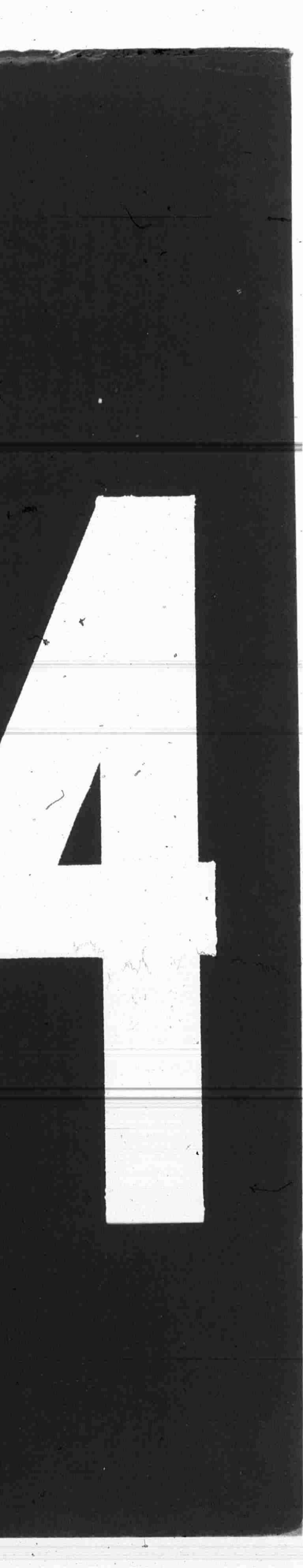
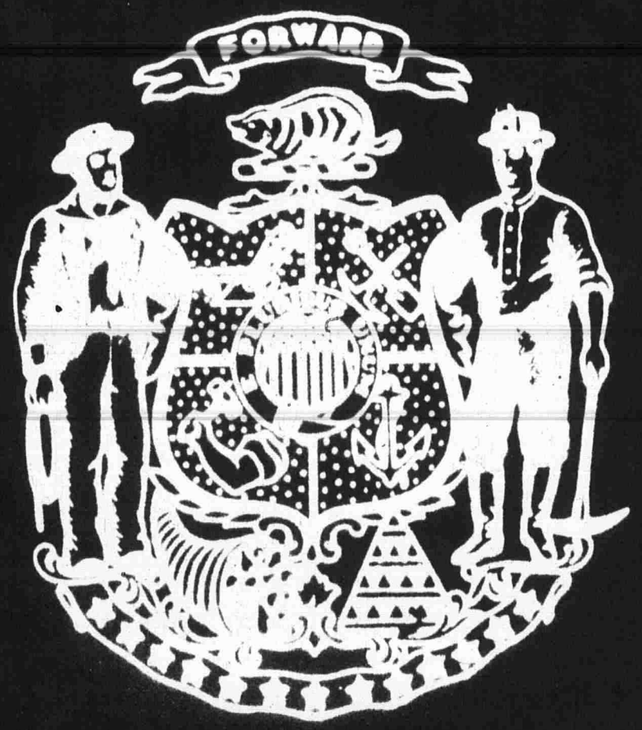


STATE OF WISCONSIN



SECRETARY OF STATE

RAILROAD MORTGAGES

VOL. 44

414.53

Executed in 20 Counterparts

Counterpart No. 4

SERIES Q

SIXTH SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of September 1, 1951, between **CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking association, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY**, (hereinafter called the Railroad Company), party of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of March 1, 1937, the Trustee 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 (hereinafter called the Railroad Trustees) pursuant to the terms of an Agreement, also dated as of March 1, 1937, between the Vendors named in said Agreement, the Trustee and the Railroad Trustees, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series Q; and by a certain Supplement, dated April 8, 1946, to said Lease and said Agreement the Railroad Company assumed the obligations and succeeded to the rights of the Railroad Trustees thereunder; and

WHEREAS, pursuant to the provisions of Paragraph (a) of Article Fifth of said Lease, the Railroad Company will cause to be delivered to the Trustee, three (3) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35000 to 35002, both inclusive, in replacement of six (6) 50-ton, 50′ 6″, steel sheathed automobile cars, num-

bered, respectively, 13759, 13783, 13866, 13897, 13900 and 13913 and three (3) 50-ton, all steel hopper cars, numbered, respectively, 94785, 94790 and 94915 and one (1) 70-ton, steel underframe, composite body, mill type, gondola car, numbered 81030, which cars, so replaced, had been worn out, lost, destroyed or rendered unfit for use as of June 30, 1951;

NOW, THEREFORE, this Sixth Supplemental 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 Company, the said three (3) new, 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35000 to 35002, both inclusive, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of March 1, 1937, and of all Supplements thereto, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution hereof, it will cause this Sixth Supplemental 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 supplements thereto, 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 Sixth Supplemental 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 Company 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,

By ..... (R. M. Kimball) *Vice-President.*

Attest: ..... (V. P. Nelson) *Assistant Secretary.*

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

..... (H. J. Groener)

..... (W. H. Conley) *Attesting Witnesses.*

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By ..... (J. W. Severs) *Vice-President.*

Attest: ..... (Vila M. Graves) *Assistant Secretary.*

Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

..... (Ruth E. Hall)

..... (C. L. Davis) *Attesting Witnesses.*

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, W. G. EVERIST, 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 September, 1951, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in

Form 270

STATE OF ILLINOIS, } ss.
COOK COUNTY.

I, RICHARD J. DALEY, 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 W. G. Everist 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 and hereditaments in the 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 12th day of September A. D. 1951.

Richard J. Daley
County Clerk

5827 32295

writing; that they, said R. M. KIMBALL, Vice-President and V. P. NELSON, Assistant Secretary, 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 Secretary 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 April 9, 1952.

W. G. Everist
(W. G. Everist)
Notary Public in and for the State of Illinois, County of Cook.

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 this 7th day of September, 1951, 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. W. SEVERS and VILA M. GRAVES, each to me personally known and known to me to be, respectively, a Vice-President and an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 Assistant Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said J. W. SEVERS and VILA M. GRAVES, 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. W. SEVERS resides in Park Ridge in the State of Illinois, and that said VILA M. GRAVES resides in Park Ridge in the State of Illinois; that said J. W. SEVERS is a Vice-President and said VILA M. GRAVES is an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and VILA M. GRAVES,

Form 270

STATE OF ILLINOIS, } ss.
COOK COUNTY.

I, RICHARD J. DALEY, 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 and hereditaments in the 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 7th day of September A. D. 1951.

Richard J. Daley
County Clerk

5827 32295

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 November 17, 1951.

R. W. Spangenberg
(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

State of Wisconsin } ss.
DEPARTMENT OF STATE

Received this 24th day of Sept. A. D. 19 51 at 10:00 o'clock A. M. and recorded in Vol. 44 of Railroad Mortgages on page 144

Fred R. Zimmerman
Secretary of State

Executed in 20 Counterparts

Counterpart No. 4

SERIES R

FIFTH SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of September 1, 1951, between **CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking association, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY**, (hereinafter called the Railroad Company), party of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of August 1, 1937, the Trustee 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 (hereinafter called the Railroad Trustees) pursuant to the terms of an Agreement, also dated as of August 1, 1937, between the Vendors named in said Agreement, the Trustee and the Railroad Trustees, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series R; and by a certain Supplement, dated March 23, 1946, to said Lease and said Agreement the Railroad Company assumed the obligations and succeeded to the rights of the Railroad Trustees thereunder; and

WHEREAS, pursuant to the provisions of Paragraph (a) of Article Fifth of said Lease, the Railroad Company will cause to be delivered to the Trustee, two (2) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35003 and 35004, in replacement of seven (7),

70-ton, steel framed gondola cars, numbered, respectively, 80129, 80235, 80342, 80557, 80714, 80731 and 80809, which cars, so replaced, had been worn out, lost, destroyed or rendered unfit for use as of June 30, 1951;

NOW, THEREFORE, this Fifth Supplemental 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 Company, the said two (2) new, 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35003 and 35004, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of August 1, 1937, and of all Supplements thereto, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution hereof, it will cause this Fifth Supplemental 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 supplements thereto, 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 Fifth Supplemental 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 Company 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,

By ..... (R. M. Kimball) *Vice-President.*

Attest: ..... (V. P. Nelson) *Assistant Secretary.*

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

..... (H. J. Groener)

..... (H. E. Conley) *Attesting Witnesses.*

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By ..... (J. W. Severs) *Vice-President.*

Attest: ..... (Vila M. Graves) *Assistant Secretary.*

Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

..... (Ruth E. Hall)

..... (C. L. Davis) *Attesting Witnesses.*

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, W. G. EVERIST, 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 September, 1951, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in

Form 279

STATE OF ILLINOIS, } ss.
COUNTY. }

I, RICHARD J. DALEY, 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 ... 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 said 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 ... day of ... 19...

County Clerk

837 32295

writing; that they, said R. M. KIMBALL, Vice-President and V. P. NELSON, Assistant Secretary, 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 Secretary 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 April 9, 1952.

W. G. Everist
.....,
(W. G. Everist)
Notary Public in and for the State of Illinois, County of Cook.

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 this 7th day of September, 1951, 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. W. SEVERS and VILA M. GRAVES, each to me personally known and known to me to be, respectively, a Vice-President and an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 Assistant Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said J. W. SEVERS and VILA M. GRAVES, 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. W. SEVERS resides in Park Ridge in the State of Illinois, and that said VILA M. GRAVES resides in Park Ridge in the State of Illinois; that said J. W. SEVERS is a Vice-President and said VILA M. GRAVES is an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and VILA M. GRAVES,

Form 279

STATE OF ILLINOIS, } ss.
COOK COUNTY. }

I, RICHARD J. DALEY, 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 ... 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 said 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 ... day of ... 19...

County Clerk

837 32295

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 November 17, 1951.

R. W. Spangenberg
.....,
(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

State of Wisconsin } ss.
DEPARTMENT OF STATE }

Received this 24th day of Sept. A. D. 1951 at 10:00 o'clock A. M. and recorded in Vol. 44 of Railroad Mortgages on Page 378

Jack Zimmerman
Assistant Secretary of State

Executed in 20 Counterparts

Counterpart No. 4

SERIES T

FOURTH SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of September 1, 1951, between **CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking association, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY**, (hereinafter called the Railroad Company), party of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of April 1, 1939, the Trustee 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 (hereinafter called the Railroad Trustees) pursuant to the terms of an Agreement, also dated as of April 1, 1939, between the Vendors named in said Agreement, the Trustee and the Railroad Trustees, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series T; and by a certain Supplement, dated March 16, 1946, to said Lease and said Agreement the Railroad Company assumed the obligations and succeeded to the rights of the Railroad Trustees thereunder; and

WHEREAS, pursuant to the provisions of Paragraph (a) of Article Fifth of said Lease, the Railroad Company will cause to be delivered to the Trustee, five (5) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35005 to 35009, both inclusive, in replacement of twelve (12) 50-ton, all steel, wood lined box cars, num-

bered, respectively, 18170, 18237, 18334, 18356, 18553, 18594, 18667, 18688, 18700, 18801, 18822 and 18963 and three (3) all steel, wood lined cabooses, numbered, respectively, 01811, 01822 and 01837, which cars, so replaced, had been worn out, lost, destroyed or rendered unfit for use as of May 31, 1950;

NOW, THEREFORE, this Fourth Supplemental 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 Company, the said five (5) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35005 to 35009, both inclusive, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of April 1, 1939, and of all Supplements thereto, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution hereof, it will cause this Fourth Supplemental 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 supplements thereto, 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 Fourth Supplemental 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 Company 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,

By ..... (R. M. Kimball) *Vice-President.*

Attest: ..... (V. P. Nelson) *Assistant Secretary.*

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

..... (H. J. Groener)

..... (H. H. Conley) *Attesting Witnesses.*

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By ..... (J. W. Severs) *Vice-President.*

Attest: ..... (Vila M. Graves) *Assistant Secretary.*

Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

..... (Ruth E. Hall)

..... (C. L. Davis) *Attesting Witnesses.*

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, W. G. EVERIST, 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 September, 1951, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in

Form 279

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, RICHARD J. DALEY, 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 W. G. Everist 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 12th day of September A.D. 1951.

RICHARD J. DALEY, County Clerk

827 3295

writing; that they, said R. M. KIMBALL, Vice-President and V. P. NELSON, Assistant Secretary, 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 Secretary 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 April 9, 1952.

W. G. Everist
.....,
(W. G. Everist)
Notary Public in and for the State of Illinois, County of Cook.

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 this 7th day of September, 1951, 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. W. SEVERS and VILA M. GRAVES, each to me personally known and known to me to be, respectively, a Vice-President and an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 Assistant Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said J. W. SEVERS and VILA M. GRAVES, 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. W. SEVERS resides in Park Ridge in the State of Illinois, and that said VILA M. GRAVES resides in Park Ridge in the State of Illinois; that said J. W. SEVERS is a Vice-President and said VILA M. GRAVES is an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and VILA M. GRAVES,

Form 279

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, RICHARD J. DALEY, 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 12th day of September A.D. 1951.

RICHARD J. DALEY, County Clerk

827 3295

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 November 17, 1951.

R. W. Spangenberg
.....,
(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

State of Wisconsin } ss.
DEPARTMENT OF STATE }

Received this 24th day of Sept. A. D. 19 51 at 10:00 o'clock A. M. and recorded in Vol. 44 of Railroad Mortgages on page 9-12 D.

Fred R. Zimmerman
Secretary of State

Executed in 20 Counterparts

Counterpart No. 4

SERIES X

THIRD SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of September 1, 1951, between **CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking association, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY**, (hereinafter called the Railroad Company), party of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of March 1, 1944, the Trustee 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 (hereinafter called the Railroad Trustees) pursuant to the terms of an Agreement, also dated as of March 1, 1944, between the Vendors named in said Agreement, the Trustee and the Railroad Trustees, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series X; and by a certain Supplement, dated February 8, 1946, to said Lease and said Agreement the Railroad Company assumed the obligations and succeeded to the rights of the Railroad Trustees thereunder; and

WHEREAS, pursuant to the provisions of Paragraph (a) of Article Fifth of said Lease, the Railroad Company will cause to be delivered to the Trustee, five (5) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35010 to 35014, both inclusive, in replacement of six (6) 40′ 6″, 50-ton, all steel box cars, numbered, re-

spectively, 21357, 21469, 21536, 21820, 21836 and 21869 and four (4) 50′ 6″, 50-ton, all steel box cars, numbered, respectively, 50548, 50602, 50970 and 50985, which cars, so replaced, had been worn out, lost, destroyed or rendered unfit for use as of September 30, 1949;

NOW, THEREFORE, this Third Supplemental 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 Company, the said five (5) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35010 to 35014, both inclusive, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of March 1, 1944, and of all Supplements thereto, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution hereof, it will cause this Third Supplemental 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 supplements thereto, 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 Third Supplemental 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 Company 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,

By ....., (R. M. Kimball) *Vice-President.*

Attest: ..... (V. P. Nelson) *Assistant Secretary.*

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

..... (H. J. Groener)

..... (H. H. Conley) *Attesting Witnesses.*

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By ....., (J. W. Severs) *Vice-President.*

Attest: ..... (Vila M. Graves) *Assistant Secretary.*

Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

..... (Ruth E. Hall)

..... (C. L. Davis) *Attesting Witnesses.*

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, W. G. EVERIST, 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 September, 1951, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in

Form 279

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, RICHARD J. DALEY, 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 W. G. Everist 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 ... day of ... 195...

RICHARD J. DALEY, County Clerk

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writing; that they, said R. M. KIMBALL, Vice-President and V. P. NELSON, Assistant Secretary, 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 Secretary 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 April 9, 1952.

W. G. Everist
(W. G. Everist)
Notary Public in and for the State of Illinois, County of Cook.

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 this 7th day of September, 1951, 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. W. SEVERS and VILA M. GRAVES, each to me personally known and known to me to be, respectively, a Vice-President and an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 Assistant Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said J. W. SEVERS and VILA M. GRAVES, 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. W. SEVERS resides in Park Ridge in the State of Illinois, and that said VILA M. GRAVES resides in Park Ridge in the State of Illinois; that said J. W. SEVERS is a Vice-President and said VILA M. GRAVES is an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and VILA M. GRAVES,

Form 279

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, RICHARD J. DALEY, 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 ... day of ... 195...

RICHARD J. DALEY, County Clerk

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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 November 17, 1951.

R. W. Spangenberg
(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

State of Wisconsin } ss.
DEPARTMENT OF STATE }

Received this 24th day of Sept. A. D. 19 51 at 10:00 o'clock A. M. and recorded in Vol. 44 of Railroad Mortgages on page 134(6).

Fred R. Zimmerman
Secretary of State

Executed in 20 Counterparts

Counterpart No. 4

SERIES Y

FOURTH SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of September 1, 1951, between **CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking association, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY**, (hereinafter called the Railroad Company), party of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of April 1, 1945, the Trustee 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 (hereinafter called the Railroad Trustees) pursuant to the terms of an Agreement, also dated as of April 1, 1945, between the Vendors named in said Agreement, the Trustee and the Railroad Trustees, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series Y; and by a certain Supplement, dated February 15, 1946, to said Lease and said Agreement the Railroad Company assumed the obligations and succeeded to the rights of the Railroad Trustees thereunder; and

WHEREAS, pursuant to the provisions of Paragraph (a) of Article Fifth of said Lease, the Railroad Company will cause to be delivered to the Trustee, two (2) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35015 and 35016, in replacement of four (4) 40′ 6″,

50-ton, all steel box cars, numbered, respectively, 22690, 22739, 22941 and 22963, which cars, so replaced, had been worn out, lost, destroyed or rendered unfit for use as of December 31, 1948;

NOW, THEREFORE, this Fourth Supplemental 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 Company, the said two (2) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35015 and 35016, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of April 1, 1945, and of all Supplements thereto, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution hereof, it will cause this Fourth Supplemental 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 supplements thereto, 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 Fourth Supplemental 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 Company 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,

By ....., (R. M. Kimball) *Vice-President.*

Attest: ..... (V. P. Nelson) *Assistant Secretary.*

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

..... (H. J. Groener)

..... (E. H. Conley) *Attesting Witnesses.*

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By ....., (J. W. Severs) *Vice-President.*

Attest: ..... (Vila M. Graves) *Assistant Secretary.*

Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

..... (Ruth E. Hall)

..... (C. L. Davis) *Attesting Witnesses.*

STATE OF ILLINOIS, }
COUNTY OF COOK. } ss.

I, W. G. EVERIST, 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 September, 1951, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in

Form 270

STATE OF ILLINOIS, }
COOK COUNTY. } ss.

I, RICHARD J. DALEY, 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 [illegible] 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, and to administer oaths; 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 [illegible] day of [illegible] 195[illegible]

[illegible] County Clerk

writing; that they, said R. M. KIMBALL, Vice-President and V. P. NELSON, Assistant Secretary, 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 Secretary 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 April 9, 1952.

W. G. Everist

(W. G. Everist)
Notary Public in and for the State of Illinois, County of Cook.

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 this 7th. day of September, 1951, 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. W. SEVERS and VILA M. GRAVES, each to me personally known and known to me to be, respectively, a Vice-President and an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 Assistant Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said J. W. SEVERS and VILA M. GRAVES, 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. W. SEVERS resides in Park Ridge in the State of Illinois, and that said VILA M. GRAVES resides in Park Ridge in the State of Illinois; that said J. W. SEVERS is a Vice-President and said VILA M. GRAVES is an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and VILA M. GRAVES,

Form 270

STATE OF ILLINOIS, }
COOK COUNTY. } ss.

I, RICHARD J. DALEY, 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 [illegible] 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, and to administer oaths; 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 Sept. 195[illegible]

[illegible] County Clerk

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 November 17, 1951.

R. W. Spangenberg

(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

State of Wisconsin }
DEPARTMENT OF STATE } ss.

Received this 24th day of Sept. A. D. 1951 at 10:00 o'clock A.M. and recorded in Vol. 44 of Railroad Mortgages on page 17-29

Theodore Kanneberg
Assistant Secretary of State

Executed in 20 Counterparts

Counterpart No. 4

SERIES Z

FIRST SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of September 1, 1951, between **CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking association, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY**, (hereinafter called the Railroad Company), party of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of July 1, 1947, the Trustee leased certain railroad equipment described therein to Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter called the Railroad Company) pursuant to the terms of an Agreement, also dated as of July 1, 1947, between the Vendors named in said Agreement, the Trustee and the Railroad Company, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series Z; and

WHEREAS, pursuant to the provisions of Paragraph (a) of Article Fifth of said Lease, the Railroad Company will cause to be delivered to the Trustee, three (3) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35017 to 35019, both inclusive, in replacement of five (5) 40′ 6″, 50-ton, all steel box cars, numbered, respectively, 23267, 23408, 23852, 23865 and 23933, which cars,

so replaced, had been worn out, lost, destroyed or rendered unfit for use as of December 31, 1950;

NOW, THEREFORE, this First Supplemental 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 Company, the said three (3) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35017 to 35019, both inclusive, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of July 1, 1947, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution hereof, it will cause this First Supplemental 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 First Supplemental 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 Company 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,

By .....
(R. M. Kimball)
Vice-President.

Attest: .....
(V. P. Nelson)
Assistant Secretary.

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

.....
(H. J. Groener)

.....
(H. H. Conley)
Attesting Witnesses.

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By .....
(J. W. Severs)
Vice-President.

Attest: .....
(Vila M. Graves)
Assistant Secretary.

Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

.....
(Ruth E. Hall)

.....
(C. L. Davis)
Attesting Witnesses.

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, W. G. EVERIST, 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 September, 1951, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in

Form 279

STATE OF ILLINOIS, } ss.
COUNTY OF COOK.

I, RICHARD J. DALEY, 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 [illegible] 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 [illegible] day of [illegible] 195[illegible]

[illegible] County Clerk

32295

writing; that they, said R. M. KIMBALL, Vice-President and V. P. NELSON, Assistant Secretary, 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 Secretary 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 April 9, 1952.

W. G. Everist
.....,
(W. G. Everist)
Notary Public in and for the State of Illinois, County of Cook.

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 this 24th day of September, 1951, 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. W. SEVERS and VILA M. GRAVES, each to me personally known and known to me to be, respectively, a Vice-President and an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 Assistant Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said J. W. SEVERS and VILA M. GRAVES, 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. W. SEVERS resides in Park Ridge in the State of Illinois, and that said VILA M. GRAVES resides in Park Ridge in the State of Illinois; that said J. W. SEVERS is a Vice-President and said VILA M. GRAVES is an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and VILA M. GRAVES,

Form 279

STATE OF ILLINOIS, } ss.
COUNTY OF COOK.

I, RICHARD J. DALEY, 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 [illegible] 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 [illegible] 195[illegible]

[illegible] County Clerk

32295

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 November 17, 1951.

R. W. Spangenberg
.....,
(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

State of Wisconsin } ss.
DEPARTMENT OF STATE
Received this 24th *day of* Sept. *A. D. 19*51 *at* 10:00 *o'clock* A. *M. and recorded in Vol.* 44 *of* Railroad Mortgages *on page* 21[illegible]
[illegible] Secretary of State

Executed in 20 Counterparts

Counterpart No. 4

SERIES AA

FIRST SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of September 1, 1951, between **CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking association, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY**, (hereinafter called the Railroad Company), party of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of October 1, 1947, the Trustee leased certain railroad equipment described therein to Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter called the Railroad Company) pursuant to the terms of an Agreement, also dated as of October 1, 1947, between the Vendors named in said Agreement, the Trustee and the Railroad Company, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series AA; and

WHEREAS, pursuant to the provisions of Paragraph (a) of Article Fifth of said Lease, the Railroad Company will cause to be delivered to the Trustee, five (5) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35020 to 35024, both inclusive, in replacement of three (3) 50′ 6″, 50-ton, all steel automobile cars without loading devices, numbered, respectively, 15549, 15576 and 15650 and three (3) 40′ 6″, 40-ton, all steel automobile cars

equipped with loading devices, numbered, respectively, 9310, 9403 and 9429, which cars, so replaced, had been worn out, lost, destroyed or rendered unfit for use as of June 30, 1951;

NOW, THEREFORE, this First Supplemental 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 Company, the said five (5) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35020 to 35024, both inclusive, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of October 1, 1947, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution hereof, it will cause this First Supplemental 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 First Supplemental 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 Company 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,

By ..... (R. M. Kimball) *Vice-President.*

Attest: ..... (V. P. Nelson) *Assistant Secretary.*

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

..... (H. J. Groener)

..... (H. H. Conley) *Attesting Witnesses.*

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By ..... (J. W. Severs) *Vice-President.*

Attest: ..... (Vila M. Graves) *Assistant Secretary.*

Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

..... (Ruth E. Hall)

..... (C. L. Davis) *Attesting Witnesses.*

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, W. G. EVERIST, 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 September, 1951, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in

Form 279

STATE OF ILLINOIS, } ss.
COUNTY. }

I, RICHARD J. DALEY, 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 W. G. Everist 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 ..... 195.

Richard J. Daley
County Clerk

837 2285

writing; that they, said R. M. KIMBALL, Vice-President and V. P. NELSON, Assistant Secretary, 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 Secretary 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 April 9, 1952.

W. G. Everist
.....,
(W. G. Everist)
Notary Public in and for the State of Illinois, County of Cook.

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 this 11th. day of September, 1951, 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. W. SEVERS and VILA M. GRAVES, each to me personally known and known to me to be, respectively, a Vice-President and an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 Assistant Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said J. W. SEVERS and VILA M. GRAVES, 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. W. SEVERS resides in Park Ridge in the State of Illinois, and that said VILA M. GRAVES resides in Park Ridge in the State of Illinois; that said J. W. SEVERS is a Vice-President and said VILA M. GRAVES is an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and VILA M. GRAVES,

Form 279

STATE OF ILLINOIS, } ss.
COUNTY. }

I, RICHARD J. DALEY, 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 12 day of ..... 195.

Richard J. Daley
County Clerk

837 2285

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 November 17, 1951.

R. W. Spangenberg
.....,
(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

State of Wisconsin } ss.
DEPARTMENT OF STATE }

Received this 24th day of Sept. A. D. 19 51 at 10:00 o'clock A. M. and recorded in Vol. 44 of Railroad Mortgages on page 25-28.

Jesse P. Timmerman
Secretary of State

Executed in 20 Counterparts

Counterpart No. 4

SERIES CC

FIRST SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of September 1, 1951, between **CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking association, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY**, (hereinafter called the Railroad Company), party of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of February 1, 1948, the Trustee leased certain railroad equipment described therein to Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter called the Railroad Company pursuant to the terms of an Agreement, also dated as of February 1, 1948, between the Vendors named in said Agreement, the Trustee and the Railroad Company, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series CC; and

WHEREAS, pursuant to the provisions of Paragraph (a) of Article Fifth of said Lease, the Railroad Company will cause to be delivered to the Trustee, five (5) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35025 to 35029, both inclusive, in replacement of eight (8) 40′ 6″, 50-ton, all steel box cars, numbered, respec-

tively, 24194, 24352, 24368, 24409, 24527, 24574, 24718 and 24820, which cars, so replaced, had been worn out, lost, destroyed or rendered unfit for use as of June 30, 1951;

NOW, THEREFORE, this First Supplemental 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 Company, the said five (5) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35025 to 35029, both inclusive, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of February 1, 1948, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution hereof, it will cause this First Supplemental 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 First Supplemental 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 Company 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,

By ..... (R. M. Kimball) *Vice-President.*

Attest: ..... (V. P. Nelson) *Assistant Secretary.*

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

..... (H. J. Groener)

..... (H. H. Conley) *Attesting Witnesses.*

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By ..... (J. W. Severs) *Vice-President.*

Attest: ..... (Vila M. Graves) *Assistant Secretary.*

Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

..... (Ruth E. Hall)

..... (C. L. Davis) *Attesting Witnesses.*

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, W. G. EVERIST, 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 September, 1951, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in

Form 279

STATE OF ILLINOIS, } ss.
COUNTY.

I, RICHARD J. DALEY, 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 ..... whose name is subscribed to the proof of acknowledgment of the annexed instrument in writing, was, at the time of 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 ..... day of ..... 19..

..... County Clerk

327 3226

writing; that they, said R. M. KIMBALL, Vice-President and V. P. NELSON, Assistant Secretary, 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 Secretary 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 April 9, 1952.

W. G. Everist

(W. G. Everist)
Notary Public in and for the State of Illinois, County of Cook.

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 this 7th day of September, 1951, 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. W. SEVERS and VILA M. GRAVES, each to me personally known and known to me to be, respectively, a Vice-President and an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 Assistant Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said J. W. SEVERS and VILA M. GRAVES, 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. W. SEVERS resides in Park Ridge in the State of Illinois, and that said VILA M. GRAVES resides in Park Ridge in the State of Illinois; that said J. W. SEVERS is a Vice-President and said VILA M. GRAVES is an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and VILA M. GRAVES,

Form 279

STATE OF ILLINOIS, } ss.
COUNTY.

I, RICHARD J. DALEY, 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 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 17 day of Sept. 1951

Richard J. Daley County Clerk

327 3226

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 November 17, 1951.

R. W. Spangenberg

(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

State of Wisconsin } ss.
DEPARTMENT OF STATE

Received this 24th day of Sept. A. D. 19 51 at 10:00 o'clock A. M. and recorded in Vol. 44 of Railroad Mortgages on page 29-30

Fred R. Zimmerman
Secretary of State

Executed in 20 Counterparts

Counterpart No. 4

SERIES DD

FIRST SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of September 1, 1951, between **CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking association, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY**, (hereinafter called the Railroad Company), party of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of June 1, 1948, the Trustee leased certain railroad equipment described therein to Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter called the Railroad Company) pursuant to the terms of an Agreement, also dated as of June 1, 1948, between the Vendors named in said Agreement, the Trustee and the Railroad Company, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series DD; and

WHEREAS, pursuant to the provisions of Paragraph (a) of Article Fifth of said Lease, the Railroad Company will cause to be delivered to the Trustee, one (1) new 50-ton, 40′ 6″, wood lined, steel sheathed box car, numbered 35030, in replacement of two (2) 41′ 6″, 50-ton, composite type

gondola cars, numbered, respectively, 86546 and 86910, which cars, so replaced, had been worn out, lost, destroyed or rendered unfit for use as of September 30, 1949;

NOW, THEREFORE, this First Supplemental 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 Company, the said one (1) new 50-ton, 40′ 6″, wood lined, steel sheathed box car, numbered 35030, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of June 1, 1948, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution hereof, it will cause this First Supplemental 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 First Supplemental 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 Company 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,

By .....
(R. M. Kimball)
Vice-President.

Attest: .....
(V. P. Nelson)
Assistant Secretary.

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

.....
(H. J. Groener)

.....
(H. E. Conley)
Attesting Witnesses.

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By .....
(J. W. Severs)
Vice-President.

Attest: .....
(Vila M. Graves)
Assistant Secretary.

Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

.....
(Ruth E. Hall)

.....
(C. L. Davis)
Attesting Witnesses.

STATE OF ILLINOIS, }
COUNTY OF COOK. } ss.

I, W. G. EVERIST, 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 September, 1951, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in

Form 279

STATE OF ILLINOIS, } ss.
COOK COUNTY.

I, RICHARD J. DALEY, County Clerk of the County of Cook, Do HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public in said County, and as such officer am duly authorized to issue certificates of magistracy, that W. G. Everist 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 conveyance 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 12th day of September, 1951.

Richard J. Daley
County Clerk

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writing; that they, said R. M. KIMBALL, Vice-President and V. P. NELSON, Assistant Secretary, 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 Secretary 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 April 9, 1952.

W. G. Everist
....., (W. G. Everist)
Notary Public in and for the State of Illinois, County of Cook.

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 this 7th day of September, 1951, 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. W. SEVERS and VILA M. GRAVES, each to me personally known and known to me to be, respectively, a Vice-President and an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 Assistant Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said J. W. SEVERS and VILA M. GRAVES, 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. W. SEVERS resides in Park Ridge in the State of Illinois, and that said VILA M. GRAVES resides in Park Ridge in the State of Illinois; that said J. W. SEVERS is a Vice-President and said VILA M. GRAVES is an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and VILA M. GRAVES,

Form 279

STATE OF ILLINOIS, } ss.
COOK COUNTY.

I, RICHARD J. DALEY, County Clerk of the County of Cook, Do HEREBY CERTIFY that I am the lawful custodian of the official records of Notaries Public in 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 conveyance 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 12th day of September, 1951.

Richard J. Daley
County Clerk

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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 November 17, 1951.

R. W. Spangenberg
..... (R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

State of Wisconsin } ss.
DEPARTMENT OF STATE
Received this 24th day of Sept. A. D. 19 51 at 10:00 o'clock A. M. and recorded in Vol. 44 of Railroad Mortgages on page 33-36.
Ida R. Zimmerman
Secretary of State

Executed in 20 Counterparts

Counterpart No. 4

SERIES FF

FIRST SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of September 1, 1951, between **CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking association, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY**, (hereinafter called the Railroad Company), party of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of October 1, 1948, the Trustee leased certain railroad equipment described therein to Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter called the Railroad Company) pursuant to the terms of an Agreement, also dated as of October 1, 1948, between the Vendors named in said Agreement, the Trustee and the Railroad Company, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series FF; and

WHEREAS, pursuant to the provisions of Paragraph (a) of Article Fifth of said Lease, the Railroad Company will cause to be delivered to the Trustee, five (5) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35031 to 35035, both inclusive, in replacement of seven (7) 40′ 6″, 50-ton, all steel box cars, numbered, respectively, 24963, 25300, 25834, 26082, 26102, 26116 and

26383, which cars, so replaced, had been worn out, lost, destroyed or rendered unfit for use as of June 30, 1950;

NOW, THEREFORE, this First Supplemental 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 Company, the said five (5) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35031 to 35035, both inclusive, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of October 1, 1948, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution hereof, it will cause this First Supplemental 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 First Supplemental 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 Company 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,

By ..... (R. M. Kimball) *Vice-President.*

Attest: ..... (V. P. Nelson) *Assistant Secretary.*

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

..... (H. J. Groener)

..... (H. H. Conley) *Attesting Witnesses.*

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By ..... (J. W. Bevers) *Vice-President.*

Attest: ..... (Vila M. Graves) *Assistant Secretary.*

Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

..... (Ruth E. Hall)

..... (C. L. Davis) *Attesting Witnesses.*

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, W. G. EVERIST, 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 September, 1951, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in

Form 279

STATE OF ILLINOIS, } ss.
COUNTY. }

I, RICHARD J. DALEY, 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 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 12th day of September, 1951.

County Clerk

writing; that they, said R. M. KIMBALL, Vice-President and V. P. NELSON, Assistant Secretary, 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 Secretary 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 April 9, 1952.

W. G. Everist

(W. G. Everist)
Notary Public in and for the State of Illinois, County of Cook.

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 this 7th day of September, 1951, 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. W. SEVERS and VILA M. GRAVES, each to me personally known and known to me to be, respectively, a Vice-President and an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 Assistant Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said J. W. SEVERS and VILA M. GRAVES, 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. W. SEVERS resides in Park Ridge in the State of Illinois, and that said VILA M. GRAVES resides in Park Ridge in the State of Illinois; that said J. W. SEVERS is a Vice-President and said VILA M. GRAVES is an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and VILA M. GRAVES,

Form 279

STATE OF ILLINOIS, } ss.
COOK COUNTY. }

I, RICHARD J. DALEY, 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 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 12th day of September, 1951.

County Clerk

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 November 17, 1951.

R. W. Spangenberg

(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

State of Wisconsin } ss.
DEPARTMENT OF STATE }

Received this 24th day of Sept. A. D. 19 51 at 10:00 o'clock A. M. and recorded in Vol. 44 of Railroad Mortgages on page 237-40

Secretary of State

Executed in 20 Counterparts

Counterpart No. 4

SERIES HH

FIRST SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of September 1, 1951, between **CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking association, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY**, (hereinafter called the Railroad Company), party of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of April 1, 1949, the Trustee leased certain railroad equipment described therein to Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter called the Railroad Company) pursuant to the terms of an Agreement, also dated as of April 1, 1949, between the Vendors named in said Agreement, the Trustee and the Railroad Company, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series HH; and

WHEREAS, pursuant to the provisions of Paragraph (a) of Article Fifth of said Lease, the Railroad Company will cause to be delivered to the Trustee, six (6) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35036 to 35041, both inclusive, in replacement of eight (8) 40′ 6″, 50-ton, all steel box cars, numbered, respectively, 26737, 26762, 26837, 26850, 27167, 27403, 27693 and

27821, which cars, so replaced, had been worn out, lost, destroyed or rendered unfit for use as of June 30, 1950;

NOW, THEREFORE, this First Supplemental 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 Company, the said six (6) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35036 to 35041, both inclusive, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of April 1, 1949, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution hereof, it will cause this First Supplemental 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 First Supplemental 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 Company 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,

By ..... (B. M. Kimball) *Vice-President.*

Attest: ..... (V. P. Nelson) *Assistant Secretary.*

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

..... (H. J. Groener)

..... (C. H. Conley) *Attesting Witnesses.*

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By ..... (J. W. Severs) *Vice-President.*

Attest: ..... (Vila M. Graves) *Assistant Secretary.*

Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

..... (Ruth E. Hall)

..... (C. L. Davis) *Attesting Witnesses.*

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, W. G. EVERIST, 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 September, 1951, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in

Form 279

STATE OF ILLINOIS, } ss.
COOK COUNTY.

I, RICHARD J. DALEY, 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 W. G. Everist 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 and hereditaments, in said State of Illinois, and to administer oaths; and, further, that 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 12th day of September A.D. 1951

Richard J. Daley
County Clerk

writing; that they, said R. M. KIMBALL, Vice-President and V. P. NELSON, Assistant Secretary, 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 Secretary 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 April 9, 1952.

W. G. Everist
.....,
(W. G. Everist)
Notary Public in and for the State of Illinois, County of Cook.

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 this 7th day of September, 1951, 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. W. SEVERS and VILA M. GRAVES, each to me personally known and known to me to be, respectively, a Vice-President and an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 Assistant Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said J. W. SEVERS and VILA M. GRAVES, 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. W. SEVERS resides in Park Ridge in the State of Illinois, and that said VILA M. GRAVES resides in Park Ridge in the State of Illinois; that said J. W. SEVERS is a Vice-President and said VILA M. GRAVES is an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and VILA M. GRAVES,

Form 279

STATE OF ILLINOIS, } ss.
COOK COUNTY.

I, RICHARD J. DALEY, 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 and hereditaments, in said State of Illinois, and to administer oaths; and, further, that 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 September A.D. 1951

Richard J. Daley
County Clerk

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 November 17, 1951.

R. W. Spangenberg
(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

State of Wisconsin } ss.
DEPARTMENT OF STATE

Received this 24th day of Sept. A. D. 19 51 at 10:00 o'clock A. M. and recorded in Vol. 44 of Railroad Mortgages on page 41-44

Fred R. Zimmerman
Secretary of State

Executed in 20 Counterparts

Counterpart No. 4

SERIES NN

FIRST SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of September 1, 1951, between **CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking association, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY**, (hereinafter called the Railroad Company), party of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of June 1, 1951, the Trustee leased certain railroad equipment described therein to the Railroad Company pursuant to the terms of an Agreement, also dated as of June 1, 1951, between the Vendors named in said Agreement, the Trustee and the Railroad Company, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series NN; and

WHEREAS, pursuant to the provisions of Paragraph (a) of Article Fifth of said Lease, the Railroad Company will cause to be delivered to the Trustee, three (3) new 50-ton, 40'6", steel sheathed, wood lined box cars, manufactured by Pullman-Standard Car Manufacturing Company, numbered 35042, 35043 and 35044, respectively, in replacement of two (2) 40'0", 50-ton R.B. type refrigerator cars, lettered "DSDX" and numbered 4070 and 4071, which cars, so replaced, had been worn out, lost, destroyed or rendered unfit for use as of June 30, 1951.

Now, THEREFORE, this First Supplemental 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 Company, the said three (3) new 50-ton, 40'6", steel sheathed, wood lined box cars, numbered 35042, 35043 and 35044, respectively, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of June 1, 1951, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution thereof, it will cause this First Supplemental 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 First Supplemental 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 Company 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,

By .....
(R. M. Kimball)
Vice-President.

Attest: .....
(V. P. Nelson)
Assistant Secretary.

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

.....
(H. J. Groener)

.....
(H. E. Conley)
Attesting Witnesses.

CHICAGO, MALWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By .....
(J. W. Severs)
Vice-President.

Attest: .....
(Vila M. Graves)
Assistant Secretary.

Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

.....
(Ruth E. Hall)

.....
(C. L. Davis)
Attesting Witnesses.

STATE OF ILLINOIS, }
COUNTY OF COOK. } ss.

I, W. G. EVERIST, 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 acknowledgements and proofs of deeds and conveyances of lands, tenements and hereditaments in said County, DO HEREBY CERTIFY that on this 11th day of September, 1951, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and

Form 270

STATE OF ILLINOIS, } ss.
COUNTY. }

I, RICHARD J. DALEY, 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 W. G. Everist 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 and 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 11th day of September 1951

Richard J. Daley
County Clerk

837 3235

foregoing instrument in writing; that they, said R. M. KIMBALL, Vice-President and V. P. NELSON, Assistant Secretary, 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 Secretary 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 April 9, 1952.

W. G. Everist
(W. G. Everist)
Notary Public in and for the State of Illinois, County of Cook.

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 this 7th day of September, 1951, 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. W. SEVERS and VILA M. GRAVES, each to me personally known and known to me to be respectively, a Vice-President and an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 Assistant Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said J. W. SEVERS and VILA M. GRAVES, 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. W. SEVERS resides in Park Ridge in the State of Illinois, and that said VILA M. GRAVES resides in Park Ridge in the State of Illinois; that said J. W. SEVERS is a Vice-President and said VILA M. GRAVES is an Assistant Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and VILA M. GRAVES,

Form 270

STATE OF ILLINOIS, } ss.
COUNTY. }

I, RICHARD J. DALEY, 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. 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 and 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 September 1951

Richard J. Daley
County Clerk

837 3235

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 November 17, 1951.

R. W. Spangenberg
(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

State of Wisconsin }
DEPARTMENT OF STATE } ss.

Received this 24th day of Sept. A. D. 1951 at 10:00 o'clock A. M. and recorded in Vol. 44 of Railroad Mortgages on page 45-48.

Secretary of State

Executed in 22 Counterparts

Counterpart No. 4

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD EQUIPMENT TRUST, SERIES OO

Lease of Railroad Equipment

DATED AS OF OCTOBER 1, 1951

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO

TO

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY

Agreement

DATED AS OF OCTOBER 1, 1951

H. J. GROENER AND H. H. CONLEY
VENDORS

WITH

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO

AND

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY

THE TWENTIETH CENTURY PRESS, INC., CHICAGO

LEASE OF RAILROAD EQUIPMENT, dated as of October 1, 1951, between **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, Trustee, as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **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 Company), party of the second part:

WHEREAS, by a certain agreement, dated as of October 1, 1951, among H. J. Groener and H. H. Conley, Vendors, Continental Illinois National Bank and Trust Company of Chicago, as Trustee, and Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter called the Agreement), 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 OO," 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 Company hereunder; and

WHEREAS, pursuant to the provisions of the 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 the Agreement, for and in consideration as well of the sum of One Dollar to it paid by the Railroad 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 Railroad Company, has let and leased, and does hereby let and lease, to the Railroad Company all the following new, standard gauge railroad equipment of Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust, Series OO (which together with the additional and substituted equipment and replacements as herein and in the Agreement provided are hereinafter and in the Agreement collectively called the Trust Equipment), to wit:

Number of Locomotives	Description	Estimated Cost Each	Estimated Cost Total
	Diesel-electric Freight Locomotives		
6	4500 H.P. Diesel-electric freight locomotives, each comprised of a lead unit, a booster unit, and a lead unit, and numbered, respectively, 113A and 113B and 113C to 118A and 118B and 118C, both inclusive.....	$520,264.47	$ 3,121,586.82
	Diesel-electric Passenger Locomotives		
6	4500 H.P. Diesel-electric passenger locomotives, each comprised of a lead unit, a booster unit, and a lead unit, and numbered, respectively, 98A and 98B and 98C to 103A and 103B and 103C, both inclusive.....	544,839.59	3,269,037.54
	Diesel-electric Switching Locomotives		
3	1200 H.P. Diesel-electric switching locomotives, Nos. 1643 to 1645, both inclusive	106,138.42	318,415.26
15	1000 H.P. Diesel-electric switching locomotives, Nos. 1873 to 1887, both inclusive	105,257.00	1,578,855.00
7	1200 H.P. Diesel-electric switching locomotives, Nos. 1910 to 1916, both inclusive	104,634.00	732,438.00
10	1200 H.P. Diesel-electric switching locomotives, Nos. 1838 to 1847, both inclusive	104,829.00	1,048,290.00
	Total estimated cost.....		$10,068,622.62

together with such additional or substituted railroad equipment as may be acquired for said Trust and subjected to this Lease, as herein and in the Agreement provided.

The Railroad Company certifies to the Trustee that the estimated total cost of the railroad equipment specifically described in the last foregoing paragraph hereof and the estimated cost of each unit of said equipment are the respective estimated costs in said paragraph set forth; and the Railroad Company further certifies to the Trustee that the aggregate cost of the Trust Equipment certified to the Trustee in the final certificate of cost, pursuant to Section 4 of Article I of the Agreement, shall be not less than $10,000,000.

In the event that the Vendors shall, as provided in Section 5 of Article I of the Agreement, acquire other new, standard gauge railroad rolling stock in substitution for, or in addition to, the original Trust Equipment above specifically described, such other new, standard gauge railroad rolling stock shall be included as part of the Trust Equipment and shall be subject to all terms and conditions of this Lease 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 and delivered to the Trustee under the Agreement, the same shall be delivered to the Railroad Company, and shall upon such delivery to the Railroad 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 Railroad Company hereunder, in all respects as if the same had been so delivered simultaneously with the execution and delivery hereof.

And the Railroad Company, 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 the Agreement, shall mean the cost of the

purchase or construction 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.

The Railroad Company hereby accepts (subject to the conditions mentioned in the 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 Railroad 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) Upon the delivery by the Trustee of any of the Trust Certificates in the Agreement defined, in accordance with the provisions of Section 2 of Article I of the Agreement, such amount, if any, whereby seventy-five per cent (75%) of the aggregate estimated cost of the Trust Equipment, as certified to the Trustee by the Railroad Company in this Lease, exceeds the principal amount of said Trust Certificates.

(b) From time to time at or before the delivery of any of the Trust Equipment to the Railroad Company, as advance rental, amounts in cash equal to the difference between the cost of the Trust Equipment so delivered as certified to the Trustee pursuant to Section 4 of Article I of the Agreement and the amount of Deposited Cash payable in respect thereof pursuant to Section 3 of Article I of the Agreement; provided, however, that the aggregate of all amounts so paid to the Trustee shall never be less than 25% of the cost of all the Trust Equipment which shall then and theretofore have been delivered hereunder.

(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 the Agreement evidencing the same, which the Trustee, as such, by law may be required to pay, but excluding any and all taxes, assessments and other governmental charges which the Railroad Company or the Trustee may be required to pay or 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 any state, county, municipality or other 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, to the extent that the same may be legally enforceable, on such unpaid dividends, dividend warrants and principal at the same rate per annum as provided in the dividend warrants.

(h) If the Trustee shall invest funds of the trust in United States Government securities, as provided in the Agreement, the amount, if any, by which the selling price of said securities including any accrued interest plus any interest paid to the Trustee on such securities is less than the purchase price thereof including any accrued interest.

The Railroad Company shall not be required, however, to pay any tax, assessment or other governmental charge, so long as the Railroad 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.

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 the Agreement, accept as the cost of any of the Trust Equipment the respective amounts certified to it pursuant to, or in like manner as required by subparagraph (b) of Section 4 of Article I of the Agreement. In case any certificate furnished pursuant to said subparagraph (b) of said Section 4 or pursuant to this Lease 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 OO, 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 Railroad Company simultaneously with or after the execution hereof, shall at the option of the Railroad Company be assigned and transferred by the Trustee to the Railroad Company or its nominee or nominees and shall thereupon be and become the absolute property of the Railroad 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 Railroad 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 Railroad Company.

Third. Upon the written request of the Railroad Company, signed by the President or a Vice-President of the Railroad Company, stating that the use of any of the Trust Equipment, by reason of its character or the business of the Railroad Company, is no longer profitable to, or required by the Railroad Company, the Trustee may, in its sole discretion, while the Railroad Company is not in default hereunder, execute and deliver a bill of sale assigning and transferring to a purchaser or purchasers found by the Railroad Company 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 such purchaser or purchasers the agreed purchase price thereof and from the Railroad Company 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 the Agreement, depreciation on the Trust Equipment, or any thereof, shall not exceed an amount equal to ½ 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 Company there shall also be delivered to the Trustee a certificate of the President or a Vice-President or the Comptroller of the Railroad

Company, 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 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, warranty or warranties, an opinion of counsel and certificates as to delivery and cost in like manner as is provided in Section 4 of Article I of the Agreement; provided, however, that such rolling stock shall not be work equipment, except in substitution for or replacement of work equipment, if any, hereinbefore listed and described. 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 the Agreement in all respects as though it had been part of the original Trust Equipment herein described, and the Railroad Company and the Trustee shall execute, and the Railroad Company shall file and/or record as required by law, a supplemental lease thereof, describing the same, upon and subject to all 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 delivery to the Railroad Company of the Trust Equipment, there shall be plainly, distinctly,

permanently and conspicuously placed and fastened upon each side of each unit of the Trust Equipment 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 OO, 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 Company will immediately cause the same to be restored or replaced. The Railroad Company 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 Company. In any such case, if the same be feasible, or necessary, the Railroad Company will at its 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 Company, its successor or successors therein, but the Railroad 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 Railroad Company or by any person, association or corporation, other than the Trustee.

Fifth. (a) The Railroad Company, during the continuance of this Lease, will maintain and keep, at its 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 its 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; provided, however, that such rolling stock shall not be work equipment, except in replacement of work equipment, if any, hereinbefore listed and described. 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 or constructed for such replacement shall be taken in the name of or transferred to 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 Company shall deliver to the Trustee a certificate of the President or a Vice-President or the Comptroller of the Railroad Com-

pany, 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 the Agreement.

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

(b) The Railroad Company 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 Company, and, in default of the Railroad Company 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 Company 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 Company 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 Agreement to be made by the Railroad Company, 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 Company.

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 subparagraph (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 Company, to the extent of such funds, for payments made by it in respect of such replacement or repair. A certificate in behalf of the Railroad Company by its President or a Vice-President or the Comptroller 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 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, signed by the President or a Vice-President or the Comptroller of the Rail-

road Company, 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 Company shall also furnish to the Trustee a statement signed by its Superintendent of Motive Power or an Assistant to Superintendent of Motive Power, in the case of locomotives, or by its Superintendent Car Department or an Assistant Superintendent Car Department, in the case of cars, 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 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, 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 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 bearers of the Trust Certificates.

Sixth. The Railroad 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 by it 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 Railroad Company, and also upon connecting and other railroads in the usual interchange of traffic, from and after delivery of the Trust Equipment by the Trustee to the Railroad Company, but only upon and subject to all the terms and conditions of this Lease.

The Railroad 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 Railroad 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. If the Trustee shall receive an opinion of counsel that such proposed action will not impair its title to the Trust Equipment and if in the judgment of the Trustee such action will not be otherwise detrimental to the interests of the Trust Certificate holders, it may, on written request of the Railroad Company setting forth the

details of such proposed action and the reasons therefor, consent thereto. A transfer or assignment to a railroad company which shall acquire all or substantially all the lines of railroad of the Railroad Company and which, by execution of an appropriate instrument satisfactory to the Trustee, shall assume and agree to perform each and all of the obligations and covenants of the Railroad Company hereunder and under the Agreement and under the guaranty provided for in the Agreement shall not be deemed a breach of this covenant, but the appointment of a receiver or receivers or a trustee or trustees in bankruptcy for the Railroad Company, or its property, or the filing of a voluntary petition under the Bankruptcy Act, shall be deemed an unauthorized assignment by the Railroad Company of its rights and interests in the Trust Equipment and shall be deemed a breach of this covenant, unless (a) any such receiver or receivers, or trustee or trustees, shall have been discharged within sixty (60) days after his or their appointment, or within a like period shall have assumed and agreed to perform each and all of the obligations and covenants of the Railroad Company hereunder and under the Agreement, in either case pursuant to due order or authority of the court by which he or they shall have been appointed, or (b) any such petition shall have been withdrawn and proceedings thereon terminated within a like period.

Seventh. In case the Railroad Company

(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 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 actual 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 this Lease or the Agreement (any sum so deposited to be returned to the Railroad Company upon the cancellation of such assignment, transfer or sublease, and the recovery of possession by the Railroad Company of such Trust Equipment in good condition, subject to ordinary usage, as certified to the Trustee by the President or a Vice-President or the Comptroller of the Railroad Company), 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 the 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 the 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 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 the 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 the 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 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 Railroad Company; and no payments theretofore made by the Railroad 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 Railroad 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 Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust, Series OO; 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 Company of rentals then or thereafter due and payable, and the Railroad 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 suffi-

cient for the discharge and payment in full of all the various items mentioned in subparagraphs (a), (b), (c), (d), (e), (f), (g) and (h) 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 Company, or upon the railroad of any company a majority of whose capital stock is at the time directly or indirectly owned by the Railroad Company, for the delivery of the Trust Equipment to it, the Railroad 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 Railroad Company until the Trustee shall have leased, sold or otherwise disposed of the same, and for such purpose the Railroad 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 covenants contained in this paragraph 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 Company requiring the specific performance thereof.

The remedies in this Lease and in the 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. 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 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 Railroad 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 Railroad 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 Railroad Company.

Eighth. The Railroad Company covenants that prior to the delivery to it of any of the Trust Equipment covered thereby it will cause this Lease and the 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 the Agreement, to be duly filed, registered or recorded and duly refiled, reregistered and rerecorded as required by the provisions of Section 3 of Article IV of the Agreement, 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 the publication and protection of the title of the Trustee to the Trust Equipment.

Ninth. Until it shall have discharged all its obligations under this Lease, the Railroad 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 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 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. 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 the Agreement, and the

Railroad Company 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,
As Trustee,

By ....., (R. M. Kimball) *Vice-President.*

Attest: ....., (V. P. Nelson) *Assistant Secretary.*

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

....., (E. W. Lueders)

....., (E. J. Friedrich)
Attesting Witnesses.

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By ....., (J. W. Severs) *Vice-President.*

Attest: ....., (T. W. Burtness) *Secretary.*

Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company in the presence of:

....., (Ruth E. Hall)

....., (C. L. Davis)
Attesting Witnesses.

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, W. G. EVERIST, 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 1st day of October, 1951, 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. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON 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 R. M. KIMBALL, Vice-President, and V. P. NELSON, 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 9, 1952.

....., (W. G. Everist)
Notary Public in and for the State of Illinois, County of Cook.

Form 279

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, RICHARD J. DALEY, 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 W. G. Everist 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 ..... 195..

Richard J. Daley, *County Clerk*

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 this 17th day of October, 1951, 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. W. SEVERS and T. W. BURTNESS, each to me personally known and known to me to be respectively a Vice-President and the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 thereunto subscribed as such, and said J. W. SEVERS and T. W. BURTNESS, 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. W. SEVERS resides in Park Ridge, in the State of Illinois, and that said T. W. BURTNESS resides in Wheaton, in the State of Illinois; that said J. W. SEVERS is a Vice-President and said T. W. BURTNESS is the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and T. W. BURTNESS, 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 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 November 17, 1951.

R. W. Spangenberg
(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

Form 279

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, RICHARD J. DALEY, 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 1 day of ____ 195_

Richard J. Daley
County Clerk

437 RDS

THIS AGREEMENT, dated as of October 1, 1951, by and among **H. J. GROENER** and **H. H. CONLEY** (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 **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY** (hereinafter called the Railroad Company), of the third part, WITNESSETH as follows:

WHEREAS, the Vendors have acquired or will acquire the railroad equipment (which together with the additional and substituted 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 Company prefixed to this Agreement (herein called the Lease), to which Lease reference is hereby made; and

WHEREAS, subscriptions have been or are being secured, in an amount not exceeding $7,500,000 to a fund to be known as Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust, Series OO, 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 $7,500,000 in thirty semiannual installments of $250,000 each, payable respectively on April 1st and October 1st, in each year, beginning on April 1, 1952, and ending on October 1, 1966, 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, the Railroad Company is desirous of securing the use of the Trust Equipment upon and in connection with the properties of the Railroad Company; and

WHEREAS, the Railroad Company represents that all things necessary to make the guaranty of the Railroad Company 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 Company, as herein provided, and 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 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 the 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 or otherwise acquired 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 Company, and the certificate of any and every agent so designated shall be conclusive evidence of such delivery. The Trustee and the Railroad Company, simultaneously with the execution of this Agreement, have executed and delivered the Lease.

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 the Lease or of other instruments 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 OO, herein called the Trust Certificates, upon the deposit in cash with the Trustee of (a) 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 and (b) the instalment of rent, if any, then payable pursuant to subparagraph (a) of Article First of the Lease.

Any interest allowed by the Trustee or earned upon any money 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 credited by the Trustee against the next instalment of rent payable pursuant to subparagraph (e) of Article First of the Lease.

SECTION 3. The term "Deposited Cash," whenever used herein, shall mean 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 (excluding any accrued dividends paid upon the original issue of Trust Certificates), plus any interest allowed or earned thereon and any amounts added thereto pursuant to Section 6 of this Article I. 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. 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 4 of this Article I, pay to the Vendors or upon their order, out of the Deposited Cash an amount which, together with all payments previously made out of Deposited Cash, shall equal seventy-five per cent of the aggregate estimated cost, as certified in the provisions of the Lease, of the Trust Equipment then and theretofore so transferred and delivered to the Trustee, or seventy-five per cent of the aggregate cost of the Trust Equipment then and theretofore so transferred and delivered to the Trustee, as certified to the Trustee pursuant to Section 4 of this Article I, whichever is less. The Trustee shall make payment of the remainder of such certified cost out of the instalment of rental payable on such delivery pursuant to subparagraph (b) of Article First of the Lease.

Should the Vendors transfer and deliver or cause to be transferred and delivered to the Trustee, as required by and in pursuance of the provisions of Section 5 of this Article I, equipment in addition to the original Trust Equipment specifically described in the Lease and should seventy-five per cent of the cost of such additional equipment so transferred and delivered to the Trustee, as such cost is certified to the Trustee pursuant to Section 4 of this Article I, exceed the amount of Deposited Cash held by the Trustee at the time of said transfer and delivery, then the Trustee shall, if requested by the Vendors so to do, pay to the Vendors or upon their order, the full amount of the Deposited Cash at said time held by the Trustee. The Trustee shall make payment of the remainder of such certified cost of said additional equipment out of the instalment of rental payable on such delivery pursuant to subparagraph (b) of Article First of the Lease.

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, that such Trust Equipment is new, standard gauge equipment and stating that the Trust Equipment specified by numbers in such certificate has been marked in accordance with the provisions of Article Fourth of the Lease;

(b) a certificate of the Railroad Company, signed by the President or a Vice-President or the Comptroller of the Railroad Company, certifying that the cost of such Trust Equipment, determined as provided in the Lease, is the amount therein specified;

(c) a bill or bills of sale of such Trust Equipment from the manufacturer to the Trustee, or to the Vendors, and, if to the latter, from the Vendors to the Trustee, each such bill of sale by the manufacturer to contain or be accompanied by a warranty or guaranty of the manufacturer 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 October 1, 1952.

SECTION 5. In the event that, owing to the imposition of restrictions by the United States Government, or any governmental bureau, commission, or agency having authority in the premises, or for any other cause deemed to be sufficient by the Trustee, the Vendors shall be unable to acquire any of the Trust Equipment specifically described in the Lease, the Vendors may cause to be built or acquired and shall sell, assign, transfer, and set over, or cause to be sold, assigned, transferred, and set over unto the Trustee, subject to the provisions of the foregoing Section 4 of this Article I, other new, standard gauge railroad equipment, of such classes or types, and of such material and construction, as may be approved by the Railroad Company; provided, however, that work equipment shall not be acquired except in substitution for work equipment, if any, described in the Lease.

In the event that the aggregate cost of the Trust Equipment specifically described in the Lease, and of any equipment that may be substituted for any thereof in accordance with the provisions of the foregoing paragraph, acquired by the Trustee hereunder, shall not amount to at least $10,000,000, then the Vendors shall cause to be built or acquired and shall sell, assign, transfer and set over, or cause to be sold, assigned, transferred and set over unto the Trustee, subject to the provisions of the foregoing Section 4 of this Article I, other new, standard gauge railroad equipment, other than work equipment, of such classes or types, and of such material and construction, as may be approved by the Railroad Company, and of such cost that the aggregate cost of all the Trust Equipment will be at least $10,000,000.

In case any substituted or additional equipment shall be acquired and transferred to the Trustee in accordance with either of the preceding two paragraphs, the Trustee shall execute to the Railroad Company a supplemental lease of such substituted or additional equipment, describing the same, upon and subject to the terms and conditions hereof and of the Lease, and such substituted or additional equipment shall be part of the Trust Equipment, subject to all the terms and conditions of this Agreement and the Lease in all respects as though it had been part of the original Trust Equipment specifically described in the Lease.

SECTION 6. The Trustee shall, on request of the Railroad Company, invest and keep invested all, or such part of the Deposited Cash not needed by it to pay for Trust Equipment delivered or about to be delivered, as may be designated by the Railroad Company, in such United States Government securities as it may designate. The Trustee, with or without the request of the Railroad Company, may from time to time sell, at the prevailing market prices, such amount of such securities as it may deem necessary to provide cash to pay for Trust Equipment delivered, or about to be delivered, and may, with or without such request, at any time or from time to time, sell at such prices, all or part of such securities, if by reason of a declining market therefor, it believes there is danger of the securities going below par. The Trustee shall sell any such United States Government securities, held by it, when directed by the Railroad Company. The Railroad Company covenants and agrees that, if the selling price of said securities, including any accrued interest, plus any interest paid to the Trustee on such securities, is less than the purchase price thereof, including any accrued interest, the Railroad Company shall forthwith pay to the Trustee the amount of such deficiency as rental, as provided in Article First of the Lease. All interest received by the Trustee on such securities, and all proceeds of the sale thereof, including accrued interest, if any, shall constitute part of Deposited Cash.

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 principal sum of $7,500,000 at any one time outstanding (subject, however, to the provisions of Section 6 of Article II of this Agreement).

