a capital and surplus aggregating at least Five Million Dollars. After any such appointment by the Company, it shall cause notice thereof to be published once a week in each of three successive weeks in a daily newspaper printed in the English language and of general circulation published in the Borough of Manhattan in the City and State of New York. Any new trustee so appointed by the Company shall immediately, and without further act, be superseded by a trustee appointed, in the manner above provided, by the bearers or registered holders of a majority in principal amount of the Trust Certificates at the time outstanding.

Any successor trustee appointed hereunder shall execute, acknowledge and deliver to the Company an instrument accepting such appointment hereunder, and thereupon such successor trustee, without any further act, deed or conveyance, shall become vested with title to the trust estate, and with all the rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named as trustee herein, and the trustee ceasing to act shall, on the written request of such successor trustee, assign and transfer the trust estate or cause the trust estate to be assigned and transferred to the successor trustee, and shall thereupon be entitled to the payment of its charges and expenses theretofore incurred. Upon request of such successor trustee, the Company shall execute and deliver such instruments of further assurance as may reasonably be required for more fully and certainly vesting in and confirming to such successor trustee all the right, title and interest of the predecessor trustee in and to the trust estate and such rights, powers, trusts, duties and obligations. All instruments herein provided for shall be at the cost of the Company.

Any corporation resulting from any merger or consolidation to which the Trustee, or any successor to it, shall be a party, provided such corporation shall possess the qualifications herein above specified for a successor trustee hereunder, shall be a

successor trustee under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

ARTICLE TENTH: The Trustee shall not be liable to any of the parties hereto, or to any of the bearers or registered holders of the Trust Certificates or dividend warrants, for the delivery of any of the Trust Equipment, or for any defect therein or in the title thereto of the Trustee, nor shall anything herein, or in the Lease, be construed as a warranty on the part of the Trustee in respect thereof or as a representation of the value thereof, provided such delivery is made in accordance with the provisions of this Agreement. The Trustee shall be liable only for its own wrongful acts, negligence, default or misconduct.

The Trustee may exercise its powers and perform its duties hereunder and under the Lease by or through such attorneys, agents and servants as it shall appoint and shall be answerable only for its own wrongful acts, negligence, default or misconduct and those of its officers and directors, but not for the default or misconduct of any attorney, agent or servant selected and retained by it in the exercise of reasonable care.

The Trustee shall be under no obligation to take any action toward the execution or enforcement of the trust created by this Agreement unless requested in writing so to do by the bearers or registered holders of at least twenty per cent (20%) in principal amount of the Trust Certificates then outstanding, but the foregoing provisions of this paragraph of this Article Tenth are intended only for the protection of the Trustee, and shall not be construed to limit or to affect any discretion or power given to the Trustee by any provision of this Agreement, or of the Lease, to determine whether or not it shall take any action in respect of any default or what action it shall take, or any power or discretion of the Trustee to take action in respect of any default without such request from the bearers or registered holders of the Trust Certificates.

The Trustee in its discretion may advise with legal counsel (who may, in cases deemed by the Trustee in the reasonable exercise of its discretion to be appropriate, be counsel for the Company) to be selected and employed by it at the expense of the Company, and anything done or suffered in good faith by the Trustee in accordance with the opinion of such counsel shall be conclusive in favor of the Trustee as against the parties to this Agreement and all bearers and registered holders of the Trust Certificates.

No bearer or registered holder of any Trust Certificate or dividend warrant issued hereunder (other than the bearer or registered holder of all Trust Certificates at the time outstanding) shall have any right to institute any suit, action or proceeding for the execution or enforcement of the trust hereby created unless request in writing by the holders of not less than twenty per cent (20%) in principal amount of the Trust Certificates then outstanding shall have been made upon the Trustee as aforesaid, and ninety (90) days shall have elapsed after receipt by the Trustee of such request, and it shall have failed or declined to institute any suit or proceedings pursuant thereto.

The Trustee shall not incur any liability to anybody in acting upon any notice, request, consent, order, certificate, warrant, letter, telegram, or other paper or instrument reasonably believed by it to be genuine or authentic and to be signed or sent by the proper party or parties.

The Trustee shall be reimbursed by the Company for, and be indemnified by it against, any expense and any liability and damages which may be sustained by the Trustee hereunder and/or under the Lease unless such liability and/or damages result from the wrongful acts, negligence, default or misconduct of the Trustee.

The Trustee may become the owner of Trust Certificates and dividend warrants issued hereunder with the same rights which it would have if it were not Trustee. The Trustee shall not be accountable or in any way responsible for or be under any obligation to see to the use, appropriation or application of moneys at any time paid out by it in conformity herewith. The Trustee shall have a right prior to the rights of the bearers and registered holders of Trust Certificates and/or dividend warrants on all moneys coming into its hands hereunder (except those paid to it under the provisions of Article Second hereof) or under the Lease, to payment of any and all liabilities properly incurred by it hereunder and under the Lease, anything herein to the contrary notwithstanding. The Trustee shall be under no duty or obligation to see to the filing, registering or recording of this Agreement or the Lease or of any agreement or other instrument hereafter executed in respect of the Trust Equipment or parts thereof or of any additional or substituted equipment subjected to this Agreement or the Lease.

Any money received by the Trustee hereunder or under the Lease shall be treated by it, until it is required to pay out the same in conformity herewith, as a special deposit to be held by the Trustee in trust for the purposes set forth in this Agreement and in the Lease, but such money need not be segregated. The Trustee shall allow such interest upon said moneys held by it as during that time is allowed by it upon deposits of a similar character.

No recourse under any obligation, covenant or agreement of this Agreement or the guaranty of the Company respecting any Trust Certificate or dividend warrant issued hereunder, shall be had against any stockholder, officer or director of the Company, by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that this Agreement and said guaranty are solely corporate obligations, and that no personal liability whatever shall attach to or be incurred by the stockholders, officers or directors of the Company, or any of them, under or by reason of any of the obligations, covenants or agreements contained in this Agreement or in the guaranty of the Company respecting any of the Trust Certificates or dividend warrants issued hereunder, or implied therefrom or from any present or future law relative thereto, and that any and all personal liability, either at common law or in equity, or by statute or constitution, of every such stockholder, officer or director is hereby expressly waived as a condition of and consideration for the execution of this Agreement and the issue of such Trust Certificates and dividend warrants.

Any request or other instrument required by this Agreement or the Lease to be signed or executed by bearers or registered holders of Trust Certificates may be in any number of concurrent instruments of similar tenor, and may be executed by such bearers or registered holders in person, or by an agent or attorney appointed by an instrument in writing. Proof of the execution of any such request or other instrument, or of a writing appointing any such agent or attorney, or of the holding by any person of Trust Certificates, shall be sufficient for any purpose of this Agreement, and shall be conclusive in favor of the Trustee with regard to any action taken by the Trustee under such request or other instrument, if made in the following manner, viz:

(a) the fact and date of the execution by any person of any such request or of any other instrument in writing may be proved by the certificate of any notary public or of any other officer authorized to take, either within or without the State of New York, acknowledgments of deeds to be recorded either in said State or in the state where the acknowledgment may be taken, certifying that the persons signing such request or other

instrument acknowledged to him the execution thereof; or by the affidavit of a witness to such execution;

(b) the amount of Trust Certificates held by any person executing any such request or other instrument as a Trust Certificate holder, the serial numbers of the Trust Certificates held by such person and the date of his holding the same may be proved by a certificate executed by any trust company, bank, bankers or other depositary wheresoever situated whose certificate shall be deemed by the Trustee to be satisfactory, showing that, at the date therein mentioned, such person had on deposit with such depositary, or exhibited to such depositary, the Trust Certificates numbered and described in such certificate. The Trustee may presume the continuance of any such deposit or holding unless and until it receives proof satisfactory to it to the contrary.

ARTICLE ELEVENTH: In case of the death of either of the Vendors or the inability for any cause whatsoever of either of the Vendors to act, the other Vendor shall have and discharge all the rights and powers of the Vendors. Any action taken by either of the Vendors shall have the same force and effect as if taken by both of them. Any vacancy in the Vendors may be filled by the remaining Vendor upon a written appointment and a written acceptance filed with the Trustee, and thereupon the person so designated shall be one of the Vendors as fully and completely as though he had been originally named one. The Vendors shall incur no liability hereunder, or under any bill of sale executed by them as herein provided, or for anything other than their own willful default, misconduct or gross neglect. The Vendors shall be entitled to the advice of counsel (who may in appropriate cases be counsel for the Company) and shall be protected by the advice of such counsel in anything done or omitted to be done by them in accordance with such advice.

ARTICLE TWELFTH: Nothing in this Agreement, expressed or implied, is intended or shall be construed to confer upon, or to give to any person, firm or corporation other than the parties hereto and their successors and assigns and the bearers and registered holders of the Trust Certificates and the bearers of the dividend warrants appertaining thereto, any right, remedy or claim, under or by reason of this Agreement, or of any term, covenant or condition hereof; and all the terms, covenants and conditions, promises and agreements in this Agreement contained shall be for the sole and exclusive benefit of the parties hereto and their successors or assigns and of the bearers and registered holders of the Trust Certificates and the bearers of the dividend warrants.

ARTICLE THIRTEENTH: The term "Trustee" as used herein and in the Lease shall be held and construed to mean and include J. P. Morgan & Co. Incorporated, its successors and assigns, and any successor trustee under this Agreement; the word "Company" herein, to mean and include Northern Pacific Railway Company, its successors and assigns. The term "Trust Equipment" whenever used herein or in the Lease, unless otherwise indicated by the context, shall mean and include all railroad equipment at any time covered by the Lease or any supplemental lease or this Agreement or required or intended so to be. The term "Lease" whenever used herein, unless otherwise indicated by the context, shall mean and include the Lease of Railroad Equipment prefixed hereto and any and all leases supplemental thereto. The term "Trust Certificate" or "Trust Certificates," whenever used herein or in the Lease, shall mean and include, unless the context otherwise indicates, both temporary and definitive Trust Certificates and the dividend warrants appertaining to the definitive Trust Certificates. The term "State" whenever used without limitation herein or in the Lease shall include the District of Columbia.

ARTICLE FOURTEENTH: Whenever, under the provisions hereof, it is necessary or

proper for any notice or demand to be given to or made upon the Company, or if at any time it is desired to give any such notice or to make any such demand, such notice or demand may be given to or made upon the Company by depositing a written statement thereof, securely enclosed in a postpaid wrapper, in the United States registered mail, directed to the Company at its office in the City of St. Paul, in the State of Minnesota, and an affidavit by any person as to such mailing shall be conclusive evidence of the giving of such notice or the making of such demand. Should any provision of this Agreement or of the Lease be determined to be contrary to law or public policy, the invalidity thereof shall not affect the validity of any other provisions of this Agreement or of the Lease, or of this Agreement or of the Lease as a whole.

ARTICLE FIFTEENTH: This Agreement may be simultaneously executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the Vendors have hereunto set their hands and seals and the Trustee and the Company have caused their names to be signed hereto by their respective officers thereunto duly authorized and their respective corporate seals to be hereto duly affixed, duly attested, as of February 15, 1941.

Edward J. Mon (l.s.)

William L. Carson (l.s.)

Signed, sealed, acknowledged and delivered as to Edward J. Mon and William L. Carson in the presence of:

Thomas A. Moran

Wm.H. Turner Jr.
Attesting Witnesses

J. P. MORGAN & CO. INCORPORATED,

By H. P. Davison
Vice-President.

Attest:

Fred C. Billing
Assistant Secretary.

Signed, sealed, acknowledged and delivered as to J. P. Morgan & Co. Incorporated, in the presence of:

Thomas A. Moran

Wm. H. Turner, Jr.
Attesting Witnesses

(SEAL)

NORTHERN PACIFIC RAILWAY COMPANY,

By B. W. Scandrett
Vice-President.

Attest:

F. G. Hollender
Assistant Secretary.

Signed, sealed, acknowledged and delivered as to Northern Pacific Railway Company in the presence of:

Thomas A. Moran

Wm. H. Turner, Jr.
Attesting Witnesses

(SEAL)

(United States Internal Revenue Stamps for $3,300 have been affixed to an original counterpart hereof in the possession of the Trustee and have been duly canceled.)

STATE OF NEW YORK,)
COUNTY OF NEW YORK) SS

I, DeWitt Peterkin Jr., a notary public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 18th day of February, A. D. 1941, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument bearing date as of February 15, 1941, the above named Edward J. Mon and William L. Carson, to me known and known to me to be the persons described in and who executed the foregoing instrument in writing, and the said Edward J. Mon and William L. Carson, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say that the said Edward J. Mon resides at No. 1158 Halsey Street, Borough of Brooklyn, City and State of New York, and that the said William L. Carson, resides at No. 150-16 Tenth Avenue, Whitestone, Borough of Queens, City and State of New York, and each acknowledged that he executed, signed, sealed and delivered the above and foregoing instrument as his own free and voluntary act and deed for the consideration, objects, uses and purposes therein stated and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name, and affixed my official seal as such notary public in the said County of New York, State of New York, this the day and year in this my certificate first above written.

De Witt Peterkin, Jr.
Notary Public for the State of New York, County of
(SEAL) New York, residing at 225 E. 74th St., NYC.

De Witt Peterkin, Jr.
Notary Public, New York County, N.Y.Ctf.No.316 Register's
Office New York County No. 2-P-424. Commission Expires
March 30, 1942.

STATE OF NEW YORK,)
COUNTY OF NEW YORK) SS.

I, DeWitt Peterkin Jr., a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 18th day of February, A. D. 1941, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, H. P. Davison and Fred C. Billing, each to me personally known and known to me to be respectively a Vice President and an Assistant Secretary of J. P. Morgan & Co. Incorporated, one of the corporations described in and which executed the within and foregoing instrument in writing bearing date as of February 15, 1941, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Assistant Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such and to be duly authorized to make this acknowledgment as hereinafter stated, and the said H.P. Davison and Fred C. Billing, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said H. P. Davison resides at Oyster Bay, New York; and that the said Fred C. Billing resides at Short Hills, New Jersey; that said H. P. Davison is a Vice President and said Fred C. Billing is an Assistant Secretary of J.P. Morgan & Co. Incorporated, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said H. P. Davison and Fred C. Billing, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by authority of the by-laws of such corporation and by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Assistant Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation, and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said County of New York, State of New York, this the day and year in this my certificate first above written.

DeWitt Peterkin, Jr.
Notary Public for the State of New York, County of New
(SEAL) York, residing at 225 E. 74th St. NYC

DeWitt Peterkin Jr.
Notary Public, New York County, N.Y.Ctf.No.316.
Register's Office New York County No.2-P-424
Commission Expires March 30, 1942

STATE OF NEW YORK,)
COUNTY OF NEW YORK) SS.

I, DeWitt Peterkin Jr., a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 18th day of February, A. D. 1941, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, B. W. Scandrett and F. G. Hollender, each to me personally known and known to me to be respectively the Vice President and the Assistant Secretary of Northern Pacific Railway Company, one of the Corporations described in and which executed the within and foregoing instrument in writing dated as of February 15, 1941, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Assistant Secretary respectively in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such and to be duly authorized to make this acknowledgment as hereinafter stated and the said B. W. Scandrett and F. G. Hollender, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said B. W. Scandrett resides at No. 9 Crocus Place, in the City of St. Paul, Minnesota, and that the said F. G. Hollender resides at No. 9206 89th Avenue, Woodhaven,Long Island, New York; that said B. W. Scandrett is the Vice President and said F. G. Hollender is the Assistant Secretary of Northern Pacific Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said B. W. Scandrett and F. G. Hollender know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by authority of the by-laws of such corporation and by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Assistant Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said County of New York, State of New York, this the day and year in this my certificate first above written.

DeWitt Peterkin Jr.
Notary Public for the State of New York, County of New York,
(SEAL) residing at 225 E. 74th St. NYC.

DeWitt Peterkin Jr.
Notary Public, New York County, N.Y. Ctf. No. 316
Register's Office New York County No. 2-P-424
Commission Expires March 30, 1942

STATE OF WISCONSIN)
) ss.
DEPARTMENT OF STATE)

Received this 26th day of Feb. A.D. 1941 at 9 o'clock A.M. and recorded in Vol. 34 of Railroad Mortgages on pages 528 to 557, both incl.

Lisle W. Schroeder
Assistant Secretary of State

Index VIII-C

AGREEMENT OF ASSIGNMENT

COVERING CONDITIONAL SALE CONTRACT OF JANUARY 28, 1941

from

PRESSED STEEL CAR COMPANY, INC.

to

CONTINENTAL ILLINOIS NATIONAL
BANK AND TRUST COMPANY OF CHICAGO

DATED MARCH 24, 1941

ASSIGNMENT

THIS AGREEMENT OF ASSIGNMENT, dated March 24, 1941, between PRESSED STEEL CAR COMPANY, INC., a corporation duly organized and existing under the laws of the State of Pennsylvania, with its principal office and place of business in the City of Pittsburgh, Pennsylvania, hereinafter referred to as the "Manufacturer," party of the first part, and CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association duly organized and existing under the laws of the United States of America, with its principal office and place of business in the City of Chicago, Illinois, hereinafter referred to as the "Bank," party of the second part:

WHEREAS, the Manufacturer and Great Northern Railway Company, hereinafter referred to as the "Railroad," have entered into a Conditional Sale Contract, dated January 28, 1941, duly filed and/or recorded as required by law prior to the execution of this Agreement, covering five hundred (500) double sheathed box cars of fifty (50) tons capacity each (hereinafter referred to as "Equipment"), all as more particularly described therein for the aggregate price of One Million Four Hundred Sixty-one Thousand Seven Hundred Forty-five Dollars ($1,461,745.00) payable in installments, with interest as therein provided;

NOW THEREFORE

KNOW ALL MEN BY THESE PRESENTS, that in consideration of the sum of One Million Four Hundred Sixty-one Thousand Seven Hundred Forty-five Dollars ($1,461,745.00), plus interest accrued thereon to the date hereof, paid by the Bank to the Manufacturer after completion of the delivery of said Equipment to and the acceptance thereof by the Railroad and at or before the ensealing and delivery hereof, the receipt of which from the Bank the Manufacturer hereby acknowledges, and in further consideration of the mutual covenants herein contained, the parties hereto do hereby covenant and agree as follows, to-wit:

1. The Manufacturer hereby sells, assigns, transfers and sets over unto the Bank all the right, title and interest of the Manufacturer in and to the said Equipment, together with all the rights in respect thereof set forth in the above mentioned Conditional Sale Contract as applying to the "Seller" thereunder as therein defined, without any recourse, however, against the Manufacturer for or on account of the failure of the Railroad to make any of the payments provided for in, or otherwise to comply with any of the provisions of, the said Conditional Sale Contract; provided, however, that this assignment shall not pass, or in any way affect or modify the liability of the Manufacturer, or of any successor or successors to its manufacturing property and business, in respect of its obligation to manufacture and deliver the said railroad Equipment, and its guaranty obligations, it being understood and agreed that notwithstanding this assignment all obligations of the Manufacturer to the Railroad in respect of the said Equipment and its manufacture and delivery shall be and remain enforceable by the Railroad, its successors and assigns, against and only against the Manufacturer, and any successor or successors to all

or substantially all of its property and business, as in said Conditional Sale Contract provided. Without hereby limiting the generality of the foregoing assignment and transfer the Manufacturer hereby authorizes and empowers the Bank to sue for, collect, receive and enforce, in the name of and as attorney, hereby irrevocably constituted, for the Manufacturer but at the expense and liability and for the sole benefit of the Bank (against which expense and liability the Bank agrees to hold harmless and to indemnify the Manufacturer), with full power to substitute any one or more persons with like power, or in the name of the Bank, all sums payable and all action to be taken by the Railroad under said Conditional Sale Contract in respect of the Equipment described therein.

2. The Manufacturer covenants and agrees with the Bank that the Manufacturer is the lawful owner of the said Equipment and rights under said Conditional Sale Contract sold, assigned, transferred and set over, or intended to be sold, assigned, transferred and set over, to the Bank by this Agreement; that the same are free from all liens or encumbrances; that the Manufacturer has good and lawful right to sell the same as aforesaid; and that the Manufacturer will warrant and defend the same against the demands of all persons whomsoever based on claims originating prior to the delivery of the said Equipment by the Manufacturer to the Railroad and/or prior to the execution and delivery of this assignment by the Manufacturer to the Bank; all subject, however, to the provisions of the aforesaid Conditional Sale Contract, and the rights of the Railroad thereunder.

3. The Manufacturer covenants and agrees with the Bank that, in any suit or action brought by the Bank for the recovery of any sum or sums provided for in said Conditional Sale Contract to be paid by the Railroad, the Manufacturer will save, indemnify and keep harmless the Bank from and against all expense, loss or damage suffered by reason of any defense, set-off or counterclaim of the Railroad arising out of a breach by the Manufacturer of any of the Manufacturer's obligations respecting any of said Equipment, its manufacture and delivery, under the terms and conditions of said Conditional Sale Contract, provided that the Manufacturer is given due notice of such defense, set-off or counterclaim, and reasonable opportunity to defend against the same. The Manufacturer agrees to save, indemnify and keep harmless the Bank from and against any and all royalties, damages, claims, suits, judgments and costs that may arise from the use of any patented article, except with regard to any appliances, devices or materials specified by the Railroad and not manufactured by the Manufacturer.

4. The Manufacturer warrants that at the time of the delivery of said Equipment to the Railroad, it delivered to the Railroad metal plates, for ready attachment on both sides of each unit of said Equipment, plainly and conspicuously marked as follows:

"Continental Illinois National Bank and Trust Company of
Chicago, Owner by assignment from Pressed Steel Car Company, Inc.,
Manufacturer and Prior Owner."

5. All rights and obligations hereunder shall be governed by the laws of the State of Pennsylvania.

This Agreement may be simultaneously executed in two (2) or more counterparts, each of which so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same instrument, which shall be sufficiently evidenced for all purposes by any such original counterpart.

IN WITNESS WHEREOF the parties hereto, pursuant to due corporate authority, have caused this Agreement to be executed in their respective corporate names by their respective officers thereunto duly authorized and their respective corporate seals to be hereunto affixed, duly attested, as of the day and year first above written.

PRESSED STEEL CAR COMPANY, INC.,

By Geo. H. Fleming
Vice President.

(SEAL)

Attest:

H. J. Gearhart
Secretary.

Signed, sealed and delivered as to Pressed Steel Car Company, Inc., in the presence of

C. P. Mapp

J. J. Arnold

Witnesses

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO,

By W. J. Delaney
Vice President.

(SEAL)

Attest:

A. D. Arado
Assistant Cashier

Signed, sealed and delivered as to Continental Illinois National Bank and Trust Company of Chicago in the presence of

M. T. Barry

A. G. Schell

Witnesses

State of Pennsylvania,)
County of Allegheny,) ss.:

I, F. D. Evans, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 24th day of March, A. D. 1941, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such as to Pressed Steel Car Company, Inc., to the within and foregoing instrument, Geo. H. Fleming and H. J. Gearhart, each to me personally known and known to me to be respectively Vice President and Secretary of Pressed Steel Car Company, Inc., one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Secretary respectively in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said Geo. H. Fleming and H. J. Gearhart, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said Geo. H. Fleming resides in the City of Pittsburgh and State of Pennsylvania, and H. J. Gearhart resides in the City of Pittsburgh and State of Pennsylvania; that said Geo. H. Fleming is Vice President and said H. J. Gearhart is Secretary of Pressed Steel Car Company, Inc., one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said Vice President and Secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said County of Allegheny, State of Pennsylvania, this the day and year in this my certificate first above written.

(SEAL)

(Sgd) F. D. Evans
Notary Public, Allegheny County.

My commission expires:

F. D. EVANS, Notary Public
My Commission Expires March 1,1945

State of Illinois)
County of Cook) ss.:

I, GEO. LOACKER, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 24th. day of March, A. D. 1941, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such as to the Continental Illinois National Bank and Trust Company of Chicago to the within and foregoing instrument, W. J. Delaney and A. D. Arado each to me personally known and known to me to be respectively Vice President and Assistant Cashier of Continental Illinois National Bank and Trust Company of Chicago, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Assistant Cashier, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said W. J. Delaney and A. D. Arado, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said W. J. Delaney resides in the City of Chicago, in the County of Cook, State of Illinois, and that the said A. D. Arado resides in the City of Chicago in the County of Cook, and State of Illinois; that said W. J. Delaney is Vice President and said A. D. Arado is Assistant Cashier of the Continental Illinois National Bank and Trust Company of Chicago, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said Vice President and Assistant Cashier know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Assistant Cashier in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

(SEAL)

Geo. Loacker
Notary Public, Cook County,
My commission expires..... My commission expires Jan. 16, 1943

STATE OF WISCONSIN)
) ss.
DEPARTMENT OF STATE)

Received this 3d day of April A. D. 1941 at 10 o'clock A. M. and recorded in Vol. 34 of Railroad Mortgages on pages 558 to 561 both incl.

Lisle W. Schroeder
Assistant Secretary of State

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RELEASE

Of Certain Land in the City of Monroe, Green County, Wisconsin, from Lien of General Mortgage of May 1, 1889,

By and Between

UNITED STATES TRUST COMPANY OF NEW YORK, TRUSTEE

And

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY

DATED APRIL 7, 1941

- - - - - - - - -

Phenix Cheese Company, predecessor of Badger-Brodhead Cheese Company, subsidiary of the Kraft Company

THIS INDENTURE, made this 7th day of April, A. D. 1941, by and between UNITED STATES TRUST COMPANY OF NEW YORK, as Trustee (hereinafter referred to as "Trustee"), party of the first part, and CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY (hereinafter referred to as the "Railroad Company") party of the second part, WITNESSETH:

THAT WHEREAS, by an instrument bearing date May 1, 1889, and filed for record in the Office of the Secretary of the State of Wisconsin, Chicago, Milwaukee and St. Paul Railway Company (hereinafter called "Railway Company") mortgaged to United States Trust Company of New York, as Trustee, as security for certain bonds, therein particularly described and referred to, the lines of railway and property therein specifically described, including the property hereinafter particularly described and released by the party of the first part, which mortgage is hereinafter referred to as "General Mortgage"; and

WHEREAS, in and by Article XI of said General Mortgage, it is provided that upon the certificate of the Railway Company expressed by resolution of its Executive Committee, duly certified, setting forth that the Railway Company desires to dispose of any real or personal property covered by said General Mortgage, and that the same is no longer requisite or convenient for the operation of the lines of railway conveyed by said General Mortgage, and that it is for the interest of the parties thereto that the same be sold or disposed of, the said Trustee shall, from time to time, release such property from the lien and operation of said General Mortgage; and

WHEREAS, the Railroad Company, party of the second part herein, is the grantee of and successor to the Railway Company in the ownership of the lines of railway and property subject to the lien of said General Mortgage and has assumed the obligations of the Railway Company in respect of said General Mortgage and of the bonds issued and outstanding thereunder; and

WHEREAS, the use of the property hereinafter particularly described and released by the party of the first part, from the lien of said General Mortgage is no longer requisite, necessary, convenient, or advantageous for the use or convenience of the Railroad Company in connection with, or in the operation of, the lines of railway conveyed by, and subject to, the lien of said General Mortgage, or other lines of railway which may be subject thereto, and it is to the interest of said Railroad Company and of the Trustee under said General Mortgage that the property be sold, disposed of and released from the lien of said General Mortgage; and

WHEREAS, the Railway Company by deed dated April 17, 1922, sold and conveyed to Phenix Cheese Company the property described as the West thirty-nine and five-tenths feet (W39.5') of Lot 3 of Block 6 of Brodhead's addition to the City of Monroe, Green County, Wisconsin, for a cash consideration of $520, and has requested the Trustees of said Mortgage to release said property from the lien of said General Mortgage; and

WHEREAS, the recitals herein contained are made only in behalf of said Railroad Company;

NOW, THEREFORE, United States Trust Company of New York, as Trustee, in consideration of the premises and of the sum of One Dollar ($1.00) to it paid, the receipt of which is hereby acknowledged, does hereby release from the lien of the aforesaid General Mortgage, the property above described.

IN WITNESS WHEREOF, United States Trust Company of New York, Trustee, has caused these presents to be executed in its corporate name by its Assistant Vice-President, with its corporate seal hereto attached, the day and year first above written.

(SEAL)

UNITED STATES TRUST COMPANY
OF NEW YORK, TRUSTEE

By H. L. Smithers
Assistant-Vice-President

Attest:

A. G. Atwell
Assistant Secretary

In the presence of:

E. Witting

B. J. Paine

STATE OF NEW YORK)
) SS
NEW YORK COUNTY)

Personally came before me this 7th day of April, 1941, the within named H. L. Smithers, Asst. Vice President of United States Trust Company of New York, and A. G. Atwell, Assistant Secretary of United States Trust Company of New York, both to me personally known to be the persons therein described who executed the foregoing instrument and acknowledged the same.

GIVEN under my hand and notarial seal this 7th day of April, A. D. 1941.

(SEAL)

Edward A. Moeller
Notary Public

Edward A. Moeller
Notary Public, Kings County
Kings Co. Clk's No. 550, Reg. No. 3161
N.Y.Co.Clk's No. 327, Reg. No. 3M235
Commission expires March 30, 1943

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS

Received this 23d day of April
A. D. 1941 at 9 o'clock A.M. and
recorded in Vol. 34 of R. R. Mtgs.
on pages 562 and 563.