SECTION 8. 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 the Lease otherwise provided for, shall be credited against the next installment of rental payable under subparagraph (f) of Article First of the 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 2⅞ per cent per annum from October 1, 1951, payable semiannually on the first day of April and October in each year. $250,000 principal amount of the Trust Certificates shall become due and payable on April 1 and October 1 in each year beginning on April 1, 1952, and ending on October 1, 1966. Each of said Trust Certificates shall have endorsed thereon the guaranty of the Railroad Company 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 7,500, both inclusive.

Dividend warrants evidencing the rights of the holders of the Trust Certificates to the dividends thereon shall be annexed to the respective definitive Trust Certificates.

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 Company 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 OO

Total Issue not to exceed $7,500,000

Dividends at the rate of Two and Seven-Eighths
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 October 1, 1951, (hereinafter referred to as the "Agreement"), among H. J. Groener and H. H. Conley, of the first part, Continental Illinois National Bank and Trust Company of Chicago, Trustee (hereinafter referred to as the "Trustee"), of the second part, and Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter referred to as the "Railroad Company"), 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 OO, payable on ..... 1, 19...., unless prior payment hereof be required as hereinafter provided, and to dividends thereon at the rate of two and seven-eighths per cent (2⅞%) per annum from October 1, 1951, to said date of maturity, payable semiannually 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, 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 Company, dated as of October 1, 1951.

This certificate is one of an issue of certificates, in bearer form, in an aggregate principal amount not exceeding $7,500,000, substantially identical except as to dates of maturity, all issued or to be issued under the Agreement. The terms of the Agreement further provide that said railroad equipment (or deposited cash and United States Government securities in lieu thereof as provided in the Agreement) and the 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 the 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 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 or thereof and with the Trustee and the Railroad Company, 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 Company 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 Company in the 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 the 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 or a facsimile thereof to be printed hereon 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 October, 1951.

Continental Illinois National Bank
and Trust Company of Chicago,
As Trustee,

By .....
Vice-President.

Attest:

.....
Assistant Secretary.

(Form of Dividend Warrant.)

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

Due to the bearer hereof on the first day of ...., 19...., on surrender hereof at the office 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, ... and ..... Dollars, being the semiannual dividend then due on Certificate No. ..... of Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust, Series OO, pay-

able 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,

By .....
Assistant Secretary.

(Form of Guaranty.)

Chicago, Milwaukee, St. Paul and Pacific Railroad Company, for a valuable consideration, hereby unconditionally guarantees to the bearer of the within Certificate, as provided in the Agreement referred to in said 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 the dividends thereon at the rate of two and seven-eighths per cent (2⅞%) per annum on the semiannual 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.

Chicago, Milwaukee, St. Paul and
Pacific Railroad Company,

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, or a facsimile of its corporate seal shall be thereon imprinted and, in either case, 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 Trus-

tee 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 any present or future Assistant Secretary of the Trustee, and the Trustee may adopt and use for that purpose any such facsimile signature notwithstanding the fact that any 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 Company 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 Company.

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 Company, 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 Company, 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 Company.

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 Company shall execute its 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 shall 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 Company 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 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 hereafter enacted to the contrary notwithstanding.

ARTICLE III.

SECTION 1. The Railroad 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, but excluding any and all taxes, assessments and other governmental charges which the Railroad Company or the Trustee may be required to pay or 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 any state, county, municipality or other taxing authority therein.

SECTION 2. The Railroad Company covenants and agrees and unconditionally guarantees 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 divi-

dends thereon in like coin or currency at the rate of 2⅞ per cent per annum from October 1, 1951, 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, so far as legally enforceable, at the same rate per annum as provided in the dividend warrants); and the Railroad Company further covenants and agrees to endorse upon each of the Trust Certificates, definitive or temporary, at or before the issue and delivery thereof by the Trustee, its 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 Company by such officer or officers as shall have been duly authorized by the Board of Directors of the Railroad Company to sign upon its behalf. In case any of the officers of the Railroad Company who shall have signed such guaranty shall cease to be such officers of the Railroad 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 Railroad Company as though the persons who signed such guaranty had not ceased to be such officers of the Railroad Company.

ARTICLE IV.

SECTION 1. The Railroad Company covenants and agrees that it will promptly pay or cause to 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 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 the holders of the Trust Certificates in the Trust Equipment.

SECTION 2. The Railroad 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, 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 the Lease or of any instruments executed under the provisions hereof or of the Lease in respect of the Trust Equipment, or any equipment or parts used to replace any of the same.

SECTION 3. The Railroad Company covenants and agrees with all convenient speed to cause this Agreement and the Lease and any supplemental leases and agreements which may be executed under the terms of this Agreement, or of the Lease, to be duly filed and refiled or recorded and rerecorded, as may be required by law, in all states wherein are situated railroad lines which the Railroad Company operates or to which it has title or over which it has 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 Company, and otherwise as may now or hereafter be required by law, so that this Agreement and the Lease and all other such supplemental instruments may at all times be duly filed and recorded.

SECTION 4. The Railroad 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 the 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 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 Railroad Company shall directly or indirectly be a party to or approve of any arrangement for purchasing or funding any of the 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 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 Railroad 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 Railroad 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 and of all other 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 the Lease shall happen, the Trustee in its discretion may, and at the request of the bearers of not less than 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 interests of the bearers of the Trust Certificates. Upon the written request of the bearers of not less than 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 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 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 the 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, to the extent legally enforceable, at the same rate per annum as provided in the dividend warrants; and

(2) of the principal of all the 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 October 1, 1966, all arrears of rental (with interest upon any overdue installment, to the extent legally enforceable, at the same rate per annum as provided in the dividend warrants), the expenses and reasonable compensation of the Trustee and all other sums which shall have become due and payable by the Railroad Company hereunder or under the 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

Railroad 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, if so requested by the bearers of a majority in principal amount of the Trust Certificates then outstanding and which shall not have matured according to their terms, shall, by written notice to the Railroad 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, and the 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 Company 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 Company by the Trustee or any such bearer, shall affect the obligations of the Railroad Company under this Agreement or under the Lease or under its guaranty.

The Railroad Company 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 Railroad Company, 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 the 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 the Lease.

SECTION 2. The Trustee covenants and agrees to apply and distribute the rentals received by it under subparagraphs (c), (d), (e), (f) and (g) of Article First of the 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 and its counsel for their services and all expenses connected with the Trust Equipment and the Lease thereof;

(b) to the payment of any taxes, assessments and other governmental charges upon the income or property of the trust, or this Agreement, which the Trustee as such may by law be required to pay, but excluding any and all taxes, assessments and other governmental charges which the Railroad Company or the Trustee may be required to pay or 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 any state, county, municipality or other 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, in so far as legally enforceable, 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 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 wilful 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 the Lease are made by and on behalf of the Railroad Company, 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 the 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, refil-

ing, recording or rerecording of this Agreement or of the 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 the 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 Company), 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 wilful 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 pursuant thereto.

SECTION 7. The Trustee may, for all purposes, conclusively assume that the Railroad Company is 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 the 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 Company 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, a 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 Company, by an instrument executed by the President or a Vice-President of the Railroad Company, or its duly authorized agent, shall appoint a trustee to fill such vacancy. If the Railroad Company shall fail, within thirty days after the 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 Company 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 Company or by the bearers of a majority in principal amount of the Trust Certificates at the time outstanding the Railroad Company 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 Company 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 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 Railroad 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 Railroad Company.

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 Company 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 reasonable counsel fees, which it may incur hereunder or under the 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 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 of counsel for the Railroad 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 VIII.

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 IX.

At the termination of the 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 Company.

ARTICLE X.

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 XI.

The terms "Trustee" and "Railroad Company" as used herein and in the Lease shall be held and construed to mean, respectively, Continental Illinois National Bank and Trust Company of Chicago, its successors and assigns, and Chicago, Milwaukee, St. Paul and Pacific Railroad Company, its successors and assigns. The term "Trust Equipment" whenever used herein or in the Lease, unless otherwise indicated by the context, is intended to 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 terms "Trust Certificate" or "Trust Certificates," whenever used herein or in the Lease, include, unless the context otherwise indicates, both temporary and

definitive certificates. The term "State" whenever used herein or in the 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 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 to or made upon the Railroad Company by depositing a written statement thereof, securely enclosed in a postpaid wrapper in the United States registered mail, directed to the Railroad Company at Union Station Building, Chicago 6, 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 part have hereunto set their hands and seals, and the parties of the second and third parts have caused their respective corporate names to be signed hereto by their respective officers thereunto duly authorized and their respective corporate seals to be hereto affixed, duly attested, as of the day and year first above written.

.....(L. S.)
(H. J. Groener)

.....(L. S.)
(H. H. Conley)

Signed, sealed and delivered by H. J. Groener and H. H. Conley in the presence of:

.....,
(E. W. Lueders)

.....,
(E. J. Friedrich)

Attesting Witnesses.

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO,
As Trustee,

By .....,
(R. M. Kimball)
Vice-President.

Attest:

.....,
(V. P. Nelson)
Assistant Secretary.

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

.....,
(E. W. Lueders)

.....,
(E. J. Friedrich)

Attesting Witnesses.

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By .....,
(J. W. Severs)
Vice-President.

Attest:
.....
(T. W. Burtness)
Secretary.

Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company in the presence of:

.....,
(Ruth E. Hall)
.....,
(C. L. Davis)
Attesting Witnesses.

Form 279

STATE OF ILLINOIS, COOK COUNTY. } ss. I, RICHARD J. DALEY, 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 W. G. Everist 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 Oct. 1951.

Richard J. Daley
.....County Clerk

837 22295

STATE OF ILLINOIS, COUNTY OF COOK. } ss.

I, W. G. EVERIST, 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 1st day of October, 1951, 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 H. J. Groener and H. H. Conley, 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 H. J. Groener and H. H. Conley 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 9, 1952.

.....,
(W. G. Everist)
Notary Public in and for the State of Illinois, County of Cook.

STATE OF ILLINOIS, COUNTY OF COOK. } ss.

I, W. G. EVERIST, 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 1st day of October, 1951, 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. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois; that said R. M. KIMBALL is a Vice-President, and said V. P. NELSON 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 R. M. KIMBALL, Vice-President, and V. P. NELSON, 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 9, 1952.

.....,
(W. G. Everist)
Notary Public in and for the State of Illinois, County of Cook.

Form 279

STATE OF ILLINOIS, COOK COUNTY. } ss. I, RICHARD J. DALEY, 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 W. G. Everist 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 Oct. 1951.

Richard J. Daley
.....County Clerk

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 17. day of October, 1951, 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. W. SEVERS and T. W. BURTNESS, to me personally known and known to me to be, respectively, a Vice-President and the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 thereunto subscribed as such, and said J. W. SEVERS and T. W. BURTNESS, 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. W. SEVERS resides in Park Ridge, in the State of Illinois, and that said T. W. BURTNESS resides in Wheaton, in the State of Illinois; that said J. W. SEVERS is a Vice-President and said T. W. BURTNESS is the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and T. W. BURTNESS, 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 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 November 17, 1951.

R. W. Spangenberg
(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

STATE OF WISCONSIN } ss.
Department of State }

Received this 2nd day of October, A.D. 1951, at 10:00 o'clock A.M., and recorded in Vol. 44 of Railroad Mortgages on Pages 79-81, incl.

Assistant Secretary of State

Form 279

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, RICHARD J. DALEY, 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 October day of 1951.

Richard J. Daley
County Clerk

NORTHERN PACIFIC RAILWAY

EQUIPMENT TRUST OF 1951, SECOND SERIES

AGREEMENT

Dated as of November 30, 1951

NORTHWESTERN IMPROVEMENT COMPANY
VENDOR,

FIRST TRUST COMPANY
OF SAINT PAUL
TRUSTEE,

AND

NORTHERN PACIFIC RAILWAY COMPANY

LEASE

Dated as of November 30, 1951

FIRST TRUST COMPANY
OF SAINT PAUL
TRUSTEE,

TO

NORTHERN PACIFIC RAILWAY COMPANY

For Issue of $3,420,000 Equipment Trust Certificates

THIS AGREEMENT, dated as of November 30, 1951, by and among NORTHWESTERN IMPROVEMENT COMPANY, a corporation duly organized and existing under the laws of the State of Delaware, of the City of St. Paul, State of Minnesota (hereinafter called the "Vendor"), of the first part,

FIRST TRUST COMPANY OF SAINT PAUL, a corporation duly organized and existing under the laws of the State of Minnesota (hereinafter called the "Trustee"), 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"), of the third part;

WITNESSETH:

THAT WHEREAS, the Company desires to obtain additional equipment in order that traffic over its lines may be properly transported, and it has been deemed expedient to make provision therefor through the medium of an equipment trust; and

WHEREAS, the Vendor has contracted to acquire, or will acquire or contract to acquire, the equipment specifically described in the Lease from the Trustee to the Company, annexed to this Agreement, hereinafter referred to as the "Lease," which equipment, together with the additional and substituted equipment provided for in this Agreement and in said Lease, is hereinafter called the "Trust Equipment"; and

WHEREAS, the title to said Trust Equipment is to be vested in the Trustee and is to be retained by the Trustee until transferred under the provisions of this Agreement and said Lease; and

WHEREAS, subscriptions have been secured to the amount of Three Million Four Hundred Twenty Thousand Dollars ($3,420,000), aggregate par value of the Trust Certificates hereinafter mentioned, the net proceeds of such subscriptions, together with the cash, if any, necessary to be deposited by the Company, as hereinafter provided in Article I, Section 2, of this Agreement, constituting a fund of not less than Three Million Four Hundred Twenty Thousand Dollars ($3,420,000), to be known as "NORTHERN PACIFIC RAILWAY EQUIPMENT TRUST OF 1951, SECOND SERIES," which said fund, is to be furnished to the Vendor to be applied by it in part payment of the cost of said Trust Equipment; the remainder of such cost to be discharged out of advance rentals to be paid by the Company under the terms of this Agreement and said Lease; and

WHEREAS, the Vendor desires to secure to the parties subscribing to said fund or their assigns the repayment of the par value thereof in fifteen equal annual installments of Two Hundred Twenty-Eight Thousand Dollars ($228,000), payable serially on the thirtieth day of November in each year commencing with November 30, 1952, and ending with November 30, 1966, as hereinafter more particularly provided, with dividends at the rate of three (3%) per centum per annum, from November 30, 1951, payable semi-annually on the thirtieth day of May and November in each year, commencing May 30, 1952, 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 of the mutual covenants herein contained, the parties hereto agree as follows:

ARTICLE I

SECTION 1. The Vendor, as speedily as practicable, will acquire the Trust Equipment specifically described in the Lease, to which reference is hereby made, and will sell, assign, transfer and set over said Trust Equipment, or cause it to be assigned, transferred and set over, unto the Trustee, as trustee for the holders of the Trust Certificates hereinafter described, when and as the Trust Equipment or any part thereof is acquired.

If, as a result of strikes, material shortages, or other causes beyond its control, the Vendor is unable to acquire any unit or units of the Trust Equipment specifically described in the Lease, the Vendor may acquire in place of such unit or units of equipment it is so unable to acquire, and substitute therefor under the Trust as and when acquired, other new standard-gauge railroad equipment, other than work equipment, of such classes or types and of such material and construction as may be approved by the Company. The total cost of said substituted equipment shall be not less than the estimated cost of the equipment in place of which it was acquired as set forth in the Lease. Such substituted equipment shall be subjected to the Lease by supplemental lease, and shall be deemed a part of the Trust Equipment for all purposes, including the payment of "deposited cash" in respect

of the cost thereof, and the equipment in place of which such substituted equipment is acquired shall be eliminated from the Trust Equipment.

The Vendor will deliver or cause to be delivered the Trust Equipment, f.o.b. tracks of the Company at points to be specified from time to time by the Company, 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 Company, and the certificate of any agent so designated shall be conclusive evidence of such delivery.

The Vendor shall incur no liability hereunder, or under any bill of sale executed by it as herein provided, or for anything other than its own wilful default, misconduct or negligence. The Vendor shall be entitled to the advice of counsel (who may be counsel of 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 and the Company, simultaneously with the execution of this Agreement, have executed and delivered the Lease of the Trust Equipment in the form annexed hereto, and the Trustee, pursuant to the terms of the Lease, shall deliver or cause to be delivered to the Company the Trust Equipment when received by the Trustee.

SECTION 2. Upon the execution of this Agreement, the Vendor shall 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, and at the same time the Company shall 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

may be necessary, if any, to make the total sum deposited equal to Three Million Four Hundred Twenty Thousand Dollars ($3,420,000). Thereupon without waiting for the recording, registration or filing of this Agreement or of the Lease or any other instrument respecting the Trust Equipment, the Trustee shall issue and deliver to or upon the written order of the Vendor, Trust Certificates, to be designated "Northern Pacific Railway Equipment Trust of 1951, Serial Equipment Trust Certificates, Second Series," substantially in the form set forth in Article II of this Agreement of the aggregate par value of Three Million Four Hundred Twenty Thousand Dollars ($3,420,000). For the purpose of this Agreement and the Lease, the terms "net proceeds" and "deposited cash" 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 any such premium and such accrued dividends shall, nevertheless, be deposited with the Trustee and shall be applied by it on account of the first and next succeeding installments of rental payable under subparagraph (c) of subsection B of Paragraph 2 of the Lease.

SECTION 3. Any money at any time paid to or held by the Trustee hereunder or under the Lease shall be held by the Trustee in trust for the benefit of holders of the Trust Certificates, until paid out by the Trustee as herein or therein provided, and may be carried by the Trustee as deposit with itself, without liability for interest thereon save as may be agreed upon between it and the Company. Any interest allowed by the Trustee upon any such moneys shall be paid from time to time to the order of the Company by the Trustee so long as the Company shall not be known to be in default hereunder or under the Lease.

SECTION 4. From time to time, when and as any of the Trust Equipment shall be delivered to the Trustee, the Trustee shall, subject to the provisions of Section 5 of this Article, pay to the Vendor, or upon its written order, out of and to the extent of the "deposited cash," an amount not exceeding (a) eighty per centum (80%) of the estimated cost as set forth in the Lease (or, as to any substituted or additional equipment, as set forth in any supplemental lease) of the Trust Equipment so delivered, or (b) eighty per centum (80%) of the cost thereof as specified in the certificate or certificates delivered pursuant to Section 5 (d) of this Article if such cost be less than such estimated cost.

The term "deposited cash" when used in this Agreement shall mean only the cash deposited with the Trustee as in Section 2 of this Article provided and, when required or indicated by the context, any cash deposited by the Company in lieu of, or pending replacement of equipment under Section 6 of the Lease, and bonds or other obligations of the United States of America purchased by the use of such cash pursuant to the provisions of the first paragraph of Section 6 of this Article, or the proceeds of the sale of such bonds or other obligations together with any deficit deposit provided for in the first and second paragraphs of said Section 6 of this Article.

The Company covenants that, contemporaneously with each such payment by the Trustee, the Company will pay to the Trustee, as advance rental provided in the Lease, amounts equal to the remainder of the cost of the equipment delivered, being not less than twenty per centum (20%) of the said cost. Thereupon the Trustee shall pay to the Vendor or upon its written order, by the use of such advance rental, the portion of the cost of the delivered Trust Equip-

ment not discharged by the payment above described out of the "deposited cash."

SECTION 5. The Trustee shall not 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, described and specified therein by road number or numbers, has been delivered to such agent or agents and by such agent or agents delivered to the Company, and marked in accordance with the provisions of Paragraph 4 of the Lease.

(b) A bill or bills of sale to the Trustee of such Trust Equipment from (a) the manufacturer or owner thereof or (b) the Vendor; such bill or bills of sale to contain or be accompanied by a warranty or guaranty to the Trustee that the title to the Trust Equipment described therein is free from all liens and encumbrances.

(c) An opinion of counsel (who may be counsel for the Company) satisfactory to the Trustee, that the Trustee's title to the Trust Equipment described therein is free from all liens and encumbrances and that the Agreement and Lease or a supplemental agreement and lease describing such Trust Equipment has been duly filed, registered or recorded, as required by Section 4 of Article III of the agreement.

(d) A certificate or certificates as to the cost of such Trust Equipment, signed by the Vendor and by the President or any Vice President of the Company, which certificates shall state that the cost of such Trust Equipment is an amount therein specified; that such Trust

Equipment is new standard-gauge railroad equipment, constructed of unused material; that it is of a character called for by this Agreement and the Lease, or is substituted equipment the acquisition of which is authorized by the second paragraph of Section 1 of this Article; and that it has been approved, received and accepted by the Company in accord with this Agreement and the Lease.

The cost of the Trust Equipment whenever referred to herein or in the Lease 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. 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. The cost of the Trust Equipment shall be conclusively established by such certificate, and the Trustee shall proceed on the basis of a tentative certificate pending final determination by final certificate or by such final certificate if a final certificate be required.

If the aggregate final cost of all the Trust Equipment acquired by the Vendor as specifically described in the Lease or in substitution therefor pursuant to the provisions of paragraph two of Section 1 of this Article should be less than the estimated cost of Four Million Two Hundred Eighty-One Thousand Dollars ($4,281,000), the Vendor shall 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, other than work equipment, of such classes or types as may be approved

by the Company, of substantially as good material and construction as the equipment specifically provided for in said Lease, and of such cost that the aggregate final cost of all the Trust Equipment acquired shall equal at least said estimated cost of Four Million Two Hundred Eighty-One Thousand Dollars ($4,281,000), of which aggregate final cost not more than eighty per centum (80%) shall be paid from "deposited cash," to the extent thereof and not less than twenty per centum (20%) by the Company as provided in Section 4 of this Article.

SECTION 6. The Trustee, upon instructions from the Company, shall, at any time prior to the vesting of title to the Trust Equipment in the Trustee, invest the "deposited cash" applicable to the acquisition of such Trust Equipment in such bonds or other obligations of the United States of America having maturities not later than November 30, 1966, hereinafter sometimes called "United States Government securities," as the Company shall designate. If, pursuant to the provisions of Paragraph 6 of the Lease, the Company is required to and pays over cash to the Trustee, the Trustee, upon written instructions from the Company, signed by the President or any Vice President, shall invest such cash in such United States Government securities. The Trustee shall collect the interest on any securities in which any part of the moneys may be invested from time to time and so long as the Company shall not be known to the Trustee to be in default under this Agreement or under the Lease, the Trustee shall pay over such interest as and when collected by it to or upon the written order of the Company without restriction or limitation upon its use; *provided*, that if at any time the market price of any such securities shall be less than the price at which they were purchased the Trustee shall out

of the interest collected by it retain an amount sufficient to cover the deficit so long as such deficit shall exist.

At any time and from time to time the Trustee shall, upon written instructions from the Company, signed by the President or any Vice President, sell all or part of the United States Government securities that may have been purchased in accordance with the foregoing provisions; *provided*, that if the proceeds of the sale of such United States Government securities, plus any interest thereon withheld under the provisions of the next preceding paragraph, shall be less than the amount of the "deposited cash" or cash held under Paragraph 6 of the Lease applied to the purchase thereof, the Trustee shall restore to "deposited cash" or such other cash from rentals received by it under subparagraph (a) of subsection B of Paragraph 2 of the Lease, such amount or amounts as will be sufficient to make up the deficit. The Trustee shall hold the proceeds of any sale of United States Government securities purchased from "deposited cash" or deficit deposit with respect to such securities under this paragraph as "deposited cash," and apply the same as provided in Section 4 of this Article. The Trustee shall hold the proceeds of any sale of United States Government securities purchased with cash deposited pursuant to Paragraph 6 of the Lease or any deficit deposit with respect to such securities for the purposes set forth in said Paragraph 6.

The Trustee shall be reimbursed, out of rent received by it under the provisions of subparagraph (a) of subsection B of Paragraph 2 of the Lease, for or on account of any premium or accrued interest required to be paid in the event of any such investment in United States Government securities, and for or on account of any expenses incurred in the event of any purchase or sale of such United States

Government securities. The Company if not in default under the terms of the Lease or of this Agreement, or of any supplemental lease or supplemental agreement, shall be entitled to receive any amount realized from any sale by the Trustee of such United States Government securities in excess of the "deposited cash" or cash from Paragraph 6 of the Lease, applied to the purchase thereof.

SECTION 7. Any "deposited cash" remaining in the hands of the Trustee after the delivery of all of the original Trust Equipment (meaning all the equipment specifically described in the Lease plus any additional equipment acquired pursuant to the last paragraph of Section 5 of this Article to make up any deficiency) and payment therefor in the manner provided in this Agreement shall be applied by the Trustee to payment of the par value of the next maturing Trust Certificates then outstanding, when and as the same shall become payable, and, to the extent that such payments are so made by the Trustee out of the balance of the "deposited cash" in its hands, the said next maturing installment of rental payable pursuant to subparagraph (d) of subsection B of Paragraph 2 of the Lease shall be correspondingly reduced.

Section 8. Anything in this Agreement contained to the contrary notwithstanding, the aggregate par value of the Trust Certificates which shall be executed and delivered by the Trustee under this Agreement shall not exceed Three Million Four Hundred Twenty Thousand Dollars ($3,420,000), except as provided in Section 6 of Article II hereof in respect of replacement of Trust Certificates mutilated, defaced, lost, destroyed or stolen.

ARTICLE II.

SECTION 1. Each of the Trust Certificates in definitive form shall represent an interest of the par value of One Thousand Dollars ($1,000) in the trust hereby created, and the bearer or registered holder of each Trust Certificate shall be entitled to receive dividends on said par value at the rate of three (3%) per centum per annum, from November 30, 1951, payable semi-annually on the 30th day of May and November in each year commencing May 30, 1952. The par value of the Trust Certificates shall become due and payable as follows:

Nos.	1	to	228,	both	inclusive	on	the	30th	day	of November	1952..$228,000
"	229	to	456,	"	"	"	"	"	"	"	1953.. 228,000
"	457	to	684,	"	"	"	"	"	"	"	1954.. 228,000
"	685	to	912,	"	"	"	"	"	"	"	1955.. 228,000
"	913	to	1140,	"	"	"	"	"	"	"	1956.. 228,000
"	1141	to	1368,	"	"	"	"	"	"	"	1957.. 228,000
"	1369	to	1596,	"	"	"	"	"	"	"	1958.. 228,000
"	1597	to	1824,	"	"	"	"	"	"	"	1959.. 228,000
"	1825	to	2052,	"	"	"	"	"	"	"	1960.. 228,000
"	2053	to	2280,	"	"	"	"	"	"	"	1961.. 228,000
"	2281	to	2508,	"	"	"	"	"	"	"	1962.. 228,000
"	2509	to	2736,	"	"	"	"	"	"	"	1963.. 228,000
"	2737	to	2964,	"	"	"	"	"	"	"	1964.. 228,000
"	2965	to	3192,	"	"	"	"	"	"	"	1965.. 228,000
"	3193	to	3420,	"	"	"	"	"	"	"	1966.. 228,000
Total											$3,420,000

The due date and dividend rate shall appear upon the face of each Trust Certificate. Trust Certificates shall be numbered from 1 consecutively upward to 3420, 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, the guaranty to be endorsed thereon by the Company, as provided in Section 2 of Article III hereof, and the form of tax legend shall be in substantially the following forms:

[FORM OF TRUST CERTIFICATE]

$1,000 No.....

NORTHERN PACIFIC RAILWAY

EQUIPMENT TRUST OF 1951, SECOND SERIES

SERIAL EQUIPMENT TRUST CERTIFICATE

Total Issue $3,420,000

DIVIDENDS AT THE RATE OF THREE (3%) PER CENTUM.

PER ANNUM, PAYABLE MAY 30 AND NOVEMBER 30

FIRST TRUST COMPANY OF SAINT PAUL, TRUSTEE.

Par Value payable November 30, 19....

FIRST TRUST COMPANY OF SAINT PAUL, Trustee under an Agreement dated as of November 30, 1951, by and among NORTHWESTERN IMPROVEMENT COMPANY, of the first part, FIRST TRUST COMPANY OF SAINT PAUL, of the second part, and NORTHERN PACIFIC RAILWAY COMPANY, of the third part, hereby certifies that the bearer, or, if this Certificate be registered as to par value, the registered holder hereof, is entitled to an interest of the par value of One Thousand Dollars ($1,000) in Northern Pacific Railway Equipment Trust of 1951, Second Series, and, as hereinafter more fully provided, is entitled to the payment of said par value on November 30, 19.., upon surrender of this certificate to the undersigned at its office in the City of St. Paul, State of Minne-

sota, or at the option of the bearer, or registered holder hereof, as the case may be, at the office of J. P. Morgan & Co. Incorporated, in the Borough of Manhattan, City and State of New York, and to payment, until said last mentioned date, of dividends on said par value at the rate of three (3%) per centum per annum, from November 30, 1951, semi-annually on May 30 and November 30 in each year, according to the tenor of the dividend warrants hereto annexed, upon presentation and surrender of such warrants, as they severally mature, to the undersigned at its said office, or at the option of the bearer, at the office of J. P. Morgan & Co. Incorporated, in the Borough of Manhattan, City and State of New York, both the par value of this certificate and the dividends thereon being 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, but only from and out of rentals when received by the undersigned Trustee pursuant to the provisions of said Agreement dated as of November 30, 1951, and of a Lease of Railroad Equipment made by First Trust Company of Saint Paul, Trustee, to Northern Pacific Railway Company, dated as of November 30, 1951, or from and out of any moneys otherwise received by the Trustee under the provisions of said Agreement and Lease.

This certificate is one of an issue of Three Million Four Hundred Twenty Thousand Dollars ($3,420,000) aggregate par value of certificates for One Thousand Dollars ($1,000) par value each, similar except as to dates of maturity, all issued or to be issued under said Agreement, under which said railroad equipment (or "deposited cash" and cash or United States Government securities in which such cash may be invested as provided in said Agreement) 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 said office in the City of St. Paul, State of Minnesota, reference is made for a full statement respecting the terms and conditions governing the issuance of this certificate, the rights and obligations of the Company, the duties and immunities of the undersigned and the rights of the bearer or registered holder hereof thereunder.

This certificate may be registered as to par value at the office of the Trustee in the City of St. Paul, State of Minnesota, in the name of the holder hereof, and such registration shall be 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, unless and until a transfer to bearer shall have been similarly registered and noted hereon. Such registration shall apply only to the par value of this certificate and not to the dividend warrants hereunto appertaining, which shall continue to be payable to bearer and transferable by delivery.

Every taker and holder of this certificate, and of the dividend warrants appertaining hereto, by accepting the same agrees with the undersigned and with every subsequent taker and holder hereof and thereof that this certificate (unless registered as to par value), and such warrants, shall be transferable with the same effect as in the case of a negotiable instrument payable to bearer, by delivery by any person having possession of the same, howsoever such possession may have been acquired; that the undersigned may treat the bearer of this certificate, or the registered holder hereof if this certificate be registered as above provided, and the bearer of the warrants appertaining hereto, whether or not

this certificate be so registered, as the absolute owner of this certificate or of said warrants as the case may be, for all purposes; and that the undersigned 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 par value represented by this certificate may be declared due and payable, as provided in said Agreement.

Neither this certificate nor the dividend warrants appertaining hereto shall be deemed in anywise a promise to pay of the undersigned except from and out of rentals or other moneys received by the undersigned as Trustee pursuant to said Agreement and Lease, dated as of November 30, 1951.

IN WITNESS WHEREOF, the Trustee has caused this certificate to be signed by its President or one of its Vice Presidents and its facsimile corporate seal to be hereunto affixed and to be attested by its Secretary or by one of its Assistant Secretaries, and has caused dividend warrants bearing the facsimile signature of one of its Assistant Secretaries to be attached hereto, as of the 30th day of November, 1951.

FIRST TRUST COMPANY OF SAINT PAUL,
Trustee,

By .....
Vice-President.

Attest:

.....
Secretary.

[FORM OF DIVIDEND WARRANT]

No..... $15.00

Due to the bearer hereof on the thirtieth day of , 19 , on the surrender hereof at the office of First Trust Company of Saint Paul, in the City of St. Paul, State of Minnesota, or at the option of the bearer, at the office of J. P. Morgan & Co. Incorporated, in the Borough of Manhattan, City and State of New York, Fifteen and 00/100 Dollars ($15.00), 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, being the semi-annual dividend then due on Certificate No. of Northern Pacific Railway Equipment Trust of 1951, Second Series, but only out of rentals or other moneys received by the undersigned pursuant to the Agreement and Lease, dated as of November 30, 1951, referred to in said Certificate, and as therein provided.

FIRST TRUST COMPANY OF SAINT PAUL,
Trustee,

By .....
Assistant Secretary.

[FORM OF GUARANTY]

Northern Pacific Railway Company, for a valuable consideration, hereby unconditionally guarantees to the bearer, or, if registered as to par value, to the registered holder, the prompt payment of the par value of the within Certificate

and to the bearer of each of the dividend warrants appertaining thereto the prompt payment of the dividends specified in such warrants, in accordance with the terms of said Certificate and the Agreement and Lease referred to therein.

Dated November 30, 1951.

NORTHERN PACIFIC RAILWAY COMPANY,

By .....
Vice-President.

[FORM OF TAX LEGEND]

All United States taxes payable in respect of the issue of this certificate have been paid and the required stamps have been affixed to an original counterpart of the within mentioned agreement in the possession of the Trustee and duly cancelled.

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 facsimile 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 may be as effective and binding and shall 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 thereto attached shall be authenti-

cated by the facsimile signature of the present or any future Secretary or Assistant Secretary of the Trustee; any such facsimile signature shall be effective and binding notwithstanding the fact that such Secretary or Assistant Secretary shall have ceased to be such officer 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 detached and cancelled by the Trustee.

SECTION 4. Temporary printed Trust Certificates without dividend warrants, or with one or more dividend warrants, and with or without provisions for registration, in such form and denominations as the Trustee may determine, may be issued by the Trustee, upon which shall be endorsed the guaranty of the Company in the form aforesaid with such changes as may be appropriate, and these temporary Trust Certificates shall be exchangeable, without cost to the holder, upon surrender for definitive Trust Certificates of like maturity dates, having endorsed thereon the guaranty of the Company in the form aforesaid, when the same shall have been prepared. Each of such temporary Trust Certificates shall designate the date of maturity of the definitive Trust Certificate or Certificates for which it is exchangeable, and until such exchange such temporary Trust Certificates shall be subject to the provisions and entitled to the same benefits of this Agreement in all respects as such definitive Trust Certificates, including the payment of dividends and the guaranty by the Company.

SECTION 5. The Trust Certificates shall be negotiable and shall pass by delivery unless registered as to par value in

the manner in this Agreement provided. Any of the Trust Certificates may be registered as to par value thereof in the name of the holder on the books of the Trustee to be kept at its office in the City of St. Paul, State of Minnesota, and such registration shall be noted on the Trust Certificate by 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 thereon; but the same may be discharged from registration and transferred to bearer as before. Such registration, however, shall not affect the dividend warrants appertaining to the Trust Certificates so registered, but every such dividend warrant shall continue to be transferable with the same effect as in the case of a negotiable instrument payable to bearer, by delivery thereof by any person in possession of the same, however such possession may have been acquired.

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 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 shall require the payment by the holder of a sum sufficient to reimburse it for any tax, stamp tax or other governmental charge connected therewith.

SECTION 6. In case any Trust Certificate or the dividend warrants appertaining thereto shall become mutilated or defaced or be lost, destroyed or stolen, then on the terms herein set forth, and not otherwise, the Trustee shall upon the written request of the Company 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, dividend rate, 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 including dividend warrants, if any, or in lieu of or in substitution for the same if lost, destroyed or stolen, and the Trustee shall make payment of any matured and unpaid dividend warrants appertaining to the same. The applicant for a new Trust Certificate, including dividend warrants, if any, shall furnish to the Trustee and to the Company evidence to their satisfaction of the loss, destruction or theft of such Trust Certificate or dividend 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 or dividend warrants, and also such security and 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 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, destroyed or stolen Trust Certificates 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.

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, including counsel fees, and of reasonable compensation of the Trustee, including all thereof incurred in connection with the enforcement of any of the provisions hereof or of the Lease, and of all taxes, assessments and governmental charges assessed upon the property included in the trust and all taxes and governmental charges herein mentioned for which the Trustee, as such, may be liable, and of the other rentals and of the other amounts provided for herein or in the Lease.

SECTION 2. The Company covenants and agrees and guarantees that the bearer or registered holder of each of the Trust Certificates shall receive the par value of One Thousand Dollars ($1,000), or, in the case of temporary Trust Certificates, the par value 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 otherwise under the provisions thereof or of this Agreement, and that the bearer of each dividend warrant shall receive the dividend specified therein in like coin or currency at the rate of three (3%) per centum per annum, from November 30, 1951, to the date of maturity of such Trust Certificate, at the times and place and otherwise as expressed in such Trust Certificate and (except in the case of temporary Trust Certificates without dividend warrants) in the dividend warrants there-

to attached; and the Company further covenants and agrees to endorse upon each of the Trust Certificates, at or before the issuance and delivery thereof by the Trustee, the Company's guaranty of the prompt payment thereof and of the dividends thereon, in 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 its President or one of its Vice Presidents without the corporate seal of the Company which is hereby expressly waived. In case the officer of the Company who shall have signed said guaranty shall cease to be such officer of the Company before the Trust Certificates shall have been issued and delivered by the Trustee, or shall not have been such officer on the date of the Trust Certificates, such guaranty shall, nevertheless, be as effective and binding upon the Company as though the person who signed such guaranty had not ceased to be such officer of the Company or had been such officer on the date of the Trust Certificates.

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

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, rerecording, registration, reregistration, filing and refiling hereof or of the Lease and of any instrument executed under the provisions hereof or of said Lease in respect of the Trust Equipment or of any equipment or parts used to replace any of the same.

The Company covenants that it will cause this Agreement and the Lease and all supplemental leases and agreements which may be executed under the terms of this Agreement or of the Lease, to be duly filed, registered or recorded and thereafter to be duly refiled, reregistered or rerecorded in all States wherein are situated railroad lines owned or operated by it (either alone or jointly with another) or over which the Company has trackage rights, and in all States where any of the Trust Equipment shall be delivered hereunder or under the Lease, and otherwise as may be required by law for the full protection of the title of the Trustee and the rights of the holders of the Trust Certificates, so that this Agreement and the Lease and all said other instruments may at all times be duly registered, filed and recorded.

Such filing, registration or recording of this Agreement and the Lease or of any such supplemental agreement or lease, shall be effected in each of said States prior to the acceptance of delivery in, or the movement into, such State of any of the Trust Equipment subjected to the trust by virtue of such Agreement or Lease or supplemental agreement or lease.

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 the Lease and the intent hereof and thereof.

The Company covenants that it will make payment of the rentals on account of the Trust Equipment as provided in this Agreement and in the Lease, notwithstanding that any of the Trust Certificates and dividend warrants shall have been acquired by the Company and not presented for cancellation or shall not have been presented for payment. Any and all Trust Certificates and dividend warrants acquired by the Company shall be presented to the Trustee for payment on the respective due dates thereof, or at the option of the Company may be presented to the Trustee for cancellation prior to such dates, in which latter event the rentals applicable to such cancelled certificates or dividend warrants shall not be deposited with the Trustee. The Trustee, having received the rentals applicable to the payment of the Trust Certificates and dividend warrants, shall make payments in discharge of the same as therein provided, and thereupon shall cancel the Trust Certificates and dividend warrants so paid, and no Trust Certificates or dividend warrants in substitution therefor shall be issued.

SECTION 6. It being contemplated that all of said Three Million Four Hundred Twenty Thousand Dollars ($3,420,000) of certificates shall be issued forthwith upon the deposit with the Trustee or to its credit as Trustee hereunder of Three Million Four Hundred Twenty Thousand Dollars ($3,420,000) in cash, as in Article I of this Agreement pro-

vided, the Company covenants that it will pay to the Trustee the said rentals when and as the same shall become due and payable, as in this Agreement and in the said Lease provided, notwithstanding that any of such payments shall have become so due and payable prior to the delivery under the Lease to the Company of any of the Trust Equipment.

ARTICLE IV

SECTION 1. Neither the Trustee nor the Company shall or will 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 as herein provided and cancelled, 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 assent to any arrangement for purchasing or funding any of said Trust Certificates or dividend warrants, or for any 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 assent of the Trustee or the Company, or in case, at or after maturity, any Trust Certificates or dividend 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 assented to 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 the Lease or of this Agreement, except subject to the prior payment in full of the par value 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 specified in subparagraphs (a), (b) and (c) of Paragraph 11 of the Lease shall occur and shall continue for the time and after the notice therein prescribed, the Trustee in its discretion may, and upon the written request of the holders of not less than twenty-five per centum (25%) in aggregate par value of the Trust Certificates then outstanding shall, upon being indemnified as hereinafter in Article V provided, by notice in writing delivered to the Company, declare the par value of all the Trust Certificates then outstanding to be due and payable, and thereupon the same shall become and be immediately due and payable without further demand, together with interest, to the extent permitted by law, at the rate of four per centum (4%) per annum on any portion thereof overdue and the Trustee shall be entitled to enforce all the terms and stipulations of the Lease for the benefit of the holders of the Trust Certificates.

ARTICLE V

SECTION 1. The Trustee hereby accepts the trusts imposed upon it by this Agreement and the Lease, and covenants and agrees to perform the same as herein and therein expressed.

SECTION 2. The Trustee covenants and agrees to apply and distribute the rentals received by it under subdivision B of Paragraph 2 of the Lease, when and as the same shall be received, for the following purposes and in the following order, to-wit:

(a) To the payment of the necessary and reasonable expenses of the trust, including compensation, expenses and liabilities provided for in this Agreement and all expenses connected with the Trust Equipment and the Lease thereof, including the purposes referred to in subparagraph (a) of subdivision B of Paragraph 2 of the Lease;

(b) To the payment of any and all taxes, assessments and other governmental charges assessed or levied upon the income or property of the trust, or the Agreement and Lease evidencing the same, which the Trustee as such may be required to pay;

(c) To the payment of the dividend warrants appertaining to the Trust Certificates, or in the case of the issue of temporary Trust Certificates without dividend warrants, to the payment of the dividends payable thereon, when and as such dividend warrants or dividends shall become payable, subject to the provisions of Section 1 of Article IV hereof;

(d) To the payment of the par value of the Trust Certificates outstanding when and as the same shall become payable according to the terms thereof or hereof, subject to the provisions of Section 1 of Article IV hereof; and

(e) To the payment of interest, to the extent permitted by law, upon any due and unpaid dividends on the Trust Certificates and upon any due and unpaid amounts of par value of Trust Certificates, at the rate of four per centum (4%) per annum.

Nothing herein or in the Trust Certificates or the 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 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.

SECTION 3. The Trustee shall cause to be kept, at its office in the City of St. Paul, 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, the par value of the Trust Certificates, but not the dividend warrants attached thereto or any other dividend warrants.

For any registration, transfer or discharge from registration, the Trustee shall require the payment by the holder of a sum sufficient to reimburse it for any tax, stamp tax or other governmental charge connected therewith.

SECTION 4. The Trustee shall not be required to undertake any act or duty in the way of taking care of or taking possession of the Trust Equipment or to undertake any other act or duty under this Agreement or the Lease until indemnified to its satisfaction by the Company or by one or more holders of the Trust Certificates against all liability and expenses. No duty of insurance or of repair or protection of any of the Trust Equipment is incumbent upon the Trustee, nor shall it be responsible for the filing, registration or

recording or the refiling, reregistration or rerecording of this Agreement or of the Lease or of any other instrument executed pursuant hereto or thereto; and the Trustee may issue and deliver Trust Certificates in advance of such filing, registration or recording. 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 and shall not be required to make any further investigation of or inquiry concerning the matters covered thereby.

SECTION 5. The Trustee shall be under no obligation to take any action for the execution or enforcement of the trust hereby created unless requested thereunto in writing by the holders of not less than twenty-five per cent. (25%) in aggregate par value of the Trust Certificates then outstanding and unless indemnified to its satisfaction against expense and liability and unless 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 or in the Lease specifically given to the Trustee either to determine whether it shall take action 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 and enforcement of the trust hereby created unless, after the aforesaid request in writing by the holders of not less than

twenty-five per cent. (25%) in aggregate par value of the Trust Certificates then outstanding shall have been made upon the Trustee, and after indemnity satisfactory to it shall have been provided, the Trustee shall decline, fail or neglect for ninety (90) days after the furnishing of such indemnity to institute proceedings or take action for the execution and enforcement of the trust; nor shall any holder have any such right if the holders of a majority of the par value of the Trust Certificates shall have directed that no action be taken.

SECTION 7. The Trustee may conclusively assume for all purposes that the Company is not in default under the terms hereof or of the Lease until notified in writing to the contrary by the holders of not less than ten per cent. (10%) in aggregate par value of the Trust Certificates then outstanding, which notice shall distinctly specify the event of default desired to be brought to the attention of the Trustee.

SECTION 8. The Trustee shall not be liable on account of any action of the Trustee based upon any notice, consent, order, certificate, warrant or other paper or instrument believed by it to be genuine or authentic or to be signed by the proper party or parties.

SECTION 9. The Trustee shall not be liable for any delay in the delivery of any of the Trust Equipment, or for any default on the part of the manufacturers thereof or of the Vendor, or for any defect in any of said Trust Equipment, 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 in respect of the value thereof or in respect of the title thereto.

The Trustee may perform its powers and duties hereunder and under the Lease by or through such attorneys, agents and servants as it shall appoint, and shall be entitled to rely upon the advice of counsel (who may be counsel of 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 answerable for any act or omission to act in connection with the trust hereby created unless the same shall happen through its own negligence or wilful default. The Trustee shall not be responsible in any way for the recitals herein or in the Lease contained or for the execution or validity of this Agreement or of the Lease or of the Trust Certificates, or the guaranty by the Company, or for any mistake of fact or law.

The Trustee shall be entitled to receive payment of its liabilities and all its reasonable expenses and disbursements hereunder and under the Lease, including reasonable counsel fees, and to receive reasonable compensation for all services rendered by it in the execution of the trust hereby created, all of which shall be paid by the Company or in default of such payment out of the rentals or proceeds or avails of the Trust Equipment.

The Trustee in its individual capacity may own, hold and dispose of Trust Certificates and dividend warrants with the same rights which it would have if it were not Trustee.

SECTION 10. If at any time the Trustee shall desire to divest itself of title to the Trust Equipment and to terminate its duties and obligations and rights under this Agreement, the Lease and the Trust Certificates, it shall so notify the Company in writing and the Company shall thereupon designate in writing to the Trustee a national bank or a

trust company, qualified as below specified to serve as successor to the Trustee until and unless a substituted successor trustee shall be appointed by the holders of Trust Certificates as hereinafter provided, to which may be assigned the entire right, title and interest of the Trustee in the Trust Equipment and in which may be vested the rights, powers, duties and obligations of the Trustee under this Agreement, the Lease and the Trust Certificates. Upon the transfer and delivery of all moneys, United States Government securities, if any, and Trust Equipment held by the Trustee, and of all books, records, documents and instruments necessary for the execution of the trust, and payment of its compensation, expenses and liabilities, and upon the execution by the retiring Trustee of such instruments of transfer as reasonably may be required by the successor, and upon acceptance by the successor of the assignment and of the trust, the retiring Trustee shall be relieved and discharged of all the title, rights, powers, duties and obligations of the trust under this Agreement, the Lease and the Trust Certificates, and the same shall become vested in such successor as Trustee, and every provision of this Agreement and the Lease applicable to the retiring Trustee shall apply to such successor Trustee with like effect as if originally named herein and therein in the place and stead of the party of the second part. In the event that the Company shall fail to designate such a successor by instrument in writing delivered to the retiring Trustee within fifteen (15) days from the date of receipt of such notice in writing from the retiring Trustee, the retiring Trustee may thereupon designate such successor Trustee. In case a successor Trustee shall be appointed at any time by the Company or by the retiring Trustee pursuant to the foregoing provisions of this Section, the holders of a majority in par

value of the Trust Certificates then outstanding shall have the right, at any time within six months after the date of said written notice received by the Company under this Section, to appoint and substitute a successor Trustee chosen by such majority of said holders. Such appointment shall be made by an instrument in writing executed by such majority of such holders, in duplicate, and by delivery of one copy thereof to the Company and one copy thereof to the successor Trustee appointed by the Company or by the Trustee under this Section. Thereupon, within fifteen (15) days after such delivery of such written instrument of appointment, such successor Trustee, shall transfer and deliver to such substituted successor Trustee all moneys, United States Government securities, if any, and Trust Equipment held by it and all books, records, documents and instruments necessary for the execution of the trust, and shall execute such instruments of transfer as reasonably may be required by the substituted successor Trustee; and upon acceptance thereof by such substituted successor Trustee the retiring successor Trustee shall be relieved and discharged of all the title, rights, powers, duties and obligations of the trust under this Agreement, the Lease and the Trust Certificates, and the same shall become vested in such substituted successor Trustee, and every provision of this Agreement and the Lease applicable to the successor Trustee shall apply to such substituted successor Trustee with like effect as if originally named herein and therein in the place and stead of the party of the second part.

In any such event such successor Trustee or substituted successor Trustee shall execute and deliver to the Company an acceptance of the trust in such form as the Company shall reasonably request, and the Company shall execute all such

writings recognizing the transfer of title as aforesaid and all such instruments of further assurance or otherwise as may be reasonably requested by the successor Trustee or substituted successor Trustee in the premises, and shall do and perform any and all acts necessary to establish and maintain the title and rights of the successor Trustee or substituted successor Trustee in and to the Trust Equipment. Every successor Trustee or substituted successor Trustee shall be a national bank or a trust company doing business in the Borough of Manhattan, City of New York, State of New York, and having a capital and surplus aggregating at least Five Million Dollars ($5,000,000), if there be such national bank or trust company willing and able to accept the trust upon reasonable and customary terms.

Any corporation resulting from any merger or consolidation to which the Trustee or its corporate successor shall be a party, or any corporation shown to the satisfaction of the Company to have succeeded in any manner to the business of the Trustee as a whole or substantially as a whole, provided in either event such corporation shall be one having corporate power to act as trustee hereunder organized under the laws of the United States of America or of the State of New York, doing business in the Borough of Manhattan, City of New York, State of New York, and having a capital and surplus aggregating at least Five Million Dollars ($5,000,000), shall be the successor Trustee under this Agreement and the Lease 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.

All of the provisions of this Section relating to retirement of the Trustee, appointment of successor Trustee by the Company, by the Trustee or by the holders of Trust Cer-

tificates, and succession (whether by appointment or otherwise) and qualification of successor Trustees shall apply to any future Trustee in like manner as to the party of the second part.

ARTICLE VI

No recourse under any obligation, covenant or provision of this Agreement or of the Lease, 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 or in said Lease 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 of said Lease and the issue of such Trust Certificates and dividend warrants.

ARTICLE VII

Any request or other instrument provided by this Agreement or the Lease 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 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 conclusive in favor of the Trustee with regard to any action taken by the Trustee under such request or other instrument, and may be relied upon by the Trustee for any purpose of this Agreement or the Lease, if made in the following manner:

(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 (i) by the certificate of any notary public or of any other officer authorized to take acknowledgments of deeds to be recorded in the state where the acknowledgment may be taken, certifying that the person signing such request or other instrument acknowledged to him the execution thereof, or (ii) by the affidavit of a witness to such execution;

(b) The amount of unregistered Trust Certificates held by any person executing any such request or other instrument as a holder of Trust Certificates, 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, if deemed satisfactory by the Trustee, showing that at the date herein mentioned such person had on deposit with or exhibited to such depositary the unregistered Trust Certificates numbered and described in such certificate. The trustee may presume the continuance of any such holding unless and until it shall receive proof satisfactory to it to the contrary; and

(c) The ownership of Trust Certificates registered as to par value shall be proved only by the registration books of the Trustee.

ARTICLE VIII

At the termination of the Lease to the Company, any moneys and securities derived from this Agreement or the Lease remaining in the hands of the Trustee, after paying the par value of and any dividends upon the Trust Certificates, and the expenses and liabilities of the Trustee, including its reasonable compensation and counsel fees, shall be paid or delivered to the Company.

ARTICLE IX

Nothing in this Agreement or in the Lease 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 dividend warrants appertaining thereto, 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 undertakings of this Agreement and the Lease shall be for the sole and exclusive benefit of the parties hereto and their successors and assigns and, subject to the provisions of Section 6 of Article V of this Agreement, of the holders of the Trust Certificates and dividend warrants.

ARTICLE X

The term "Trustee" as used herein and in the Lease shall be held and construed to mean First Trust Company of Saint Paul and, unless otherwise indicated by the context, any successor Trustee or substituted successor Trustee appointed pursuant to the provisions of Section 10 of Article V hereof, and the word "Company" shall be held and construed to mean and include Northern Pacific Railway Company, its successors and assigns; and the word "holder" shall include the plural as well as the singular number and, unless otherwise indicated by the context, shall mean and include the bearer of any unregistered Trust Certificate and of any dividend warrant and the registered holder of any registered Trust Certificate. The liabilities of the Trustee wherever referred to herein or in the Lease shall be held and construed to mean all liabilities incurred by the Trustee arising out of or connected with this Agreement or the Lease or the ownership or use of any of the Trust Equipment other than those liabilities resulting from its own negligence or wilful default. The term "Trust Equipment", wherever used herein or in the Lease, unless otherwise indicated by the context, is intended to 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.

Whenever under the provisions hereof or of the Lease it is necessary or proper for any notice or demand to be made to or upon the Company, or the Trustee, 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 by depositing a written statement thereof, securely enclosed in a postpaid wrapper, for transmission by registered United States mail, directed to the Company at 14 Wall Street, New York, New York, or to such other address as the Company at any time shall designate by written notice to the Trustee, or directed to First Trust Company of Saint Paul, at its office in the First National Bank Building, at 322 Minnesota Street, St. Paul 1, Minnesota, or to such other address as the Trustee at any time shall designate by written notice to the Company, and an affidavit by any person representing or acting on behalf of the Trustee or of the Company, respectively, as to such mailing, having the registry receipt attached, shall be conclusive evidence of the giving of such notice or the making of such demand.

This Agreement may be 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 Vendor 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 affixed, duly attested, as of November 30, 1951.

NORTHWESTERN IMPROVEMENT COMPANY,

By J. H. Rose
Vice President.

Attest: Emil J. Olk
Assistant Secretary.

FIRST TRUST COMPANY OF SAINT PAUL,

By Russell McCulloch
Vice President.

Attest: Harold C. Soderman
Secretary.

NORTHERN PACIFIC RAILWAY COMPANY,

By Robert S. MacFarlane
President.

Attest: Thos. McLeod
Assistant Secretary.

Signed, sealed and delivered by NORTHWESTERN IMPROVEMENT COMPANY, FIRST TRUST COMPANY OF SAINT PAUL and NORTHERN PACIFIC RAILWAY COMPANY, in the presence of:

Eunice A. Dick
Anna B. Tibbs

As Witnesses to all signatures.

(United States Internal Revenue Stamps for $3,762 have been affixed to an original counterpart hereof in the possession of the Trustee and have been duly cancelled.)

STATE OF MINNESOTA, }
COUNTY OF RAMSEY, } ss.

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 this 21st day of November, A. D. 1951, 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 November 30, 1951, J. H. Poore and A. M. Gottschald, each to me personally known and known to me to be respectively the Vice President and Secretary of Northwestern Improvement 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 to be duly authorized to make this acknowledgment as hereinafter stated, and the said J. H. Poore and A. M. Gottschald, 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. H. Poore resides at 1495 Goodrich Avenue, St. Paul 5, Minnesota, and that said A. M. Gottschald resides at 929 West Arlington Avenue, St. Paul 3, Minnesota; and said J. H. Poore is Vice President and said A. M. Gottschald is Secretary of North-

western Improvement Company, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said J. H. Poore and A. M. Gottschald, 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 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.

C. B. Theits

C. B. THEITS, NOTARY PUBLIC, RAMSEY CO., MINN.
MY COMMISSION EXPIRES JANUARY 24, 1958.

STATE OF MINNESOTA, }
COUNTY OF RAMSEY, } ss.

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 this 21st day of November, A. D. 1951, 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 November 30, 1951, Russell M. Collins, and Harold C. Soderman, each to me personally known and known to me to be respectively a Vice President and Secretary of First Trust Company 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 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 Russell M. Collins and Harold C. Soderman 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 Russell M. Collins resides at 2069 Iglehart Avenue, St. Paul (4), Minnesota. and that said Harold C. Soderman resides at 975 Delaware Avenue, St. Paul (7), Minnesota, that said Russell M. Collins is a Vice President and said

Harold C. Soderman is Secretary of First Trust Company of Saint Paul, one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said Russell M. Collins and Harold C. Soderman 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 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.

C. B. Theits

C. B. THEITS, NOTARY PUBLIC, RAMSEY CO., MINN.
MY COMMISSION EXPIRES JANUARY 24, 1958.

STATE OF MINNESOTA, }
COUNTY OF RAMSEY, } ss.

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 this 21st day of November, A. D. 1951, 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 November 30, 1951, Robert S. Macfarlane and Hugh McLeod, each to me personally known and known to me to be respectively 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 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 Robert S. Macfarlane 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 said Robert S. Macfarlane resides at 965 Summit Avenue, St. Paul 5, Minnesota, and that said Hugh McLeod resides at 1987 Princeton Avenue, St. Paul 5, Minnesota; and said Robert S. Macfarlane is 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 Robert S. Macfarlane 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 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 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.

C. B. THEITS, NOTARY PUBLIC, RAMSEY CO., MINN.
MY COMMISSION EXPIRES JANUARY 24, 1958.

LEASE

THIS LEASE AGREEMENT, dated as of November 30, 1951, by and between FIRST TRUST COMPANY OF SAINT PAUL, a corporation duly organized and existing under the laws of the State of Minnesota (hereinafter called the "Trustee"), 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"), of the second part,

WITNESSETH: THAT

WHEREAS, by a certain Agreement (hereinafter called the "Agreement"), bearing even date herewith, among NORTHWESTERN IMPROVEMENT COMPANY, Vendor, FIRST TRUST COMPANY OF SAINT PAUL, Trustee, and NORTHERN PACIFIC RAILWAY COMPANY, a counterpart original whereof is hereto prefixed and made a part hereof, there was constituted "NORTHERN PACIFIC RAILWAY EQUIPMENT TRUST OF 1951, SECOND SERIES", under which the equipment hereinafter described has been or will be transferred to the Trustee and the title thereto vested in the Trustee, and leased to the Company hereunder;

NOW, THEREFORE:

1. In consideration as well of the sum of one dollar paid by the Company to the Trustee at or before the ensealing and delivery hereof, the receipt whereof is hereby acknowledged, as of the rents and covenants hereinafter mentioned to be

paid, kept and performed by the Company, the Trustee has let and leased, and by these presents does hereby let and lease, to the Company for the term of fifteen (15) years from and after November 30, 1951, unless sooner terminated as hereinafter provided, all the following described new standard-gauge railroad equipment, constructed of unused material, whether the same be owned by the Trustee at the date hereof or be hereafter acquired by it, to-wit:

No. of Units	Description of Equipment	Estimated Cost per Car, Locomotive or Locomotive Unit	Road Numbers (both inclusive)
200	70-ton capacity all-steel ore cars;	$ 4,900.	78500-78699
4	1000 H.P. Diesel-electric switching locomotives;	101,110.	713-716
2	6,000 H.P. Diesel-electric freight locomotives, consisting of four "A" units, to cost approximately $173,236 each, and four "B" units, to cost approximately $157,661 each;	661,794.	6019-6020
1	Spare 1500 H.P. Diesel-electric "B" unit;	157,661.	6050
2	1500 H.P. Diesel-electric "A" units;	177,251.	6600-6601
1	1500 H.P. Diesel-electric "B" passenger unit;	160,246.	6550
4	1500 H.P. Diesel-electric road switching locomotives;	148,295.	555-558
3	1200 H.P. Diesel-electric switching locomotives;	102,632.	115-117

together with such other railroad equipment as may be acquired for said trust in substitution for any of the equipment above described, or in addition thereto, and subjected to this Lease as hereinafter provided (hereinafter collectively called the "Trust Equipment").

The estimated cost of the railroad equipment above specifically described, when completed, is not less than Four Million Two Hundred Eighty-one Thousand Dollars ($4,281,000), the respective estimated unit prices being as hereinbefore set out.

If strikes, material shortages, or other causes beyond its control prevent the Vendor from acquiring any of the Trust Equipment above specifically described, then to the extent that such acquisition is prevented, at the election of the Company, there may be acquired and subjected to this Lease as and when acquired, other new standard- gauge railroad equipment, other than work equipment of such classes or types and of such material and construction as may be approved by the Company, and of a total cost not less than the estimated cost of the equipment in place of which it was acquired. The substituted Trust Equipment shall be deemed a part of the Trust Equipment for all purposes including the payment of "deposited cash" in respect of the cost thereof, and the equipment in place of which the substituted equipment is acquired shall be eliminated from the Trust Equipment. The Trustee shall execute to the Company a supplemental lease of such substituted equipment, subjecting it to all the terms and conditions hereof.

If the aggregate final cost of all the Trust Equipment acquired by the Vendor as specifically described above or in substitution therefor pursuant to the provisions of paragraph two of Section 1 of Article I of the Agreement should be less

than Four Million Two Hundred Eighty-one Thousand Dollars ($4,281,000), then in addition to that equipment there shall be acquired by said Vendor, and subjected to this Lease, other new standard-gauge railroad equipment, other than work equipment, of such classes or types as may approved by the Company, of substantially as good material and construction as the equipment above specifically described, and of such cost that the aggregate final cost of all the Trust Equipment acquired will be at least said sum; and the Trustee shall execute to the Company a supplemental lease thereof, describing the same and stating the estimated cost thereof, 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 any of the Trust Equipment shall from time to time be transferred and delivered to the Trustee under the Agreement and marked in accordance with the provisions of Paragraph 4 hereof, the same shall be delivered by the Trustee to the agents of the Company at the place or places provided for in Section 1 of Article I of the Agreement 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 at and for the rent hereinafter set out, and upon the terms, conditions and covenants following.

2. The Company hereby accepts (subject to the terms of the Agreement) this Lease of the Trust Equipment and hereby agrees to accept delivery and possession hereunder of said Equipment as hereinbefore provided; and the Company covenants and agrees to pay, in such coin or currency of the United States of America as at the time of payment shall be legal tender for public and private debts, to the Trustee, or its assigns, at the principal office of the Trustee, in the City of St. Paul, State of Minnesota, 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 provided in said Agreement, the Company shall pay to the Trustee, as advance rental under this Lease, sums which in the aggregate shall be equal to the difference between the total cost of the Trust Equipment and the portion of such cost to be provided out of the net proceeds of sale of the Trust Certificates to be issued as set forth in the Agreement, the intention being that when all of the Trust Equipment shall have been delivered to the Trustee, the Company shall have paid or shall pay to the Trustee, as advance rental under this Lease, a sum equal to the amount by which the entire cost of the Trust Equipment exceeds the net proceeds of the sale of the aforesaid Trust Certificates and in no event less than twenty per cent. (20%) of the entire cost of the Trust Equipment. The Company agrees to pay such advance rental as follows:

(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 Vendor, will make the total sum deposited equal to Three Million Four Hundred Twenty Thousand Dollars ($3,420,000);

(b) From time to time upon delivery of any of the Trust Equipment to the Trustee, and part payment therefor by the Trustee out of "deposited cash" (as defined in Section 4 of Article I of the Agreement), amounts equal to the remainder of the cost of such delivered equipment, being not less than twenty per cent. (20%) of such cost.

B. In addition to such advance rental the Company shall pay to the Trustee, from time to time as below provided, as rental for the Trust Equipment and replacements, and whether or not at the time any thereof shall have been delivered to the Company, the following:

(a) The necessary and reasonable expenses of the trust, including compensation, expenses and liabilities provided for in the Agreement and all expenses connected with the Trust Equipment and this Lease thereof; and expenses or obligations for any other amounts incurred or sustained in connection with any purchase or sale of United States Government securities including premium and accrued interest payable in connection with any such purchase; and, when and as demanded by the Trustee, any sums which under the provisions of Section 6 of Article I of said Agreement shall be required to make up any deficit resulting from the sale of United States Government securities for less than the amount of "deposited cash" or other cash applied to their purchase;

(b) Amounts sufficient to discharge any and all taxes, assessments and governmental charges assessed or levied upon or on account of the income or property of the trust, or the Agreement and this Lease evidencing the same, which the Trustee as such may be required to pay;

(c) A sum equal to the dividend warrants appurtenant to the Trust Certificates, when and as the same shall become payable, and, in the case of the issue of temporary Trust Certificates without dividend warrants, the dividends payable thereon at the rate of three (3%) per centum per annum; also, to the extent permitted by law, a sum equal to interest at the rate of four per centum (4%) per annum, from the due date, upon the amount of any installments of rental payable under this subparagraph (c) and the following subparagraph (d) which shall not be paid when due; and

(d) The amount of the par value of the Trust Certificates outstanding, when and as the same shall become payable, whether upon the respective dates of maturity thereof or otherwise under the provisions thereof or of the Agreement, such respective dates of maturity being as follows: Two Hundred Twenty-Eight Thousand Dollars, ($228,000) on the 30th day of November in each year from November 30, 1952 to November 30, 1966, both inclusive.

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.

3. At the termination of this Lease and after all payments due or to become due from the Company hereunder and under the Agreement shall have been completed and fully made to the Trustee, such payments shall be then applied as purchase money and treated as the full purchase price of the Trust Equipment, and the title to all of the Trust Equipment and to all replacements thereof made hereunder shall vest in the Company, and thereupon the Trustee shall execute for recording or filing in public offices such instrument or instruments in writing as reasonably shall be requested by the Company in order then 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; *provided, however,* and it is hereby 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.

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

NORTHERN PACIFIC RAILWAY EQUIPMENT TRUST OF 1951, SECOND SERIES.

FIRST TRUST COMPANY OF SAINT PAUL,

TRUSTEE, OWNER, LESSOR.

Such plates 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 shall at any time be removed, defaced or destroyed, the Company shall immediately cause the same to be replaced.

The Company shall not change, or permit to be changed, the road numbers of any of the Trust Equipment at any time covered by this Lease (nor any road numbers which may be substituted as herein provided), except in accordance with a statement of new road numbers to be substituted therefor, which shall previously have been filed with the Trustee by the Company and consented to by the Trustee and, if necessary in the opinion of the Trustee, recorded or filed in each public office where this Lease or the Agreement or any supplement to either shall have been recorded or filed.

The Company will not allow the names of any persons, associations or corporations to be placed on any of the Trust Equipment as a designation which might be interpreted as a claim of ownership by the Company or anyone other than the Trustee; *provided, however,* that the Company may cause the said equipment to be lettered "NORTHERN PACIFIC," or in some other and substantially similar manner for convenience of identification of the leasehold interest of the Company therein.

5. The Company covenants and agrees to indemnify the Trustee against all claims arising out of or connected with the ownership or use of any of the Trust Equipment or replacements thereof, other than those resulting from its own negligence or wilful default, and particularly against any or all claims arising out of the use of any patented inventions in and about the Trust Equipment or replacements, 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 part thereof may be operated, and with all lawful acts, rules, regulations and orders of the Interstate Commerce Commission and of all other commissions or boards, and of all 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 coupler 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, in any reasonable manner which, in the judgment of the Trustee, will not materially endanger the rights or interests of the Trustee or of the holders of the Trust Certificates. The Company shall not be relieved from any of its obligations under this Lease by reason of the assertion or enforcement of any such claims or the commencement or prosecution of any litigation in respect thereof.

6. It being desirable for the interests of both parties to this Lease that any of the Trust Equipment which in any respect shall have become worn out, or unsuitable, or not

needed for the use of the Company, should be released and promptly sold and replaced, it is hereby mutually understood and agreed that at any time hereafter until title thereto shall become vested in the Company, the Trustee will sell any such units of the Trust Equipment then subject to this Lease, upon the written request of the Company, signed by its President, a Vice President, its Treasurer, or its Comptroller, accompanied by a certified copy of a resolution of its Board of Directors or Executive Committee authorizing such request, describing such units, and noting that they have become worn out, or unsuitable, or not needed for the use of the Company, stating the name of the proposed purchaser, the selling price thereof and specifying the original cost and fair value in good condition thereof. No such sale of any of the Trust Equipment shall be made for less than the fair value of the unit sold as in good condition at the time of sale, unless and until the Company shall have paid to the Trustee the difference between the price at which it is to be sold and such fair value as in good condition. The proceeds of all such sales shall be received by the Trustee in trust for the benefit of the holders of the Trust Certificates pending replacement of such trust equipment.

The Company, during the continuance of this Lease, shall maintain and keep all of the Trust Equipment hereby leased to it in good order and repair at its own proper cost and expense, and shall replace at its own cost any of said equipment that may be released, worn out, unsuitable for use, lost or destroyed, by new standard-gauge railroad equipment, other than work equipment, marked as provided in Paragraph 4 of this Lease, of substantially as good material and construction and of a value equal to the fair value, determined as hereinafter in this Paragraph 6 provided, of the equipment

so released, worn out, unsuitable for use, lost or destroyed, the value of the new equipment to be deemed its cost, if that be below market value, or its market value if that be below cost, and shall cause the title to all such new equipment to be vested in the Trustee, free from any lien or charge; *provided, however,* that the Company may, in lieu of such replacement, or pending replacement of such Trust Equipment, deposit with the Trustee in cash and in trust for the benefit of the holders of the Trust Certificates, the then fair value, determined as hereinafter in this Paragraph 6 provided, of the Trust Equipment so released, worn out, unsuitable for use, lost or destroyed. Any cash so deposited with the Trustee shall at the request of the Company be invested in United States Government securities upon the terms and conditions provided in Section 6 of Article I of the Agreement. All such new equipment shall forthwith become subject to the terms and conditions of this Lease and of the Agreement as though it had been part of the original Trust Equipment, and the Trustee shall execute to the Company a supplemental lease thereof. At the time of every such replacement, the Company shall deliver to the Trustee a certificate, which the Trustee may accept as conclusive, of the President or a Vice President of the Company, stating the cost and reasonable market value of the new equipment used for such replacement and the fair value, determined as hereinafter in this Paragraph 6 provided, of the Trust Equipment so released, worn out, unsuitable for use, lost or destroyed, together with a bill or bills of sale, an opinion of counsel (who may be counsel of the Company) satisfactory to the Trustee, and a certificate as to delivery, all in like manner as is provided in Section 5 of Article I of the Agreement. The rights and remedies of the Trustee under this Lease and the right of the Trustee to

recover any of the rental payments from the Company shall not be affected by reason of the leased equipment or any thereof becoming released or wholly or partly worn out, unsuitable for use, lost or destroyed.

For the purposes of this Paragraph 6, the fair value of any unit of the Trust Equipment shall be considered to be the original cost thereof less five per cent. (5%) of said original cost for each full year (but not pro rata for any part of a year) during which the unit was subject to this Lease prior to the date at which the fair value is so to be determined.

7. The Company will furnish to the Trustee, on or before the 31st day of March 1952, and on or before the 31st day of March in every year thereafter during the continuance of this Lease, an accurate statement of inventory, signed by either its President, a Vice President, its Treasurer, or its Comptroller, as of the preceding 31st day of December, of the said equipment then in actual service, and the road numbers and description of such as may have become worn out, unsuitable for use, or lost or destroyed by accident or otherwise, and of such as may have been repaired, other than those subjected to running repairs, during the previous year, and also the numbers of any then undergoing such repair and in the shops for such repair. Together with said statement the Company shall also furnish to the Trustee a statement similarly signed, stating that in the case of all of the Trust Equipment repaired during the preceding year the plates required by Paragraph 4 of this Lease have been preserved thereon, or that the Trust Equipment when repaired has been again plated as required by said Paragraph. 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 investigation of such of the aforesaid matters and inspection of such of the Trust Equipment as the Trustee may deem desirable, and the Company covenants in that event to furnish to the Trustee all reasonable facilities for the making of such investigation or inspection.

8. 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 its lines of railroad or over those which the Company at the time shall have trackage rights, and 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 and the Agreement.

9. The Company covenants to file, register and record and to refile, reregister and rerecord this Lease and the Agreement and any supplemental leases or agreements provided for herein or in the Agreement, as provided in Section 4 of Article III of the Agreement.

10. The Company shall not 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 the obligations and covenants of the Company hereunder and under the Agreement and under the guaranty provided for in the Agreement shall not be deemed a breach of this covenant, but the appointment of a receiver or receivers or trustee or trustees in bankruptcy for the Company, or its property, or the filing of a petition, whether voluntary or involuntary, under the Federal Bankruptcy Act shall be deemed an unauthorized assignment by the Company of its rights and interest in the Trust Equipment and shall be deemed a breach of this covenant, unless any such receiver or receivers or trustee or trustees shall have been discharged within thirty (30) days after his or their appointment, or within a like period shall have assumed and agreed to perform each and all of the obligations and covenants hereunder and under the Agreement, in either case pursuant to due order or authority of the court by which he or they shall have been appointed, or any such petition shall have been withdrawn and proceedings thereon terminated within a like period. The Trustee hereunder shall have the right to declare this Lease terminated in case of any unauthorized assignment or transfer of this Lease or unauthorized 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.

11. In case the Company

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

(b) shall make or suffer any unauthorized assignment or transfer of its rights or interests in the Trust Equipment or any unauthorized sublease, of, or, except as herein authorized, 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 to 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

(c) 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 the 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 the Agreement sometimes called "events of default"), the Trustee, subject to the provisions of Section 2 of Article IV of the Agreement with respect to the authority of the holders of a majority in par value of the Trust Certificates to direct and control the action of the Trustee, at its option, may, and upon the written

request of the holders of not less than twenty-five per cent. (25%) in aggregate par value of the Trust Certificates then outstanding and upon being indemnified as in Article V of the Agreement provided shall, by notice in writing delivered to the Company, declare to be due and payable forthwith the entire amount of the rentals (including any unpaid advance rental) payable by the Company as set forth in Paragraph 2 of this Lease, and not theretofore paid; and thereupon the entire amount of said rentals shall become and shall be due and payable immediately, without further demand, together with interest, to the extent permitted by law, at the rate of four per centum. (4%) per annum 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 rate permitted by law, and to collect such judgment out of any property of the Company wherever situated. Any and all moneys so collected by the Trustee shall be applied by it as hereinafter provided.

12. The Company covenants that the Trustee, in case of the happening of any such event of default, also 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 any *per diem*, mileage or other charges of any kind earned by the Trust Equipment or any part thereof, and may lease the Trust Equipment or any part thereof, or with or without retaking possession thereof (but only after making the declaration hereinabove provided for) may sell the same

or any part thereof, free from any and all claims of the Company, at law or in equity, in one lot and as an entirety, or in separate lots, in so far as may be necessary to perform and fulfill the trusts under the 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 the Agreement and under this Lease in the manner therein and herein provided.

Upon any such sale, the Trustee itself may bid for the property offered for sale or any part thereof.

13. 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 for the delivery of the Trust Equipment to it, the Company shall, at its own expense, forthwith and in the usual manner, cause the Trust Equipment to be moved to such point or points on said railroad as shall be designated by the Trustee and shall there deliver or cause to be delivered the same to the Trustee; or, at the option of the Trustee, the Trustee 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 facilities at any point or points selected by the Trustee reasonably convenient to the Company. It is hereby expressly covenanted and agreed that the covenants in this Paragraph contained are 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.

14. Any such sale or sales may be held or conducted at such place or places and at such time or times, as the Trustee may specify, or as may be required by law, and without gathering at the place of sale the Trust Equipment to be sold, and in general in such manner as the Trustee may determine, but so that the Company may and shall have a reasonable opportunity to buy at such sale.

15. 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 to the Trust Equipment against the Trustee or the owners of interests in the trust. No such taking possession or withdrawal or lease or sale of the Trust Equipment by the Trustee shall 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 sums 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 items mentioned in Paragraph 2 hereof, whether they shall have then matured or not.

16. If, in case of the happening of any such event of default, the Trustee shall exercise any of the powers conferred upon it by this Lease, all payments made by the Company to the Trustee under this Lease after such event of default, and the proceeds of any judgment collected by the Trustee from the Company hereunder, and the proceeds of every sale or lease by the Trustee hereunder of any of the Trust Equipment and replacements, 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: (a) To the payment of all proper charges of the Trustee including liabilities, and compensation and expenses properly incurred or advances made by the Trustee in accordance with the provisions of this Lease or the Agreement, including the expense of any retaking of the whole or any part of the Trust Equipment and all expenses of the custody and of any sale or lease thereof, and (b) to the payment of all 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 shall be conveyed by the Trustee to the Company, free from any further liabilities or obligations to the Trustee hereunder. 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 deficit 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.

17. The remedies in this Lease and in the 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.

18. The foregoing provisions, however, are subject to the condition that if at any time after the Trust Certificates shall have been declared due and payable, as provided in the Agreement, all arrears of rentals with interest as hereinabove provided and the compensation, expenses and liabilities of the Trustee and all other sums which shall have become due and payable by the Company under this Lease or under the Agreement (other than the par value 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 Lease or the Agreement 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, and if so requested by the bearers or registered holders of a majority in aggregate par value 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 Trust Certificates shall have been declared and become due and payable and waive the consequences of such default, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

19. 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 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 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 Lease or under the Agreement or under its guaranty.

20. This Lease may be 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 Lease shall be binding upon and 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 Company, 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 November 30, 1951.

FIRST TRUST COMPANY OF SAINT PAUL,
As Trustee,

By Russell M. Collins
Vice President.

Attest:
Harold C. Soderman
Secretary.

NORTHERN PACIFIC RAILWAY COMPANY,
By Robert S. Macfarlane
President.

Attest:
Hugh McLeod
Assistant Secretary.

Signed, sealed and delivered by FIRST TRUST COMPANY OF SAINT PAUL and NORTHERN PACIFIC RAILWAY COMPANY, in the presence of:
Runnells Dick
Anna B. Tibbe
As Witnesses to all Signatures.

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 this 21st day of November, A. D. 1951, 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 November 30, 1951, Russell M. Collins and Harold C. Soderman, each to me personally known and known to me to be respectively a Vice President and Secretary of First Trust Company 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 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 Russell M. Collins and Harold C. Soderman 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 Russell M. Collins resides at 2069 Iglehart Avenue, St. Paul 4, Minnesota, and that said Harold C. Soderman resides at 975 Delaware Avenue, St. Paul 7, Minnesota, that said Russell M. Collins is a Vice President and said Harold C. Soderman is Secretary of

First Trust Company of Saint Paul one of the corporations described in and which executed the within and foregoing instrument in writing; that they, the said Russell M. Collins and Harold C. Soderman 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 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.

A B Theits

C. B. THEITS, NOTARY PUBLIC, RAMSEY CO., MINN.
MY COMMISSION EXPIRES JANUARY 24, 1958.

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 this 21st day of November A. D. 1951, 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 November 30, 1951, Robert S. Macfarlane and Hugh McLeod; each to me personally known and known to me to be respectively 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 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 Robert S. Macfarlane 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 Robert S. Macfarlane resides at 965 Summit Avenue, St. Paul 5, Minnesota, and that the said Hugh McLeod resides at 1987 Princeton Avenue, St. Paul 5, Minnesota; and said Robert S. Macfarlane is 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 Robert S. Macfarlane 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 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.

C. B. THEITS

C. B. THEITS, NOTARY PUBLIC, RAMSEY CO., MINN.
MY COMMISSION EXPIRES JANUARY 24, 1958.

State of Wisconsin } ss.
DEPARTMENT OF STATE }

Received this 3 RD day of DECEMBER A. D. 19 51 at 10:00 o'clock A.M. and recorded in Vol. 44 of RAILROAD MORTGAGES on pages 82 - 113 inc.

John Gunderman
Assistant Secretary of State

Wisconsin

Executed in 22 Counterparts

Counterpart No. 4

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC
RAILROAD EQUIPMENT TRUST,
SERIES PP

Lease of Railroad Equipment

DATED AS OF MARCH 1, 1952

CONTINENTAL ILLINOIS NATIONAL BANK AND
TRUST COMPANY OF CHICAGO

TO

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC
RAILROAD COMPANY

Agreement

DATED AS OF MARCH 1, 1952

H. J. GROENER AND H. H. CONLEY
VENDORS

WITH

CONTINENTAL ILLINOIS NATIONAL BANK AND
TRUST COMPANY OF CHICAGO

AND

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC
RAILROAD COMPANY

THE TWENTIETH CENTURY PRESS, INC., CHICAGO

LEASE OF RAILROAD EQUIPMENT, dated as of March 1, 1952, between **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, Trustee, as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **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 Company), party of the second part:

WHEREAS, by a certain agreement, dated as of March 1, 1952, among H. J. Groener and H. H. Conley, Vendors, Continental Illinois National Bank and Trust Company of Chicago, as Trustee, and Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter called the Agreement), 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 PP," 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 Company hereunder; and

WHEREAS, pursuant to the provisions of the 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 the Agreement, for and in consideration as well of the sum of One Dollar to it paid by the Railroad 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 Railroad Company, has let and leased, and does hereby let and lease, to the Railroad Company all the following new, standard gauge railroad equipment of Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust, Series PP (which together with the additional and substituted equipment and replacements as herein and in the Agreement provided are hereinafter and in the Agreement collectively called the Trust Equipment), to wit:

DIESEL-ELECTRIC ROAD SWITCHING LOCOMOTIVES

Number of Locomotives	Description	Estimated Cost Each	Estimated Cost Total
12	1500 H.P. Diesel-electric road switching locomotives, Nos. 2200 to 2211, both inclusive.....	$181,573.30	$2,178,879.60
10	1200 H.P. Diesel-electric switching locomotives, Nos. 2300 to 2309, both inclusive.....	$104,709.00	$1,047,090.00
	Total Estimated Cost..		$3,225,969.60

together with such additional or substituted railroad equipment as may be acquired for said Trust and subjected to this Lease, as herein and in the Agreement provided.

The Railroad Company certifies to the Trustee that the estimated total cost of the railroad equipment specifically described in the last foregoing paragraph hereof and the estimated cost of each unit of said equipment are the respective estimated costs in said paragraph set forth; and the Railroad Company further certifies to the Trustee that the aggregate cost of the Trust Equipment certified to the Trustee in the final certificate of cost, pursuant to Section 4 of Article I of the Agreement, shall be not less than $3,200,000.

In the event that the Vendors shall, as provided in Section 5 of Article I of the Agreement, acquire other new, standard gauge railroad rolling stock in substitution for, or in addition to, the original Trust Equipment above specifically described, such other new, standard gauge railroad rolling stock shall be included as part of the Trust Equipment and shall be subject to all terms and conditions of this Lease 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 and delivered to the Trustee under the Agreement, the same shall be delivered to the Railroad Company, and shall upon such delivery to the Railroad 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 Railroad Company hereunder, in all respects as if the same had been so delivered simultaneously with the execution and delivery hereof.

And the Railroad Company, 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 the Agreement, shall mean the cost of the purchase or construction 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.

The Railroad Company hereby accepts (subject to the conditions mentioned in the 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 Railroad 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) Upon the delivery by the Trustee of any of the Trust Certificates in the Agreement defined, in accordance with the provisions of Section 2 of Article I of the Agreement, such amount, if any, whereby seventy-five per cent (75%) of the aggregate estimated cost of the Trust Equipment, as certified to the Trustee by the Railroad Company in this Lease, exceeds the principal amount of said Trust Certificates.

(b) From time to time at or before the delivery of any of the Trust Equipment to the Railroad Company, as advance rental, amounts in cash equal to the difference between the cost of the Trust Equipment so delivered as certified to the Trustee pursuant to Section 4 of Article I of the Agreement and the amount of Deposited Cash payable in respect thereof pursuant to Section 3 of Article I of the Agreement; provided, however, that the aggregate of all amounts so paid to the Trustee shall never be less than 25% of the cost of all the Trust Equipment which shall then and theretofore have been delivered hereunder.

(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 the Agreement evidencing the same, which the Trustee, as such, by law may be required to pay, but excluding any and all taxes, assessments and other governmental charges which the Railroad Company or

the Trustee may be required to pay or 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 any state, county, municipality or other 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, to the extent that the same may be legally enforceable, on such unpaid dividends, dividend warrants and principal at the same rate per annum as provided in the dividend warrants.

(h) If the Trustee shall invest funds of the trust in United States Government securities, as provided in the Agreement, the amount, if any, by which the selling price of said securities including any accrued interest plus any interest paid to the Trustee on such securities is less than the purchase price thereof including any accrued interest.

The Railroad Company shall not be required, however, to pay any tax, assessment or other governmental charge, so long as the Railroad 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.

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 the Agreement, accept as the cost of any of the Trust Equipment the respective amounts certified to it pursuant to, or in like manner as required by subparagraph (b) of Section 4 of Article I of the agreement. In case any certificate furnished pursuant to said subparagraph (b) of said Section 4 or pursuant to this Lease 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 PP, 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 Railroad Company simultaneously with or after the execution hereof, shall at the option of the Railroad Company be assigned and transferred by the Trustee to the Railroad Company or its nominee or nominees and shall thereupon be and become the absolute property of the Railroad 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 Railroad 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 Railroad Company.

Third. Upon the written request of the Railroad Company, signed by the President or a Vice-President of the Railroad Company, stating that the use of any of the Trust Equipment, by reason of its character or the business of the Railroad Company, is no longer profitable to, or required by the Railroad Company, the Trustee may, in its sole discretion, while the Railroad Company is not in default hereunder, execute and deliver a bill of sale assigning and transferring to a purchaser or purchasers found by the Railroad Company 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 such purchaser or purchasers the agreed purchase price thereof and from the Railroad Company 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 the Agreement, depreciation on the Trust Equipment, or any thereof, shall not exceed an amount equal to ⅛ 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 Company there shall also be delivered to the Trustee a certificate of the President or a Vice-President or the Comptroller of the Railroad Company, 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 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, warranty or warranties, an opinion of counsel and certificates as to delivery and cost in like manner as is provided in Section 4 of Article I of the Agreement; provided, however, that such rolling stock shall not be work equipment, except in substitution for or replacement of work equipment, if any, hereinbefore listed and described. 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 the Agreement in all respects as though it had been part of the original Trust Equipment herein described, and the Railroad Company and the Trustee shall execute, and the Railroad Company shall file and/or record as required by law, a supplemental lease thereof, describing the same, upon and subject to all 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 delivery to the Railroad Company of the Trust Equipment, there shall be plainly, distinctly, permanently and conspicuously placed and fastened upon each side of each unit of the Trust Equipment 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 PP, 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 Company will immediately cause the same to be restored or replaced. The Railroad Company 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 Company. In any such case, if the same be feasible, or necessary, the Railroad Company will at its 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 Company, its successor or successors therein, but the Railroad 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 Railroad Company or by any person, association or corporation, other than the Trustee.

Fifth. (a) The Railroad Company, during the continuance of this Lease, will maintain and keep, at its 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 its 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; provided, however, that such rolling stock shall not be work equipment, except in replacement of work equipment, if any, hereinbefore listed and described. 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 or constructed for such replacement shall be taken in the name of or transferred to 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 Company shall deliver to the Trustee a certificate of the President or a Vice-President or the Comptroller of the Railroad Company, 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 the Agreement.

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

(b) The Railroad Company 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 Company, and, in default of the Railroad Company 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 Company 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 Company 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 Agreement to be made by the Railroad Company, 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 Company.

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 subparagraph (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 Company, to the extent of such funds, for payments made by it in respect of such replacement or repair. A certificate in behalf of the Railroad Company by its President or a Vice-President or the Comptroller 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 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, signed by the President or a Vice-President or the Comptroller of the Railroad Company, 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 Company shall also furnish to the Trustee a statement signed by its Superintendent of Motive Power or an Assistant to Superintendent 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, (but shall not be obligated) to inspect the Trust Equipment once in every year during the continuance of this Lease.

(d) The Railroad 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, 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 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 bearers of the Trust Certificates.

Sixth. The Railroad 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 by it 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 Railroad Company, and also upon connecting and other railroads in the usual interchange of traffic, from and after delivery of the Trust Equipment by the Trustee to the Railroad Company, but only upon and subject to all the terms and conditions of this Lease.

The Railroad 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 Railroad 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. If the Trustee shall receive an opinion of counsel that such proposed action will not impair its title to the Trust Equipment and if in the judgment of the Trustee such action will not be otherwise detrimental to the interests of the Trust Certificate holders, it may, on written request of the Railroad Company setting forth the details of such proposed action and the reasons therefor, consent thereto. A transfer or assignment to a railroad company which shall acquire all or substantially all the lines of railroad of the Railroad Company and which, by execution of an appropriate instrument satisfactory to the Trustee, shall assume and agree to perform each and all of the obligations and covenants of the Railroad Company

hereunder and under the Agreement and under the guaranty provided for in the Agreement shall not be deemed a breach of this covenant, but the appointment of a receiver or receivers or a trustee or trustees in bankruptcy for the Railroad Company, or its property, or the filing of a voluntary petition under the Bankruptcy Act, shall be deemed an unauthorized assignment by the Railroad Company of its rights and interests in the Trust Equipment and shall be deemed a breach of this covenant, unless (a) any such receiver or receivers, or trustee or trustees, shall have been discharged within sixty (60) days after his or their appointment, or within a like period shall have assumed and agreed to perform each and all of the obligations and covenants of the Railroad Company hereunder and under the Agreement, in either case pursuant to due order or authority of the court by which he or they shall have been appointed, or (b) any such petition shall have been withdrawn and proceedings thereon terminated within a like period.

Seventh. In case the Railroad Company

(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 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 actual 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 this Lease or the Agreement (any sum so deposited to be returned to the Railroad Company upon the cancellation of such assignment, transfer or sublease, and the recovery of possession by the Railroad Company of such Trust Equipment in good condition, subject to ordinary usage, as certified to the Trustee by the President or a Vice-President or the Comptroller of the Railroad Company), 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 the 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 the 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 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 the 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 the 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 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 Railroad Company; and no payments theretofore made by the Railroad 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 Railroad 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 Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust, Series PP; 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 Company of rentals then or thereafter due and payable, and the Railroad 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 subparagraphs (a), (b), (c) (d),

(e), (f), (g) and (h) 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 Company, or upon the railroad of any company a majority of whose capital stock is at the time directly or indirectly owned by the Railroad Company, for the delivery of the Trust Equipment to it, the Railroad 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 Railroad Company until the Trustee shall have leased, sold or otherwise disposed of the same, and for such purpose the Railroad 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 covenants contained in this paragraph 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 Company requiring the specific performance thereof.

The remedies in this Lease and in the 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. 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 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 Railroad 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 Railroad 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 Railroad Company.

Eighth. The Railroad Company covenants that prior to the delivery to it of any of the Trust Equipment covered thereby it will cause this Lease and the 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 the Agreement, to be duly filed, registered or recorded and duly refiled, reregistered and rerecorded as required by the provisions of Section 3 of Article IV of the Agreement, 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 the publication and protection of the title of the Trustee to the Trust Equipment.

Ninth. Until it shall have discharged all its obligations under this Lease, the Railroad 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 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 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 constiute but one and the same instrument.

Eleventh. 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 the Agreement, and the

Railroad Company 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,
As Trustee,

By ....., (R. M. Kimball)
Vice-President.

Attest: ....., (V. P. Nelson)
Assistant Secretary.

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

....., (E. W. Lueders)

....., (E. W. Fahrenbach)
Attesting Witnesses.

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By ....., (J. W. Severs)
Vice-President.

Attest: ....., (T. W. Burtness)
Secretary.

Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company in the presence of:

....., (Ruth E. Hall)

....., (C. A. Davis)
Attesting Witnesses.

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, W. G. Everist, 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 7th day of March, 1952, 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. M. Kimball and V. P. Nelson, 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 R. M. Kimball and V. P. Nelson, 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 R. M. Kimball resides in Evanston, in the State of Illinois, and that said V. P. Nelson resides in Chicago, in the State of Illinois, that said R. M. Kimball is a Vice-President and said V. P. Nelson 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 R. M. Kimball, Vice-President, and V. P. Nelson, 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 9, 1952.

W. G. Everist

(W. G. Everist)
Notary Public in and for the State of Illinois, County of Cook.

Form 299

STATE OF ILLINOIS, } ss.
COOK COUNTY. }

I, RICHARD J. DALEY, 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 and duly authorized to issue certificates of magistracy, that W. G. Everist 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 10 day of March A.D. 52

Richard J. Daley County Clerk.

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 this 7th day of March, 1952, 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. W. Severs and T. W. Burtness, each to me personally known and known to me to be respectively a Vice-President and the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 thereunto subscribed as such, and said J. W. Severs and T. W. Burtness, 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. W. Severs resides in Park Ridge, in the State of Illinois, and that said T. W. Burtness resides in Wheaton, in the State of Illinois; that said J. W. Severs is a Vice-President and said T. W. Burtness is the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. Severs, Vice-President, and T. W. Burtness, 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 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 November 17, 1955.

R. W. Spangenberg

(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

Form 299

STATE OF ILLINOIS, } ss.
COOK COUNTY. }

I, RICHARD J. DALEY, 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 and 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 10 day of March A.D. 52

Richard J. Daley County Clerk.

THIS AGREEMENT, dated as of March 1, 1952, by and among **H. J. GROENER** and **H. H. CONLEY** (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 **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY** (hereinafter called the Railroad Company), of the third part, WITNESSETH as follows:

WHEREAS, the Vendors have acquired or will acquire the railroad equipment (which together with the additional and substituted 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 Company prefixed to this Agreement (herein called the Lease), to which Lease reference is hereby made; and

WHEREAS, subscriptions have been or are being secured, in an amount not exceeding $2,400,000 to a fund to be known as Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust, Series PP, 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 $2,400,000 in thirty semiannual installments of $80,000 each, payable respectively on March 1st and September 1st, in each year, beginning on September 1, 1952, and ending on March 1, 1967, 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, the Railroad Company is desirous of securing the use of the Trust Equipment upon and in connection with the properties of the Railroad Company; and

WHEREAS, the Railroad Company represents that all things necessary to make the guaranty of the Railroad Company 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 Company, as herein provided, and 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 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 the 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 or otherwise acquired 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 Company, and the certificate of any and every agent so designated shall be conclusive evidence of such delivery. The Trustee and the Railroad Company, simultaneously with the execution of this Agreement, have executed and delivered the Lease.

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 the Lease or of other instruments 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 PP, herein called the Trust Certificates, upon the deposit in cash with the Trustee of (a) 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 and (b) the instalment of rent, if any, then payable pursuant to subparagraph (a) of Article First of the Lease.

Any interest allowed by the Trustee or earned upon any money 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 credited by the Trustee against the next instalment of rent payable pursuant to subparagraph (c) of Article First of the Lease.

SECTION 3. The term "Deposited Cash," whenever used herein, shall mean 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 (excluding any accrued dividends paid upon the original issue of Trust Certificates), plus any interest allowed or earned thereon and any amounts added thereto pursuant to Section 6 of this Article I. 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. 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 4 of this Article I, pay to the Vendors or upon their order, out of the Deposited Cash an amount which, together with all payments previously made out of Deposited Cash, shall equal seventy-five per cent of the aggregate estimated cost, as certified in the provisions of the Lease, of the Trust Equipment then and theretofore so transferred and delivered to the Trustee, or seventy-five per cent of the aggregate cost of the Trust Equipment then and theretofore so transferred and delivered to the Trustee, as certified to the Trustee pursuant to Section 4 of this Article I, whichever is less. The Trustee shall make payment of the remainder of such certified cost out of the instalment of rental payable on such delivery pursuant to subparagraph (b) of Article First of the Lease.

Should the Vendors transfer and deliver or cause to be transferred and delivered to the Trustee, as required by and in pursuance of the provisions of Section 5 of this Article I, equipment in addition to the original Trust Equipment specifically described in the Lease and should seventy-five per cent of the cost of such additional equipment so transferred and delivered to the Trustee, as such cost is certified to the Trustee pursuant to Section 4 of this Article I, exceed the amount of Deposited Cash held by the Trustee at the time of said transfer and delivery, then the Trustee shall, if requested by the Vendors so to do, pay to the Vendors or upon their order, the full amount of the Deposited Cash at said time held by the Trustee. The Trustee shall make payment of the remainder of such certified cost of said additional equipment out of the instalment of rental payable on such delivery pursuant to subparagraph (b) of Article First of the Lease.

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, that such Trust Equipment is new, standard gauge equipment and stating that the Trust Equipment specified by numbers in such certificate has been marked in accordance with the provisions of Article Fourth of the Lease;

(b) a certificate of the Railroad Company, signed by the President or a Vice-President or the Comptroller of the Railroad Company, certifying that the cost of such Trust Equipment, determined as provided in the Lease, is the amount therein specified;

(c) a bill or bills of sale of such Trust Equipment from the manufacturer to the Trustee, or to the Vendors, and, if to the latter, from the Vendors to the Trustee, each such bill of sale by the manufacturer to contain or be accompanied by a warranty or guaranty of the manufacturer 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 March 1, 1953.

SECTION 5. In the event that, owing to the imposition of restrictions by the United States Government, or any governmental bureau, commission, or agency having authority in the premises, or for any other cause deemed to be sufficient by the Trustee, the Vendors shall be unable to acquire any of the Trust Equipment specifically described in the Lease, the Vendors may cause to be built or acquired and shall sell, assign, transfer, and set over, or cause to be sold, assigned, transferred, and set over unto the Trustee, subject to the provisions of the foregoing Section 4 of this Article I, other new, standard gauge railroad equipment, of such classes or types, and of such material and construction, as may be approved by the Railroad Company; provided, however, that work equipment shall not be acquired except in substitution for work equipment, if any, described in the Lease.

In the event that the aggregate cost of the Trust Equipment specifically described in the Lease, and of any equipment that may be substituted for any thereof in accordance with the provisions of the foregoing paragraph, acquired by the Trustee hereunder, shall not amount to at least $3,200,000, then the Vendors shall cause to be built or acquired and shall sell, assign, transfer and set over, or cause to be sold, assigned, transferred and set over unto the Trustee, subject to the provisions of the foregoing Section 4 of this Article I, other new, standard gauge railroad equipment, other than work equipment, of such classes or types, and of such material and construction, as may be approved by the Railroad Company, and of such cost that the aggregate cost of all the Trust Equipment will be at least $3,200,000.

In case any substituted or additional equipment shall be acquired and transferred to the Trustee in accordance with either of the preceding two paragraphs, the Trustee shall execute to the Railroad Company a supplemental lease of such substituted or additional equipment, describing the same, upon and subject to the terms and conditions hereof and of the Lease, and such substituted or additional equipment shall be part of the Trust Equipment, subject to all the terms and conditions of this Agreement and the Lease in all respects as though it had been part of the original Trust Equipment specifically described in the Lease.

SECTION 6. The Trustee shall, on request of the Railroad Company, invest and keep invested all, or such part of the Deposited Cash not needed by it to pay for Trust Equipment delivered or about to be delivered, as may be designated by the Railroad Company, in such United States Government securities as it may designate. The Trustee, with or without the request of the Railroad Company, may from time to time sell, at the prevailing market prices, such amount of such securities as it may deem necessary to provide cash to pay for Trust Equipment delivered, or about to be delivered, and may, with or without such request, at any time or from time to time, sell at such prices, all or part of such securities, if by reason of a declining market therefor, it believes there is danger of the securities going below par. The Trustee shall sell any such United States Government securities, held by it, when directed by the Railroad Company. The Railroad Company covenants and agrees that, if the selling price of said securities, including any accrued interest, plus any interest paid to the Trustee on such securities, is less than the purchase price thereof, including any accrued interest, the Railroad Company shall forthwith pay to the Trustee the amount of such deficiency as rental, as provided in Article First of the

Lease. All interest received by the Trustee on such securities, and all proceeds of the sale thereof, including accrued interest, if any, shall constitute part of Deposited Cash.

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 principal sum of $2,400,000 at any one time outstanding (subject, however, to the provisions of Section 6 of Article II of this Agreement).

SECTION 8. 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 the Lease otherwise provided for, shall be credited against the next installment of rental payable under subparagraph (f) of Article First of the 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 2⅞ per cent per annum from March 1, 1952, payable semiannually on the first day of March and September in each year. $80,000 principal amount of the Trust Certificates shall become due and payable on March 1 and September 1 in each year beginning on September 1, 1952, and ending on March 1, 1967. Each of said Trust Certificates shall have endorsed thereon the guaranty of the Railroad Company 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 2,400, both inclusive.

Dividend warrants evidencing the rights of the holders of the Trust Certificates to the dividends thereon shall be annexed to the respective definitive Trust Certificates.

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 Company 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 PP

Total Issue not to exceed $2,400,000

Dividends at the rate of Two and Seven-Eighths
Per Cent per Annum
Payable March 1 and September 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 March 1, 1952, (hereinafter referred to as the "Agreement"), among H. J. Groener and H. H. Conley, of the first part, Continental Illinois National Bank and Trust Company of Chicago, Trustee (hereinafter

referred to as the "Trustee"), of the second part, and Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter referred to as the "Railroad Company"), 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 PP, payable on ..... 1, 19...., unless prior payment hereof be required as hereinafter provided, and to dividends thereon at the rate of two and seven-eighths per cent (2⅞%) per annum from March 1, 1952, to said date of maturity, payable semiannually on March first and September 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, 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 Company, dated as of March 1, 1952.

This certificate is one of an issue of certificates, in bearer form, in an aggregate principal amount not exceeding $2,400,000, substantially identical except as to dates of maturity, all issued or to be issued under the Agreement. The terms of the Agreement further provide that said railroad equipment (or deposited cash and United States Government securities in lieu thereof as provided in the Agreement) and the 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 the 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 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 or thereof and with the Trustee and the Railroad Company, 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 Company 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 Company in the 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 the 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 or a facsimile thereof to be printed hereon 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 March, 1952.

CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO,
As Trustee,

By.....
Vice-President.

Attest:

.....
Assistant Secretary.

(Form of Dividend Warrant.)

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

Due to the bearer hereof on the first day of..... ....., 19...., on surrender hereof at the office 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, ... and ..... Dollars, being the semiannual dividend then due on Certificate No. ..... of Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust, Series PP, 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,

By.....
Assistant Secretary.

(Form of Guaranty.)

Chicago, Milwaukee, St. Paul and Pacific Railroad Company, for a valuable consideration, hereby unconditionally guarantees to the bearer of the within Certificate, as provided in the Agreement referred to in said 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 the dividends thereon at the rate of two and seven-eighths per cent (2⅞%) per annum on the semiannual 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.

CHICAGO, MILWAUKEE, ST. PAUL AND
PACIFIC RAILROAD COMPANY,

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, or a facsimile of its corporate seal shall be thereon imprinted and, in either case, 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 any present or future Assistant Secretary of the Trustee, and the Trustee may adopt and use for that purpose any such facsimile signature notwithstanding the fact that any 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 Company 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 Company.

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 Company, 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 Company, 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 Company.

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 Company shall execute its 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 shall 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 Company 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 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 hereafter enacted to the contrary notwithstanding.

ARTICLE III.

SECTION 1. The Railroad 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, but excluding any and all taxes, assessments and other governmental charges which the Railroad Company or the Trustee may be required to pay or 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 any state, county, municipality or other taxing authority therein.

SECTION 2. The Railroad Company covenants and agrees and unconditionally guarantees 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 2⅞ per cent per annum from March 1, 1952, 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, so far as legally enforceable, at the same rate per annum as provided in the dividend warrants); and the Railroad Company further covenants and agrees to endorse upon each of the Trust Certificates, definitive or temporary, at or before the issue and delivery thereof by the Trustee, its 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 Company by such officer or officers as shall have been duly authorized by the Board of Directors of the Railroad Company to sign upon its behalf. In case any of the officers of the Railroad Company who shall have signed such guaranty shall cease to be such officers of the Railroad 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 Railroad Company as though the persons who signed such guaranty had not ceased to be such officers of the Railroad Company.

ARTICLE IV.

SECTION 1. The Railroad Company covenants and agrees that it will promptly pay or cause to paid or dis-

charged, 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 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 the holders of the Trust Certificates in the Trust Equipment.

SECTION 2. The Railroad 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, 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 the Lease or of any instruments executed under the provisions hereof or of the Lease in respect of the Trust Equipment, or any equipment or parts used to replace any of the same.

SECTION 3. The Railroad Company covenants and agrees with all convenient speed to cause this Agreement and the Lease and any supplemental leases and agreements which may be executed under the terms of this Agreement, or of the Lease, to be duly filed and refiled or recorded and rerecorded, as may be required by law, in all states wherein are situated railroad lines which the Railroad Company operates or to which it has title or over which it has 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 Company, and otherwise as may now or hereafter be required by law, so that

this Agreement and the Lease and all other such supplemental instruments may at all times be duly filed and recorded.

SECTION 4. The Railroad 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 the 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 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 Railroad Company shall directly or indirectly be a party to or approve of any arrangement for purchasing or funding any of the 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 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 Railroad 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 Railroad Com-

pany, 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 and of all other 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 the Lease shall happen, the Trustee in its discretion may, and at the request of the bearers of not less than 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 interests of the bearers of the Trust Certificates. Upon the written request of the bearers of not less than 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 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 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 the 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, to the extent legally enforceable, at the same rate per annum as provided in the dividend warrants; and

(2) of the principal of all the 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

March 1, 1967, all arrears of rental (with interest upon any overdue installment, to the extent legally enforceable, at the same rate per annum as provided in the dividend warrants), the expenses and reasonable compensation of the Trustee and all other sums which shall have become due and payable by the Railroad Company hereunder or under the 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 Railroad 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, if so requested by the bearers of a majority in principal amount of the Trust Certificates then outstanding and which shall not have matured according to their terms, shall, by written notice to the Railroad 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, and the 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 Company 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 Company by the Trustee or any such bearer, shall affect the obligations of

the Railroad Company under this Agreement or under the Lease or under its guaranty.

The Railroad Company 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 Railroad Company, 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 the 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 the Lease.

SECTION 2. The Trustee covenants and agrees to apply and distribute the rentals received by it under subparagraphs (c), (d), (e), (f) and (g) of Article First of the 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 and its counsel for their services and all expenses connected with the Trust Equipment and the Lease thereof;

(b) to the payment of any taxes, assessments and other governmental charges upon the income or property of the trust, or this Agreement, which the Trustee as such may by law be required to pay, but excluding

any and all taxes, assessments and other governmental charges which the Railroad Company or the Trustee may be required to pay or 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 any state, county, municipality or other 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, in so far as legally enforceable, 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 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 wilful 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 the Lease are made by and on behalf of the Railroad Company, 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 the 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 rerecording of this Agreement or of the 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 the 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 Company), 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 wilful 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 pursuant thereto.

SECTION 7. The Trustee may, for all purposes, conclusively assume that the Railroad Company is 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 the 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 Company 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, a 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 ap-

pointed by such bearers as herein authorized, the Railroad Company, by an instrument executed by the President or a Vice-President of the Railroad Company, or its duly authorized agent, shall appoint a trustee to fill such vacancy. If the Railroad Company shall fail, within thirty days after the 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 Company 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 Company or by the bearers of a majority in principal amount of the Trust Certificates at the time outstanding the Railroad Company 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 Company 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 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 Railroad 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 Railroad Company.

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 Company 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 reasonable counsel fees, which it may incur hereunder or under the 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 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 of counsel for the Railroad 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 VIII.

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 IX.

At the termination of the 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 Company.

ARTICLE X.

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 XI.

The terms "Trustee" and "Railroad Company" as used herein and in the Lease shall be held and construed to mean, respectively, Continental Illinois National Bank and Trust Company of Chicago, its successors and assigns, and Chicago, Milwaukee, St. Paul and Pacific Railroad Company, its successors and assigns. The term "Trust Equipment" whenever used herein or in the Lease, unless otherwise indicated by the context, is intended to 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 terms "Trust Certificate" or "Trust Certificates," whenever used herein or in the Lease, include, unless the context otherwise indicates, both temporary and definitive certificates. The term "State" whenever used herein or in the 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 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 to or made upon the Railroad Company by depositing a written statement thereof, securely enclosed in a postpaid wrapper in the United States registered mail, directed to the Railroad Company at Union Station Building, Chicago 6, 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 part have hereunto set their hands and seals, and the parties of the second and third parts have caused their respective corporate names to be signed hereto by their respective officers thereunto duly authorized and their respective corporate seals to be hereto affixed, duly attested, as of the day and year first above written.

H. J. Groener (L. S.)
(H. J. Groener)

H. H. Conley (L. S.)
(H. H. Conley)

Signed, sealed and delivered by H. J. Groener and H. H. Conley in the presence of:

E. W. Landers
(E. W. Landers)

E. W. Fahrenbach
(E. W. Fahrenbach)
Attesting Witnesses.

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO,
As Trustee,
By R. M. Kimball,
(R. M. Kimball)
Vice-President.

Attest:
V. P. Nelson
(V. P. Nelson)
Assistant Secretary.

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

E. W. Landers
(E. W. Landers)

E. W. Fahrenbach
(E. W. Fahrenbach)
Attesting Witnesses.

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY

By J. W. Severs,
(J. W. Severs)
Vice-President.

Attest:
T. W. Burtness
(T. W. Burtness)
Secretary.

Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company in the presence of:

Ruth E. Hall,
(Ruth E. Hall)

C. L. Davis,
(C. L. Davis)
Attesting Witnesses.

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, W. G. Everist, 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 March, 1952, 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 H. J. Groener and H. H. Conley, 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 H. J. Groener and H. H. Conley 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 9, 1952.

W. G. Everist
(W. G. Everist)
Notary Public in and for the State of Illinois, County of Cook.

Form 270

STATE OF ILLINOIS, } ss.
COOK COUNTY. }

I, RICHARD J. DALEY, 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 and duly authorized to issue certificates of magistracy, that W. G. Everist 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 10 day of March, 1952.

Richard J. Daley
County Clerk.

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, W. G. Everist, 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 March, 1952, 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. M. Kimball and V. P. Nelson, 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 R. M. Kimball and V. P. Nelson, 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 R. M. Kimball resides in Evanston, in the State of Illinois, and that said V. P. Nelson resides in Chicago, in the State of Illinois; that said R. M. Kimball is a Vice-President, and said V. P. Nelson 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 R. M. Kimball, Vice-President, and V. P. Nelson, Assistant Secretary, know the cor-

porate 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 9, 1952.

W. G. Everist

(W. G. Everist)

Notary Public in and for the State of Illinois, County of Cook.

Form 379

STATE OF ILLINOIS, } ss.
COOK COUNTY. }

I, RICHARD J. DALEY, 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 and duly authorized to issue certificates of magistracy, that W. G. Everist 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 10 day of March 1952

Richard J. Daley County Clerk.

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 7th day of March, 1952, 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. W. Severs and T. W. Burtness, to me personally known and known to me to be, respectively a Vice-President and the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 thereunto subscribed as such, and said J. W. Severs and T. W. Burtness, 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. W. Severs resides in Park Ridge, in the State of Illinois, and that said T. W. Burtness resides in Wheaton, in the State of Illinois; that said J. W. Severs is a Vice-President and said T. W. Burtness is the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. Severs, Vice-President, and T. W. Burtness, Secretary, know the cor-

porate 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 Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires November 17, 1955.

R. W. Spangenberg

(R. W. Spangenberg)

Notary Public in and for the State of Illinois, County of Cook.

State of Wisconsin } ss.
DEPARTMENT OF STATE }

Received this 12TH day of MARCH A. D. 1952 at 10:00 o'clock A.M. and recorded in Vol. 44 of Railroad Mortgages on pages 120-152, incl.

Fred R. Zimmerman
Secretary of State

Form 379

STATE OF ILLINOIS, } ss.
COOK COUNTY. }

I, RICHARD J. DALEY, 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 and 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 10 day of March 1952

Richard J. Daley County Clerk.

PLEASE MAIL TO
SECRETARY,
ILLINOIS CENTRAL RAILROAD CO.
135 EAST 11th PLACE,
CHICAGO 5, ILLINOIS

4

ILLINOIS CENTRAL RAILROAD COMPANY

TO

GUARANTY TRUST COMPANY OF NEW YORK,
TRUSTEE

Supplemental Indenture

Dated June 1, 1952.

Providing for Consolidated Mortgage Thirty Year 4¼% Bonds, Series D
and
Supplementing and Modifying Consolidated Mortgage dated November 1, 1949.

SUPPLEMENTAL INDENTURE, dated June 1, 1952, between ILLINOIS CENTRAL RAILROAD COMPANY, a corporation of the State of Illinois, hereinafter called the Company, party of the first part, and GUARANTY TRUST COMPANY OF NEW YORK, a corporation of the State of New York, hereinafter called the Trustee, party of the second part.

WHEREAS, the Company heretofore executed and delivered to the Trustee an Indenture, dated November 1, 1949 (hereinafter called the Consolidated Mortgage and the defined terms therein being used herein), providing for the issue from time to time of mortgage bonds of the Company known as its Consolidated Mortgage Bonds (hereinafter sometimes called the Bonds); and

WHEREAS, there have been authenticated and delivered and are now outstanding under the Consolidated Mortgage $3,972,000 principal amount of Consolidated Mortgage Thirty Year 3¾% Bonds, Series A (until November 1, 1955, interest rate 4⅜%) due November 1, 1979 (hereinafter called the Bonds of Series A), $5,519,000 principal amount of Consolidated Mortgage Thirty Year 3¾% Bonds, Series B (until November 1, 1955, interest rate 5⅜%) due November 1, 1979 (hereinafter called the Bonds of Series B) and $19,366,000 principal amount of Consolidated Mortgage Twenty-Five Year 3¾% Bonds, Series C due November 1, 1974 (hereinafter called the Bonds of Series C); and

WHEREAS, the Company desires to create a new series of Bonds, to be designated Consolidated Mortgage Thirty Year 4¼% Bonds, Series D (hereafter sometimes called Bonds of Series D), and desires by this Supplemental Indenture, as provided in Sections 1.07 and 16.01(g) of the Consolidated Mortgage, to set forth the terms and provisions of the Bonds of Series D; and

WHEREAS, the Company pursuant to Section 16.01 of the Consolidated Mortgage desires by this Supplemental Indenture to provide additional or other restrictions and limitations upon the issue of

Bonds and additional covenants and undertakings of the Company and to make provision in regard to matters or questions arising under the Consolidated Mortgage as may be necessary or desirable and not inconsistent with the Consolidated Mortgage; and

WHEREAS, the execution and delivery of this Supplemental Indenture has in all respects been duly authorized and all conditions and requirements necessary to make this Supplemental Indenture a valid and binding agreement and to authorize the Bonds of Series D and to effect the modification of the Consolidated Mortgage provided herein, have been duly performed, done and complied with;

NOW, THEREFORE, in consideration of the premises, of the acceptance by the Trustee of the modifications of the trust hereby created, and of the mutual covenants herein contained and of the sum of $10 to it duly paid by the Trustee at or before the execution and delivery of these presents, and for other good and valuable consideration, the receipt whereof is hereby acknowledged, the Company covenants and agrees to and with the Trustee for the equal and proportionate benefit and security of the holders of the Bonds as hereinafter set forth:

ARTICLE I.

Bonds of Series D.

SECTION 1.01. The Bonds of Series D shall be designated Consolidated Mortgage Thirty Year 4¼% Bonds, Series D, shall be issuable at one time or from time to time, in accordance with the terms of the Consolidated Mortgage without the execution of any further supplemental indenture thereunder, (a) shall be dated (except as otherwise provided in the Consolidated Mortgage in respect of registered bonds) as of June 1, 1952; (b) shall mature on June 1, 1982; (c) shall bear interest at the rate of 4¼% per annum, payable semi-annually on June 1 and December 1 after the date thereof until the principal amount

thereof shall become due and payable and at the rate of 6% per annum thereafter; (d) shall be payable as to principal, premium, if any, and interest at the office or agency of the Company in the Borough of Manhattan, City and State of New York, or at the option of the bearer or registered holder thereof at the office or agency of the Company in Chicago, Illinois, 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 public and private debts; (e) shall be redeemable before maturity as a whole or in part at any time, as provided in Section 1.02 hereof and in Article Seventh of the Consolidated Mortgage; (f) shall be issuable as coupon Bonds with the privilege of registration as to principal in denominations of $1,000 and as registered Bonds without coupons in denominations of $1,000 and such multiples thereof as may from time to time be approved by the Company (such approval to be conclusively evidenced by the execution thereof), the coupon Bonds and the registered Bonds without coupons and the several denominations of registered Bonds without coupons being interchangeable in like aggregate principal amounts; (g) shall be entitled to the benefits of the Sinking Fund provided for in Section 1.04 hereof and in Article Eighth of the Consolidated Mortgage; and (h) shall be limited in aggregate principal amount to such principal amount not exceeding $25,000,000 principal amount, as shall be authenticated and delivered pursuant to Section 3.01 of the Consolidated Mortgage prior to July 1, 1954, or as shall be authenticated and delivered upon transfer or in exchange for other Bonds or in lieu of lost, stolen, destroyed or mutilated Bonds.

SECTION 1.02. The Bonds of Series D shall be redeemable before maturity, as a whole or in part by lot, upon notice given as provided in Section 7.04 of the Consolidated Mortgage, at any time at the option of the Company, at a redemption price equal to the principal amount thereof and unpaid interest accrued thereon to the date designated for redemption, plus premiums equal to the following percentages of the principal amount, namely:

If redeemed during twelve months' period beginning June 2	Percentage	If redeemed during twelve months' period beginning June 2	Percentage	If redeemed during twelve months' period beginning June 2	Percentage
1952	5%	1962	4¾%	1972	2¼%
1953	5%	1963	4½%	1973	2%
1954	5%	1964	4¼%	1974	1¾%
1955	5%	1965	4%	1975	1½%
1956	5%	1966	3¾%	1976	1¼%
1957	5%	1967	3½%	1977	1%
1958	5%	1968	3¼%	1978	¾%
1959	5%	1969	3%	1979	½%
1960	5%	1970	2¾%	1980	¼%
1961	5%	1971	2½%		

and without premium if redeemed after June 1, 1981;

or at any time after November 1, 1955, through the operation of the Sinking Fund provided for in Section 1.04 hereof and in Article Eighth of the Consolidated Mortgage, at a redemption price equal to the principal amount thereof and unpaid interest accrued thereon to the date designated for redemption, plus premiums equal to the following percentages of the principal amount, namely:

If redeemed during twelve months' period beginning June 2	Percentage	If redeemed during twelve months' period beginning June 2	Percentage	If redeemed during twelve months' period beginning June 2	Percentage
1955	2½%	1964	2⅛%	1973	1%
1956	2½%	1965	2%	1974	⅞%
1957	2½%	1966	1⅞%	1975	¾%
1958	2½%	1967	1¾%	1976	⅝%
1959	2½%	1968	1⅝%	1977	½%
1960	2½%	1969	1½%	1978	⅜%
1961	2½%	1970	1⅜%	1979	¼%
1962	2⅜%	1971	1¼%	1980	⅛%
1963	2¼%	1972	1⅛%		

and without premium if redeemed after June 1, 1981.

Upon presentation of any registered Bond of Series D without coupons which is to be redeemed in part only, the Company shall execute and the Trustee shall authenticate and deliver to the registered

holder thereof, without cost to such holder, a new Bond or Bonds of Series D, of authorized denominations, for the unredeemed portion of the Bond of Series D so presented or, at the option of such registered holder, there may be noted thereon by or at the direction of the Trustee the payment of the portion of the principal amount of such Bond of Series D so called for redemption; provided, however, that payment of the redemption price of a portion of any Bond of Series D may be made direct to the registered owner thereof without presentation or surrender thereof if there shall have been filed with the Trustee an agreement between the Company and such registered holder or the person for whom such registered holder is a nominee that (1) payment will be so made, (2) such registered holder will make notations on such Bond of Series D of the portions thereof so redeemed, (3) such registered holder will promptly notify the Company and the Trustee of the making of such notations, and (4) such registered holder will not sell, transfer or otherwise dispose of such Bond of Series D unless prior to any delivery thereof it shall surrender the same to the Trustee in exchange for a new Bond or Bonds of Series D for the unredeemed balance of the principal amount thereof.

SECTION 1.03. The Bonds of Series D, the coupons to be attached to the coupon Bonds of Series D and the Trustee's certificate of authentication on the Bonds of Series D shall be substantially in the following forms:

[FORM OF COUPON BONDS OF SERIES D]

No. $1,000

ILLINOIS CENTRAL RAILROAD COMPANY

Consolidated Mortgage Thirty Year 4¼% Bonds, Series D
Due June 1, 1982

Illinois Central Railroad Company, a corporation of the State of Illinois (hereinafter called the Company), for value received, hereby promises to pay to the bearer, or if this Bond be registered as to

principal, to the registered holder hereof, on the first day of June, 1982 (unless this Bond shall be called for previous redemption and payment thereof duly provided for) One thousand dollars ($1,000), and to pay interest on said principal amount from the date hereof, at the rate of four and one-quarter per cent. (4¼%) per annum, semi-annually, on the first day of June and on the first day of December in each year until said principal amount shall become due and payable, but only according to the tenor and upon presentation and surrender of the interest coupons appertaining hereto, as they severally mature; and to pay interest at the rate of six per cent. (6%) per annum on any overdue principal and, to the extent permitted by law, on any overdue instalments of interest. Payment of the principal of, and premium, if any, and interest on, this Bond will be made at the office or agency of the Company in the Borough of Manhattan, City and State of New York, or, at the option of the bearer or registered holder hereof, at the office or agency of the Company in Chicago, Illinois, 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 public and private debts.

This Bond is one of the Consolidated Mortgage Bonds of the Company, hereinafter sometimes called the Bonds, all issued and to be issued in one or more series under, and equally secured by, an indenture, dated November 1, 1949, executed by the Company to Guaranty Trust Company of New York, as Trustee (hereinafter sometimes called the Trustee), as supplemented by a supplemental indenture dated June 1, 1952, to which indenture and any and all supplements thereto (hereinafter sometimes collectively called the Consolidated Mortgage) reference is hereby made for a description of the properties and franchises mortgaged and pledged, the nature and extent of the security and the rights of the holders of the Bonds and coupons and the rights, duties and immunities of the Trustee thereunder. This Bond is one of a series of the Bonds known as the Consolidated Mortgage Thirty Year 4¼% Bonds, Series D, hereinafter sometimes called the Bonds of Series D, which are limited to the aggregate principal amount of not exceeding $25,000,000.

The Bonds are issuable in series and the several series of Bonds may be for varying aggregate principal amounts, and the Bonds of any

one series may differ from the Bonds of any other series as to date, maturity, interest rate, redemption, conversion, and sinking fund provisions, if any, and otherwise, all as in the Consolidated Mortgage provided.

If an event of default, as defined in the Consolidated Mortgage, shall occur, the principal of the Bonds may be declared, or may become, due and payable in the manner and with the effect provided in the Consolidated Mortgage.

The Consolidated Mortgage permits the amendment thereof and the modification or alteration, in any respect, of the rights and obligations of the Company and the rights of the holders of the Bonds of all or any series and the holders of appurtenant coupons, if any, thereunder and hereunder at any time by the concurrent action of the Company and of the holders of specified percentages of the Bonds then outstanding, affected by such amendment, modification or alteration (including, in the case, among others, of a modification of the terms of payment of the principal of, or premium or interest on, this Bond, the consent of the holder hereof), all as more fully provided in the Consolidated Mortgage.

The Bonds of Series D are entitled to the benefit of the Sinking Fund provided for in the Consolidated Mortgage, to the extent therein provided.

As provided in the Consolidated Mortgage, the Bonds of Series D are redeemable before maturity through the operation of the Sinking Fund at any time after November 1, 1955, or at the option of the Company at any time, as a whole or from time to time in part, upon publication of notice of such redemption once in each calendar week for four successive weeks, the first publication to be not less than 30 days nor more than 60 days prior to the date designated for such redemption, in two newspapers printed in the English language, one customarily published on each business day and of general circulation in the Borough of Manhattan, City and State of New York, and one customarily published on each business day and of general circulation in the City of Chicago, State of Illinois; and if the redemption be at the option of the Company and not through the operation of the Sinking Fund, upon payment of the principal amount thereof and unpaid interest accrued thereon to the date designated for redemption, plus

premiums equal to the following percentages of the principal amount, namely:

If Redeemed During Twelve Months' Period Beginning June 2

Year	Percentage	Year	Percentage	Year	Percentage
1952	5%	1962	4¾%	1972	2¼%
1953	5%	1963	4½%	1973	2%
1954	5%	1964	4¼%	1974	1¾%
1955	5%	1965	4%	1975	1½%
1956	5%	1966	3¾%	1976	1¼%
1957	5%	1967	3½%	1977	1%
1958	5%	1968	3¼%	1978	¾%
1959	5%	1969	3%	1979	½%
1960	5%	1970	2¾%	1980	¼%
1961	5%	1971	2½%		

and without premium if redeemed after June 1, 1981; or if the redemption be through the operation of the Sinking Fund, upon payment of the principal amount thereof and unpaid interest accrued thereon to the date designated for redemption, plus premiums equal to the following percentages of the principal amount, namely:

If Redeemed During Twelve Months' Period Beginning June 2

Year	Percentage	Year	Percentage	Year	Percentage
1955	2½%	1964	2⅛%	1973	1%
1956	2½%	1965	2%	1974	⅞%
1957	2½%	1966	1⅞%	1975	¾%
1958	2½%	1967	1¾%	1976	⅝%
1959	2½%	1968	1⅝%	1977	½%
1960	2½%	1969	1½%	1978	⅜%
1961	2½%	1970	1⅜%	1979	¼%
1962	2⅜%	1971	1¼%	1980	⅛%
1963	2¼%	1972	1⅛%		

and without premium, if redeemed after June 1, 1981. If this Bond is duly called for redemption and payment duly provided for, this Bond shall cease to bear interest on and after the date designated for such redemption.