Lisle W. Schroeder
Assistant Secretary of State

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EQUIPMENT LEASE AND AGREEMENT

(RAILROAD EQUIPMENT TRUST SERIES V)

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY
OF CHICAGO

to

HENRY A. SCANDRETT, WALTER J. CUMMINGS AND GEORGE I. HAIGHT
Trustees of the Property of

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY

APRIL 1, 1941

LEASE OF RAILROAD EQUIPMENT, dated as of April 1, 1941, between CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a corporation duly organized and existing under the laws of the United States of America, Trustee, as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and HENRY A SCANDRETT, WALTER J. CUMMINGS and GEORGE I. HAIGHT, Trustees of the property of CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY, a corporation duly organized and existing under the laws of the State of Wisconsin (hereinafter called the Railroad Trustees), parties of the second part:

WHEREAS, Henry A. Scandrett, Walter J. Cummings and George I. Haight have been duly appointed Trustees of the Property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company by order of the District Court of the United States for the Northern District of Illinois, Eastern Division, in a proceeding pending in said Court entitled "In the Matter of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, Debtor," In Proceedings for the Reorganization of a Railroad, No. 60463, and said appointment has been duly ratified by order of the Interstate Commerce Commission, and said persons have duly qualified and are now acting as Trustees of the Property of said Railroad Company; and

WHEREAS, by order of said Court dated April 24, 1941, the Railroad Trustees were duly authorized and empowered to enter into this Lease and to make and carry out the covenants and agreements on their part herein contained, and

WHEREAS, by certain agreement, dated as of April 1, 1941, between V. P. Nelson and Paul B. Robb, Vendors, Continental Illinois National Bank and Trust Company of Chicago, as Trustee, and Henry A. Scandrett, Walter J. Cummings and George I. Haight, Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, a counterpart original whereof is hereto annexed and made a part hereof, there was constituted "Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust, Series V," and it was agreed that the railroad equipment which said Vendors transfer or cause to be transferred to the Trustee thereunder is to be leased to the Railroad Trustees hereunder; and

WHEREAS, Pursuant to the provisions of said Agreement, the railroad equipment hereinafter described has been or will be transferred to the Trustee thereunder, and the title to said railroad equipment vested in the Trustee:

NOW THIS AGREEMENT WITNESSETH:

That the Trustee, acting in pursuance of said Agreement, for and in consideration as well of the sum of one dollar to it paid by the Railroad Trustees at or before the ensealing and delivery hereof, the receipt of which is hereby acknowledged, as of the rents and covenants hereinafter mentioned to be paid, kept and performed by the Railroad Trustees, has let and leased, and does hereby let and lease, to the Railroad Trustees all the railroad equipment of Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust, Series V (which together with the additional equipment and replacements as

herein and in said agreement provided are hereinafter and in said Agreement collectively called the Trust Equipment), to wit:

LOCOMOTIVES

1 5400 H. P., heavy, high speed, Diesel freight locomotive, No. 40.
2 4000 H.P., high speed, Diesel passenger locomotives, Nos. 14 and 15.
2 1000 H.P., Diesel switch and road service locomotives, Nos. 1678 and 1679.
1 600 H. P., Diesel switch and light road service locomotive, No. 1634.
10 360 H.P., Diesel switch and light road service locomotives, Nos. 1700 to 1709, inclusive.

PASSENGER TRAIN CARS.

2 tap room cars (air conditioned), Nos. 160 and 161.
8 coaches (air conditioned), Nos. 454 to 461, inclusive.
2 coach-baggage cars (passenger space air conditioned), Nos. 206 and 207.
2 diners (air conditioned), Nos. 113 and 114.
6 parlor cars (2 beaver tail) (air conditioned), Nos. 175 to 180 inclusive.

FREIGHT TRAIN CARS.

500 50'6", 50-ton, all steel, wood lined box cars, Nos. 50,000 to 50,499, inclusive.
25 all steel, wood lined cabooses, Nos. 01900 to 01924, inclusive.

the cost of all said equipment being estimated by the Railroad Trustees to be not less than $4,160,000. In case the cost of the equipment specifically described above shall not amount to at least $4,160,000, then, in addition to said equipment above specifically described, the Trustee shall acquire and subject to this Lease (subject, however, to the provisions of Section 4 of Article I of said Agreement) other new standard gauge railroad equipment, approved as to character by the Railroad Trustees, of such cost that the aggregate cost of all the Trust Equipment will be at least $4,160,000, and the Trustee shall execute to the Railroad Trustees a supplemental lease thereof, describing the same, upon and subject to the terms and conditions hereof and of said Agreement, and such additional equipment shall be part of the Trust Equipment, subject to all the terms and conditions hereof and of said Agreement in all respects as though it had been part of the original Trust Equipment herein described.

As and when the Trust Equipment shall from time to time be transferred and delivered to the Trustee under said Agreement and marked in accordance with the provisions of Article Fourth hereof, the same shall be delivered to the Railroad Trustees, and shall upon such delivery to the Railroad Trustees ipso facto and without further deed of lease or transfer pass under and become subject to all the terms and provisions of this Lease, and be deemed a portion of the Trust Equipment leased by the Trustee to the Railroad Trustees hereunder, in all respects as if the same had been so delivered simultaneously with the execution and delivery hereof.

And the Railroad Trustees, in consideration of the premises, by these presents covenant and agree with the Trustee as follows:

First. The cost of the Trust Equipment, whenever used herein or in said Agreement, shall mean the cost of the construction or purchase of the Trust Equipment and shall consist solely of items which may properly be included in such cost under the investment accounting rules of the Interstate Commerce Commission, (including also interest payable by the Vendors on any funds borrowed by them to provide for such cost of construction).

The Railroad Trustees hereby accept (subject to the conditions mentioned in said Agreement) this Lease of all the Trust Equipment, and hereby covenant and agree to accept delivery and possession hereunder of the Trust Equipment as hereinbefore provided; and the Railroad Trustees covenant and agree to pay to the Trustee or its assigns (or in the case of taxes to the proper taxing authority) rent hereunder which shall be sufficient to pay and discharge the following items, when and as the same shall become due and payable:

(a) From time to time, at or before the delivery of any of the Trust Equipment to the Railroad Trustees, as advance rental amounts in cash equal to not less than twenty-five per cent (25%) of the cost of the Trust Equipment so delivered, as certified to the Trustee.

(b) If seventy-five per cent (75%) of the aggregate cost of all of the trust equipment which shall then and theretofore have been delivered hereunder shall exceed $3,120,000, an amount in cash as advance rental, which with all other payments previously made under the foregoing clause (a) and this clause (b), shall equal the difference between $3,120,000 and the aggregate cost of all trust equipment which then and theretofore shall have been delivered hereunder as aforesaid.

(c) The necessary and reasonable expenses of the trust, including the proper compensation of the Trustee and its counsel for their services and all expenses and liabilities connected with the Trust Equipment and this Lease thereof.

(d) Any and all taxes, assessments and other governmental charges upon the income or property of the trust, or said Agreement evidencing the same, which the trustee by law may be required to pay, and any and all taxes, assessments and other governmental charges (other than Federal Income Taxes) which the Railroad Trustees or the Trustee may be required to pay or to retain from the principal of the Trust Certificates issued as provided in said Agreement (herein called the Trust Certificates) or from the dividends thereon, under any present or future law of the United States of America or any state, county, municipality or other lawful taxing authority therein.

(e) The dividend warrants attached to and the dividends payable on the Trust Certificates when and as the same shall become payable.

(f) The principal of the Trust Certificates when and as the same shall become payable, whether by declaration or upon the respective dates of maturity thereof or otherwise.

(g) If default shall be made in the full payment of any such dividend warrants, dividends or principal when and as the same shall become due and payable as aforesaid, interest on such unpaid dividends, dividend warrants and principal at the same rate per annum as provided in the dividend warrants.

The Railroad Trustees shall not be required, however, to pay any tax, assessment or other governmental charge so long as the Railroad Trustees shall in good faith and by appropriate legal proceedings contest the validity thereof, unless thereby, in the judgment of the Trustee, the rights or interests of the Trustee or of the Trust Certificate holders may be materially endangered.

All rentals payable hereunder shall be payable at the principal office of the Trustee in the City of Chicago, State of Illinois, in such coin or currency of the United States of America as, at the time of payment, is legal tender for public and private debts.

Anything herein contained to the contrary notwithstanding, the Trustee shall, for all purposes of this Lease and said Agreement, accept as the cost of any of the Trust Equipment the respective amounts certified to it pursuant to subdivision (b) of Section 4 of Article I of said Agreement. In case any certificate furnished pursuant to said subdivision (b) of said Section 4 shall state that the cost of the equipment therein referred to is tentatively determined subject to final adjustment, such certificate

shall nevertheless be accepted and acted upon, pending adjustment.

Second. This Lease shall continue in force until the rent so paid hereunder shall furnish moneys sufficient to meet, discharge and cancel all the interests in said Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust, Series V, created in respect of the Trust Equipment, and the dividends thereon, as well as the other payments and charges aforesaid. At the termination of this Lease and after all such payments required hereby shall have been complete and fully made to the Trustee, the Trust Equipment hereby leased, whether the same shall be delivered to the Railroad Trustees simultaneously with or after the execution hereof, shall at the option of the Railroad Trustees be assigned and transferred by the Trustee to the Railroad Trustees or their nominee or nominees and shall thereupon be and become the absolute property of the Railroad Trustees or their nominees; provided, however, and it is agreed, that until then the title to none of the Trust Equipment shall pass to or vest in the Railroad Trustees but title to and ownership of all the Trust Equipment shall be reserved to and remain in the Trustee, notwithstanding the delivery of the Trust Equipment to, and the possession and use thereof by, the Railroad Trustees.

Third. Upon the written request of the Railroad Trustees, signed by one of the Railroad Trustees or the assistant to trustee or the comptroller of the Railroad Trustees, stating that the use of any of the Trust Equipment is no longer required by the Railroad Trustees, the Trustee may, while the Railroad Trustees are not in default hereunder, execute and deliver a bill of sale assigning and transferring to the purchaser named by the Railroad Trustees the absolute title to such of the Trust Equipment; provided, however, that none of the Trust Equipment shall be so assigned or transferred unless simultaneously with the delivery of such bill of sale the Trustee shall receive from said purchaser the agreed purchase price thereof and from the Railroad Trustees a sum in cash equal to the amount, if any, by which the cost determined as herein provided of the Trust Equipment so assigned and transferred, less depreciation, exceeds said purchase price. For all purposes of this Lease and said Agreement, depreciation on the Trust Equipment, or any thereof, shall not exceed an amount equal to 1/3 of 1 per cent of the cost thereof, determined as herein provided, for each calendar month between the date of delivery of such Trust Equipment to the agent of the Trustee and the date as of which depreciation is to be determined. Simultaneously with the delivery of such written request of the Railroad Trustees there shall also be delivered to the Trustee a certificate of one of the Railroad Trustees or the assistant to trustee or the comptroller of the Railroad Trustees, stating the amount of such agreed purchase price of the Trust Equipment to be assigned and transferred and the amount of such depreciation (not in excess of the amount above stated) accrued upon such Trust Equipment. The sums so paid to the Trustee shall be held by it in trust for the equal and proportionate benefit of the bearers of the Trust Certificates and dividend warrants, until paid out by the Trustee upon like written request of the Railroad Trustees for the purchase by the Trustee of new standard gauge railroad rolling stock, free from liens, and upon the delivery of such new equipment to the Trustee accompanied by a bill or bills of sale, warranty or warranties, an opinion of counsel and a certificate as to delivery and cost in like manner as is provided in Section 4 of Article I of said Agreement. Any new equipment so acquired and substituted shall be marked in accordance with the provisions of Article Fourth hereof and immediately upon being so marked shall be part of the Trust Equipment, subject to all of the terms and conditions hereof and of said Agreement in all respects as though it had been part of the original Trust Equipment herein

described, and the Railroad Trustees and the Trustee shall execute, and the Railroad Trustees shall file and/or record as required by law, a supplemental lease thereof, describing the same, upon and subject to all the terms and conditions hereof. The term "Trust Equipment," wherever used herein, unless otherwise indicated by the context, is intended to include any new equipment so acquired or otherwise subjected to this Lease or required or intended so to be.

Fourth. At or before the delivery to the Railroad Trustees of each unit of the Trust Equipment, there shall be plainly, distinctly, permanently and conspicuously placed and fastened upon each side of each thereof a metal plate bearing the following words, with appropriate changes thereof or additions thereto as from time to time may be required by law in order to protect the interest of the Trustee, or such words shall be otherwise plainly, distinctly, permanently and conspicuously marked on each side of each thereof, in either case in letters not less than one-half inch in size:

"Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series V,
Continental Illinois National Bank and Trust Company of Chicago, Trustee,
Owner and Lessor."

Such plate or marks shall be such as to be readily visible and as to indicate plainly the Trustee's ownership of said equipment. In case, during the continuance of this Lease, any of such plates or marks shall at any time be removed, defaced or destroyed, The Railroad Trustees will immediately cause the same to be restored or replaced. The Railroad Trustees will not change, or permit to be changed, the numbers upon equipment covered by this Lease (nor any numbers which may be substituted as herein provided), except in accordance with a statement of new numbers to be substituted therefor, which shall previously have been filed with the Trustee by the Railroad Trustees. In any such case, if the same be feasible, or necessary, the Railroad Trustees will at their expense cause to be made such notation on or addition to the record of this Lease as may be proper to preserve or protect the record title of the Trustee to such equipment.

The Trust Equipment may be lettered, "Chicago, Milwaukee, St. Paul and Pacific Railroad," "St. Paul," "Milwaukee," "C. M. St. P. & P. R. R.," or in some other appropriate manner, for convenience of identification of the leasehold interest of the Railroad Trustees, their successor or successors therein, but the Railroad Trustees, during the continuance of this Lease, will not allow the name of any person, association or corporation to be placed on any of the Trust Equipment as a designation which might be interpreted as a claim of ownership thereof by the Railroad Trustees or by any person, association or corporation, other than the Trustee.

Fifth. (a) The Railroad Trustees, during the continuance of this Lease, will maintain and keep, at their own cost and expense, all of the Trust Equipment in good order and repair (the damage to be made good including, without limitation, damage by collission, fire or explosion), and will replace, at their own cost, any of the Trust Equipment that may be worn out, lost, destroyed or rendered unfit for use, by new standard gauge railroad rolling stock of substantially as good material, construction and of equal value, the value of the new rolling stock to be figured at cost, determined as provided in Article First hereof, if that be below market value, or at market value if that be below such cost. For the purpose of this Article Fifth the value of such replaced equipment shall be taken to be the cost thereof, determined as provided in Article First hereof, less depreciation accrued thereon, computed as provided in Article Third hereof. The title to all rolling stock procured for such replacement shall be taken in the name of the Trustee, free from liens, and such rolling stock shall be marked in accordance

with the provisions of Article Fourth hereof. At the time of every such replacement the Railroad Trustees shall deliver to the Trustee a certificate of one of the Railroad Trustees or the assistant to trustee or the comptroller or an assistant comptroller of the Railroad Trustees, stating the value of the Trust Equipment so worn out, lost, destroyed or rendered unfit for use, determined as herein provided, and the cost and the reasonable market value of the equipment with which it is replaced, together with a bill or bills of sale, warranty or warranties, an opinion of counsel and a certificate as to delivery, in like manner as is provided in Section 4 of Article I of said Agreement.

Thereupon, such new equipment shall be deemed a part of the Trust Equipment, subject to all the terms and conditions hereof and of said Agreement, as though it had been originally a part of the Trust Equipment; but the Trustee and the Railroad Trustees shall execute a supplemental lease thereof, describing the same, upon and subject to all of the terms and conditions hereof.

(b) The Railroad Trustees will during the continuance of this Lease keep all of the Trust Equipment insured against loss or damage by fire, and against other loss or damage the risk of which is customarily insured against by railroad companies in such manner and to such proportion of the value thereof as is customarily insured by railroad companies. All of such insurance shall be payable to the Trustee as Trustee, Owner and Lessor and shall be in an insurance company or companies satisfactory to the Trustee. All the insurance premium or premiums shall and will be paid by the Railroad Trustees, and, in default of the Railroad Trustees keeping such Trust Equipment so insured, the Trustee without impairment of its rights and remedies by reason of such default may make appropriate insurance from time to time and pay the premium or premiums therefor, but it shall not be required so to do, and in such event the Railroad Trustees shall and will pay to the Trustee the amount of the premium or premiums so paid, with interest at the rate of 6 per cent per annum from the time of payment. In case the Railroad Trustees fail to make and maintain such insurance and the Trustee insures the Trust Equipment or any part thereof as above provided, the title to the Trust Equipment shall, notwithstanding the making of all other payments hereunder or under said Agreement to be made by the Railroad Trustees, remain in the Trustee until the repayment of the amount so paid for insurance with interest from the time of payment, and the repayment of such amount is hereby expressly made one of the obligations to be performed before title to the Trust Equipment shall vest in the Railroad Trustees.

Any insurance moneys paid to the Trustee on account of any loss in respect of the Trust Equipment covered by insurance shall be held and retained by the Trustee, in trust for the equal and proportionate benefit of the holders of the Trust Certificates and dividend warrants attached thereto, until the replacement or repair, as provided in subdivision (a) of this Article, of the Trust Equipment covered by such insurance. Upon proof satisfactory to the Trustee of the proper replacement or repair of said Trust Equipment, said insurance moneys received by the Trustee shall be applied by the Trustee to the payment of the cost of such replacement or repair or to reimburse the Railroad Trustees, to the extent of such funds, for payments made by them in respect of such replacement or repair. A certificate of the Railroad Trustees or their duly designated representative as to the proper replacement or repair of said Trust Equipment, free from lien, shall be full and complete protection to the Trustee.

(c) The Railroad Trustees covenant and agree to furnish to the Trustee, whenever required by the Trustee, and at least once in every year during the continuance of this

Lease, an accurate statement, signed by one of the Railroad Trustees, or the assistant to trustee or the comptroller of the Railroad Trustees, of the amount, description and numbers of the Trust Equipment then covered hereby, and the amount, description and numbers of all that may have been worn out, lost, destroyed or rendered unfit for use by accident or otherwise, and the number of units of Trust Equipment repaired during the previous year, and the number of units then undergoing repairs and in the shops for repairs, and the repairs needed on any of the Trust Equipment, specifying the Trust Equipment so in need of repair, classifying the repairs so needed according to a standard classification of repairs, in so far as practicable. Together with said statement the Railroad Trustees shall also furnish to the Trustee a statement signed by their Superintendent Car Department or by their Superintendent of Motive Power, or both, as may be appropriate, stating that in the case of all of the Trust Equipment repainted during the preceding year, the marks required by Article Fourth hereof have been preserved, or that the same when repainted has been again marked as required by said Article. The Trustee shall have the right, by its agents, (but shall not be obligated) to inspect the Trust Equipment once in every year during the continuance of this Lease.

(d) The Railroad Trustees covenant and agree to indemnify and protect the Trustee in the use of any and all patented inventions employed in and about the Trust Equipment and to comply in all respects with the laws of the United States and of all the states in which the Trust Equipment or any thereof may be operated and with all lawful acts, rules, regulations and orders of the Interstate Commerce Commission and of all other commissions, boards and other legislative, executive or judicial bodies or officers having power to regulate or supervise any of the Trust Equipment, including, but without limitation, all lawful acts, rules, regulations and orders of any body having competent jurisdiction relating to automatic coupler devices or attachments, air brakes or other appliances; provided, however, that the Railroad Trustees may in good faith contest the validity of any such act, rule, regulation or order or the application thereof to the Trust Equipment or any part thereof, in any reasonable manner which will not, in the judgment of the Trustee, materially endanger the rights or interests of the Trustee or of the bearers of the Trust Certificates.

Sixth. The Railroad Trustees, so long as they shall not be in default under this Lease, shall be entitled to the possession of the Trust Equipment and the use thereof upon the lines of railroad owned by them or operated by them under lease or otherwise, or over which they have trackage rights, and upon those of any railroad company a majority of whose capital stock is at the time owned or controlled by the Railroad Trustees, and also upon connecting and other railroads in the usual interchange of traffic, from and after the delivery of the Trust Equipment by the Trustee to the Railroad Trustees, but only upon and subject to all the terms and conditions of this Lease.

The Railroad Trustees will not either assign or transfer this Lease, or transfer or sublet the Trust Equipment or any part thereof, without the written consent of the Trustee first had and obtained; and the Railroad Trustees shall not, without such written consent, except as hereinbefore provided, part with the possession of, or suffer or allow to pass out of their possession or control, any of the Trust Equipment. A transfer to a receiver or receivers or to a railroad company acquiring not less than 75 per cent of the owned lines of railroad of the Railroad Trustees, and who or which shall assume and agree to perform each and all of the obligations and covenants of the Railroad Trustees hereunder and under said Agreement, as provided in Article VIII of said Agreement, shall not be deemed a breach of this covenant.

Seventh. In case the Railroad Trustees

(1) shall make default in the payment of any part of said rent and such default shall continue for more than thirty (30) days after the same shall become due and payable, or

(2) shall make or suffer any unauthorized assignment or transfer of their rights or interest in, or any unauthorized sublease of, or, except as herein authorized, part with the possession of, the Trust Equipment, or any thereof, and shall fail or refuse either to cause such assignment or transfer or sublease to be canceled by agreement of all parties having any interest therein and recover possession of such Trust Equipment within thirty days after the Trustee shall have demanded in writing such cancellation and recovery of possession, or within said thirty days to deposit with the Trustee a sum in cash equal to the actual cost of the Trust Equipment so assigned or transferred or sub-leased, or the possession of which shall have been so parted with, as certified to the Trustee pursuant to Section 4 of Article I of said Agreement (any sum so deposited to be returned to the Railroad Trustees upon the cancellation of such assignment, transfer or sublease, and the recovery of possession by the Railroad Trustees of such Trust Equipment in good condition, subject to ordinary usage), or

(3) shall, for more than ninety (90) days after the Trustee shall have demanded in writing performance thereof, fail or refuse to comply with any other of the terms and covenants herein or in said Agreement on their part to be kept and performed, or to make provision satisfactory to the Trustee for such compliance,

then, in any such case (herein and in said Agreement sometimes called events of default) the Trustee may, and upon the request in writing of the bearers of not less than 20 per cent in principal amount of the Trust Certificates at the time outstanding shall, declare this Lease terminated. The election of the Trustee to terminate this Lease under this clause shall have the same effect as the retaking of the Trust Equipment by the Trustee as hereinafter provided. Upon the happening of an event of default, the Trustee may also, by its agents, enter upon the railroads and premises of the Railroad Trustees and take possession of all or any part of the Trust Equipment, and withdraw the same from said railroads and premises, retaining all payments which up to that time may have been made on account of rental for the Trust Equipment and otherwise, and shall be entitled to collect, receive and retain all unpaid per diem, mileage or other charges of any kind earned by the Trust Equipment or any thereof, and may lease the Trust Equipment or any part thereof, or sell the same or any part thereof, so far as it may deem necessary or desirable to perform and fulfill the trusts under said Agreement, at public sale, for cash or upon credit, in its discretion, and otherwise proceed to enforce its rights and the rights of the owners of interests under said Agreement and under this Lease in the manner therein and herein provided; and upon such taking possession or withdrawal or lease or sale of the Trust Equipment, the Railroad Trustees shall cease to have any rights or remedies in respect of the Trust Equipment under this Lease, but all such rights and remedies shall be deemed thenceforth to have been waived and surrendered by the Railroad Trustees; and no payments theretofore made by the Railroad Trustees for the rent or use of the Trust Equipment, or any of it, shall, in case of the happening of any such event of default and such taking possession, withdrawal,

lease or sale by the Trustee, give to the Railroad Trustees any legal or equitable interest or title in or to the Trust Equipment, or any of it, or any cause or right of action, at law or in equity, in respect of the Trust Equipment against the Trustee or the owner of interests in said Chicago,Milwaukee, St. Paul and Pacific Railroad Equipment Trust, Series V; and such taking possession or withdrawal or lease or sale of the Trust Equipment by the Trustee shall not be a bar to the recovery by the Trustee from the Railroad Trustees of rentals then or thereafter due and payable, and the Railroad Trustees shall be and remain liable for the same, until such sum shall have been realized as, with the proceeds of the lease or sale of the Trust Equipment, shall be sufficient for the discharge and payment in full of all the various items mentioned in subdivision (a), (b), (c), (d), (e), (f) and (g) of Article First hereof, whether they shall have then matured or not.

In case the Trustee shall rightfully demand possession of the Trust Equipment in pursuance of this Lease, and shall reasonably designate a point or points upon the railroad of the Railroad Trustees, or upon the railroad of any company a majority of whose capital stock is at the time directly or indirectly owned by the Railroad Trustees, for the delivery of the Trust Equipment to it, the Railroad Trustees will, at their own expense, forthwith and in the usual manner and at reasonable speed, cause the Trust Equipment to proceed or be drawn to such point or points on said railroads as shall be designated by the Trustee and will there deliver or cause to be delivered the same to the Trustee; or the Trustee at its option may keep the Trust Equipment on any of the lines of railroad or premises of the Railroad Trustees until the Trustee shall have leased, sold or otherwise disposed of the same, and for such purpose the Railroad Trustees agree to furnish without charge the necessary tracks at any convenient point or points selected by the Trustee. It is hereby expressly covenanted and agreed that the performance of the foregoing covenants is of the essence of the contract and that upon application to any court of equity having jurisdiction in the premises the Trustee shall be entitled to a decree against the Railroad Trustees requiring the specific performance thereof.

The remedies in this Lease and in said Agreement provided in favor of the Trustee and the holders of Trust Certificates, or any of them, shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in their favor existing at law or in equity, and may be exercised from time to time and as often and in such order as may be deemed expedient by the Trustee. No delay or omission of the Trustee in the exercise of any right or power accruing upon any event of default shall impair any such right or power or shall be construed to be a waiver of such event of default or an acquiescence therein.

If the Trustee shall exercise any of the powers or remedies conferred upon it hereunder, the Railroad Trustees shall have the right, after all rentals and other sums due hereunder to the Trustee shall have been received by the Trustee, to require title to such of the Trust Equipment as shall not previously have been sold, assigned, transferred or otherwise disposed of by the Trustee to others to be transferred and assigned by the Trustee to the Railroad Trustees free from any further liabilities or obligations to the Trustee hereunder. If after applying all sums of money received by the Trustee in the exercise of such powers or remedies there shall remain any amount due to the Trustee under the provisions of this Lease, the Railroad Trustees hereby agree to pay to the Trustee the amount of such deficiency. If after applying as aforesaid all sums so received by the Trustee there shall remain a surplus in the possession of the Trustee, such surplus shall be paid to the Railroad Trustees.

Eighth. The Railroad Trustees covenant that prior to the delivery to them of any of the Trust Equipment covered thereby they will cause this Lease and said Agreement, and thereafter from time to time any and all supplemental leases and agreements which may be executed pursuant to the terms hereof and of said Agreement, to be duly filed, registered or recorded and duly refiled, reregistered and rerecorded in each and every jurisdiction required by law, in order to publish notice of and to protect the Trustee's title to the Trust Equipment and any additions or replacements, and from time to time will perform any other act required by law, and will execute any and all further instruments that reasonably shall be requested by the Trustee for such publication and protection of such title.

Ninth. Until they shall have discharged all their obligations under this Lease, the Railroad Trustees shall pay all costs, charges and expenses incident to the performance of all terms and conditions of this Lease and said Agreement on their part to be performed, including, without limiting the generality of the foregoing, all recording and registration taxes and fees, and all expenses incident to the preparation, execution, acknowledgment, filing, refiling, registering, reregistering, recording and rerecording of this Lease and said Agreement and of any instrument of further assurance, and all stamp taxes and other taxes, duties, imposts, assessments, charges, fines and penalties of any kind imposed upon this Lease, said Agreement or the Trust Equipment or the manner of operation thereof, and shall keep the Trust Equipment and all replacements thereof free from any liens which would be an encumbrance upon the Trustee's title thereto.

Tenth. Reference is hereby made to the provisions of Article VIII of said Agreement dated as of April 1, 1941. All of the provisions of said Article VIII shall apply to and be deemed a part of this Lease.

Eleventh. This Lease may be simultaneously executed in several counterparts, each of which, so executed, shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

Twelfth. This Lease shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the Trustee, acting in accordance with the terms and conditions of said Agreement, and the Railroad Trustees, pursuant to order of said Court, have caused these presents to be duly executed, as of the day and year first above written.

(SEAL) CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO,

By F. E. Musgrove
Vice-President

Attest:

R. W. Swezey
Assistant Secretary.

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

E. J. Friedrich

E. Guither
Attesting Witnesses.

Henry A. Scandrett (L.S.)

Walter J. Cummings (L.S.)

George I. Haight (L.S.)

As Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, but not individually.

Signed, sealed and delivered by Henry A. Scandrett, Walter J. Cummings and George I. Haight, in the presence of:

W. A. Dietze
Howard A. Florus
Attesting Witnesses.

STATE OF ILLINOIS,)
COUNTY OF COOK.) SS

I, H. J. GROENER, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, DO HEREBY CERTIFY that on this 25th day of April, 1941, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named F. E. MUSGROVE and R. W. SWEZEY, each to me personally known and known to me to be, respectively, a Vice-President and an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the corporation described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice-President and Assistant Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said F. E. MUSGROVE and R. W. SWEZEY, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that said F. E. MUSGROVE resides in Chicago, in the State of Illinois, and that said R. W. SWEZEY resides in Park Ridge in the State of Illinois, that said F. E. MUSGROVE is a Vice-President and said R. W. SWEZEY is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the corporation described in and which executed the within and foregoing instrument in writing; that they, said F. E. MUSGROVE, Vice-President, and R. W. SWEZEY, Assistant Secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto by order and authority of the Board of Directors of said corporation; that they and each of them signed their names to, and executed, the foregoing instrument in their respective capacities as Vice-President and Assistant Secretary in behalf of said corporation by like order and authority; that they signed, sealed with the corporate seal, executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My Commission as such Notary Public expires April 29, 1944.

(SEAL)

H. J. Groener
Notary Public in and for the State of Illinois,
County of Cook

STATE OF ILLINOIS)
COOK COUNTY) ss

I, MICHAEL J. FLYNN, County Clerk of the County of Cook, Do Hereby Certify that I am the lawful custodian of the official records of Notaries Public of said County, and as such officer am duly authorized to issue certificates of magistracy, that H. J. Groener whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is genuine; and, further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 25 day of April 1941.