No recourse shall be had for the payment of the principal of, or premium, if any, or interest on, this Bond or any part thereof, or for any claim based thereon or otherwise in respect thereof, or based on or in respect of the indebtedness represented thereby or of the Consolidated Mortgage, against any incorporator or any past, present or future subscriber to the capital stock, stockholder, officer or director of the Company or of any successor corporation, as such, either directly or through the Company or any successor corporation, whether by any legal or equitable proceeding, under any rule of law, statute or constitution or by the enforcement of any assessment or penalty or otherwise, all such liability of incorporators, subscribers, stockholders, officers and directors, as such, being expressly waived and released by the holder hereof by the acceptance of this Bond, and as part of the consideration for the issue hereof, and being likewise waived and released by the terms of the Consolidated Mortgage.

This Bond shall be transferable by delivery unless registered as to principal in the holder's name at the office or agency of the Company in the Borough of Manhattan, City and State of New York, or, at the office or agency of the Company in Chicago, Illinois, such registration being noted hereon. After such registration no further transfer hereof shall be valid unless made at either of said offices or agencies by the registered holder hereof, in person or by attorney duly authorized, 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. This Bond shall continue to be subject to successive registrations and transfers to bearer at the option of the bearer or registered holder. Such registration, however, shall not affect the transferability by delivery of the coupons, which shall always remain payable to bearer and transferable by delivery. The Company and the Trustee may deem and treat the bearer of this Bond, or, if this Bond is registered as herein authorized, the person in whose name the same is registered, as the absolute owner hereof for all purposes. The Company and the Trustee may deem and treat the bearer of any coupon appurtenant to this Bond (whether or not this Bond is registered as to principal) as the absolute owner of such coupon, for all purposes.

The holder of any coupon Bond or Bonds of this series may, at his option, surrender for cancellation his Bond or Bonds, with all

unpaid coupons thereto appertaining, at either of said offices or agencies in exchange for a registered Bond or Bonds without coupons of this series of authorized denominations for the same aggregate principal amount, and any such registered Bond or Bonds without coupons may in turn be re-exchanged for a coupon Bond or Bonds of this series for the same aggregate principal amount with all unpaid coupons thereto appertaining, in each case as provided in the Consolidated Mortgage, and on payment, if the Company shall so require, of the charges therein authorized.

Neither this Bond nor any coupon appertaining hereto shall be entitled to any benefits under the Consolidated Mortgage, or be valid or obligatory for any purpose, until this Bond shall have been authenticated by the certificate hereon of the Trustee.

In Witness Whereof, Illinois Central Railroad Company has caused this Bond to be signed by its President, or one of its Vice-Presidents, and its corporate seal or a facsimile thereof to be hereunto affixed or imprinted or engraved hereon and to be attested by its Secretary, or one of its Assistant Secretaries, and coupons for said interest, bearing the engraved facsimile signature of its Treasurer, to be attached hereto, as of June 1, 1952.

Illinois Central Railroad Company

By.....
Vice-President

Attest:

.....
Assistant Secretary

[Form of interest coupons for bonds of series D]

No. .....

$21.25

On the 1st day of , 19 , unless the Bond hereinafter mentioned shall have been called for previous redemption and payment duly provided for, Illinois Central Railroad Company will pay to the bearer, upon surrender of this coupon, at the office or agency of the

Company in the Borough of Manhattan, City and State of New York, or, at the option of the bearer, at the office or agency of the Company, in Chicago, Illinois, Twenty-one and 25/100ths Dollars 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 public and private debts, being six months' interest then due on its Consolidated Mortgage Thirty Year 4¼% Bond, Series D, due June 1, 1982, No.

.....
Treasurer.

[Form of registered bond of series D]

No. ..... $

ILLINOIS CENTRAL RAILROAD COMPANY

Consolidated Mortgage Thirty Year 4¼% Bond, Series D

Due June 1, 1982.

Illinois Central Railroad Company, a corporation of the State of Illinois (hereinafter called the Company), for value received, hereby promises to pay to or registered assigns, on the first day of June, 1982 (unless this Bond shall be called for previous redemption and payment thereof duly provided for),

dollars, and to pay interest on said principal amount from the date hereof at the rate of four and one-quarter per cent. (4¼%) per annum, semi-annually, on the first day of June and on the first day of December in each year until said principal amount shall become due and payable; and to pay interest at the rate of six per cent. (6%) per annum on any overdue principal and, to the extent permitted by law, on any overdue instalments of interest. Payment of the principal of, and premium, if any, and interest on, this Bond will be made at the office or agency of the Company in the Borough of Manhattan, City and State of New York, or, at the option of the registered holder hereof, at the office or agency of the Company in Chicago, Illinois, 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 public and private debts.

This Bond is one of the Consolidated Mortgage Bonds of the Company, hereinafter sometimes called the Bonds, all issued and to be issued in one or more series under, and equally secured by, an indenture, dated November 1, 1949, executed by the Company to Guaranty Trust Company of New York, as Trustee (hereinafter sometimes called the Trustee), as supplemented by a supplemental indenture dated June 1, 1952, to which indenture and any and all supplements thereto (hereinafter sometimes collectively called the Consolidated Mortgage) reference is hereby made for a description of the properties and franchises mortgaged and pledged, the nature and extent of the security and the rights of the holders of the Bonds and coupons and the rights, duties and immunities of the Trustee thereunder. This Bond is one of a series of Bonds known as the Consolidated Mortgage Thirty Year 4¼% Bonds, Series D, hereinafter sometimes called the Bonds of Series D, which are limited to the aggregate principal amount of not exceeding $25,000,000.

The Bonds are issuable in series and the several series of Bonds may be for varying aggregate principal amounts, and the Bonds of any one series may differ from the Bonds of any other series as to date, maturity, interest rate, redemption, conversion, and sinking fund provisions, if any, and otherwise, all as in the Consolidated Mortgage provided.

If an event of default, as defined in the Consolidated Mortgage, shall occur, the principal of the Bonds may be declared, or may become, due and payable in the manner and with the effect provided in the Consolidated Mortgage.

The Consolidated Mortgage permits the amendment thereof and the modification or alteration, in any respect, of the rights and obligations of the Company and the rights of the holders of the Bonds of all or any series and the holders of appurtenant coupons, if any, thereunder and hereunder at any time by the concurrent action of the Company and of the holders of specified percentages of the Bonds then outstanding, affected by such amendment, modification or alteration (including, in the case, among others, of a modification of the terms of payment of the principal of, or premium or interest on, this Bond, the consent of the registered holder hereof), all as more fully provided in the Consolidated Mortgage.

The Bonds of Series D are entitled to the benefit of the Sinking Fund provided for in the Consolidated Mortgage, to the extent therein provided.

As provided in the Consolidated Mortgage, the Bonds of Series D are redeemable before maturity through the operation of the Sinking Fund at any time after November 1, 1955, or at the option of the Company at any time, as a whole or from time to time in part, upon publication of notice of such redemption once in each calendar week for four successive weeks, the first publication to be not less than 30 days nor more than 60 days prior to the date designated for such redemption, in two newspapers printed in the English language, one customarily published on each business day and of general circulation in the Borough of Manhattan, City and State of New York, and one customarily published on each business day and of general circulation in the City of Chicago, State of Illinois; and if the redemption be at the option of the Company and not through the operation of the Sinking Fund, upon payment of the principal amount thereof and unpaid interest accrued thereon to the date designated for redemption, plus premiums equal to the following percentages of the principal amount, namely:

If Redeemed During Twelve Months' Period Beginning June 2

Year	Percentage	Year	Percentage	Year	Percentage
1952	5%	1962	4¾%	1972	2¼%
1953	5%	1963	4½%	1973	2%
1954	5%	1964	4¼%	1974	1¾%
1955	5%	1965	4%	1975	1½%
1956	5%	1966	3¾%	1976	1¼%
1957	5%	1967	3½%	1977	1%
1958	5%	1968	3¼%	1978	¾%
1959	5%	1969	3%	1979	½%
1960	5%	1970	2¾%	1980	¼%
1961	5%	1971	2½%		

and without premium if redeemed after June 1, 1981; or if the redemption be through the operation of the Sinking Fund, upon payment of the principal amount thereof and unpaid interest accrued thereon to the date designated for redemption, plus premiums equal to the following percentages of the principal amount, namely:

If Redeemed During Twelve Months' Period Beginning June 2

Year	Percentage	Year	Percentage	Year	Percentage
1955	2½%	1964	2⅛%	1973	1%
1956	2½%	1965	2%	1974	⅞%
1957	2½%	1966	1⅞%	1975	¾%
1958	2½%	1967	1¾%	1976	⅝%
1959	2½%	1968	1⅝%	1977	½%
1960	2½%	1969	1½%	1978	⅜%
1961	2½%	1970	1⅜%	1979	¼%
1962	2⅜%	1971	1¼%	1980	⅛%
1963	2¼%	1972	1⅛%		

and without premium, if redeemed after June 1, 1981. If this Bond is duly called for redemption and payment duly provided for, this Bond shall cease to bear interest on and after the date designated for such redemption.

No recourse shall be had for the payment of the principal of, or premium, if any, or interest on, this Bond or any part thereof, or for any claim based thereon or otherwise in respect thereof, or based on or in respect of the indebtedness represented thereby or of the Consolidated Mortgage, against any incorporator or any past, present or future subscriber to the capital stock, stockholder, officer or director of the Company or of any successor corporation, as such, either directly or through the Company or any successor corporation, whether by any legal or equitable proceeding, under any rule of law, statute or constitution or by the enforcement of any assessment or penalty or otherwise, all such liability of incorporators, subscribers, stockholders, officers and directors, as such, being expressly waived and released by the holder hereof by the acceptance of this Bond, and as part of the consideration for the issue hereof, and being likewise waived and released by the terms of the Consolidated Mortgage.

This Bond is transferable by the registered holder hereof, in person or by attorney duly authorized, at the office or agency of the Company in the Borough of Manhattan, City and State of New York, or at the office or agency of the Company in Chicago, Illinois, upon surrender and cancellation of this Bond, and, thereupon, one or more new registered Bonds without coupons, of this series, of authorized denominations and for the same aggregate principal amount, will be issued

to the transferee in exchange therefor, as provided in the Consolidated Mortgage, and on payment, if the Company shall so require, of the charges provided for in the Consolidated Mortgage. The Company and the Trustee may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for all purposes.

This Bond may be exchanged at either of said offices or agencies for one or more registered Bonds, without coupons, of this series, of other authorized denominations and for the same aggregate principal amount, or for one or more coupon Bonds of this series for the same aggregate principal amount, with all unpaid coupons thereto appertaining and any such coupon Bond or Bonds with all unpaid coupons thereto appertaining, may, in turn, be re-exchanged for a registered Bond or Bonds without coupons of this series of authorized denominations and for the same aggregate principal amount, in each case as provided in the Consolidated Mortgage, and on payment, if the Company shall so require, of the charges therein authorized.

This Bond shall not be entitled to any benefit under the Consolidated Mortgage, and shall not be valid or obligatory for any purpose, until it shall have been authenticated by the certificate hereon of the Trustee.

In Witness Whereof, Illinois Central Railroad Company has caused this Bond to be signed by its President, or one of its Vice-Presidents, and its corporate seal or a facsimile thereof to be hereunto affixed or imprinted or engraved hereon and to be attested by its Secretary, or one of its Assistant Secretaries, as of ,

Illinois Central Railroad Company,

By_____
Vice-President.

Attest:

_____
Assistant Secretary.

[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

This Bond is one of the Bonds, of the Series designated therein, referred to in the within-mentioned Consolidated Mortgage.

GUARANTY TRUST COMPANY OF NEW YORK,
Trustee

By.....
Authorized Officer.

SECTION 1.04. The Company covenants and agrees that, so long as any of the Bonds of Series D are outstanding, the amount payable into the Sinking Fund established in Section 8.01 of the Consolidated Mortgage (for Bonds of Series A, Bonds of Series B and Bonds of Series C so long as any of the Bonds of such series are outstanding) shall be increased by an amount equal to 1% of the aggregate principal amount of Bonds of Series D theretofore authenticated and delivered, and that it will pay to the Trustee on or before May 1 in each calendar year beginning with May 1, 1953, to the extent that the consolidated net income of the Company and its 90% Subsidiaries for the preceding calendar year, determined as provided in Section 8.02 of the Consolidated Mortgage, is sufficient for the purpose, such augmented amount. If while any Bonds of Series D are outstanding, there shall be no Bonds of Series A, Bonds of Series B or Bonds of Series C still outstanding, the amount payable into the Sinking Fund shall be, to the extent that the consolidated net income of the Company and its 90% Subsidiaries for the preceding calendar year, determined as above provided, is sufficient for the purpose, a sum equal to 1% of the aggregate principal amount of the Bonds of Series D theretofore authenticated and delivered. The Sinking Fund established in Section 8.01 of the Consolidated Mortgage as augmented and amended by the foregoing provisions of this Section 1.04, is hereinafter called the Sinking Fund. The Sinking Fund requirements shall be cumulative, however, so that on May 1

of the succeeding calendar year or years any such consolidated net income for the preceding calendar year shall be paid into the Sinking Fund to the extent necessary to make up any amount by which payments to the Sinking Fund in previous years shall have aggregated less than the maximum amounts payable under this Section 1.04 and to meet the Sinking Fund requirement for the then current year.

For purposes of this Section 1.04 references to Bonds of Series D authenticated and delivered shall not be deemed to include (a) Bonds of Series D held in the treasury of the Company which have never been issued or pledged and (b) Bonds of Series D authenticated and delivered upon a transfer of which or in exchange or in substitution for or in lieu of which other Bonds of Series D shall have been authenticated and delivered under any of the provisions of the Consolidated Mortgage.

In lieu of any cash payment required by this Section 1.04, the Company may deliver to the Trustee Outstanding Prior Lien Bonds or (after November 1, 1955) Bonds of Series A, Bonds of Series B, Bonds of Series C or Bonds of Series D (hereinafter in this Section 1.04 sometimes called the Original Bonds) theretofore issued by the Company and repurchased or may apply any Outstanding Prior Lien Bonds, theretofore pledged under the Consolidated Mortgage pursuant to Section 6.02 thereof and not theretofore made the basis for the authentication and delivery of Bonds. Each such Outstanding Prior Lien Bond or Original Bond shall be credited against the Company's obligations under this Section 1.04 in an amount equal to the lower of (a) the principal amount thereof or (b) the cost thereof to the Company (exclusive of accrued interest), as shown by an Officers' Certificate filed with the Trustee.

The Bonds of Series D shall for all purposes of Article Eighth of the Consolidated Mortgage, as permitted by Section 8.06 thereof, be deemed to be included in the term "Eligible Bonds" as that term is used in said Article Eighth and each cash payment into the Sinking

Fund pursuant to this Section 1.04 shall be applied to the retirement of Eligible Bonds as provided in, and subject to the terms, conditions and limitations of, said Article Eighth, including the limitations that (1) Sinking Fund payments made pursuant to this Section 1.04 prior to November 1, 1955, shall be applied only to the retirement of Outstanding Prior Lien Bonds so long as any thereof shall remain outstanding, (2) the principal amount of Bonds of Series D to be redeemed in any one year at the Sinking Fund redemption price shall in no event exceed 2% of the aggregate principal amount of the Bonds of Series D theretofore authenticated and delivered, (3) any Bonds of Series D purchased for the Sinking Fund from the Company shall have theretofore been issued by the Company and repurchased and (4) any Officers' Certificate filed with the Trustee pursuant to the third paragraph of Section 8.04 of the Consolidated Mortgage shall state, in the case of any Bonds of Series D, that such Bonds of Series D were theretofore issued and repurchased by the Company.

ARTICLE II.

Amendments to the Consolidated Mortgage.

SECTION 2.01. The definition of "Bondable Expenditures" in Section 1.01 of the Consolidated Mortgage is hereby amended as follows:

(1) The second sentence of said definition is amended to read as follows:

"If the Company shall, after December 31, 1948, acquire any property includible within (a) next above which secures any Outstanding Prior Lien Debt (other than Outstanding Prior Lien Bonds) or any securities includible within (b) next above of a corporation which has any Outstanding Prior Lien Debt (other than Outstanding Prior Lien Bonds), the aggregate principal amount of such Outstanding Prior Lien Debt at the time of such

acquisition, whether or not assumed by the Company, shall be included in Bondable Expenditures."

(2) Said definition is amended by adding the following sentence immediately before the next to the last sentence of said definition:

"Items chargeable to said accounts (701), (702) and (705) of the Company for the acquisition by the Company of property (a) from a corporation which was a 90% Subsidiary at the date of the execution of this Indenture shall not be deemed to be Bondable Expenditures, (b) from a corporation which becomes a 90% Subsidiary after the date of execution of this Indenture or from a Lessor Company shall be deemed to be Bondable Expenditures only as to the excess thereof over the sum of all Bondable Expenditures made prior to the date of such acquisition in respect of the property of, or the acquisition of securities of, such 90% Subsidiary or such Lessor Company, and (c) from a corporation (other than a 90% Subsidiary) 90% or more of the stock of which was owned or controlled by the Company at the date of execution of this Indenture shall not be deemed to be Bondable Expenditures except to the extent of the excess of (i) items which would have been Bondable Expenditures if such corporation had been a 90% Subsidiary when such items were first properly chargeable to one of such accounts of such corporation over (ii) items which would have been Capital Deductions if the property of such corporation had been owned by the Company at all times after December 31, 1948."

SECTION 2.02. Section 1.01 of the Consolidated Mortgage is hereby amended by including therein the following definition:

"'Capital Expenditures' means

(a) Bondable Expenditures first properly chargeable after December 31, 1951;

(b) the excess of (i) expenditures made by the Company after December 31, 1951, for the acquisition or construction of new railroad rolling stock, other than work equipment, over (ii)

the portion of such expenditures reimbursed to the Company through an Equipment Agreement; *provided, however,* that none of the expenditures of the Company for particular railroad rolling stock shall be included in Capital Expenditures if more than 80% of the cost of acquisition or construction thereof is financed by an Equipment Agreement; and

(c) expenditures made by the Company after December 31, 1951, for the acquisition or retirement of Outstanding Prior Lien Debt (other than Prior Lien Bonds)."

SECTION 2.03. The definition of "Subsidiary" in Section 1.01 of the Consolidated Mortgage is hereby amended to read as follows:

"'Subsidiary' means and includes any corporation organized for the purpose of engaging in transportation by railroad, 50% or more of the stock of which entitled to vote for the election of directors under ordinary circumstances is owned by the Company and/or by one or more other Subsidiaries, but only if all stock of such corporation and of such other Subsidiary or Subsidiaries owned by the Company is subject to the lien of this Indenture as a first lien thereon (subject only to one or more of the indentures securing Outstanding Prior Lien Bonds) and if any stock of such corporation owned by one or more other Subsidiaries is subject to no lien, charge or encumbrance thereon."

SECTION 2.04. The definition of "90% Subsidiary" in Section 1.01 of the Consolidated Mortgage is hereby amended to read as follows:

"'90% Subsidiary' means any corporation organized for the purpose of engaging in transportation by railroad 90% or more of the stock of which entitled to vote for directors under ordinary circumstances is owned by the Company and is subject to the lien of this Indenture as a first lien thereon (subject only to one or more of the indentures securing Outstanding Prior Lien Bonds)."

SECTION 2.05. Section 2.03 of the Consolidated Mortgage is hereby amended by adding the following at the end thereof:

"The Company will not apply for the authentication and delivery of Bonds under Article Fourth hereof except for the purpose of the prompt sale or pledge thereof. In the event that the Company shall not have sold or pledged any Bonds authenticated and delivered under Article Fourth hereof within three months after the date of authentication and delivery thereof, the Company will surrender to the Trustee such Bonds, together with all coupons, if any, appertaining thereto, whereupon such Bonds and coupons, if not previously canceled, shall be canceled by the Trustee and the Company shall thereafter be entitled to have Bonds authenticated and delivered under Article Fourth hereof in all respects as though such Bonds so surrendered had not theretofore been authenticated and delivered."

SECTION 2.06. Section 3.03 of the Consolidated Mortgage is hereby amended by adding the following at the end thereof:

"Bonds in excess of $25,000,000 aggregate principal amount shall not be authenticated and delivered after December 31, 1951, pursuant to Section 3.01 hereof to refund Outstanding Prior Lien Bonds, other than Joint First Refunding Bonds, unless the Company shall have made Capital Expenditures, not included as Bondable Expenditures in any Officers' Certificate theretofore filed pursuant to Section 4.03, Section 4.04 or Section 10.10 hereof and not constituting expenditures for the acquisition or retirement of Outstanding Prior Lien Debt theretofore refunded pursuant to Section 3.06, in an amount (after deducting any Prior Lien Debt included in determining the amount of any Bondable Expenditures included in such Capital Expenditures) not less than the principal amount of Bonds in excess of $25,000,000 so to be authenticated."

SECTION 2.07. Subparagraphs (4) and (5) of Section 3.04 of the Consolidated Mortgage are hereby amended to read as follows:

"(4) an Officers' Certificate which shall give such facts as may be necessary to show that the proposed authentication and

delivery of Bonds is in compliance with Section 3.03 hereof and which, to the extent that compliance with the last paragraph of said Section 3.03 is required, shall:

(a) describe in reasonable detail Capital Expenditures in an aggregate amount (after deducting any Prior Lien Debt included in determining the amount of any Bondable Expenditures included in such Capital Expenditures) at least equal to the principal amount of Bonds the authentication and delivery of which is requested, *provided, however,* that there shall not be included any Capital Expenditures included in Officers' Certificates theretofore filed pursuant to this Section 3.04, any Capital Expenditures included as Bondable Expenditures in Officers' Certificates theretofore filed pursuant to Section 4.03, Section 4.04 and Section 10.10, respectively, or any Capital Expenditures for the acquisition or retirement of Outstanding Prior Lien Debt (other than Prior Lien Bonds), in respect of the refunding of which application for the authentication and delivery of Bonds under Section 3.06 or the withdrawal of Deposited Cash under Section 5.01 for purposes specified in Section 3.06, has theretofore been made;

(b) state the respective amounts of such Capital Expenditures charged to each account or accounts (and subdivisions thereof applicable thereto) under the Accounting Rules, including, with respect to securities, the name of the security, the amount acquired and the amounts charged therefor, and the account or accounts charged, state whether such amounts were paid in cash, by delivery of property or securities or by acquisition subject to Outstanding Prior Lien Debt and show which of the Capital Expenditures therein described were made for Bondable Additions owned by the Company, which for Bondable Additions on property leased to the Company and not owned by a 90% Subsidiary and which for Bondable Additions owned by a 90% Subsidiary;

(c) to the extent that such Capital Expenditures include expenditures for the acquisition of securities of any corporation, (u) briefly describe the property owned by such corporation, (v) briefly describe the outstanding securities of such corpora-

tion, (w) state which thereof will be owned by the Company after such acquisition, (x) state that such corporation was a Subsidiary prior to such acquisition or that such corporation after such acquisition will be a Subsidiary and that any securities of such corporation so acquired were outstanding in the hands of the public and specify which of such securities constituted Prior Lien Debt prior to such acquisition and (y) state the character and amount of any Outstanding Prior Lien Debt of such corporation;

(d) state whether any of such Capital Expenditures are in respect of Bondable Additions that will thereafter secure any Outstanding Prior Lien Debt (other than Outstanding Prior Lien Bonds), or the acquisition of securities of any corporation having any Outstanding Prior Lien Debt (other than Outstanding Prior Lien Bonds), and, if any such Capital Expenditures are in respect of any such Bondable Additions or any such acquisition, state, or incorporate by reference to an Officers' Certificate theretofore filed hereunder, the character and amounts of such Outstanding Prior Lien Debt; and

(e) to the extent that such Capital Expenditures include expenditures for the acquisition or construction of railroad rolling stock, state that none of such Capital Expenditures include expenditures for particular railroad rolling stock, more than 80% of the cost of acquisition or construction of which shall have been theretofore financed by an Equipment Agreement.

(5) an Opinion of Counsel stating that the action so requested is authorized by the provisions of this Article Third and that the instruments furnished to the trustee in connection therewith are in compliance with the provisions of this Section 3.04 and stating, with reference to the Capital Expenditures shown in such Officers' Certificate,

(i) as to any Capital Expenditures certified to have been made for Bondable Additions owned by the Company, that such Bondable Additions are (or, upon the authentication and delivery of the Bonds applied for will become) subject to the lien of this Indenture, as a lien thereon subject only to Excepted Encum-

brances and to the Prior Liens securing the Outstanding Prior Lien Bonds or the other Outstanding Prior Lien Debt, if any, specified in such Officers' Certificate;

(ii) as to any Capital Expenditures certified to have been made for Bondable Additions to property leased to the Company (other than Bondable Additions owned by a 90% Subsidiary), that the lease thereof to the Company is a Mortgaged Lease and that the Lessor Company under such Mortgaged Lease has title to such Bondable Additions;

(iii) as to any Capital Expenditures certified to have been made for Bondable Additions owned by a corporation other than the Company and not to property leased to the Company under a Mortgaged Lease, that such corporation is a 90% Subsidiary and that such 90% Subsidiary has title to such Bondable Additions;

(iv) that no conveyances, declarations or instruments of further assurance are necessary for the purpose of subjecting to the lien of this Indenture any such Bondable Additions owned by the Company, or, as the case may be, the Company's right, if any, to be reimbursed for any such Capital Expenditures under any Mortgaged Lease, except such, if any, as may be delivered to the Trustee with such opinion for such purpose; and, if any conveyances, declarations or instruments of further assurance be delivered to the Trustee with such opinion, that the same accomplish such purpose;

(v) as to Capital Expenditures for the acquisition of securities of a corporation, that such corporation is or after such acquisition will be a Subsidiary, that the securities so acquired are valid outstanding securities of such corporation and that any stock so acquired is fully paid and non-assessable; and

(vi) that there is no Outstanding Prior Lien Debt of any corporation, Capital Expenditures made for securities of which are included in such Officers' Certificate, except as stated in such Officers' Certificate."

SECTION 2.08. Paragraphs (2) and (3) of Section 3.06 of the Consolidated Mortgage are hereby amended by substituting ", or " for the semicolon at the end of paragraph (2), and adding to paragraph (2) a new subparagraph (c) reading as follows:

"(c) if the Prior Lien Debt refunded constitutes stock, cancelled or uncancelled certificates representing such stock in a principal amount not less than the principal amount of the Bonds the authentication and delivery of which is requested;"

and by amending paragraph (3) to read as follows:

"(3) an Officers' Certificate stating, if all property subject to the mortgage or other instrument securing such Prior Lien Debt has not, in the Opinion of Counsel required by paragraph (4) of this Section 3.06, been subjected to the lien of this Indenture, that there is being delivered to the Trustee the Prior Lien Debt refunded or a like principal amount of Prior Lien Debt secured by the same mortgage or other instrument or, if the Prior Lien Debt refunded constitutes stock and cancelled certificates are delivered, that all outstanding stock of such issue has been duly called for redemption and funds sufficient for the redemption thereof have been irrevocably deposited in trust for such redemption with a specified bank or trust company, and stating that the Prior Lien Debt, in respect of the refunding of which application for the authentication and delivery of Bonds is made, has not been acquired or retired by Capital Expenditures included in any Officers' Certificate theretofore filed pursuant to Section 3.04."

SECTION 2.09. Item 2 of the "Form of Officers' Certificate" set out in subparagraph (2) of Section 4.03 of the Consolidated Mortgage is hereby amended to read as follows:

"2. The Bondable Expenditures for purposes specified in Section 4.01 from the close of the period covered in item 1 through , (excluding (i) any Capital Expenditures constituting Bondable Expenditures to the extent

that such Capital Expenditures have been included in an Officers' Certificate heretofore filed under Section 3.04, (ii) any Bondable Additions received in exchange for property released from the lien of the Consolidated Mortgage, and (iii) any Prior Lien Debt secured by Bondable Additions which have been acquired by such Bondable Expenditures and any Prior Lien Debt of a corporation whose securities have been acquired by such Bondable Expenditures, to the extent that such Prior Lien Debt has been included in item 2 of an Officers' Certificate heretofore filed under Sections 4.03 or 4.04), as more particularly shown in Exhibit hereto . . . $....."

SECTION 2.10. Subdivisions (ii) and (iii) of subparagraph (3) of Section 4.03 of the Consolidated Mortgage are hereby amended to read as follows:

"(ii) as to any Bondable Expenditures certified to have been made for Bondable Additions to property leased to the Company (other than Bondable Additions owned by a 90% Subsidiary), that the lease thereof to the Company is a Mortgaged Lease and that the Lessor Company under such Mortgaged Lease has title to such Bondable Additions;

"(iii) as to any Bondable Expenditures certified to have been made for Bondable Additions owned by a corporation other than the Company and not to property leased to the Company under a Mortgaged Lease, that such corporation is a 90% Subsidiary and that such 90% Subsidiary has title to such Bondable Additions;".

SECTION 2.11. Item 2 of the "Form of Officers' Certificate" set forth in subparagraph 2 of Section 4.04 of the Consolidated Mortgage is hereby amended to read as follows:

"2. The Bondable Expenditures for purposes specified in Section 4.02 from the close of the period covered in item 1 through , (excluding (i) any Capital Expenditures constituting Bondable Expenditures to the extent

that such Capital Expenditures have been included in an Officers' Certificate heretofore filed under Section 3.04, and (ii) any Prior Lien Debt secured by Bondable Additions which have been acquired by such Bondable Expenditures and any Prior Lien Debt of a corporation whose securities have been acquired by such Bondable Expenditures, to the extent that such Prior Lien Debt has been included in item 2 of an Officers' Certificate heretofore filed under Section 4.03 or 4.04), as more particularly shown in Exhibit hereto . . . $....."

SECTION 2.12. Subdivisions (ii) and (iii) of subparagraph (3) of Section 4.04 of the Consolidated Mortgage are hereby amended to read as follows:

"(ii) as to any Bondable Expenditures certified to have been made for Bondable Additions to property leased to the Company (other than Bondable Additions to property owned by a 90% Subsidiary), that the lease thereof to the Company is a Mortgaged Lease and that the Lessor Company under such Mortgaged Lease has title to such Bondable Additions;

"(iii) as to any Bondable Expenditures certified to have been made for Bondable Additions to property owned by a corporation other than the Company and not to property leased to the Company under a Mortgaged Lease, that such corporation is a 90% Subsidiary and that such 90% Subsidiary has title to such Bondable Additions;".

SECTION 2.13. The last sentence of the second paragraph of Section 6.04 of the Consolidated Mortgage is hereby amended to read as follows:

"The Company will not permit default to occur in respect of any other Outstanding Prior Lien Debt or any debt secured by Equipment Agreements or any indebtedness of a 90% Subsidiary not constituting Outstanding Prior Lien Debt."

SECTION 2.14. Section 6.13 of the Consolidated Mortgage is hereby amended by adding the following paragraph at the end of the first paragraph thereof:

"The Company will not suffer or permit any 90% Subsidiary to incur or otherwise become liable in respect of any indebtedness except (a) bonds or other evidences of indebtedness issued upon the transfer of, or in exchange for, other bonds or other evidences of indebtedness or in lieu of lost, stolen, destroyed or mutilated bonds or other evidences of indebtedness; (b) bonds and other evidences of indebtedness which, when issued, shall forthwith be pledged and deposited with the Trustee; (c) indebtedness secured by mortgages, Equipment Agreements or other liens specifically permitted by clauses (1), (2) and (3) of the proviso of the first paragraph of this Section 6.13; and (d) unsecured current indebtedness which shall have been incurred in the ordinary course of business and not as a result of borrowing."

SECTION 2.15. Article Sixth of the Consolidated Mortgage is hereby amended by adding the following additional section at the end thereof:

"SECTION 6.18. The Company will not at any time pledge Bonds to secure other indebtedness of the Company if thereafter the excess of (a) the aggregate principal amount of all Bonds then pledged to secure other indebtedness of the Company over (b) the principal amount of such other indebtedness would be more than the excess of (c) 10% of the aggregate principal amount of all Bonds to be outstanding after such pledge and all Prior Lien Bonds then outstanding in the hands of the public over (d) the amount of all collateral, other than Bonds, pledged to secure any of such indebtedness, taking obligations of the Company at their principal amount and all other collateral at its then fair value; *provided, however*, that the foregoing restriction shall not apply to Bonds pledged in an amount not exceeding 125% of the aggregate principal amount of other indebtedness of the Company secured thereby to the extent that such indebtedness has been or is being incurred to provide funds for the payment of Bonds or Prior Lien Bonds at the stated maturity thereof,

and Bonds so pledged shall not be deemed outstanding or otherwise taken into account for purposes of said restriction. Before the Company shall pledge any Bonds to secure other indebtedness of the Company, it will file with the Trustee an Officers' Certificate stating (e) its intention to pledge such Bonds and the terms of such pledge and (f) such facts as may be necessary to show that such pledge will not be in violation of the provisions of this Section 6.18."

SECTION 2.16. The second paragraph of Section 8.02 of the Consolidated Mortgage is hereby amended to read as follows:

"Net income shall be determined for each calendar year from the accounts as stated on the books of the Company and its 90% Subsidiaries when the accounts are closed for such calendar year, without adjustments, except that:

(1) there shall be added back to the net income so determined for any calendar year an amount equal to the amounts charged to operating expenses for such calendar year for retirements of non-depreciable property; and

(2) if in any calendar year the aggregate income available for fixed charges is less than all fixed interest and other fixed charges accrued during such calendar year (which charges are properly deductible from income available for fixed charges in determining income after fixed charges under the Accounting Rules), the amount of such deficit shall be carried forward and deducted in determining net income for the succeeding calendar year or years until such deficit (or accumulated or remaining deficits) shall be extinguished by earnings which, in the absence of such deficit or deficits, would be net income."

SECTION 2.17. Subdivision (A) of Section 9.08 of the Consolidated Mortgage is hereby amended by substituting a semicolon for the period at the end of subparagraph (3) thereof and by adding the following new subparagraph (4) at the end of said subparagraph (3):

"(4) that in the case of any consolidation, merger or liquidation of a 90% Subsidiary, or sale by any 90% Subsidiary

of its property, if Bondable Expenditures for Bondable Additions to the property of such 90% Subsidiary were theretofore included in any certificate filed pursuant to Section 3.04 hereof or Section 4.03 hereof or Section 4.04 hereof or were theretofore made the basis of a withdrawal of cash pursuant to subdivision (b) of Section 10.10 hereof, the portion of the capital stock of the corporation formed by such consolidation or into which such merger shall be made or acquiring the property of such 90% Subsidiary (other than stock constituting Prior Lien Debt) thereupon assigned or pledged hereunder shall bear to the total capital stock outstanding of such corporation (other than stock constituting Prior Lien Debt) a proportionate relation at least as high as that borne by the stock of such 90% Subsidiary previously assigned or pledged hereunder (other than stock constituting Prior Lien Debt) to the aggregate capital stock outstanding of such 90% Subsidiary (other than stock constituting Prior Lien Debt)."

SECTION 2.18. The first sentence of the second paragraph of Section 9.09 of the Consolidated Mortgage is hereby amended to read as follows:

"In any case in which the Company proposes to acquire a part only of the lines of railroad or other property of any corporation (other than a 90% Subsidiary or a Lessor Company, not a 90% Subsidiary, Bondable Expenditures for Bondable Additions to the property of which Lessor Company were theretofore included in any certificate filed pursuant to Section 3.04 hereof or Section 4.03 hereof or Section 4.04 hereof or were theretofore made the basis of a withdrawal of cash pursuant to subdivision (b) of Section 10.10 hereof), a part of the capital stock of which (whether or not a majority of such capital stock) shall be subject to the lien of this Indenture, such capital stock, or any part thereof which may be required for such purpose, may be exchanged for such property, or may be applied in consummating the acquisition of such property, and upon Request of the Company the stock to be so exchanged or applied shall be released by the Trustee from

the lien of this Indenture and delivered to the Company, *provided, however*, that the property acquired in lieu of the capital stock released shall be shown by a certificate signed and verified by an engineer not an employee of the Company, appointed by the Board of Directors and satisfactory to the Trustee, filed with the Trustee, to be at least equal in value to the released capital stock, and shall be forthwith subjected to the lien of this Indenture as a first lien thereon, subject only to Excepted Encumbrances and Equipment Agreements."

SECTION 2.19. Subdivision (b) of Section 10.10 of the Consolidated Mortgage is hereby amended to read as follows:

"(b) be paid by the Trustee to the Company to reimburse the Company for the full amount of any Bondable Expenditures made within six months preceding the date of such Request, not included as Capital Expenditures in any Officers' Certificate theretofore filed pursuant to Section 3.04 hereof, not included in any Officers' Certificate theretofore filed pursuant to Section 4.03 or Section 4.04 hereof, not paid for out of the proceeds of insurance, not theretofore made the basis of a release pursuant to Section 10.02 or Section 10.03 hereof or under any indenture securing any Outstanding Prior Lien Debt, not acquired, made or constructed pursuant to the requirements of Section 10.06 or Section 10.07 hereof and not theretofore made the basis of a withdrawal of cash pursuant to this Section 10.10 or a withdrawal of release moneys under any indenture securing Outstanding Prior Lien Debt, after deducting 150% of the aggregate principal amount of all Outstanding Prior Lien Debt secured by any Bondable Additions so acquired or, in the case of Bondable Expenditures for securities of any Subsidiary, 150% of the aggregate principal amount of all Outstanding Prior Lien Debt of such Subsidiary, unless, in either case, such Outstanding Prior Lien Debt shall have theretofore been taken into account in an Officers' Certificate filed pursuant to Section 4.03 or Section 4.04 hereof; or"

SECTION 2.20. Section 10.15 of the Consolidated Mortgage is hereby amended by adding the following paragraph at the end thereof:

"Notwithstanding anything to the contrary contained in this Section 10.15 or in the Rules of Construction in the Granting Clauses hereof, the Company will not reimburse itself under an Equipment Agreement for Capital Expenditures for railroad rolling stock included in any Officers' Certificate theretofore filed pursuant to Section 3.04 hereof."

SECTION 2.21. Article Eleventh of the Consolidated Mortgage is hereby amended by adding the following additional section at the end thereof:

"SECTION 11.21. Anything in this Indenture contained to the contrary notwithstanding, any interest payable pursuant to this Article Eleventh on overdue principal or overdue instalments of interest on Bonds of Series A, Series B, Series C and Series D shall (to the extent permitted by law) be paid at the rate of 6% per annum."

ARTICLE III.

Miscellaneous.

SECTION 3.01. The Trustee accepts the modifications of the trust hereby effected but only upon the terms and conditions set forth in the Consolidated Mortgage as supplemented and amended by this Supplemental Indenture. Without limiting the generality of the foregoing the Trustee shall not be responsible for the correctness of the recitals or statements herein contained, which shall be taken as the statements of the Company, and the Trustee makes no representations and shall have no responsibility for, or in respect of, the validity or sufficiency of this Supplemental Indenture or the execution hereof by the Company.

SECTION 3.02. This Supplemental Indenture is executed as and shall constitute an instrument supplemental to the Consolidated Mortgage, and shall be construed in connection with and as a part of the Consolidated Mortgage.

SECTION 3.03. Except as hereby expressly modified and amended, the Consolidated Mortgage is in all respects ratified and confirmed and all the terms, provisions and conditions thereof shall be and remain in full force and effect.

SECTION 3.04. This Supplemental Indenture may be simultaneously executed in several counterparts, and all such counterparts executed and delivered, each as an original, shall constitute but one and the same instrument. The Company acknowledges receipt of at least one executed counterpart of this Supplemental Indenture.

SECTION 3.05. The beneficiaries under this Supplemental Indenture are the holders and owners from time to time of the Bonds outstanding under the Consolidated Mortgage as supplemented and amended in accordance with the provisions thereof, the initial issue of the Bonds of each series heretofore issued under the Consolidated Mortgage having consisted in the first instance of Bonds payable to bearer; and the names of the beneficiaries under this Supplemental Indenture at the time of the execution and delivery hereof, in respect of the Bonds of Series D, are John Hancock Mutual Life Insurance Company, Metropolitan Life Insurance Company, The Connecticut Mutual Life Insurance Company, Aetna Life Insurance Company, Connecticut General Life Insurance Company, New England Mutual Life Insurance Company, and The Mutual Benefit Life Insurance Company.

SECTION 3.06. The post-office address and residence of the Trustee at the date hereof is Guaranty Trust Company of New York, 140 Broadway, New York 15, N. Y., being in the City of New York, County of New York and State of New York.

IN WITNESS WHEREOF, Illinois Central Railroad Company, party of the first part hereto, has caused these presents to be signed by its President or one of its Vice Presidents and its corporate seal to be hereto affixed and attested by its Secretary or one of its Assistant Secretaries, and Guaranty Trust Company of New York, party of the second part hereto, has caused these presents to be signed by its President or one of its Vice Presidents, and its corporate seal to be hereto affixed and attested by its Secretary or one of its Assistant Secretaries, as of the day and year first above written.

ILLINOIS CENTRAL RAILROAD COMPANY

By J. H. WRIGHT
Vice President.

Attest:
A. B. HUTTIG
Assistant Secretary.

In the presence of:
G. W. BRAMFELD
M. O. N. HEGG

GUARANTY TRUST COMPANY OF NEW YORK

By ARTHUR E. BURKE
Vice President.

Attest:
L. R. INCE
Assistant Secretary.

In the presence of:
H. H. GOULD
W. E. KESSLER

STATE OF ~~NEW YORK~~ Illinois, }
COUNTY OF ~~NEW YORK~~ Cook, } ss.:

BE IT REMEMBERED, That on this 1st day of June, 1952, before me, ~~DAVID DUNHAM~~, a Notary Public duly commissioned, qualified and acting within and for the county and state aforesaid, personally appeared J. H. WRIGHT, a Vice President of Illinois Central Railroad Company, a corporation of the State of Illinois, party of the first part to the foregoing instrument, who is to me personally well known, and personally known to me to be a Vice President of the said corporation, and the same person whose name is subscribed to and who executed the foregoing instrument as a Vice President of said corporation, and, being informed of the contents thereof, he duly acknowledged the execution of the same for and on behalf of and as the act and deed of said corporation, and that as such Vice President he executed said instrument and affixed said corporation's corporate seal thereto, and that the said corporation executed said instrument through and by him for the considerations and purposes therein expressed in the capacity therein stated, and by order of the Board of Directors of said corporation, and said J. H. WRIGHT, being by me duly sworn did ~~depose and~~ say that he resides at River Forest in Cook County, Illinois, that he is a Vice President of the said corporation, that he knows the seal of said corporation, 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 J. H. WRIGHT acknowledged said instrument to be the free and voluntary act and deed of said corporation, by it voluntarily executed; and said J. H. WRIGHT on oath acknowledged himself to be a Vice President of the said corporation, and that he, as such Vice President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of said corporation by himself as Vice President of said corporation; and said J. H. WRIGHT is to me known to be the identical person who subscribed the name of the said corporation, maker thereof, to the foregoing instrument, as its Vice President, and stated and acknowledged to me that he signed, executed and delivered

the same as his free and voluntary act and deed, and as the free and voluntary act and deed of such corporation for the consideration, uses and purposes therein mentioned and set forth; and the said J. H. WRIGHT acknowledged to me that said corporation executed said instrument through and by him for the consideration and purposes therein expressed in the capacity therein stated, and that the foregoing instrument was the act and deed of said corporation, and that he executed the same for the purposes and consideration therein expressed, and as the act of the said corporation.

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

L. J. DONEGAN *Notary Public.*

DAVID W. CREE
Notary Public, State of New York
No. 31-5854200
Qualified in New York County
Cert. filed with N. Y. County Reg.
Commission expires March 30, 1954

My commission expires ~~March 30~~, 1954.
May 17

Form 2

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, RICHARD J. DALEY, 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 and duly authorized to issue certificates of magistracy, that 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 County of Cook at my office in the City of Chicago, in the said County, this 11 day of ..... 19..

Richard J. Daley
County Clerk.

22 22464

STATE OF NEW YORK, } ss.:
COUNTY OF NEW YORK, }

BE IT REMEMBERED, That on this 2nd day of June, 1952, before me, DAVID W. CREE, a Notary Public duly commissioned, qualified and acting within and for the county and state aforesaid, personally appeared Arthur E. Burke, Vice President of Guaranty Trust Company of New York, a corporation of the State of New York, party to the foregoing instrument, who is to me personally known, and personally well known to me to be Vice President of the said corporation, and the same person whose name is subscribed to and who executed the foregoing instrument as Vice President of said corporation, and, being informed of the contents thereof, he duly acknowledged the execution of the same for and on behalf of and as the act and deed of said corporation, and that as such Vice President he executed said instrument and affixed said corporation's corporate seal thereto, and that said corporation executed said instrument through and by him for the considerations and purposes therein expressed in the capacity therein stated, and by order of the Board of Directors of said corporation, and said Arthur E. Burke being by me duly sworn, did depose and say that he resides at 565 Park Ave. in New York, New York, that he is Vice President of the said corporation, that he knows the seal of said corporation, 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 Arthur E. Burke acknowledged said instrument to be the free and voluntary act and deed of said corporation, by it voluntarily executed; and said Arthur E. Burke on oath acknowledged himself to be Vice President of the said corporation, and that he, as such Vice President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the said corporation by himself as Vice President of said corporation; and said Arthur E. Burke is to me known to be the identical person who subscribed the name of the said corporation, maker thereof, to the foregoing instrument, as its Vice President, and stated and acknowledged to me that he signed, executed and delivered the same as his free and voluntary

act and deed, and as the free and voluntary act and deed of such corporation for the consideration, uses and purposes therein mentioned and set forth; and the said Arthur E. Burke acknowledged to me that said corporation executed said instrument through and by him for the consideration and purposes therein expressed in the capacity therein stated, and that the foregoing instrument was the act and deed of said corporation, and that he executed the same for the purposes and consideration therein expressed, and as the act of the said corporation.

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

DAVID W. CREE *Notary Public.*

DAVID W. CREE
Notary Public, State of New York
No. 31-5854200
Qualified in New York County
Cert. filed with N. Y. County Reg.
Commission expires March 30, 1954

My commission expires March 30, 1954.

Form 1

State of New York, } ss.:
County of New York, }

No. 58616

I, ARCHIBALD R. WATSON, County Clerk and Clerk of the Supreme Court, New York County, a Court of Record having by law a seal, DO HEREBY CERTIFY that DAVID W. CREE whose name is subscribed to the annexed affidavit, deposition, certificate of acknowledgment or proof, was at the time of taking the same a NOTARY PUBLIC in and for the State of New York, duly commissioned and sworn and qualified to act as such throughout the State of New York; that pursuant to law a commission, or a certificate of his official character, and his autograph signature, have been filed in my office; that as such Notary Public he was duly authorized by the laws of the State of New York to administer oaths and affirmations, to receive and certify the acknowledgment or proof of deeds, mortgages, powers of attorney and other written instruments for lands, tenements and hereditaments to be read in evidence or recorded in this State, to protest notes and to take and certify affidavits and depositions; and that I am well acquainted with the handwriting of such Notary Public, or have compared the signature on the annexed instrument with his autograph signature deposited in my office, and believe that the signature is genuine.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this 3 day of JUN, 1952

Archibald R. Watson
County Clerk and Clerk of the Supreme Court, New York County

FEE PAID 25¢

94

State of Wisconsin } ss.
DEPARTMENT OF STATE

Received this 13th day of JUNE A. D. 1952 at 10:20 o'clock A.M. and recorded in Vol. 44 of RAILROAD MORTGAGES on page 153 to 172, INCL.

Fred R. Zimmerman
Secretary of State

L E A S E

COVERING A PARCEL OF LAND IN THE VILLAGE OF STARKS, COUNTY OF ONEIDA

BY AND BETWEEN

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

AND

STARKS FARMS, INCORPORATED

DATED, JUNE 2ND, 1952.

Lease No. 7255-C

THIS AGREEMENT, made and entered into as of the 2nd day of June, 1952, by and between MINNEAPOLIS, ST. PAUL & SAULT STE. MARIE RAILROAD COMPANY, party of the first part, hereinafter called "Lessor", and STARKS FARMS, INCORPORATED, a corporation of the State of Wisconsin, party of the second part, hereinafter called "Lessee", WITNESSETH:

1. The Lessor, in consideration of the payments, covenants and conditions hereinafter set forth, to be made, performed and complied with by the Lessee, hereby leases to the Lessee, and the Lessee hereby leases from the Lessor, the following described premises situated in the village of Starks, County of Oneida, State of Wisconsin:

> a parcel of land comprising all that part of the S½ NW¼ Section 26, Township 37 North, Range 10 East, bounded as follows: on the Northerly side by a line running parallel with and 200 feet distant Northerly (measured at right angles) from the Lessor's main track center line; on the Southerly side by a line running parallel with and 8.5 feet distant Northerly (measured at right angles) from the center line of the tangent portion of the Lessor's house track and a straight line extension thereof, the center line of said house track being parallel with and 55 feet more or less distant Northerly from said main track center line; and on the Westerly and Easterly sides by two lines running at right angles with said main track center line through points therein which are respectively 267 and 1362 feet distant Easterly (measured along said main track center line) from the West line of said Section 26; said premises being shown outlined in red on the map attached hereto, marked "Exhibit A";

TO HAVE AND HOLD said premises for the term of ten (10) years beginning June 2, 1952, and ending June 1, 1962, and from year to year thereafter, upon the terms and conditions hereinafter set forth.

2. The written agreement, dated April 1, 1949, and bearing the Lessor's designation "Lease No. 7255-B", between the Lessor and Starks Farms, which said agreement was assigned by the executors of the estate of Lelah Starks to the Lessee on May 20, 1952, covering all or most of the land herein leased, is hereby terminated and superseded by this agreement.

3. The leased premises shall be continuously occupied and used by the Lessee during the term of this agreement as a site for buildings and improvements of good and substantial type and construction, and for the conduct upon said premises in an active and substantial way of a potato warehousing business, or such other kind of business as may be approved by the Lessor. All shipments of freight to or from the leased premises, the routing of which can be controlled by the Lessee, shall be routed over the Lessor's own and affiliated lines and their connections, in preference to competing transportation lines, if such routing will not result in the payment of higher freight rates and the service is substantially as good as service provided by competing transportation lines.

In the event that the Lessee's buildings and improvements upon the leased premises shall be seriously damaged or destroyed through any cause, the repair or rebuilding of the same shall be commenced by the Lessee within the first six months and fully completed within one year from the date of such damage or destruction in which building operations are practicable.

4. The Lessee during the term of this agreement shall pay to the Lessor the sum of One Hundred Ten Dollars ($110.00) per annum as rental for the leased premises, payable annually in advance, subject to increases as provided in section 5 hereof.

5. The Lessee, in addition to said rental, shall pay all taxes, assessments, license fees or other charges (except assessments or taxes for permanent street improvements other than crosswalks) which may be levied or assessed by any state, municipal, county or federal authority against the whole or any part of the leased premises, including all improvements located thereon, or against the business conducted upon the premises. In case of levies or assessments covering any year of which only a part is included in the term of this agreement, they shall be prorated accordingly. If any such assessments or taxes for permanent street improvements, other than crosswalks, shall be levied or assessed or become payable against the leased premises during the term of this agreement, the annual rental hereunder shall be increased by an amount equaling five per cent (5%) of such assessments or taxes, or the proportionate part thereof properly chargeable to the leased premises. Such taxes, assessments, license fees or other charges shall be paid in every instance as soon as they are due or payable. The Lessee shall furnish the Lessor with duplicate tax receipts, and promptly reimburse the Lessor for any taxes, assessments, license fees or other charges which may be paid by the Lessor.

6. The Lessee during the term of this agreement shall assume and pay the entire cost of installation, maintenance, repair and renewal of any crosswalks which may be installed to provide exclusive driveway entrance to or exit from the leased premises. The Lessee shall at all times keep all sidewalks adjacent to the leased premises free from snow, ice, refuse or obstructions, and fully indemnify the Lessor against all penalties, fines, claims, demands, suits, judgments, costs, and expenses in any manner arising from or growing out of the Lessee's failure to do so.

7. The Lessee shall not permit the existence of any nuisance in or about the leased premises or permit them to be used for any purpose other than as herein authorized; shall at all times keep them in a proper, clean, safe and sanitary condition, and shall at all times strictly comply and require strict compliance with the requirements of all federal, state and municipal regulations, ordinances and laws, and the orders of any duly constituted public authority, now or hereafter in effect, in any way governing or regulating occupancy or use of the leased premises by the Lessee.

8. The Lessee shall not place or permit the placing of any material, structure, equipment, pole, beam, cable, wire or other obstruction nearer

than eight feet six inches horizontally (measured at right angles) from the center line of any railroad track now or hereafter located adjacent to the leased premises, or nearer than twenty-two feet vertically, measured from the top of the rail; nor permit any excavation to be made or remain nearer than eight feet six inches laterally from the nearest rail of any such track.

9. The Lessee during the term of this agreement shall fully protect the leased premises from all mechanics' and materialmen's liens accruing by reason of the construction, maintenance, repair, replacement or renewal of any buildings or improvements of the Lessee now or hereafter located upon the leased premises, or the use or occupancy thereof by the Lessee.

10. The Lessee shall not permit any advertisements or signs to be placed or remain on the exterior of any building located on the leased premises except such as relate strictly to the business which is being conducted therein.

11 (a) It is understood and agreed that the movement of railroad locomotives, trains or cars and the work incident to the maintenance of the right of way and track in close proximity to the leased premises involves some risk of damage to structures and property thereon by fire, vibration and smoke. The Lessee shall assume all liability for, and release and indemnify the Lessor from and against, any and all damages to structures, including their appurtenances, equipment and appliances, located upon the leased premises, or any other property located thereon, regardless of whether or not caused by the negligence of the Lessor, arising from fire, vibration or smoke caused by or resulting from the operation by the Lessor of locomotives, trains or cars or the conduct by the Lessor of railroad maintenance in the vicinity of the leased premises, except to the premises of the Lessor and to rolling stock belonging to the Lessor or to others and to shipments in course of transportation.

(b) The Lessee hereby releases the Lessor from, and agrees to indemnify it against, all loss, damage or injury caused by or resulting from any act or omission by the Lessee, its employees and agents, to the person or property of the parties hereto and their employees and agents, and to the person or property of any other person, firm or corporation, while on or about the leased premises; and if any claim or liability, other than from fire, vibration or smoke, shall arise from the joint or concurring negligence of both parties hereto or their employees or agents, it shall be borne equally by the parties hereto.

(c) The Lessor shall have the full benefit of any insurance effected by the Lessee so far as may be necessary to protect the Lessor against any liability specified in subsections (a) and (b) of this section, and all such insurance policies shall have attached thereto the so-called railway subrogation rider, wherein the insurer waives its right of recovery against railway companies.

12. The Lessee shall not dispose of or remove any building now or hereafter located upon the leased premises without first having paid all rents, taxes, assessments or other charges which may be due hereunder, or without first obtaining the written consent of the Lessor.

13. If the Lessee shall at any time prior to June 1, 1962, fail to perform or comply with any of the terms, covenants or conditions of this agreement, and such default continues for a period of one year after written notice thereof by the Lessor to the Lessee, then the Lessor may declare this agreement terminated and forthwith re-enter and take absolute possession of the leased premises, without prejudice to any remedies which it may have for arrears of rent or other payments due hereunder. Following June 1, 1962, this agreement may be terminated by either party upon ninety days' written notice to the other party.

14. If required by the Lessor to do so upon termination of this agreement for any reason, the Lessee shall remove its buildings, improvements and property from the leased premises, fill up all excavations that may have been made, and surrender the premises to the Lessor in a condition satisfactory to the Lessor. Should the Lessee fail to make such removal or restoration, the Lessor, at its election, may either remove the Lessee's buildings, improvements and property and restore the premises at the expense of the Lessee, or may retain the Lessee's buildings, improvements and property as the Lessor's sole property. Subject to all the foregoing provisions of this agreement, the Lessee shall have the right, if exercised within ninety days subsequent to the effective date of termination of this agreement, to remove from the leased premises the buildings, improvements and property of the Lessee then located thereon.

15. This agreement shall not be assigned or in any manner transferred by the Lessee, voluntarily or involuntarily, by operation of law or otherwise, and the leased premises shall not be used or occupied for the conduct of any business by any third person or corporation, or for any purpose other than herein authorized, without the written consent of the Lessor. Subject thereto, this agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the respective parties.

16. This agreement shall be subject to revision at any time if made necessary by any order of any federal or state authority having jurisdiction in the premises.

IN WITNESS WHEREOF, the parties hereto have caused this agreement

to be duly executed, as of the day and year first above written.

In the presence of
as to Lessor:

W. J. Grany

L. E. Wiese

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

By _____ President.

G. A. MacNamara

ATTEST:

_____ Secretary.

J. D. Bond

In the presence of
as to Lessee:

Beatrice Knight

Forest W. Rodd

STARKS FARMS, INCORPORATED,

By _____ President.

Jay L. French

ATTEST:

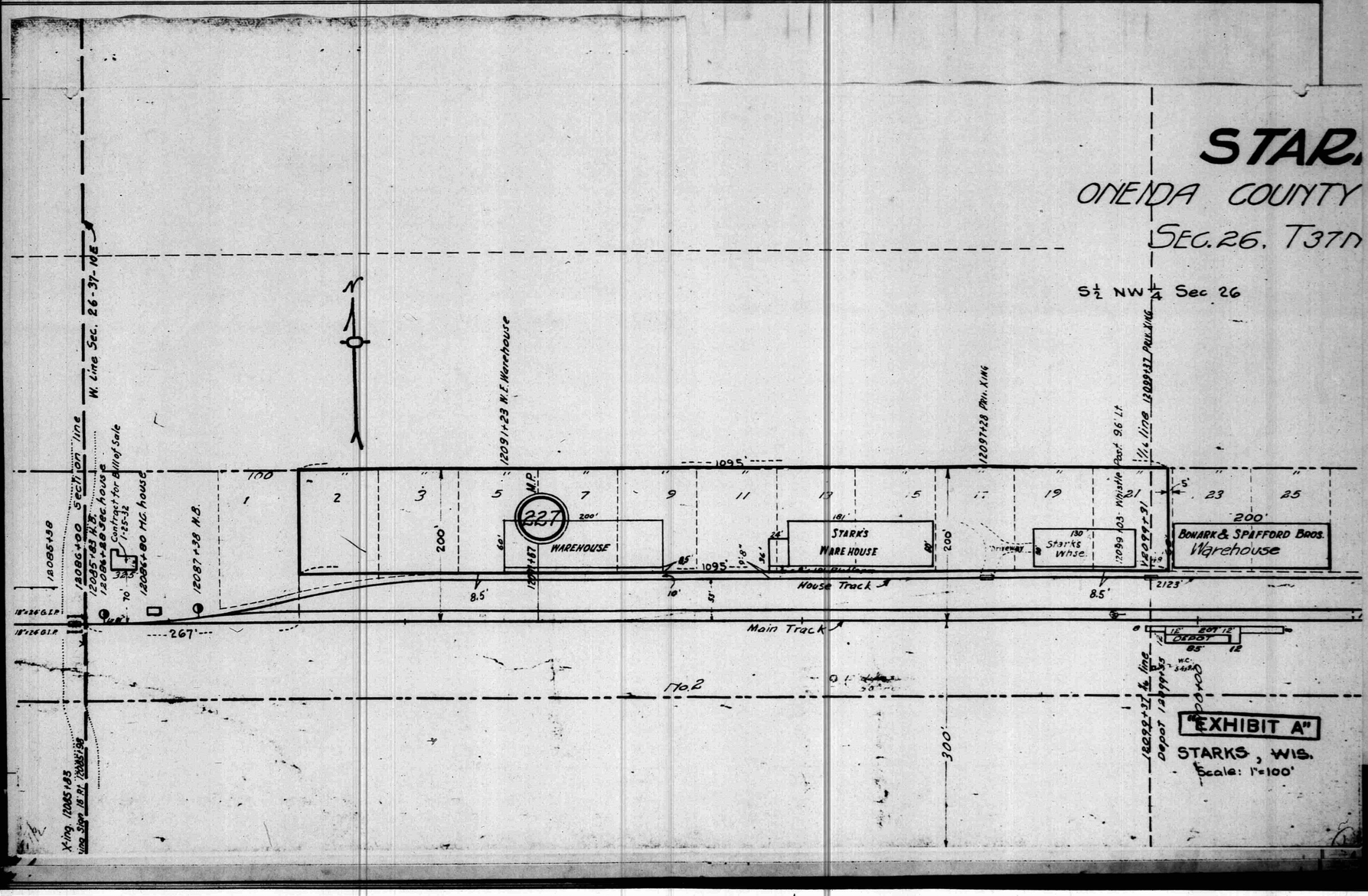
_____ Secretary.

Earl A. North

State of Wisconsin } ss.
DEPARTMENT OF STATE

Received this 1st day of JULY A. D. 19 52 at 10:0 o'clock A.M. and recorded in Vol. 4th of RAILROAD MORTGAGES on page 173-176, incl.