(SEAL)

Michael J. Flynn County Clerk.

STATE OF ILLINOIS)
COUNTY OF COOK.) SS.

I, J. M. JARMOTZ, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, DO HEREBY CERTIFY that on this 24th day of April, 1941, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named Henry A. Scandrett, Walter J. Cummings and George I. Haight, Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, to me personally known and known to me to be the individuals described and named in and the identical persons who subscribed their names to and whose names are subscribed to and who executed the within and foregoing instrument in writing as such Trustees in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said Henry A. Scandrett, Walter J. Cummings and George I. Haight, and each of them, duly acknowledged to me in the presence of said witnesses that they signed, sealed, executed and delivered said instrument as their free and voluntary act and deed, as such Trustees, for the consideration, objects, uses and purposes therein mentioned, stated and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My Commission as such Notary Public expires July 21, 1943.

(SEAL)

J. M. Jarmotz
Notary Public in and for the State of Illinois,
County of Cook

STATE OF ILLINOIS)
COOK COUNTY) ss.

I, MICHAEL J. FLYNN, County Clerk of the County of Cook, DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County, and as such officer am duly authorized to issue certificates of magistracy, that J. M. Jarmotz whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is genuine; and, further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 25 day of April 1941.

(SEAL)

Michael J. Flynn County Clerk.

AGREEMENT
of

V. P. NELSON and PAUL B. ROBB
Vendors

with

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO

and

HENRY A. SCANDRETT, WALTER J. CUMMINGS and GEORGE I. HAIGHT,
Trustees of the Property of
CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY

DATED APRIL 1,1941

THIS AGREEMENT, dated as of April 1, 1941, by and between V. P. Nelson and Paul B. Robb (hereinafter called the Vendors), of the first part, Continental Illinois National Bank and Trust Company of Chicago (hereinafter called the Trustee), as Trustee, of the second part, and Henry A. Scandrett, Walter J. Cummings and George I.Haight, Trustees of the Property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter called the Railroad Trustees), of the third part, witnesseth as follows:

WHEREAS, the Vendors have contracted or will contract to acquire the railroad equipment (which together with the additional equipment and replacements as in the Lease and this Agreement provided are hereinafter called the Trust Equipment) specifically described in the Lease of Railroad Equipment from the Trustee to the Railroad Trustees prefixed to this Agreement, to which Lease reference is hereby made; and

WHEREAS, subscriptions have been or are being secured, in an amount not exceeding $3,120,000 to a fund to be known as Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust, Series V, which said fund is to be deposited with the Trustee and applied by the Vendors or upon their written order in part payment on account of the cost of the Trust Equipment; and

WHEREAS, the Vendors desire to secure to the subscriber or subscribers to said fund, or their assigns, the payment of the amount thereof in twenty equal semiannual installments, payable respectively on April first and October first, in each year, beginning on October 1, 1941 and ending on April 1, 1951, as hereinafter more particularly provided, with dividends to said dates of maturity respectively as hereinafter provided; and to evidence the rights of the subscriber or subscribers to said fund by Trust Certificates in substantially the form hereinafter set forth; and

WHEREAS, Henry A. Scandrett, Walter J. Cummings and George I. Haight have been duly appointed Trustees of the Property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company by order of the District Court of the United States for the Northern District of Illinois, Eastern Division, in a proceeding pending in said Court entitled "In the Matter of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, Debtor," In Proceedings for the Reorganization of a Railroad, No. 60463, and said appointment has been duly ratified by order of the Interstate Commerce Commission, and the Railroad Trustees have duly qualified as such and are now in possession of and operating the properties of said Railroad Company pursuant to the provisions and directions contained in orders of said Court; and

WHEREAS, the Railroad Trustees are desirous of securing the use of the Trust Equipment upon and in connection with the properties of Chicago, Milwaukee, St. Paul and Pacific Railroad Company; and

WHEREAS, by order of the said Court dated April 24, 1941, the form and terms of this Agreement and of said Lease hereto annexed were approved by said Court and the Railroad Trustees were duly authorized and directed to execute and deliver this Agreement and said Lease, to cause the Trust Certificates to be issued and to guarantee the same as herein provided, and otherwise to make and carry out the covenants and agreements on their part herein and in said Lease contained; and

WHEREAS, the Railroad Trustees represent that all things necessary to make the guaranty of the Railroad Trustees as endorsed upon the Trust Certificates, when said Certificates shall be issued by the Trustee under this Agreement, the binding, valid and legal obligation of the Railroad Trustees, as herein provided, and to make this Agreement and said Lease a valid, binding and legal agreement and lease, respectively, have been done and performed;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND THE MUTUAL COVENANTS HEREIN CONTAINED, THE PARTIES HERETO AGREE AS FOLLOWS:

ARTICLE I.

SECTION 1. The Vendors hereby agree to acquire and cause to be sold, assigned, transferred and set over, and do hereby sell, assign, transfer and set over, unto the Trustee, as trustee for the bearers of the Trust Certificates hereinafter described, the Trust Equipment described or referred to in said Lease prefixed hereto when and as the Trust Equipment or any part thereof is constructed or completed or otherwise acquired. The Vendors will deliver, or cause to be delivered, the Trust Equipment or any part thereof when and as constructed or completed to the person or persons designated by the Trustee as its agent or agents to receive such delivery, who may be any one or more of the officers or agents of the Railroad Trustees, and the certificate of any and every agent so designated shall be conclusive evidence of such delivery. The Trustee and the Railroad Trustees, simultaneously with the execution of this Agreement, have executed and delivered said Lease of all the Trust Equipment.

SECTION 2. The Trustee shall at any time, or from time to time, upon written request of the Vendors, without waiting for the recording, registration or filing of this agreement, or of any lease of or other instrument respecting the equipment subjected to this Agreement, execute and deliver to the subscriber or subscribers to said fund, as specified in such request, certificates to be known as Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Certificates, Series V, herein called the Trust Certificates upon the deposit in cash with the Trustee of a sum equal to the principal amount and accrued dividends to date of delivery of the Trust Certificates the execution and delivery of which shall be so requested and not less than the net proceeds of the sale of said Trust Certificates.

Any interest allowed by the Trustee upon any moneys so deposited shall be added to said fund and become a part of the Deposited Cash to be disposed of as hereinafter provided. All moneys paid to the Trustee as accrued dividends upon the original issuance and delivery of any Trust Certificates shall be held by the Trustee until the next ensuing dividend payment date, and thereupon shall be applied by the Trustee to the payment of any dividends then due, as if such moneys were paid to the Trustee by the Railroad Trustees as rent pursuant to Article First of said Lease for application as in subparagraph (e) thereof provided.

SECTION 3. The term Deposited Cash, whenever used herein, shall mean and include (a) the cash deposited with or to the credit of the Trustee constituting said fund, or a

part thereof, as in Section 2 of this Article I provided (including any interest allowed thereon, but excluding any accrued dividends paid upon the original issuance of Trust Certificates), (b) all installments of rental paid pursuant to subdivisions (a) and (b) of Article First of said Lease. The Deposited Cash shall, until paid out by the Trustee as herein provided, be held in trust for the benefit of the bearers of the Trust Certificates. Thereafter, from time to time, when and as any of the Trust Equipment shall have been delivered to the Trustee, the Trustee shall pay to the Vendors, or upon their order, out of the Deposited Cash, an amount equal to the cost of the equipment so delivered to the Trustee, such cost to be conclusively established (subject to the provisions of Section 4 of this Article I) by the certificate in writing of the Railroad Trustees or their duly designated representative, delivered to the Trustee prior to or contemporaneously with such payment.

SECTION 4. The Trustee shall not pay out any Deposited Cash as provided by Section 3 of this Article I against the delivery of any of the Trust Equipment unless and until it shall have received:

(a) a certificate of the agent or agents designated by the Trustee to receive delivery of the Trust Equipment, stating that Trust Equipment specified by numbers in such certificate has been delivered to such agent or agents and marked in accordance with the provisions of Article Fourth of said Lease;

(b) a certificate of the Railroad Trustees, signed by one of said trustees or the assistant to trustee or the comptroller or an assistant comptroller of the Railroad Trustees, certifying that the cost of such Trust Equipment, determined as provided in said Lease, is the amount therein specified;

(c) a bill or bills of sale of such Trust Equipment from the Vendors or the manufacturer or manufacturers of the Trust Equipment to the Trustee, containing or accompanied by a warranty or guaranty of the Vendors, or the manufacturer or manufacturers of the Trust Equipment to the Trustee that the title to the Trust Equipment described therein is free from any liens or encumbrances; and

(d) an opinion of counsel satisfactory to the Trustee that such bill or bills of sale and deliveries are valid and effective, either alone or in connection with any other instrument executed in connection therewith, to vest in the Trustee, free from all liens and encumbrances, the title so transferred to the Trustee.

Any such certificate or certificates as to cost may state that the cost of the Trust Equipment therein referred to is tentatively determined, subject to final adjustment, and in that case, adjustments may be made by certificates thereafter filed. A final certificate, signed as provided in paragraph (b) above, as to the cost of all the Trust Equipment shall be delivered to the Trustee by the Vendors not later than September 1, 1942.

SECTION 5. Anything in this Article contained to the contrary notwithstanding, the aggregate principal amount of the Trust Certificates which shall be executed and delivered by the Trustee under this Agreement shall not exceed the principal sum of $3,120,000 at any one time outstanding (subject, however, to the provisions of Section 6 of Article II of this Agreement).

SECTION 6. Any moneys held by the Trustee after delivery of and payment for all of the Trust Equipment, the disposition of which is not herein or in said Lease otherwise provided for, shall be credited against the next installment of rental payable under Section (f) of Article First of said Lease.

ARTICLE II

SECTION 1. Each of the definitive Trust Certificates shall represent an interest in the amount of One Thousand Dollars ($1,000) in the trust of the Trust Equipment hereby created, and the bearer of any trust certificate, whether definitive or temporary, shall be entitled to receive dividends on said amount at the rate of 2 1/8 per cent per annum from April 1, 1941, payable semi-annually on the first day of April and October in each year. $156,000 principal amount of the Trust Certificates shall become due and payable on April 1 and October 1 in each year beginning on October 1, 1941 and ending on April 1, 1951. Each of said Trust Certificates shall have endorsed thereon the guaranty of the Railroad Trustees in the form hereinafter set forth.

The due date of each Trust Certificate shall appear on its face. The definitive Trust Certificates shall be numbered from 1 consecutively upward to 3120, both inclusive.

Dividend warrants evidencing the right of the holders of the Trust Certificates to the dividends thereon shall be annexed to the respective definitive Trust Certificates. All dividends on the respective Trust Certificates shall cease after the principal thereof shall have become due.

Trust Certificates if temporary may be printed and if definitive shall be lithographed, lithographically printed or engraved.

SECTION 2. The definitive Trust Certificates, the dividend warrants to be annexed thereto and the guaranty to be endorsed thereon by the Railroad Trustees as hereinafter in Article III provided shall be in substantially the following forms:

(Form of Trust Certificate)

No..... $1,000

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD

EQUIPMENT TRUST

SERIES V

Total Issue not to exceed $3,120,000

Dividends at the Rate of 2 1/8 Per Cent per Annum.

Payable April 1 and October 1.

Continental Illinois National Bank and Trust Company
of Chicago,
Trustee.

Principal Hereof Due .....1,19....

Continental Illinois National Bank and Trust Company of Chicago, as Trustee under an Agreement dated as of April 1, 1941 (hereinafter referred to as the "Agreement"), between V. P. Nelson and Paul B. Robb, of the first part, Continental Illinois National Bank and Trust Company of Chicago, Trustee (hereinafter referred to as the "Trustee"), of the second part, Henry A. Scandrett, Walter J. Cummings and George I. Haight, Trustees of the Property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter referred to as the "Railroad Trustees"), of the third part, hereby certifies that the bearer hereof is entitled to an interest of One Thousand Dollars in Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust, Series V, payable on ..... 1, 19....., unless prior payment hereof be required as hereinafter provided, and to dividends thereon at the rate of two and one-eighth per cent (2 1/8%) per annum from April 1, 1941, to said date of maturity, payable semi-annually on April first and October first in each year, but only upon presentation and surrender as they severally mature of the dividend warrants hereto attached, both principal and dividends being payable at the office of the Trustee in the City of Chicago and State of Illinois, or at the

agency of the Trustee in the Borough of Manhattan, in the City and State of New York, in such coin or currency of the United States of America as, at the time of payment, is legal tender for public and private debts, all without deduction for any tax, assessment or other governmental charge (other than Federal income taxes) which the Railroad Trustees or the Trustee may be required to pay, or to retain therefrom, under any present or future law of the United States of America, or of any State, county, municipality or other lawful taxing authority therein, but only from and out of rentals or other moneys received by the Trustee from a certain Lease of Railroad Equipment made by Continental Illinois National Bank and Trust Company of Chicago, Trustee, to the Railroad Trustees, dated as of April 1, 1941.

This certificate is one of an issue of certificates, in bearer form, in an aggregate principal amount not exceeding $3,120,000, substantially identical except as to dates of maturity, all issued or to be issued under said Agreement. The terms of the Agreement further provide that said railroad equipment (or deposited cash in lieu thereof as provided in said Agreement) and said Lease thereof are to be held by the Trustee in trust for the benefit of the bearers of said certificates. Reference is hereby made to said Agreement and Lease, filed with the Trustee at its office in the City of Chicago, for a further statement of the rights of the bearers of said certificates thereunder.

This certificate, together with all accrued dividends thereon, shall immediately become due and payable on the date of the confirmation of a plan of reorganization of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, or upon the dismissal or termination of the court proceedings pursuant to which the Railroad Trustees are acting as such Trustees, if neither said Railroad Company nor any other corporation, nor receiver or receivers in equity, shall alone succeed to the possession of 75% of all the owned l lines of railroad comprised in the Estate of said Railroad Company.

This certificate and the attached dividend warrants are issued subject to the condition, and every holder of this certificate or of any such dividend warrants, by accepting the same, agrees with every subsequent holder hereof and with the Trustee and the Railroad Trustees, that delivery of this certificate or any such dividend warrant by any bearer shall vest title to, and all rights under, the same in the transferee to the same extent for all purposes as would the delivery under like circumstances of a negotiable instrument payable to bearer and the Trustee and the Railroad Trustees shall be entitled to treat the bearer hereof or the bearer of such dividend warrant, as the case may be, as the absolute owner hereof or thereof, as the case may be, for all purposes and shall not be affected by any notice to the contrary.

In case of default in the performance or observance of any of the covenants of the Railroad Trustees in said Agreement or Lease contained, the principal amount represented by this certificate may become or be declared due and payable in the manner and with the effect in said Agreement provided.

IN WITNESS WHEREOF, the Trustee has caused this certificate to be signed by one of its Vice-Presidents, and its corporate seal to be hereunto affixed and to be attested by its Secretary or an Assistant Secretary, and dividend warrants bearing the facsimile signature of one of its Assistant Secretaries to be attached hereto, as of the first day of April, 1941.

CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO,
As Trustee,

By.....
Vice-President

Attest:
.....
Assistant Secretary

(Form of Dividend Warrant)

$10.63*

No.....

Due to the bearer hereof on the first day of....., 19...., on surrender hereof at the office or agency of the undersigned Trustee in the City of Chicago and State of Illinois, or at its agency in the Borough of Manhattan, City and State of New York, Ten and 63/100 Dollars,* without deduction for any tax or taxes (other than Federal income taxes) required to be paid or retained, as provided in, and being the semi-annual dividend then due on, certificate No. ..... of Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust, Series V, payable only out of rentals received by the Trustee under the Lease referred to in said certificate.

CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO,
as Trustee,

* Alternate coupons, $10.62

By.....
Assistant Secretary

(Form of Guaranty)

Henry A. Scandrett, Walter J. Cummings and George I. Haight, as Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, but not individually, for a valuable consideration, hereby unconditionally guarantee to the bearer of the within Certificate, as provided in the Agreement referred to in said Certificate, and subject to the provisions of Article VIII thereof, the prompt payment of One Thousand Dollars, being the principal of said Certificate, when the same shall become due and payable, whether at the maturity thereof or by declaration or otherwise, and dividends thereon at the rate of 2 1/8 per cent per annum on the semi-annual dates mentioned in said Certificate and in the dividend warrants thereunto attached, all in such coin or currency of the United States of America as, at the time of payment, is legal tender for public and private debts.

HENRY A. SCANDRETT,
WATER J. CUMMINGS,
GEORGE I. HAIGHT,
As Trustees of the Property of
Chicago, Milwaukee, St. Paul and
Pacific Railroad Company, but not
individually,

By.....
Authorized Agent.

SECTION 3. The Trust Certificates shall be signed in the name and on behalf of the Trustee by one of its Vice-Presidents, and its corporate seal shall be thereunto affixed and attested by its Secretary or one of its Assistant Secretaries. In case any of the officers of the Trustee who shall have signed and sealed any of the Trust Certificates shall cease to be such officers of the Trustee before the Trust Certificates so signed and sealed shall have been issued and delivered by the Trustee, such Trust Certificates shall be adopted by the Trustee and be issued and delivered as though the persons who signed and sealed such Trust Certificates had not ceased to be such officers of the Trustee. The dividend warrants to be thereunto attached shall be authenticated by the facsimile signature of the present or any future Assistant Secretary of the Trustee, and the Trustee may adopt and use for that purpose any such facsimile signature notwithstanding the fact that such Assistant Secretary may have ceased to be such Assistant Secretary at the time when any such Trust Certificate shall be issued and delivered as herein provided. Before executing and delivering any Trust Certificates the guaranty of the Railroad Trustees shall be duly executed thereon as hereinafter in Section 2 of Article III provided, and all matured dividend warrants thereto appertaining shall be cut off and canceled and delivered by the Trustee to the Railroad Trustees.

SECTION 4. Trust Certificates shall be in bearer form and shall pass by delivery.

Dividends upon the Trust Certificates shall be payable only upon presentation and surrender of the appropriate dividend warrants, or, in the case of temporary Trust Certificates without warrants, only upon presentation of such temporary Trust Certificates for a notation of such payment thereon.

Anything to the contrary herein notwithstanding, the parties hereto may deem and treat the bearer of any Trust Certificate and the bearer of any dividend warrant as the absolute owner of such Trust Certificate or dividend warrant, as the case may be, for the purpose of receiving payment therefor, and for all other purposes, and shall not be affected by any notice to the contrary.

SECTION 5. Temporary printed Trust Certificates, with or without dividend warrants, in such form and denominations as the Trustee may determine, may be issued by the Trustee, having endorsed thereon said guaranty of the Railroad Trustees, which shall be exchangeable, without cost, upon surrender for definitive Trust Certificates, of equal principal amount and of the same maturity or maturities and having endorsed thereon said guaranty of the Railroad Trustees, when the same shall have been prepared. Until such exchange said temporary Trust Certificates shall be entitled to the same benefit of this Agreement in all respects as said definitive Trust Certificates, including the guaranty of payment by the Railroad Trustees.

SECTION 6. In case any Trust Certificate, or the dividend warrants thereto attached, shall become mutilated or defaced or be lost, destroyed or stolen, then on the terms herein set forth, and not otherwise, the Trustee shall execute and deliver a new Trust Certificate (and the Railroad Trustees shall execute their guaranty thereon), with all unmatured dividend warrants, if any, appertaining thereto, of like maturity, tenor and date, and bearing the same serial number as the one mutilated, defaced, lost, destroyed or stolen, in exchange and substitution for, and upon cancellation of, the mutilated or defaced Trust Certificate and warrants, or in lieu of and substitution for the same if lost, destroyed or stolen, and make payment of any matured dividend warrants appertaining to the same. The applicant for a new Trust Certificate shall furnish to the Trustee and to the Railroad Trustees evidence to their satisfaction of the loss, destruction or theft of said Trust Certificate or warrants alleged to have been lost, destroyed or stolen and of the ownership and authenticity of such mutilated, defaced, lost, destroyed or stolen Trust Certificate and warrants, and also such security or indemnity as may be required by the Trustee and by the Railroad Trustees in their discretion; and shall pay all expenses and charges of such substitution or exchange. All Trust Certificates are held and owned upon the express condition that the foregoing provisions are exclusive in respect of the replacement of mutilated, defaced, lost, destroyed or stolen Trust Certificates and warrants and shall preclude any and all other rights and remedies, any law or statute now existing or hereinafter enacted to the contrary notwithstanding.

ARTICLE III.

SECTION 1. The Railroad Trustees hereby accept and become bound by all the terms of this Agreement, and hereby covenant and agree to make payment of the reasonable compensation and expenses of the Trustee, and of all taxes, assessments and other governmental charges for which the Trustee may be liable, and all taxes (other than Federal income taxes) which the Trustee or the Railroad Trustees may be required to pay or to retain from the principal of the Trust Certificates or the dividends payable in respect thereof, under any present or future law of the United States of America or of any State,

county, municipality or other lawful taxing authority therein.

SECTION 2. The Railroad Trustees covenant and agree and unconditionally guarantee that the bearer of each of the Trust Certificates shall receive the principal amount thereof, in such coin or currency of the United States of America as, at the respective times of payment, is legal tender for public and private debts, when and as the same shall become due and payable, whether at the maturity thereof or by declaration or otherwise (and, if not so paid, with interest thereon at the same rate per annum as provided in the dividend warrants), and shall receive dividends thereon in like coin or currency at the rate of two and one-eighth per cent per annum from April 1, 1941, to the date of maturity of such Trust Certificate, at the times and places and otherwise as expressed in the Trust Certificates and the warrants thereto attached (and if not so paid, with interest thereon at the same rate per annum as provided in the dividend warrants); all without deduction for any tax, assessment or other governmental charge (other than Federal income taxes) which the Railroad Trustees or the Trustee may be required to pay, or to retain therefrom, under any present or future law of the United States of America, or of any State, county, municipality or other lawful taxing authority therein, and the Railroad Trustees further covenant and agree to endorse upon each of the Trust Certificates, definitive or temporary, at or before the issue and delivery thereof by the Trustee, their unconditional guaranty of the prompt payment of the principal thereof and of the dividends thereon, in substantially the form in Section 2 of Article II hereof provided. Said guaranty so endorsed shall be signed in the name and on behalf of the Railroad Trustees by such officer or officers as shall have been duly authorized by said Railroad Trustees to sign upon their behalf. In case any of the officers of the Railroad Trustees who shall have signed such guaranty shall cease to be such officers of the Railroad Trustees before the Trust Certificates shall have been actually issued and delivered by the Trustee, such guaranty shall nevertheless be as effective and binding upon the Railroad Trustees as though the persons who signed such guaranty had not ceased to be such officers of the Railroad Trustees. The obligations of the Railroad Trustees in respect of their unconditional guaranty of the Trust Certificates hereinabove provided for are subject to the provisions of Article VIII hereof.

ARTICLE IV.

SECTION 1. The Railroad Trustees covenant and agree that they will promptly pay or cause to be paid or discharged, or make adequate provision for the satisfaction or discharge of, any debt, obligation or claim which, if unpaid, might be or become a lien or charge upon or against any of the Trust Equipment, except upon the leasehold interest of the Railroad Trustees therein; but this provision shall not require the payment of any such debt, obligation or claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings unless, in the judgment of the Trustee, such contest would materially endanger the rights or interests of the Trustee or the holders of the Trust Certificates in the Trust Equipment.

SECTION 2. The Railroad Trustees covenant and agree to pay all costs, charges and expenses incident to the performance of all terms and conditions of this Agreement on their part to be performed, including, without limiting the generality of the foregoing, the expenses incident to the preparation, execution and exchange of the Trust Certificates and dividend warrants, including the temporary Trust Certificates, or connected with the preparation, execution, recording, registration and filing hereof or of said Lease or of any instruments executed under the provisions hereof or of said Lease in respect of the Trust Equipment or Lease, or any equipment or parts used to replace any

of the same.

SECTION 3. The Railroad Trustees covenant and agree with all convenient speed to cause this Agreement and said Lease and any supplemental leases and agreements which may be executed under the terms of this Agreement, or of said Lease, to be duly filed or recorded in all states wherein are situated railroad lines which the Railroad Trustees operate or to which they have title or over which they, as such Railroad Trustees, have trackage rights, or wherein are situated railroad lines of any railroad company a majority of whose capital stock is owned or controlled by the Railroad Trustees, and otherwise as may now or hereafter be provided by law for the full protection of the title and rights of the Trustee and of the holders of the Trust Certificates, so that this Agreement and said Lease and all other such supplemental instruments may at all times be duly filed and recorded.

SECTION 4. The Railroad Trustees covenant and agree from time to time to do all such acts and execute all such instruments of further assurance as they shall be reasonably requested by the Trustee to do or execute for the purpose of fully carrying out and effectuating this Agreement and said Lease and the intent thereof.

ARTICLE V.

SECTION 1. In order to prevent any accumulation of Trust Certificates or of dividend warrants after maturity, neither the Trustee nor the Railroad Trustees shall directly or indirectly extend or assent to the extension of the time for the payment of any Trust Certificate or dividend warrant, but the same shall be paid and cancelled at maturity, and no Trust Certificate or dividend warrant in substitution therefor shall be issued, and neither the Trustee nor the Railroad Trustees shall directly or indirectly be a party to or approve of any arrangement for purchasing or funding any of said Trust Certificates or dividend warrants, or for an advance or loan upon the same, at or after maturity. In case the time for payment of any Trust Certificate or dividend warrant shall be so extended, whether or not such extension be by or with the consent of the Trustee or the Railroad Trustees, or in case, at or after maturity, any Trust Certificate, dividend or dividend warrant shall be purchased or funded, or an advance or loan upon the same shall be made, by or on behalf of the Trustee or the Railroad Trustees or pursuant to any arrangement requested or approved by either of them or to which either of them shall be a party or made with the privity of the Trustee or the Railroad Trustees, such Trust Certificate, dividend or dividend warrant shall not be entitled to the benefit of said Lease or of this Agreement, except subject to the prior payment in full of the principal of all other Trust Certificates, dividends and dividend warrants, whether the same be then matured or unmatured.

SECTION 2. In case one or more of the events of default described in Article Seventh of said Lease shall happen, the Trustee in its discretion may, and at the request of the bearers of twenty per cent (20%) in principal amount of the Trust Certificates then outstanding shall, declare the principal of all of the Trust Certificates then outstanding to be due and payable, and thereupon the same shall become and be immediately due and payable. In any such case the Trustee may retake possession of the Trust Equipment or any part thereof and may either hold or lease the same or any part thereof, or dispose of the same or any part thereof in such manner (so far as may be necessary to perform the trusts hereunder), at public sale, for cash or upon credit, as the Trustee may deem most beneficial to the interest of the bearers of said Trust Certificates. Upon the written request of the bearers of twenty per cent (20%) in principal amount of the Trust Certificates at the time outstanding, in case one or more of said events of default shall

happen (whether the principal of the Trust Certificates shall have been declared due and payable or not), it shall be the duty of the Trustee upon being indemnified as hereinafter provided to take all steps for the protection and enforcement of its rights and the rights of the bearers of the Trust Certificates, and to exercise one or more of the powers of entry, sale or lease in said Lease conferred, or to take appropriate judicial proceedings by action, suit or otherwise, as the Trustee being advised by counsel shall deem most expedient in the interest of the bearers of the Trust Certificates; but, anything in this Agreement to the contrary notwithstanding, upon indemnity satisfactory to the Trustee the bearers of a majority in principal amount of the Trust Certificates then outstanding shall have the right from time to time to direct what proceedings for any enforcement of said Lease and this Agreement and the sale or lease of the Trust Equipment shall be taken by the Trustee. The proceeds of such proceedings or lease or sale shall be applied by the Trustee to the payment after deducting the expenses of the trust and reasonable compensation of the Trustee and all taxes, assessments and other governmental charges which the Trustee may by law be required to pay in respect of the trust or the Trust Certificates aforesaid or the dividends thereon:

(1) of the dividends and dividend warrants then due with interest on any overdue dividends and dividend warrants at the same rate per annum as provided in the dividend warrants; and

(2) of the principal of all said outstanding Trust Certificates with interest thereon at the same rate per annum as provided in the dividend warrants, from the last preceding dividend date, whether said Certificates or any of them shall then have matured by their terms or not;

all of said payments to be in full, if said proceeds shall be sufficient and if not, then pro rata, without preference of principal over dividends, or of dividends over principal or otherwise (subject, however, to the provisions of Section 1 of this Article V), and without regard to the dates of maturity thereof.

The foregoing provisions, however, are subject to the condition that, if at any time after the principal of the Trust Certificates shall have been declared and have become due and payable, as hereinbefore provided, but before April 1, 1951, all arrears of rental (with interest upon any overdue instalment at the same rate per annum as provided in the dividend warrants), the expense and reasonable compensation of the Trustee and all other sums which shall have become due and payable by the Railroad Trustees hereunder or under said Lease (other than the principal of Trust Certificates and rental instalments which shall not at the time have matured according to their terms) shall be paid by the Railroad Trustees before any taking possession, withdrawal, sale or lease by the Trustee of any of the Trust Equipment, and every other default in the observance or performance of any covenant or condition of this Agreement or said Lease shall be made good or secured to the satisfaction of the Trustee, or provision deemed by the Trustee to be adequate shall be made therefor, then and in every such case the Trustee, if so requested by the bearers of a majority in principal amount of the Trust Certificates then outstanding and which shall not have been matured according to their terms, shall, by written notice to the Railroad Trustees, waive the default by reason of which the principal of the Trust Certificates shall have been declared and become due and the consequences of such default, and said Lease shall upon such waiver be and continue in full force and effect, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

Neither such retaking possession nor any withdrawal or lease or sale of the Trust Equipment by the Trustee nor any action or failure or omission to act, against the Railroad Trustees or in respect to the Trust Equipment, on the part of the Trustee or on the part of any bearer of any Trust Certificate or dividend warrant, nor any delay or indulgence granted to the Railroad Trustees by the Trustee or any such bearer, shall affect the obligations of the Railroad Trustees under this Agreement or under said Lease or under their guaranty.