_____ Secretary of State



Executed in 25 Counterparts

Counterpart No. 4

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC
RAILROAD EQUIPMENT TRUST,
SERIES QQ

Lease of Railroad Equipment

DATED AS OF SEPTEMBER 1, 1952

CONTINENTAL ILLINOIS NATIONAL BANK AND
TRUST COMPANY OF CHICAGO

TO

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC
RAILROAD COMPANY

Agreement

DATED AS OF SEPTEMBER 1, 1952

H. J. GROENER AND H. H. CONLEY
VENDORS

WITH

CONTINENTAL ILLINOIS NATIONAL BANK AND
TRUST COMPANY OF CHICAGO

AND

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC
RAILROAD COMPANY

THE TWENTIETH CENTURY PRESS, INC., CHICAGO

LEASE OF RAILROAD EQUIPMENT, dated as of September 1, 1952, between **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, Trustee, as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **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 Company), party of the second part:

WHEREAS, by a certain agreement, dated as of September 1, 1952, among H. J. Groener and H. H. Conley, Vendors, Continental Illinois National Bank and Trust Company of Chicago, as Trustee, and Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter called the Agreement), 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 QQ," 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 Company hereunder; and

WHEREAS, pursuant to the provisions of the 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 the Agreement, for and in consideration as well of the sum of One Dollar to it paid by the Railroad 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 Railroad Company, has let and leased, and does hereby let and lease, to the Railroad Company all the following new, standard gauge railroad equipment of Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust, Series QQ (which together with the additional and substituted equipment and replacements as herein and in the Agreement provided are hereinafter and in the Agreement collectively called the Trust Equipment), to wit:

Number	Description	Estimated Cost Each	Estimated Cost Total
	Passenger-Train Cars		
10	85'0" Dome-Coach-Buffet cars, Nos. 50 to 59, both inclusive	$308,827.85	$3,088,278.50
	Diesel-Electric Passenger Locomotives		
2	4500 H.P. Diesel-electric passenger locomotives, each comprised of a lead unit, a booster unit, and a lead unit, and numbered, respectively, 104A and 104B and 104C, and 105A and 105B and 105C	537,427.83	1,074,855.66
	Diesel-Electric Road Switching Locomotives		
3	1500 H.P. Diesel-electric road switching locomotives, Nos. 2212 to 2214, inclusive	180,233.56	540,700.68
1	1200 H.P. Diesel-electric road switching locomotive, No. 971	117,121.00	117,121.00
	Diesel-Electric Switching Locomotives		
1	1200 H.P. Diesel-electric switching locomotive, No. 1917	104,153.00	104,153.00
4	1000 H.P. Diesel-electric switching locomotives, Nos. 1888 to 1891, inclusive	103,972.85	415,891.40
	Total estimated cost		$5,341,000.24

together with such additional or substituted railroad equipment as may be acquired for said Trust and subjected to this Lease, as herein and in the Agreement provided.

The Railroad Company certifies to the Trustee that the estimated total cost of the railroad equipment specifically described in the last foregoing paragraph hereof and the estimated cost of each unit of said equipment are the respective estimated costs in said paragraph set forth; and the Railroad Company further certifies to the Trustee that the aggregate cost of the Trust Equipment certified to the Trustee in the final certificate of cost, pursuant to Section 4 of Article I of the Agreement, shall be not less than $5,320,000.

In the event that the Vendors shall, as provided in Section 5 of Article I of the Agreement, acquire other new, standard gauge railroad rolling stock in substitution for, or in addition to, the original Trust Equipment above specifically described, such other new, standard gauge railroad rolling stock shall be included as part of the Trust Equipment and shall be subject to all terms and conditions of this Lease 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 and delivered to the Trustee under the Agreement, the same shall be delivered to the Railroad Company, and shall upon such delivery to the Railroad 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 Railroad Company hereunder, in all respects as if the same had been so delivered simultaneously with the execution and delivery hereof.

And the Railroad Company, 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 the Agreement, shall mean the cost of the purchase or construction 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.

The Railroad Company hereby accepts (subject to the conditions mentioned in the 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 Railroad 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) Upon the delivery by the Trustee of any of the Trust Certificates in the Agreement defined, in accordance with the provisions of Section 2 of Article I of the Agreement, such amount, if any, whereby seventy-five per cent (75%) of the aggregate estimated cost of the Trust Equipment, as certified to the Trustee by the Railroad Company in this Lease, exceeds the principal amount of said Trust Certificates.

(b) From time to time at or before the delivery of any of the Trust Equipment to the Railroad Company, as advance rental, amounts in cash equal to the difference between the cost of the Trust Equipment so delivered as certified to the Trustee pursuant to Section 4 of Article I of the Agreement and the amount of Deposited Cash payable in respect thereof pursuant to Section 3 of Article I of the Agreement; provided, however, that the aggregate of all amounts so paid to the Trustee shall never be less than 25% of the cost of

all the Trust Equipment which shall then and theretofore have been delivered hereunder.

(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 the Agreement evidencing the same, which the Trustee, as such, by law may be required to pay, but excluding any and all taxes, assessments and other governmental charges which the Railroad Company or the Trustee may be required to pay or 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 any state, county, municipality or other 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, to the extent that the same may be legally enforceable, on such unpaid dividends, dividend warrants and principal at the same rate per annum as provided in the dividend warrants.

(h) If the Trustee shall invest funds of the trust in United States Government securities, as provided in the Agreement, the amount, if any, by which the selling price of said securities including any accrued interest plus any interest paid to the Trustee on such securities is less than the purchase price thereof including any accrued interest.

The Railroad Company shall not be required, however, to pay any tax, assessment or other governmental charge, so long as the Railroad 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.

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 the Agreement, accept as the cost of any of the Trust Equipment the respective amounts certified to it pursuant to, or in like manner as required by subparagraph (b) of Section 4 of Article I of the agreement. In case any certificate furnished pursuant to said subparagraph (b) of said Section 4 or pursuant to this Lease 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 QQ, 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 Railroad Company simultaneously with or after the execution hereof, shall at the option of the Railroad Company be assigned and transferred by the Trustee to the

Railroad Company or its nominee or nominees and shall thereupon be and become the absolute property of the Railroad 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 Railroad 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 Railroad Company.

Third. Upon the written request of the Railroad Company, signed by the President or a Vice-President of the Railroad Company, stating that the use of any of the Trust Equipment, by reason of its character or the business of the Railroad Company, is no longer profitable to, or required by the Railroad Company, the Trustee may, in its sole discretion, while the Railroad Company is not in default hereunder, execute and deliver a bill of sale assigning and transferring to a purchaser or purchasers found by the Railroad Company 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 such purchaser or purchasers the agreed purchase price thereof and from the Railroad Company 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 the Agreement, depreciation on the Trust Equipment, or any thereof, shall not exceed an amount equal to ⅓ 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 Company there shall also be delivered to the Trustee a certificate of the President or a Vice-President or the Comptroller of the Railroad Company, 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 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, warranty or warranties, an opinion of counsel and certificates as to delivery and cost in like manner as is provided in Section 4 of Article I of the Agreement; provided, however, that such rolling stock shall not be work equipment, except in substitution for or replacement of work equipment, if any, hereinbefore listed and described. 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 the Agreement in all respects as though it had been part of the original Trust Equipment herein described, and the Railroad Company and the Trustee shall execute, and the Railroad Company shall file and/or record as required by law, a supplemental lease thereof, describing the same, upon and subject to all 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 delivery to the Railroad Company of the Trust Equipment, there shall be plainly, distinctly, permanently and conspicuously placed and fastened upon each side of each unit of the Trust Equipment 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 QQ, 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 Company will immediately cause the same to be restored or replaced. The Railroad Company 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 Company. In any such case, if the same be feasible, or necessary, the Railroad Company will at its 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 Company, its successor or successors therein, but the Railroad 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 Railroad Company or by any person, association or corporation, other than the Trustee.

Fifth. (a) The Railroad Company, during the continuance of this Lease, will maintain and keep, at its 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 its 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; provided, however, that such rolling stock shall not be work equipment, except in replacement of work equipment, if any, hereinbefore listed and described. 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 or constructed for such replacement shall be taken in the name of or transferred to 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 Company shall deliver to the Trustee a certificate of the President or a Vice-President or the Comptroller of the Railroad Com-

pany, 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 the Agreement.

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

(b) The Railroad Company 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 Company, and, in default of the Railroad Company 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 Company 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 Company fails to make and maintain such insurance and the Trustee in-

sures 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 Agreement to be made by the Railroad Company, 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 Company.

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 subparagraph (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 Company, to the extent of such funds, for payments made by it in respect of such replacement or repair. A certificate in behalf of the Railroad Company by its President or a Vice-President or the Comptroller 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 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, signed by the President or a Vice-President or the Comptroller of the Railroad Company, 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 Company shall also furnish to the Trustee a statement signed by its Superintendent Car Department or an Assistant Superintendent Car Department, in the case of cars, or by its Superintendent of Motive Power or an Assistant to Superintendent of Motive Power, in the case of locomotives, 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 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, 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 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 bearers of the Trust Certificates.

Sixth. The Railroad 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 by it 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 Railroad Company, and also upon connecting and other railroads in the usual interchange of traffic, from and after delivery of the Trust Equipment by the Trustee to the Railroad Company, but only upon and subject to all the terms and conditions of this Lease.

The Railroad 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 Railroad 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. If the Trustee shall receive an opinion of counsel that such proposed action will not impair its title to the Trust Equipment and if in the judgment of the Trustee such action will not be otherwise detrimental to the interests of the Trust Certificate holders, it may, on written request of the Railroad Company setting forth the details of such proposed action and the reasons therefor, consent thereto. A transfer or assignment to a railroad company which shall acquire all or substantially all the

lines of railroad of the Railroad Company and which, by execution of an appropriate instrument satisfactory to the Trustee, shall assume and agree to perform each and all of the obligations and covenants of the Railroad Company hereunder and under the Agreement and under the guaranty provided for in the Agreement shall not be deemed a breach of this covenant, but the appointment of a receiver or receivers or a trustee or trustees in bankruptcy for the Railroad Company, or its property, or the filing of a voluntary petition under the Bankruptcy Act, shall be deemed an unauthorized assignment by the Railroad Company of its rights and interests in the Trust Equipment and shall be deemed a breach of this covenant, unless (a) any such receiver or receivers, or trustee or trustees, shall have been discharged within sixty (60) days after his or their appointment, or within a like period shall have assumed and agreed to perform each and all of the obligations and covenants of the Railroad Company hereunder and under the Agreement, in either case pursuant to due order or authority of the court by which he or they shall have been appointed, or (b) any such petition shall have been withdrawn and proceedings thereon terminated within a like period.

Seventh. In case the Railroad Company

(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 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 actual 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 this Lease or the Agreement (any sum so deposited to be returned to the Railroad Company upon the cancellation of such assignment, transfer or sublease, and the recovery of possession by the Railroad Company of such Trust Equipment in good condition, subject to ordinary usage, as certified to the Trustee by the President or a Vice-President or the Comptroller of the Railroad Company), 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 the 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 the 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 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 the 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 the 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 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 Railroad Company; and no payments theretofore made by the Railroad 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 Railroad 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 Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust, Series QQ; 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 Company of rentals then or thereafter due and payable, and the Railroad 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 subparagraphs (a), (b), (c), (d),

(e), (f), (g) and (h) 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 Company, or upon the railroad of any company a majority of whose capital stock is at the time directly or indirectly owned by the Railroad Company, for the delivery of the Trust Equipment to it, the Railroad 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 Railroad Company until the Trustee shall have leased, sold or otherwise disposed of the same, and for such purpose the Railroad 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 covenants contained in this paragraph 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 Company requiring the specific performance thereof.

The remedies in this Lease and in the 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. 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 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 Railroad 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 Railroad 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 Railroad Company.

Eighth. The Railroad Company covenants that prior to the delivery to it of any of the Trust Equipment covered thereby it will cause this Lease and the 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 the Agreement, to be duly filed, registered or recorded and duly refiled, reregistered and rerecorded as required by the provisions of Section 3 of Article IV of the Agreement, 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 the publication and protection of the title of the Trustee to the Trust Equipment.

Ninth. Until it shall have discharged all its obligations under this Lease, the Railroad 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 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 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 constiute but one and the same instrument.

Eleventh. 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 the Agreement, and the

Railroad Company 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,
As Trustee,

By .....
R. M. Kimball,
Vice-President.

Attest: .....
V. P. Nelson,
Assistant Secretary.

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

.....
W. G. Averis

.....
E. W. Fahrenbach,
Attesting Witnesses.

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By .....
J. W. Severs,
Vice-President.

Attest: .....
T. W. Burtness,
Secretary.

Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company in the presence of:

.....Ruth E. Hall.....
Ruth E. Hall,

.....
C. L. Davis,
Attesting Witnesses.

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, E. W. Lueders, 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 September, 1952, 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. M. Kimball and V. P. Nelson, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. Kimball and V. P. Nelson, 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 R. M. Kimball resides in Evanston, in the State of Illinois, and that said V. P. Nelson resides in Chicago, in the State of Illinois, that said R. M. Kimball is a Vice-President and said V. P. Nelson is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in writing; that they, said R. M. Kimball, Vice-President and

V. P. Nelson, Assistant Secretary, 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 Secretary 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 19, 1953.

.....E. W. Lueders.....
E. W. Lueders,
Notary Public in and for the State of Illinois, County of Cook.

Form 279

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, RICHARD J. DALEY, 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 and duly authorized to issue certificates of magistracy, that E W Lueders 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 2 day of Sept. 1952

.....Richard J. Daley.....
County Clerk.

52 32464

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 this 24th day of September, 1952, 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. W. Severs and T. W. Burtness, each to me personally known and known to me to be respectively a Vice-President and the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 thereunto subscribed as such, and said J. W. Severs and T. W. Burtness, 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. W. Severs resides in Park Ridge, in the State of Illinois, and that said T. W. Burtness resides in Wheaton, in the State of Illinois; that said J. W. Severs is a Vice-President and said T. W. Burtness is the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. Severs, Vice-President, and T. W. Burtness, 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 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 November 17, 1955.

R. W. Spangenberg

R. W. Spangenberg,
Notary Public in and for the State of Illinois, County of Cook.

Form 279

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, RICHARD J. DALEY, 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 and 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 conveyance 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 2 day of Sept 1952

Richard J. Daley
County Clerk.

22 22464

THIS AGREEMENT, dated as of September 1, 1952, by and among **H. J. GROENER** and **H. H. CONLEY** (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 **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY** (hereinafter called the Railroad Company), of the third part, WITNESSETH as follows:

WHEREAS, the Vendors have acquired or will acquire the railroad equipment (which together with the additional and substituted 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 Company prefixed to this Agreement (herein called the Lease), to which Lease reference is hereby made; and

WHEREAS, subscriptions have been or are being secured, in an amount not exceeding $3,990,000 to a fund to be known as Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust, Series QQ, 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 $3,990,000 in thirty semiannual installments of $133,000 each, payable respectively on March 1st and September 1st, in each year, beginning on March 1, 1953, and ending on September 1, 1967, 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, the Railroad Company is desirous of securing the use of the Trust Equipment upon and in connection with the properties of the Railroad Company; and

WHEREAS, the Railroad Company represents that all things necessary to make the guaranty of the Railroad Company 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 Company, as herein provided, and 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 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 the 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 or otherwise acquired 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 Company, and the certificate of any and every agent so designated shall be conclusive evidence of such delivery. The Trustee and the Railroad Company, simultaneously with the execution of this Agreement, have executed and delivered the Lease.

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 the Lease or of other instruments 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 QQ, herein called the Trust Certificates, upon the deposit in cash with the Trustee of (a) 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 and (b) the instalment of rent, if any, then payable pursuant to subparagraph (a) of Article First of the Lease.

Any interest allowed by the Trustee or earned upon any money 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 credited by the Trustee against the next instalment of rent payable pursuant to subparagraph (e) of Article First of the Lease.

SECTION 3. The term "Deposited Cash," whenever used herein, shall mean 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 (excluding any accrued dividends paid upon the original issue of Trust Certificates), plus any interest allowed or earned thereon and any amounts added thereto pursuant to Section 6 of this Article I. 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. 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 4 of this Article I, pay to the Vendors or upon their order, out of the Deposited Cash an amount which, together with all payments previously made out of Deposited Cash, shall equal seventy-five per cent of the aggregate estimated cost, as certified in the provisions of the Lease, of the Trust Equipment then and theretofore so transferred and delivered to the Trustee, or seventy-five per cent of the aggregate cost of the Trust Equipment then and theretofore so transferred and delivered to the Trustee, as certified to the Trustee pursuant to Section 4 of this Article I, whichever is less. The Trustee shall make payment of the remainder of such certified cost out of the instalment of rental payable on such delivery pursuant to subparagraph (b) of Article First of the Lease.

Should the Vendors transfer and deliver or cause to be transferred and delivered to the Trustee, as required by and in pursuance of the provisions of Section 5 of this Article I, equipment in addition to the original Trust Equipment specifically described in the Lease and should seventy-five per cent of the cost of such additional equipment so transferred and delivered to the Trustee, as such cost is certified to the Trustee pursuant to Section 4 of this Article I, exceed the amount of Deposited Cash held by the Trustee at the time of said transfer and delivery, then the Trustee shall, if requested by the Vendors so to do, pay to the Vendors or upon their order, the full amount of the Deposited Cash at said time held by the Trustee. The Trustee shall make payment of the remainder of such certified cost of said additional equipment out of the instalment of rental payable on such delivery pursuant to subparagraph (b) of Article First of the Lease.

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, that such Trust Equipment is new, standard gauge equipment and stating that the Trust Equipment specified by numbers in such certificate has been marked in accordance with the provisions of Article Fourth of the Lease;

(b) a certificate of the Railroad Company, signed by the President or a Vice-President or the Comptroller of the Railroad Company, certifying that the cost of such Trust Equipment, determined as provided in the Lease, is the amount therein specified;

(c) a bill or bills of sale of such Trust Equipment from the manufacturer to the Trustee, or to the Vendors, and, if to the latter, from the Vendors to the Trustee, each such bill of sale by the manufacturer to contain or be accompanied by a warranty or guaranty of the manufacturer 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 para-

graph (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, 1953.

SECTION 5. In the event that, owing to the imposition of restrictions by the United States Government, or any governmental bureau, commission, or agency having authority in the premises, or for any other cause deemed to be sufficient by the Trustee, the Vendors shall be unable to acquire any of the Trust Equipment specifically described in the Lease, the Vendors may cause to be built or acquired and shall sell, assign, transfer, and set over, or cause to be sold, assigned, transferred, and set over unto the Trustee, subject to the provisions of the foregoing Section 4 of this Article I, other new, standard gauge railroad equipment, of such classes or types, and of such material and construction, as may be approved by the Railroad Company; provided, however, that work equipment shall not be acquired except in substitution for work equipment, if any, described in the Lease.

In the event that the aggregate cost of the Trust Equipment specifically described in the Lease, and of any equipment that may be substituted for any thereof in accordance with the provisions of the foregoing paragraph, acquired by the Trustee hereunder, shall not amount to at least $5,320,000, then the Vendors shall cause to be built or acquired and shall sell, assign, transfer and set over, or cause to be sold, assigned, transferred and set over unto the Trustee, subject to the provisions of the foregoing Section 4 of this Article I, other new, standard gauge railroad equipment, other than work equipment, of such classes or types, and of such material and construction, as may be approved by the Railroad Company, and of such cost that the aggregate cost of all the Trust Equipment will be at least $5,320,000.

In case any substituted or additional equipment shall be acquired and transferred to the Trustee in accordance with either of the preceding two paragraphs, the Trustee shall execute to the Railroad Company a supplemental lease of such substituted or additional equipment, describing the same, upon and subject to the terms and conditions hereof and of the Lease, and such substituted or additional equipment shall be part of the Trust Equipment, subject to all the terms and conditions of this Agreement and the Lease in all respects as though it had been part of the original Trust Equipment specifically described in the Lease.

SECTION 6. The Trustee shall, on request of the Railroad Company, invest and keep invested all, or such part of the Deposited Cash not needed by it to pay for Trust Equipment delivered or about to be delivered, as may be designated by the Railroad Company, in such United States Government securities as it may designate. The Trustee, with or without the request of the Railroad Company, may from time to time sell, at the prevailing market prices, such amount of such securities as it may deem necessary to provide cash to pay for Trust Equipment delivered, or about to be delivered, and may, with or without such request, at any time or from time to time, sell at such prices, all or part of such securities, if by reason of a declining market therefor, it believes there is danger of the securities going below par. The Trustee shall sell any such United States Government securities, held by it, when directed by the Railroad Company. The Railroad Company covenants and agrees that, if the selling price of said securities, including any accrued interest, plus any interest paid to the Trustee on such securities, is less than the purchase price thereof, including any accrued interest, the Railroad Company shall forthwith pay to the Trustee the amount of such deficiency as rental, as provided in Article First of the

Lease. All interest received by the Trustee on such securities, and all proceeds of the sale thereof, including accrued interest, if any, shall constitute part of Deposited Cash.

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 principal sum of $3,990,000 at any one time outstanding (subject, however, to the provisions of Section 6 of Article II of this Agreement).

SECTION 8. 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 the Lease otherwise provided for, shall be credited against the next installment of rental payable under subparagraph (f) of Article First of the 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 3⅛ per cent per annum from September 1, 1952, payable semiannually on the first day of March and September in each year. $133,000 principal amount of the Trust Certificates shall become due and payable on March 1 and September 1 in each year beginning on March 1, 1953, and ending on September 1, 1967. Each of said Trust Certificates shall have endorsed thereon the guaranty of the Railroad Company 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 3,990, both inclusive.

Dividend warrants evidencing the rights of the holders of the Trust Certificates to the dividends thereon shall be annexed to the respective definitive Trust Certificates.

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 Company 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 QQ

Total Issue not to exceed $3,990,000

Dividends at the rate of Three and One-Eighth Per Cent per Annum
Payable March 1 and September 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 September 1, 1952, (hereinafter referred to as the "Agreement"), among H. J. Groener and H. H. Conley, of the first part, Continental Illinois National Bank and Trust Company of Chicago, Trustee (hereinafter

referred to as the "Trustee"), of the second part, and Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter referred to as the "Railroad Company"), 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 QQ, payable on ..... 1, 19...., unless prior payment hereof be required as hereinafter provided, and to dividends thereon at the rate of three and one-eighth per cent (3⅛%) per annum from September 1, 1952, to said date of maturity, payable semiannually on March first and September 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, 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 Company, dated as of September 1, 1952.

This certificate is one of an issue of certificates, in bearer form, in an aggregate principal amount not exceeding $3,990,000, substantially identical except as to dates of maturity, all issued or to be issued under the Agreement. The terms of the Agreement further provide that said railroad equipment (or deposited cash and United States Government securities in lieu thereof as provided in the Agreement) and the 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 the 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 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 or thereof and with the Trustee and the Railroad Company, 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 Company 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 Company in the 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 the 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 or a facsimile thereof to be printed hereon 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 September, 1952.

Continental Illinois National Bank
and Trust Company of Chicago,
As Trustee,

By.....
Vice-President.

Attest:

.....
Assistant Secretary.

(Form of Dividend Warrant.)

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

Due to the bearer hereof on the first day of..... ....., 19...., on surrender hereof at the office 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, ... and ..... Dollars, being the semiannual dividend then due on Certificate No. ..... of Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust, Series QQ, 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,

By.....
Assistant Secretary.

(Form of Guaranty.)

Chicago, Milwaukee, St. Paul and Pacific Railroad Company, for a valuable consideration, hereby unconditionally guarantees to the bearer of the within Certificate, as provided in the Agreement referred to in said 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 the dividends thereon at the rate of three and one-eighth per cent (3⅛%) 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.

Chicago, Milwaukee, St. Paul and
Pacific Railroad Company,

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, or a facsimile of its corporate seal shall be thereon imprinted and, in either case, 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 any present or future Assistant Secretary of the Trustee, and the Trustee may adopt and use for that purpose any such facsimile signature notwithstanding the fact that any 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 Company 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 Company.

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 Company, 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 Company, 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 Company.

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 Company shall execute its 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 shall 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 Company 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 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 hereafter enacted to the contrary notwithstanding.

ARTICLE III.

SECTION 1. The Railroad 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, but excluding any and all taxes, assessments and other governmental charges which the Railroad Company or the Trustee may be required to pay or 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 any state, county, municipality or other taxing authority therein.

SECTION 2. The Railroad Company covenants and agrees and unconditionally guarantees 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 3⅛ per cent per annum from September 1, 1952, 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, so far as legally enforceable, at the same rate per annum as provided in the dividend warrants); and the Railroad Company further covenants and agrees to endorse upon each of the Trust Certificates, definitive or temporary, at or before the issue and delivery thereof by the Trustee, its 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 Company by such officer or officers as shall have been duly authorized by the Board of Directors of the Railroad Company to sign upon its behalf. In case any of the officers of the Railroad Company who shall have signed such guaranty shall cease to be such officers of the Railroad 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 Railroad Company as though the persons who signed such guaranty had not ceased to be such officers of the Railroad Company.

ARTICLE IV.

SECTION 1. The Railroad Company covenants and agrees that it will promptly pay or cause to be paid or dis-

charged, 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 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 the holders of the Trust Certificates in the Trust Equipment.

SECTION 2. The Railroad 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, 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 the Lease or of any instruments executed under the provisions hereof or of the Lease in respect of the Trust Equipment, or any equipment or parts used to replace any of the same.

SECTION 3. The Railroad Company covenants and agrees with all convenient speed to cause this Agreement and the Lease and any supplemental leases and agreements which may be executed under the terms of this Agreement, or of the Lease, to be duly filed and refiled or recorded and rerecorded, as may be required by law, in all states wherein are situated railroad lines which the Railroad Company operates or to which it has title or over which it has 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 Company, and otherwise as may now or hereafter be required by law, so that

this Agreement and the Lease and all other such supplemental instruments may at all times be duly filed and recorded.

SECTION 4. The Railroad 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 the 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 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 Railroad Company shall directly or indirectly be a party to or approve of any arrangement for purchasing or funding any of the 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 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 Railroad 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 Railroad Com-

pany, 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 and of all other 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 the Lease shall happen, the Trustee in its discretion may, and at the request of the bearers of not less than 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 interests of the bearers of the Trust Certificates. Upon the written request of the bearers of not less than 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 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 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 the 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 divident warrants, to the extent legally enforceable, at the same rate per annum as provided in the dividend warrants; and

(2) of the principal of all the 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

September 1, 1967, all arrears of rental (with interest upon any overdue installment, to the extent legally enforceable, at the same rate per annum as provided in the dividend warrants), the expenses and reasonable compensation of the Trustee and all other sums which shall have become due and payable by the Railroad Company hereunder or under the 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 Railroad 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, if so requested by the bearers of a majority in principal amount of the Trust Certificates then outstanding and which shall not have matured according to their terms, shall, by written notice to the Railroad 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, and the 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 Company 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 Company by the Trustee or any such bearer, shall affect the obligations of

the Railroad Company under this Agreement or under the Lease or under its guaranty.

The Railroad Company 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 Railroad Company, 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 the 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 the Lease.

SECTION 2. The Trustee covenants and agrees to apply and distribute the rentals received by it under subparagraphs (c), (d), (e), (f) and (g) of Article First of the 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 and its counsel for their services and all expenses connected with the Trust Equipment and the Lease thereof;

(b) to the payment of any taxes, assessments and other governmental charges upon the income or property of the trust, or this Agreement, which the Trustee as such may by law be required to pay, but excluding

any and all taxes, assessments and other governmental charges which the Railroad Company or the Trustee may be required to pay or 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 any state, county, municipality or other 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, in so far as legally enforceable, 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 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 wilful 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 the Lease are made by and on behalf of the Railroad Company, 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 the 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 rerecording of this Agreement or of the 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 the 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 Company), 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 wilful 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 pursuant thereto.

SECTION 7. The Trustee may, for all purposes, conclusively assume that the Railroad Company is 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 the 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 Company 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, a 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 ap-

pointed by such bearers as herein authorized, the Railroad Company, by an instrument executed by the President or a Vice-President of the Railroad Company, or its duly authorized agent, shall appoint a trustee to fill such vacancy. If the Railroad Company shall fail, within thirty days after the 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 Company 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 Company or by the bearers of a majority in principal amount of the Trust Certificates at the time outstanding the Railroad Company 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 Company 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 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 Railroad 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 Railroad Company.

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 Company 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 reasonable counsel fees, which it may incur hereunder or under the 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 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 of counsel for the Railroad 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 VIII.

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 IX.

At the termination of the 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 Company.

ARTICLE X.

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 XI.

The terms "Trustee" and "Railroad Company" as used herein and in the Lease shall be held and construed to mean, respectively, Continental Illinois National Bank and Trust Company of Chicago, its successors and assigns, and Chicago, Milwaukee, St. Paul and Pacific Railroad Company, its successors and assigns. The term "Trust Equipment" whenever used herein or in the Lease, unless otherwise indicated by the context, is intended to 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 terms "Trust Certificate" or "Trust Certificates," whenever used herein or in the Lease, include, unless the context otherwise indicates, both temporary and definitive certificates. The term "State" whenever used herein or in the 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 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 to or made upon the Railroad Company by depositing a written statement thereof, securely enclosed in a postpaid wrapper in the United States registered mail, directed to the Railroad Company at Union Station Building, Chicago 6, 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 part have hereunto set their hands and seals, and the parties of the second and third parts have caused their respective corporate names to be signed hereto by their respective officers thereunto duly authorized and their respective corporate seals to be hereto affixed, duly attested, as of the day and year first above written.

H. J. Groener ..... (L. S.)
H. J. Groener

H. H. Conley ..... (L. S.)
H. H. Conley

Signed, sealed and delivered by H. J. Groener and H. H. Conley in the presence of:

W. G. Everist,
E. W. Fahrenbach,
Attesting Witnesses.

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO,
As Trustee,

By R. M. Kimball,
Vice-President.

Attest:
V. P. Nelson,
Assistant Secretary.

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

W. G. Everist,
E. W. Fahrenbach,
Attesting Witnesses.

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY

By J. W. Severs,
Vice-President.

Attest:
T. W. Burtness,
Secretary.

Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company in the presence of:

Ruth E. Hall,
C. L. Davis,
Attesting Witnesses.

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, E. W. Lueders, 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 2nd day of September, 1952, 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 H. J. Groener and H. H. Conley, 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 H. J. Groener and H. H. Conley 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 October 19, 1953.

E. W. Lueders,
Notary Public in and for the State of Illinois, County of Cook.

Form 279

STATE OF ILLINOIS, } ss.
COOK COUNTY. }

I, RICHARD J. DALEY, 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 and duly authorized to issue certificates of magistracy, that E. W. Lueders 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 2nd day of September A.D. 1952

Richard J. Daley
County Clerk.

52 32464

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, E. W. Lueders, 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 2nd day of September, 1952, 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. M. Kimball and V. P. Nelson, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. Kimball and V. P. Nelson, 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 R. M. Kimball resides in Evanston, in the State of Illinois, and that said V. P. Nelson resides in Chicago, in the State of Illinois; that said R. M. Kimball is a Vice-President, and said V. P. Nelson is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in writing; that they, said R. M. Kimball, Vice-President, and V. P. Nelson, Assistant Secretary, 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 Secretary 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 19, 1953.

E. W. Lueders,
Notary Public in and for the State of Illinois, County of Cook.

Form 279

STATE OF ILLINOIS, } ss.
COOK COUNTY. }

I, RICHARD J. DALEY, 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 and duly authorized to issue certificates of magistracy, that E. W. Lueders 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 2nd day of September A.D. 1952

Richard J. Daley
County Clerk.

52 32464

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 2nd day of September, 1952, 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. W. Severs and T. W. Burtness, to me personally known and known to me to be, respectively a Vice-President and the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 thereunto subscribed as such, and said J. W. Severs and T. W. Burtness, 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. W. Severs resides in Park Ridge, in the State of Illinois, and that said T. W. Burtness resides in Wheaton, in the State of Illinois; that said J. W. Severs is a Vice-President and said T. W. Burtness is the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. Severs, Vice-President, and T. W. Burtness, Secretary, know the corporate

Form 279

STATE OF ILLINOIS, } ss.
COUNTY OF COOK.

I, RICHARD J. DALEY, 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 and duly authorized to issue certificates of magistracy, that [illegible] 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 which appears from the records and files in said County of Illinois and to administer oaths; that I have compared 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 2 day of [illegible] 1952

[illegible] County Clerk.

52 22644

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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 Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires November 17, 1955.

R. W. Spangenberg
R. W. Spangenberg,
Notary Public in and for the State of Illinois, County of Cook.

State of Wisconsin } ss.
DEPARTMENT OF STATE
Received this 4TH day of SEPTEMBER, A. D. 19 52 at 10:00 o'clock A.M. and recorded in Vol. 44 of Railroad Mortgages Pages 177-209 inc.
[illegible] Secretary of State

RELEASE

OF

ILLINOIS CENTRAL RAILROAD COMPANY PURCHASED LINES MORTGAGE OF JUNE 30, 1904, AND SUPPLEMENTS THERETO

BY

UNITED STATES TRUST COMPANY OF NEW YORK, TRUSTEE

TO

ILLINOIS CENTRAL RAILROAD COMPANY

DATED, AUGUST 4TH, 1952

EXECUTED IN 47 PAR.

COUNTERPART No. 45

RELEASE

WHEREAS, by an indenture dated June 30, 1904, by and between Illinois Central Railroad Company (herein and therein sometimes referred to as "Railroad Company") and United States Trust Company of New York (herein and therein sometimes referred to as "Trust Company") and Joel L. Williamson (United States Trust Company of New York and Joel E. Williamson herein and therein sometimes collectively referred to as "Trustees"), which indenture and supplements thereto are commonly referred to as Illinois Central Railroad Company Purchased Lines Mortgage, Illinois Central Railroad Company granted, bargained, sold, released, confirmed, assigned, transferred and conveyed to Trustees, their successor or successors, in trust, the properties more particularly described in said indenture, to secure the payment of bonds authorized in the amount of Twenty Million Dollars ($20,000,000) maturing July 1, 1952; and

WHEREAS, said indenture of June 30, 1904 was filed for record or recorded as follows:

County	Date	Book	Page
		Illinois	
Alexander	July 30, 1904	55 of Mtgs. & Releases	227
Boone	July 29, 1904	42 of Mortgages	48
Coles	July 29, 1904	79 of Mortgages	484
Cumberland	August 1, 1904	15 of Mortgages	499-535
Cook	July 20, 1904	8541 of Records	566
Jackson	September 17, 1904	58 of Mortgages	407-429
DeKalb	August 5, 1904	78 of Mortgages	88-122
DuPage	August 29, 1904	3 of Miscellaneous	481
Edwards	August 29, 1904	"M" of Mortgages	107
Ford	August 30, 1904	48 of Mortgages	112-132
Kane	October 3, 1904	438	362
Kankakee	October 11, 1904	180	163
Franklin	September 3, 1904	2 of Mortgages	36
Jasper	October 3, 1904	23 of Mtg. Record	1-35 Incl.
Johnson	October 8, 1904	27 of R.E.M.	245
Pulaski	November 7, 1904	24 of Mortgages	543
Richland	November 18, 1904	13 of Mortgages	358
Livingston	October 10, 1904	85 of Mortgages	495
McLean	October 12, 1904	187 of Mortgages	367
Perry	October 22, 1904	"3" of Mortgages	479
Pope	November 7, 1904	"M" of R.E.Mort.	286-434
Stephenson	November 14, 1904	89 of Mortgages	61
Tazewell	May 1, 1905	23	182
Macon	July 25, 1905	272	400

County	Date	Book	Page
	Illinois		
Logan	July 15, 1905	41 of Mortgages	73
Moultrie	July 25, 1905	55 of Mortgages	290
Union	December 14, 1904	"17" of Mortgages	311 Cont.
White	December 12, 1904	25 of Mortgages	568
Williamson	December 10, 1904	5 of Miscellaneous	8
Winnebago	December 13, 1904	148 of Mortgages	172
Woodford	December 15, 1904	22 of Mtgs. of Records	1
	Indiana		
Gibson	August 13, 1904	60	56
Vanderburgh	September 29, 1904	61 of Mortgages	24-51
Posey	July 29, 1904	M 2 of Mortgages	1-16
	Wisconsin		
Dane	August 8, 1904	146 of Mortgages	142
LaFayette	November 12, 1904	44 of Mortgages	502-531
Iowa	October 3, 1904	46 of Mortgages	26-50
Green	August 31, 1904	47 of Mortgages	294-326
Dept. of State	July 29, 1904	13 of R.R.M. & T.D.	265-307

and

WHEREAS, by a supplemental indenture dated April 19, 1905 by and between the same parties, Illinois Central Railroad Company granted, bargained, sold, released, confirmed, assigned, transferred and conveyed to Trustees in trust the properties more particularly described in said supplemental indenture and upon the terms specified therein; and

WHEREAS, said supplemental indenture of April 19, 1905 was filed for record or recorded as follows:

County	Date	Book	Page
	Illinois		
Jackson	August 8, 1905	58 of Mortgages	479
Johnson	August 11, 1905	27 of Mortgages	557
Pulaski	August 7, 1905	30	463 etc.
Union	August 7, 1905	17 of Mortgages	369
Williamson	August 9, 1905	5 of Misel.	350
Cumberland	July 3, 1905	31 of Deeds	183-188
Alexander	May 5, 1905	55 of Mortgages	319
Boone	May 24, 1905	42 of Mortgages	170
Franklin	August 9, 1905	6 of Mortgages	301
Perry	August 8, 1905	3 of Mortgages	520
White	August 11, 1905	25 of Mortgages	617
Woodford	August 15, 1905	22 of Mortgages	25
Kankakee	August 17, 1905	202	82
Winnebago	August 8, 1905	148 of Mortgages	234
McLean	August 14,1905	187 of Mortgages	462
Pope	August 10, 1905	19 of Deeds	519

County	Date	Book	Page
	Illinois		
Livingston	August 16, 1905	85 of Mortgages	548
Ford	August 18, 1905	48 of Mortgages	216
Stephenson	August 9, 1905	89 of Mortgages	111
Richland	August 15, 1905	13 of Mortgages	419
Jasper	August 15, 1905	23 of Mortgages	119
Coles	April 26, 1905	79 of Mortgages	582
Logan	June 16, 1905	41 of Mortgages	58
Macon	May 22, 1905	277	390
DuPage	August 7, 1905	57 of Miscellaneous	344
Edwards	August 14, 1905	12 of Deeds	365
Moultrie	May 17, 1905	55 of Mortgages	261
Tazewell	June 24, 1905	23	165
DeKalb	July 22, 1905	78 of Mortgages	330
Kane	August 7, 1905	452	270
Cook	August 25, 1905	9192 of Records	84
	Indiana		
Vanderburgh	August 12, 1905	62 of Mortgages	253
Posey	August 11, 1905	M 2 of Mortgages	19
Gibson	August 12, 1905	61 of Mortgages	349
	Wisconsin		
Green	August 9, 1905	47 of Mortgages	470
Iowa	August 10, 1905	73 of Deeds	639-640
Dane	August 10, 1905	19 of Miscl.	511 &c.
LaFayette	August 12, 1905	44 of Mortgages	610 &c.
Dept. of State	August 10, 1905	13 of R.R.M. & T.D.	544

and

WHEREAS, Joel E. Williamson died on April 21, 1926, leaving United States Trust Company of New York as sole trustee; and

WHEREAS, by a supplemental indenture dated October 22, 1927 by and between Railroad Company and Trust Company, Railroad Company granted, bargained, sold, released, confirmed, assigned, transferred and conveyed to Trust Company in trust certain property more particularly described in said supplemental indenture and upon the terms specified therein which supplemental indenture was filed for record or recorded in Winnebago County, Illinois on November 30, 1927 in Mortgage Book 323 at Page 19; and

WHEREAS, by a supplemental indenture dated December 23, 1927 by and between Railroad Company and Trust Company, Railroad Company granted, bargained, sold, released, confirmed, assigned, transferred and conveyed to Trust Company in trust certain property more particularly described in said supplemental indenture

and upon the terms specified therein which supplemental indenture was filed for record or recorded in Winnebago County, Illinois, on January 13, 1928 in Mortgage Book 321 at Page 540; and

WHEREAS, the aforesaid indenture of June 30, 1904 provides that if, when the bonds shall have become due and payable, the Railroad Company shall well and truly pay or cause to be paid the whole amount of the principal and interest due upon all of the bonds, or shall provide for such payment by depositing with the Trust Company, trustee, thereunder, for the payment of such bonds, the entire amount due and to become due thereon for principal and interest, and shall also pay or cause to be paid all other sums payable thereunder, and shall perform all the things therein required, according to the true intent and meaning of the indenture, or if the Railroad Company shall at any time produce to the Trust Company, trustee, cancelled all of the bonds secured thereby theretofore issued and then outstanding, together with the then unmatured coupons attached to such of said outstanding bonds as bear coupons, then and in either of such cases all property, rights and interest thereby conveyed shall revert to the Railroad Company, or to whomsoever may be entitled thereto, and the estate, right, title and interest of the Trustees therein shall thereupon cease and become void, and the Trustees shall, in such case, on demand of the Railroad Company, and at its cost and expense, execute all releases, and conveyances necessary for the satisfaction and discharge of the indenture; and

WHEREAS, Illinois Central Railroad Company has fully complied with the terms of said indenture of June 30, 1904 and supplements thereto and has requested Trust Company to execute a release for the satisfaction and discharge of said indenture and supplements thereto:

NOW, THEREFORE, in consideration of the foregoing recitals and the sum of One Dollar ($1.00) paid to United States Trust

Company of New York, receipt of which is hereby acknowledged, United States Trust Company of New York, as Trustee under the aforesaid indenture of June 30, 1904 and supplements thereto hereby consents that the aforesaid indenture be satisfied and discharged of record and hereby grants, remises, conveys, releases and quitclaims to Illinois Central Railroad Company, its successors and assigns forever, all the right, title, interest, claim or demand whatsoever it may have acquired in, through or by the aforesaid indenture of June 30, 1904 and supplements thereto to the properties conveyed to it therein in trust, said properties being more particularly described in the aforesaid indenture of June 30, 1904 as follows:

"All and singular the railroad property, corporate rights and franchises hereinafter described, consisting of the following lines, to wit:

"(1) The railroad formerly known as The Kankakee and Southwestern Railroad, running from the station of Otto, in the County of Kankakee, to the station of Tracy, in the County of Kankakee, and through and into the counties of Kankakee, Ford, Livingston and Woodford to Minonk Junction in the County of Woodford, and through and into the counties of Kankakee, Ford, Livingston and McLean to Normal Junction, in the County of McLean, all in the State of Illinois, conveyed to the Railroad Company by deed of The Kankakee and Southwestern Railroad Company dated December 15, 1902, and recorded in the offices of the Recorders of Deeds of the counties aforesaid;

"(2) The railroad formerly known as the Chicago and Texas Railroad, running from Johnston City in the County of Williamson, through and into the counties of Williamson, Jackson, Union, and Alexander, to Gale and East Cape Girardeau, in the County of Alexander, all in the State of Illinois, conveyed to the Railroad Company by deed of the Chicago and Texas Railroad Company dated December 15, 1902, and recorded in the offices of the Recorders of Deeds of the counties aforesaid;

"(3) The railroad formerly known as The Mound City Railway, extending from a point on the main line of the Illinois Central Railroad, at or near Mounds, to a point on or near the Ohio River, at or near Mound City, in the County of Pulaski all in the State of Illinois, conveyed to the Railroad Company by deed of The Mound City Railway Company dated December 15, 1902, and recorded in the office of the Recorder of Deeds of the county aforesaid;

"(4) The railroad formerly known as the Chicago, Madison and Northern Railroad, extending from a connection with the Railroad known as the Saint Charles Air Line, owned jointly by the Illinois Central Railroad Company, the Michigan Central Railroad Company, the Chicago,

Burlington and Quincy Railroad Company, and the Chicago and Northwestern Railroad Company, the said connection being located at or near the east line of Clark Street in the City of Chicago, Illinois, through and into the Counties of Cook, DuPage, Kane, DeKalb, Boone, Winnebago and Stephenson, in the State of Illinois, to the City of Freeport, in the County of Stephenson, through and into the County of Stephenson in the State of Illinois and the counties of Green and Dane to the City of Madison in the State of Wisconsin, and through and into the counties of Green, LaFayette and Iowa to the City of Dodgeville in the State of Wisconsin, and including the railroad formerly known as the Addison Railroad connecting with the said former Chicago, Madison and Northern Railroad at or near South Addison Station, so called, in Section four (4), Township thirty-nine (39) north, Range eleven (11) east of the third principal meridian, and extending in a northerly direction to the north line of the village of Addison in said County of DuPage, the same being the north line of Section twenty-eight (28), Township forty (40) north, Range eleven (11) east of the third principal meridian, all conveyed to the Railroad Company by deed of the Chicago, Madison and Northern Railroad Company, dated February 1, 1903, and recorded in the offices of the Recorders of Deeds in the counties in the State of Illinois aforesaid, and in the office of the Secretary of State of the State of Wisconsin.

"(5) The railroad formerly known as the Riverside and Harlem Railroad, extending from a point at the connection with the railroad track of the Chicago, Madison and Northern Railroad Company, to a connection with the railroad track of the Wisconsin Central Railway Company, all in the County of Cook and State of Illinois, conveyed to the Railroad Company by deed of the Riverside and Harlem Railroad Company dated December 15, 1902, and recorded in the office of the Recorder of Deeds of the county aforesaid;

"(6) The railroad formerly known as the Mattoon and Evansville Railroad, extending from the crossing in the City of Mattoon, in the State of Illinois, of the Cleveland, Cincinnati, Chicago and St. Louis Railroad, through the Counties of Coles, Cumberland, Jasper, Richland, Edwards and White, to the boundary line between the State of Illinois and the State of Indiana, conveyed to the Railroad Company by deed of the Mattoon and Evansville Railroad Company, dated January 27, 1902, and recorded in the offices of the Recorders of Deeds of the counties aforesaid;

"(7) The railroad formerly known as part of the Peoria, Decatur and Evansville Railway, extending from the boundary line between the State of Illinois and the State of Indiana, through the Counties of Gibson, Posey and Vanderbourgh and into the City of Evansville, in the County of Vanderburgh, in the State of Indiana, conveyed to the Railroad Company by deeds dated July 12, 1902, of C. C. Brown, Special Master, and of C. C. Brown, Special Master, jointly with the Central Trust Company of New York and William A. Heilman, recorded in the offices of the Recorders of Deeds of the counties aforesaid;

"(8) The railroad formerly known as the New Harmony Branch of the Peoria, Decatur and Evansville Railway, extending from a connection with the said Peoria, Decatur and Evansville Railway in Stewartsville to New Harmony, in the County of Posey and State of Indiana, conveyed to the Railroad Company by deed of Elewett Lee, dated April 21, 1903, and recorded in the office of the Recorder of Deeds of the county aforesaid;

"(9) The railroad formerly known as the St. Louis and Ohio River Railroad, extending from a point upon the railroad formerly known as the St. Louis, Alton and Terre Haute Railroad, now owned and operated by the Railroad Company, at or near Reevesville in the County of Johnson to a point upon the Ohio River at or near Golconda in the County of Pope, in the State of Illinois, conveyed to the Railroad Company by deed of the St. Louis and Ohio River Railroad Company dated November 16, 1903, and recorded in the offices of the Recorders of Deeds of the counties aforesaid;

"(10) The railroad formerly known as the Mounds and Olive Branch Railroad, extending from a point at or near Mounds Station on the Illinois Central Railroad, in the County of Pulaski, to a point at or near Olive Branch, in the County of Alexander, in the State of Illinois, conveyed to the Railroad Company by deed of the Mounds and Olive Branch Railroad Company dated November 16, 1903, and recorded in the offices of the Recorders of Deeds of the counties aforesaid;

"(11) The railroad formerly known as the Groves and Sand Ridge Railroad, extending from a point on the Line of the St. Louis, Alton and Terre Haute Railroad in Perry County, near the South line of said county, to a point at or near Sand Ridge, in the County of Jackson and State of Illinois, conveyed to the Railroad Company by deed of the Groves and Sand Ridge Railroad Company dated June 28, 1904, and recorded in the offices of the Recorders of Deeds of the counties aforesaid;

"(12) The railroad formerly known as the Christopher and Herrin Railroad, extending from a point at or near Christopher, in a southerly direction a distance of about four and eight-tenths miles, all in the County of Franklin and State of Illinois, conveyed to the Railroad Company by deed of the Christopher and Herrin Railroad Company dated November 16, 1903, and recorded in the office of the Recorder of Deeds of the county aforesaid;

"All of said railroads lie in the States of Illinois, Indiana or Wisconsin, and each of them is owned and operated by the Railroad Company, and connects at one or more points with railroads owned and operated by the Railroad Company.

"Together with all the branches, additions, sidings, switches and turnouts of the said railroads and of each of them, including all lands, rails, bridges, viaducts, culverts, fences, roadways, rights-of-way, stations, offices, depots, depot grounds, workshops, machine shops, machinery, engine houses, freight and station houses, warehouses, elevators and other structures, now held or acquired, or hereafter to be held or acquired, for use in connection with the said railroads or any of them, or the

business thereof; also all cars and engines heretofore conveyed to the Railroad Company along with the railroads, or any of them, hereinbefore described, by the several deeds above recited, and any cars and engines which may hereafter be built to replace the same, but expressly excluding all other cars and engines which were at the dates of the said deeds, or are now, or shall hereafter be, owned by the Railroad Company; and also all the corporate rights, privileges, franchises, easements, property rights and things of whatever name and nature, connected with or relating to the said railroads, or to the construction, maintenance or use thereof, together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in any wise appertaining, and the reversions, remainders, tolls, earnings, incomes, issues and profits thereof; and also all the estate, right, title, interest, property, possession, claims and demands whatsoever, as well in law as in equity, of the said Illinois Central Railroad Company of, in and to the same, and any and every part thereof, with the appurtenances;"

and additional properties being more particularly described in the aforesaid supplemental indenture of April 19, 1905 as follows:

"All and singular the railroad property, corporate rights and franchises hereinafter described, consisting of the following lines, to wit:

"The railroad known as the Peoria, Decatur & Mattoon Railroad between the cities of Pekin and Mattoon beginning at the said city of Pekin, in the county of Tazewell, and running through the said county of Tazewell via Delavan to Lincoln, in the county of Logan, and thence through the counties of Logan and Macon via Mount Pulaski, Latham and Warrensburg to Decatur, in the county of Macon, and thence through the counties of Macon and Moultrie via Dalton City and Bethany to Sullivan, in the county of Moultrie, and thence through the counties of Moultrie and Coles to a point in the city of Mattoon, in the said county of Coles, all in the State of Illinois, where the said railroad is intersected by the railroad of the Cleveland, Cincinnati, Chicago and St. Louis Railroad Company, together with all the branches, additions, sidings, switches and turnouts of the said railroad; including all lands, rails, bridges, viaducts, culverts, fences, roadways, rights-of-way, stations, offices, depots, depot grounds, work-shops, machine shops, machinery, engine houses, freight and station houses, warehouses, elevators and other structures, then held or acquired, or thereafter to be held or acquired, for use in connection with the railroad or the business thereof; also all cars and engines conveyed to the Railroad Company along with the said railroad, and any cars and engines which may hereafter be built to replace the same, but expressly excluding all other cars and engines which shall hereafter be owned by the Railroad Company; also all the corporate rights, privileges, franchises, easements, property rights and things of whatever name and nature connected with or relating to said railroad, or to the construction, maintenance or use thereof, together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in any wise appertaining, and the reversions, remainders, tolls, earnings, incomes,

issues and profits thereof; and also all the estate, right, title, interest, property, possession, claims and demands whatsoever as well in law as in equity of the Railroad Company, in and to the same, and any and every part thereof, with the appurtenances, conveyed to the Railroad Company by deed of the Peoria, Decatur and Mattoon Railroad Company dated April 8, 1905, and recorded in the offices of the Recorders of Deeds of the counties aforesaid;"

and additional properties being more particularly described in the aforesaid supplemental indenture of October 22, 1927 as follows:

"A parcel of ground being in the east half of Block Two of Woodruff's Addition to the City of Rockford, Illinois, and bounded by the following lines:- On the north and east by a line whose point of beginning is found by measuring south along the west line of Ninth Street One Hundred Eighteen feet from the southwest corner of Ninth Street and Railroad Avenue to a point in the west line of Ninth Street; thence northwestwardly at an angle of Seventy Two degrees and Thirty Five Minutes (72° 35'), Sixty Seven and Two Tenths feet to the said point of beginning; thence along the northeast boundary line, curving to the north with a redius of Four Hundred Eighty Nine feet to the west boundary line of the property of the Co-Operative Furniture Company, said west boundary line being Two Hundred Thirty One Feet westerly from and parallel to the west line of Ninth Street. On the southwest by a line beginning at the above described point of beginning; thence continuing along the line, making an angle of 72° 35', One Hundred Seventy Six feet to a point in the west boundary line of the property of the Co-Operative Furniture Company, which is Ninety and Seven Tenths feet north of the southwest corner of the Co-Operative Furniture Company's property, said southwest corner being Two Hundred Thirty One feet west of the west line of Ninth Street and One Hundred Thirty Two feet north of the north line of Ninth Avenue. On the west by the west boundary line of the property of the Co-Operative Furniture Company, said west boundary line being Two Hundred Thirty One feet from and parallel to the west line of Ninth Street, situated in the County of Winnebago, State of Illinois."

and additional properties being more particularly described in the aforesaid supplemental indenture of December 23, 1927 as follows:

"Part of the Northwest quarter (¼) of Section One (1) Township Forty-three (43) North, Range One (1) East of the Third Principal Meridian, bounded and described as follows: - Beginning at a point on the North line of said Section one (1) eleven (11) rods west of the half section line running North and South through said section; thence running West on said section line, one hundred thirty (130) feet; thence South parallel with said half section line, eighty (80) rods; thence East parallel with the North line of said section 1, one hundred thirty (130) feet; thence North parallel with said half section line, eighty (80) rods to the place of beginning, containing Three and Ninety-four one-hundredths (3.94) acres, more or less, situated in the Town of New Milford, in the County of Winnebago, in the State of Illinois."

To facilitate recording of this instrument, several identical counterparts have been executed, acknowledged and delivered, each of which shall be deemed to be an original, and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, United States Trust Company of New York, as Trustee as aforesaid, has caused this instrument to be signed by its ASST. VICE President and attested by its ASST. Secretary and its corporate seal to be hereto affixed this 4TH day of AUGUST, 1952.

UNITED STATES TRUST COMPANY OF NEW YORK,
as Trustee as aforesaid

By _____ ASST. VICE President
(H. L. SMITHERS)

ATTEST:

_____ ASST. Secretary
(J. E. DEWHURST)

Witnesses:

_____ G. J. MARTEN

_____ C.A.PAINE

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.

I, BARTH E. ROCKETT, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that H. L. SMITHERS, ASST. VICE President of United States Trust Company of New York and J. E. DEWHURST, ASST. Secretary of said Company, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such ASST. VICE President and ASST. Secretary, 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 and deed of said Company as trustee, for the uses and purposes therein set forth; and the said ASST. Secretary did also then and there acknowledge that he, as custodian of the corporate seal of said Company, did affix the said corporate seal of said Company to said instrument as his own free and voluntary act, and as the free and voluntary act of said Company as trustee, for the uses and purposes therein set forth.

Given under my hand and Notarial seal this 4TH day of AUGUST, 1952.

Barth E. Rockett
(BARTH E. ROCKETT) Notary Public

My commission expires MARCH 30, 1954.

BARTH E. ROCKETT
Notary Public, State of New York
No. 41-8609400
Qualified in Queens County
Certs. filed with Queens Co. Reg's and
N.Y. Co. and Bronx Co. Clk's and Reg's Offices
Term Expires March 30, 1954

State of New York, County of New York, } ss.: Form 1
No. 79043

I, ARCHIBALD R. WATSON, County Clerk and Clerk of the Supreme Court, New York County, a Court of Record having by law a seal, DO HEREBY CERTIFY that BARTH E. ROCKETT whose name is subscribed to the annexed affidavit, deposition, certificate of acknowledgment or proof, was at the time of taking the same a NOTARY PUBLIC in and for the State of New York, duly commissioned and sworn and qualified to act as such throughout the State of New York; that pursuant to law a commission, or a certificate of his official character, and his autograph signature, have been filed in my office; that as such Notary Public he was duly authorized by the laws of the State of New York to administer oaths and affirmations, to receive and certify the acknowledgment or proof of deeds, mortgages, powers of attorney and other written instruments for lands, tenements and hereditaments to be read in evidence or recorded in this State, to protest notes and to take and certify affidavits and depositions; and that I am well acquainted with the handwriting of such Notary Public, or have compared the signature on the annexed instrument with his autograph signature deposited in my office, and believe that the signature is genuine.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this 26 day of AUG 1952

FEE PAID 25¢

Archibald R. Watson
County Clerk and Clerk of the Supreme Court, New York County

State of Wisconsin } ss.
DEPARTMENT OF STATE
Received this 22nd day of SEPT. A. D. 19 52 at 10:00 o'clock A.M. and recorded in Vol. 44 of RAILROAD MORTGAGES on pages 210-220, Incl.

ILLINOIS CENTRAL RAILROAD COMPANY

TO

GUARANTY TRUST COMPANY OF NEW YORK,
TRUSTEE

Supplemental Indenture

Dated August 1, 1952.

Providing for Consolidated Mortgage Thirty Year 3⅞% Bonds, Series E

SUPPLEMENTAL INDENTURE, dated August 1, 1952, between ILLINOIS CENTRAL RAILROAD COMPANY, a corporation of the State of Illinois, hereinafter called the Company, party of the first part, and GUARANTY TRUST COMPANY OF NEW YORK, a corporation of the State of New York, hereinafter called the Trustee, party of the second part.

WHEREAS, the Company heretofore executed and delivered to the Trustee an Indenture, dated November 1, 1949 (hereinafter called the Indenture dated November 1, 1949), providing for the issue from time to time of mortgage bonds of the Company known as its Consolidated Mortgage Bonds (hereinafter sometimes called the Bonds); and

WHEREAS, the Company thereafter executed and delivered to the Trustee its supplemental indenture dated June 1, 1952, supplemental to the Indenture dated November 1, 1949, (a) setting forth the terms and provisions of a new series of Bonds to be authenticated and delivered under the Consolidated Mortgage, designated Consolidated Mortgage Thirty Year 4¼% Bonds, Series D (hereinafter called the Bonds of Series D), and (b) providing additional or other restrictions or limitations upon the issue of Consolidated Mortgage Bonds and additional covenants and undertakings of the Company thereunder (the Indenture dated November 1, 1949 as amended and supplemented by said supplemental indenture dated June 1, 1952 being hereinafter called the Consolidated Mortgage and the terms defined therein being used herein); and

WHEREAS, there have been authenticated and delivered and are now outstanding under the Consolidated Mortgage $3,972,000 principal amount of Consolidated Mortgage Thirty Year 3¾% Bonds, Series A (until November 1, 1955, interest rate 4⅛%) due November 1, 1979 (hereinafter called the Bonds of Series A), $5,519,000 principal amount of Consolidated Mortgage Thirty Year 3¾% Bonds, Series B (until November 1, 1955, interest rate 5⅛%) due November 1, 1979 (hereinafter called the Bonds of Series B), $19,366,000 principal amount of Consolidated Mortgage Twenty-Five Year 3¾% Bonds, Series C

due November 1, 1974 (hereinafter called the Bonds of Series C), and $13,000,000 principal amount of Bonds of Series D due June 1, 1982; and

WHEREAS, the Company desires to create a new series of Bonds, to be designated Consolidated Mortgage Thirty Year 3⅞% Bonds, Series E (hereinafter sometimes called Bonds of Series E), and desires by this Supplemental Indenture, as provided in Sections 1.07 and 16.01(g) of the Consolidated Mortgage, to set forth the terms and provisions of the Bonds of Series E; and

WHEREAS, the execution and delivery of this Supplemental Indenture has in all respects been duly authorized and all conditions and requirements necessary to make this Supplemental Indenture a valid and binding agreement and to authorize the Bonds of Series E, have been duly performed, done and complied with;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained and of the sum of $10 to it duly paid by the Trustee at or before the execution and delivery of these presents, and for other good and valuable consideration, the receipt whereof is hereby acknowledged, the Company covenants and agrees to and with the Trustee for the equal and proportionate benefit and security of the holders of the Bonds as hereinafter set forth:

ARTICLE I

Bonds of Series E

SECTION 1.01. The Bonds of Series E shall be designated Consolidated Mortgage Thirty Year 3⅞% Bonds, Series E, shall be issuable at one time or from time to time, in accordance with the terms of the Consolidated Mortgage, (a) shall be dated (except as otherwise provided in the Consolidated Mortgage in respect of registered bonds)

as of August 1, 1952; (b) shall mature on August 1, 1982; (c) shall bear interest at the rate of 3⅞% per annum, payable semi-annually on February 1 and August 1 after the date thereof until the principal amount thereof shall become due and payable and at the rate of 6% per annum thereafter; (d) shall be payable as to principal, premium, if any, and interest at the office or agency of the Company in the Borough of Manhattan, City and State of New York, or at the option of the bearer or registered holder thereof at the office or agency of the Company in Chicago, Illinois, 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 public and private debts; (e) shall be redeemable before maturity as a whole or in part at any time, as provided in Section 1.02 hereof and in Article Seventh of the Consolidated Mortgage; (f) shall be issuable as coupon Bonds with the privilege of registration as to principal in the denomination of $1,000 and as registered Bonds without coupons in denominations of $1,000 and such multiples thereof as may from time to time be approved by the Company (such approval to be conclusively evidenced by the execution thereof), the coupon Bonds and the registered Bonds without coupons and the several denominations of registered Bonds without coupons being interchangeable in like aggregate principal amounts; (g) shall be entitled to the benefits of the Series E Sinking Fund provided for in Section 1.04 hereof; and (h) shall be limited to the aggregate principal amount of not exceeding $62,000,000, exclusive of Bonds authenticated and delivered upon transfer of or in exchange for other Bonds or in lieu of lost, stolen, destroyed or mutilated Bonds.

SECTION 1.02. The Bonds of Series E shall be redeemable before maturity, as a whole or in part by lot, upon notice given as provided in Section 7.04 of the Consolidated Mortgage, at any time at the option of the Company, at a redemption price equal to the principal amount thereof and unpaid interest accrued thereon to the date designated for

redemption, plus premiums equal to the following percentages of the principal amount, namely:

If Redeemed During Twelve Months' Period Beginning August 1

1952	1¾%	1966	⅞%
1953	1¾%	1967	⅞%
1954	1⅝%	1968	¾%
1955	1⅝%	1969	¾%
1956	1½%	1970	⅝%
1957	1½%	1971	⅝%
1958	1⅜%	1972	½%
1959	1⅜%	1973	½%
1960	1¼%	1974	⅜%
1961	1¼%	1975	⅜%
1962	1⅛%	1976	¼%
1963	1⅛%	1977	¼%
1964	1%	1978	⅛%
1965	1%	1979	⅛%

and without premium if redeemed on and after August 1, 1980; or through the operation of the Series E Sinking Fund provided for in Section 1.04 hereof, at a redemption price equal to the principal amount thereof and unpaid interest accrued thereon to the date designated for redemption.

Section 1.03. The Bonds of Series E, the coupons to be attached to the coupon Bonds of Series E and the Trustee's certificate of authentication on the Bonds of Series E shall be substantially in the following forms:

[Form of coupon bonds of series E]

No. $1,000

ILLINOIS CENTRAL RAILROAD COMPANY

Consolidated Mortgage Thirty Year 3⅞% Bond, Series E

Due August 1, 1982

Illinois Central Railroad Company, a corporation of the State of Illinois (hereinafter called the Company), for value received, hereby promises to pay to the bearer, or if this Bond be registered as to principal, to the registered holder hereof, on the first day of August, 1982 (unless this Bond shall be called for previous redemption and payment thereof duly provided for) one thousand dollars ($1,000), and to pay interest on said principal amount from the date hereof at the rate of three and seven-eighths per cent. (3⅞%) per annum, semi-annually on the first day of February and on the first day of August in each year until said principal amount shall become due and payable, but only according to the tenor and upon presentation and surrender of the interest coupons appertaining hereto, as they severally mature; and to pay interest at the rate of six per cent. (6%) per annum on any overdue principal and, to the extent permitted by law, on any overdue instalments of interest. Payment of the principal of, and premium, if any, and interest on, this Bond will be made at the office or agency of the Company in the Borough of Manhattan, City and State of New York or, at the option of the bearer or registered holder hereof, at the office or agency of the Company in Chicago, Illinois, 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 public and private debts.

This Bond is one of the Consolidated Mortgage Bonds of the Company, hereinafter sometimes called the Bonds, all issued and to be issued in one or more series under, and equally secured by, an indenture, dated November 1, 1949, executed by the Company to Guaranty Trust Company of New York, as Trustee (hereinafter sometimes called the Trustee), as supplemented by a supplemental indenture dated June 1, 1952 and a supplemental indenture dated August 1, 1952, to which indenture and any and all supplements thereto (hereinafter sometimes

collectively called the Consolidated Mortgage) reference is hereby made for a description of the properties and franchises mortgaged and pledged, the nature and extent of the security and the rights of the holders of the Bonds and coupons and the rights, duties and immunities of the Trustee thereunder. This Bond is one of a series of the Bonds known as the Consolidated Mortgage Thirty Year 3⅞% Bonds, Series E, hereinafter sometimes called the Bonds of Series E, which are limited to the aggregate principal amount of not exceeding $62,000,000.

The Bonds are issuable in series and the several series of Bonds may be for varying aggregate principal amounts, and the Bonds of any one series may differ from the Bonds of any other series as to date, maturity, interest rate, redemption, conversion and sinking fund provisions, if any, and otherwise, all as in the Consolidated Mortgage provided.

If an event of default, as defined in the Consolidated Mortgage, shall occur, the principal of the Bonds may be declared, or may become, due and payable in the manner and with the effect provided in the Consolidated Mortgage.

The Consolidated Mortgage permits the amendment thereof and the modification or alteration, in any respect, of the rights and obligations of the Company and the rights of the holders of the Bonds of all or any series and the holders of appurtenant coupons, if any, thereunder and hereunder at any time by the concurrent action of the Company and of the holders of specified percentages of the Bonds then outstanding, affected by such amendment, modification or alteration (including, in the case, among others, of a modification of the terms of payment of the principal of, or premium or interest on, this Bond, the consent of the holder hereof), all as more fully provided in the Consolidated Mortgage.

The Bonds of Series E are entitled to the benefit of the Sinking Fund provided for in the Consolidated Mortgage, to the extent therein provided.

As provided in the Consolidated Mortgage, the Bonds of Series E are redeemable before maturity through the operation of the Series E Sinking Fund at any time after May 1, 1953, or at the option of the Company at any time, as a whole or from time to time in part, upon publication of notice of such redemption once in each calendar week for four successive weeks, the first publication to be not less than 30 days

nor more than 60 days prior to the date designated for such redemption, in two newspapers printed in the English language, one customarily published on each business day and of general circulation in the Borough of Manhattan, City and State of New York, and one customarily published on each business day and of general circulation in the City of Chicago, State of Illinois; and if the redemption be at the option of the Company and not through the operation of the Series E Sinking Fund, upon payment of the principal amount thereof and unpaid interest accrued thereon to the date designated for redemption, plus premiums equal to the following percentages of the principal amount, namely:

If Redeemed During Twelve Months' Period Beginning August 1

1952	1¾%	1966	⅞%
1953	1¾%	1967	⅞%
1954	1⅝%	1968	¾%
1955	1⅝%	1969	¾%
1956	1½%	1970	⅝%
1957	1½%	1971	⅝%
1958	1⅜%	1972	½%
1959	1⅜%	1973	½%
1960	1¼%	1974	⅜%
1961	1¼%	1975	⅜%
1962	1⅛%	1976	¼%
1963	1⅛%	1977	¼%
1964	1%	1978	⅛%
1965	1%	1979	⅛%

and without premium if redeemed on and after August 1, 1980; or if the redemption be through the operation of the Series E Sinking Fund, upon payment of the principal amount thereof and unpaid interest accrued thereon to the date designated for redemption. If this Bond is duly called for redemption and payment duly provided for, this

Bond shall cease to bear interest on and after the date designated for such redemption.

No recourse shall be had for the payment of the principal of, or premium, if any, or interest on, this Bond or any part thereof, or for any claim based thereon or otherwise in respect thereof, or based on or in respect of the indebtedness represented thereby or of the Consolidated Mortgage, against any incorporator or any past, present or future subscriber to the capital stock, stockholder, officer or director of the Company or of any successor corporation, as such, either directly or through the Company or any successor corporation, whether by any legal or equitable proceeding, under any rule of law, statute or constitution or by the enforcement of any assessment or penalty or otherwise, all such liability of incorporators, subscribers, stockholders, officers and directors, as such, being expressly waived and released by the holder hereof by the acceptance of this Bond and as part of the consideration for the issue hereof, and being likewise waived and released by the terms of the Consolidated Mortgage.

This Bond shall be transferable by delivery unless registered as to principal in the holder's name at the office or agency of the Company in the Borough of Manhattan, City and State of New York or at the office or agency of the Company in Chicago, Illinois, such registration being noted hereon. After such registration no further transfer hereof shall be valid unless made at either of said offices or agencies by the registered holder hereof, in person or by attorney duly authorized, 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. This Bond shall continue to be subject to successive registrations and transfers to bearer at the option of the bearer or registered holder. Such registration, however, shall not affect the transferability by delivery of the coupons, which shall always remain payable to bearer and transferable by delivery. The Company and the Trustee may deem and treat the bearer of this Bond, or, if this Bond is registered as herein authorized, the person in whose name the same is registered, as the absolute owner hereof for all purposes. The Company and the Trustee may deem and treat the bearer of any coupon appurtenant to this Bond (whether or not this Bond is registered as to principal) as the absolute owner of such coupon, for all purposes.

The holder of any coupon Bond or Bonds of this series may, at his option, surrender for cancellation his Bond or Bonds, with all unpaid coupons thereto appertaining, at either of said offices or agencies in exchange for a registered Bond or Bonds without coupons of this series of authorized denominations for the same aggregate principal amount, and any such registered Bond or Bonds without coupons may in turn be re-exchanged for a coupon Bond or Bonds of this series for the same aggregate principal amount with all unpaid coupons thereto appertaining, in each case as provided in the Consolidated Mortgage, and on payment, if the Company shall so require, of the charges therein authorized.

Neither this Bond nor any coupon appertaining hereto shall be entitled to any benefits under the Consolidated Mortgage, or be valid or obligatory for any purpose, until this Bond shall have been authenticated by the certificate hereon of the Trustee.

IN WITNESS WHEREOF, Illinois Central Railroad Company has caused this Bond to be signed by its President or one of its Vice-Presidents, and its corporate seal or a facsimile thereof to be hereunto affixed or imprinted or engraved hereon and to be attested by its Secretary or one of its Assistant Secretaries, and coupons for said interest, bearing the engraved facsimile signature of its Treasurer, to be attached hereto, as of August 1, 1952.

ILLINOIS CENTRAL RAILROAD COMPANY

By.....
Vice-President

Attest:

.....
Secretary

[FORM OF INTEREST COUPONS FOR BONDS OF SERIES E]

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

On the 1st day of , 19 , unless the Bond hereinafter mentioned shall have been called for previous redemption and payment duly provided for, Illinois Central Railroad Company will pay to the bearer, upon surrender of this coupon, at the office or agency of the Company in the Borough of Manhattan, City and State of New York, or, at the option of the bearer, at the office or agency of the Company, in Chicago, Illinois, Dollars 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 public and private debts, being six months' interest then due on its Consolidated Mortgage Thirty Year 3⅞% Bond, Series E, due August 1, 1982, No. .

.....
Treasurer.

[FORM OF REGISTERED BOND OF SERIES E]

No. ..... $

ILLINOIS CENTRAL RAILROAD COMPANY

Consolidated Mortgage Thirty Year 3⅞% Bond, Series E

Due August 1, 1982

Illinois Central Railroad Company, a corporation of the State of Illinois (hereinafter called the Company), for value received, hereby promises to pay to or registered assigns, on the first day of August, 1982 (unless this Bond shall be called for previous redemption and payment thereof duly provided for),
dollars, and to pay interest on said principal amount from the date hereof at the rate of three and seven-eighths per cent. (3⅞%) per annum, semi-annually on the first day of February and on the first day of

August in each year until said principal amount shall become due and payable; and to pay interest at the rate of six per cent. (6%) per annum on any overdue principal and, to the extent permitted by law, on any overdue instalments of interest. Payment of the principal of, and premium, if any, and interest on, this Bond will be made at the office or agency of the Company in the Borough of Manhattan, City and State of New York, or, at the option of the registered holder hereof, at the office or agency of the Company in Chicago, Illinois, 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 public and private debts.

This Bond is one of the Consolidated Mortgage Bonds of the Company, hereinafter sometimes called the Bonds, all issued and to be issued in one or more series under, and equally secured by, an indenture, dated November 1, 1949, executed by the Company to Guaranty Trust Company of New York, as Trustee (hereinafter sometimes called the Trustee), as supplemented by a supplemental indenture dated June 1, 1952 and a supplemental indenture dated August 1, 1952, to which indenture and any and all supplements thereto (hereinafter sometimes collectively called the Consolidated Mortgage) reference is hereby made for a description of the properties and franchises mortgaged and pledged, the nature and extent of the security and the rights of the holders of the Bonds and coupons and the rights, duties and immunities of the Trustee thereunder. This Bond is one of a series of the Bonds known as the Consolidated Mortgage Thirty Year 3⅞% Bonds, Series E, hereinafter sometimes called the Bonds of Series E, which are limited to the aggregate principal amount of not exceeding $62,000,000.

The Bonds are issuable in series and the several series of Bonds may be for varying aggregate principal amounts, and the Bonds of any one series may differ from the Bonds of any other series as to date, maturity, interest rate, redemption, conversion and sinking fund provisions, if any, and otherwise, all as in the Consolidated Mortgage provided.

If an event of default, as defined in the Consolidated Mortgage, shall occur, the principal of the Bonds may be declared, or may become due and payable in the manner and with the effect provided in the Consolidated Mortgage.

The Consolidated Mortgage permits the amendment thereof and the modification or alteration, in any respect, of the rights and obligations of the Company and the rights of the holders of the Bonds of all or any series and the holders of appurtenant coupons, if any, thereunder and hereunder at any time by the concurrent action of the Company and of the holders of specified percentages of the Bonds then outstanding, affected by such amendment, modification or alteration (including, in the case, among others, of a modification of the terms of payment of the principal of, or premium or interest on, this Bond, the consent of the registered holder hereof), all as more fully provided in the Consolidated Mortgage.

The Bonds of Series E are entitled to the benefit of the Sinking Fund provided for in the Consolidated Mortgage, to the extent therein provided.

As provided in the Consolidated Mortgage, the Bonds of Series E are redeemable before maturity through the operation of the Series E Sinking Fund at any time after May 1, 1953, or at the option of the Company at any time, as a whole or from time to time in part, upon publication of notice of such redemption once in each calendar week for four successive weeks, the first publication to be not less than 30 days nor more than 60 days prior to the date designated for such redemption, in two newspapers printed in the English language, one customarily published on each business day and of general circulation in the Borough of Manhattan, City and State of New York, and one customarily published on each business day and of general circulation in the City of Chicago, State of Illinois; and if the redemption be at the option of the Company and not through the operation of the Series E Sinking Fund, upon payment of the principal amount thereof and unpaid interest accrued thereon to the date designated for redemption, plus premiums equal to the following percentages of the principal amount, namely:

If Redeemed During Twelve Months' Period Beginning August 1			
1952	1¾%	1966	⅞%
1953	1¾%	1967	⅞%
1954	1⅝%	1968	¾%
1955	1⅝%	1969	¾%
1956	1½%	1970	⅝%
1957	1½%	1971	⅝%
1958	1⅜%	1972	½%
1959	1⅜%	1973	½%
1960	1¼%	1974	⅜%
1961	1¼%	1975	⅜%
1962	1⅛%	1976	¼%
1963	1⅛%	1977	¼%
1964	1%	1978	⅛%
1965	1%	1979	⅛%

and without premium if redeemed on and after August 1, 1980; or if the redemption be through the operation of the Series E Sinking Fund, upon payment of the principal amount thereof and unpaid interest accrued thereon to the date designated for redemption. If this Bond is duly called for redemption and payment duly provided for, this Bond shall cease to bear interest on and after the date designated for such redemption.

No recourse shall be had for the payment of the principal of, or premium, if any, or interest on, this Bond or any part thereof, or for any claim based thereon or otherwise in respect thereof, or based on or in respect of the indebtedness represented thereby or of the Consolidated Mortgage, against any incorporator or any past, present or future subscriber to the capital stock, stockholder, officer or director of the Company or of any successor corporation, as such, either directly or through the Company or any successor corporation, whether by any legal or equitable proceeding, under any rule of law, statute or constitution or by the enforcement of any assessment or penalty or other-

wise, all such liability of incorporators, subscribers, stockholders, officers and directors, as such, being expressly waived and released by the holder hereof by the acceptance of this Bond and as part of the consideration for the issue hereof, and being likewise waived and released by the terms of the Consolidated Mortgage.

This Bond is transferable by the registered holder hereof, in person or by attorney duly authorized, at the office or agency of the Company in the Borough of Manhattan, City and State of New York, or at the office or agency of the Company in Chicago, Illinois, upon surrender and cancellation of this Bond, and thereupon one or more new registered Bonds without coupons of this series of authorized denominations and for the same aggregate principal amount will be issued to the transferee in exchange therefor, as provided in the Consolidated Mortgage, and on payment, if the Company shall so require, of the charges provided for in the Consolidated Mortgage. The Company and the Trustee may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for all purposes.

This Bond may be exchanged at either of said offices or agencies for one or more registered Bonds without coupons of this series of other authorized denominations and for the same aggregate principal amount, or for one or more coupon Bonds of this series for the same aggregate principal amount, with all unpaid coupons thereto appertaining, and any such coupon Bond or Bonds with all unpaid coupons thereto appertaining, may in turn be re-exchanged for a registered Bond or Bonds without coupons of this series of authorized denominations and for the same aggregate principal amount, in each case as provided in the Consolidated Mortgage, and on payment, if the Company shall so require, of the charges therein authorized.

This Bond shall not be entitled to any benefit under the Consolidated Mortgage, and shall not be valid or obligatory for any purpose, until it shall have been authenticated by the certificate hereon of the Trustee.

In Witness Whereof, Illinois Central Railroad Company has caused this Bond to be signed by its President or one of its Vice-Presidents, and its corporate seal or a facsimile thereof to be hereunto

affixed or imprinted or engraved hereon and to be attested by its Secretary or one of its Assistant Secretaries, as of .

Illinois Central Railroad Company

By.....
Vice-President.

Attest:

.....
Secretary.

[Form of Trustee's Certificate of Authentication]

This Bond is one of the Bonds, of the Series designated therein, referred to in the within-mentioned Consolidated Mortgage.

Guaranty Trust Company of New York,
Trustee

By.....
Authorized Officer.

Section 1.04. The Sinking Fund established in Section 8.01 of the Indenture dated November 1, 1949, as augmented and modified by the provisions of Section 1.04 of said supplemental indenture dated June 1, 1952, providing for the annual payment of a sum equal to 1% of the aggregate principal amount of Bonds of Series A, B, C and D theretofore authenticated and delivered, is hereinafter called the "Sinking Fund."

The Company will create a separate sinking fund, to be designated as the "Series E Sinking Fund" for the Bonds of Series E. The Company covenants and agrees that, so long as any of the Bonds of Series E are outstanding, it will pay to the Trustee on or before May 1 in each calendar year, beginning with May 1, 1953, to the extent that the consolidated net income of the Company and its 90% Subsidiaries for the preceding calendar year (determined as provided in Section 8.02 of the Indenture dated November 1, 1949, as amended by Section 2.16 of said supplemental indenture dated June 1, 1952) is sufficient for the purpose and for the requirements of the Sinking Fund, a sum equal to 1% of the

aggregate principal amount of Bonds of Series E theretofore authenticated and delivered. If, however, such consolidated net income of the Company and its 90% Subsidiaries in any calendar year is insufficient to meet such maximum amounts payable into the Sinking Fund as well as the Series E Sinking Fund, the sum payable into the Series E Sinking Fund shall be a fraction of such available consolidated net income, computed by taking the aggregate principal amount of Bonds of Series E then outstanding as the numerator and the aggregate principal amount of Bonds of Series A, B, C, D and E then outstanding as the denominator, the remainder of such available consolidated net income being payable into the Sinking Fund.

The requirements of the Sinking Fund and of the Series E Sinking Fund shall be cumulative, so that on May 1 of the succeeding calendar year or years any such consolidated net income for the preceding calendar year shall be paid into the Sinking Fund and the Series E Sinking Fund, respectively, to the extent necessary to make up any amounts (i) by which payments into the Sinking Fund and the Series E Sinking Fund in previous years shall have aggregated less than the 1% of the aggregate principal amount of Bonds of Series A, B, C, D and E theretofore authenticated and delivered, payable under the Consolidated Mortgage, and under this Section 1.04, and (ii) to meet the respective requirements for the then current year.

For purposes of this Section 1.04 references to Bonds of Series E authenticated and delivered shall not be deemed to include (a) Bonds of Series E held in the treasury of the Company which have never been issued or pledged and (b) Bonds of Series E authenticated and delivered upon a transfer of which or in exchange or in substitution for or in lieu of which other Bonds of Series E shall have been authenticated and delivered under any of the provisions of the Consolidated Mortgage.

Consolidated net income of the Company shall be determined as provided in Section 8.02 of the Indenture dated November 1, 1949, as amended by Section 2.16 of said supplemental indenture dated June 1, 1952.

In lieu of any cash payment required for the Series E Sinking Fund, the Company may deliver to the Trustee Bonds of Series E theretofore issued by the Company and repurchased. Each such Bond of Series E shall be credited against the Company's obligations with respect to the Series E Sinking Fund in an amount equal to the lower of (a) the redemption price for sinking fund redemption for Bonds of Series E, or (b) the cost thereof to the Company (exclusive of accrued interest), as shown by an Officers' Certificate filed with the Trustee.

Each cash payment into the Series E Sinking Fund shall be applied to the retirement of Bonds of Series E by purchase or redemption, as hereinafter provided. Bonds of Series E shall be purchased, as the Company from time to time shall elect by Request filed with the Trustee, (a) at public or private sale or in the open market with or without notice of advertisement for tenders, at such price or prices as the Trustee may deem proper, not exceeding the redemption price (exclusive of accrued interest and brokerage commissions) for sinking fund redemption for Bonds of Series E, or (b) from the Company at not exceeding the cost to the Company of the Bonds of Series E so purchased, exclusive of accrued interest, or the principal amount of such Bonds of Series E, if that be less than cost.

Whenever the Company shall file with the Trustee a Request in respect of the purchase of Bonds of Series E from the Company out of the Series E Sinking Fund such Request shall be accompanied by an Officers' Certificate which shall state the cost of such Bonds of Series E to the Company (exclusive of accrued interest), and that such Bonds of Series E were theretofore issued and repurchased by the Company.

If on January 1 in any year there shall remain in the Series E Sinking Fund $50,000 (or less if the Company shall so elect), the Trustee shall apply or cause to be applied the full amount then in the Series E Sinking Fund, as nearly as may be (exclusive of any moneys paid into the Series E Sinking Fund not more than three months prior to such January 1), to the redemption of Bonds of Series E (if there be

then any Bonds of Series E so subject to redemption) as soon as practicable thereafter at the sinking fund redemption price. Any amount of less than $50,000 not so to be applied shall be added to the next Series E Sinking Fund instalment and together with said instalment applied in accordance with the provisions of this Section 1.04.

All Bonds of Series E purchased or redeemed by the operation of the Series E Sinking Fund or credited against payments thereto shall be cancelled and no Bonds shall be issued to refund such Bonds of Series E.

No sinking fund moneys held by the Trustee under this Section 1.04 shall be applied to the purchase or redemption of Bonds of Series E or be paid over to the Company and no publication of notice of redemption shall be commenced or notice of redemption mailed during the continuance of a default in payment of interest on Bonds of Series E or of an Event of Default under the Consolidated Mortgage of which the Trustee shall have notice, except that moneys then held for the payment of the particular Bonds of Series E contracted to be purchased or in respect of which publication of notice of redemption shall have been commenced shall be applied to such purchase or redemption and if publication of notice of redemption has been commenced the Trustee shall complete such publication and mail notice of such redemption. Except as aforesaid, any moneys in the Series E Sinking Fund at the time of any such default or Event of Default of which the Trustee shall have notice shall occur, and any moneys thereafter paid into the Series E Sinking Fund shall be held, unless all such defaults and Events of Default are remedied or waived, as additional security for the payment of the Bonds of Series E then outstanding, and in case all such defaults and Events of Default are remedied or waived, shall thereafter be applied, in accordance with the provisions of this Section 1.04.

The Company agrees to pay to the Trustee, upon request, accrued interest with respect to any Bonds of Series E purchased or redeemed, and any expenses in connection therewith except brokerage commis-

sions, it being the intention that accrued interest and such other expenses shall not be charged against Series E Sinking Fund moneys.

ARTICLE II

Miscellaneous

SECTION 2.01. The Trustee shall not be responsible for the correctness of the recitals or statements herein contained, which shall be taken as the statements of the Company, and the Trustee makes no representations and shall have no responsibility for, or in respect of, the validity or sufficiency of this Supplemental Indenture or the execution hereof by the Company.

SECTION 2.02. This Supplemental Indenture is executed as and shall constitute an instrument supplemental to the Consolidated Mortgage, and shall be construed in connection with and as a part of the Consolidated Mortgage.

SECTION 2.03. This Supplemental Indenture may be simultaneously executed in several counterparts, and all such counterparts executed and delivered, each as an original, shall constitute but one and the same instrument. The Company acknowledges receipt of at least one executed counterpart of this Supplemental Indenture.

SECTION 2.04. The beneficiaries under this Supplemental Indenture are the holders and owners from time to time of the Bonds of Series E outstanding under the Consolidated Mortgage, as supplemented by this Supplemental Indenture. The initial issue of said Bonds of Series E consists of Bonds payable to bearer.

SECTION 2.05. The post-office address and residence of the Trustee at the date hereof is Guaranty Trust Company of New York, 140 Broadway, New York 15, N. Y., being in the City of New York, County of New York and State of New York.

IN WITNESS WHEREOF, Illinois Central Railroad Company, party of the first part hereto, has caused these presents to be signed by its

President or one of its Vice Presidents and its corporate seal to be hereto affixed and attested by its Secretary or one of its Assistant Secretaries, and Guaranty Trust Company of New York, party of the second part hereto, has caused these presents to be signed by its President or one of its Vice Presidents and its corporate seal to be hereto affixed and attested by its Secretary or one of its Assistant Secretaries, as of the day and year first above written.

ILLINOIS CENTRAL RAILROAD COMPANY

By J. H. Wright

J. H. WRIGHT
Vice President

Attest: A. L. Church

A. L. CHURCH
Secretary.

In the presence of:
R. Mitten

R. MITTEN

G. W. Bramfeld

G. W. BRAMFELD

GUARANTY TRUST COMPANY OF NEW YORK

By Arthur E. Burke

ARTHUR E. BURKE
Vice President.

Attest: W. W. Merkel

W. W. MERKEL
Assistant Secretary.

In the presence of:
H. H. Gould

H. H. GOULD

John F. Ross

JOHN F. ROSS

STATE OF ILLINOIS, }
COUNTY OF COOK, } ss.:

BE IT REMEMBERED, That on this 16th day of September, 1952, before me, OLIVE O'REILLY, a Notary Public duly commissioned, qualified and acting within and for the county and state aforesaid, personally appeared J. H. WRIGHT, a Vice President of Illinois Central Railroad Company, a corporation of the State of Illinois, party of the first part to the foregoing instrument, who is to me personally well known, and personally known to me to be a Vice President of the said corporation and the same person whose name is subscribed to and who executed the foregoing instrument as a Vice President of said corporation, and, being informed of the contents thereof, he duly acknowledged the execution of the same for and on behalf of and as the act and deed of said corporation, and that as such Vice President he executed said instrument and affixed said corporation's corporate seal thereto, and that said corporation executed said instrument through and by him for the considerations and purposes therein expressed in the capacity therein stated and by order of the board of directors of said corporation, and said J. H. WRIGHT, being by me duly sworn, did depose and say that he resides at River Forest in Cook County, Illinois, that he is a Vice President of said corporation, that he knows the seal of said corporation, 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 he acknowledged said instrument to be the free and voluntary act and deed of said corporation, by it voluntarily executed; and he on oath acknowledged himself to be a Vice President of the said corporation, and that he, as such Vice President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of said corporation by himself as Vice President of said corporation; and said J. H. Wright is to me known to be the identical person who subscribed the name of the said corporation, maker thereof, to the foregoing instrument, as its Vice President, and stated and acknowledged to me that he signed, executed and delivered the same as his free and voluntary act and deed and as

the free and voluntary act and deed of such corporation for the consideration, uses and purposes therein mentioned and set forth; and he acknowledged to me that said corporation executed said instrument through and by him for the consideration and purposes therein expressed in the capacity therein stated, and that the foregoing instrument was the act and deed of said corporation, and that he executed the same for the purposes and consideration therein expressed and as the act of said corporation.

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

Olive O'Reilly

OLIVE O'REILLY
Notary Public.

My commission expires May 3, 1954.

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } ss.:

BE IT REMEMBERED, That on this 17th day of September, 1952, before me, WALTER J. GRIMES, a Notary Public duly commissioned, qualified and acting within and for the county and state aforesaid, personally appeared ARTHUR E. BURKE, a Vice President of Guaranty Trust Company of New York, a corporation of the State of New York, party of the second part to the foregoing instrument, who is to me personally well known, and personally known to me to be Vice President of the said corporation and the same person whose name is subscribed to and who executed the foregoing instrument as a Vice President of said corporation, and, being informed of the contents thereof, he duly acknowledged the execution of the same for and on behalf of and as the act and deed of said corporation, and that as such Vice President he executed said instrument and affixed said corporation's corporate seal thereto, and that said corporation executed said instrument through and by him for the considerations and purposes therein expressed in the capacity therein stated and by order of the board of directors of said corporation, and said ARTHUR E. BURKE being by me duly sworn, did depose and say that he resides at 565 Park Ave., in New York, New York, that he is a Vice President of said corporation, that he knows the seal of said corporation, 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 he acknowledged said instrument to be the free and voluntary act and deed of said corporation, by it voluntarily executed; and he on oath acknowledged himself to be a Vice President of the said corporation, and that he, as such Vice President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of said corporation by himself as Vice President of said corporation; and said ARTHUR E. BURKE is to me known to be the identical person who subscribed the name of the said corporation, maker thereof, to the foregoing instrument, as its Vice President, and stated and acknowledged to me that he signed, executed and delivered the same as his free

and voluntary act and deed and as the free and voluntary act and deed of such corporation for the consideration, uses and purposes therein mentioned and set forth; and he acknowledged to me that said corporation executed said instrument through and by him for the consideration and purposes therein expressed in the capacity therein stated, and that the foregoing instrument was the act and deed of said corporation, and that he executed the same for the purposes and consideration therein expressed and as the act of said corporation.

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

WALTER J. GRIMES
Notary Public, State of New York
No. 30-6674750
Qualified in Nassau County
Certificates filed in the following offices:
County Clerk: New York County
Register: New York County
Term Expires March 30, 1954

State of Wisconsin } ss.
DEPARTMENT OF STATE
Received this 16th day of
OCTOBER A. D. 19 52 at 10:00
o'clock A. M. and recorded in Vol.
144 of RAILROAD MORTGAGES
on pages 221-233, incl.
Assistant Secretary of State

(9747)

Form 1

State of New York, County of New York, } ss.: No. 85793

I, ARCHIBALD R. WATSON, County Clerk and Clerk of the Supreme Court, New York County, a Court of Record having by law a seal, DO HEREBY CERTIFY that

WALTER J. GRIMES

whose name is subscribed to the annexed affidavit, deposition, certificate of acknowledgment or proof, was at the time of taking the same a NOTARY PUBLIC in and for the State of New York, duly commissioned and sworn and qualified to act as such throughout the State of New York; that pursuant to law a commision, or a certificate of his official character, and his autograph signature, have been filed in my office; that as such Notary Public he was duly authorized by the laws of the State of New York to administer oaths and affirmations, to receive and certify the acknowledgment or proof of deeds, mortgages, powers of attorney and other written instruments for lands, tenements and hereditaments to be read in evidence or recorded in this State, to protest notes and to take and certify affidavits and depositions; and that I am well acquainted with the handwriting of such Notary Public, or have compared the signature on the annexed instrument with his autograph signature deposited in my office, and believe that the signature is genuine.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this 22 day of SEP 1952

Archibald R. Watson
County Clerk and Clerk of the Supreme Court, New York County

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PRESSED STEEL CAR COMPANY, INC.
AND
DULUTH, MISSABE AND IRON RANGE RAILWAY COMPANY

CONDITIONAL SALE AGREEMENT

DATED AS OF OCTOBER 29, 1951

COVERING SALE OF
250, 70-Ton Quadruple (All Steel) Hopper Cars

PRESSED STEEL CAR COMPANY, INC.
AND
THE FIRST NATIONAL BANK OF CHICAGO

AGREEMENT AND ASSIGNMENT

DATED AS OF OCTOBER 15, 1952

TWENTIETH CENTURY PRESS, INC., CHICAGO

This is Counterpart No. ....7....

CONDITIONAL SALE AGREEMENT

THIS AGREEMENT, dated as of October 29, 1951, by and between PRESSED STEEL CAR COMPANY, INC., a corporation organized and existing under the laws of the State of Pennsylvania (hereinafter sometimes called the "Seller"), as party of the first part; and DULUTH, MISSABE AND IRON RANGE RAILWAY COMPANY, a railroad corporation organized and existing under the laws of the State of Minnesota with its principal office and place of business in the City of Duluth (hereinafter sometimes called the "Buyer"), as party of the second part;

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 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"):

Two hundred and fifty (250) 70-ton quadruple (all steel) hopper cars, with specifications as referred to in (a) Seller's proposal dated September 7, 1951, (b) Buyer's Specifications dated August 1, 1951, and (c) Buyer's general arrangement drawing No. 6401 dated August 1, 1951, and with such modifications of said specifications as may be agreed upon in writing between Seller and Buyer, said cars to bear Buyer's Nos. 2700 to 2949, inclusive.

The aggregate purchase price of said Equipment shall be the sum of One Million Nine Hundred Forty Two Thousand Seven Hundred Fifty Dollars ($1,942,750.00), determined upon the basis of the principal amount of Seven Thousand Seven Hundred and Seventy-One Dollars ($7,771.00) for each 70-ton quadruple hopper car, basis f.o.b. Proctor, Minnesota. Interest shall be paid by the Buyer at the rate of two and ninety-five hundredths per cent (2.95%) per annum upon the unpaid balances of said principal amounts, and such interest shall be computed in the manner set forth in Section (2) of this Agreement. Said principal amounts are based in part upon freight rates as of August 28, 1951. It is hereby agreed and understood between the parties that in the event that the destination hereinabove specified is changed by agreement between the parties the freight rate described above will be correspondingly increased or decreased and be assumed by or credited to the Buyer, as the case may be. It is mutually understood and agreed by and between the parties hereto, that in case any change or modification is made in said specification, increasing or decreasing the cost of said Equipment, or any part of it, the Seller will make a proper deduction from the above mentioned selling price for any such decrease, and the Buyer will pay for any such increase; and in case any change or modification is made in the specification and/or drawings as agreed on, a proper allowance for delay in delivery occasioned by such change will be made by the Buyer. The selling price, above specified, of each car is based upon the price of steel, axles, and rolled steel wheels from mills located within area taking minimum freight rate applying from mill to Seller's works, and the aforesaid items are based upon base prices and extras published by the United States Steel Company. Should it become necessary due to, but not limited to, allocations or delivery requirements to secure any of these items from other sources, their base prices and published extras will apply, and any extra cost will be for the

account of the Buyer. Any charge in connection with the inspection of steel, if required, at the mill of the steel supplier will be for the account of the Buyer. The selling price, above specified, of each item is based upon payment by the Seller of prices for required materials, manufacturing costs and freight rates in effect on August 28, 1951. If (i) the cost of materials actually purchased and used in the Equipment, (ii) manufacturing costs (including therein retroactive changes in manufacturing costs affecting the cost of the cars) or (iii) freight rates reflected in the cost of Equipment shall be increased or decreased, the selling price as hereinabove set forth shall be adjusted to reflect such increases or decreases, as the case may be. The term "manufacturing costs" as used herein shall include but shall not be limited to wages and salaries paid to the Seller's employees as well as, but not limited to, all payments to provide insurance, security and other benefits for Seller's employees. The selling price per each car as hereinabove set forth shall vary in respect of changes in manufacturing costs on the basis of $9.50 for each one cent per hour increase or decrease from the labor costs in effect on August 28, 1951. Application of price adjustment provisions resulting from changes in prices of materials or freight rates or manufacturing costs shall not be affected by reason of any of the delays set forth in this Agreement nor is the Seller to be under obligation to accept shipment and delivery of any materials in advance of its manufacturing requirements. The right is hereby reserved to the Buyer to route all inbound materials to be used in building the Equipment from material manufacturers to the Seller's plant and to route the Equipment from Seller's works at Mount Vernon, Illinois, to the place of delivery to the Buyer.

The Seller shall deliver said Equipment from time to time, freight charges prepaid, to the Buyer at the Buyer's station in Proctor, Minnesota, whenever any of said Equipment is completed and ready for shipment in lots of not less than

twelve (12) cars each (except the final lot which may be less). The Buyer agrees to assume responsibility and risk of loss in and of the removal of the said Equipment from the Seller's plant at Mt. Vernon, Illinois, to the place of delivery to the Buyer.

The Seller will give the Buyer full opportunity to inspect said equipment at its Mt. Vernon, Illinois plant. The Buyer will have its inspector execute in quadruplicate the usual form of Certificate of Inspection and Approval 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 with respect to workmanship, material, construction and otherwise to all provisions of this contract. Upon delivery of each lot of equipment to the Buyer at Proctor, Minnesota, the Buyer will have its agent execute, in quadruplicate, a Certificate of Acceptance covering all cars delivered, said Certificate to state that the cars covered by such Certificate have been inspected and accepted by him on behalf of the Buyer as conforming in all respects to the requirements and provisions of the Agreement and further stating that there was plainly, distinctly, permanently, and conspicuously attached on each side of each car at the time of its acceptance a metal plate containing 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 or the Seller's assignee.

Seller agrees to proceed with the construction of said Equipment with all reasonable dispatch and agrees that delivery thereof will be completed not later than February 1, 1953.

Seller's obligation as to time of shipment is subject, however, to delays due to accident, fire, flood, explosion, labor troubles Acts of the Government, including embargoes, priorities

and allocations, war and war conditions, delays of carriers, delays or defaults of subcontractors, or delays in receipt of materials, or to any other cause or causes (whether or not of the same kind as herein specifically enumerated) beyond the Seller's reasonable control.

(2) *Amount and Payment of Purchase Price.* Conditional only upon the receipt and acceptance of the 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 such place as may be designated by the Seller, or its assignee, the purchase price of said Equipment ($1,942,750.00, or such other sum as may result from the contingencies provided for in Section (1) of this Agreement).

The aggregate purchase price of the Equipment shall be paid in the following manner: Upon delivery an amount for each unit in cash equal to the excess of the cost of each unit as finally determined over $6,000.00 for each unit and the balance of $6,000.00 for each unit in installments as follows:

Date	Amount Per Unit
January 1, 1954	$ 840.00
January 1, 1955	840.00
January 1, 1956	840.00
January 1, 1957	840.00
January 1, 1958	840.00
January 1, 1959	840.00
January 1, 1960	960.00
TOTAL	$6,000.00

with interest on the unpaid balance of the said purchase price at the rate of two and ninety-five one-hundredths per centum (2.95%) per annum from the date of delivery and

acceptance at Proctor, Minnesota, payable semi-annually on January 1 and July 1 in each year and at maturity. Upon delivery of each lot of Equipment to a common carrier, the Seller shall invoice to the Buyer all sums payable by the Buyer; as soon as practicable after delivery to the Buyer of the final lot of cars hereunder, the Seller shall render to the Buyer a statement of the final price of each unit, and appropriate adjustment between the Buyer and Seller shall be made in cash.

All payments provided for in this Agreement shall be made by the Buyer at such place as may be designated by the Seller or its assignee, 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.

(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 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 each unit of the Equipment to be kept numbered with the proper road number and to be kept plainly marked 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 any part thereof until said marks have been placed on both sides of each unit of said Equipment.

The Buyer shall replace the Equipment or any of it, or any parts thereof, at its own cost if the Equipment or any of it, or any parts thereof, 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, however, shall have the right, instead of replacing any complete unit of Equipment which has been lost or destroyed, to pay to the Seller the then unpaid balance properly assignable to such unit of Equipment which shall be applied in payment of the unpaid installments applicable to said unit. The Buyer will cause any such new Equipment to be marked as above provided and to be numbered with the same road number or numbers as the Equipment so replaced. Any and all such replacements of Equipment or any of it, or any parts thereof, 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. The 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 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 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 created or retained hereby or by any act, default or omission of the Seller, 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 the manufacture of the Equipment covered hereby and/or any sale, payment, shipment (except such federal transportation tax, as is included in the agreed price per unit) delivery or use 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, appropriately contest any tax or assessment levied upon the Equipment, if the rights of the Seller therein are not put at hazard thereby.

(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 respects 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, after written notice to the Seller, 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, Maintenance and Seller's Warranty of Material and Workmanship.* 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 its expense. The Seller guarantees that the Equipment will be built in accordance with the aforesaid specifications and warrants the Equipment to be free from defects in material (except as to specialties incorporated therein specified by the Buyer and not manufactured by the Seller) and workmanship under normal use and service; the Seller's obligation under this Section (6) being limited to making good at its plant any part or parts of any unit of Equipment which shall, within one year after the delivery of such unit to the Railroad, be returned to the Seller with transportation charges pre-

paid and which the Seller's examination shall disclose to its satisfaction to have been thus defective. The foregoing warranty of the Seller is expressly in lieu of all other warranties expressed or implied and of all other obligations or liabilities on the part of the Seller, except for its obligations under Section (10) hereof, and the Seller neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of the Equipment.

(7) *Reports and Inspection.* The Buyer hereby agrees to furnish to the Seller, if requested, once in each 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 Equipment, and (as nearly as may be) 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 Chief Mechanical Officer 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 any of the Equipment. If requested by the Seller, the Buyer shall furnish to the Seller a report of the Buyer's Chief Mechanical Officer 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.

(8) *Possession and Use by Buyer.* So long as Buyer shall not be in default under this contract, Buyer shall be entitled to the possession of the Equipment and shall have the full right of use thereof upon the lines of railroad owned, leased or

operated by Buyer, or over which Buyer 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.

(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 on 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.

(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 Section (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, 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, be relieved from its guaranty covering material and workmanship set forth in Section (6) hereof or in the specifications hereinbefore referred to. Seller 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, and as to such excepted patents Buyer in like manner shall assume responsibility and save Seller harmless. Prompt notice in writing shall be given by each party to the other of any claim of patent infringement presented to such party with respect to said cars, articles, or parts thereof, and the party responsible for such infringement as above provided, shall promptly undertake and assume the defense thereof.

(11) *Assignments by the Seller.* All or any of the rights of Pressed Steel Car Company, Inc., under this Agreement, including the right to receive the payments herein provided to be made by the Buyer, may be assigned by Pressed Steel Car Company, Inc., 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., to construct and deliver the Equipment herein to be delivered in accordance with the specifications, contained in Section (1), or to respond to its guaranties, warranties and indemnities, contained in Sections (6) and (10) hereof.

Upon any such assignment the assignor shall give written notice to the Buyer, together with a counterpart or conformed 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 Buyer of the notification of any such assignment, all payments there-

after 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 Pressed Steel Car Company, Inc., as hereinbefore provided, the rights of its assignee, or any subsequent 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 Pressed Steel Car Company, Inc., or the successor or successors to its manufacturing property and 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 Pressed Steel Car Company, Inc. or the successor or successors to its manufacturing property and 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 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 Pressed Steel Car Company, Inc., 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 Pressed Steel Car Company, Inc. of title to any of the Equipment and of the Seller's right hereunder in respect thereof, the Buyer shall, whenever requested by such vendee, transferee or assignee, change the markings 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 markings 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 markings shall be borne by Pressed Steel Car Company, Inc. The cost of obtaining and attaching markings in connection with any subsequent assignment shall be borne by such subsequent vendee, transferee or assignee.

In the event that this Agreement is assigned by Pressed Steel Car Company, Inc., as hereinabove provided, the assignee under its assignment shall, in addition to and without in any manner impairing or limiting its rights, titles, and interests thereunder and hereunder, be free of expenses for collection or other charges and of the amount of any state or federal taxes (other than state and federal income taxes) levied or imposed directly upon this Agreement and/or the manufacture of the Equipment covered hereby and/or any sale, payment, shipment, delivery or use under the terms of this Agreement, all of which expenses and taxes shall be assumed and paid by either the Buyer or Pressed Steel Car Company, Inc., as their respective obligations may be, pursuant to the specifications referred to in Section (1) hereof and as provided in Section (4) hereof, or otherwise.

Subject to the provisions of the first paragraph of this Section (11), 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 Section (11), Pressed Steel Car Company, Inc., and after any such assignment, the assignee or assignees for the time being of all such rights.

(12) *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, any part or all 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 Section (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, 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.

The Seller may at its election (and, if before sale pursuant to Section (15) hereof, 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 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 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) *Reorganization 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 filing by the Buyer of any petition for reorganization under Section 77 of the Bankruptcy Act, as now constituted or as said Section 77 may be hereafter amended, and the Trustee or Trustees failing to affirm this Agreement within thirty (30) days of the date of his or their appointment; or

(b) the filing by the creditors of the buyer of any petition for reorganization under Section 77 of the Bankruptcy Act, as now constituted or as said Section 77 may be hereafter amended, and the court shall approve such petition as properly filed and the Trustee or Trustees failing to affirm this Agreement within thirty (30) days of the date of his or their appointment; or

(c) The commencement of any proceeding by or against the Buyer for any relief under any other bankruptcy or insolvency laws, or laws relating to the relief of Debtors, readjustment of indebtedness, reorganizations, arrangements, compositions, or extensions, if any such proceeding commenced shall apply to and include obligations of the type provided for in this Agreement; or

(d) the transfer, or attempted transfer, by the Buyer of its interest in or under the Agreement without the consent of the Seller; or

(e) 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 (12) 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 to be bound by the terms and obligations hereof within thirty (30) days from the date of his appointment;

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.

(15) *Remedies.* If the Buyer shall make default as hereinabove provided, then at any time after declaring the entire purchase price immediately due and payable as hereinabove provided, the Seller shall be entitled to recover judgment for the entire amount of the purchase price so declared to be immediately due and payable with interest thereon as aforesaid, and to collect said judgment out of any property of Buyer wherever situated.

If the Buyer shall make default as hereinabove provided, then at any time thereafter and during the continuance of such default and after declaring the entire purchase price immediately due and payable as hereinabove provided, 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 Buyer 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 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 Buyer's own cost at such place or places on Buyer's 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, 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 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 and at such time or times as the Seller may specify), in one lot and as 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 Buyer 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 Buyer at Wolvin Building, Duluth 2, 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 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 (15)), 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.

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 any of the 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.

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.

(16) *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 an instrument other than an agreement of conditional sale, shall as to such State be ineffective, without modi-

fying the remaining provisions for 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.

(17) *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.

(18) *Recording.* The Buyer shall cause this Agreement to be filed, registered and recorded wherever required for the proper protection 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; and will promptly furnish to the Seller certificates or other evidences of such filing, registration and recording satisfactory to the Seller, together with an opinion of counsel stating that such filing, registration and recording has been made in all necessary places and fully complies with all laws.

(19) *Payment of Expenses.* The Buyer shall pay all costs, charges and expenses, except the counsel fees of Seller and of any assignee hereof, incident to the preparation, printing, 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.

(20) *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 sufficient evidence by any such original counterpart.

(21) *Section Headings.* All section, paragraph or division headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

(22) *Modification of Agreement.* This Agreement of conditional sale, together with the specifications hereinabove referred to, constitute 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.

(23) *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.

(24) *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, Pressed Steel Car Company, Inc., has caused this Agreement to be executed and its seal to be affixed by its duly elected and authorized officers, and Duluth,

Missabe and Iron Range Railway Company has caused this Agreement to be executed and its seal to be affixed by its duly elected and authorized officers pursuant to lawful resolutions, all as of the day, month and year first above written.

PRESSED STEEL CAR COMPANY, INC.,

F. L. JOHNSON By F. L. Johnson
Vice President

ATTEST:

R. D. O'BRIEN .....R. D. O'Brien.....
Assistant Secretary

Signed, sealed and delivered by Pressed Steel Car Company, Inc., in the presence of:

F. M. Adams F. M. ADAMS

Carol Beisner CAROL BEISNER

Attesting Witnesses

DULUTH, MISSABE AND IRON RANGE RAILWAY COMPANY,

P. H. VAN HOVEN By P. H. Van Hoven
President

ATTEST:

A. E. ARNESON .....A. E. Arneson.....
Secretary

Signed, sealed and delivered by Duluth, Missabe and Iron Range Railway Company in the presence of:

J. A. Janoski J. A. JANOSKI

R. L. Benson R. L. BENSON

Attesting Witnesses

STATE OF ILLINOIS } ss.
COUNTY OF COOK }

I, Thomas G. Bossung 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 23rd day of October, 1952, 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. L. Johnson and R. D. O'Brien, to me personally known and known to me to be, respectively, a Vice President and an Assistant Secretary of Pressed Steel Car Company, Inc., 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 the said F. L. Johnson and R. D. O'Brien, 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. L. Johnson resides in Chicago, in the State of Illinois, and that the said R. D. O'Brien resides in the City of Chicago, in the State of Illinois; that the said F. L. Johnson is a Vice President and the said R. D. O'Brien is an Assistant Secretary of Pressed Steel Car Company, Inc., the corporation described in and which executed the within and foregoing instrument in writing; that they, the said F. L. Johnson Vice President and the said R. D. O'Brien, 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 9/14, 1956.

Thomas G. Bossung
Notary Public in and for the State of Illinois, County of Cook.

(NOTARIAL SEAL) THOMAS G. BOSSUNG

STATE OF MINNESOTA }
COUNTY OF [illegible] } ss.

I, D. Macdonald, 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 October, 1952, 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. M. VanHoven and A. C. Ameson, to me personally known and known to me to be, respectively, President and Secretary of Duluth, Missabe and Iron Range Railway 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 President and Secretary, respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and the said J. M. VanHoven and A. C. Ameson, 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 J. M. VanHoven resides in the City of Duluth in the State of Minnesota, and that the said A. C. Ameson resides in the City of Duluth in the State of Minnesota; that the said J. M. VanHoven is President and the said A. C. Ameson is Secretary of Duluth, Missabe and Iron Range Railway Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, the said J. M. VanHoven, President and the said A. C. Ameson, 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 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 [illegible], State of Minnesota, this the day and year in this my certificate first above written.

My commission as such Notary Public expires Aug. 15, 1957.

D. Macdonald
Notary Public in and for the State of Minnesota, County of [illegible]

D. MACDONALD
NOTARY PUBLIC, St. Louis County, Minn.
My Commission Expires August 30, 1957

(NOTARIAL SEAL)

This is Counterpart No. 7

AGREEMENT AND ASSIGNMENT

THIS AGREEMENT AND ASSIGNMENT, dated as of October 15, 1952, by and between PRESSED STEEL CAR COMPANY, INC., a corporation organized and existing under the laws of Pennsylvania (hereinafter sometimes referred to as "Seller"), as party of the first part, and THE FIRST NATIONAL BANK OF CHICAGO, a national banking association, with its principal office and place of business in the City of Chicago, Illinois (hereinafter sometimes referred to as the "Assignee"), as party of the second part;

WITNESSETH THAT:

WHEREAS, Seller and Duluth, Missabe and Iron Range Railway Company (hereinafter sometimes referred to as the "Buyer") have entered into a Conditional Sale Agreement, dated as of October 29, 1951 (hereinafter sometimes referred to as the "Agreement"), covering the construction and sale by Seller, and the purchase by the Buyer on the conditions set forth in said Agreement, of Two Hundred and Fifty (250) 70-ton quadruple hopper cars, bearing Buyer's Numbers 2700 to 2949, both inclusive (hereinafter sometimes referred to as the "Equipment"), all as more particularly described in said Agreement, for an aggregate purchase price of One Million Nine Hundred Forty Two Thousand Seven Hundred Fifty Dollars ($1,942,750.00), subject to certain adjustments, payable with interest as provided in the Agreement;

NOW, THEREFORE, for value received, and in consideration of the acceptance of this Agreement and Assignment by said Assignee, upon the terms and conditions hereinafter set forth, it is agreed:

1. Seller does hereby sell, assign, transfer and set over unto the Assignee, its successors and assigns, all of the right, title and interest of Seller under said Agreement in and to said Equipment, and in and to the payments of the agreed prices thereof, as defined in said Agreement, and interest thereon to be made by the Buyer, and in and to any sums becoming due under said Agreement, together with all of the rights of Seller in respect thereof set forth in said Agreement as applying to Seller thereunder, as therein defined, but without recourse to the Seller for or on account of any failure of payment or compliance with any of the terms or provisions of said Agreement on the part of the Buyer: *Provided*, however, that this Assignment shall not pass to the Assignee the right to receive any amounts payable by the Buyer to the Seller upon acceptance of the Equipment or any unit thereof in excess of Six Thousand Dollars ($6,000.00) for each 70-ton quadruple hopper car, or One Million Five Hundred Thousand Dollars ($1,500,000.00) in the aggregate. This Assignment shall not subject the Assignee to, or relieve Seller, or any successor or successors to its manufacturing property and business, from complying with the obligation of Seller to construct and deliver the Equipment, as in the Agreement provided, or complying with the provisions of Sections (6) and (10) of said Agreement, or relieve the Buyer from its obligations under Sections (4) and (10) of said Agreement; it being understood and agreed, however, that, notwithstanding this Assignment, or any subsequent assignment pursuant to Section 5 hereof, all said obligations of Seller to the Buyer, in respect of the Equipment, shall be and remain enforceable by the Buyer, its successors and assigns, against, and only against, Seller and any successor or successors to its manufacturing property and business. In furtherance of this Assignment and transfer, Seller does hereby authorize and empower the Assignee to ask, demand, sue for, collect, receive and enforce payments to be made, and compliance, on the part of the Buyer, with the terms and provisions of said Agreement in respect of said Equipment, but in the name of, and at the expense and liability, and for the sole benefit of, the Assignee.

2. From time to time, as each lot of said Equipment is delivered to and accepted by the Buyer, the Assignee shall pay, and it hereby covenants and agrees to pay to Seller, in lawful money of the United States, sums equal to aggregate of the agreed prices of the units included in such lot of Equipment as set forth in Section (1) of the Agreement; *Provided, however,* that said sums shall not exceed Six Thousand Dollars ($6,000.00) for each 70-ton quadruple hopper car, and shall not exceed One Million Five Hundred Thousand Dollars ($1,500,000.00) in the aggregate, upon receipt of a duplicate of Seller's invoice covering each unit of Equipment so accepted and of a Certificate of Acceptance signed by the Buyer's Chief Mechanical Officer, or his duly authorized representative, stating that each unit of Equipment covered by such Certificate of Acceptance has been delivered to and accepted by him on behalf of the Buyer as conforming in all respects to the terms of the Agreement, and that, at the time of such delivery, there was plainly, distinctly, permanently and conspicuously attached on each side of each unit of said Equipment a metal plate indicating Assignee as Owner, it being the intention of the parties to provide, by this Assignment, that as soon as practicable after each lot of said Equipment is delivered to and is accepted by the Buyer, as in said Agreement provided, on or before February 1, 1953, Seller shall receive from the Assignee the aforesaid sums. Seller agrees to give Assignee at least three (3) business days notice of its intention to submit an invoice for payment hereunder. If any excess amount is payable in cash by the Buyer at the time of delivery of each lot of said Equipment, as provided under the terms of the Agreement, said invoice and duplicate thereof shall show receipt of such payment by Seller from the Buyer; and within ninety (90) days after delivery and acceptance of the final lot of said Equipment, Seller shall supply to Assignee a copy of Seller's invoice showing receipt of any final adjustment of the agreed

price as provided in the Agreement, or a statement that no such final adjustment is due.

Seller covenants and agrees that there will be plainly, distinctly, permanently and conspicuously attached on each side of each unit of Equipment, at the time of delivery of each of such units to Buyer, a metal plate containing the following words:

THE FIRST NATIONAL BANK OF CHICAGO, OWNER BY ASSIGNMENT FROM PRESSED STEEL CAR COMPANY, INC., MANUFACTURER AND PRIOR OWNER.

3. It is understood and agreed that the obligation of the Assignee to pay the agreed price of each unit of said Equipment shall only extend to such units of said Equipment as shall be delivered to and accepted by the Buyer as in said Agreement provided, on or before February 1, 1953 (unless Assignee shall, on or before February 1, 1953, notify Buyer and Seller of its willingness and intention to continue its said obligation beyond said date) and that the duty of the Assignee to pay the agreed price of any unit of said Equipment not so shipped, delivered and accepted, shall absolutely cease.

4. Seller represents and warrants to the Assignee, its successors and assigns, that said Agreement was lawfully executed for a valid consideration, that it is a valid and existing contract, and, according to its terms, binding upon the parties thereto.

Seller covenants and agrees that it will construct said Equipment in full and complete accordance with the Agreement, and that it will deliver the same, upon completion thereof, to the Buyer, free of all liens and encumbrances, and in accordance with the provisions of said Agreement; and that, notwithstanding this Assignment, it will perform and fully comply with each and all of the covenants and conditions of said Agreement set forth to be performed and complied with

by the Seller as therein defined. Seller further covenants and agrees that it has good and lawful right to sell the said Equipment as aforesaid; and that it will warrant and defend the same against the lawful demands of all persons whomsoever, based on claims originating prior to the delivery of said Equipment by Seller to the Buyer; all subject, however, to the provisions of said Agreement and the rights of the Buyer thereunder.

5. The Assignee agrees not to assign its interest in said Agreement, or the title to said Equipment, unless its assignee shall, by the terms of the assignment or otherwise, assume and become bound by such of the provisions of said Agreement as an assignee is required to assume and become bound by under the terms of said Agreement. The Assignee further agrees that it will not transfer or assign its interest in said Agreement, or the title to the Equipment, without requiring of the assignee or transferee an agreement similar to that made by the Assignee in this section.

6. The rights of the Assignee to the entire agreed prices of said Equipment delivered to and accepted by the Buyer as in said Agreement provided, on or before the date provided in Section 3 hereof, 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 Seller, or the successor or successors to its manufacturing property and business, in respect of the construction or delivery of the Equipment, or under Sections (6) and (10) of said Agreement, 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 Buyer by Seller, or the successor or successors to its manufacturing property and business.

7. Seller agrees that its warranty of materials and workmanship shall extend in like manner and upon like conditions to and for the benefit of the Assignee and Assignee's respective and successive assigns. Seller agrees to indemnify, save and keep harmless the Assignee and its respective and successive assigns from and against any and all royalties, damages, claims, suits, judgments and costs that may arise because of the claim that the use of any article in the construction of the Equipment, and thereon at the time of delivery thereof (except any design or articles specified or required by the Buyer and not manufactured by Seller), infringes any patent.

8. As further assurance, Seller agrees that it will execute, acknowledge and deliver any and all further instruments, including any further assignments, required by law or reasonable requests by the Assignee or the Assignee's respective and successive assigns, for the purpose of preservation of the rights, title, interests and benefits of the Assignee or the Assignee's respective and successive assigns hereunder, including the rights hereby assigned to receive payments under said Agreement, or for the purpose of carrying out the intention of this Agreement and Assignment.

9. This Agreement and 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.

10. It is agreed that, irrespective of the place of execution of this Agreement and Assignment, all rights and obligations hereunder of the parties hereto shall be governed by the laws of the State of Illinois.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement and Assignment to be duly executed by their respective proper officers and their respective seals to be hereunto affixed, duly attested, in the case of Pressed Steel Car Company, Inc., by an Assistant Secretary, and, in the case of The First National Bank of Chicago, by an Assistant Cashier, all as of the day, month and year first herein written.

PRESSED STEEL CAR COMPANY, INC.,

By F. L. Johnson F. L. JOHNSON
Vice President.

ATTEST:

R. D. O'Brien R. D. O'BRIEN
Assistant Secretary

Signed, sealed and delivered by Pressed Steel Car Company, Inc., in the presence of:

F. M. Adams F. M. ADAMS

Carol Beisner CAROL BEISNER
Attesting Witnesses

THE FIRST NATIONAL BANK OF CHICAGO,

By J. L. Buchanan J. L. BUCHANAN
Vice President.

ATTEST:

Robert P. Keeth ROBERT P. KEETH
Assistant Cashier

Signed, sealed and delivered by The First National Bank of Chicago in the presence of:

Nels R. Johnson NELS R. JOHNSON

Catherine Hinterlong CATHERINE HINTERLONG
Attesting Witnesses

STATE OF ILLINOIS } ss.
COUNTY OF COOK }

I, Thomas G. Bossung 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 23rd day of October ....., 1952, 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. L. Johnson and R. D. O'Brien, to me personally known and known to me to be, respectively, a Vice President and an Assistant Secretary of Pressed Steel Car Company, Inc., 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 the said F. L. Johnson and R. D. O'Brien, 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. L. Johnson resides in Chicago, in the State of Illinois, and that the said R. D. O'Brien resides in the City of Chicago in the State of Illinois; that the said F. L. Johnson is a Vice President and the said R. D. O'Brien is an Assistant Secretary of Pressed Steel Car Company, Inc., the corporation described in and which executed the within and foregoing instrument in writing; that they, the said F. L. Johnson Vice President and the said R. D. O'Brien 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 9/14, 1956.

Thomas G. Bossung
Notary Public in and for the State of Illinois, County of Cook

(NOTARIAL SEAL) THOMAS G. BOSSUNG

STATE OF ILLINOIS } ss.
COUNTY OF COOK }

I, R. B. Kenner, 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 October, 1952, 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 Robert P. Keeth, to me personally known and known to me to be, respectively, a Vice President and an 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, 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 the said J. L. Buchanan and Robert P. Keeth, 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 J. L. Buchanan resides in Chicago, in the State of Illinois, and that the said Robert P. Keeth resides in Evanston, in the State of Illinois; that the said J. L. Buchanan is a Vice President and the said Robert P. Keeth is an 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 the said J. L. Buchanan,

Vice President, and Robert P. Keath, Assistant Cashier, know the corporate seal of said association; that the seal affixed to said instrument as the seal of said association is such corporate seal; that it was so affixed thereto by proper authority; 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 proper 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 4/3....., 195 3.

R. B. Horner
Notary Public in and for the State of Illinois, County of Cook.

(NOTARIAL SEAL) R. B. HORNER

State of Wisconsin } ss.
DEPARTMENT OF STATE }
Received this 5TH day of
NOVEMBER A. D. 19 52 at 10:00
o'clock A.M. and recorded in Vol.
44 of RAILROAD MORTGAGES
on Pages 234-253 INCL.
Robt C. Zimmerman
Assistant Secretary of State

PRESSED STEEL CAR COMPANY, INC.

AND

DULUTH, MISSABE AND IRON RANGE RAILWAY COMPANY

AND

THE FIRST NATIONAL BANK OF CHICAGO

AMENDMENT TO CONDITIONAL SALE AGREEMENT

DATED AS OF OCTOBER 29, 1951

TWENTIETH CENTURY PRESS, INC., CHICAGO

This is Counterpart No. 21..

AMENDMENT TO CONDITIONAL SALE AGREEMENT

This Amendment to Conditional Sale Agreement dated as of October 29, 1951, by and between PRESSED STEEL CAR COMPANY, INC., a corporation organized and existing under the laws of the State of Pennsylvania (hereinafter sometimes called the "Seller"), as party of the first part; DULUTH, MISSABE AND IRON RANGE RAILWAY COMPANY, a railroad corporation organized and existing under the laws of the State of Minnesota with its principal office and place of business in the city of Duluth (hereinafter sometimes called the "Buyer") as party of the second part and THE FIRST NATIONAL BANK OF CHICAGO, a national banking association with its principal office and place of business in the city of Chicago (hereinafter sometimes called the "Assignee") as party of the third part

WITNESSETH THAT:

The Seller and the Buyer entered into a Conditional Sale Agreement dated as of October 29, 1951 (hereinafter sometimes called the "Agreement") covering the construction, sale and delivery of 250, 70-ton quadruple hopper cars (hereinafter sometimes called the "Equipment") as will by said Agreement more fully appear.

The Seller and Assignee entered into an Agreement and Assignment dated as of October 15, 1952 (hereinafter sometimes called the "Assignment Agreement") whereby the Seller assigned, transferred and set over unto the Assignee, its successors and assigns all of the right, title and interest of Seller under the Agreement in and to the Equipment and in and to the payments of up to but not to exceed $6,000 of the agreed prices for each hopper car and interest thereon to be

made by the Buyer as will by said Assignment Agreement more fully appear.

The first complete sentence at the top of page 4 of the Agreement provides as follows:

> "The Buyer agrees to assume responsibility and risk of loss in and of the removal of the said Equipment from the Seller's plant at Mt. Vernon, Illinois, to the place of delivery to the Buyer."

The Seller, Buyer, and Assignee desire that said sentence be stricken from the Agreement and hereby agree that said sentence is so stricken.