The Railroad Trustees waive presentation and demand in respect of any of the Trust Certificates and dividend warrants and waive notice of presentation and demand and of any default in the payment of principal of and dividends upon the Trust Certificates.

The Trustee may at any time, upon notice in writing to the Railroad Trustees, apply to any court of competent jurisdiction for instructions as to the application and distribution of any funds or property held by it.

ARTICLE VI.

SECTION 1. The Trustee hereby accepts the trust created hereby, subject to the terms and conditions hereof and of said Lease, and hereby covenants and agrees, so far as reasonably possible, subject to the provisions of Sections 4, 5 and 7 of this Article VI, to perform, and to enforce the performance of, all and singular the terms, conditions and covenants of said Lease.

SECTION 2. The Trustee covenants and agrees to apply and distribute the rentals received by it under subdivisions (c), (d), (e), (f) and (g) of Article First of said Lease, when and as the same shall be received, for the following purposes, to wit:

(a) to the payment of the necessary and reasonable expense of the trust, including the proper compensation of the Trustee and its counsel for its services and all expenses connected with the Trust Equipment and said Lease thereof;

(b) to the payment of any taxes, assessments and other governmental charges upon the Trust Equipment which it may by law be required to pay; and to the payment of any and all taxes, assessments and other governmental charges (other than Federal income taxes) which may by law be charged against the Trustee upon the Trust Certificates or the dividends payable thereunder, or which the Trustee may be required to retain or deduct therefrom or to pay thereon under any present or future law of the United States of America, or of any State, county, municipality or other lawful taxing authority therein;

(c) to the payment of the dividends payable on the Trust Certificates and of the dividend warrants appurtenant thereto when and as the same shall become payable;

(d) to the payment of the principal of the Trust Certificates when and as the same shall become payable according to the terms thereof or hereof; and

(e) to the payment of interest on any unpaid dividends, dividend warrants or principal at same rate per annum as provided in the dividend warrants.

SECTION 3. The Trustee, at all times until the payment of the principal of all the Trust Certificates, shall keep an office or agency in the City of Chicago and State of Illinois and an agency in the Borough of Manhattan in the City and State of New York, where the Trust Certificates and dividend warrants may be presented for payment.

SECTION 4. The Trustee assumes no liability for anything other than its own willful default, misconduct or gross neglect, or that of its officers or directors. It shall be required to undertake no act or duty in the way of taking care of or taking possession of the Trust Equipment until fully secured against all liability and expenses. The Trustee shall not be liable for the delivery of any of the Trust Equipment, or for any defect therein or in the title thereto of the Trustee, nor shall anything herein be

construed as a warranty of the Trustee in respect thereof or as a representation of the value thereof, provided such delivery is made in accordance with the provisions of this Agreement. All representations and recitals contained in this Agreement and in said Lease are made by and on behalf of the Railroad Trustees, and the Trustee shall be in no way responsible therefor, or for any statement contained therein, and the Trustee makes no representations as to the sufficiency of the security purported to be created hereby nor purports to have any knowledge with respect thereto, and the Trustee shall not be responsible in any way for the validity thereof, or of said Lease or of the Trust Certificates or the guaranty thereon or the dividend warrants. No duty of insurance or of repairs or of protection of any of the Trust Equipment is incumbent upon the Trustee, nor shall it be responsible for the filing, refiling, recording or re-recording of this Agreement or of said Lease; and the Trustee may issue and deliver Trust Certificates in advance of such filing or recording.

The Trustee may exercise its powers and perform its duties hereunder and under said Lease by or through such attorneys, agents and servants as it shall appoint, and it shall be entitled to the advice of counsel (who may, in cases deemed by the Trustee, in its reasonable discretion, to be appropriate, be of counsel for the Railroad Trustees), and shall be protected by the advice of such counsel in anything reasonably done, or omitted to be done, by it in good faith in accordance with such advice. The Trustee shall not be liable or responsible for the neglect, default or misconduct of any attorney, agent or servant appointed and retained by it in the exercise of reasonable care, but nothing in this sentence contained shall limit any liability of the Trustee, pursuant to the first sentence of this Section 4, for acts, neglects or willful defaults of its officers or directors.

SECTION 5. The Trustee shall be under no obligation to take any action for the execution or enforcement of any of the trusts hereby created unless requested thereunto in writing by the bearers of not less than twenty per cent (20%) in principal amount of the then outstanding Trust Certificates, and upon being satisfactorily indemnified against expenses and liability with respect thereto, and also furnished with proof satisfactory to it as to the ownership of the Trust Certificates in respect of which any notice or request may be made; but neither any such request nor this provision therefor shall affect any discretion herein elsewhere specifically given to the Trustee to determine what action it shall take in respect of any such default, or to take action without request.

SECTION 6. No bearer of any Trust Certificate or dividend warrant issued hereunder (other than the bearer of all Trust Certificates at the time outstanding) shall have any right to institute any suit, action or proceeding for the execution or enforcement of the trust hereby created unless, after the aforesaid request in writing by the bearers of not less than twenty per cent (20%) in principal amount of the then outstanding Trust Certificates shall have been made upon the Trustee and ninety days' time elapsed for action by the Trustee upon such request, it shall decline to institute any proceedings pur pursuant thereto.

SECTION 7. The Trustee may, for all purposes, conclusively assume that the Railroad Trustees are not in default under the terms hereof until notified in writing to the contrary by the bearers of at least five per cent (5%) in principal amount of the Trust Certificates then outstanding, which notice shall distinctly specify the default desired to be brought to the attention of the Trustee.

SECTION 8. The Trustee shall not incur any liability to anybody in acting upon any

notice, consent, order, certificate, warrant, receipt, request or other paper or instrument reasonably believed by it to be genuine or authentic, and to be signed by the proper party or parties and reasonably believed by it to be sufficient.

SECTION 9. The Trustee, in so far as permitted by law, will allow such interest upon all moneys received by it under the provisions of this agreement or of said Lease as during that time is allowed by it upon deposits of a similar character.

SECTION 10. The Trustee may resign and be discharged from the trusts created by this Agreement by mailing to the Railroad Trustees notice in writing of such resignation, specifying a date when it is desired that such resignation shall take effect. Such notice shall be published at least once in each of three successive calendar weeks prior to the date specified in such notice, on any day or days of the week, in two daily newspapers printed in the English language, one published and of general circulation in the City of Chicago and State of Illinois and the other in the Borough of Manhattan in the City and State of New York. Such resignation shall take effect immediately upon, but not prior to, the appointment of, and acceptance of the trust by, such successor trustee as hereinafter provided, whether on, prior to, or subsequent to, the date stated in said notice of resignation.

Any trustee hereunder may be removed at any time by an instrument in writing filed with the Trustee and executed by the bearers of a majority in principal amount of the Trust Certificates at the time outstanding.

SECTION 11. In case at any time the Trustee shall resign or shall be removed or otherwise shall become incapable of acting, a successor may be appointed by the bearers of a majority in principal amount of the Trust Certificates at the time outstanding, by an instrument or concurrent instruments signed by such bearers or their attorneys in fact duly authorized; but until a new trustee shall be appointed by such bearers as herein authorized, the Railroad Trustees, by an instrument executed by one or more of the Railroad Trustees, or their duly authorized agent, shall appoint a trustee to fill such vacancy. If the Railroad Trustees shall fail, within thirty days after receipt of notice that the Trustee has resigned, to appoint a trustee to fill such vacancy, and if a successor trustee shall not have been appointed by the bearers of a majority in principal amount of the Trust Certificates at the time outstanding, the Trustee may apply to a court of competent jurisdiction for the appointment of a successor trustee. Every such successor trustee, whether appointed by the bearers of the Trust Certificates or by the Railroad Trustees or by order of court, shall always be a trust company or bank having power so to act, shall be a member bank of the Federal Reserve System, or of such system of banks, if any, as may be established in lieu thereof, shall be organized under the laws of the United States of America, or the State of Illinois and having an office in the City of Chicago and State of Illinois, or the State of New York and having an office in the Borough of Manhattan in the City and State of New York, and shall have a capital and surplus aggregating at least five million dollars. After any such appointment by the Railroad Trustees or by the bearers of a majority in principal amount of the Trust Certificates at the time outstanding ~~by an instrument or concurrent instruments signed by such bearers or their attorneys in fact duly authorized; but until a new trustee shall be appointed by such bearers as herein authorized, the Railroad Trustees, by an instrument executed by one or more of the Railroad Trustees, or their duly authorized agent, shall appoint a trustee to fill such vacancy. If the Railroad Trustees shall fail, within thirty days after receipt of notice that the Trustee has resigned, to appoint a trustee to fill such vacancy, and if a successor trustee shall not have been~~

~~appointed by the bearers of a majority in principal amount of the Trust Certificates at the time outstanding, the Trustee may apply to a court of competent jurisdiction for the appointment of a successor trustee. Every such successor trustee, whether appointed by the bearers of the Trust Certificates or by the Railroad Trustees or by order of court, shall always be a trust company or bank having power so to act, shall be a member bank of the Federal Reserve System, or of such system of banks, if any, as may be established in lieu thereof, shall be organized under the laws of the United States of America, or the State of Illinois and having an office in the City of Chicago and State of Illinois, or the State of New York and having an office in the Borough of Manhattan in the City and State of New York, and shall have a capital and surplus aggregating at least five million dollars. After any such appointment by the Railroad Trustees or by the bearers of a majority in principal amount of the Trust Certificates at the time outstanding,~~ the Railroad Trustees shall cause notice of such appointment to be published once a week in each of four successive weeks in two daily newspapers printed in the English language, one published and of general circulation in the City of Chicago and State of Illinois, and the other in the Borough of Manhattan in the City and State of New York; but any new trustee so appointed by the Railroad Trustees or by a court of competent jurisdiction shall immediately, and without further act, be superseded by a trustee appointed, in the manner above provided, by the bearers of a majority in principal amount of the Trust Certificates at the time outstanding, provided such appointment is made within a period of one year after the Trustee shall resign, be removed or become incapable of acting.

Any successor trustee appointed hereunder shall execute, acknowledge and deliver to the Railroad Trustees an instrument accepting such appointment hereunder, and thereupon such successor trustee, without any further act, deed or conveyance, shall become vested with title to the trust estate, and with all the rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named as trustee herein, and the trustee ceasing to act shall, on the written request of such successor trustee, assign and transfer the trust estate or cause the trust estate to be assigned and transferred to the successor trustee, and shall thereupon be entitled to the payment of its charges and expenses theretofore incurred. Upon receipt of such successor trustee, the Railroad Trustees shall execute and deliver such instruments of further assurance as may reasonably be required for more fully and certainly vesting in and confirming to such successor trustee all the right, title and interest of the predecessor trustee in and to the trust estate and such rights, powers, trusts, duties and obligations. All instruments herein provided for shall be at the cost of the Railroad Trustees.

Any corporation resulting from any merger or consolidation to which the Trustee, or any successor to it, shall be a party, shall be the Successor Trustee under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding, provided such corporation shall be a corporation having power so to act, shall be a member bank of the Federal Reserve System, or of such system of banks, if any, as may be established in lieu thereof, shall be organized under the laws of the United States of America, or the State of Illinois and having an office in the City of Chicago and State of Illinois, or the State of New York and having an office in the Borough of Manhattan, in the City and State of New York, and shall have a capital and surplus aggregating at least five million dollars.

SECTION 12. The Trustee shall be entitled to reasonable compensation for all services rendered by it and the Railroad Trustees agree to pay from time to time, on demand of the Trustee, such compensation and to reimburse the Trustee for, and defend and save it harmless against, any and all loss, damage, liability, claims, demands, disbursements and expenses, including reasonable counsel fees, which it may incur hereunder or under said Lease, and to secure the payment thereof the Trustee shall have a lien on the Trust Equipment and the proceeds thereof prior to the rights therein of the bearers of Trust Certificates.

The Trustee may become the owner of Trust Certificates and warrants issued hereunder with the same rights which it would have if it were not Trustee. The Trustee shall not be accountable or in any way responsible for or be under any obligation to see to the use, appropriation or application of moneys at any time paid out by it in conformity herewith.

ARTICLE VII

In case of the death or inability to act of either of the Vendors, the other Vendor shall have and discharge all the power of the Vendors. In case of the death or inability to act of both of the Vendors, the Trustee shall receive and distribute or pay for the account of the original Vendors, to the parties entitled to receive the same from the original Vendors, all Trust Certificates issuable or Deposited Cash or other moneys payable to the original Vendors by the Trustee hereunder. Any action taken by either of the Vendors shall have the same force and effect as if taken by both of them. The Vendors shall incur no liability hereunder, or under any bill of sale, guaranty or warranty executed by them as herein provided, for anything other than their own willful default, misconduct or gross neglect. The Vendors shall be entitled to the advice of counsel (who may in appropriate cases be of counsel for the Railroad Trustees) and shall be protected by the advice of such counsel in anything done or omitted to be done by them in accordance with such advice.

ARTICLE VIII

SECTION 1. The obligations of the Railroad Trustees under and in respect of this Agreement, said Lease and the guaranty of the Trust Certificates are the obligations of the parties of the third part solely as trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, and not individually, and shall constitute only the general obligations of the estate of which the parties of the third part are trustees. Except as herein otherwise provided by Sections 2 and 3 of this Article VIII, the Trusteeship wherein the parties of the third part are Trustees shall not be terminated nor shall the trusteeship estate thereunder be surrendered by the Railroad Trustees, or their successor or successors, unless, as a condition of such termination or surrender, all of the obligations, then existing or to accrue, of the Railroad Trustees under this Agreement, said Lease and said guaranty of the Trust Certificates, including the obligations under this Article VIII, shall be assumed, as a general obligation, by Chicago, Milwaukee, St. Paul and Pacific Railroad Company or any other corporation or any receiver or receivers in equity that shall succeed to the Railroad Trustees in the possession of not less than 75 per cent of all the owned lines of railroad comprised in the Trusteeship estate, whether pursuant to any plan of reorganization under Section 77 of the Bankruptcy Act or upon foreclosure or upon dismissal or termination of the trusteeship or otherwise. In case of any sale or conveyance of not less than 75 per cent of all of said owned lines of railroad, the purchaser or transferee of the purchaser shall not be at liberty

to refuse to accept this Agreement, said Lease or said guaranty, or to disaffirm them, but if acquiring not less than 75 per cent of all of said owned lines of railroad for the purpose of transferring them to a corporation formed for the purpose of reorganization, any such purchaser shall not incur any personal liability under or in respect of this Agreement, said Lease or said guaranty provided such transferee corporation shall assume, as a general obligation, the payment of the Trust Certificates, principal and dividends, when due, and all obligations of the Railroad Trustees under this Agreement, said Lease and said guaranty. In case Chicago, Milwaukee, St. Paul and Pacific Railroad Company or any other corporation, or any receiver or receivers in equity, shall so succeed the Railroad Trustees in the possession of not less than 75 per cent of all of said owned lines of railroad, and shall so assume, as a general obligation, all the obligations of the Railroad Trustees then existing and to accrue under this Agreement, said Lease and said guaranty, the Railroad Trustees shall thereupon be relieved from all further liability under or in respect to this Agreement, said Lease and said guaranty.

In the event of such confirmation of a plan of reorganization, or the dismissal or termination of the bankruptcy proceedings, Chicago, Milwaukee, St. Paul and Pacific Railroad Company or such other corporation or such receiver or receivers, as the case may be, succeeding to the possession of not less than 75 per cent of all of said owned lines of railroad as aforesaid, shall execute and cause to be recorded an instrument or instruments supplemental to this Agreement and to said Lease, satisfactory to the Trustee, whereby Chicago, Milwaukee, St. Paul and Pacific Railroad Company or such other corporation or such receiver or receivers, as the case may be, shall so assume the guaranty of the Railroad Trustees of the prompt payment of the principal of an dividends upon the Trust Certificates and all other obligations then existing and to accrue of the Railroad Trustees under this Agreement and said Lease and said guaranty, and thereupon Chicago, Milwaukee, St. Paul and Pacific Railroad Company or such other corporation or such receiver or receivers, as the case may be, shall be substituted for the Railroad Trustees under this Agreement and under said Lease and said guaranty, with the same effect as if named herein as party of the third part and as if named in said Lease as party of the second part, and, in any such case, any certificate, guaranty, request, order or other instrument required or permitted to be executed, and any act required or permitted to be done, by the Railroad Trustees, or any officer or agent of the Railroad Trustees, may be done with like force and effect by the duly authorized officers or agents of said Railroad Company or other corporation or by said receiver or receivers, as the case may be, or their duly authorized officers or agents, and for all purposes of this Agreement and said Lease, a resolution of the board of directors or of the executive committee of said Railroad Company or such other corporation, or a resolution of such receiver or receivers, as the case may be, shall be deemed to be the equivalent of a resolution of the Railroad Trustees.

The term "said owned lines of railroad" as used in this Article VIII shall mean the owned mileage of the Trust Estate now held by the Railroad Trustees.

SECTION 2. In the event that upon the confirmation of a plan of reorganization, or upon the dismissal or termination of the proceeding, neither Chicago, Milwaukee, St.Paul and Pacific Railroad Company, nor any other corporation or receiver or receivers in equity, shall alone succeed to the possession of 75 per cent of all of said owned lines of railroad, then the Trust Certificates, with all accrued dividends thereon, shall become immediately due and payable on the date of such confirmation, dismissal or termination.

SECTION 3. Nothing herein shall be construed to limit or affect any right which any

trustee or trustees of any mortgage on any of said owned lines of railroad, or any other representatives of the holders of bonds issued under any such mortgage, may have to foreclose any such mortgage in the proceeding or to move to dismiss the proceeding, provided that upon such foreclosure or dismissal provision shall be made pursuant to this Article VIII for the obligations of the Railroad Trustees under this Agreement, said Lease and the guaranty of the Trust Certificates.

ARTICLE IX.

No recourse under any obligation, covenant or agreement of this Agreement or of said Lease or said guaranty shall be had against any stockholder, officer or director, as such, of any corporation which shall succeed the Railroad Trustees hereunder, whether by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise, it being expressly agreed and understood that this Agreement, said Lease and said guaranty, when assumed by any such corporation, are solely corporate obligations, and that no personal liability whatever shall attach to or be incurred by any stockholder, officer or director, as such, of any such successor corporation, under or by reason of any of the obligations, covenants or agreements contained in this Agreement, said Lease or said guaranty, or implied therefrom and that any and all personal liability, either at common law or in equity, or by statute or constitution, of every such stockholder, officer or director, as such, is hereby expressly waived.

ARTICLE X.

Any request or other instrument required by this Agreement to be signed or executed by bearers of Trust Certificates may be in any number of concurrent instruments of similar tenor, and may be executed by such bearers in person or by an agent or attorney appointed by an instrument in writing. Proof of the execution of any such request or other instrument, or of a writing appointing any such agent or attorney, or of the holding by any person of Trust Certificates, shall be sufficient for any purpose of this Agreement (and shall conclusively be deemed to be satisfactory to the Trustee), and shall be conclusive in favor of the Trustee with regard to any action taken by the Trustee under such request or other instrument, if made in the following manner, viz.:

(a) the fact and date of the execution by any person of any such request or of any other instrument in writing may be proved by the certificate of any notary public or of any other officer authorized to take, either within or without the State of Illinois, acknowledgments of deeds to be recorded in said State or in the State where the acknowledgment may be taken, certifying that the persons signing such request or other instrument acknowledged to him the execution thereof; or by the affidavit of a witness to such execution;

(b) the amount of Trust Certificates held by any person executing any such request or other instrument as a Certificate holder, and the serial numbers of the Trust Certificates held by such person and the date of his holding the same, may be proved by a certificate executed by any trust company, bank, bankers or other depositary wheresoever situated whose certificate shall be deemed by the Trustee to be satisfactory, showing that, at the date therein mentioned, such person had on deposit with such depositary, or exhibited to such depositary, the Trust Certificates numbered and described in such certificate. The Trustee may presume the continuance of any such deposit or holding unless and until it receives proof satisfactory to it to the contrary.

ARTICLE XI.

At the termination of said Lease, any moneys, remaining in the hands of the Trustee, after paying the principal of and dividends upon the Trust Certificates, and the expenses of the Trustee, including its reasonable compensation, shall be paid to the Railroad Trustees.

ARTICLE XII

Nothing in this Agreement, expressed or implied, is intended or shall be construed to confer upon, or to give to, any person, firm or corporation other than the parties hereto and their successors and the bearers of the Trust Certificates and the bearers of the appurtenant dividend warrants, any right, remedy or claim, under or by reason of this Agreement, or of any term, covenant or condition thereof, and all of the terms, covenants, conditions, promises and agreements in this Agreement contained shall be for the sole and exclusive benefit of the parties hereto and their successors and of the bearers of the Trust Certificates and the bearers of the dividend warrants.

ARTICLE XIII.

The term "Trustee" as used herein and in said Lease shall be held and construed to mean Continental Illinois National Bank and Trust Company of Chicago, its successors and assigns; and the term "Railroad Trustees" herein to mean and include Henry A. Scandrett, Walter J. Cummings and George I. Haight, Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, and any other or additional trustee appointed for the properties of Chicago, Milwaukee, St. Paul and Pacific Railroad Company and any corporation and any receiver or receivers in equity which or who shall succeed to the possession of not less than 75 per cent of all the owned lines of railroad comprised in the trusteeship estate and shall assume the obligations of the Railroad Trustees pursuant to the provisions of Article VIII of this Agreement. The term "Trust Equipment" whenever used herein or in said Lease, unless otherwise indicated by the context, is intended to include all railroad equipment at any time covered by said Lease or any supplemental lease or this Agreement or required or intended so to be. The terms "Trust Certificate" or "Trust Certificates," whenever used herein or in said Lease, includes, unless the context otherwise indicates, both temporary and definitive certificates. The term "state" whenever used herein or in said Lease shall include the District of Columbia.

Whenever, under the provisions hereof, it is necessary or proper for any notice or demand to be given to or made upon the Railroad Trustees, or if at any time it is desired to give any such notice or make any such demand, such notice or demand may be given or made to the Railroad Trustees by depositing a written statement thereof, securely enclosed in a postpaid wrapper in the United States registered mail, directed to the Railroad Trustees at Union Station Building, Chicago, Illinois, and an affidavit by any person representing or acting on behalf of the Trustee as to such mailing, shall be conclusive evidence of the giving of such notice and the making of such demand.

This Agreement may be simultaneously executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

IN WITNESS WHEREOF the parties of the first and third part have hereunto set their hands and seals, and the party of the second part has caused its corporate name to be signed hereto by its officers thereunto duly authorized and its corporate seal to be hereto affixed, duly attested, as of the day and year first above written.

V. P. Nelson (L.S.)

Paul B. Robb (L.S.)

Signed, sealed and delivered by
V. P. Nelson and Paul B. Robb
in the presence of:

S. J. Friedrich

R. E. Guither

Attesting Witnesses.

Continental Illinois National Bank
and Trust Company of Chicago,
As Trustee.

(SEAL)

By F. E. Musgrove
Vice-President.

Attest:
R. W. Swezey
Assistant Secretary.

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of

E. J. Friedrich

R. E. Guither
Attesting Witnesses.

Henry A. Scandrett (L.S.)

Walter J. Cummings (L.S.)

George I. Haight (L.S.)

As Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, but not individually.

Signed, sealed and delivered by Henry A. Scandrett, Walter J. Cummings and George I. Haight, in the presence of:

W. A. Dietze

Howard A. Florus.
Attesting Witnesses.

STATE OF ILLINOIS,)
COUNTY OF COOK.) SS.

I, H. J. Groener, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements, and hereditaments in said County, do hereby certify that on the 25th day of April, 1941, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within V. P. Nelson and Paul B. Robb, to me personally known and known to me to be the individuals described in and the identical persons who subscribed their names to and who executed the within and foregoing instrument in writing in my presence as parties of the first part thereto and in the presence of the two witnesses who names are thereunto subscribed as such, and said V. P. Nelson and Paul B. Robb severally duly acknowledged to me in the presence of said witnesses that they signed, sealed, executed and delivered said instrument as their free and voluntary act and deed for the consideration, objects, uses and purposes therein stated and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires April 29, 1944.

(SEAL)

H. J. Groener
Notary Public in and for the State of Illinois,
County of Cook.

STATE OF ILLINOIS,)
COOK COUNTY.) ss.

I, MICHAEL J. FLYNN, County Clerk of the County of Cook, Do Hereby Certify that I am the lawful custodian of the official records of Notaries Public of said County, and as such officer am duly authorized to issue certificates of magistracy, that H. J. Groener whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is genuine; and, further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 25 day of April,1941.

(SEAL)

Michael J. Flynn County Clerk.

STATE OF ILLINOIS,)
COUNTY OF COOK.) SS.

I, H. J. GROENER, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, DO HEREBY CERTIFY that on the 25th day of April, 1941, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named F. E. MUSGROVE and R. W. SWEZEY, to me personally known and known to me to be, respectively, a Vice President and an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the corporation described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Assistant Secretary, respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and said F. E. MUSGROVE and R. W. SWEZEY, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that said F. E. MUSGROVE resides in Chicago, in the State of Illinois, and that said R. W. SWEZEY resides in Park Ridge, in the State of Illinois; that said F. E. MUSGROVE is a Vice President and said R. W. SWEZEY is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the corporation described in and which executed the within and foregoing instrument in writing; that they, said F. E. MUSGROVE, Vice President, and R. W. SWEZEY, Assistant Secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto by order and authority of the Board of Directors of said corporation; that they and each of them signed their names to, and executed, the foregoing instrument in their respective capacities as Vice President and Assistant Secretary in behalf of said corporation by like order and authority; that they signed, sealed with the corporate seal, executed and delivered said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and that they severally duly acknowledged said instrument to be the free and voluntary act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires April 29, 1944.

H. J. Groener
Notary Public in and for the State
of Illinois, County of Cook

(SEAL)

STATE OF ILLINOIS,)
COOK COUNTY.) ss.

I, MICHAEL J. FLYNN, County Clerk of the County of Cook, DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County, and as such officer am duly authorized to issue certificates of magistracy, that H. J. Groener whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is genuine; and, further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 25 day of April 1941.

(SEAL)

Michael J. Flynn, County Clerk.

STATE OF ILLINOIS,)
COUNTY OF COOK.) SS.

I, J. M. JARMOTZ, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements, and hereditaments in said County, DO HEREBY CERTIFY that on the 24th day of April, 1941, personally appeared before me within said County and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, the within named Henry A. Scandrett, Walter J. Cummings and George I. Haight, Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, to me personally known and known to me to be the individuals described and named in and the identical persons who subscribed their names to and whose names are subscribed to and who executed the within and foregoing instrument in writing as such Trustees in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said Henry A. Scandrett, Walter J. Cummings and George I.Haight, and each of them, duly acknowledged to me in the presence of said witnesses that they signed, sealed, executed and delivered said instrument as their free and voluntary act and deed, as such Trustees, for the consideration, objects, uses and purposes therein mentioned, stated and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires July 21, 1943.

J. M. Jarmotz
Notary Public in and for the State of
Illinois, County of Cook.

(SEAL)

STATE OF ILLINOIS,)
COOK COUNTY.) ss.

I, Michael J. Flynn, County Clerk of the County of Cook, DO HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public of said County, and as such officer am duly authorized to issue certificates of magistracy, that J. M. Jarmotz whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is genuine; and, further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 25 day of April, 1941.

(SEAL) Michael J. Flynn County Clerk

STATE OF ILLINOIS,)
COUNTY OF COOK.) ss.

I DO HEREBY CERTIFY that the United States Internal Revenue Stamps required by law have been affixed to one of the original counterparts of the Agreement and cancelled.

(SEAL) H. J. Groener
Notary Public in and for the State
of Illinois, County of Cook.

My commission expires April 29, 1944.

STATE OF WISCONSIN)
) SS
DEPARTMENT OF STATE)

Received this 26 day of April A. D. 1941 at 8:40 o'clock A. M. and recorded in Vol. 34 of R. R. Mortgages on pages 564-596 both incl.

Lisle W. Schroeder
Assistant Secretary of State

Index 15th

AGREEMENT
BY AND BETWEEN

GREAT NORTHERN RAILWAY COMPANY
AND
THE FIRST NATIONAL BANK OF SAINT PAUL

AMENDING EIGHT CONDITIONAL SALE CONTRACTS

BETWEEN

ELECTRO-MOTIVE CORPORATION
VENDOR
AND
GREAT NORTHERN RAILWAY COMPANY
VENDEE

DATED MAY 22, 1941

THIS AGREEMENT made and entered into the 22nd day of May, 1941, by and between GREAT NORTHERN RAILWAY COMPANY, a corporation of the State of Minnesota, hereinafter called the "Railway Company", and THE FIRST NATIONAL BANK OF SAINT PAUL, Minnesota, hereinafter called the "Bank",

WITNESSETH:

In consideration of the mutual covenants of the parties herein contained, and in further consideration of the execution by each of the parties of a certain agreement bearing even date herewith and providing for the amendment of two certain conditional sale contracts for the purchase of steel ore cars, one dated December 14, 1939, between Pressed Steel Car Company, Inc., and Great Northern Railway Company, and one dated January 4, 1940, between Bethlehem Steel Company and Great Northern Railway Company, the parties hereto agree as follows:

1. Those eight certain conditional sale contracts between Electro-Motive Corporation, as Vendor, and Great Northern Railway Company, as Vendee, one dated February 7, 1939, for the purchase of two Diesel Locomotives; one dated March 4, 1939, for the purchase of one Diesel locomotive; one dated March 18, 1939, for the purchase of one Diesel locomotive; one dated March 28, 1939, for the purchase of two Diesel locomotives; one dated April 3, 1939, for the purchase of one Diesel locomotive; one dated April 26,1939, for the purchase of two switching locomotives; one dated May 10, 1939, for the purchase of one Diesel locomotive; and one dated May 19, 1939, for the purchase of two Diesel locomotives, all of which conditional sale contracts were later assigned to the First National Bank of Saint Paul, Minnesota, shall be and the same hereby are amended as follows:

(a) After the words "three per cent (3%) per annum" in the third line of the first paragraph of each of said contracts, following the word "WITNESSETH", there shall be inserted "until June 1, 1941, and at the rate of two per cent (2%) thereafter".