The Agreement further provides on page 5 thereof for the payment of the balance of each unit of equipment in principal installments as follows:

Date	Amount Per Unit
January 1, 1954	$ 840.00
January 1, 1955	840.00
January 1, 1956	840.00
January 1, 1957	840.00
January 1, 1958	840.00
January 1, 1959	840.00
January 1, 1960	960.00
TOTAL	$6,000.00

The Seller, Buyer and Assignee desire that the principal installment payments be changed to mature semi-annually instead of annually and hereby agree that the foregoing pay-

ment schedule is stricken and the following payment schedule is added in lieu thereof:

Date	Amount Per Unit
July 1, 1953	$ 420.00
January 1, 1954	420.00
July 1, 1954	420.00
January 1, 1955	420.00
July 1, 1955	420.00
January 1, 1956	420.00
July 1, 1956	420.00
January 1, 1957	420.00
July 1, 1957	420.00
January 1, 1958	420.00
July 1, 1958	420.00
January 1, 1959	420.00
July 1, 1959	480.00
January 1, 1960	480.00
TOTAL	$6,000.00

The Buyer shall cause this Amendment to Conditional Sale Agreement to be filed, registered and recorded wherever required for the proper protection of the Seller's and Assignee's title to the equipment and any replacement or replacements and rights under the Agreement and will promptly furnish to the Seller and the Assignee certificates or other evidences of such filing, registration and recording satisfactory to the Seller and Assignee.

This Amendment to Conditional Sale Agreement may be simultaneously executed in three (3) 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 for all purposes by any such original counterpart.

As herein amended the Agreement shall remain in full force and effect as originally written.

In Witness Whereof, PRESSED STEEL CAR COMPANY, INC., DULUTH, MISSABE AND IRON RANGE RAILWAY COMPANY and THE FIRST NATIONAL BANK OF CHICAGO have each caused this Amendment to Conditional Sale Agreement to be executed in its behalf and its respective seal to be affixed thereto by its authorized officer pursuant to proper authority all as of the day, month and year first above written.

PRESSED STEEL CAR COMPANY, INC.

By F. L. Johnson F. L. JOHNSON
Vice President

ATTEST:

By R D O'Brien
Assistant Secretary R. D. O'BRIEN

Signed, sealed and delivered by Pressed Steel Car Company, Inc., in the presence of:

F. M. Adams F. M. ADAMS

Carol Beisner CAROL BEISNER
Attesting Witnesses

DULUTH, MISSABE AND IRON RANGE RAILWAY COMPANY

P. H. VAN HOVEN

By P. H. Van Hoven
Vice President

ATTEST:

By A. E. Arneson A. E. ARNESON
Secretary

Signed, sealed and delivered by Duluth Missabe and Iron Range Railway Company in the presence of:

J. A. Janoski J. A. JANOSKI

R. L. Benson R. L. BENSON
Attesting Witnesses

THE FIRST NATIONAL BANK OF CHICAGO

J. L. BUCHANAN

By J. L. Buchanan
Vice President

ATTEST:

By R. E. Palluck
Assistant Cashier
R. E. PALLUCK

Signed, sealed and delivered by The First National Bank of Chicago in the presence of:

Dorothy Lucas DOROTHY LUCAS

Lorraine E. Kleinhammer LORRAINE E. KLEINHAMMER
Attesting Witnesses

STATE OF ILLINOIS } ss.
COUNTY OF COOK }

I, Thomas G. Bossung 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 30th day of October, 1952, 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. L. Johnson and R. H. O'Brien, to me personally known and known to me to be, respectively, a Vice President and an Assistant Secretary of Pressed Steel Car Company, Inc., 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 the said L. L. Johnson and R. H. O'Brien, 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 L. L. Johnson resides in Chicago, in the State of Illinois, and that the said R. H. O'Brien resides in the City of Chicago, in the State of Illinois; that the said L. L. Johnson is a Vice President and the said R. H. O'Brien is an Assistant Secretary of Pressed Steel Car Company, Inc., the corporation described in and which executed the within and foregoing instrument in writing; that they, the said L. L. Johnson, Vice President and the said R. H. O'Brien, 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 9/14, 1956.

Thomas G. Bossung
Notary Public in and for the State of Illinois, County of Cook.

(NOTARIAL SEAL) THOMAS G BOSSUNG

STATE OF MINNESOTA } ss.
COUNTY OF [illegible] }

I, D. Macdonald, 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 November, 1952, 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. MacKenzie and J. L. Mauro, to me personally known and known to me to be, respectively, President and Secretary of Duluth, Missabe and Iron Range Railway 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 President and Secretary, respectively, in my presence and in the presence of the two witnesses whose names are hereunto subscribed as such, and the said J. P. MacKenzie and J. L. Mauro, 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 J. P. MacKenzie resides in the City of Duluth, in the State of Minnesota, and that the said J. L. Mauro resides in the City of Duluth, in the State of Minnesota; that the said J. P. MacKenzie is President and the said J. L. Mauro is Secretary of Duluth, Missabe and Iron Range Railway Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, the said J. P. MacKenzie, President and the said J. L. Mauro, 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 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 [illegible], State of Minnesota this the day and year in this my certificate first above written.

My Commission as such Notary Public expires Aug. 25, 1957.

Notary Public in and for the State of ....., County of .....

(NOTARIAL SEAL)

D. MACDONALD
NOTARY PUBLIC St. Louis County, Minn.
My Commission Expires August 25, 1957

STATE OF ILLINOIS }
COUNTY OF COOK } ss.

I, Frances Smith, 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 30th day of October, 1952, 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 D. L. Buchanan and R. E. Pallock, to me personally known and known to me to be, respectively, a Vice President and an 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, 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 the said D. L. Buchanan and R. E. Pallock, 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 D. L. Buchanan resides in Chicago in the State of Illinois, and that the said R. E. Pallock resides in Lombard in the State of Illinois; that the said D. L. Buchanan is a Vice President and the said R. E. Pallock is an 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 the said D. L. Buchanan, Vice President, and R. E. Pallock, Assistant Cashier, know the corporate seal of said association; that the seal affixed to said instrument as the seal of said association

is such corporate seal; that it was so affixed thereto by proper authority; 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 proper 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 May 15, 1956.

Frances Smith
Notary Public in and for the State of Illinois, County of Cook.

(NOTARIAL SEAL)

FRANCES SMITH

State of Wisconsin } ss.
DEPARTMENT OF STATE }

Received this 5TH day of NOVEMBER A. D. 1952 at 10:00 o'clock A. M. and recorded in Vol. 44 of RAILROAD MORTGAGES on pages 254-259, INCL.

Robt C. Zimmerman
Assistant Secretary of State

INDEXED

(Fee $1.20)

CERTIFICATE OF DISCHARGE AND CANCELLATION OF INDENTURE
COVERING
MORTGAGE AND DEED OF TRUST OF OCTOBER 22, 1938
BY
FIRST WISCONSIN TRUST COMPANY, TRUSTEE
TO
THE MILWAUKEE ELECTRIC RAILWAY & TRANSPORT COMPANY
DATED, DECEMBER 30TH, 1952

KNOW ALL MEN BY THESE PRESENTS THAT

WHEREAS, The Milwaukee Electric Railway & Transport Company, a corporation organized and existing under the laws of the State of Wisconsin, for the purpose of securing the payment of its First Mortgage Bonds issued thereunder has heretofore made, executed and delivered to First Wisconsin Trust Company, as Trustee, a Mortgage and Deed of Trust dated October 22, 1938 (said Mortgage and Deed of Trust being herein called the "Indenture"), which has been recorded as follows:

County	Date Recorded	Time	Book	Page	Document No.
Milwaukee	Oct. 21, 1938	12:10 p.m.	1757	149	2192827
Racine	Oct. 21, 1938	2:25 p.m.	344	47-105	433746
Kenosha	Oct. 21, 1938	2:25 p.m.	196	479-537	233575
Walworth	Oct. 21, 1938	3:05 p.m.	194	101	331961
Jefferson	Oct. 21, 1938	1:45 p.m.	186	299	344599
Sheboygan	Oct. 21, 1938	1:46 p.m.	203	452-509	368397
Waukesha	Oct. 21, 1938	1:25 p.m.	202	341	223305
Ozaukee	Oct. 21, 1938	3:30 p.m.	85	129	115269
Dept. of State	Oct. 21, 1938	2:10 p.m.	34	131-193 of R.R.Mortgages	

and

WHEREAS, the Company has heretofore executed, and the Trustee has heretofore authenticated and delivered $10,000,000 principal amount of First Mortgage Bonds, 4% Series due 1968, which Bonds are issued under and secured by the Indenture, and no other Bonds have ever been authenticated or issued thereunder; and

WHEREAS, the Company has paid or caused to be paid to the holders of such Bonds and the coupons appertaining thereto, the principal and interest to become due thereon in the manner stipulated therein, and has kept, performed and observed all and singular the covenants and promises in said Bonds and in the Indenture expressed to be kept, performed and observed by it or on its part, and the Indenture and the estate and rights created thereunder have ceased, determined and become void; and

WHEREAS, the Company has requested the Trustee, at the Company's expense, to cancel and discharge the lien of the Indenture, to execute and deliver to the Company such deeds as shall be requisite to satisfy the lien thereof, to reconvey to the Company the estate and title thereby conveyed and to assign and deliver to the Company any property subject to the lien of the Indenture which may be in its possession;

NOW, THEREFORE, said First Wisconsin Trust Company, as Trustee, does hereby certify that the Indenture and the estate and rights granted thereby have ceased, determined and have become void and that the lien of the Indenture is hereby cancelled and discharged and does hereby consent that the Indenture be discharged of record, and, in consideration of the premises and of One Dollar ($1) and other good and valuable considerations paid by the Company to the Trustee, the receipt whereof is hereby acknowledged, does hereby release and quitclaim unto the Company, and its successors and assigns forever, all and singular the premises, property, rights and franchises of every kind and description, described in and mortgaged and pledged by the Indenture, and all premises, property, rights and franchises which may in any manner have become subject to the lien and oper-

ation of the Indenture, 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 reversion and reversions, remainder and remainders, tolls, rents, revenues, issues, income, products and profits thereof, and does hereby grant, bargain, release, reconvey, reassign, retransfer, set-over, confirm and deliver unto the Company and to its successors and assigns forever, but without warranty of any kind, all the estate, right, title, interest and claim whatsoever, at law as well as in equity, of the Trustee in and to said premises, property, rights and franchises, and every part and parcel thereof.

TO HAVE AND TO HOLD the same unto the Company, its successors and assigns forever free and discharged from any estate, right, lien or claim whatsoever of the Trustee upon, to or in the same or any part thereof, under and by virtue of the Indenture.

IN WITNESS WHEREOF, said First Wisconsin Trust Company, as Trustee, has caused these presents to be executed in its corporate name by one of its vice presidents and its corporate seal to be hereunto affixed and attested by its Assistant Secretary, this 30th day of December, 1952.

(CORPORATE SEAL)

Attested:

H. G. WINES
Asst. Secretary

FIRST WISCONSIN TRUST COMPANY,
as Trustee under the Mortgage and Deed of Trust dated October 22, 1938 of The Milwaukee Electric Railway & Transport Company.

By JAMES WARD RECTOR
Vice President

Signed, sealed and delivered in the presence of:

JOHN DOCKENDORF

ALFRED GRUHL

STATE OF WISCONSIN)
) ss.
COUNTY OF MILWAUKEE)

On this 30th day of December, 1952, before me personally appeared James Ward Rector and H. G. Wines, to me personally known, who, being by me severally duly sworn, did say: that James Ward Rector is a Vice President and H. G. Wines is an Assistant 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 James Ward Rector and H. G. Wines severally acknowledged said instrument to be the free act and deed of said corporation.

KATHERINE SCHIPPER
Notary Public, Milwaukee County, Wisconsin
My Commission expires July 11, 1954

STATE OF WISCONSIN)
) ss.
DEPARTMENT OF STATE)

Received this 30th day of December A. D. 1952 at 10:00 o'clock A.M. and recorded in Volume 44 of Railroad Mortgages on pages 260-261.

ROBERT C. ZIMMERMAN
Assistant Secretary of State

WHEREAS, party of the first part hereby acknowledges the receipt by it of the base purchase price as above stated;

NOW, THEREFORE, party of the first part has given, granted, bargained, sold, remised, released, aliened, conveyed, assigned, transferred and confirmed, and by these presents does give, grant, bargain, sell, remise, release, alien, convey, assign, transfer and confirm unto party of the second part, its successors and assigns, forever, all of the following described property, business and assets, to wit:

1. Real Estate

All of the following described pieces or parcels of land, rights, easements or interest therein, situated in the State of Wisconsin and the County of Milwaukee, subject to such license agreements and easements as have been granted heretofore by party of the first part and its predecessors in interest permitting others to make minor use of certain of said lands for such purposes as street openings, the planting of shrubbery or the installation of sewers or water mains.

(a) Right-of-way Land

The rights of party of the first part in former private right-of-way land located in South Delaware Avenue between South Ellen Street and East Estes Street, which land has been dedicated to public use as a street.

The right-of-way easements of party of the first part in North 27th Street from West Hopkins Street to West Atkinson Avenue in the City of Milwaukee.

The rights of party of the first part reserved in West Wells Street in deeds recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 476 of Deeds, on Page 357, and Volume 924 of Deeds, on Page 379; also the private right-of-way on the Wells-Wauwatosa Line extending from North 68th Street to the Harwood Avenue Transfer Station.

Lot 1, Block 4, Assessor's Plat No. 249, in the Northeast 1/4 of Section 4, Township 7 North, Range 22 East, in the Village of Whitefish Bay, as said lot is shown in the plat recorded on July 7, 1939 in the office of the Register of Deeds for Milwaukee County, Wisconsin as Document No. 2222133.

Lots 28, 29 and 30, Block 7, Euclid Park, in the NW 1/4 of Section 34, Township 7 North, Range 21 East.

The rights of party of the first part in the private right-of-way 25 feet in width lying east of and adjacent to the abandoned 66 foot right-of-way of the Chicago & North Western Railway Company, and extending from Henry Clay Street to the N and S 1/8 section line in the NW 1/4 of Section 33, Township 8 North, Range 22 East, in the Village of Whitefish Bay.

CONVEYANCE OF PROPERTY BY THE MILWAUKEE ELECTRIC RAILWAY & TRANSPORT COMPANY TO MILWAUKEE & SUBURBAN TRANSPORT CORPORATION

DATED, DECEMBER 30TH, 1952

THIS INDENTURE made this 30th day of December, 1952, between THE MILWAUKEE ELECTRIC RAILWAY & TRANSPORT COMPANY, a Wisconsin corporation, hereinafter referred to as party of the first part, and MILWAUKEE & SUBURBAN TRANSPORT CORPORATION, a Wisconsin corporation, hereinafter referred to as party of the second part,

W I T N E S S E T H:

WHEREAS, party of the first part has heretofore owned and operated in the City of Milwaukee and its suburbs, all located in the County of Milwaukee, Wisconsin, a metropolitan passenger transportation system consisting of street cars, trackless trolley cars, gasoline motor buses, diesel motor buses and other property; and

WHEREAS, party of the first part, has agreed subject to the approval of proper governmental authorities, to transfer the property hereinafter described owned and used by party of the first part in the operation of its passenger transportation system, to party of the second part in consideration of the payment of a base purchase price of Ten Million ($10,000,000) Dollars, said purchase price to be paid by delivery of cash in the sum of Four Million ($4,000,000) Dollars and by delivery of ten (10) secured promissory notes in the aggregate sum of Three Million ($3,000,000) Dollars executed by party of the second part and payable to party of the first part on or before ten (10) years from the date hereof, and by delivery of thirty thousand (30,000) shares of party of the second part's five percent (5%) cumulative preferred stock, fully paid and non-assessable, having a par value of One Hundred ($100.00) Dollars per share, and it was further agreed that said base purchase price should be subject to certain adjustments.

WHEREAS, the sale of said passenger transportation system property has been duly approved by governmental authorities; and

Also the rights of party of the first part in the private right-of-way described as Lots 5 and 6, in Block 1, of Assessor's Plat No. 244 in the NW 1/4 of Section 33, Township 8 North, Range 22 East, in the Village of Whitefish Bay, subject to that certain license agreement dated November 30, 1936, between The Milwaukee Electric Railway and Light Company and The Pure Oil Company for the use of part of said premises for a driveway from East Silver Spring Drive to lands of The Pure Oil Company.

Trolley bus loop between North 35th Street and North 36th Street and lying south of West St. Paul Avenue, being in the SW 1/4 of Section 25, Township 7 North, Range 21 East, City of Milwaukee, and described as follows, to wit:

The north 35 feet of Lot 4, Block 1, Continuation of Park Hill Subdivision.

All that part of the SW 1/4 of said Section 25 described as follows, to wit: Commencing at a point in the east line of said SW 1/4 of Section 25, which point is 1554.30 feet south of the northeast corner of said 1/4 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 I/4 section; thence west along the north line of said Lot 4, 150 feet to a point; thence north 7.15 feet to a point; thence east 183 feet to the east line of said 1/4 section; thence south 7.15 feet to the place of beginning.

Lot 16, Block 1, Park Hill Subdivision.

The north 16.5 feet of Lot 15, Block 1, Park Hill Subdivision.

(b) Passenger Station and Waiting Room Land

North Twenty-seventh and West Hopkins Street Transfer Station Site: Lots 3 and 4 and that part of Lot 10, Block 4, People's 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 1/2 of Section 7, Township 7 North, Range 22 East.

North Murray Avenue Transfer Station Site: The west 120 feet of Lot 5, Block 209, Murray's Addition, in the SW 1/4 of Section 15, Township 7 North, Range 22 East, and the leasehold rights of party of the first part 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.

North Sixtieth and West Lloyd Street Transfer Station Site: That part of Lot 5, Block 8, Pabst Park No. 1, in the NE 1/4 of Section 22, Township 7 North, Range 21 East, described as follows, to wit: Commencing at the southeast corner of said Lot 5; running 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

North Fifty-second and West Wells Street Waiting Station Site: Lot 8, Block 7, Murray Hill, a subdivision in the NW 1/4 of Section 26, Township 7 North, Range 21 East, in the City of Milwaukee; excepting therefrom the following described part of said Lot 8: Commencing at the northwest corner of said Lot 8; running thence east along the north line of said Lot, 16 feet to a point; thence southwesterly in a straight line to a point on the west line of said Lot, which point is 24 feet south of the northwest corner of said Lot; thence north along the said west Lot line, 24 feet to the place of beginning.

Atkinson Avenue Transfer Station Site: All that part of the NW 1/4 and the SW 1/4 of Section 8, Township 7 North, Range 22 East, in the City of Milwaukee, described as follows, to wit: Commencing at the intersection of the northeasterly line of West Atkinson Avenue and the southwesterly line of North Green Bay Avenue as presently laid out; running thence North 60° 09' West on the northeasterly line of West Atkinson Avenue, 102.92 feet to a point; thence North 29° 51' 30" East 74.88 feet to a point in the southwesterly line of North Green Bay Avenue; thence South 24° 06' 30" East on said southwesterly line of North Green Bay Avenue 127.29 feet to the place of beginning together with the easement right for attachment of the train shed and bus shelter roof to the building located on the lands lying northwest of the above described premises as said easement is reserved in that certain deed recorded on December 3, 1940, in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 1687 of Deeds, on Page 401, as Document No. 2291696, and subject to the conditions contained therein. Subject to that certain easement of party of the first part dated October 7, 1952, and recorded on October 8, 1952, in the office of the Register of Deeds for Milwaukee County, Wisconsin as Document No. 3146644, granting to Wisconsin Electric Power Company the right of ingress and egress over and across a portion of the above described premises to and from the adjoining substation property of said Wisconsin Electric Power Company.

(c) Car House and Car Storage Yard Land

Fond du Lac Avenue Car Station and Garage Site: That part of the NE 1/4 of Section 13, Township 7 North, Range 21 East, and Lot 3 of Subdivision of 18.855 acres in the City of Milwaukee bounded as follows, to wit: 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, excepting therefrom that portion of the above described premises lying north of the south line of lands described in the land contract to Clarence F. Sommerfield, dated July 11, 1945, and recorded on July 31, 1946, in the office of the Register of Deeds for Milwaukee County, Wisconsin as Document No.

beginning; subject, however, to building and use restrictions set forth in deed dated July 19, 1909 from Gustave G. Pabst, Frederick Pabst, Jr. and Wisconsin Trust Company as executors of the Last Will and Testament of Frederick Pabst, deceased, to Oswald Theobald, recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 588 of Deeds, page 305, as Document No. 641896.

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 1/4 of Section 22, Township 7 North, Range 21 East.

Harwood Avenue Transfer Station Site: Lots 6 and 7 in Assessor's Plat No. 18 in the SE 1/4 of Section 21, Township 7 North, Range 21 East, in the City of Wauwatosa, and that part of said SE 1/4 of Section 21 bounded as follows, to wit: On the southeast by the southeasterly line of said Lot 7 extended northeasterly to the railway right-of-way of party of the first part; on the northeast by said right-of-way; on the northwest by Harwood Avenue; and on the southwest by said Lots 6 and 7; subject to use restrictions contained in deed dated November 1, 1916 from Milwaukee Sanitarium to Adolph G. Becker and Mary J. Becker, his wife, recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 729 of Deeds, Page 369, as Document No. 888526 and also in deed dated December 7, 1923 from The Milwaukee Sanitarium to Adolph G. Becker, recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 1046 of Deeds, Page 1, as Document No. 1274051; subject also to right-of-way for sewer purposes granted by Adolph G. Becker and Mary J. Becker, his wife, to Metropolitan Sewerage Commission of the County of Milwaukee by conveyance dated June 2, 1923 and recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 971 of Deeds, Page 169, as Document No. 1212333.

North Sixtieth and West Vliet Street Transfer Station Site: That part of Lots 1 and 2, Block 1, in Rosedale Park, being part of the SW 1/4 of Section 23, Township 7 North, Range 21 East, in the 15th Ward of the City of Milwaukee, described as follows, to wit: Beginning at the northwest corner of said Lot 1; running thence south along the west line of said lot, 100 feet; thence east, parallel to the south line of said Lots 1 and 2, 60 feet; thence north along the east line of said Lot 2, 91.57 feet to the northeast corner of said Lot 2; thence westerly along the north line of said Lots 2 and 1, 60.58 feet to the point of beginning; subject to restrictions contained in that certain deed recorded on April 26, 1945 in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 2107 of Deeds, on Page 632, as Document No. 2553800.

Grange Avenue Transfer Station Site: All of Lot 11 and the south 10 feet of Lot 10, and the south 81.66 feet of Lot 13, in Block 7, in Brenk and Coit Land Co.'s Addition to the Townsite of Cudahy, being a part of the SE 1/4 of Section 26, Township 6 North, Range 22 East, in the City of Cudahy.

2653339, said south line being more fully described as follows: Commencing at a point in the east line of North 35th Street, which point is 135.95 feet south of the point of intersection of said east line of North 35th Street and the southwesterly line of West Fond du Lac Avenue; running thence North 68° 11' East on the center line of a party wall and its extension 61.32 feet to a point; thence South 21° 53' East 42.50 feet to a point; thence North 68° 07' East 9.53 feet to a point; thence North 46° 19' 30" East at right angles to the southwesterly line of West Fond du Lac Avenue 43.92 feet to a point on said southwesterly line of West Fond du Lac Avenue, which point is 164.11 feet southeasterly from said point of intersection, measured on the southwesterly line of West Fond du Lac Avenue. Subject to party wall agreement as described in said Document No. 2653339.

Kinnickinnic Avenue Car Station Site: Lot lettered "B" in Subdivision of Lots lettered "B" and "L", Horace Chase's Subdivision in the NE 1/4 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.

National Avenue Car Station Site: That part of the SE 1/4 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, together with all the rights of the party of the first part in and to abutting streets.

Fiebrantz Avenue Car Station Site: All that part of the Southeast 1/4 of Section 6, Township 7 North, Range 22 East, in the City of Milwaukee, bounded and described as follows, to wit: Commencing at the southwest corner of Lot 3, Block 1, of Harry Mewes Subdivision; running thence east on the north line of West Fiebrantz Avenue 229.12 feet to a point; which point is the place of beginning of the lands herein described; thence North 22° 38' 20" West 57.15 feet to a point; thence west 14.2 feet to a point; thence North 8° 09' West 20.45 feet to a point; thence North 0° 26' West 305 feet to a point; thence North 8° 48' 40" West 20.23 feet to a point; thence North 0° 06' 15" West 42.30 feet to a point; thence North 44° 50' 55" East 42.82 feet to a point on the extended south line of Block 2 of the Savings and Investment Association of Milwaukee Subdivision No. 21; thence east on the south line of said Block 2 and the extension thereof, 292.63 feet to the southeast corner of Lot 15 of said Block 2; thence South 0° 25' East on the west line of said Block 2, 295.5 feet to the southwest corner of Lot 25, said Block 2; thence east on the south line of said Lot 25, 120 feet to a point on the west line of North 19th Street; thence South 0° 25' East on the west line of said North 19th Street 175.59 feet to a point on the north line of West Fiebrantz Avenue; thence west on the north line of West Fiebrantz Avenue 401.33 feet to the place of beginning. Excepting and reserving therefrom all that part of the above described parcel lying

North, Range 22 East, described as follows, to wit: Commencing at a point on the south line of said Lot 2, which point is 329.00 feet west of SE 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 & North Western Railway Company; thence northwest on said east line of the Chicago & North Western 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 1/4 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 217.23 feet to a point which is 86.84 feet north of the southeast corner of said Lot 2; thence South 89° 11' West parallel to the south line of said Lot 2, 116.83 feet to a point; thence north parallel to the east line of said Lot 2, 14.4 feet to a point; thence South 89° 11' West, 9.6 feet to a point; thence north, parallel to said east line of Lot 2, 39.8 feet to a point; thence South 89° 11' West, 202.57 feet to a point; thence south parallel to said east line 141.04 feet to the place of beginning. Subject to the public's use of North Oakland Avenue, which includes that part of the above described land lying east of a line 40 feet west of and parallel to the east line of said Section 9.

Also together with the easements and party wall rights conveyed to party of the first part by, and subject to the easements, party wall rights, exceptions, reservations and conditions contained in that certain correction deed dated January 29, 1947, and recorded on February 6, 1947 in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 2335 of Deeds, on Pages 538 to 542, inclusive, as Document No. 2693852.

Also together with the easements reserved to party of the first part by, and subject to the easements, exceptions, reservations and conditions contained in that certain deed of party of the first part to Wisconsin Electric Power Company dated April 11, 1947, and recorded on April 14, 1947 in the office of the Register of Deeds for Milwaukee County, Wisconsin as Document No. 2706334.

Also subject to rights of Metropolitan Sewerage Commission of the County of Milwaukee to construct, maintain and operate a sewer in the property as set forth in right-of-way granted July 21, 1930 by Milwaukee Electric Railway and Light Company to Metropolitan Sewerage Commission of the County of Milwaukee, recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 1354 of Deeds, Page 328, as Document No. 1857524.

(d) Garage Land

Thirty-fifth Street Garage: Lots 12, 13, 14, 15, 16, 17, 18, 19 and 20 in Block 2, Lyman's Subdivision in the NW 1/4 of Section 25, Township 7 North, Range 21 East.

west of a line 200 feet east of and parallel to the east line of North 20th Street as said street is presently laid out.

All that part of the north 80 feet of Lots 1, 2 and 3, Block 4, People's Building and Loan Association Subdivision No. 7, a subdivision in the W 1/2 of the SE 1/4 of Section 6, Township 7 North, Range 22 East, City of Milwaukee, 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.

West Allis Car Station Site: That part of the NE 1/4 of Section 4, Township 6 North, Range 21 East, City of West Allis, 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 the Chicago & North Western Railway Company; on the south by West Lapham Street, and on the west by South 84th Street, excepting and reserving therefrom that part of said NE 1/4 of Section 4 described as follows, to wit: Beginning at a point on the west line of said quarter section, which point is the point of intersection of said west line with the north line of West Lapham Street as presently laid out; running thence north on the west line of said quarter section 333.73 feet to a point; thence South 89° 57' East 65.59 feet to a point; thence South 0° 02' West along the east face of the east wall of the substation building and its extension 332.90 feet to a point on the north line of West Lapham Street; thence South 89° 23' West along the north line of West Lapham Street 65.39 feet to the place of beginning. Subject to that certain easement of party of the first part dated October 7, 1952 and recorded on October 8, 1952, in the office of the Register of Deeds for Milwaukee County, Wisconsin as Document No. 3146646, granting to Wisconsin Electric Power Company (1) the right, permission and authority (a) to maintain, repair and reconstruct the east foundation wall of the building located on the said excepted and reserved premises and the footings supporting said east foundation wall, (b) to use in common with party of the first part the existing drains, sewers and water mains on the premises hereby conveyed now serving the said excepted and reserved premises and (c) to use, service, maintain, replace or remove the two oil tanks located east of the car station structure on said premises hereby conveyed, together with the feed pipes leading from said oil tanks west to said excepted and reserved premises, and (2) the right of ingress and egress over and across the premises hereby conveyed, for the purposes above set forth.

Also the permanent right to use in common with party of the first part, its successors or assigns, the existing drains, sewers and water mains installed in said excepted and reserved premises and now serving the premises hereby conveyed.

Oakland Avenue Car Station Site: All that part of Government Lot 2 in the NE 1/4 of Section 9, Township 7

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, excepting and reserving therefrom the east 39 feet. Subject to that certain easement of party of the first part dated October 7, 1952, and recorded on October 8, 1952, in the office of the Register of Deeds for Milwaukee County, Wisconsin as Document No. 3146645, granting to Wisconsin Electric Power Company the permanent right to keep, use, maintain or remove certain buildings and equipment located on the easterly portion of the above described premises hereby conveyed, together with the right of ingress and egress to and from said buildings and equipment.

(f) Miscellaneous Land

Lower Cold Spring Yard: That part of the NW 1/4 of Section 25 and the NE 1/4 of Section 26, Township 7 North, Range 21 East, described as follows, to wit: Commencing at the intersection of the center line of West State Street and the east line of said Section 26; running 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 1/4 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; subject, however, to rights of A. Gettelman Brewing Company to locate, maintain, operate and repair water mains as reserved in a deed from A. Gettelman Brewing Company to The Milwaukee Electric Railway and Light Company recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin, in Volume 1012 of Deeds, Page 412, as Document No. 1271976; subject also to a 15 foot easement to the City of Milwaukee for sewer purposes as set forth in conveyance from Milwaukee Sharpshooters Society of Milwaukee to the City of Milwaukee dated September 18, 1893 and recorded October 12, 1893 in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 322 of Deeds, Page 123, as Document No. 242866; subject also to conveyance from James D. Shaw to

East Kinnickinnic Garage: A strip of land at the south end of Lot B in Subdivision of Lots B and L, Horace Chase's Subdivision in the NE 1/4 of Section 5, Township 6 North, Range 22 East, measuring 3 inches wide at the east end and 9 inches wide at the west end.

Also 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 in Block 133, of Judge A. D. Smith's Subdivision, in said NE 1/4 of Section 5; excepting and reserving therefrom all that part of Lots 7, 8 and 9 in said Block 132, that part of Lots 7, 8 and 9 in said Block 133, lying east of South Kinnickinnic Avenue, and that part of vacated Barclay Street, all in said Judge A. D. Smith's Subdivision, bounded and described as follows, to wit: Commencing at a point on the south line of said Lot 9, Block 132, 23 feet west of the southeast corner of said Lot 9, Block 132, running thence north parallel to the east line of said Block 132, 60.88 feet to a point on the extended line of the north face of an existing wall; thence west on the north face of said wall and its extension to a point on the easterly line of South Kinnickinnic Avenue as presently laid out and occupied; thence southeasterly on said easterly line 65.46 feet to a point on the north line of East Maple Street; thence east on the north line of East Maple Street 156.49 feet to the place of beginning, together with the footings of said wall with the permanent right and easement to maintain, repair and replace said footings in the south 3 feet of said conveyed premises, and the permanent right to use in common with party of the second part the existing drains, sewers and water mains on the premises hereby conveyed and now serving the said excepted premises.

Also together with the right to maintain existing attachments to said wall for the support and use of the garage structure on the premises hereby conveyed so long as said existing wall shall remain in place, and the permanent right to use in common with party of the first part the existing drains, sewers and water mains on the said excepted premises and now serving the premises hereby conveyed.

1715 South Kinnickinnic Avenue Garage: The south 60 feet of Lot lettered "C" in Horace Chase's Subdivision in the NE 1/4 of Section 5, Township 6 North, Range 22 East.

West Kinnickinnic Garage: All that part of Lots 1, 2, 3 and 4 in Block 133 of Judge A. D. Smith's Subdivision in the NE 1/4 of Section 5, Township 6 North, Range 22 East, lying west of South Kinnickinnic Avenue, and all of Lots 15, 16, 17 and 18 in said Block 133.

(e) Repair Shop Land

Cold Spring Shops: That part of the SW 1/4 of Section 24, and the NW 1/4 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

the City of Milwaukee dated March 31, 1906 for construction and maintenance of a viaduct for highway purposes, recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin April 16, 1906, in Volume 529 of Deeds, Page 181, as Document No. 544196.

2. Structures and Improvements on Land not Owned

The following described structures and improvements, rights or interest therein, situated on land not owned by party of the first part and located in Milwaukee County, Wisconsin.

(a) Right-of-way Structures

All of the rights and interests of the party of the first part arising from the payment, to the City of Milwaukee, the City of Wauwatosa and the City of West Allis, of portions of the cost of certain bridges and viaducts.

(b) Passenger Station and Waiting Room Structures

All passenger station and waiting room structures owned by party of the first part and located, pursuant to leases or other agreements, on land not owned by party of the first part.

(c) Miscellaneous Structures and Improvements, including all of the rights of the party of the first part in respect thereof as lessee, licensee, or otherwise.

Elevated sheet steel sand storage bin, with elevator and hopper, located near West Oklahoma Avenue and South 20th Street, Milwaukee, on land leased from the County of Milwaukee.

Elevated sheet steel sand storage bin, with elevator and hopper, located on West St. Paul Avenue near North 23rd Street, Milwaukee, on land leased from Wisconsin Electric Power Company.

Elevated sheet steel sand storage bin, with elevator and hopper, located on West St. Paul Avenue near North 10th Street, Milwaukee, on land owned by party of the first part and not conveyed hereby.

Lighting installation on South Kinnickinnic Avenue at East St. Francis Avenue, in the City of St. Francis.

Safety island at North 27th Street and West Atkinson Avenue, in the City of Milwaukee.

Paved roadway at Lake Park Station, in the City of Milwaukee.

Paved roadway at Tenth and Madison Avenues, in the City of South Milwaukee.

Passenger landing at West Greenfield Avenue and South 65th Street, in the City of West Allis.

Four steel storage tanks and a pump house located at the northwest corner of North 20th Street and West St. Paul Avenue, in the City of Milwaukee.

Two electric signs located on the roof of a building owned by General Electric Realty Corporation situated at the northeast corner of North 10th Street and West St. Paul Avenue, in the City of Milwaukee.

The interest of the party of the first part in office facilities installed by it in offices occupied by it in the building owned by General Electric Realty Corporation and located at North 10th Street and West St. Paul Avenue, in the City of Milwaukee.

Three express car bodies, air compressor, and corrugated iron shed for office use on the roof of the garage structure at North 10th Street and West Hibernia Street.

3. Roadway and Track

All grading, retaining walls, ballast, ties, rails, rail fastenings and joints, special work, paving, roadway and track tools, tunnels, subways, bridges, culverts, crossings, fences, cattle guards, signs, interlocking and other signal apparatus owned by party of the first part and appurtenant to its Milwaukee metropolitan passenger transportation system, except one motor section car (motor No. 47847) and its tool equipment.

4. Rolling Stock

(a) Rail Passenger Cars

Two hundred and three rail passenger cars, numbered 719, 720, 722, 733, 734, 736, 737, 739 to 741 inclusive, 747, 748, 804 to 825 inclusive, 827 to 838 inclusive, 840 to 878 inclusive, 881 to 884 inclusive, 886 to 899 inclusive, and 900 to 999 inclusive, together with associated rail passenger car spare equipment and fare boxes.

(b) Trackless Trolley Cars

Four hundred trackless trolley cars, numbered 50 to 449 inclusive, together with associated trackless trolley car spare equipment and fare boxes.

(c) Motor Buses

Three hundred ninety seven gasoline motor buses, numbered 650 to 678 inclusive, 680 to 714 inclusive, 746 to 781 inclusive, 783 to 828 inclusive, 830 to 873 inclusive, 875 to 984 inclusive, and 1000 to 1096 inclusive, together with gasoline motor bus spare equipment and fare boxes.

One hundred twenty diesel motor buses, numbered 1200 to 1319 inclusive, together with diesel motor bus spare equipment and fare boxes.

(d) Utility and Special Rail Equipment

Forty-one utility and special rail cars, numbered A-1, A-3, B-29, B-30, B-32, B-36, B-38 to B-47 inclusive, B-49, C-1, C-2, D-2, D-4, D-14, D-15, D-16, D-23, D-28, E-6, E-52, E-54, E-90 to E-93 inclusive, F-201, F-202, F-204, F-209, F-231, F-235, L-1 and W-1 (wrecking car), together with associated equipment.

5. Automotive Equipment

Sixty-one automotive vehicles, numbered SL-1 (Sno-Go and Truck), 29, 30, 33, 34, 40, 42, 45, 54 to 61 inclusive, 77, 78, 80, 89 to 97 inclusive, 125, 137, 138, 139, 145, 149, 156, 157, 159, 160, 161, 170, 171, 172, 177, 199, 300 to 307 inclusive, 739, 1110, 1190, 1212, 1258 to 1261 inclusive, 1303, together with nine trailers numbered RST 2, RST 11 to RST 15 inclusive, TR-2, TR-3 and T-101, and associated equipment.

6. Trolley and Feeder Systems

All trolley wire and associated devices and suspension owned by party of the first part.

Seven steel trolley arch supports, numbered TR-2, TR-4, TR-7, TR-8, TR-9, TR-10 and TR-11, located on the line of electric street railway known as Route 10 between South 53rd Street and South 68th Street, and all poles, together with associated cross-arms, guys, and other pole fixtures, owned by party of the first part and used in the operation of the Milwaukee metropolitan passenger transportation system except those used to support overhead facilities owned by party of the first part and not conveyed hereby, subject to continuance of the present use made of said conveyed poles and fixtures by others than party of the first part.

All overhead and underground feeder conductors and negative return conductors, together with associated insulators, switches, cutouts and other line devices, owned by party of the first part and used in the operation of its Milwaukee metropolitan passenger transportation system, except the following described conductors and devices associated therewith.

Tie Line A, an underground conductor extending from the East Wells Street power plant via North Edison Street and West McKinley Avenue to the Commerce Street power plant.

Tie Line B, consisting of two sections of single underground conductor and one section with two conductors in parallel, extending from the East Wells Street power plant via North Edison Street and West McKinley Avenue to the Commerce Street power plant.

Tie Line C, an underground conductor extending from the East Wells Street power plant via North Edison Street and West McKinley Avenue to the Commerce Street power plant.

Feeder 14, consisting of two short sections of single underground conductor and a longer section of two underground conductors in parallel, extending generally from the East Wells Street power plant across the Milwaukee River to North Plankinton Avenue, thence by two routes to the alley between North Third and North Fourth Streets and thence to the Commerce Street power plant.

Feeder 54, an underground conductor extending from East Wells Street power plant northerly, then westerly under the Milwaukee River to a riser pole on the east side of North Plankinton Avenue, together with the riser section of cable terminating at switch No. 15-54.

Those sections of Feeder 66 which are owned by party of the first part, comprising the following:

(a) A single underground conductor extending along West Michigan Street from North Second Street to North Plankinton Avenue.

(b) A single underground conductor extending along North Eighth Street from West Clybourn Street to West St. Paul Avenue.

(c) An underground conductor extending from a point on West St. Paul Avenue 240 feet east of North 17th Street to a riser pole located on North 17th Street south of West St. Paul Avenue.

Those sections of Feeder 70 which are owned by party of the first part, comprising the following:

(a) An underground conductor extending from North Eleventh Street at West Clybourn Street to a riser pole on North Twelfth Street at West Hibernia Street.

(b) An overhead conductor extending from a riser pole at North Twelfth and West Hibernia Streets along the former rapid transit right-of-way to switch No. 2 located near North 16th Street.

(c) An underground conductor 125 feet in length extending from manhole No. 6383 to manhole No. 6080 located on the former rapid transit right-of-way at North 17th Street.

Feeder 81 or 109, consisting of an underground conductor extending from the East Wells Street power plant generally along North Water Street to West Seeboth and South First Streets, two underground conductors in parallel extending from that point to a point immediately south of East Mitchell Street on South Kinnickinnic Avenue, and a single underground conductor from that point to First Street substation.

A portion of Feeder 106, consisting of a section of underground conductor extending from First Street substation along South Kinnickinnic Avenue and South First Street to a riser pole near West Mineral Street, together with a section of the overhead portion of Feeder 89 extending to another riser pole located near the intersection of West National Avenue and South First Street.

A portion of Feeder 115, consisting of a short section of underground conductor and a longer section of two overhead conductors in parallel extending generally along South First Street from First Street substation to West Greenfield Avenue.

A portion of Feeder 117, consisting of an underground conductor extending along West Mitchell Street from First Street substation to South Third Street, thence along South Third Street to West National Avenue and thence to a riser pole located near West National Avenue and South Sixth Street, together with a short section of overhead conductor extending to a metering station at West National Avenue and South Sixth Street.

Unnumbered overhead return conductors, consisting of a section of two conductors in parallel extending from a riser pole located near West Wisconsin Avenue and North Seventh Street along North Seventh Street to a pole near West Clybourn Street; and a section consisting of one conductor extending from this pole westward along West Clybourn Street to a point of connection with Return No. 3911, owned by Wisconsin Electric Power Company, near North Seventeenth Street; also a section of overhead conductor extending from a pole near the intersection of South Second Street and West National Avenue via West National Avenue and South Eleventh Street to a pole located near the intersection of West Greenfield Avenue and South Eleventh Street.

The following sections of unnumbered conductors which constitute part of the uninsulated negative return system.

(a) A single underground conductor extending from the terminus of Return No. 97 at North Eleventh Street and West Wells Street, along North Eleventh Street, West Clybourn Street, North Tenth Street, and West St. Paul Avenue to manhole No. 1352 near North Twelfth Street.

(b) A single underground conductor extending from Commerce Street power plant generally along North Commerce Street, West McKinley Avenue and East Knapp Street, North Water Street, East State Street and North Edison Street to East Wells Street power plant.

(c) Two underground conductors in parallel extending from East Wells Street power plant along East Wells Street, North Front Street, East Mason Street and North Water Street to North Erie Street, a single underground conductor from there to the intersection of East Seeboth and South First Streets, two single conductors in parallel from said intersection along South First Street to West National Avenue, and a single underground conductor along South First Street to First Street substation.

(d) An underground conductor extending from riser pole No. 28-7748 on North 17th Street immediately south of West St. Paul Avenue to manhole No. 6080 at the intersection of North 17th Street and West St. Paul Avenue and thence east along West St. Paul Avenue a distance of 240 feet.

(e) A short section of single underground conductor and a short section of two underground conductors in parallel on West National Avenue between South Second Street and South First Street.

Also, except such overhead and underground conductors and associated equipment shown as property of Wisconsin Electric Power Company on the map records of party of the first part and Wisconsin Electric Power Company, which records were followed in describing the above excepted facilities, but shown by book records to be property of party of the first part.

Return No. 31 or 91, consisting of sections of one and two underground conductors extending from the Commerce Street power plant via North Commerce Street, West McKinley Avenue, East Knapp Street and North Edison Street to East Wells Street power plant.

Return No. 36 or 96A, consisting of sections of one and two underground conductors extending from Commerce Street power plant via North Commerce Street, West McKinley Avenue, North Fourth Street, West State Street and North Plankinton Avenue to East Wells Street power plant.

Return No. 36 or 96B, consisting of sections of one and two underground conductors extending from Commerce Street power plant via North Commerce Street, West McKinley Avenue, North Fourth Street, West State Street and North Plankinton Avenue to East Wells Street power plant; and a branch of underground conductor extending from a connection near the intersection of North Fourth Street and West State Street via West State Street, North Eighth Street and West Wells Street to a manhole located near the intersection of North Eleventh Street and West Wells Street.

Return No. 39 or 99, an underground conductor extending from Commerce Street power plant via North Commerce Street, West McKinley Avenue, North Fourth Street, West State Street and North Plankinton Avenue to East Wells Street power plant.

Return No. 95, consisting principally of one underground conductor extending from East Wells Street power plant along North Edison Street; thence southwesterly to North Plankinton Avenue; thence southeasterly along North Plankinton Avenue; thence southwesterly to North Second Street and along North Second Street and West Wisconsin Avenue to a point of termination on a riser pole located near West Wisconsin Avenue and North Seventh Street.

Return No. 97, an underground conductor extending from East Wells Street power plant along West Wells Street to a point of connection with an unnumbered return conductor at West Wells Street and North Eleventh Street.

Return No. 122, an underground conductor extending from First Street substation along South First Street, West Mitchell Street and South Second Street to West National Avenue.

Return No. 123, an underground conductor extending from First Street substation along South First Street, West Mitchell Street and South Second Street to West Greenfield Avenue and thence along West Greenfield Avenue to South Eleventh Street.

Return No. 124, consisting of sections of one, three, or four overhead conductors extending from a pole located near the intersection of South Eleventh Street and West Greenfield Avenue via South Eleventh Street and West Maple Street to a riser pole located near the intersection of South Seventh Street and West Maple Street; also a section of underground conductor extending from said riser pole along West Maple Street to the First Street substation.

Return No. 125, an underground conductor extending from First Street substation along West Maple Street, South Second Street and West Greenfield Avenue to manhole No. 1424 located at the intersection of West Greenfield Avenue and South First Street.

14. Franchises, Ordinances, Permits, Easements, Rights and Licenses

All franchises, ordinances, permits, easements, rights and licenses or interests therein owned or held by party of the first part and used or useful in the operation of its Milwaukee metropolitan passenger transportation system.

15. Materials and Supplies

All materials and supplies owned by party of the first part on the date hereof for use in the operation and maintenance of its Milwaukee Metropolitan passenger transportation system.

TOGETHER with all and singular the tenements, hereditaments and appurtenances belonging or in any wise appertaining to the aforesaid property or any part thereof; with the reversion 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 party of the first part has in and to the aforesaid property.

TO HAVE AND TO HOLD said property and assets, real, personal and mixed, conveyed and transferred hereby, unto the party of the second part, its successors and assigns forever.

And the said party of the first part for itself, its successors and assigns, does covenant, warrant, grant, bargain and agree to and with said party of the second part, its successors and assigns, that at the time of the ensealing and delivering of these presents it is vested with good, sure, perfect and indefeasible title to the business, properties, rights, privileges and franchises hereby conveyed, and that the same are free and clear of all encumbrances whatsoever, except as herein set forth, and that the said business, properties, rights, privileges and franchises in the quiet and peaceful possession of the party of the second part, its successors and assigns, against all and every person or persons lawfully claiming a whole or any part thereof, it will forever secure, warrant and defend.

Also a non-exclusive use of such of the above excepted feeder conductors and negative return conductors to the extent they are presently used by party of the first part in the operation of its Milwaukee metropolitan passenger transportation system, so long as such excepted conductors shall be continued in service by the owner thereof.

7. Car Service Equipment

All of the equipment of party of the first part located at car houses and garages and used in servicing railway cars, trackless trolley cars and motor buses, such as air compressors, battery charging sets, car washers, hoists, jacks, machine tools, power operated hand tools, lubricating equipment and gasoline, oil and grease tanks and pumps.

8. Repair Shop Equipment

All of the equipment of party of the first part located at repair shops and garages and used for overhauling and making major repairs to railway cars, trackless trolley cars and motor buses, such as air compressors, boring machines, cranes, furnaces, forges, grinders, lathes, milling machines, planers, presses, punching machines, riveters, saws, shapers, steam hammers, power trucks and welders, except such tools and equipment as are used exclusively in the manufacture of electric furnaces.

9. Stores Equipment

All equipment owned by party of the first part and used in receiving, shipping, handling and storing materials and supplies, including portable elevators and hoists, electric locomotive crane, gas tanks and pumps, bins, counters, lockers, scales, shelving, trucks and wheelbarrows except such stores equipment used exclusively in the manufacture of electric furnaces.

10. Communication Equipment

All communication equipment owned by party of the first part, consisting largely of one train dispatchers' board, three switchboards and associated equipment.

11. Tools and Work Equipment

All tools and work equipment owned by party of the first part, including portable air compressors, air hammers, asphalt plant, concrete breakers, concrete and asphalt mixers, crossovers, rail grinders, electric shovel, power jack, tampers, tractors, bonding machine and welders.

12. Office Furniture and Equipment

All office furniture and equipment owned by party of the first part.

13. Miscellaneous Equipment

All miscellaneous equipment and apparatus owned by party of the first part and used in the operation of its Milwaukee metropolitan passenger transportation system.

STATE OF WISCONSIN)
) ss.
Milwaukee County)

Personally came before me this 30th day of December 1952, R. H. Pinkley, President, and John Dockendorf, Secretary, of The Milwaukee Electric Railway & Transport Company, to me known to be the persons who executed the foregoing Indenture and to me known to be such President and Secretary of said corporation, and acknowledged that they executed the foregoing Indenture as such officers as the deed of said corporation by its authority.

Alfred Gruhl
Notary Public
ALFRED GRUHL

My commission expires March 21, 1954.

State of Wisconsin }
DEPARTMENT OF STATE } ss.
Received this 30th day of DECEMBER A. D. 19 52 at 10:00 o'clock A.M. and recorded in Vol. 44 of RAILROAD MORTGAGES on pages 262-271, incl.
[illegible]
Assistant Secretary of State

The party of the first part for itself, its successors and assigns, covenants and agrees that it will from time to time, on request of the party of the second part, its successors and assigns, execute and deliver all such additional instruments of conveyance, assignments, and transfers as may be necessary or convenient, to further assure unto the party of the second part, its successors and assigns, all of the right, title and interest of the party of the first part in and to the properties, business and assets hereinbefore described and intended to be transferred and conveyed by this Indenture.

IN WITNESS WHEREOF, The Milwaukee Electric Railway & Transport Company has caused these presents to be executed in its corporate name by its President thereunto duly authorized, and countersigned by its Secretary, and its corporate seal to be hereunto affixed the day and year first above written.

In Presence of:

L. F. Seybold
L. F. SEYBOLD

THE MILWAUKEE ELECTRIC RAILWAY & TRANSPORT COMPANY

By R. H. Pinkley
R. H. PINKLEY President

Countersigned:

Martin R. Paulsen
MARTIN R. PAULSEN

John Dockendorf
Secretary
JOHN DOCKENDORF

Two Thousand Three Hundred and Thirty-two Dollars ($2,332.00) United States internal revenue documentary stamps, denoting payment of tax on the transfer of the real estate described in the foregoing deed, are affixed to an executed original of this deed recorded in the office of the register of deeds of Milwaukee County, Wisconsin, and have been duly cancelled in accordance with law.

(3)

Signed

MILWAUKEE & SUBURBAN TRANSPORT CORPORATION

TO

HARRIS TRUST AND SAVINGS BANK

AND

W. H. MILSTED
TRUSTEES

Indenture of Mortgage

DATED AS OF NOVEMBER 1, 1952

SECURING

FIRST MORTGAGE BONDS

THE GUNTHORP-WARREN PRINTING COMPANY, CHICAGO

Indenture, dated as of the first day of November, 1952, made by and between **MILWAUKEE & SUBURBAN TRANSPORT CORPORATION**, a corporation duly organized and existing under and by virtue of the laws of the State of Wisconsin, and having its principal office in the City of Milwaukee, Wisconsin (hereinafter called the "Company"), party of the first part, and **HARRIS TRUST AND SAVINGS BANK**, a banking corporation organized and existing under and by virtue of the laws of the State of Illinois, and having its principal office in the City of Chicago, Illinois, and **W. H. MILSTED**, of Evanston, Illinois, as Trustees, parties of the second part, said Harris Trust and Savings Bank and W. H. Milsted being hereinafter sometimes termed the "Trustees", said Harris Trust and Savings Bank being hereinafter sometimes termed the "Trustee", and said W. H. Milsted being hereinafter sometimes termed the "Co-Trustee".

WHEREAS, the Company deems it necessary 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 aggregate principal amount not exceeding Four Million Dollars ($4,000,000), to be designated as its "First Mortgage Serial Bonds," to be issuable as coupon bonds and/or as registered bonds without coupons (which are also herein referred to as "fully registered bonds" or as "bonds registered as to principal and interest") as the Board of Directors may determine, all such bonds to be authenticated by the certificate of the Trustee; and

WHEREAS, the coupon bonds of said issue, the coupons appertaining thereto, the registered bonds without coupons of said issue and the Trustee's certificate with respect to all such bonds are to be substantially in the forms following, with appropriate insertions, omissions and variations to evidence differences in denominations, maturities, redemption provisions and interest rates of the various maturities:

(Form of Coupon Bond)

MILWAUKEE & SUBURBAN TRANSPORT CORPORATION

FIRST MORTGAGE SERIAL BOND

Interest rate ....%

Due November 1, ...

No. M- $1000

MILWAUKEE & SUBURBAN TRANSPORT CORPORATION, a corporation organized and existing under the laws of the State of Wisconsin (hereinafter sometimes called the "Company", which term shall include any successor corporation as defined in the Indenture hereinafter mentioned), for value received, hereby promises to pay to the bearer or, if this bond be registered, to the registered owner hereof on ....., 19....., at the office of Harris Trust and Savings Bank or of its successor in trust under the Indenture hereinafter mentioned, in the City of Chicago, Illinois, One Thousand Dollars ($1,000) in such coin or currency of the United States of America as at the time of payment shall be legal tender for public and private debts, and to pay interest thereon from the date hereof, at the rate of ..... per cent (....%) per annum in like coin or currency at said office of the Trustee, on May 1 and November 1 in each year, until the payment of said principal sum. The interest accrued up to the date of maturity shall be paid only upon presentation and surrender of the interest coupons hereto annexed as they severally mature.

This bond is one of an issue of Four Million Dollars ($4,000,000) principal amount of bonds of the Company known as its First Mortgage Serial Bonds, maturing serially on November 1 of each year beginning November 1, 1953 and ending November 1, 1962, and bearing interest rates varying between 4½% per annum and 5½% per annum, all issued and to be issued under and equally secured by an Indenture of Mortgage, dated as of November 1, 1952 (herein referred to as the "Indenture"), executed by the Company to Harris Trust and Savings Bank and W. H. Milsted, as Trustees (the term "Trustee" where used herein referring to said Harris Trust and Savings Bank or its successors in said trust), to which Indenture and all indentures supplemental thereto reference is made for a description of the property mortgaged

and pledged, the nature and extent of the security, the rights of the bearers and registered owners of the bonds and the bearers of the coupons and of the Trustees and of the Company in respect of such security.

With the consent of the Company and to the extent permitted by and as provided in the Indenture, the holders of seventy-five per cent (75%) or more in principal amount of the bonds then outstanding (as defined in the Indenture) have power to authorize any modification or alteration of the Indenture or of any indenture supplemental thereto or of the rights and obligations of the Company under the Indenture or of the holders of the bonds and coupons under the Indenture; provided always that no such modification or alteration (a) shall change or impair the obligation of the Company to pay the principal of and interest on the bonds at the respective dates and at the places and in the respective amounts, including the redemption prices, as provided in the bonds, (b) shall give to any bond or bonds secured by the Indenture any preference over any other bond or bonds so secured, (c) shall authorize the creation of any lien prior to or on a parity with the lien of the Indenture upon any of the property subject to the lien of the Indenture, (d) shall deprive any bondholder of the security afforded by the lien of the Indenture, or (e) shall reduce the percentage in principal amount of the bonds required to authorize or consent to any such modification or alteration.

The bonds of said issue are redeemable at any time prior to maturity, as a whole or in part at the option of the Company or through the application of the proceeds of insurance or the proceeds of the sale of the mortgaged property, in each case upon the notice and in the manner and with the effect provided in the Indenture and upon payment of the principal amount of the bond or bonds to be redeemed and accrued interest thereon to the date fixed for redemption, together with, in case of redemption at the option of the Company from the proceeds of new financing or the borrowing of money, a premium on bonds of the maturity expressed above if redemption is made prior to November 1, 19..... of .....% of such principal amount, and in case redemption is made on or after November 1, 19..... and prior to November 1, 19..... of .....% of such principal amount, and in case redemption is made on or after November 1, 19..... and prior to November 1, 19..... of .....% of such principal amount; and in case of redemption through the application of the proceeds of insurance or the proceeds of the sale of any part of the mort-

gaged property or at the option of the Company from moneys not procured through new financing or the borrowing of money, together with a premium if redemption is made prior to November 1, 1953 of 2% of such principal amount, and in case redemption is made on or after November 1, 1953 and prior to November 1, 1954 1½% of such principal amount, and in case redemption is made on or after November 1, 1954 and prior to November 1, 1955 1% of such principal amount, and in case redemption is made on or after November 1, 1955 and prior to November 1, 1956 ½ of 1% of such principal amount, and in case redemption is made on or after November 1, 1956, without premium.

Provision is made in the Indenture for a contingent sinking fund beginning in the year 1954 for the benefit of the bonds of said issue, and the bonds of the said issue are redeemable at any time prior to maturity as a whole or in part through the operation of the said contingent sinking fund. In every case such redemption through the operation of the contingent sinking fund shall be upon the notice and in the manner and with the effect provided in the Indenture and upon payment of the principal amount of the bond or bonds to be redeemed and accrued interest thereon to the date fixed for redemption, and without premium.

In case less than all of the bonds of said issue are to be redeemed such bonds shall be redeemed in the inverse order of their maturities, and in case the redemption of less than all of the outstanding bonds of any maturity are to be redeemed, the bonds to be redeemed shall be selected by the Trustee by lot from the outstanding bonds of such maturity, all as provided in the Indenture.

The principal hereof may be declared or may become due on the conditions, in the manner and at the time set forth in the Indenture, upon the occurrence of a completed default as in the Indenture provided.

This bond shall pass by delivery unless registered as to principal in the holder's name on the books of the Company at the office of Harris Trust and Savings Bank, or of its successor as Trustee under the Indenture, in the City of Chicago, Illinois, and such registration noted hereon, after which no valid transfer hereof can be made, except at such office, until after registered transfer to bearer, but after such registered transfer to bearer, this bond shall be again transferable by delivery, and may again from time to time be registered or transferred to bearer as before. Such registration, however, shall not affect the negotiability of the coupons,

which shall always remain payable to bearer and transferable by delivery merely. The Company and the Trustees may deem and treat the bearer of this bond, if it be not registered as to principal, and the bearer of any coupon hereunto appertaining, whether or not this bond be so registered, or, if this bond be registered as herein authorized, the person in whose name the same is registered, as the absolute owner for the purpose of receiving payment and for all other purposes.

The holder of this bond, at his option, may surrender the same, or this bond and other coupon bonds with all unmatured coupons attached thereto, at the office of the Trustee, for cancellation and exchange for a registered bond or bonds without coupons, of any authorized denomination, having the same maturity and interest rate and for the same aggregate principal amount, bearing interest from the last preceding interest payment date (unless such registered bond without coupons shall be dated November 1, 1952, or as of an interest payment date in which case such registered bond without coupons shall bear interest from such date), which registered bond without coupons may in turn be exchanged for coupon bonds of the same aggregate principal amount, all as provided in the Indenture. Upon each such exchange, the Company may require the payment of charges as in the Indenture prescribed.

No recourse shall be had for the payment of the principal of or interest on this bond or for any claim based hereon, or upon any obligation, covenant or agreement in the Indenture against any incorporator or any past, present or future stockholder, officer or director of the Company or of any successor corporation, as such, either directly or through the Company or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, all such liability of incorporators, stockholders, officers and directors, as such, being released by the holder or registered owner hereof by the acceptance of this bond and being likewise waived and released by the terms of the Indenture.

This bond and the coupons for interest hereto attached shall not be or become obligatory for any purpose unless and until Harris Trust and Savings Bank, the Trustee under the Indenture, or its successor as such Trustee thereunder, shall have signed the form of certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, Milwaukee & Suburban Transport Corporation has caused this bond to be signed in its name by its President or one of its Vice Presidents and its corporate seal to be affixed

hereto and attested by its Secretary or one of its Assistant Secretaries, and interest coupons bearing the facsimile signature of its Treasurer to be attached hereto, all as of the first day of November, 1952.

MILWAUKEE & SUBURBAN TRANSPORT CORPORATION,
By _____
President.

Attest:

_____
Secretary.

(Form of Coupon)

No. $_____

On _____, 19____, upon surrender of this coupon, Milwaukee & Suburban Transport Corporation will pay to bearer at the office of Harris Trust and Savings Bank, or of its successor as Trustee under the Indenture securing the bond hereinafter mentioned, in the City of Chicago, Illinois, _____ Dollars (_____) in such coin or currency of the United States of America as at the time of payment shall be legal tender for public and private debts, as specified in its First Mortgage Serial Bond, No. M _____, being six months' interest then due on said bond.

This coupon will not be payable if said bond shall have been called for previous redemption and payment of the redemption price thereof duly provided for.

_____
Treasurer.

(Form of Registered Bond Without Coupons)

MILWAUKEE & SUBURBAN TRANSPORT CORPORATION

FIRST MORTGAGE SERIAL BOND

Interest Rate ____%

Due November 1, _____

No. R $_____

MILWAUKEE & SUBURBAN TRANSPORT CORPORATION, a corporation organized and existing under the laws of the State of Wisconsin (hereinafter sometimes called the "Company", which term shall

include any successor corporation as defined in the Indenture hereinafter mentioned), for value received, hereby promises to pay to _____, or registered assigns, on November 1, 19____, at the office of Harris Trust and Savings Bank, or of its successor in trust under the Indenture hereinafter mentioned, in the City of Chicago, Illinois, _____ Dollars ($_____) in such coin or currency of the United States of America as at the time of payment shall be legal tender for public and private debts, and to pay to the registered owner hereof interest thereon from the date hereof, at the rate of _____ per cent (__%) per annum in like coin or currency at said office of the Trustee, on May 1 and November 1 in each year, until the payment of said principal sum.