(b) There shall be added at the end of the second paragraph of Section 1 of each of said conditional sale contracts with the Electro-Motive Corporation, the following sentence "From and after June 1, 1941, the rate of interest at which such payments shall be discounted shall be two per cent (2%) per annum instead of three per cent (3%)."

(c) Each monthly payment, which under the terms of the second paragraph of Section 1 in each of said contracts, would be made on the first day of July, 1941, and on the first day of each month thereafter, shall be changed to the amount set forth in the column headed "Monthly payments to be substituted after June 1, 1941", on the line opposite the date of such contract in the following table, and such amounts as so changed shall be paid monthly to and including June 1, 1946, when any balance remaining unpaid on any of such contracts shall be due and payable:

Date of Contract	Monthly payment provided for in original contract	Monthly payments to be substituted after June 1, 1941
Feb. 7, 1939	$2,267.62	$1,257.47
March 4, 1939	1,531.70	874.04
March 18, 1939	1,531.70	874.04
March 28, 1939	3,063.40	1,748.08
April 3, 1939	1,531.70	398.64
April 26, 1939	3,063.40	1,797.28
May 10, 1939	1,531.70	923.18
May 19, 1939	3,063.40	1,846.35

2. Except as herein otherwise provided, each of the said conditional sale contracts shall be and remain in full force and effect between the parties.

3. The Bank guarantees to the Railway Company that it has received full authority from all persons interested in said conditional sale contracts, or any of them, to enter into this agreement on their behalf, and the Bank agrees to indemnify and hold harmless the Railway Company against any liabilities for any payment after June 1, 1941, except as provided for in the said conditional sale contracts as hereby amended.

IN WITNESS WHEREOF the parties hereto have caused this agreement to be executed the day and year first hereinabove written.

In presence of:

J. A. Lengby

C. F. Ziegahn

(SEAL)

R. A. Stenley

A. A. Kaese

(Seal)

GREAT NORTHERN RAILWAY COMPANY

F. J. Gavin
President.

Attest: F. L. Paetzold
Secretary.

THE FIRST NATIONAL BANK OF SAINT PAUL

By N. P. Delander
V. President.

Attest: A. W. McNee
Cashier

STATE OF MINNESOTA,)
COUNTY OF RAMSEY.) ss.

I, ALPHA M. SARCHET, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 22nd day of May, A. D. 1941, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such as to GREAT NORTHERN RAILWAY COMPANY, to the within and foregoing instrument, F. J. Gavin and F. L. Paetzold, each to me personally known and known to me to be respectively President and Secretary of the Great Northern Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such President and such Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said F. J.Gavin and F. L. Paetzold, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said F. J. Gavin resides in the City of St. Paul and State of Minnesota, and that the said F. L. Paetzold resides in the City of St. Paul and State of Minnesota; that said F. J. Gavin is President and said F. L. Paetzold is Secretary of the Great Northern Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said President and said Secretary, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as President and Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said County of Ramsey, State of Minnesota, this the day and year in this my certificate first above written.

(SEAL)

Alpha M. Sarchet

Alpha M. Sarchet
Notary Public, Ramsey County, Minn.
My Commission Expires July 9th, 1942.

STATE OF MINNESOTA,)
COUNTY OF RAMSEY) SS

I, E. D. Dufva, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 23rd day of May, A. D. 1941, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such as to THE FIRST NATIONAL BANK OF SAINT PAUL, to the within and foregoing instrument, N. P. Delander and A. W. McNee, each to me personally known and known to me to be respectively Vice President and Cashier of The First National Bank of Saint Paul, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice President and Cashier, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and the said N. P. Delander and A. W. McNee, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said N. P. Delander resides in the City of St. Paul and State of Minnesota, and that the said A. W. McNee resides in the City of St. Paul and State of Minnesota; that said N. P. Delander is Vice President and said A. W. McNee is Cashier of The First National Bank of Saint Paul, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said Vice President and said Cashier, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Cashier in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that such corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said County of Ramsey, State of Minnesota, this the day and year in this my certificate first above written.

(SEAL)

E. D. Dufva

E. D. Dufva
Notary Public, Ramsey County, Minn.
My commission expires June 19, 1941.

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS

Received this 7th day of June, A. D. 1941 at 9:00 o'clock A.M. and recorded in Vol. 34 of R. R. Mortgages on pages 597-599.

Lisle W. Schroeder
Assistant Secretary of State

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EQUIPMENT LEASE AND AGREEMENT

NORTHERN PACIFIC RAILWAY EQUIPMENT TRUST OF 1941
SERIES B

LEASE OF RAILROAD EQUIPMENT

THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK
TRUSTEE

TO

NORTHERN PACIFIC RAILWAY COMPANY

DATED JULY 15, 1941

LEASE OF RAILROAD EQUIPMENT, dated as of July 15, 1941, between THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK, a corporation duly organized and existing under the laws of the United States of America, Trustee (hereinafter called the "Trustee"), party of the first part, and NORTHERN PACIFIC RAILWAY COMPANY, a corporation duly organized and existing under the laws of the State of Wisconsin (hereinafter called the "Company"), party of the second part.

WHEREAS, by a certain Agreement (hereinafter called the "Agreement") dated as of July 15, 1941, between THOMAS A. DOOLING and HAROLD MICHAEL, Vendors (hereinafter called the "Vendors"), THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK, as Trustee, and NORTHERN PACIFIC RAILWAY COMPANY, a counterpart original whereof is hereto annexed and made a part hereof, there was constituted "NORTHERN PACIFIC RAILWAY EQUIPMENT TRUST of 1941, Series B," whereby it was agreed that the railroad equipment which said Vendors transfer or cause to be transferred to the Trustee thereunder is to be leased to the Company hereunder; and

WHEREAS, pursuant to the provisions of the Agreement, said railroad equipment has been or will be transferred to the Trustee thereunder, and the title to said railroad equipment vested in the Trustee:

NOW THIS AGREEMENT WITNESSETH:

That The First National Bank of the City of New York, Trustee as aforesaid (acting in pursuance of the Agreement), party of the first part, for and in consideration as well of the sum of one dollar to it paid by the Company, party of the second part, at or before the ensealing and delivery hereof, the receipt of which is hereby acknowledged, as of the rents, covenants and conditions hereinafter mentioned to be paid, kept and performed by the Company, has let and leased, and does hereby let and lease, to the Company for the term from and after July 15, 1941, to and including July 15, 1951, unless sooner terminated as herein provided, all the railroad equipment of Northern Pacific Railway Equipment Trust of 1941, Series B, to-wit:

Number of Units	Description of Equipment	Road Numbers (Both Inclusive)
1350	50-ton steel underframe, steel superstructure and steel sheathed box cars; estimated total cost per unit, $3,110.32; American Car and Foundry Company, St. Louis, Missouri, Manufacturer	26000 to 27349
500	50-ton steel underframe, steel superstructure and steel sheathed box cars; estimated total cost per unit, $3,072.88; Pullman-Standard Car Manufacturing Company, Michigan City, Indiana, Manufacturer	27500 to 27999
200	70-ton all steel Hart selective ballast cars; estimated total cost per unit, $3,516.62; American Car and Foundry Company, St. Louis, Missouri, Manufacturer	85300 to 85499

together with such additional, substitute, or replacing railroad equipment as may be acquired for said Trust and subjected to this Lease as hereinafter provided (hereinafter and in the Agreement collectively called the Trust Equipment).

The estimated total cost of the railroad equipment above specifically described, when completed, has been certified to the Trustee to be not less than Six Million Four Hundred and Twenty-five Thousand Dollars ($6,425,000).

If the total cost of all the Trust Equipment specifically described hereinabove shall not equal or exceed said sum, then, in accordance with the provisions of the Agreement, in addition to said described equipment there shall be acquired by the Vendors and subjected to this Lease other new standard-gauge equipment, complying with the requirements of the interchange rules of the Association of American Railroads, of substantially as good material and construction, of such cost that the aggregate total cost of all the Trust Equipment shall equal or exceed Six Million Four Hundred and Twenty-five Thousand Dollars ($6,425,000); and the Trustee shall execute to the Company a supplemental lease thereof, describing the same, upon and subject to the terms and conditions hereof and of the Agreement, and such additional equipment shall be part of the Trust Equipment, subject to all the terms and conditions hereof and of the Agreement in all respects as though it had been part of the original Trust Equipment herein described.

As and when the Trust Equipment shall from time to time be transferred, sold or assigned and delivered to the Trustee under the Agreement and marked in accordance with the provisions of Article Second hereof, the same shall be delivered to the Company, and shall, upon such delivery to the Company ipso facto, and without further deed of lease or transfer, pass under and become subject to all the terms and provisions of this Lease, and be deemed a portion of the Trust Equipment leased by the Trustee to the Company hereunder in all respects as if the same had been so delivered simultaneously with the execution and delivery hereof.

And the Company, in consideration of the premises, by these presents covenants and agrees with the Trustee as follows:

ARTICLE FIRST: The Company hereby accepts this Lease of all the Trust Equipment, and hereby covenants and agrees to accept delivery and possession hereunder of the Trust Equipment as hereinbefore provided and subject to the terms and conditions mentioned in the Agreement; and the Company covenants and agrees to pay, or cause to be paid, to the Trustee at the principal office of the Trustee in The City of New York in the State of New York, in such coin or currency as, at the time of payment is legal tender for the payment of public and private debts in the United States of America, rent hereunder for the Trust Equipment which shall be sufficient to pay and discharge the following items, when and as the same shall become due and payable (whether or not any of such items shall become due and payable prior to the delivery under this Lease of the Trust Equipment or any of the Trust Equipment):

(a) Promptly upon the execution of this Lease, if necessary, a sum which when added to the net proceeds of the sale of the Trust Certificates paid to the Trustee by the Vendors (excluding premium and unearned dividends, if any), will make the total sum deposited equal to $5,700,000;

(b) Prior to the first delivery of any completed unit or units of the Trust Equipment and in anticipation of such delivery, as advance rent, amounts sufficient to pay the bills of the manufacturers of the Trust Equipment to the Vendors for the Trust Equipment about to be delivered, to the extent of Seven Hundred and Twenty-five Thousand Dollars ($725,000), in accordance with the provisions of the second paragraph of Article Second of the Agreement;

(c) From time to time, upon request of the Trustee, amounts sufficient to reimburse

the necessary and reasonable expenses of the trust created by the Agreement and pay the proper compensation of the Trustee, and the reasonable expenses incurred by the Trustee in the administration of its trust under the Agreement and under this Lease, and any other sums payable by the Company thereunder and hereunder;

(d) Sums equal to the taxes, assessments and other governmental charges upon the Trust Equipment or income of the trust created in the Agreement or upon the Agreement, which the Trustee may by law be required to pay. Nothing herein or in the Trust Certificates or the Agreement contained shall be deemed to impose on the Trustee or on the or registered holder of any Trust Certificate or to the bearer Company any obligation to pay to the bearer of any dividend warrant any amount required by any law of the United States of America or of any State or subdivision thereof or of any Territory or of the District of Columbia, to be withheld from the amount payable to the holder of any Trust Certificate or dividend warrant. The Company shall not be required to pay any tax, assessment or other governmental charge so long as the Company shall in good faith and by appropriate legal proceedings contest the validity thereof, unless thereby, in the judgment of the Trustee, the rights or interests of the Trustee or of the bearers or registered holders of the Trust Certificates may be materially endangered;

(e) Amounts sufficient to pay the dividend warrants attached to and the dividends payable on the Trust Certificates, when and as the same shall become due and payable;

(f) Amounts sufficient to pay the principal of the Trust Certificates when and as the same shall become due and payable, whether by declaration or upon the respective dates of maturity thereof, or otherwise;

(g) If default shall be made in the full payment of any such dividend warrants, dividends or principal, when and as the same shall become due and payable as aforesaid, amounts sufficient to pay interest on such unpaid dividend warrants, dividends or principal at the rate of four per cent (4%) per annum from the respective dates upon which the same shall have so become due and payable.

Anything in this Lease or in the Agreement to the contrary notwithstanding, the Company will, from time to time, on demand of the Trustee, forthwith pay to the Trustee as additional rent hereunder for the Trust Equipment such amounts as shall, together with the Seven Hundred and Twenty-five Thousand Dollars ($725,000) referred to in sub-paragraph (b) of this Article and the fund of Five Million Seven Hundred Thousand Dollars ($5,700,000) to be deposited with the Trustee, be sufficient to pay the total cost of the Trust Equipment together with such other sums, if any, as may be necessary to pay in full the bills of the manufacturers for the Trust Equipment.

ARTICLE SECOND: The Company covenants and agrees with the Trustee, in addition to its agreement to pay the said rent at the times and in the manner above provided, to keep and maintain at its own expense the Trust Equipment in good order and proper repair, damage thereto to be made good, including, without limitation, damage by collision, fire or explosion.

The Company agrees to cause each unit of the Trust Equipment, at or before delivery to the Company of such unit of Trust Equipment, pursuant and subject to the terms of this Lease, to be plainly, distinctly, permanently and conspicuously marked with name plates, or to be otherwise plainly, distinctly, permanently and conspicuously marked, and to be kept so marked during the continuance of this Lease, upon both sides thereof, and in letters not less than one-half inch in height, with the words:

"The First National Bank of the City of New York, Trustee, Owner and Lessor, Northern Pacific Railway Equipment Trust of 1941, Series B."

with appropriate changes thereof or additions thereto as from time to time may be required by law to protect the interests of the Trustee and the bearers and registered holders of the Trust Certificates. Such plates or marks shall be such as to be readily visible and as to indicate plainly the Trustee's ownership of the Trust Equipment. In case, during the continuance of this Lease, any of such plates or marks shall at any time be removed, defaced or destroyed, the Company will immediately, at its own expense, cause the same to be restored or replaced. The Company will not change, or permit to be changed, the numbers upon any of the Trust Equipment (or any numbers which may be substituted as herein provided) except with the prior written consent of the Trustee and in accordance with a statement of new numbers to be substituted therefor, which previously shall have been filed with the Trustee by the Company.

The Trust Equipment may be lettered "Northern Pacific Railway Company", "Northern Pacific", "N. P. Ry. Co.", or in some other appropriate manner, for convenience of identification of the leasehold interest of the Company therein; but the Company, during the continuance of this Lease, will not allow the name of any person, association or corporation to be placed on any of the Trust Equipment as a designation which might be interpreted as a claim of ownership thereof by the Company, or by any person, association or corporation other than the Trustee.

ARTICLE THIRD: The Company further covenants and agrees to furnish to the Trustee, whenever requested by the Trustee and at least once in every year during the continuance of this Lease, an accurate inventory of the Trust Equipment then covered by this Lease, the numbers and description of such units thereof as may have been worn out, lost or destroyed and of the replacements thereof, the numbers of such as were repaired during the preceding year and, so far as practicable, the numbers of such as at the date of such statement are undergoing repair or are in the shops for repair, and a list of the repairs needed on any of the Trust Equipment specifying the Trust Equipment known to be in need of repair and classifying the repairs so needed in accordance with the then current classifications of repairs of the Company. Together with the statement herein referred to, the Company shall also furnish to the Trustee a statement, signed by the Chief Accounting or Operating Officer of the Company, stating that in the case of all the Trust Equipment repainted during the preceding year, the marks and numbers required by Article Second hereof have been preserved, or that the same when repainted have been again marked and numbered as required by said Article Second. The Trustee may nevertheless, in its discretion, if it deems it necessary for the protection of the bearers and registered holders of the Trust Certificates, at any time and at the expense of the Company, make full investigation of all such matters and full inspection of the Trust Equipment and the Company covenants in that event to furnish to the Trustee all reasonable facilities for the making of such investigation and/or inspection.

The Company covenants and agrees to indemnify and protect the Trustee against all claims arising out of or connected with the ownership or use of any of the Trust Equipment or replacements thereof, and particularly against any and all claims arising out of the use of any and all patented inventions employed in and about the Trust Equipment and to comply in all respects with the laws of the United States and of all the states in which the Trust Equipment or any thereof may be operated and with all lawful acts, rules, regulations and orders of the Interstate Commerce Commission and of all other commissions, boards and other legislative, executive or judicial bodies or officers having power to regulate or supervise any of the Trust Equipment, including without limitation all lawful acts, rules, regulations and orders of any body having competent jurisdiction

relating to automatic coupling devices or attachments, air brakes or other appliances; provided, however, that the Company may in good faith contest the validity of any such law, act, rule, regulation or order or the application thereof to the Trust Equipment or any part thereof, unless in the judgment of the Trustee such action will materially endanger the rights or interests of the Trustee or of the bearers and registered holders of the Trust Certificates.

ARTICLE FOURTH: The Company further covenants that there shall be no assignment or transfer of this Lease or of its rights or interests in the Trust Equipment or any part thereof under this Lease, nor any subletting of the Trust Equipment or any part thereof, without the prior consent of the Trustee in writing, and the Company shall not without such consent, except as herein provided, part with the possession of, or suffer or allow to pass out of its possession or control, any of the Trust Equipment. The Trustee shall have the right to declare this Lease terminated in case of any unauthorized assignment or transfer of this Lease or any unauthorized assignment, transfer, or subletting of the Trust Equipment or any part thereof; and if the Trustee elects to terminate this Lease as in this Article Fourth provided, it shall be entitled forthwith to retake the Trust Equipment and to exercise any and all of the remedies hereinafter provided in Article Fifth of this Lease. From and after the delivery of the Trust Equipment by the Trustee to the Company, but only upon and subject to all the terms and conditions of Article Eighth of this Lease and all the other terms and conditions of this Lease, the Company, so long as it shall not be in default under this Lease, shall be entitled to the possession of the Trust Equipment and the use thereof upon the lines of railroad owned or operated by it under lease or otherwise or over which it has trackage rights and upon those of any railroad company a majority of whose capital stock is at the time owned or controlled by the Company, and also upon connecting and other railroads in the usual interchange of traffic.

ARTICLE FIFTH: In case the Company shall make default in the payment of any part of said rent for more than thirty (30) days after the same shall have become due and payable, or shall make or suffer any unauthorized assignment or transfer of its rights or interest in the Trust Equipment or any unauthorized sublease thereof, or, except as herein authorized, shall part with the possession of the Trust Equipment, and shall fail or refuse either to cause such assignment or transfer or sublease to be cancelled by agreement of all parties having any interest therein and recover possession of such Trust Equipment within thirty (30) days after the Trustee shall have demanded in writing such cancellation and recovery of possession, or within said thirty (30) days to deposit with the Trustee a sum in cash equal to the original cost of the Trust Equipment so assigned or transferred or subleased and not so recovered (any sum so deposited to be returned to the Company upon the cancellation of such assignment, transfer or sublease and the recovery of possession by the company of such Trust Equipment), or in case the Company shall fail or refuse, for more than thirty (30) days after the Trustee shall have demanded in writing performance thereof, to perform any of the other terms or covenants in this Lease or in the Agreement contained to be performed on its part, or to make provisions satisfactory to the Trustee for such performance, the Trustee may declare this Lease terminated, retaining all payments which up to that time may have been made on account of rent for the Trust Equipment, and otherwise, and shall be entitled to collect, receive and retain all unpaid per diem, mileage or other charges of any kind earned by the Trust Equipment or any thereof. Upon such declaration all installments of rent reserved hereunder, whether

said installments shall then have fallen due or not, shall at once become forthwith due and payable. Upon any such default, the Trustee may, by an agent or agents to be appointed for the purpose, enter upon the railroad or premises whereupon or wherein the Trust Equipment may be and may retake the Trust Equipment or any part thereof, and withdraw the same from said railroad or premises, and may lease the Trust Equipment, or any part thereof, or sell the same or any part thereof, so far as the Trustee may deem necessary or desirable in order to perform and fulfill the trusts under the Agreement, at public sale, at which the Trustee may be a purchaser, or at private sale, for cash or upon credit, in its discretion, and otherwise proceed to enforce its rights and the rights of the bearers and registered holders of the Trust Certificates. Upon such taking possession, withdrawal, lease or sale of the Trust Equipment or any part thereof, the Company shall cease to have any rights or remedies in respect of the Trust Equipment under this Lease, but all such rights and remedies shall be deemed thenceforth to have been waived and surrendered by the Company; and no payments theretofore made by the Company for the rent or use of the Trust Equipment or any of it, shall, in case of any such default and such taking of possession, withdrawal, lease or sale by the Trustee, give to the Company any legal or equitable interest or title in or to the Trust Equipment, or any of it, or any cause or right of action, at law or in equity, in respect of the Trust Equipment against the Trustee or the bearers and registered holders of the Trust Certificates. Such taking of possession, withdrawal, lease or sale of the Trust Equipment by the Trustee shall not be a bar to the recovery by the Trustee from the Company for rent past due and unpaid or for future accruing rent, and the Company shall be and remain liable for the same, until such sum is realized as, with the proceeds of any lease or sale of the Trust Equipment or any part thereof, is sufficient for the payment and discharge in full of all the various sums or amounts mentioned in sub-paragraphs (a), (b), (c), (d), (e), (f) and (g) and in the last paragraph of Article First of this Lease, whether or not they shall then have matured according to their terms, together with any and all other sums or amounts payable by the Company under this Lease or pursuant to the terms and provisions of the Agreement. Prior to July 15, 1951, and prior to any taking possession, withdrawal, sale or lease of the Trust Equipment by the Trustee, the Trustee may in its discretion, and, if so requested by the bearers or registered holders of a majority in principal amount of the Trust Certificates then outstanding and which shall not then have matured according to their terms shall, by written notice to the Company, rescind such declaration terminating this Lease upon the payment to it of all sums theretofore in default, and the expenses and reasonable compensation of the Trustee, together with all expenses occassioned by the default, and upon the performance by the Company of all its other obligations under this Lease which theretofore it shall have failed to perform; and then and thereupon the rent remaining unpaid by the Company shall be and become payable from time to time as provided in Article First hereof.

In case the Trustee shall rightfully demand possession of the Trust Equipment in pursuance of this Lease, and shall reasonably designate a point or points upon the railroad lines in the possession or control of the Company, including any line under lease to it, or upon the railroad lines of any company a majority of whose capital stock is at the time directly or indirectly owned or controlled by the Company, for the delivery of the Trust Equipment to it, the Company will, at its own expense, forthwith and in the usual manner and at reasonable speed, cause the Trust Equipment to proceed or be drawn to such point or points on said railroad lines as shall be designated by the Trustee and will

there deliver or cause to be delivered the same to the Trustee; or the Trustee at its option may keep the Trust Equipment on any of the lines of railroad or premises of the Company until the Trustee shall have leased, sold or otherwise disposed of the same, and for such purpose the Company agrees to furnish without charge the necessary tracks at any convenient point or points selected by the Trustee. It is hereby expressly covenanted and agreed that the performance of the foregoing covenants is of the essence of the contract and that upon application to any court having jurisdiction in the premises the Trustee shall be entitled to a decree against the Company requiring the specific performance thereof.

If the Company shall commit or suffer any default and during the continuance of such default the Trustee shall exercise any of the powers conferred upon it by this Article Fifth, all payments made by the Company to the Trustee under this Lease after such default, and the proceeds of any judgments collected by the Trustee from the Company hereunder, and the proceeds of every lease and sale by the Trustee of any of the Trust Equipment, together with any other sums which may then be held by the Trustee under any of the provisions of this Lease, shall be applied by the Trustee in the order of priority following, viz; First, to the payment of all proper charges of the Trustee and of all expenses properly incurred or advances properly made by the Trustee in accordance with the provisions of this Lease, including the expenses of any retaking of the whole or any part of the Trust Equipment and all expenses of any lease or of any sale thereof; and Second, to the payment of all other sums of money due and payable to the Trustee under the provisions of this Lease.

After all such payments shall have been made in full, the title to any of the Trust Equipment remaining unsold or otherwise undisposed of by the Trustee in accordance with the provisions of this Lease shall be duly conveyed by the Trustee to the Company or its nominee or nominees to be held thereafter for its own use free from any further liabilities or obligations to the Trustee. If, after applying all of such sums of money realized by the Trustee as aforesaid, there shall remain any amount due to the Trustee under the provisions of this Lease, the Company agrees to pay the amount of such deficiency to the Trustee. If, after applying as aforesaid the sums of money realized by the Trustee, there shall remain a surplus in the possession of the Trustee, such surplus shall be paid to the Company.

Each and every power or remedy herein given to the Trustee and the bearers and registered holders of the Trust Certificates shall be in addition to every other power or remedy herein specifically given or now or hereafter existing at law or in equity, and each and every power and remedy herein specifically given or otherwise so existing shall not be deemed exclusive, but shall be cumulative, and may be exercised from time to time and as often and in such order as may be deemed expedient by the Trustee; and the exercise or the beginning of the exercise of one power or remedy shall not be deemed a waiver of the right to exercise at the same time or thereafter any other power or remedy. No delay or omission of the Trustee in the exercise of any right or power accruing upon any default, as above defined, shall impair any such right or power or shall be construed to be a waiver of such default or an acquiescence therein.

ARTICLE SIXTH: The Company covenants and agrees during the continuance of this Lease, at its own expense, to replace any of the Trust Equipment which may be worn out, obsolete, lost or destroyed from any cause whatever, by other standard-gauge railroad equipment, free from liens, the value of the replacing railroad equipment, figured at total cost if that be below market value, or at market value, if that be below total

cost, to be not less than the fair value of the replaced equipment, determined as hereinafter provided. The Company may, at its option, with the consent of the Trustee, and in lieu of such immediate replacement of worn out, obsolete, lost or destroyed Trust Equipment, deposit with the Trustee cash equal to the fair value, determined as hereinafter provided, of the Trust Equipment so worn out, obsolete, lost or destroyed. In the event that deposits in cash are made in lieu of immediate replacement, the sums so deposited shall be held by the Trustee for the equal and proportionate benefit of the bearers and registered holders of the Trust Certificates until the Trust Equipment so worn out, obsolete, lost or destroyed shall have been replaced, at which time the sums so deposited shall be paid to the Company. At the time of every such replacement or of such deposit in cash in lieu of immediate replacement, the Company shall deliver to the Trustee a certificate of the Chief Accounting Officer or Treasurer of the Company stating the total cost and the fair value of the Trust Equipment so worn out, obsolete, lost or destroyed, determined as hereinafter provided. At the time of every such replacement, the Company shall further deliver to the Trustee a certificate of its Chief Accounting Officer or Treasurer stating the total cost and the market value of the replacing equipment, together with a bill or bills of sale containing a warranty or warranties, an opinion of counsel and certificates as to delivery and acceptance, in like manner as is provided in Article Second of the Agreement.

Upon the written request of the Company stating that the use of certain of the Trust Equipment described in such request is no longer required by the Company, and accompanied by a certificate of the Chief Accounting Officer or Treasurer of the Company stating (1) the total cost of such Trust Equipment and its fair value determined as hereinafter provided, and (2) that the Company has agreed to sell such equipment and the selling price thereof, the Trustee shall, while the Company is not in default hereunder, execute and deliver a bill of sale assigning and transferring to the purchaser named by the Company the absolute title to the Trust Equipment specified in said request; provided, however, that none of the Trust Equipment shall be so assigned and transferred unless, simultaneously with the delivery of such bill of sale, the Trustee shall receive from said purchaser the agreed purchase price thereof and from the Company a sum in cash equal to the amount, if any, by which the fair value of the Trust Equipment so assigned and transferred, determined as hereinafter provided, exceeds said purchase price. The sums so paid to the Trustee shall be held by it for the equal and proportionate benefit of the bearers and registered holders of the Trust Certificates until paid out by the Trustee, upon the written request of the Company, for the purchase by the Trustee of other standard-gauge railroad equipment, free from liens. The delivery of such other equipment to the Trustee shall be accompanied by a bill or bills of sale containing a warranty or warranties, an opinion of counsel, certificates as to delivery and acceptance and a certificate as to total cost in like manner as is provided in Article Second of the Agreement.

The title to any railroad equipment acquired under this Article Sixth shall be taken in the name of the Trustee, free from liens, and such railroad equipment shall be marked in accordance with the provisions of Article Second hereof prior to the delivery thereof to the Company and immediately upon being so marked shall be part of the Trust Equipment, subject to all of the terms and conditions hereof and of the Agreement in all respects as though it had been part of the original Trust Equipment herein described, and the Company and the Trustee shall execute and the Company shall file, register and/or record a supplemental lease thereof, describing the same, upon and subject to all the terms and conditions hereof.

The fair value of all Trust Equipment worn out, obsolete, lost or destroyed, or sold by the Trustee pursuant to this Article Sixth, shall be the total cost thereof less an amount for depreciation computed by the straight line method at a rate not greater than 1/3 of 1% of the total cost of such Trust Equipment for each calendar month between the date of delivery of such Trust Equipment to the agent of the Trustee and the time when such Trust Equipment became worn out, obsolete, lost or destroyed or was sold, as the case may be. For all purposes of this Lease and the Agreement, the maximum depreciation on the Trust Equipment, or any thereof, shall be computed as in this paragraph provided.

The Trustee may accept any certificate filed by the Chief Accounting Officer or Treasurer of the Company under the provisions of this Article Sixth as conclusive evidence of the total cost (as defined in Article Second of the Agreement), or of the market value or of the fair value, as the case may be, of the unit or units of the Trust Equipment involved, and shall incur no liability for any sale made or act done under this Article Sixth in reliance thereon.

ARTICLE SEVENTH: This Lease, unless sooner terminated as hereinabove provided, shall continue in force until the rent so paid hereunder shall furnish moneys sufficient to meet, discharge and cancel all the interests in the Trust Certificates, created in respect of the Trust Equipment, and the dividends thereon, as well as all the other payments and charges which the Company herein covenants to pay. At the expiration of this Lease and after all such payments required hereby shall have been completed and fully made to the Trustee, the Trust Equipment then covered by this Lease, whether the same shall have been delivered to the Company simultaneously with or after the execution hereof, shall, at the option of the Company, be assigned and transferred by the Trustee to the Company or its nominee or nominees as its or their absolute property; provided, however, and it is agreed, that, until then, the title to none of the Trust Equipment shall pass to or vest in the Company, but title to and the ownership of all the Trust Equipment shall be vested and remain in the Trustee, notwithstanding the delivery of the Trust Equipment to and the possession and use thereof by the Company.

ARTICLE EIGHTH: The Company covenants that prior to the delivery to it of any of the Trust Equipment covered hereby, it will cause this Lease and the Agreement to be duly filed, registered or recorded and/or duly refiled, reregistered or rerecorded in each and every jurisdiction wherein are situated railroad lines owned or operated by the Company (either alone or jointly with another) or by any corporation a majority of whose capital stock shall be owned or controlled directly or indirectly by the Company or over which the Company or any such corporation has trackage rights and in every jurisdiction where any of the Trust Equipment shall initially be delivered, and in any other jurisdictions as may be required by law, and that it will thereafter from time to time cause any and all supplemental leases and agreements which may be executed pursuant to the terms hereof and of the Agreement to be so filed, registered or recorded and/or refiled, reregistered or rerecorded, in order to publish notice of and to protect the Trustee's title to the Trust Equipment and any replacements, and from time to time the Company will perform any other act required by law, and will execute, file, register or record any and all further instruments that reasonably shall be requested by the Trustee for such publication and protection of such title.

ARTICLE NINTH: Until it shall have discharged all its obligations under this Lease, the Company shall pay all costs, charges and expenses incident to the performance of all terms and conditions of this Lease and the Agreement on its part to be performed, including, without limiting the generality of the foregoing, all recording and registration

taxes and fees, and all expenses incident to the preparation, execution, acknowledgment, filing, refiling, registering, reregistering, recording and rerecording of this Lease and the Agreement and of any instrument supplemental to this Lease or the Agreement or of further assurance, and all stamp taxes and other taxes, duties, imposts, assessments, charges, fines and penalties of any kind imposed upon this Lease, the Agreement or any other instrument executed in connection with the trust or the Trust Equipment or the manner of operation thereof, and shall keep the Trust Equipment and all replacements thereof free from any liens which would be an encumbrance upon the Trustee's title thereto.

ARTICLE TENTH: In order to facilitate the filing and recording of this Lease the same may be simultaneously executed in several counterparts, each of which so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

ARTICLE ELEVENTH: This lease shall be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, The Trustee and the Company acting in accordance with the terms and conditions of the Agreement, and pursuant to due corporate authority, have caused these presents to be duly executed as of July 15, 1941.

THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK,

By Henry S. Sturgis

(SEAL) Vice-President.

Attest:
S. L. Searles
Assistant Cashier.

Signed, sealed, acknowledged and delivered as to The First National Bank of the City of New York, in the presence of:

F. J. Gardner

C. C. Paurot
Attesting Witnesses

NORTHERN PACIFIC RAILWAY COMPANY,

(SEAL) By F. G. Hollender
Vice-President.

Attest: Hugh McLeod
Assistant Secretary.

Signed, Sealed, acknowledged and delivered as to Northern Pacific Railway Company in the presence of:

P. B. Poe

W. F. Hill
Attesting Witnesses

STATE OF NEW YORK,)
COUNTY OF NEW YORK) SS

I, Adrian D. Stevenson, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 14 day of July, A.D., 1941, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument bearing date as of July 15, 1941, Henry S. Sturgis and S. L. Searles, each to me personally known and known to me to be respectively a Vice President and an Assistant Cashier of The First National Bank of the City of New York, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice-President and Assistant Cashier, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such and to be duly authorized to make this acknowledgment as hereinafter stated, and the said Henry S. Sturgis and S. L. Searles, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said Henry S. Sturgis resides at Albro Lane, Cedarhurst, Long Island, New York; and that the said S. L. Searles resides at 123 Woodridge Place, Leonia, New Jersey; that said Henry S. Sturgis is a Vice-President and said S. L. Searles is an Assistant Cashier of The First National Bank of the City of New York, one of the corporations described in and which executed the within and foregoing instrument in writing;

that they, the said Henry S. Sturgis and S. L. Searles, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by authority of the by-laws of said corporation and by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instruments in their respective capacities as Vice-President and Assistant Cashier in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation, and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said County of New York, State of New York, this the day and year in this my certificate first above written.

Adrian D. Stevenson
Notary Public
New York County
Comm.Exp.Mch.30,1942.

(SEAL)

STATE OF NEW YORK, (
COUNTY OF NEW YORK)SS

I, Adrian D. Stevenson, a Notary Public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 14 day of July, A. D. 1941, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument bearing date as of July 15, 1941, F. G. Hollender and Hugh McLeod, each to me personally known and known to me to be respectively a Vice-President and an Assistant Secretary of Northern Pacific Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice-President and Assistant Secretary respectively in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and to be duly authorized to make this acknowledgment as hereinafter stated, and the said F. G. Hollender and Hugh McLeod, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said F. G. Hollender resides at No. 9206 89th Avenue, Woodhaven, Long Island, NewYork, and that the said Hugh McLeod resides at No. 1847 Fairmount Avenue, St. Paul, Minnesota; and said F. G. Hollender is a Vice-President and said Hugh McLeod is an Assistant Secretary of Northern Pacific Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said F. G. Hollender and Hugh McLeod, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by authority of the by-laws of such corporation and by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice-President and Assistant Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand,subscribed my name and affixed my official seal as such notary public, in the said County of New York, State of New York, this the day and year in this my certificate first above written.

Adrian D. Stevenson
Notary Public
New York County
Comm. Exp. Mch. 30, 1942

(SEAL)

AGREEMENT

BY AND BETWEEN

THOMAS A. DOOLING and HAROLD MICHAEL
VENDORS

THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK
TRUSTEE

AND

NORTHERN PACIFIC RAILWAY COMPANY

FOR ISSUE OF $5,700,000 EQUIPMENT TRUST CERTIFICATES

DATED JULY 15, 1941

THIS AGREEMENT dated as of July 15, 1941, by and between THOMAS A. DOOLING and HAROLD MICHAEL, (hereinafter called the "Vendors"), parties of the first part, THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK, a corporation duly organized and existing under the laws of the United States of America, Trustee as hereinafter mentioned (hereinafter called the "Trustee"), party of the second part, and NORTHERN PACIFIC RAILWAY COMPANY, a corporation duly organized and existing under the laws of the State of Wisconsin (hereinafter called the "Company"), party of the third part, witnesseth as follows:

WHEREAS, the Company desires to obtain additional rolling stock and it has been deemed expedient to make provision therefor through the medium of an equipment trust; and

WHEREAS, the Vendors have contracted or will contract to acquire the railroad equipment specifically described in the Lease of Railroad Equipment from the Trustee to the Company prefixed to this Agreement (hereinafter called the "Lease"); and

WHEREAS, the title to the Trust Equipment is to be vested in the Trustee and is to be retained by the Trustee until transferred under the provisions of the Lease; and

WHEREAS, subscriptions have been or are being secured to the amount of Five Million Seven Hundred Thousand Dollars ($5,700,000) to a fund to be known as "Northern Pacific Railway Equipment Trust of 1941, Series B," which said fund is to be furnished to the Vendors to be applied by them in part payment of the purchase price of said railroad equipment to be acquired by them; and

WHEREAS, the Vendors desire to secure to the subscriber or subscribers to said fund, or their assigns, the payment of the principal amount thereof in ten annual installments, payable serially in the amount of $570,000 on July 15 in each year from July 15, 1942,to July 15, 1951, both dates inclusive, as hereinafter more particularly provided, with dividends to said dates of maturity respectively at the rate of two per cent (2%) per annum from July 15, 1941, the first dividend being payable on January 15, 1942, and dividends being payable semi-annually on each January 15 and July 15, thereafter; and to evidence the rights of the subscriber or subscribers to said fund by Trust Certificates in substantially the form hereinafter set forth; and

WHEREAS, the Company represents that all things necessary to make its guaranty as endorsed upon the Trust Certificates, when the Trust Certificates shall be issued by the Trustee under this Agreement, the valid, binding and legal obligation of the Company as herein provided, and that all things necessary to be done on its part to make this Agreement and the Lease a valid, binding and legal agreement and lease, respectively, have been done and performed.

NOW THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

ARTICLE FIRST: The Vendors hereby agree to acquire and cause to be sold, assigned, transferred and set over, and do hereby sell, assign, transfer and set over unto the

Trustee, as trustee for the bearers and registered holders of the Trust Certificates hereinafter described, the railroad equipment described in the Lease together with all additional railroad equipment required to be subjected to the Lease as provided therein (which together with any other railroad equipment at any time covered by the Lease or any other lease supplemental thereto or to this Agreement, or required or intended so to be, shall be hereinafter collectively called the "Trust Equipment"). The Vendors will deliver or cause to be delivered the Trust Equipment, f.o.b. tracks of the Company at points to be specified by it, when and as from time to time constructed and completed, to the person or persons designated by the Trustee as its agent or agents to receive such delivery, who may be any one or more of the officers, agents or employees of the Company, and the certificates of any and every agent so designated shall be conclusive evidence of such delivery. The Trustee and the Company shall simultaneously with the execution of this Agreement execute and deliver the Lease.

ARTICLE SECOND: Upon the execution of this Agreement, the Vendors will deposit or cause to be deposited with the Trustee, in cash, the net proceeds of the sale of the Trust Certificates issuable as hereinafter provided (together with any premium and accrued dividends as hereinafter provided) and at the same time the Company will, if necessary, deposit with the Trustee, in discharge pro tanto of advance rental payable by the Company to the Trustee under the Lease, such additional amount in cash as will make the total sum deposited equal to Five Million Seven Hundred Thousand Dollars ($5,700,000). Thereupon, without waiting for the recording, registration or filing of this Agreement or of any Lease of or other instrument respecting the Trust Equipment, the Trustee will issue and deliver, to the subscriber or subscribers to said fund, designated in the written order of the Vendors, the Trust Certificates described in Article Fourth hereof to the aggregate principal amount of Five Million Seven Hundred Thousand Dollars ($5,700,000). For the purposes of this Agreement and the Lease the terms "net proceeds" and "Deposited Cash", as herein defined, shall not be construed to include any premium or accrued dividends collected or received upon the sale of the Trust Certificates, but the amount of such premium and such accrued dividends shall, nevertheless, be deposited with the Trustee and be applied by it on account of the first and next succeeding installments of rental payable under sub-paragraph (e) of Article First of said Lease. Interest, if any, allowed upon any money so deposited shall belong to the Company and be paid to it by the Trustee, so long as the Company shall not be known to the Trustee to be in default hereunder or under the Lease, in lieu of the use of the Trust Equipment for the period before the delivery thereof. The cash deposited with the Trustee, as in this Article Second provided (hereinafter called the Deposited Cash), as well as any premium and accrued dividends collected or received upon the issue of the Trust Certificates, shall, until paid out by the Trustee as herein provided, be held in trust for the benefit of the holders of the Trust Certificates.

Prior to the first delivery of any completed unit or units of the Trust Equipment and in anticipation of such delivery the Company will pay to the Trustee advance rent in the amount of Seven Hundred and Twenty-five Thousand Dollars ($725,000), required by sub-paragraph (b) of Article First of the Lease. From time to time as units of the Trust Equipment are delivered the Company will, as provided in the last paragraph of Article First of the Lease, pay to the Trustee as additional rent under the Lease such amounts as shall, together with the advance rent in the amount of Seven Hundred and Twenty-five Thousand Dollars ($725,000) and the fund of Five Million Seven Hundred Thousand Dollars ($5,700,000) referred to in this paragraph, be sufficient to pay the total cost of the Trust Equipment together with such other sums, if any, as may be necessary to pay in full

the bills of the manufacturers for the Trust Equipment.

After said payments and deposits have been made as hereinbefore provided, then from time to time, when and as there shall be constructed and delivered to the person or persons designated by the Trustee, as aforesaid, any of the Trust Equipment leased to the Company under the provisions of the Lease, the Trustee shall pay to the Vendors, or upon their order, out of said funds deposited or caused to be deposited with the Trustee as aforesaid, an amount sufficient to pay the total cost of the Trust Equipment so delivered together with such other sums, if any, as may be necessary to pay in full the bills of the manufacturers for such Trust Equipment.

As used in this Agreement and in the Lease, the term "total cost" of the Trust Equipment shall include only such items as may be properly chargeable to Investment in Equipment under the Accounting Rules of the Interstate Commerce Commission and shall be established by the bills of the manufacturers to the Vendors, certificates of the Vendors as to the cost of materials or parts purchased by the Vendors and furnished by them to the manufacturers, and the bills of the Vendors for other expenses properly chargeable to the cost of the Trust Equipment, after deduction, in every case, of any and all rebates, allowances or discounts on the price of the Trust Equipment or any parts or materials thereof, which have been or may hereafter be allowed to the Vendors, the Company or the manufacturers and which inure directly or indirectly to the benefit of the Vendors or the Company, which bills and certificates, the Vendors will deliver to the Trustee. Any certificate as to cost may state that the cost of the Trust Equipment therein referred to is tentatively determined, subject to final adjustment as evidenced by final certificate or certificates of cost to be delivered to the Trustee within such time as the Trustee in its discretion in each instance may allow, and the Trustee shall proceed on the basis of such tentative certificate pending final determination. The total cost of the Trust Equipment shall be conclusively established by such certificate or final certificate, in case there be a final certificate.

At or prior to the time of each delivery of any of the Trust Equipment, there shall be delivered to the Trustee:

(a) Said bills of the manufacturer to the Vendors in respect of such Trust Equipment, together with said certificates of the Vendors, and together with a certificate of the General Auditor of the Company approving the same and stating that all items included in such bills and certificates of cost are properly chargeable to Investment in Equipment under the accounting rules of the Interstate Commerce Commission;

(b) a certificate in writing of the agent or agents designated by the Trustee to receive delivery of the Trust Equipment, stating that the Trust Equipment, specified by road numbers in such certificate, has been delivered to the Trustee, or its agent or agents, and that each unit of such equipment is marked in accordance with the provisions of Article Second of the Lease, and that such Trust Equipment is of the character called for by this Agreement and by the Lease;

(c) a bill or bills of sale of such Trust Equipment from the manufacturer thereof to the Trustee containing a warranty or guaranty that the title to the Trust Equipment therein described is free from all liens and encumbrances;

(d) an opinion of counsel (who may be counsel for the Company) satisfactory to the Trustee that such bill or bills of sale are valid and effective, either alone or in connection with any other instrument referred to in such opinion, to vest in the Trustee, free from all liens and encumbrances, the title to such Trust Equipment;

(e) a certificate of an agent of the Company, duly designated for that purpose, that such units of the Trust Equipment have been inspected and approved by and delivered to and accepted by the Company as lessee thereof.

If the total cost of all the Trust Equipment specifically described in the Lease shall not equal or exceed the estimated total cost of Six Million, Four Hundred and Twenty-five Thousand Dollars ($6,425,000), the Vendors shall acquire and transfer, or cause to be acquired and transferred to the Trustee, subject to all the terms of this Agreement and to be subjected to the Lease as therein provided, other new standard-gauge equipment, of substantially as good material and construction as the equipment specifically described in the Lease, and of such cost that the total cost of all the Trust Equipment shall equal or exceed said estimated total cost of Six Million Four Hundred and Twenty-five Thousand Dollars ($6,425,000).

Anything in this Agreement contained to the contrary notwithstanding, the aggregate principal amount of the Trust Certificates which shall be executed and delivered by the Trustee under this Agreement shall not exceed the sum of Five Million Seven Hundred Thousand Dollars ($5,700,000)at any time outstanding (subject, however, to the provisions of Article Sixth of this Agreement).

Any moneys held by the Trustee after delivery of and payment for the Trust Equipment, the disposition of which is not herein otherwise provided for, shall be credited against the next installment or installments of rent payable under sub-paragraph (f) of Article First of the Lease.

ARTICLE THIRD: (a) Each of the Trust Certificates shall represent an interest to the principal amount expressed upon its face in the Trust hereby created and the bearer or registered holder thereof shall be entitled to receive dividends on said principal amount at the rate of two per cent (2%) per annum from July 15, 1941, payable semi-annually on January 15 and July 15 in each year, the first dividend being payable on January 15, 1942, but only from and out of rent received by the Trustee under the Lease. The Trust Certificates shall become due and payable as follows: $570,000 aggregate principal amount of Trust Certificates shall be due on July 15, 1942, and $570,000 aggregate principal amount of Trust Certificates shall be due thereafter on each fifteenth day of July until July 15, 1951, inclusive.

(b) The due date of each Trust Certificate shall appear upon its face. Definitive Trust Certificates shall be issued in denominations of $1,000 each, shall be dated as of July 15, 1941, and numbered from 1 consecutively upward. Dividend warrants evidencing the right of the holders of the definitive Trust Certificates to the dividends thereon shall be annexed to the respective definitive Trust Certificates, and said dividends shall be paid only on presentation and surrender of the appropriate dividend warrants.

(c) The definitive Trust Certificates and dividend warrants shall be engraved, lithographed or lithographically printed.

ARTICLE FOURTH: The definitive Trust Certificates, the dividend warrants, and the guaranty to be endorsed on the definitive Trust Certificates by the Company as hereinafter in Article Seventh provided, shall be in substantially the following forms:

/Form of Definitive Trust Certificate/

$1,000 No. .....

Northern Pacific Railway

Equipment Trust of 1941

Series B

2% Serial Equipment Trust Certificate

Dividends payable

January 15 and July 15

Total Authorized Issue $5,700,000

The First National Bank of the City of New York

Trustee

Principal hereof due July 15, 19...

The First National Bank of the City of New York, Trustee under an Agreement dated as of July 15, 1941, by and between Thomas A. Dooling and Harold Michael, Vendors, parties of the first part, The First National Bank of the City of New York, Trustee, party of the second part, and Northern Pacific Railway Company, party of the third part, hereby certifies that the bearer hereof, or, if this Certificate is registered in the name of the holder, the registered holder hereof, is entitled to an interest of One Thousand Dollars ($1,000) in Northern Pacific Railway Equipment Trust of 1941, Series B, payable on July 15, 19..., and to dividends thereon at the rate of two per cent (2%) per annum from July 15, 1941, to said date of maturity, payable semi-annually on the fifteenth day of January and the fifteenth day of July in each year, but only upon presentation and surrender, as they severally mature, of the dividend warrants hereto attached, both principal and dividends being payable at the principal office of the Trustee in the Borough of Manhattan, The City of New York, New York, in such coin or currency as, at the time of payment, is legal tender for the payment of public and private debts in the United States of America, but only from and out of rent received by the Trustee from a certain Lease of Railroad Equipment made by The First National Bank of the City of New York, Trustee, to Northern Pacific Railway Company dated as of July 15, 1941.

This Certificate is one of an issue of certificates in an aggregate principal amount not exceeding Five Million Seven Hundred Thousand Dollars ($5,700,000), substantially identical in tenor, except as to dates of maturity,all issued or to be issued under said Agreement, under which said railroad equipment and said Lease thereof are held by said Trustee in trust for the pro rata benefit of the bearers and registered holders of said Certificates, issued or to be issued by the Trustee pursuant to said Agreement against the payments in cash to the Trustee of the principal amount thereof. Said Agreement provides that the Trustee will pay out such cash, representing the principal amount of said Certificates, in whole or in part, from time to time and in varying amounts upon delivery and receipt of said railroad equipment and for the purpose of providing for the purchase of said railroad equipment. Reference is made to said Agreement and Lease filed with the Trustee at its principal office in The City of New York, New York, for a further statement of the rights of the bearer or registered holder hereof, the rights and duties of the Trustee and the obligations of Northern Pacific Railway Company under said Agreement and Lease.

This Certificate may be registered as to principal in the name of the holder hereof at the principal office of the Trustee in The City of New York in the State of New York, and such registration noted hereon by or on behalf of the Trustee. Thereafter the title to the interest in Northern Pacific Railway Equipment Trust of 1941, Series B, represented by this Certificate shall pass only by transfer registered at said office and noted hereon, unless and until a transfer to bearer shall have been similarly registered and noted hereon. Such registration shall apply only to the principal of this Certificate and not to the dividend warrants hereunto attached, which shall continue to be payable to bearer and transferable by delivery.

This Certificate and the attached dividend warrants are issued subject to the condition that every holder of this Certificate or of any such dividend warrant, by accepting the same, agrees with every subsequent holder hereof or thereof and with the Trustee and Northern Pacific Railway Company that delivery of this Certificate (unless it be registered in the name of the holder) or any such dividend warrant by the bearer shall vest title to, and all rights under, the same in the transferee to the same extent for all purposes as would the delivery under like circumstances of any negotiable instrument payable to bearer; and the Trustee and Northern Pacific Railway Company shall be entitled to treat the bearer hereof, or the registered holder hereof, if this Certificate be registered as above provided, or the bearer of any such dividend warrant, as the case may be, as the absolute owner hereof or thereof, as the case may be, for all purposes, and shall not be affected by any notice to the contrary.

In case of default in the performance or observance of any of the covenants of Northern Pacific Railway Company in said Agreement or Lease contained, the principal amount represented by this Certificate may become or be declared due and payable in the manner and with the effect in said Agreement provided.

Neither this Certificate nor the dividend warrants attached hereto shall be deemed in anywise a promise to pay of the undersigned, except from and out of the rentals or other moneys received by the undersigned as Trustee pursuant to said Agreement.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be signed by its President or one of its Vice-Presidents, and its corporate seal, or a facsimile thereof, to be hereunto affixed and to be attested by its Cashier or an Assistant Cashier, and dividend warrants bearing the facsimile signature of its Cashier to be attached hereto, as of July 15, 1941.

THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK, Trustee.

By . . . . . .
Vice-President.

Attest:

. . . . . .
Assistant Cashier.

/Form of Dividend Warrant/

$10.00 No. .....

Due to the bearer hereof on the fifteenth day of ....., 19..., on surrender hereof at the principal office of the undersigned Trustee in the Borough of Manhattan, The City of New York, New York, Ten Dollars ($10.00) payable in such coin or currency as, at the time of payment, is legal tender for the payment of public and private debts in the United States of America, as provided in, and being the semi-annual dividend then due on, Certificate No. ..... of Northern Pacific Railway Equipment Trust of 1941, Series B, but only out of rent received by the Trustee under the Lease referred to in said Certificate.

THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK, Trustee.

By . . . . . .
Cashier

/Form of Guaranty for Definitive Trust Certificate/

Northern Pacific Railway Company, for a valuable consideration, hereby unconditionally guarantees to the bearer or registered holder of the within Certificate the prompt payment of One Thousand Dollars ($1,000), being the principal of said Certificate, when the same shall become due and payable, whether at maturity thereof or by declaration or otherwise, and of all dividends thereon at the rate of two per cent (2%) per annum on the semi-annual dates and for the period mentioned in said Certificate and in such coin or currency as, at the time of payment, is legal tender for the payment of public and

private debts in the United States of America, all as more particularly provided in said Certificate and in the Agreement referred to in said Certificate.

Dated as of July 15, 1941.

NORTHERN PACIFIC RAILWAY COMPANY,

BY . . . . . .
Vice-President

Pending the preparation of definitive Trust Certificates, the Trustee may issue, in lieu of such definitive Trust Certificates, temporary Trust Certificates in denominations of $1,000, or such multiples thereof as the Vendors may from time to time request, substantially of the tenor hereinbefore recited, with appropriate omissions, insertions and variations, as may be approved by the Trustee, and having endorsed thereon the guaranty of the Company, substantially in the form hereinbefore recited, with appropriate omissions, insertions and variations, as may be approved by the Trustee, provided that all such temporary Trust Certificates shall be registered as to principal and dividends in the name of the holder and shall be without dividend warrants. Each temporary Trust Certificate shall designate the date of maturity of the definitive Trust Certificate or Trust Certificates for which it is exchangeable. Prior to the time when definitive Trust Certificates are ready for delivery, such temporary Trust Certificates may be exchanged for new temporary Trust Certificates of the same respective maturities, in denominations of $1,000, or multiples thereof, as may be requested by the person entitled to receive the same, and of a like aggregate principal amount. Temporary Trust Certificates shall be transferable, upon presentation thereof for transfer at the principal office of the Trustee in The City of New York in the State of New York, accompanied by appropriate instruments of assignment and transfer duly executed by the registered holder thereof, and shall be exchangeable, as soon after July 15, 1941, as is practicable, without cost to the registered holder thereof, for definitive Trust Certificates having endorsed thereon such guaranty of the Company, when the same shall have been prepared, and until such exchange said temporary Trust Certificates shall be entitled to the same benefit of this Agreement in all respects as said definitive Trust Certificates, including the guaranty of payment by the Company. Temporary Trust Certificates may be printed or lithographed.

ARTICLE FIFTH: (a) The Trust Certificates shall be signed in the name and on behalf of the Trustee by its President or one of its Vice-Presidents, and its corporate seal, or a facsimile thereof, shall be thereunto affixed and attested by its Cashier or one of its Assistant Cashiers. The dividend warrants to be attached to the definitive Trust Certificates shall be authenticated by the facsimile signature of the present or any future Cashier of the Trustee. Before executing or delivering any Trust Certificates, the guaranty of the Company shall be duly executed thereon as hereinafter in Article Seventh provided, and all matured dividend warrants, if any, appertaining to definitive Trust Certificates shall be cut off and cancelled by the Trustee and shall subsequently be cremated by the Trustee. In case any signing officer of the Trustee or of the Company shall cease to be such officer before the instrument signed shall have been issued and delivered, such instrument, if thereafter issued and delivered, shall be valid in all respects as though such signing officer had not ceased to be such officer.

(b) The definitive Trust Certificates, unless registered as to principal in the name of the holder in the manner hereinafter provided, and the dividend warrants thereto appertaining, shall pass by delivery. The definitive Trust Certificates may be registered as to principal in the name of the holder at the principal office of the Trustee in The City of New York in the State of New York, and such registration shall be noted thereon

by or on behalf of the Trustee. Thereafter no transfer thereof shall be valid unless made at said office by the registered holder thereof in person or by his duly authorized attorney, and similarly noted; but the same may be discharged from registration by being in like manner transferred to bearer; and such definitive Trust Certificates may again from time to time be registered or transferred to bearer as before; but the dividend warrants shall in any case pass by delivery.

(c) Anything to the contrary herein notwithstanding, the parties hereto may deem and treat the bearer of any definitive Trust Certificate (unless such Trust Certificate be registered as to principal in the name of the holder as provided in this Agreement) and the bearer of any dividend warrant as the absolute owner of such Trust Certificate, or dividend warrant, as the case may be, for the purpose of receiving payment therefor, and for all other purposes, and shall not be affected by any notice to the contrary. The parties hereto may deem and treat the registered holder of any definitive Trust Certificate, registered as to principal, as the absolute owner thereof for all purposes except for the payment of dividends, and the registered holder of any temporary Trust Certificate as the absolute owner thereof for all purposes including the payment of dividends, and shall not be affected by any notice to the contrary.

(d) The Company shall execute its guaranty upon all temporary and definitive Trust Certificates to be issued pursuant to the provisions of this Agreement.

(e) The Trustee shall cause to be kept, at its office in The City of New York in the State of New York, books for the registration and transfer of the Trust Certificates and upon presentation for such purposes the Trustee will register or cause to be registered, as in this Agreement provided and under any such reasonable regulations as it may prescribe, any of the Trust Certificates. The Trustee, at all times until the payment of the principal of and dividends upon all the Trust Certificates, shall keep an office in The City of New York in the State of New York, where the Trust Certificates and dividend warrants may be presented for payment.

(f) For any registration, transfer or exchange, except in the case of exchange of temporary Trust Certificates for definitive Trust Certificates not registered as to principal, the Trustee at its option may,and if so requested by the Company shall, require the payment of a sum sufficient to reimburse it for any stamp tax or other governmental charge connected therewith.

ARTICLE SIXTH: The Trustee hereby covenants and agrees to comply with and perform all and singular the terms, conditions and covenants of this Agreement and the Lease obligatory upon it, to enforce the performance, so far as reasonably possible, of the terms and conditions of the Lease, and to apply and distribute the rent under the Lease (other than the advance rent in the amount of Seven Hundred and Twenty-five Thousand Dollars ($725,000) required by sub-paragraph (b) of Article First of the Lease and any additional rent which may be paid by the Company in accordance with sub-paragraph (a) or with the past paragraph of Article First of the Lease, which shall be applied by the Trustee to the purchase of the Trust Equipment in accordancce with the provisions of Article Second of this Agreement), when and as the same shall be received and to the extent that it shall be sufficient therefor, for the following purposes, to-wit:

(First) To the payment of the necessary and reasonable expenses of the Trust connected with the Trust Equipment and usual in cases of trust estates, including the proper compensation of the Trustee for its services under this Agreement and the Lease, and the reasonable expenses incurred by the Trustee in the execution and enforcement of the trust created in this Agreement;

(Second) To the payment of any and all taxes, assessments and other governmental charges upon the Trust Equipment or income of the trust created by this Agreement or upon this Agreement, which the Trustee as such may by law be required to pay;

(Third) To the payment of the dividends payable on and dividend warrants appertaining to the Trust Certificates when and as the same shall become due and payable;

(Fourth) To the payment of the principal amount of the Trust Certificates when and as the same shall become due and payable, whether by declaration or upon the respective dates of maturity thereof, or otherwise;

(Fifth) If default shall be made in the full payment of any such dividend warrants, dividends or principal, when and as the same shall become due and payable, to interest on such unpaid dividends, dividend warrants or principal at the rate of four per cent (4%) per annum from the respective dates upon which the same shall have so become due and payable.

Nothing herein or in the Trust Certificates or said Lease contained shall be deemed to impose on the Trustee or on the Company any obligation to pay to the bearer or registered holder of any Trust Certificate or to the bearer of any dividend warrant any amount required by any law of the United States of America or of any State or subdivision thereof to be withheld from the amount payable to the holder of any Trust Certificate or dividend warrant.

In order to prevent any accumulation of Trust Certificates or of dividends or of dividend warrants after maturity, neither the Trustee nor the Company shall directly or indirectly extend or assent to the extension of the time for the payment of any Trust Certificate, dividend or dividend warrant, but the same shall be paid and cancelled at maturity, and no Trust Certificate or dividend warrant in substitution therefor shall be issued, and neither the Trustee nor the Company shall directly or indirectly be a party to or approve of any arrangement for purchasing or funding any of the Trust Certificates, dividends or dividend warrants, or for an advance or loan upon the same, at or after maturity. In case the time for payment of any Trust Certificate, dividend or dividend warrant shall be so extended, whether or not such extention be by or with the consent of the Trustee or the Company, or in case, at or after maturity, any Trust Certificate, dividend or dividend warrant shall be purchased or funded, or an advance or loan upon the same shall be made, by or on behalf of the Trustee or the Company, or pursuant to any arrangement requested or approved by either of them or to which either of them shall be a party or made with the privity of the Trustee or the Company, such Trust Certificate, dividend or dividend warrant shall not be entitled to the benefit of the Lease or of this Agreement, except subject to the prior payment in full of the principal of all other Trust Certificates, dividends and dividend warrants whether the same be then matured or unmatured.

In case any Trust Certificate, and the dividend warrants appertaining thereto (if any), shall become mutilated or defaced or be lost, stolen or destroyed, then on the terms herein set forth, and not otherwise, the Trustee shall execute and deliver a new Trust Certificate (and the Company shall execute its guaranty thereon), with all unmatured dividend warrants appertaining thereto (if any), of like maturity, tenor, and date, and bearing the same serial number as the one mutilated, defaced, lost, stolen or destroyed, in exchange and in substitution for, and upon cancellation of, the Trust Certificate and dividend warrants appertaining thereto (if any) if mutilated or defaced, or in lieu of and in substitution for the same if lost, stolen or destroyed, and make payment of any matured dividend warrants appertaining to the same. The applicant for a new Trust Certificate shall furnish to the Trustee and to the Company evidence to their

satisfaction of the loss, theft or destruction of such Trust Certificate and dividend warrants appertaining thereto (if any) alleged to have been lost, stolen or destroyed and of the ownership and authenticity of such mutilated, defaced, lost, stolen or destroyed Trust Certificate and dividend warrants appertaining thereto (if any), and also such security or indemnity as may be required by the Trustee and by the Company, in their discretion; and said applicant shall pay all expenses and charges of such substitution or exchange. In case any dividend warrant appertaining to any Trust Certificate shall become mutilated or defaced or be lost, stolen or destroyed but such Trust Certificate shall not have been mutilated, defaced, lost, stolen or destroyed, then on the terms herein set forth, and not otherwise, the Trustee shall execute and deliver a new dividend warrant of like maturity, tenor and date, and bearing the same serial number as the one mutilated, defaced, lost, stolen or destroyed, in exchange and in substitution for, and upon cancellation of, the dividend warrant if mutilated or defaced, or in lieu of and in substitution for the same if lost, stolen or destroyed; provided, however, that if any such mutilated, defaced, lost, stolen or destroyed dividend warrant shall have matured, the Trustee may pay the same in lieu of executing and delivering a new dividend warrant. The applicant for a new dividend warrant or for such payment of a matured dividend warrant shall furnish to the Trustee and to the Company evidence to their satisfaction of the loss, theft or destruction of such dividend warrant alleged to have been lost, stolen or destroyed, and of the ownership and authenticity of such mutilated, defaced, lost, stolen or destroyed dividend warrant, and also such security or indemnity as may be required by the Trustee and by the Company, in their discretion; and such applicant shall pay all expenses and charges of such substitution, exchange or payment. All Trust Certificates and dividend warrants are held and owned upon the express condition that the foregoing provisions are exclusive in respect of the replacement of mutilated, defaced, lost, stolen or destroyed Trust Certificates and/or dividend warrants, and shall preclude any and all other rights and remedies, any law or statute now existing or hereafter enacted to the contrary notwithstanding. Every new Trust Certificate and dividend warrant issued pursuant to this Article Sixth shall constitute an additional interest in the trust created in this Agreement and an additional contractual obligation on the part of the Company, to the same extent as if originally created hereunder, whether or not the lost, stolen or destroyed Trust Certificate and/or dividend warrant be at any time found by anyone, and such new Trust Certificate and/or dividend warrant shall be equally entitled to the benefits of the Lease and this Agreement with all other Trust Certificates and/or dividend warrants issued hereunder.

ARTICLE SEVENTH: The Company hereby accepts and becomes bound by all the terms of this Agreement, and hereby covenants and agrees to make payment of the reasonable compensation and expenses of the Trustees, and of all taxes, assessments and other governmental charges for which the Trustee as such may be liable.

The Company covenants and agrees and unconditionally guarantees that the bearer or registered holder of each of the Trust Certificates shall receive the principal amount thereof, in such coin or currency as, at the time of payment, is legal tender for the payment of public and private debts in the United States of America, when and as the same shall become due and payable, whether at the maturity thereof or by declaration or otherwise, and shall receive dividends thereon in like coin or currency at the rate of two per cent (2%) per annum from July 15, 1941, payable semi-annually on the fifteenth day of January and the fifteenth day of July in each year to and including the date of maturity of such Trust Certificate, and at the time and place and otherwise as expressed in

the Trust Certificates and in the dividend warrants, if any, appertaining thereto; and the Company further covenants and agrees to endorse upon each of the Trust Certificates, at or before the issue and delivery thereof by the Trustee, its guaranty of the prompt payment of the principal thereof and of the dividends thereon, in substantially the form hereinabove in Article Fourth provided. Said guaranty so endorsed shall be signed in the name and on behalf of the Company by such person or persons as shall have been duly authorized by it to sign said guaranty upon its behalf.

The Company covenants and agrees that it will promptly pay or cause to be paid or discharged or make adequate provision for the satisfaction or discharge of any debt, obligation or claim which, if unpaid, might be or become a charge upon or against any of the Trust Equipment, except upon the leasthold interest of the Company therein; but this provision shall not require the payment of any such debt, obligation or claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings unless, in the judgment of the Trustee, such contest would materially endanger the rights or interests of the Trustee or of the bearers and registered holders of the Trust Certificates in the Trust Equipment.

The Company covenants and agrees to pay all costs, charges and expenses incident to the performance of all terms and conditions of this Agreement on its part to be performed, including, without limiting the generality of the foregoing, all expenses incident to the preparation and execution of the Trust Certificates and dividend warrants, including the temporary Trust Certificates, the preparation, execution, recording, re-recording, registration, re-registration, filing and refiling thereof and of the Lease and of any instruments executed under the provisions hereof or of the Lease in respect of the Trust Equipment, including an y equipment or parts used to replace any of the Trust Equipment.

The Company covenants and agrees from time to time to do or cause to be done all such acts and to execute or cause to be executed all such instruments of further assurance as it shall be reasonably requested by the Trustee to do or execute, or cause to be done or executed, for the purpose of fully carrying out and effectuating this Agreement and the Lease and the intent thereof.

ARTICLE EIGHTH: In case one or more of the events of default described in Article Fifth of the Lease shall happen, the Trustee in its discretion may, and at the request of the bearers or registered holders of twenty per cent (20%) in principal amount of the Trust Certificates then outstanding shall, declare the principal of all of the Trust Certificates then outstanding to be due and payable, and thereupon the same shall become and be immediately due and payable. In any such case, the Trustee may retake possession of the Trust Equipment or any part thereof and may either hold or lease the same or any part thereof or dispose of the same or any part thereof in such manner, at public sale, at which the Trustee may be a purchaser, or at private sale, for cash or upon credit, as the Trustee may deem proper and most beneficial to the interests of the bearers and registered holders of the Trust Certificates. In case one or more of such events of default shall happen (whether the principal of the Trust Certificates shall have been declared due and payable or not), upon the written request of the bearers or registered holders of twenty per cent (20%) in principal amount of the Trust Certificates at the time outstanding, it shall be the duty of the Trustee to take all steps for the protection and enforcement of its rights and the rights of the bearers and registered holders of the Trust Certificates, and to exercise one or more of the powers of entry, sale or lease in the Lease conferred, or to take appropriate judicial proceedings by

action, suit or otherwise, as the Trustee being advised by counsel shall deem most expedient in the interests of the bearers and registered holders of the Trust Certificates; but, anything in this Agreement to the contrary notwithstanding, the bearers or registered holders of a majority in principal amount of the Trust Certificates then outstanding shall have the right from time to time to direct and control all proceedings for the enforcement of the Lease and this Agreement and for the sale or lease of the Trust Equipment. The foregoing provisions of this Article Eighth are intended only for the protection of the Trustee and shall not be construed to limit or affect any discretion or power given to the Trustee by any provision of this Agreement or of the Lease to determine whether or not it shall take action in respect of any default or what action it shall take, or any power or discretion of the Trustee to take action in respect of any default without such request from bearers or registered holders of the Trust Certificates. The proceeds of such proceedings or lease or sale shall, after deducting the expenses of the execution and enforcement of the trust, the reasonable compensation of the Trustee and all taxes, assessments and other governmental charges which the Trustee may by law be required to pay in respect of the trust, the Trust Equipment or the Trust Certificates aforesaid or the dividends thereon, be applied by the Trustee to the payment:

(First) of the dividends and dividend warrants then due with interest on any overdue dividends and dividend warrants at the rate of four per cent (4%) per annum from the date upon which such dividends or dividend warrants shall have become due and payable; and

(Second) of the principal of all outstanding Trust Certificates with interest thereon at the rate of two per cent (2%) per annum from the last preceding dividend date to the date upon which such principal shall have become due and payable and thereafter at the rate of four per cent (4%) per annum, whether said Trust Certificate or any of them shall have matured by their terms or not;

all of said payments specified in subparagraphs (First) and (Second) of this full paragraph of this Article Eighth to be in full, if said proceeds shall be sufficient, and if not, then pro rata, without preference of principal over dividends or of dividends over principal or otherwise (subject, however, to the provisions of the third full paragraph of Article Sixth hereof) and without regard to the dates of maturity thereof.

The foregoing provisions, however, are subject to the condition that, if at any time after the principal of the Trust Certificates shall have been declared and have become due and payable, as hereinbefore provided, but before July 15, 1951, all arrears of rent (with interest upon any overdue installments at the rate of four per cent (4%) per annum as provided in Article First of the Lease), the expenses and reasonable compensation of the Trustee, together with all expenses of the trust occasioned by the Company's default, and all other sums which shall have become due and payable by the Company hereunder or under the Lease (other than the principal of and dividends on Trust Certificates and installments of rent which shall not at the time have matured according to their terms) shall be paid by the Company before any taking possession, withdrawal, sale or lease by the Trustee of any of the Trust Equipment, and every other default in the observance or performance of any covenant or condition of this Agreement or the Lease shall be made good or secured to the satisfaction of the Trustee, or provision deemed by the Trustee to be adequate shall be made therefor, then and in every such case the Trustee may in its discretion, and, if so requested by the bearers or registered holders of a majority in principal amount of the Trust Certificates then outstanding and which shall not then have matured according to their terms, shall, by written notice to the Company, waive

the default by reason of which the principal of the Trust Certificates shall have been declared and become due and the consequences of such default, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

Neither such taking possession nor any withdrawal, lease or sale of the Trust Equipment by the Trustee nor any action, or failure or omission to act, against the Company or in respect of the Trust Equipment, on the part of the Trustee or on the part of any bearer or registered holder of any Trust Certificate or dividend warrant, nor any delay or indulgence granted to the Company by the Trustee or by any such bearer or registered holder, shall affect the obligations of the Company under this Agreement or under the Lease or under its guaranty. The Company hereby waives presentation and demand in respect of any of the Trust Certificates and dividend warrants and waives notice of presentation, of demand, and of any default in the payment of principal of and dividends upon the Trust Certificates. The Trustee may at any time upon notice in writing to the Company apply to any court of competent jurisdiction for instructions as to the application and distribution of any funds or property held by it.

The remedies in this Agreement and in the Lease provided in favor of the Trustee and the bearers and registered holders of the Trust Certificates, or any of them, shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in their favor existing at law or in equity.

ARTICLE NINTH: The Trustee may resign and be discharged from the trusts created by this Agreement by giving to the Company notice in writing of such resignation, specifying a date when it is desired that such resignation shall take effect. A copy of such notice shall be published at least once in each of three successive calendar weeks prior to the date so specified in such notice in a daily newspaper printed in the English language and of general circulation published in the Borough of Manhattan in The City and State of New York. Such resignation shall take effect immediately upon, but not prior to, the appointment of and acceptance of the trust by a successor trustee as hereinafter provided, whether on, prior to, or subsequent to the date stated in said notice of resignation.

In case at any time the Trustee shall resign or otherwise shall become incapable of acting, a successor may be appointed by the bearers or registered holders of a majority in principal amount of the Trust Certificates at the time outstanding, by an instrument or concurrent instruments signed by such bearers or registered holders or their attorneys in fact duly authorized; but until a new trustee shall be appointed by such bearers or registered holders as herein authorized, the Company shall appoint a trustee to fill such vacancy. Every such successor trustee, whether appointed by the bearers or registered holders of the Trust Certificates or by the Company, shall always be a national bank or trust company which has power so to act, has an office in The City of New York, in the State of New York, and has a capital and surplus aggregating at least Five Million Dollars. After any such appointment by the Company, it shall cause notice thereof to be published once a week in each of three successive weeks in a daily newspaper printed in the English language and of general circulation published in the Borough of Manhattan in The City and State of New York. Any new trustee so appointed by the Company shall immediately, and without further act, be superseded by a trustee appointed, in the manner above provided, by the bearers or registered holders of a majority in principal amount of the Trust Certificates at the time outstanding.

Any successor trustee appointed hereunder shall execute, acknowledge and deliver to the Company an instrument accepting such appointment hereunder, and thereupon such suc-

cessor trustee, without any further act, deed or conveyance, shall become vested with title to the trust estate, and with all the rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named as trustee herein, and the trustee ceasing to act shall, on the written request of such successor trustee, assign and transfer the trust estate or cause the trust estate to be assigned and transferred to the successor trustee, and shall thereupon be entitled to the payment of its charges and expenses theretofore incurred. Upon request of such successor trustee, the Company shall execute and deliver such instruments of further assurance as may reasonably be required for more fully and certainly vesting in and confirming to such successor trustee all the right, title and interest of the predecessor trustee in and to the trust estate and such rights, powers, trusts, duties and obligations. All instruments herein provided for shall be at the cost of the Company.

Any corporation resulting from any merger or consolidation to which the Trustee,or any successor to it, shall be a party, provided such corporation shall possess the qualifications herein above specified for a successor trustee hereunder, shall be a successor trustee under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

ARTICLE TENTH: The Trustee shall not be liable to any of the parties hereto, or to any of the bearers or registered holders of the Trust Certificates or dividend warrants, for the delivery of any of the Trust Equipment, or for any defect therein or in the title of the Trustee thereto, nor shall anything herein, or in the Lease, be construed as a warranty on the part of the Trustee in respect thereof or as a representation of the value thereof, provided such delivery is made in accordance with the provisions of this Agreement. The Trustee shall be liable only for its own wrongful acts, negligence, default or misconduct.

The Trustee may exercise its powers and perform its duties hereunder and under the Lease by or through such attorneys, agents and servants as it shall appoint and shall be answerable only for its own wrongful acts, negligence, default or misconduct and those of its officers and directors, but not for the default or misconduct of any attorney, agent or servant selected and retained by it in the exercise of reasonable care.

The Trustee shall be under no obligation to take any action toward the execution or enforcement of the trust created by this Agreement unless requested in writing so to do by the bearers or registered holders of at least twenty per cent (20%) in principal amount of the Trust Certificates then outstanding, but the foregoing provisions of this paragraph of this Article Tenth are intended only for the protection of the Trustee, and shall not be construed to limit or to affect any discretion or power given to the Trustee by any provision of this Agreement, or of the Lease, to determine whether or not it shall take any action in respect of any default or what action it shall take, or any power or discretion of the Trustee to take action in respect of any default without such request from the bearers or registered holders of the Trust Certificates.

The Trustee in its discretion may advise with legal counsel (who may, in cases deemed by the Trustee in the reasonable exercise of its discretion to be appropriate, be counsel for the Company) to be selected and employed by it at the expense of the Company, and anything done or suffered in good faith by the Trustee in accordance with the opinion of such counsel shall be conclusive in favor of the Trustee as against the parties to this Agreement and all bearers and registered holders of the Trust Certificates.

No bearer or registered holder of any Trust Certificate or dividend warrant issued hereunder (other than the bearer or registered holder of all Trust Certificates at the time outstanding) shall have any right to institute any suit, action or proceeding for

the execution or enforcement of the trust hereby created unless request in writing by the holders of not less than twenty per cent (20%) in principal amount of the Trust Certificates then outstanding shall have been made upon the Trustee as aforesaid, and ninety (90) days shall have elapsed after receipt by the Trustee of such request and it shall have failed or declined to institute any suit or proceedings pursuant thereto.

The Trustee shall not incur any liability to anybody in acting upon any notice, request, consent, order, certificate, warrant, letter, telegram, or other paper or instrument reasonably believed by it to be genuine or authentic and to be signed or sent by the proper party or parties.

The Trustee shall be reimbursed by the Company for, and be indemnified by it against, any expense and any liability and damages which may be sustained by the Trustee hereunder and/or under the Lease unless such liability and/or damages result from the wrongful acts, negligence, default or misconduct of the Trustee.

The Trustee may become the owner of Trust Certificates and dividend warrants issued hereunder with the same rights which it would have if it were not Trustee. The Trustee shall not be accountable or in any way responsible for or be under any obligation to see to the use, appropriation or application of moneys at any time paid out by it in conformity herewith. The Trustee shall have a right prior to the rights of the bearers and registered holders of Trust Certificates and/or dividend warrants on all moneys coming into its hands hereunder (except those paid to it under the provisions of Article Second hereof) or under the Lease, to payment of any and all liabilities properly incurred by it hereunder and under the Lease, anything herein to the contrary notwithstanding. The Trustee shall be under no duty or obligation to see to the filing, registering or recording of this Agreement or to the Lease or of any agreement or other instrument hereafter executed in respect of the Trust Equipment or parts thereof or of any additional or substituted equipment subjected to this Agreement or the Lease.

Any money received by the Trustee hereunder or under the Lease shall be treated by it, until it is required to pay out the same in conformity herewith, as a special deposit to be held by the Trustee in trust for the purposes set forth in this Agreement and in the Lease, but such money need not be segregated. The Trustee shall allow such interest upon said moneys held by it as during that time is allowed by it upon deposits of a similar character.

No recourse under any obligation, covenant or agreement of this Agreement or upon the guaranty of the Company respecting any Trust Certificate or dividend warrant issued hereunder, shall be had against any stockholder, officer or director of the Company, by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that this Agreement and said guaranty are solely corporate obligations, and that no personal liability whatever shall attach to or be incurred by the stockholders, officers or directors of the Company, or any of them, under or by reason of any of the obligations, covenants or agreements contained in this Agreement or in the guaranty of the Company respecting any of the Trust Certificates or dividend warrants issued hereunder, or implied therefrom or from any present or future law relative thereto, and that any and all personal liability , either at common law or in equity, or by statute or constitution, of every such stockholder, officer or director is hereby expressly waived as a condition of and consideration for the execution of this Agreement and the issue of such Trust Certificates and dividend warrants.

Any request or other instrument required by this Agreement or the Lease to be signed or executed by bearers or registered holders of Trust Certificates may be in any number of concurrent instruments of similar tenor, and may be executed by such bearers or registered holders in person, or by an agent or attorney appointed by an instrument in writing. Proof of the execution of any such request or other instrument, or of a writing appointing any such agent or attorney, or of the holding by any person of Trust Certificates, shall be sufficient for any purpose of this Agreement, and shall be conclusive in favor of the Trustee with regard to any action taken by the Trustee under such request or other instrument, if made in the following manner, viz:

(a) the fact and date of the execution by any person of any such request or of any other instrument in writing may be proved by the certificate of any notary public or of any other officer authorized to take, either within or without the State of New York, acknowledgments of deeds to be recorded either in said State or in the state where the acknowledgment may be taken certifying that the persons signing such request or other instrument acknowledged to him the execution thereof; or by the affidavit of a witness to such execution;

(b) the amount of Trust Certificates held by any person executing any such request or other instrument as a Trust Certificate holder, the serial numbers of the Trust Certificates held by such person and the date of his holding the same may be proved by a certificate executed by any trust company, bank, bankers or other depositary wheresoever situated whose certificate shall be deemed by the Trustee to be satisfactory, showing that, at the date therein mentioned, such person had on deposit with such depositary, or exhibited to such depositary, the Trust Certificates numbered and described in such certificate. The Trustee may presume the continuance of any such deposit or holding unless and until it receives proof satisfactory to it to the contrary.

ARTICLE ELEVENTH: In case of the death of either of the Vendors or the inability for any cause whatsoever of either of the Vendors to act, the other Vendor shall have and discharge all the rights and powers of the Vendors. Any action taken by either of the Vendors shall have the same force and effect as if taken by both of them. Any vacancy in the Vendors may be filled by the remaining Vendor upon a written appointment and a written acceptance filed with the Trustee, and thereupon the person so designated shall be one of the Vendors as fully and completely as though he had been originally named one. The Vendors shall incur no liability hereunder, or under any bill of sale executed by them as herein provided, or for anything other than their own willful default, misconduct or gross neglect. The Vendors shall be entitled to the advice of counsel (who may in appropriate cases be counsel for the Company) and shall be protected by the advice of such counsel in anything done or omitted to be done by them in accordance with such advice.

ARTICLE TWELFTH: Nothing in this Agreement, expressed or implied, is intended or shall be onstrued to confer upon, or to give to any person, firm or corporation other than the parties hereto and their successors and assigns and the bearers and registered holders of the Trust Certificates and the bearers of the dividend warrants appertaining thereto, any right, remedy or claim, under or by reason of this Agreement, or of any term, covenant or condition hereof; and all of the terms, covenants and conditions, promises and agreements in this Agreement contained shall be for the sole and exclusive benefit of the parties hereto and their successors or assigns and of the bearers and registered holders of the Trust Certificates and the bearers of the dividend warrants.

ARTICLE THIRTEENTH: The term "Trustee" as used herein and in the Lease shall be held and construed to mean and include The First National Bank of the City of New York, its successors and assigns, and any successor trustee under this Agreement; the word "Company" herein, to mean and include Northern Pacific Railway Company, its successors and assigns. The term "Trust Equipment" whenever used herein or in the Lease, unless otherwise indicated by the context, shall mean and include all railroad equipment at any time covered by the Lease or any supplemental lease or this Agreement or required or intended so to be. The term "Lease" whenever used herein, unless otherwise indicated by the context, shall mean and include the Lease of Railroad Equipment prefixed hereto and any and all leases supplemental thereto. The term "Trust Certificate" or "Trust Certificates," whenever used herein or in the Lease, shall mean and include, unless the context otherwise indicates, both temporary and definitive Trust Certificates and the dividend warrants appertaining to the definitive Trust Certificates. The term "State" whenever used without limitation herein or in the Lease shall include the District of Columbia.

ARTICLE FOURTEENTH: Whenever, under the provisions hereof, it is necessary or proper for any notice or demand to be given to or made upon the Company, or if at any time it is desired to give any such notice or to make any such demand, such notice or demand may be given to or made upon the Company by depositing a written statement thereof, securely enclosed in a postpaid wrapper, in the United States registered mail, directed to the Company at its office in the City of St. Paul, in the State of Minnesota, and an affidavit by any person as to such mailing shall be conclusive evidence of the giving of such notice or the making of such demand. Should any provision of this Agreement or of the Lease be determined to be contrary to law or public policy, the invalidity thereof shall not affect the validity of any other provisions of this Agreement or of the Lease, or of this Agreement or of the Lease as a whole.

ARTICLE FIFTEENTH: This Agreement may be simultaneously executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the Vendors have hereunto set their hands and seals and the Trustee and the Company have caused their names to be signed hereto by their respective officers thereunto duly authorized and their respective corporate seals to be hereto duly affixed, duly attested, as of July 15, 1941.

Thomas A. Dooling (l.s.)

Harold Michael (l.s.)

Signed, sealed, acknowledged and delivered as to Thomas A. Dooling and Harold Michael in the presence of:

F. J. Gardner
C. C. Faurot
Attesting Witnesses

THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK,

(SEAL)

By Henry S. Sturgis
Vice-President.

Attest:
S. L. Searles
Assistant Cashier.

Signed, sealed, acknowledged and delivered as to The First National Bank of the City of New York, in the presence of:

F. J. Gardner
C. C. Faurot
Attesting Witnesses

NORTHERN PACIFIC RAILWAY COMPANY,

By F. G. Hollender
Vice-President.

(SEAL)

Attest:
Hugh McLeod
Assistant Secretary.

Signed, sealed, acknowledged and delivered as to Northern Pacific Railway Company in the presence of:

P. B. Poe
W. F. Hill
Attesting Witnesses

(United States Internal Revenue Stamps for $6,270 have been affixed to an original counterpart hereof in the possession of the Trustee and have been duly canceled.)

STATE OF NEW YORK,)
COUNTY OF NEW YORK) ss.

I, Adrian D. Stevenson, a notary public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 14 day of July, A. D. 1941, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument bearing date as of July 15, 1941, the above named Thomas A. Dooling and Harold Michael, to me known and known to me to be the persons described in and who executed the foregoing instrument in writing, and the said Thomas A. Dooling and Harold Michael, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say that the said Thomas A. Dooling resides at No. 2 Highland Boulevard, Lynbrook, New York, and that the said Harold Michael resides at No. 60-13 69th Avenue, Ridgewood, New York, and each acknowledged that he executed, signed, sealed and delivered the above and foregoing instrument as his own free and voluntary act and deed for the consideration, objects, uses and purposes therein stated and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name, and affixed my official seal as such notary public in the said County of New York, State of New York, this the day and year in this my certificate first above written.

(SEAL)

Adrian D. Stevenson
Notary Public
New York County
Comm. Exp. Mch. 30, 1942.

STATE OF NEW YORK,)
COUNTY OF NEW YORK) SS.

I, Adrian D. Stevenson, a notary public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 14 day of July, A. D. 1941, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, Henry S. Sturgis and S. L. Searles, each to me personally known and known to me to be respectively a Vice-President and an Assistant Cashier of The First National Bank of the City of New York, one of the corporations described in and which executed the within and foregoing instrument in writing bearing date as of July 15, 1941, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice-President and Assistant Cashier, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such and to be duly authorized to make this acknowledgment as hereinafter stated, and the said Henry S. Sturgis and S. L. Searles, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said Henry S. Sturgis resides at Albro Lane, Cedarhurst, Long Island, New York, and that the said S. L. Searles resides at 123 Woodridge Place, Leonia, New Jersey; that said Henry S. Sturgis is a Vice-President and said S. L. Searles is an Assistant Cashier of The First National Bank of the City of New York, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said Henry S. Sturgis and S. L. Searles, know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by authority of the by-laws of such corporation and by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice President and Assistant Cashier in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation, and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said County of New York, State of New York, this the day and year in this my certificate first above written.

(SEAL)

Adrian D. Stevenson
Notary Public
New York County.
Comm. Exp. Mch. 30, 1942.

STATE OF NEW YORK,)
COUNTY OF NEW YORK)SS.

I, Adrian D. Stevenson, a notary public in and for the State and County aforesaid, residing therein, duly commissioned, sworn and qualified as such, and duly authorized to take and certify acknowledgments and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, do hereby certify that on this 14 day of July, A. D. 1941, personally appeared before me within said County, and in the presence of the two witnesses whose names are subscribed as such to the within and foregoing instrument, F. G. Hollender and Hugh McLeod, each to me personally known and known to me to be respectively a Vice-President and an Assistant Secretary of Northern Pacific Railway Company, one of the Corporations described in and which executed the within and foregoing instrument in writing dated as of July 15, 1941, and known to me to be the identical persons who subscribed their names to and who executed said instrument as such Vice-President and Assistant Secretary respectively in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such and to be duly authorized to make this acknowledgment as hereinafter stated, and the said F. G. Hollender and Hugh McLeod, being by me severally duly sworn, did on oath, each for himself and not one for the other, severally depose and say and acknowledge in the presence of said witnesses that the said F. G. Hollender resides at No. 9206 89th Avenue, Woodhaven, Long Island, New York, and that the said Hugh McLeod resides at No. 1847 Fairmount Avenue, St. Paul, Minnesota; that said F. G. Hollender is a Vice-President and said Hugh McLeod is an Assistant Secretary of Northern Pacific Railway Company, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said F.G. Hollender and Hugh McLeod know the corporate seal of said corporation; that the seal affixed to said instrument as the seal of said corporation is such corporate seal; that it was so affixed thereto and that said instrument was signed and sealed and executed in behalf of said corporation by authority of the by-laws of such corporation and by order and authority of the Board of Directors of said corporation, and that they and each of them signed their names to the foregoing instrument in their respective capacities as Vice-President and Assistant Secretary in behalf of said corporation by like order and authority, and were authorized to execute said instrument; that they signed, sealed, executed and delivered the said instrument as their own free and voluntary act and deed and as the free and voluntary act and deed of said corporation for the consideration, objects, uses and purposes therein stated and set forth; and they severally duly acknowledged to me said instrument to be the free act and deed of said corporation and that said corporation executed the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such notary public, in the said County of New York, State of New York, this the day and year in this my certificate first above written.

Adrian D. Stevenson
Notary Public
New York County
Comm. Exp. Mch. 30, 1942.

(SEAL)

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS.

Received this 26th day of July, A. D. 1941 at 9:00 o'clock A. M. and recorded in Vol. 34 of R. R. Mtgs. on pages 600-629.

Lisle W. Schroeder
Assistant Secretary of State

Lisle

SALE OF LOTS IN RICE LAKE

BY

G. W. WEBSTER AND JOSEPH CHAPMAN, TRUSTEES

and

MINNEAPOLIS, ST. PAUL & SAULT STE. MARIE RAILWAY COMPANY

TO

THE TEXAS COMPANY

DATED AUGUST 14, 1941

THIS INDENTURE, made this 14th day of August, 1941, between G. W. WEBSTER and JOSEPH CHAPMAN, not as individuals, but solely as Trustees of the property of Minneapolis, St. Paul & Sault Ste. Marie Railway Company, hereinafter called "Trustees", and MINNEAPOLIS, ST. PAUL & SAULT STE. MARIE RAILWAY COMPANY, incorporated under the laws of Wisconsin and other States, hereinafter called "Railway Company", parties of the first part, and THE TEXAS COMPANY, a Delaware corporation, party of the second part;

WITNESSETH, that said Trustees in possession of and vested with title to the property of said Railway Company, under authority of the Court In Proceedings for the Reorganization of a Railroad in the District Court of the United States for the District of Minnesota, Fourth Division, entitled "In the Matter of Minneapolis, St. Paul & Sault Ste. Marie Railway Company, Debtor", No.13816, and pursuant to the order of said Court (Order No. 59) entered on the 24th day of June, 1941, for and in consideration of the sum of Three Thousand Dollars ($3000) to them in hand paid by said party of the second part, the receipt whereof is hereby acknowledged, do hereby Sell and Convey, free from the liens of the Minneapolis, St. Paul & Sault Ste.Marie Railway Company's outstanding mortgages, unto said party of the second part, its successors and assigns, forever, the following described real estate situated in the City of Rice Lake, County of Barron, and State of Wisconsin to-wit:

Lots Seven (7), Eight (8), Nine (9) and Ten (10), in Block One (1), of the Village of South Rice Lake, now a part of said City of Rice Lake.

TO HAVE AND TO HOLD THE SAME, together with all hereditaments and appurtenances thereunto belonging or in anywise appertaining to said party of the second part, its successors and assigns, forever.

And said Railway Company, for and in consideration of One Dollar to it in hand paid by said party of the second part, the receipt whereof is hereby acknowledged, does hereby convey and quitclaim to said party of the second part, its successors and assigns, forever, all right, title and interest of said Railway Company in and to the above described real estate.

IN WITNESS WHEREOF, the said Trustees have executed these presents under the authority of said Court, and said Railway Company has caused these presents to be signed by its President, and countersigned by its Secretary, and its corporate seal to be hereunto affixed, as of the day and year first above written.

Signed and sealed in the presence of:

R. E. Davis
A. M. Sheridan

(SEAL)

(United States Internal Revenue Documentary Stamps totaling $3.30 have been affixed to the original instrument and canceled.)

G. W. Webster

Joseph Chapman
Trustees of the property of Minneapolis, St. Paul & Sault Ste.Marie Railway Company,

MINNEAPOLIS, ST. PAUL & SAULT STE.MARIE RAILWAY COMPANY,

By G. W. Webster
Its President

ATTEST: P. J. Stock
Its Secretary

STATE OF MINNESOTA)
) SS
HENNEPIN COUNTY)

Personally came before me this 14th day of August, 1941. G. W. WEBSTER and JOSEPH CHAPMAN, As Trustees of the property of Minneapolis, St. Paul & Sault Ste. Marie Railway Company, to me known to be such Trustees, and to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that they executed the same as such Trustees.

(SEAL)

C. W. Arine

C. W. Arine
Notary Public, Hennepin County, Minn.
My Commission Expires Jan. 12, 1946

STATE OF MINNESOTA)
) SS
HENNEPIN COUNTY)

Personally came before me this 14th day of August, 1941, G. W. Webster, President, and P. J. Stock, Secretary, of the above named corporation, Minneapolis, St. Paul & Ste. Marie Railway Company, to me known to be the persons who executed the foregoing instrument, and to me known to be such President and Secretary of said corporation, and acknowledged that they executed the foregoing instrument as such officers as the deed of said corporation, by its authority.

C. W. Arine

(SEAL)

C. W. Arine
Notary Public, Hennepin County, Minn.
My Commission Expires Jan. 12, 1946

STATE OF WISCONSIN)
) ss.
DEPARTMENT OF STATE)

RECEIVED this 22d day of August A. D. 1941 at 9 o'clock A. M. and recorded in Vol. 34 of Railroad Mtgs. on pages 630 and 631.

Lisle W. Schroeder
Assistant Secretary of State

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RELEASE OF MORTGAGE

OF JUNE 1, 1936

BY AND BETWEEN

WISCONSIN POWER AND LIGHT COMPANY

AND

THE FIRST NATIONAL BANK OF CHICAGO

And

ROY C. OSGOOD

TRUSTEES

DATED AUGUST 28, 1941

.....

KNOW ALL MEN BY THESE PRESENTS, That:

WHEREAS, Wisconsin Power and Light Company (a Wisconsin corporation, hereinafter sometimes referred to as the "Company") has heretofore executed and delivered to The First National Bank of Chicago (a national banking association organized and existing under the laws of the United States of America) and Roy C. Osgood, as Trustees, its certain Indenture of Mortgage or Deed of Trust dated June 1, 1936, but actually executed on June 25, 1936 (hereinafter sometimes referred to as the "Mortgage"), to secure the payment of the bonds of the Company issued and to be issued pursuant to the terms of the Mortgage, and thereby in terms conveyed and transferred to said Trustees all of its property then owned or thereafter acquired (except certain property therein expressly reserved and excepted) upon the trusts therein stated; and

WHEREAS, the Mortgage has been filed for record in the office of the Secretary of the State of Wisconsin on June 26, 1936, and recorded in Volume 32 of R. R. Mortgages, etc., Page 25, and has also been filed for record and recorded in the office of the Register of Deeds of each of the following named counties in the State of Wisconsin, as follows:

County	Date Filed	Volume	Page	Document Number
Adams	June 25, 1936	60 of Mtgs.	1	109184
Calumet	June 26, 1936	47 of Mtgs.	350	44423
Columbia	June 26, 1936	136 of Mtgs.	41	215003
Dane	June 26, 1936	451 of Mtgs.	1	585711
Dodge	June 25, 1936	195 of Mtgs.	160	344595
Fond du Lac	June 26, 1936	267 of Mtgs.	400	7912
Grant	June 26, 1936	125 of Mtgs.	170	88047
Green	June 25, 1936	78 of Mtgs.	304	146123
Green Lake	June 26, 1936	101 of Deeds	1	129236
Iowa	June 26, 1936	88 of Mtgs.	1	35228
Jefferson	June 25, 1936	186 of Mtgs.	1	323951
Juneau	June 26, 1936	95 of Mtgs.	1	152012
Kenosha	June 25, 1936	186 of Mtgs.	1	222227
LaFayette	June 25, 1936	74 of Mtgs.	550	142466
		83 of Mtgs.	551	
Langlade	June 26, 1936	194 of Mtgs.	1	131423
Manitowoc	June 26, 1936	173 of Mtgs.	425	228977
Marathon	June 26, 1936	201 of Mtgs.	1	324898
Marquette	June 26, 1936	40 of Mtgs.	205	67797
Monroe	June 27, 1936	103 of Mtgs.	341	195321
Portage	June 26, 1936	84 of Mtgs.	229	154771
Richland	June 26, 1936	18 of Misc.	500	84402
Rock	June 26, 1936	231 of Mtgs.	1	392066
Sauk	June 27, 1936	92 of Mtgs.	17	233670
Shawano	June 26, 1936	243 of Records	1	182604
Sheboygan	June 26, 1936	195 of Mtgs.	148	338679
Vernon	June 26, 1936	81 of Mtgs.	49	160065
Walworth	June 25, 1936	190 of Mtgs.	1	318094
Waupaca	June 26, 1936	138 of Mtgs.	422	187369
Waushara	June 26, 1936	56 of Mtgs.	119	123275
Winnebago	June 26, 1936	457 of Mtgs.	207	65203
Wood	June 26, 1936	111 of Mtgs.	428	202941

AND WHEREAS, all bonds and coupons issued under and secured by the Mortgage have been paid, cancelled and discharged or the necessary funds for the redemption and payment thereof have been paid to the undersigned, The First National Bank of Chicago, as Trustee under the Mortgage; and the Company has requested the undersigned Trustees, pursuant to the provisions of Article XII of the Mortgage, to cancel and discharge the lien of the Mortgage and to execute and deliver to the Company such deeds as shall be requisite to satisfy the lien of the Mortgage and reconvey to the Company the estate and title conveyed thereby;

NOW, THEREFORE, the undersigned, The First National Bank of Chicago and Roy C. Osgood, as Trustees as aforesaid under the Mortgage, in consideration of the premises and pursuant to the authority vested by the Mortgage in said Trustees, do hereby release and quitclaim unto said Wisconsin Power and Light Company, its successors and assigns, any and all right, title, interest, claim or demand whatsoever which the undersigned Trustees, or either of them, may have acquired under, through or by virtue of the Mortgage in and to any and all property and rights of the Company; and do hereby certify that the bonds and coupons secured by the Mortgage have been paid, cancelled and discharged or that sufficient moneys for the redemption and payment of said bonds and coupons have been paid to and set apart by the undersigned, The First National Bank of Chicago, as Trustee under the Mortgage, for that purpose; and do hereby acknowledge satisfaction of the Mortgage and of all said bonds and coupons; and do hereby cancel and discharge the lien of the Mortgage; and do hereby authorize and request the Secretary of State of the State of Wisconsin and the proper recording officer of each county in which the Mortgage has been filed for record and recorded to cancel and discharge the same and to enter satisfaction thereof on the records in his office.

This instrument is executed in several counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, said The First National Bank of Chicago, as Trustee as aforesaid, has caused this instrument to be executed in its corporate name by one of its Vice-Presidents and its corporate seal to be hereunto affixed and to be attested and countersigned by one of its Assistant Secretaries, and the said Roy C. Osgood, as Co-Trustee under the Mortgage, has signed and sealed this instrument, all on this 28th day of August, 1941.

THE FIRST NATIONAL BANK OF CHICAGO

(SEAL)

As Trustee as aforesaid

By Robert L. Grinnell
Vice-President

Attest and Countersigned:

L. R. Rochetto
Assistant Secretary.

Executed, signed and sealed on behalf of
The First National Bank of Chicago in the
presence of:

J. Doherty
John Herriott
Witnesses.

Roy C. Osgood (SEAL)
Roy C. Osgood
As Co-Trustee as aforesaid

Executed, signed and sealed by
Roy C. Osgood in the presence of:

J. Doherty
John Herriott
Witnesses.

STATE OF ILLINOIS,)
COUNTY OF COOK.) SS.

I, Dean C. Houk, a Notary Public in and for said County in the State aforesaid, do hereby certify that Robert L. Grinnell, Vice-President of The First National Bank of Chicago, a national banking association organized under the laws of the United States of America, and L. R. Rochetto, Assistant Secretary of said bank, who are both personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Vice-President and Assistant Secretary, respectively, and who are both personally known to me to be a Vice-President and an Assistant Secretary, respectively, of said bank, appeared before me this day in person and severally acknowledged that the seal affixed to the said instrument is the corporate seal of the said The First National Bank of Chicago and was affixed by authority of the bylaws of the said bank and that they signed, sealed and delivered the said instrument as their free and voluntary act as such Vice-President and Assistant Secretary, respectively, of said bank, and as the free and voluntary act of said bank for the uses and purposes therein set forth.

Given under my hand and notarial seal this 28th day of August, A. D. 1941.

Dean C. Houk
Notary Public, Cook County, Illinois.

(SEAL)

My commission expires January 25, 1943.

STATE OF ILLINOIS,)
) SS.
COUNTY OF COOK.)

Before me a Notary Public in and for said County and State, on this 28th day of August, 1941, personally appeared Roy C. Osgood, to me known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and notarial seal this 28th day of August, A. D. 1941.

Dean C. Houk
(SEAL) Notary Public, Cook County, Illinois.

My commission expires January 25, 1943.

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS.

Received this 29th day of August, A. D. 1941 at 9:00 o'clock A.M. and recorded in Vol. 34 of Railroad Mortgages on page 632-634 both incl.

Lisle W. Schroeder
Assistant Secretary of State

RELEASE

OF CONDITIONAL SALE AGREEMENT OF MARCH 1, 1940

By THE FIRST NATIONAL BANK OF CHICAGO, ASSIGNEE

TO

THE TRUSTEES OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY

DATED AUGUST 21, 1941

KNOW ALL MEN BY THESE PRESENTS, that THE FIRST NATIONAL BANK OF CHICAGO, Assignee of THE WHITCOMB LOCOMOTIVE COMPANY under a certain Conditional Sale Agreement dated as of March 1, 1940, by and between THE WHITCOMB LOCOMOTIVE COMPANY and HENRY A. SCANDRETT, WALTER J. CUMMINGS and GEORGE I. HAIGHT, AS TRUSTEES OF THE PROPERTY OF CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY, covering one new 44 ton, 360 Horse Power Diesel Switching Locomotive, in consideration of the payment to it of all amounts due and to become due under said Conditional Sale Agreement, hereby releases and forever discharges said HENRY A. SCANDRETT, WALTER J. CUMMINGS and GEORGE I. HAIGHT, AS TRUSTEES OF THE PROPERTY OF CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY, from any and all further liability under said Conditional Sale Agreement, and in accordance with the direction of said Trustees has this day sold and assigned any and all title it may have to said Diesel Switching Locomotive to HYMAN-MICHAELS COMPANY.

IN WITNESS WHEREOF, said THE FIRST NATIONAL BANK OF CHICAGO has caused this instrument to be executed by its officers thereunto duly authorized, on this 21st day of August, 1941.

THE FIRST NATIONAL BANK OF CHICAGO

BY: J. L. BUCHANAN
Vice-President

(SEAL)

ATTEST:

John F. Evans
Assistant Cashier.

STATE OF ILLINOIS)
COUNTY OF COOK) SS

I, Gaylord A. Freeman, Jr., a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that J. L. Buchanan, Vice-President, and John F. Evans Assistant Cashier, of THE FIRST NATIONAL BANK OF CHICAGO, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Vice-President and Assistant Cashier, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said Bank, for the uses and purposes therein set forth; and the said Assistant Cashier acknowledged that he did affix the corporate seal of said Bank to said instrument as his own free and voluntary act and as the free and voluntary act of said Bank, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal, this 21st day of August, 1941.

Gaylord A. Freeman, Jr.
(SEAL) Notary Public

STATE OF ILLINOIS,)
COOK COUNTY.) SS. I, MICHAEL J. FLYNN, County Clerk of the County of Cook,

Do Hereby Certify that I am the lawful custodian of the official records of Notaries Public of said County, and as such officer am duly authorized to issue certificates of magistracy, that Gaylord A. Freeman, Jr. whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of taking such proof of acknowledgment, a Notary Public in and for Cook County, duly commissioned, sworn and acting as such and authorized to take acknowledgments and proofs of deeds or conveyances of lands, tenements or hereditaments, in said State of Illinois, and to administer oaths; all of which appears from the records and files in my office; that I am well acquainted with the handwriting of said Notary and verily believe that the signature to the said proof of acknowledgment is genuine; and, further, that the annexed instrument is executed and acknowledged according to the laws of the State of Illinois.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of the County of Cook at my office in the City of Chicago, in the said County, this 22 day of August 1941.

Michael J. Flynn County Clerk.

(SEAL)

STATE OF WISCONSIN)
Department of State)ss. Received this 5th day of Sept. A. D. 1941 at 9:00 o'clock A.M. and recorded in Vol. 34 of R. R. Mtgs. on page 635.

Fred R. Zimmerman, Secretary of State.

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SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT

BETWEEN

THE PENNSYLVANIA COMPANY FOR INSURANCES ON LIVES AND GRANTING ANNUITIES

AND

ILLINOIS CENTRAL RAILROAD COMPANY

DATED MAY 1,1941

SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of the 1st day of May, 1941, between THE PENNSYLVANIA COMPANY FOR INSURANCES ON LIVES AND GRANTING ANNUITIES, of Philadelphia, Pennsylvania, a corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania, Trustee as hereinafter mentioned (hereinafter sometimes called the Trustee), party of the first part, and ILLINOIS CENTRAL RAILROAD COMPANY, a corporation duly organized and existing under the laws of the State of Illinois (hereinafter sometimes called the Company), party of the second part:

WHEREAS, by a certain agreement dated April 13, 1934, between HARRY E. RIGHTER and GEORGE SMITH, Vendors, THE PENNSYLVANIA COMPANY FOR INSURANCES ON LIVES AND GRANTING ANNUITIES, as Trustee, and ILLINOIS CENTRAL RAILROAD COMPANY (hereinafter called the Original Agreement), which has since been amended by Agreements dated December 28, 1934, and November 25, 1935, there was constituted Illinois Central Railroad Equipment Trust Series Q, and pursuant thereto certain railroad equipment was leased by the Trustee to the Company under lease of Railroad Equipment dated April 13, 1934, (hereinafter sometimes called the Original Lease), which was amended by Supplemental Leases dated December 28, 1934 and November 25, 1935; and

WHEREAS, in addition to the railroad equipment covered by the Original Lease, the Company pursuant to Section 2 of Article 1 of the Original Agreement, assigned, set over, transferred and granted to the Trustee its right to receive upon the expiration of certain existing equipment trusts, (among others the Illinois Central Equipment Trust Series M, the title to the equipment subject thereto, or units of equipment substituted therefor and made subject thereto; and

WHEREAS, the Company has certified to The Pennsylvania Company for Insurances on Lives and Granting Annuities, Successor Trustee to Bank of North America and Trust Company of Illinois Central Equipment Trust Series M, that the equipment listed in Exhibit A hereto attached, was all of the equipment subject to Illinois Central Equipment Trust Series M upon May 1, 1941, the date upon which all the Trust Certificates then outstanding thereunder finally matured, and pursuant to the direction of the Company, The Pennsylvania Company for Insurances on Lives and Granting Annuities, Successor Trustee to Bank of North America and Trust Company of Illinois Central Equipment Trust Series M, has conveyed said equipment to The Pennsylvania Company for Insurances on Lives and Granting Annuities, as Trustee of Illinois Central Railroad Equipment Trust Series Q; and

WHEREAS, pursuant to said Section 2 of Article 1 of the Original Agreement, and Article Third (c) of said Lease of Railroad Equipment dated April 13, 1934, the Company has agreed to execute such instruments of further assurance in respect of said equipment as the Trustee might reasonably require, and has agreed to execute a Supplemental Lease subject to the terms and conditions of the Original Lease.

NOW, THEREFORE, this Agreement Witnesseth:

That the Trustee acting in pursuance of the Original Agreement, for and in consideration as well for the sum of One Dollar to it paid by the Company at or before the ensealing and delivery hereof, receipt of which is hereby acknowledged, as of the rents and covenants hereinafter mentioned to be paid, kept and performed by the Company hereunder and

under the Original Lease as amended, has let and leased to the Company all of the equipment listed in Exhibit A, which is hereto attached and made part hereof.

It is agreed that all of said equipment, upon the transfer thereof by The Pennsylvania Company for Insurance on Lives and Granting Annuities, Successor Trustee to Bank of North America and Trust Company of Illinois Central Equipment Trust Series M, to The Pennsylvania Company for Insurances on Lives and Granting Annuities, as Trustee of Illinois Central Railroad Equipment Trust Series Q, became ipso facto and without further delivery, deed, lease or transfer, subject to all the terms and provisions of the Original Lease as amended, and became a portion of the trust equipment leased by The Pennsylvania Company for Insurances on Lives and Granting Annuities as Trustee of Illinois Central Railroad Equipment Trust Series Q to the Company under the Original Lease as amended.

The Company shall as promptly as possible plainly, distinctly, permanently and conspicuously mark on each side of each unit thereof the following words in letters not less than one-half inch in height:

"Illinois Central Railroad Equipment Trust Series Q, The Pennsylvania Company for Insurances on Lives and Granting Annuities, Trustee, Owner and Lessor."

Such marks shall be such as to be readily visible and as to indicate plainly the Trustee's ownership of the Trust Equipment. In case, during the continuance of this Lease, any of such marks shall at any time be removed, defaced or destroyed, the Company will immediately cause the same to be restored or replaced. The Company will not change, or permit to be changed, the numbers upon any of the Trust Equipment (nor any numbers which may be substituted as in the Original Lease provided), except in accordance with a statement of the new numbers to be substituted therefor, which previously shall have been filed with the Trustee by the Company.

And the Company, in consideration of the premises, by these presents covenants and agrees with the Trustee as follows:

I.

The Company hereby accepts (subject to the conditions mentioned in the Original Lease) the lease of the above described trust equipment, and hereby covenants and agrees to accept the said trust equipment as Lessee under the Original Lease as provided therein upon and subject to all the terms and conditions thereof.

II.

This Supplemental Lease may be simultaneously executed in several counterparts,each of which, so executed, shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed in their names by their respective Presidents or Vice Presidents, and sealed with their corporate seals, attested by their respective Secretaries or Assistant Secretaries, as of the day and year first above written.

(SEAL)

THE PENNSYLVANIA COMPANY FOR INSURANCES ON LIVES AND GRANTING ANNUITIES,

By L. J. Clark
Vice President.

ATTEST:

H. E. RIGHTER
A Secretary

Signed, sealed, acknowledged and delivered by THE PENNSYLVANIA COMPANY FOR INSURANCES ON LIVES AND GRANTING ANNUITIES in the presence of:

J. Wallace Hensler

F. H. Hepperlen

ILLINOIS CENTRAL RAILROAD COMPANY

(SEAL)

By R. E. Connolly
Vice President.

ATTEST:

A. B. Huttig
Assistant Secretary.

Signed, sealed, acknowledged and delivered by ILLINOIS CENTRAL RAILROAD COMPANY in the presence of:

J. V. Snave

A. V. Cocayne

COMMONWEALTH OF PENNSYLVANIA)
) SS:
CITY AND COUNTY OF PHILADELPHIA)

I, J. Wallace Hensler, a Notary Public duly commissioned, qualified and acting within and for the City and County of Philadelphia in the Commonwealth of Pennsylvania, do hereby certify that on August 4th, 1941, before me the subscriber, a Notary Public as aforesaid, personally appeared L. J. Clark, Vice President of THE PENNSYLVANIA COMPANY FOR INSURANCES ON LIVES AND GRANTING ANNUITIES, of Philadelphia, Pennsylvania, one of the corporations which executed the foregoing instrument in writing, bearing date as of May 1, 1941, whose name is signed thereto, and the said L. J. Clark to me personally known, being by me duly sworn or affirmed, did depose and say that he resides in Philadelphia, in the County of Philadelphia, in the State of Pennsylvania; that he is the Vice President of the said THE PENNSYLVANIA COMPANY FOR INSURANCES ON LIVES AND GRANTING ANNUITIES, of Philadelphia, Pennsylvania, one of the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of the said corporation, that he knows the contents of the said instrument; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed, sealed and delivered by him as Vice President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; and that he acknowledged the said foregoing instrument to be the free and voluntary act and deed of the said THE PENNSYLVANIA COMPANY FOR INSURANCES ON LIVES AND GRANTING ANNUITIES, of Philadelphia, Pennsylvania, and that he desired the same to be recorded as such.

Sworn or affirmed before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

I am not a stockholder, director or officer of said Trust Company.

(SEAL)

J. Wallace Hensler
Notary Public.

My commission expires

Notary Public
My Commission Expires Mar.6, 1943

I am not a Stockholder, Director or Officer of within mentioned Corporation.

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

I, C. F. MANN, a Notary Public duly commissioned, qualified and acting within and for the State and County aforesaid, do hereby certify that on JULY 5, 1941, before me the subscriber, a Notary Public as aforesaid, personally appeared R. E. CONNOLLY, Vice President of ILLINOIS CENTRAL RAILROAD COMPANY one of the corporations which executed the foregoing instrument in writing, bearing date as of May 1, 1941, whose name is subscribed thereto, and the said R. E. CONNOLLY, to me personally known, being by me duly sworn, did depose and say that he resides in the County of Cook, in the State of Illinois; that he is Vice President of said ILLINOIS CENTRAL RAILROAD COMPANY, one of the corporations described in the said foregoing instrument, authorized by the said corporation to execute and acknowledge deeds and other writings of said corporation; that he knows the contents of the said instrument; that one of the seals affixed to the said instrument is the corporate seal of the said corporation; that the said instrument was signed, sealed and delivered by him as Vice President in behalf of the said corporation by its authority, duly given, and by authority of its board of directors; and that he acknowledged the said foregoing instrument to be the free and voluntary act and deed of said ILLINOIS CENTRAL RAILROAD COMPANY; and that he desired the same to be recorded as such.

Sworn ~~to~~ before me, and my hand and notarial seal hereto affixed in witness whereof the day and year aforesaid.

(SEAL)

C. F. Mann
Notary Public.

My commission expires June 18, 1942.

EQUIPMENT TRANSFERRED FROM ILLINOIS CENTRAL EQUIPMENT TRUST SERIES "M" TO ILLINOIS CENTRAL RAILROAD EQUIPMENT TRUST SERIES "Q"

Class	Series	Number of Units
Box Cars	154701-154713	13
"	154716-154771	6
"	154723-154735	13
"	154737-154768	32
"	154770-154832	63
"	154834-154861	28
"	154863-154894	32
"	154896-154903	8
"	154905-154930	26
"	154932-154950	19
"	154952-154974	23
"	154976	1
"	154978-155056	79
"	155058-155095	38
"	155097-155108	12
"	155110-155165	56
"	155167-155231	65
"	155233-155234	2
"	155236-155243	8
"	155245-155254	10
"	155256-155266	11
"	155268-155329	62
"	155331-155366	36
"	155368-155377	10
"	155379-155390	12
"	155392-155403	12
"	155405-155421	17
"	155423-155449	27
"	155451-155500	50
Total		771
Coal Cars	82000-83505	1506
"	83507-83991	485
Total		1991
Auto Cars	162301-162305	5
"	162307	1
"	162309-162313	5
"	162315-162321	7
"	162323-162347	25
"	162349-162352	4
"	162354-162363	10
"	162365-162369	5
"	162371-162374	4
"	162376-162378	3
"	162380-162400	21
	163001-163050	50
	163101-163150	50
Total		190
Auto Cars	38000-38009	10
Caboose Cars	99376-99377	2
"	99379-99414	36
	99416-99421	6
	99423-99425	3
Total		47
Dining Cars	3973-3975	3
Baggage Cars	790-794	5

Summary

Box Cars	771
Coal Cars	1,991
Auto Cars	200
Caboose Cars	47
Dining Cars	3
Baggage Cars	5
Total	3,017

STATE OF WISCONSIN)
DEPARTMENT OF STATE) SS.

Received this 15th day of Sept. A.D. 1941 at 11 o'clock A.M. and recorded in Vol. 34 of RR Mtgs. on pages 636-639.

LISLE W. SCHROEDER
Assistant Secretary of State

STATEMENT OF COMPLIANCE
FORM CPR 11

State of Wisconsin
PUBLIC RECORDS BOARD

AGENCY	DATE
Secretary of State	1984
DIVISION	**REEL NUMBER**
—	34
RECORD SERIES	**DISPOSAL AUTHORIZATION NUMBER**
Railroad Mortgages	

I certify that the film listed above complies with the minimum standards of quality for permanent photographic records, as established by the Public Records Board and that the film was processed and developed in accordance with minimum standards established by the Board.

FILM DEVELOPER AND PROCESSOR

I certify pursuant to Section 16.61 (7) Wisconsin Statutes, that this records series has been photographed on the reels of film listed above.

Douglas LaFollette

HEAD OF AGENCY OR DESIGNATED REPRESENTATIVE

Form CPR 10

State of Wisconsin
PUBLIC RECORDS BOARD

CAMERA OPERATOR'S CERTIFICATE

REEL NUMBER	REDUCTION RATIO	DISPOSAL AUTHORIZATION NUMBER
34	20:1	414:53

CAMERA (TYPE)	(MODEL)	(SERIAL NUMBER)
Recordak	MRC-4	342

TITLE OF RECORD SERIES

Railroad Mortgages

AGENCY

Sec. of State

I certify that I have on this day of 9, 5, 19 84, photographed the above described documents in accordance with the standards and procedures established by Section 16.61 of the Wisconsin Statutes.

ROLL BEGINS WITH	ROLL ENDS WITH
Vol. 34	Vol. 34
	CAMERA OPERATOR
	C. N.

CAMERA OPERATOR'S RETAKE CERTIFICATE
FORM CPR 13

State of Wisconsin

COMMITTEE ON PUBLIC RECORDS

REEL NUMBER	REDUCTION RATIO	DISPOSAL AUTHORIZATION NUMBER
34	20:1	414.53

CAMERA (TYPE) RecordaK (MODEL) MRC-4 (SERIAL NUMBER) 342

TITLE OF RECORD SERIES: Railroad Mortgages

AGENCY: Sec. of State

I certify that I have on this 10 day of Sept, 19 84, photographed the above described documents in accordance with the standards and procedures established by Section 16.80 of the Wisconsin Statutes, and I further certify that the images appearing above between the retake title target and this certificate are:

☐ True copies of records in the series described above, which records were not available at the time the series was originally photographed.

☒ True copies of records in the series described above, microphotographs of which proved unsatisfactory on inspection of the original microfilm roll.

The records appearing on this retake were records in the series described above, and were photographed as an addendum to be attached to the original roll of film.

ROLL BEGINS WITH	ROLL ENDS WITH
Pgs 210-215, 282-287 + 330-341	E.T of reel 27
	CAMERA OPERATOR L. N.