This bond is one of an issue of Four Million Dollars ($4,000,000) principal amount of bonds of the Company known as its First Mortgage Serial Bonds, maturing serially on November 1 of each year beginning November 1, 1953 and ending November 1, 1962 and bearing interest rates varying between 4½% per annum and 5½% per annum, all issued and to be issued under and equally secured by an Indenture of Mortgage, dated as of November 1, 1952 (herein referred to as the "Indenture"), executed by the Company to Harris Trust and Savings Bank and W. H. Milsted, as Trustees (the term "Trustee" where used herein referring to said Harris Trust and Savings Bank or its successors in said trust), to which Indenture and all indentures supplemental thereto reference is made for a description of the property mortgaged and pledged, the nature and extent of the security, the rights of the bearers and registered owners of the bonds and the bearers of the coupons and of the Trustees and of the Company in respect of such security.

With the consent of the Company and to the extent permitted by and as provided in the Indenture, the holders of seventy-five per cent (75%) or more in principal amount of the bonds then outstanding (as defined in the Indenture) have power to authorize any modification or alteration of the Indenture or of any indenture supplemental thereto or of the rights and obligations of the Company under the Indenture or of the holders of the bonds and coupons under the Indenture, provided always that no such modification or alteration (a) shall change or impair the obligation of the Company to pay the principal of and interest on the bonds at the respective dates and at the places and in the respective amounts, including the redemption prices, as provided in the bonds, (b) shall give to any bond or bonds secured by the Inden-

ture any preference over any other bond or bonds so secured, (c) shall authorize the creation of any lien prior to or on a parity with the lien of the Indenture upon any of the property subject to the lien of the Indenture, (d) shall deprive any bondholder of the security afforded by the lien of the Indenture, or (e) shall reduce the percentage in principal amount of the bonds required to authorize or consent to any such modification or alteration.

The bonds of said issue are redeemable at any time prior to maturity, as a whole or in part at the option of the Company or through the application of the proceeds of insurance or the proceeds of the sale of the mortgaged property, in each case upon the notice and in the manner and with the effect provided in the Indenture and upon payment of the principal amount of the bond or bonds to be redeemed and accrued interest thereon to the date fixed for redemption, together with, in case of redemption at the option of the Company from proceeds of new financing or through the borrowing of money, a premium on bonds of the maturity expressed above if redemption is made prior to November 1, 19..... of .....% of such principal amount, and in case redemption is made on or after November 1, 19..... and prior to November 1, 19..... of .....% of such principal amount, and in case redemption is made on or after November 1, 19..... and prior to November 1, 19..... of .....% of such principal amount; and in case of redemption through the application of the proceeds of insurance or the proceeds of the sale of any part of the mortgaged property, or at the option of the Company from moneys not procured through new financing or the borrowing of money, together with a premium if redemption is made prior to November 1, 1953 of 2% of such principal amount, and in case redemption is made on or after November 1, 1953 and prior to November 1, 1954 1½% of such principal amount, and in case redemption is made on or after November 1, 1954 and prior to November 1, 1955 1% of such principal amount, and in case redemption is made on or after November 1, 1955 and prior to November 1, 1956 ½ of 1% of such principal amount, and in case redemption is made on or after November 1, 1956, without premium.

Provision is made in the Indenture for a contingent sinking fund beginning in the year 1954 for the benefit of the bonds of said issue and the bonds of the said issue are redeemable at any time prior to maturity as a whole or in part through the operation of the said contingent sinking fund. In every case such redemption through the operation of the contingent sinking fund shall be upon the notice and in the manner and with the effect provided in the

Indenture and upon payment of the principal amount of the bond or bonds to be redeemed and accrued interest thereon to the date fixed for redemption, and without premium.

In case less than all of the bonds of said issue are to be redeemed such bonds shall be redeemed in the inverse order of their maturities, and in case the redemption of less than all of the outstanding bonds of any maturity are to be redeemed, the bonds to be redeemed shall be selected by the Trustee by lot from the outstanding bonds of such maturity, all as provided in the Indenture.

The principal hereof may be declared or may become due on the conditions, in the manner and at the time set forth in the Indenture, upon the occurrence of a completed default as in the Indenture provided.

This bond is transferable as prescribed in the Indenture by the registered owner hereof in person or by his duly authorized attorney at the office of Harris Trust and Savings Bank, or of its successor as Trustee under the Indenture, in the City of Chicago, Illinois, upon surrender and cancellation of this bond, and thereupon a new registered bond without coupons of the same principal amount, will be issued to the transferee in exchange herefor. The Company will pay the interest on any registered bond without coupons only to the owner registered on the Company's books at the close of business on the day preceding the date interest is to be paid, according to the terms thereof, by check mailed to such registered owner, at the address of such owner as shown on such books, by Harris Trust and Savings Bank or its successor as Trustee under the Indenture. This bond may in like manner be exchanged for one or more new registered bonds without coupons, of authorized denominations, having the same maturity and interest rate and of the same aggregate principal amount, or the registered owner of this bond may at his option surrender the same for cancellation and exchange for coupon bonds of the same aggregate principal amount, having the same maturity and interest rate and having attached thereto all coupons maturing after the interest payment date on which interest was last paid hereon, which coupon bonds may in turn be exchanged for registered bonds without coupons, dated as specified in the Indenture and of the same aggregate principal amount, all as provided in the Indenture. Upon each such transfer and exchange, the Company may require the payment of charges as in the Indenture prescribed. The Company and the Trustees may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment and for all other purposes.

No recourse shall be had for the payment of the principal of or interest on this bond, or for any claim based hereon, or upon any obligation, covenant or agreement in the Indenture, against any incorporator or any past, present or future stockholder, officer or director of the Company or of any successor corporation, as such, either directly or through the Company or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, all such liability of incorporators, stockholders, officers and directors, as such, being released by the registered owner hereof by the acceptance of this bond and being likewise waived and released by the terms of the Indenture.

This bond shall not be or become valid or obligatory for any purpose unless and until Harris Trust and Savings Bank, the Trustee under the Indenture, or its successor as such Trustee thereunder, shall have signed the form of certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, Milwaukee & Suburban Transport Corporation has caused this bond to be signed in its name by its President or one of its Vice Presidents and its corporate seal to be affixed hereto and attested by its Secretary or one of its Assistant Secretaries.

Dated as of _____, _____.

MILWAUKEE & SUBURBAN TRANSPORT CORPORATION,

By _____
President.

Attest:

_____
Secretary.

(Form of Authentication Certificate on All Bonds)

This bond is one of the bonds described or provided for in the within mentioned Indenture.

HARRIS TRUST AND SAVINGS BANK,
Trustee.

By _____
Authorized Officer.

WHEREAS, the Board of Directors and the stockholders of the Company, at meetings thereof duly convened and held, have duly authorized the issue of the bonds and the execution and delivery of this Indenture, and all other acts and things necessary to make the bonds, when duly executed by the Company and authenticated by the Trustee and issued, valid, binding and legal obligations of the Company, and to make this Indenture a valid, binding and legal mortgage and deed of trust for the security of the bonds, have been done and performed;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That Milwaukee & Suburban Transport Corporation, 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 ($1.00) to it duly paid by the Trustees 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 said bonds and herein contained, and in order 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, hypothecated, effected and confirmed and by these presents does grant, bargain, sell, warrant, alien, remise, release, convey, assign, transfer, mortgage, pledge, set over, hypothecate, effect and confirm unto Harris Trust and Savings Bank and W. H. Milsted, as Trustees, and to its and his successors in said trust and to them and their assigns forever, all and singular the following described properties, which are hereinafter sometimes called the "trust estate" or the "mortgaged property" or the "mortgaged and pledged property"—that is to say:

SECTION I.

1. Real Estate.

All of the following described pieces or parcels of land, rights, easements or interest therein owned or held by the Company, situated in the State of Wisconsin and the County of Milwaukee, subject to such license agreements and easements as have been granted heretofore by the Company's predecessors in interest permitting others to make minor use of certain of said lands for such purposes as street openings, the planting of shrubbery or the installation of sewers or water mains.

(a) Right-of-Way Land.

The rights of the Company in former private right-of-way land located in South Delaware Avenue between South Elfen Street and East Estes Street, which land has been dedicated to public use as a street.

The right-of-way easements of the Company in North 27th Street from West Hopkins Street to West Atkinson Avenue in the City of Milwaukee.

The rights of predecessors in interest to the Company reserved in West Wells Street in deeds recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 476 of Deeds, on Page 357, and Volume 924 of Deeds, on Page 379; also the private right-of-way on the Wells-Wauwatosa Line extending from North 68th Street to the Harwood Avenue Transfer Station.

Lot 1, Block 4, Assessor's Plat No. 249, in the Northeast ¼ of Section 4, Township 7 North, Range 22 East, in the Village of Whitefish Bay, as said lot is shown in the plat recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin on July 7, 1939, as Document No. 2222133.

Lots 28, 29 and 30, Block 7, Euclid Park, in the NW ¼ of Section 34, Township 7 North, Range 21 East.

The rights of the Company in the private right-of-way 25 feet in width lying east of and adjacent to the abandoned 66 foot right-of-way of the Chicago & North Western Railway Company, and extending from Henry Clay Street to the N and S ¼ section line in the NW ¼ of Section 33, Township 8 North, Range 22 East, in the Village of Whitefish Bay,

Also the rights of the Company in the private right-of-way described as Lots 5 and 6, in Block 1, of Assessor's Plat No. 244

in the NW¼ of Section 33, Township 8 North, Range 22 East, in the Village of Whitefish Bay, subject to that certain license agreement dated November 30, 1936, between The Milwaukee Electric Railway and Light Company and The Pure Oil Company for the use of part of said premises for a driveway from East Silver Spring Drive to lands of The Pure Oil Company.

Trolley bus loop between North 35th Street and North 36th Street and lying south of West St. Paul Avenue, being in the SW ¼ of Section 25, Township 7 North, Range 21 East, City of Milwaukee, and described as follows, to wit:

The north 35 feet of Lot 4, Block 1, Continuation of Park Hill Subdivision.

All that part of the SW ¼ of said Section 25 described as follows, to wit: Commencing at a point in the east line of said SW ¼ of 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 7.15 feet to a point; thence east 183 feet to the east line of said ¼ section; thence south 7.15 feet to the place of beginning.

Lot 16, Block 1, Park Hill Subdivision.

The north 16.5 feet of Lot 15, Block 1, Park Hill Subdivision.

(b) Passenger Station and Waiting Room Land.

North Twenty-seventh and West Hopkins Street Transfer Station Site: Lots 3 and 4 and that part of Lot 10, Block 4, People's 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 ¼ of Section 7, Township 7 North, Range 22 East.

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.

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, to wit: Commencing at the southeast corner of said Lot 5;

running 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; subject, however, to building and use restrictions set forth in deed dated July 19, 1909 from Gustave G. Pabst, Frederick Pabst, Jr. and Wisconsin Trust Company as executors of the Last Will and Testament of Frederick Pabst, deceased, to Oswald Theobald, recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 588 of Deeds, page 305, as Document No. 641896.

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.

Harwood Avenue Transfer Station Site: Lots 6 and 7 in Assessor's Plat No. 18 in the SE ¼ 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, to wit: On the southeast by the southeasterly line of said Lot 7 extended northeasterly to the railway right-of-way of the Company; on the northeast by said right-of-way; on the northwest by Harwood Avenue; and on the southwest by said Lots 6 and 7; subject to use restrictions contained in deed dated November 1, 1916 from Milwaukee Sanitarium to Adolph G. Becker and Mary J. Becker, his wife, recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 729 of Deeds, Page 369, as Document No. 888526 and also in deed dated December 7, 1923 from The Milwaukee Sanitarium to Adolph G. Becker, recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 1046 of Deeds, Page 1, as Document No. 1274051; subject also to right-of-way for sewer purposes granted by Adolph G. Becker and Mary J. Becker, his wife, to Metropolitan Sewerage Commission of the County of Milwaukee by conveyance dated June 2, 1923 and recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 971 of Deeds, Page 169, as Document No. 1212333.

North Sixtieth and West Vliet Street Transfer Station Site: That part of Lots 1 and 2, Block 1, in Rosedale Park, being part of the SW ¼ of Section 23, Township 7 North, Range 21 East, in the 15th Ward of the City of Milwaukee, described as follows, to wit: Beginning at the northwest corner of said Lot 1; running

thence south along the west line of said lot, 100 feet; thence east, parallel to the south line of said Lots 1 and 2, 60 feet; thence north along the east line of said Lot 2, 91.57 feet to the northeast corner of said Lot 2; thence westerly along the north line of said Lots 2 and 1, 60.58 feet to the point of beginning; subject to restrictions contained in that certain deed recorded on April 26, 1945 in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 2107 of Deeds, on Page 632, as Document No. 2553800.

Grange Avenue Transfer Station Site: All of Lot 11 and the south 10 feet of Lot 10, and the south 81.66 feet of Lot 13, in Block 7, in Brenk and Coit Land Co.'s Addition to the Townsite of Cudahy, being a part of the SE ¼ of Section 26, Township 6 North, Range 22 East, in the City of Cudahy.

North Fifty-second and West Wells Street Waiting Station Site: Lot 8, Block 7, Murray Hill, a subdivision in the NW ¼ of Section 26, Township 7 North, Range 21 East, in the City of Milwaukee; excepting therefrom the following described part of said Lot 8: Commencing at the northwest corner of said Lot 8; running thence east along the north line of said Lot, 16 feet to a point; thence southwesterly in a straight line to a point on the west line of said Lot, which point is 24 feet south of the northwest corner of said Lot; thence north along the said west Lot line, 24 feet to the place of beginning; subject, however, to building and use restrictions set forth in deed dated May 2, 1899 from Murray Hill Land Company to Thomas E. Mitten, recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 329 of Deeds, Page 85, as Document No. 374995.

Atkinson Avenue Transfer Station Site: All that part of the NW ¼ and the SW ¼ of Section 8, Township 7 North, Range 22 East, in the City of Milwaukee, described as follows, to wit: Commencing at the intersection of the northeasterly line of West Atkinson Avenue and the southwesterly line of North Green Bay Avenue as presently laid out; running thence North 60° 09′ West on the northeasterly line of West Atkinson Avenue, 102.92 feet to a point; thence North 29° 51′ 30″ East 74.88 feet to a point in the southwesterly line of North Green Bay Avenue; thence South 24° 06′ 30″ East on said southwesterly line of North Green Bay Avenue 127.29 feet to the place of beginning together with the easement right for attachment of the train shed and bus shelter roof to the building located on the lands lying northwest of the above described premises as said easement is reserved in that certain

deed recorded on December 3, 1940, in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 1687 of Deeds, on Page 401, as Document No. 2291696, and subject to the conditions contained therein. Subject to that certain easement of The Milwaukee Electric Railway & Transport Company dated October 7, 1952, and recorded on October 8, 1952, in the office of the Register of Deeds for Milwaukee County, Wisconsin as Document No. 3146644, granting to Wisconsin Electric Power Company the right of ingress and egress over and across a portion of the above described premises to and from the adjoining substation property of said Wisconsin Electric Power Company.

(c) Car House and Car Storage Yard Land.

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 in the City of Milwaukee bounded as follows, to wit: 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, excepting therefrom that portion of the above described premises lying north of the south line of lands described in the land contract to Clarence F. Sommerfield, dated July 11, 1945, and recorded on July 31, 1946, in the office of the Register of Deeds for Milwaukee County, Wisconsin as Document No. 2653339, said south line being more fully described as follows: Commencing at a point in the east line of North 35th Street, which point is 135.95 feet south of the point of intersection of said east line of North 35th Street and the southwesterly line of West Fond du Lac Avenue; running thence North 68° 11′ East on the center line of a party wall and its extension 61.32 feet to a point; thence South 21° 53′ East 42.50 feet to a point; thence North 68° 07′ East 9.53 feet to a point; thence North 46° 19′ 30″ East at right angles to the southwesterly line of West Fond du Lac Avenue 43.92 feet to a point on said southwesterly line of West Fond du Lac Avenue, which point is 164.11 feet southeasterly from said point of intersection, measured on the southwesterly line of West Fond du Lac Avenue. Subject to party wall agreement as described in said Document No. 2653339.

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.

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, together with all the rights of the Company in and to abutting streets.

Fiebrantz Avenue Car Station Site: All that part of the Southeast ¼ of Section 6, Township 7 North, Range 22 East, in the City of Milwaukee, bounded and described as follows, to wit: Commencing at the southwest corner of Lot 3, Block 1, of Harry Mewes Subdivision; running thence east on the north line of West Fiebrantz Avenue 229.12 feet to a point; which point is the place of beginning of the lands herein described; thence North 22° 38′ 20″ West 57.15 feet to a point; thence west 14.2 feet to a point; thence North 8° 09′ West 20.45 feet to a point; thence North 0° 26′ West 305 feet to a point; thence North 8° 48′ 40″ West 20.23 feet to a point; thence North 0° 06′ 15″ West 42.30 feet to a point; thence North 44° 50′ 55″ East 42.82 feet to a point on the extended south line of Block 2 of the Savings and Investment Association of Milwaukee Subdivision No. 21; thence east on the south line of said Block 2 and the extension thereof, 292.63 feet to the southeast corner of Lot 15 of said Block 2; thence South 0° 25′ East on the west line of said Block 2, 295.5 feet to the southwest corner of Lot 25, said Block 2; thence east on the south line of said Lot 25, 120 feet to a point on the west line of North 19th Street; thence South 0° 25′ East on the west line of said North 19th Street 175.59 feet to a point on the north line of West Fiebrantz Avenue; thence west on the north line of West Fiebrantz Avenue 401.33 feet to the place of beginning. Excepting and reserving therefrom all that part of the above described parcel lying west of a line 200 feet east of and parallel to the east line of North 20th Street as said street is presently laid out.

All that part of the north 80 feet of Lots 1, 2 and 3, Block 4, People's 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, City of Milwaukee, 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.

West Allis Car Station Site: That part of the NE ¼ of Section 4, Township 6 North, Range 21 East, City of West Allis, 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 the Chicago & North Western Railway Company; on the south by West Lapham Street, and on the west by South 84th Street, excepting and reserving therefrom that part of said NE ¼ of Section 4 described as follows, to wit: Beginning at a point on the west line of said quarter section, which point is the point of intersection of said west line with the north line of West Lapham Street as presently laid out; running thence north on the west line of said quarter section 333.73 feet to a point; thence South 89° 57′ East 65.59 feet to a point; thence South 0° 02′ West along the east face of the east wall of the substation building and its extension 332.90 feet to a point on the north line of West Lapham Street; thence South 89° 23′ West along the north line of West Lapham Street 65.39 feet to the place of beginning. Subject to that certain easement of The Milwaukee Electric Railway & Transport Company dated October 7, 1952 and recorded on October 8, 1952, in the office of the Register of Deeds for Milwaukee County, Wisconsin as Document No. 3146646, granting to Wisconsin Electric Power Company (1) the right, permission and authority (a) to maintain, repair and reconstruct the east foundation wall of the building located on the said excepted and reserved premises and the footings supporting said east foundation wall, (b) to use in common the existing drains, sewers and water mains on the premises hereby mortgaged now serving the said excepted and reserved premises and (c) to use, service, maintain, replace or remove the two oil tanks located east of the car station structure on said premises hereby mortgaged, together with the feed pipes leading from said oil tanks west to said excepted and reserved premises, and (2) the right of ingress and egress over and across the premises hereby mortgaged, for the purposes above set forth.

Also the permanent right to use in common with The Milwaukee Electric Railway & Transport Company, its successors or assigns, the existing drains, sewers and water mains installed in said excepted and reserved premises and now serving the premises hereby mortgaged.

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 a point on the south line of said Lot 2, which point is 329.00 feet west of SE

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 & North Western Railway Company; thence northwest on said east line of the Chicago & North Western 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 217.23 feet to a point which is 86.84 feet north of the southeast corner of said Lot 2; thence South 89° 11′ West parallel to the south line of said Lot 2, 116.83 feet to a point; thence north parallel to the east line of said Lot 2, 14.4 feet to a point; thence South 89° 11′ West, 9.6 feet to a point; thence north, parallel to said east line of Lot 2, 39.8 feet to a point; thence South 89° 11′ West, 202.57 feet to a point; thence south parallel to said east line 141.04 feet to the place of beginning. Subject to the public's use of North Oakland Avenue, which includes that part of the above described land lying east of a line 40 feet west of and parallel to the east line of said Section 9.

Also together with the easements and party wall rights conveyed to The Milwaukee Electric Railway & Transport Company by, and subject to the easements, party wall rights, exceptions, reservations and conditions contained in that certain correction deed dated January 29, 1947, and recorded on February 6, 1947 in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 2335 of Deeds, on Pages 538 to 542, inclusive, as Document No. 2693852.

Also together with the easements reserved to The Milwaukee Electric Railway & Transport Company by, and subject to the easements, exceptions, reservations and conditions contained in that certain deed of The Milwaukee Electric Railway & Transport Company to Wisconsin Electric Power Company dated April 11, 1947, and recorded on April 14, 1947 in the office of the Register of Deeds for Milwaukee County, Wisconsin as Document No. 2706334.

Also subject to rights of Metropolitan Sewerage Commission of the County of Milwaukee to construct, maintain and operate a sewer in the property as set forth in right-of-way granted July

21, 1930 by Milwaukee Electric Railway and Light Company to Metropolitan Sewerage Commission of the County of Milwaukee, recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 1354 of Deeds, Page 328, as Document No. 1857524.

(d) Garage Land.

Thirty-fifth Street Garage: Lots 12, 13, 14, 15, 16, 17, 18, 19 and 20 in Block 2, Lyman's Subdivision in the NW ¼ of Section 25, Township 7 North, Range 21 East.

East Kinnickinnic Garage: A strip of land at the south end of Lot B in Subdivision of Lots B and L, Horace Chase's Subdivision in the NE ¼ of Section 5, Township 6 North, Range 22 East, measuring 3 inches wide at the east end and 9 inches wide at the west end.

Also 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 in Block 133, of Judge A. D. Smith's Subdivision, in said NE ¼ of Section 5; excepting and reserving therefrom all that part of Lots 7, 8 and 9 in said Block 132, that part of Lots 7, 8 and 9 in said Block 133, lying east of South Kinnickinnic Avenue, and that part of vacated Barclay Street, all in said Judge A. D. Smith's Subdivision, bounded and described as follows, to wit: Commencing at a point on the south line of said Lot 9, Block 132, 23 feet west of the southeast corner of said Lot 9, Block 132, running thence north parallel to the east line of said Block 132, 60.88 feet to a point on the extended line of the north face of an existing wall; thence west on the north face of said wall and its extension to a point on the easterly line of South Kinnickinnic Avenue as presently laid out and occupied; thence southeasterly on said easterly line 65.46 feet to a point on the north line of East Maple Street; thence east on the north line of East Maple Street 156.49 feet to the place of beginning, together with the footings of said wall with the permanent right and easement to maintain, repair and replace said footings in the south 3 feet of said mortgaged premises, and the permanent right of The Milwaukee Electric Railway & Transport Company to use in common with the Company the existing drains, sewers and water mains on the premises hereby mortgaged and now serving the said excepted premises.

Also together with the right to maintain existing attachments to said wall for the support and use of the garage structure on

the premises hereby mortgaged so long as said existing wall shall remain in place, and the permanent right to use in common with The Milwaukee Electric Railway & Transport Company the existing drains, sewers and water mains on the said excepted premises and now serving the premises hereby mortgaged.

1715 South Kinnickinnic Avenue Garage: The south 60 feet of Lot lettered "C" in Horace Chase's Subdivision in the NE ¼ of Section 5, Township 6 North, Range 22 East.

West Kinnickinnic Garage: All that part of Lots 1, 2, 3 and 4 in Block 133 of Judge A. D. Smith's Subdivision in the NE ¼ of Section 5, Township 6 North, Range 22 East, lying west of South Kinnickinnic Avenue, and all of Lots 15, 16, 17 and 18 in said Block 133.

(e) Repair Shop Land.

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, excepting and reserving therefrom the east 39 feet. Subject to that certain easement of The Milwaukee Electric Railway & Transport Company dated October 7, 1952, and recorded on October 8, 1952, in the office of the Register of Deeds for Milwaukee County, Wisconsin as Document No. 3146645, granting to Wisconsin Electric Power Company the permanent right to keep, use, maintain or remove certain buildings and equipment located on the easterly portion of the above described premises

hereby mortgaged, together with the right of ingress and egress to and from said buildings and equipment.

(f) Miscellaneous Land.

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, to wit: Commencing at the intersection of the center line of West State Street and the east line of said Section 26; running 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; subject, however, to rights of A. Gettelman Brewing Company to locate, maintain, operate and repair water mains as reserved in a deed from A. Gettelman Brewing Company to The Milwaukee Electric Railway and Light Company recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin, in Volume 1012 of Deeds, Page 412, as Document No. 1271976; subject also to a 15 foot easement to the City of Milwaukee for sewer purposes as set forth in conveyance from Milwaukee Sharpshooters Society of Milwaukee to the City of Milwaukee dated September 18, 1893 and recorded October 12, 1893 in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 322 of Deeds, Page 123, as Document No. 242866; subject also to conveyance from James D. Shaw to the City of Milwaukee dated March 31, 1906 for construction and

maintenance of a viaduct for highway purposes, recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin April 16, 1906, in Volume 529 of Deeds, Page 181, as Document No. 544196.

2. Structures and Improvements on Land Not Owned.

The following described structures and improvements, rights or interest therein, situated on land not owned by the Company and located in Milwaukee County, Wisconsin.

(a) Right-of-Way Structures.

All of the rights and interests of the Company arising from the payment, to the City of Milwaukee, the City of Wauwatosa and the City of West Allis, of portions of the cost of certain bridges and viaducts.

(b) Passenger Station and Waiting Room Structures.

All passenger station and waiting room structures owned by the Company and located, pursuant to leases or other agreements, on land not owned by the Company.

(c) Miscellaneous Structures and Improvements, including all of the rights of the Company in respect thereof as lessee, licensee, or otherwise.

Elevated sheet steel sand storage bin, with elevator and hopper, located near West Oklahoma Avenue and South 20th Street, Milwaukee, on land leased from the County of Milwaukee.

Elevated sheet steel sand storage bin, with elevator and hopper, located on West St. Paul Avenue near North 23rd Street, Milwaukee, on land leased from Wisconsin Electric Power Company.

Elevated sheet steel sand storage bin, with elevator and hopper, located on West St. Paul Avenue near North 10th Street, Milwaukee, on land owned by The Milwaukee Electric Railway & Transport Company.

Lighting installation on South Kinnickinnic Avenue at East St. Francis Avenue, in the City of St. Francis.

Safety island at North 27th Street and West Atkinson Avenue, in the City of Milwaukee.

Paved roadway at Lake Park Station, in the City of Milwaukee.

Paved roadway at Tenth and Madison Avenues, in the City of South Milwaukee.

Passenger landing at West Greenfield Avenue and South 65th Street, in the City of West Allis.

Four steel storage tanks and a pump house located at the northwest corner of North 20th Street and West St. Paul Avenue, in the City of Milwaukee.

Two electric signs located on the roof of a building owned by General Electric Realty Corporation situated at the northeast corner of North 10th Street and West St. Paul Avenue, in the City of Milwaukee.

The interest of the Company in office facilities installed by The Milwaukee Electric Railway & Transport Company in offices heretofore occupied by The Milwaukee Electric Railway & Transport Company in the building owned by General Electric Realty Corporation and located at North 10th Street and West St. Paul Avenue, in the City of Milwaukee.

Three express car bodies, air compressor, and corrugated iron shed for office use on the roof of the garage structure at North 10th Street and West Hibernia Street.

3. Roadway and Track.

All grading, retaining walls, ballast, ties, rails, rail fastenings and joints, special work, paving, roadway and track tools, tunnels, subways, bridges, culverts, crossings, fences, cattle guards, signs, interlocking and other signal apparatus owned by the Company and appurtenant to its Milwaukee metropolitan passenger transportation system.

4. Rolling Stock.

(a) Rail Passenger Cars.

Two hundred and three rail passenger cars, numbered 719, 720, 722, 733, 734, 736, 737, 739 to 741 inclusive, 747, 748, 804 to 825 inclusive, 827 to 838 inclusive, 840 to 878 inclusive, 881 to 884 inclusive, 886 to 899 inclusive, and 900 to 999 inclusive, together with associated rail passenger car spare equipment and fare boxes.

(b) Trackless Trolley Cars.

Four hundred trackless trolley cars, numbered 50 to 449 inclusive, together with associated trackless trolley car spare equipment and fare boxes.

(c) Motor Buses.

Three hundred ninety seven gasoline motor buses, numbered 650 to 678 inclusive, 680 to 714 inclusive, 746 to 781 inclusive, 783 to 828 inclusive, 830 to 873 inclusive, 875 to 984 inclusive, and 1000 to 1096 inclusive, together with gasoline motor bus spare equipment and fare boxes.

One hundred twenty diesel motor buses, numbered 1200 to 1319 inclusive, together with diesel motor bus spare equipment and fare boxes.

(d) Utility and Special Rail Equipment.

Forty-one utility and special rail cars, numbered A-1, A-3, B-29, B-30, B-32, B-36, B-38 to B-47 inclusive, B-49, C-1, C-2, D-2, D-4, D-14, D-15, D-16, D-23, D-28, E-6, E-52, E-54, E-90 to E-93 inclusive, F-201, F-202, F-204, F-209, F-231, F-235, L-1 and W-1 (wrecking car), together with associated equipment.

5. Trolley and Feeder Systems.

All trolley wire and associated devices and suspension owned by the Company.

Seven steel trolley arch supports, numbered TR-2, TR-4, TR-7, TR-8, TR-9, TR-10 and TR-11, located on the line of electric street railway known as Route 10 between South 53rd Street and South 68th Street, and all poles, together with associated cross-arms, guys, and other pole fixtures, owned by the Company and used in the operation of the Milwaukee metropolitan passenger transportation system, subject to continuance of the use made of said poles and fixtures by others than the Company.

All overhead and underground feeder conductors and negative return conductors, together with associated insulators, switches, cutouts and other line devices, owned by the Company and used in the operation of its Milwaukee metropolitan passenger transportation system, except the following described conductors and devices associated therewith, which are not owned by the Company:

Tie Line A, an underground conductor extending from the East Wells Street power plant via North Edison Street and West McKinley Avenue to the Commerce Street power plant.

Tie Line B, consisting of two sections of single underground conductor and one section with two conductors in parallel, extending from the East Wells Street power plant via North Edison Street and West McKinley Avenue to the Commerce Street power plant.

Tie Line C, an underground conductor extending from the East Wells Street power plant via North Edison Street and West McKinley Avenue to the Commerce Street power plant.

Feeder 14, consisting of two short sections of single underground conductor and a longer section of two underground conductors in parallel, extending generally from the East Wells Street power plant across the Milwaukee River to North Plankinton Avenue, thence by two routes to the alley between North Third and North Fourth Streets and thence to the Commerce Street power plant.

Feeder 54, an underground conductor extending from East Wells Street power plant northerly, then westerly under the Milwaukee River to a riser pole on the east side of North Plankinton Avenue, together with the riser section of cable terminating at switch No. 15-54.

Those sections of Feeder 66 which are owned by The Milwaukee Electric Railway & Transport Company, comprising the following:

(a) A single underground conductor extending along West Michigan Street from North Second Street to North Plankinton Avenue.

(b) A single underground conductor extending along North Eighth Street from West Clybourn Street to West St. Paul Avenue.

(c) An underground conductor extending from a point on West St. Paul Avenue 240 feet east of North 17th Street to a riser pole located on North 17th Street south of West St. Paul Avenue.

Those sections of Feeder 70 which are owned by The Milwaukee Electric Railway & Transport Company, comprising the following:

(a) An underground conductor extending from North Eleventh Street at West Clybourn Street to a riser pole on North Twelfth Street at West Hibernia Street.

(b) An overhead conductor extending from a riser pole at North Twelfth and West Hibernia Streets along the former rapid transit right-of-way to switch No. 2 located near North 16th Street.

(c) An underground conductor 125 feet in length extending from manhole No. 6383 to manhole No. 6080 located on the former rapid transit right-of-way at North 17th Street.

Feeder 81 or 109, consisting of an underground conductor extending from the East Wells Street power plant generally along North Water Street to West Seeboth and South First Streets, two underground conductors in parallel extending from that point to a point immediately south of East Mitchell Street on South Kinnickinnic Avenue, and a single underground conductor from that point to First Street substation.

A portion of Feeder 106, consisting of a section of underground conductor extending from First Street substation along South Kinnickinnic Avenue and South First Street to a riser pole near West Mineral Street, together with a section of the overhead portion of Feeder 89 extending to another riser pole located near the intersection of West National Avenue and South First Street.

A portion of Feeder 115, consisting of a short section of underground conductor and a longer section of two overhead conductors in parallel extending generally along South First Street from First Street substation to West Greenfield Avenue.

A portion of Feeder 117, consisting of an underground conductor extending along West Mitchell Street from First Street substation to South Third Street, thence along South Third Street to West National Avenue and thence to a riser pole located near West National Avenue and South Sixth Street, together with a short section of overhead conductor extending to a metering station at West National Avenue and South Sixth Street.

Return No. 31 or 91, an underground conductor extending from the Commerce Street power plant via North Commerce Street, West McKinley Avenue, East Knapp Street and North Edison Street to East Wells Street power plant.

Return No. 36 or 96A, an underground conductor extending from Commerce Street power plant via North Commerce Street, West McKinley Avenue, North Fourth Street, West State Street and North Plankinton Avenue to East Wells Street power plant.

Return No. 36 or 96B, an underground conductor extending from Commerce Street power plant via North Commerce Street, West McKinley Avenue, North Fourth Street, West State Street and North Plankinton Avenue to East Wells Street power plant; and a branch of underground conductor

extending from a connection near the intersection of North Fourth Street and West State Street via West State Street, North Eighth Street and West Wells Street to a manhole located near the intersection of North Eleventh Street and West Wells Street.

Return No. 39 or 99, an underground conductor extending from Commerce Street power plant via North Commerce Street, West McKinley Avenue, North Fourth Street, West State Street and North Plankinton Avenue to East Wells Street power plant.

Return No. 95, consisting principally of one underground conductor extending from East Wells Street power plant along North Edison Street, thence southwesterly to North Plankinton Avenue; thence southeasterly along North Plankinton Avenue; thence southwesterly to North Second Street and along North Second Street and West Wisconsin Avenue to a point of termination on a riser pole located near West Wisconsin Avenue and North Seventh Street.

Return No. 97, an underground conductor extending from East Wells Street power plant along West Wells Street to a point of connection with an unnumbered return conductor at West Wells Street and North Eleventh Street.

Return No. 122, an underground conductor extending from First Street substation along South First Street, West Mitchell Street and South Second Street to West National Avenue.

Return No. 123, an underground conductor extending from First Street substation along South First Street, West Mitchell Street and South Second Street to West Greenfield Avenue and thence along West Greenfield Avenue to South Eleventh Street.

Return No. 124, consisting of sections of one, three, or four overhead conductors extending from a pole located near the intersection of South Eleventh Street and West Greenfield Avenue via South Eleventh Street and West Maple Street to a riser pole located near the intersection of South Seventh Street and West Maple Street; also a section of underground conductor extending from said riser pole along West Maple Street to the First Street substation.

Return No. 125, an underground conductor extending from First Street substation along West Maple Street, South Second Street and West Greenfield Avenue to manhole No. 1424

located at the intersection of West Greenfield Avenue and South First Street.

Unnumbered overhead return conductors, consisting of a section of two conductors in parallel extending from a riser pole located near West Wisconsin Avenue and North Seventh Street along North Seventh Street to a pole near West Clybourn Street; and a section consisting of one conductor extending from this pole westward along West Clybourn Street to a point of connection with Return No. 3911, owned by Wisconsin Electric Power Company, near North Seventeenth Street; also a section of overhead conductor extending from a pole near the intersection of South Second Street and West National Avenue via West National Avenue and South Eleventh Street to a pole located near the intersection of West Greenfield Avenue and South Eleventh Street.

The following sections of unnumbered conductors which constitute part of the uninsulated negative return system.

(a) A single underground conductor extending from the terminus of Return No. 97 at North Eleventh Street and West Wells Street, along North Eleventh Street, West Clybourn Street, North Tenth Street, and West St. Paul Avenue to manhole No. 1352 near North Twelfth Street.

(b) A single underground conductor extending from Commerce Street power plant generally along North Commerce Street, West McKinley Avenue and East Knapp Street, North Water Street, East State Street and North Edison Street to East Wells Street power plant.

(c) Two underground conductors in parallel extending from East Wells Street power plant along East Wells Street, North Front Street, East Mason Street and North Water Street to North Erie Street, a single underground conductor from there to the intersection of East Seeboth and South First Streets, two single conductors in parallel from said intersection along South First Street to West National Avenue, and a single underground conductor along South First Street to First Street substation.

(d) An underground conductor extending from riser pole No. 28-7748 on North 17th Street immediately south of West St. Paul Avenue to manhole No. 6080 at the intersection of North 17th Street and West St. Paul Avenue and thence east along West St. Paul Avenue a distance of 240 feet.

(e) A short section of single underground conductor and a short section of two underground conductors in parallel on West National Avenue between South Second Street and South First Street.

Also, except such overhead and underground conductors and associated equipment shown as property of Wisconsin Electric Power Company on the map records of The Milwaukee Electric Railway & Transport Company and Wisconsin Electric Power Company, which records were followed in describing the above excepted facilities, but shown by book records to be property of The Milwaukee Electric Railway & Transport Company.

Mortgaging, however, the Company's right to a non-exclusive use of such of the above excepted feeder conductors and negative return conductors to the extent they are used by the Company in the operation of its Milwaukee metropolitan passenger transportation system, so long as such excepted conductors shall be continued in service by the owner thereof.

6. Car Service Equipment.

The equipment of the Company located at car houses and garages and used in servicing railway cars, trackless trolley cars and motor buses.

7. Repair Shop Equipment.

The equipment owned by the Company and located at repair shops and garages and used for overhauling and making major repairs to railway cars, trackless trolley cars and motor buses, such as air compressors, boring machines, cranes, furnaces, forges, grinders, lathes, milling machines, planers, presses, punching machines, riveters, saws, shapers, steam hammers, power trucks and welders, except such tools and equipment as are used exclusively in the manufacture of electric furnaces, and are not owned by the Company.

8. Miscellaneous Equipment.

All office furniture and equipment, communications equipment, work equipment and other equipment and apparatus owned by the Company and used in the operation of its Milwaukee metropolitan passenger transportation system.

9. Agreements with Wisconsin Electric Power Company.

The rights of the Company under a Lease Agreement dated December 30, 1952 between Wisconsin Electric Power Company, as Lessor, and the Company, as Lessee, whereby the Company has a non-exclusive use of certain private rights-of-way used by the Company's electric railway lines on the Wells-Wauwatosa Line, Wells-West Allis Line, and National Line, and a non-exclusive use of certain private telephone facilities, underground conduit, poles and other like structures owned by the Lessor; and whereby the Company leases certain parcels used as trainmen's quarters, gasoline storage facilities and motor bus loops.

The rights of the Company under an Operating Agreement dated December 30, 1952 between Wisconsin Electric Power Company and the Company, whereby the Company has a non-exclusive use of certain 600 volt, direct current conductors owned by Wisconsin Electric Power Company.

All of the income, revenues, contributions, receipts, rents, returns, contracts, leases, books of account, and contract rights of all kinds, belonging to the Company (except those arising from property herein specifically excepted from the lien of this Indenture), and all other property, rights, privileges, franchises, licenses, easements and permits of any and every kind and description, real, personal and mixed, of the Company, wheresoever the same may be situated and whenever acquired, and not hereinbefore specified or referred to nor herein specifically excepted from the lien of this Indenture, with all the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, including all rents, issues and profits during any period allowed by law for redemption of the mortgaged property, or any part thereof, upon any judicial or other foreclosure sale.

SECTION II.

All of the property, real, personal and mixed, including rights, privileges, ordinances, concessions, easements, licenses, permits, liberties, immunities, patents, trade-marks and franchises which the Company may hereafter acquire or to which it may hereafter become entitled,

whether acquired pursuant to its present charter powers or pursuant to such powers as they may be enlarged or hereafter exist, save and except the property hereinafter specifically excepted from the lien hereof.

It is the intention hereof that all property, real, personal and mixed, of any and every kind and character, which the Company now owns (except as herein otherwise specifically provided), and all property which it may hereafter acquire or construct, and the rents, issues and profits thereof, shall be subject to the lien of this Indenture, with like effect as if now owned by the Company and as if covered and conveyed hereby by specific and apt descriptions.

Subject, nevertheless, as to any franchises, licenses or permits, to the terms and provisions of such franchises, licenses and permits; and subject, in the case of the Lease Agreement described in these granting clauses between Wisconsin Electric Power Company and the Company, to the rental payments payable under the terms of such lease and to the prior lien on the property covered thereby of the Mortgage and Deed of Trust dated October 28, 1938 executed by Wisconsin Electric Power Company to First Wisconsin Trust Company, as Trustee, and all present and future indentures supplemental thereto and any refunding or substitute mortgage which may hereafter be executed by the lessor, all as provided in said Lease Agreement, as now in force and as the same may hereafter be modified or amended, and subject to the obligations of the lessee provided for in said Lease Agreement, as now in force and as the same may hereafter be modified or amended; and subject, in the case of the Operating Agreement described in these granting clauses between Wisconsin Electric Power Company and the Company, to the obligations of the Company thereunder as now in force and as the same may hereafter be modified or amended.

And also subject nevertheless to certain liens (which are herein referred to as "permitted liens") as follows:

(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 rights of the public and others in those portions of the mortgaged property which are designated as or used as streets or thoroughfares.

And also subject nevertheless to liens and reservations of title or other like interests created for the benefit of equipment obligations hereafter issued which are permitted by the provisions of divisions (b) and (c) of Section 4 of Article Five hereof, it being intended that equipment obligations issued in accordance with such provisions shall constitute a lien prior to the lien of this Indenture with respect to the security created therefor.

Excepting and reserving, however, from the lien of this Indenture (a) any and all cash on hand and in banks, bills, notes and accounts receivable, credits, claims, choses in action, securities (other than such of the foregoing items as are delivered to or pledged with the Trustee or required so to be), and (b) work trucks and repair trucks and automobiles not used in the business of carrying passengers for hire and materials and supplies and small tools owned or hereafter acquired, until the Trustees, or either of them or a receiver appointed hereunder shall enter upon and take possession of the mortgaged property; but if upon the happening of an event of default as hereinafter in this Indenture defined, the Trustees, or either of them, or any receiver appointed hereunder shall enter upon and take possession of the mortgaged property, the Trustees, or either of them, or such re-

ceiver may at the same time likewise take possession of any and all such personal property then on hand and described under clauses (a) and (b) above, which thereupon shall be and become subject to the lien of this Indenture, and shall so continue unless and until such event of default shall be remedied and possession of the mortgaged property shall be restored to the Company, its successors or assigns.

To HAVE AND TO HOLD the properties, rights, privileges and franchises hereby conveyed and assigned, or intended so to be (and described in the granting and pledging clauses hereof, and excluding the properties and rights above specifically excepted and reserved from the lien hereof) unto the Trustees and their successors in trust forever;

IN TRUST, NEVERTHELESS, for the equal and pro rata benefit and security of each and every the persons and corporations who may be or become holders of the bonds and coupons issued hereunder, without preference, priority or distinction as to participation in the lien, benefit and protection hereof of one bond or coupon over or from the others, by reason of priority in the issue or negotiation thereof, or maturity thereof, or for any other reason whatsoever, except as herein otherwise expressly provided, so that each and all of such bonds and coupons shall have the same right, lien and privilege under this Indenture and shall be equally secured hereby, with the same effect as if the same had all been made, issued and negotiated simultaneously with the delivery hereof;

Provided, nevertheless, and these presents are upon the express condition, that if the Company or its successors or assigns shall well and truly pay or cause to be paid the principal of such bonds with interest, according to the true intent and meaning of such bonds and each of them, or shall provide for the payment or redemption of such bonds by depositing or causing to be deposited with the Trustee the entire amount requisite for payment or redemption thereof, and shall also pay or cause to be paid all other sums payable hereunder by the Company, then these presents and the estate and rights hereby granted shall cease, determine, and become void, and thereupon the Trustees, on payment of all lawful charges and disbursements then unpaid, on demand of the Company and upon the payment of the cost and expenses thereof, shall duly execute, acknowledge and deliver to the Company such instruments of satisfaction or release in respect of the

mortgaged property as may be necessary or proper to discharge this Indenture of record, and if necessary shall grant, reassign and deliver to the Company, its successors or assigns, all and singular the property, rights, privileges, franchises and interests by it hereby granted, conveyed, and assigned, and all substitutes therefor or for any part thereof, not previously disposed of as herein provided; otherwise this Indenture shall be and remain in full force.

THIS INDENTURE FURTHER WITNESSETH that the Company has agreed and covenanted, and does hereby agree and covenant with the Trustees and with the respective holders from time to time of such bonds or coupons, or any thereof, as follows, that is to say:

ARTICLE ONE.

DEFINITIONS OF TERMS.

SECTION 1. In each and every place in and throughout this Indenture wherein the following terms, or any of them, are used, the same, unless the context shall indicate another or different meaning or intent, shall be construed, are used, and are intended to have meanings and to be inclusive as follows:

(a) "Company"—Milwaukee & Suburban Transport Corporation, the first party hereto, and its corporate successor or successors in title to the properties vested in it or in its successors and at the time of such succession subject to the lien hereof.

(b) "Trustee"—Harris Trust and Savings Bank, one of the second parties hereto, and its corporate successor or successors in the trusts hereby created and reposed in it.

(c) "Co-Trustee"—W. H. Milsted, one of the second parties hereto, and his successor or successors in the trusts hereby created and reposed in him.

(d) "Mortgaged property" or "trust estate"—the physical property, franchises and rights at the time subject to the lien hereof, including all cash and securities at the time held by the Trustee under the terms of this Indenture.

(e) "President"—the president and each and every vice president and each and every other officer of the corporation concerned authorized to exercise the powers and authority customarily reposed in the president of a corporation.

(f) "Secretary"—the secretary and each and every assistant

secretary and each and every other officer of the corporation concerned authorized to exercise the powers and authority customarily reposed in the secretary of a corporation.

(g) "Treasurer"—the treasurer and each and every assistant treasurer and each and every other officer of the corporation concerned authorized to exercise the powers and authority customarily reposed in the treasurer of a corporation.

(h) "Counsel"—any counsel appointed by the Company and approved by the Trustee, including any counsel in the employ of the Company and so appointed and approved.

(i) "Engineer"—any engineer appointed by the Company and approved by the Trustee, including any engineer in the employ of the Company and so appointed and approved.

(j) "Independent engineer"—any engineer or firm of engineers of recognized standing, not regularly in the employ of or under retainer to the Company, appointed by the Company and approved by the Trustee.

(k) "Certified copy of a resolution"—a copy of a resolution certified by the secretary of the Company to have been by the requisite majority of the Board of Directors or stockholders duly passed and adopted at a meeting of such board or stockholders duly called and convened.

(l) "Outstanding"—with respect to bonds issuable under this Indenture, all bonds which theretofore shall have been authenticated and delivered by the Trustee hereunder and disposed of or pledged by the Company, except (a) bonds theretofore paid, retired, redeemed, cancelled, or for the payment or redemption of which moneys in the necessary amount shall have been deposited in trust with, or shall then be held in trust by, the Trustee, with irrevocable authority so to apply the same, (b) bonds deposited with or held in pledge by the Trustee under any of the provisions of this Indenture, and (c) bonds in lieu of which other bonds shall have been authenticated and delivered as provided in Section 9 of Article Two hereof.

(m) "Equipment Obligations"—any evidences of debt, participation certificates or like instruments signed by the Company or a trustee or agent which may be secured by transportation equipment through a reservation of title or lien or any similar arrangement, which may hereafter be issued in order to effect the purchase of such equipment by the Company or the use thereof by the Company under lease, or any such instruments issued for the purpose of refunding instruments of the character aforesaid, sub-

ject, however, to the restrictions appearing in subdivisions (b) and (c) of Section 4 of Article Five hereof.

(n) "Trolley cars"—any vehicles operated by use of a trolley, whether or not on rails.

SECTION 2. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

SECTION 3. The words "bond," "owner," "holders," and "person" shall include the plural as well as the singular number unless the context shall otherwise indicate. The term "bondholders" means and contemplates, unless the context otherwise indicates, the holders of the bonds at the time issued and outstanding hereunder. Each of the words "person" and "corporation" shall include the other, unless the context shall otherwise indicate.

SECTION 4. Whenever in this Indenture it is provided that any facts or opinion be evidenced to the Trustee by means of a certificate, statement, opinion, or other document, it shall constitute compliance herewith if the various facts and/or opinions intended so to be evidenced to the Trustee be included in different certificates, statements, opinions, or other documents signed by the same person or different persons of the same qualifications.

ARTICLE TWO.

EXECUTION, AUTHENTICATION, REGISTRATION AND EXCHANGE OF BONDS.

SECTION 1. Save as is herein provided in respect of temporary, mutilated, lost, destroyed or stolen bonds and in respect of transfers and exchanges, bonds may be issued hereunder to the aggregate principal amount of Four Million Dollars ($4,000,000) and no more. This Indenture shall be a continuing lien to secure the full and final payment of the principal and interest of all bonds executed, authenticated and delivered pursuant to the terms hereof.

SECTION 2. There is hereby created and authorized an issue of bonds in the aggregate principal amount of Four Million Dollars ($4,000,000) designated First Mortgage Serial Bonds.

The said bonds shall have the following maturities and the respec-

tive maturities shall bear interest on the unpaid principal amount thereof until the same shall have been paid at the following percentage rates per annum, to-wit:

Principal Amount	Maturity	Percentage Rate
$500,000	November 1, 1953	4.50%
500,000	November 1, 1954	4.50%
500,000	November 1, 1955	4.75%
500,000	November 1, 1956	4.75%
500,000	November 1, 1957	5.00%
300,000	November 1, 1958	5.00%
300,000	November 1, 1959	5.25%
300,000	November 1, 1960	5.25%
300,000	November 1, 1961	5.50%
300,000	November 1, 1962	5.50%

Such interest shall be payable on May 1, 1953 and semi-annually thereafter on the first day of May and the first day of November of each year until the principal thereof shall have been paid. Both principal and interest on said bonds shall be payable at the principal office of Harris Trust and Savings Bank in the City of Chicago, Illinois, 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 public and private debts.

The said bonds shall be issued as coupon bonds in the denomination of One Thousand Dollars ($1,000) each, numbered M-1 and consecutively upwards, registrable as to principal only, and/or as fully registered bonds in the denomination of One Thousand Dollars ($1,000), Five Thousand Dollars ($5,000), or any multiple of Five Thousand Dollars ($5,000) specified in any order for the authentication thereof, numbered R-1 and consecutively upwards without regard to denomination.

Coupon bonds of the said issue shall be dated November 1, 1952, and fully registered bonds of the said issue shall be dated as of the interest payment date on which interest was paid next preceding the date of issue, unless (a) issued on an interest payment date on which interest was paid, in which case they shall be dated as of the date of issue, or (b) issued prior to the occurrence of any interest payment date, in which case they shall be dated as of November 1, 1952. The

said bonds and the interest coupons appertaining to the coupon bonds shall be, respectively, substantially in the forms hereinbefore set forth, with such omissions, variations and insertions as are required or permitted by the terms of this Indenture.

The bonds of said issue are redeemable at any time prior to maturity, as a whole or in part at the option of the Company, or at any time as a whole or in part through the application of the proceeds of insurance on the properties of the Company or the proceeds of the sale of the mortgaged property, in each case upon the notice and in the manner and with the effect provided in Article Three of this Indenture and upon payment of the principal amount of the bond or bonds to be redeemed and accrued interest thereon to the date fixed for redemption, together with, in case of redemption at the option of the Company from the proceeds of new financing or through the borrowing of money, a premium on the respective maturities of the bonds as follows: As to bonds maturing in the year 1953, if redeemed prior to maturity, a premium of 3⅜% of such principal amount; and as to bonds maturing in the year 1954 a premium of 3⅜% of such principal amount if redeemed prior to November 1, 1953, and if redeemed thereafter and prior to maturity a premium of 3½% of such principal amount; and as to bonds maturing in the year 1955 a premium of 5⅛% of such principal amount if redeemed prior to November 1, 1953, and if redeemed thereafter and prior to November 1, 1954 a premium of 5¼% of such principal amount and if redeemed thereafter and prior to maturity a premium of 4⅛% of such principal amount; and as to bonds maturing in the year 1956 a premium of 5⅛% of such principal amount if redeemed prior to November 1, 1953, and if redeemed thereafter and prior to November 1, 1954 a premium of 5⅜% of such principal amount, and if redeemed thereafter and prior to November 1, 1955 a premium of 4¼% of such principal amount and if redeemed thereafter and prior to maturity a premium of 4½% of such principal amount; and as to bonds maturing in the year 1957 a premium of 7⅛% of such principal amount if redeemed prior to November 1, 1953, and if redeemed thereafter and prior to November 1, 1954 a premium of 7⅛% of such principal amount, and if redeemed thereafter and prior to November 1, 1955 a premium of 6⅜% of such principal amount, and if redeemed thereafter and prior to Novem-

ber 1, 1956 a premium of 5⅝% of such principal amount, and if redeemed thereafter and prior to maturity a premium of 4⅞% of such principal amount; and as to bonds maturing in the year 1958 a premium of 7⅛% of such principal amount if redeemed prior to November 1, 1953, and if redeemed thereafter and prior to November 1, 1954 a premium of 7⅛% of such principal amount, and if redeemed thereafter and prior to November 1, 1955 a premium of 6⅜% of such principal amount, and if redeemed thereafter and prior to November 1, 1956 a premium of 5⅝% of such principal amount, and if redeemed thereafter and prior to November 1, 1957 a premium of 4⅞% of such principal amount, and if redeemed thereafter and prior to maturity a premium of 4% of such principal amount; and as to bonds maturing in the year 1959 a premium of 9¾% of such principal amount if redeemed prior to November 1, 1953, and if redeemed thereafter and prior to November 1, 1954 a premium of 8¾% of such principal amount, and if redeemed thereafter and prior to November 1, 1955 a premium of 8% of such principal amount and if redeemed thereafter and prior to November 1, 1956 a premium of 7% of such principal amount, and if redeemed thereafter and prior to November 1, 1957 a premium of 6⅛% of such principal amount, and if redeemed thereafter and prior to November 1, 1958 a premium of 5⅛% of such principal amount, and if redeemed thereafter and prior to maturity a premium of 4% of such principal amount; and as to bonds maturing in the year 1960 a premium of 9¾% of such principal amount if redeemed prior to November 1, 1953, and if redeemed thereafter and prior to November 1, 1954 a premium of 8¾% of such principal amount, and if redeemed thereafter and prior to November 1, 1955 a premium of 8% of such principal amount, and if redeemed thereafter and prior to November 1, 1956 a premium of 7% of such principal amount, and if redeemed thereafter and prior to November 1, 1957 a premium of 6⅛% of such principal amount, and if redeemed thereafter and prior to November 1, 1958 a premium of 5⅛% of such principal amount, and if redeemed thereafter and prior to November 1, 1959 a premium of 4% of such principal amount and if redeemed thereafter and prior to maturity a premium of 3% of such principal amount; and as to bonds maturing in the year 1961 a premium of 11¾% of such principal amount if redeemed prior to

November 1, 1953, and if redeemed thereafter and prior to November 1, 1954 a premium of 10¾% of such principal amount, and if redeemed thereafter and prior to November 1, 1955 a premium of 9⅝% of such principal amount, and if redeemed thereafter and prior to November 1, 1956 a premium of 8½% of such principal amount, and if redeemed thereafter and prior to November 1, 1957 a premium of 7⅜% of such principal amount, and if redeemed thereafter and prior to November 1, 1958, a premium of 6¼% of such principal amount, and if redeemed thereafter and prior to November 1, 1959 a premium of 4⅛% of such principal amount, and if redeemed thereafter and prior to November 1, 1960 a premium of 3½% of such principal amount, and if redeemed thereafter and prior to maturity a premium of 2⅛% of such principal amount; and as to bonds maturing in the year 1962 a premium of 11¾% of such principal amount if redeemed prior to November 1, 1953, and if redeemed thereafter and prior to November 1, 1954 a premium of 10¾% of such principal amount, and if redeemed thereafter and prior to November 1, 1955 a premium of 9⅝% of such principal amount, and if redeemed thereafter and prior to November 1, 1956 a premium of 8½% of such principal amount, and if redeemed thereafter and prior to November 1, 1957 a premium of 7⅜% of such principal amount, and if redeemed thereafter and prior to November 1, 1958 a premium of 6¼% of such principal amount, and if redeemed thereafter and prior to November 1, 1959 a premium of 4⅛% of such principal amount, and if redeemed thereafter and prior to November 1, 1960 a premium of 3½% of such principal amount, and if redeemed thereafter and prior to November 1, 1961 a premium of 2⅛% of such principal amount and if redeemed thereafter and prior to maturity a premium of ¾% of such principal amount; and in case of redemption through the application of the proceeds of insurance or the proceeds of the sale of any part of the mortgaged property or at the option of the Company from moneys not procured through new financing or the borrowing of money, together with a premium if redemption is made prior to November 1, 1953 of 2% of such principal amount, and in case redemption is made on or after November 1, 1953 and prior to November 1, 1954 1½% of such principal amount, and in case redemption is made on or after November 1, 1954 and prior to November 1, 1955 1% of such principal amount,

and in case redemption is made on or after November 1, 1955 and prior to November 1, 1956 ½ of 1% of such principal amount, and in case redemption is made on or after November 1, 1956 without premium.

Provision is made in Article Four of this Indenture for a contingent sinking fund beginning in the year 1954, for the benefit of the bonds of said issue, and the bonds of the said issue are redeemable at any time prior to maturity as a whole or in part through the operation of the said contingent sinking fund. In every case such redemption through the operation of the contingent sinking fund shall be upon the notice and in the manner and with the effect provided in Article Three of this Indenture and upon payment of the principal amount of the bond or bonds to be redeemed and accrued interest thereon to the date fixed for redemption without premium.

SECTION 3. The bonds issued under this Indenture shall at one time or from time to time be executed on behalf of the Company by its President under its corporate seal, attested by its Secretary, and shall be delivered to the Trustee for authentication by it, and thereupon the Trustee shall, upon receipt by the Trustee of evidence satisfactory to the Trustee of the filing and recordation of this Indenture, authenticate and shall deliver the said bonds in principal amount not exceeding Four Million Dollars ($4,000,000) upon the order of the Company, signed by its President and designating the identifying numbers and letters and the denominations of the bonds contemplated thereby. Only such bonds as shall bear thereon endorsed a certificate of authentication substantially in the form hereinbefore recited, executed by the Trustee, shall be secured by this Indenture or be entitled to any right or benefit hereunder. Such authentication by the Trustee upon any such bonds shall be conclusive evidence and the only evidence that the bond so authenticated has been duly issued hereunder and that the holder thereof is entitled to the benefit of the trusts hereby created. Without limiting the rights or privileges otherwise obtaining to the holders of bonds issued hereunder, such holders are permitted to endorse thereon any text to show payment of taxes with respect to said bonds, or to render the same in compliance with any law governing the sale of securities. Definitive bonds may be printed, lithographed or engraved as the Company may elect.

SECTION 4. In case any person who shall have signed, sealed, or attested any bond issuable under this Indenture as an officer of the Company shall have ceased to be such officer before the bond so signed, sealed or attested shall have been actually authenticated and delivered by the Trustee, such bond nevertheless may be authenticated and delivered and issued as though the person who signed, sealed or attested such bond had not ceased to be such officer of the Company.

Any bond issuable hereunder may be signed, sealed or attested in behalf of the Company by any person at the actual date of the execution or authentication of such bond being the proper officer of the Company, although at the date of such bond such person shall not have been such officer of the Company.

The coupons to be attached to bonds issued hereunder shall be signed by the facsimile signature of the present Treasurer or of any future Treasurer of the Company, and the Company may adopt and use for that purpose the facsimile signature of any person who shall have been such Treasurer, notwithstanding the fact that he may have ceased to be such Treasurer at the time when such bonds shall be actually authenticated and delivered.

SECTION 5. The Company shall keep at the office of the Trustee books for the registration and transfer of bonds issued hereunder, which, at all reasonable times, shall be open for inspection by the holder of any bond issued hereunder, and upon presentation for the purpose at such office, the Company will register or transfer or cause to be registered or transferred therein, as hereinafter provided, and under such reasonable regulations as it may prescribe, any bonds issued under this Indenture and entitled to be so registered or transferred. The Trustee shall act as registrar in effecting all registrations on the books kept at its office.

All coupon bonds issued hereunder shall be negotiable and shall pass by delivery unless registered as to principal in the manner hereinafter provided. The holder of any coupon bond issued hereunder may have the ownership of the principal thereof registered on said books of the Company at the office of the Trustee and such registration shall be noted on the bond. After such registration no transfer shall be valid unless made on the said books by the registered owner in

person, or by his duly authorized attorney, and similarly noted on the bond; 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 bond may again, from time to time, be registered or transferred to bearer as before. Such registration, however, shall not affect the negotiability of the coupons, but every such coupon shall continue to be transferable by delivery merely, and shall remain payable to bearer. Such registrations and discharges from registration shall be without expense to the holder of the bonds, but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the party requesting such registration or discharge from registration as a condition precedent to the exercise of such privilege.

SECTION 6. Any registered bond without coupons may be transferred at the office of the Trustee by surrender of such bond for cancellation, accompanied by delivery of a written instrument of transfer in form approved by the Trustee, duly executed by the registered owner of such bond or his duly authorized attorney, and thereupon the Company shall issue in the name of the transferee or transferees a new registered bond or new registered bonds of like form, and for a like aggregate principal sum, and the Trustee shall authenticate and deliver the same.

A registered bond without coupons, upon request of the registered owner, may be exchanged at the office of the Trustee for several such bonds, of like form but of lesser authorized denominations, in the same name and for a like aggregate principal sum, and several registered bonds without coupons, in the same name, may, upon request of the registered owner, be exchanged at such office or agency for one registered bond without coupons or several such bonds, of like form, but of greater authorized denominations and for the same aggregate principal sum.

Whenever any coupon bonds in aggregate principal amount equal to one or more registered bonds without coupons of authorized denominations, with all unmatured coupons thereto attached, shall be surrendered at such office, for exchange for a registered bond or registered bonds without coupons, the Company shall issue, and the Trustee

shall authenticate, and, in exchange for such coupon bonds, shall deliver registered bonds, or one registered bond, of authorized denominations without coupons, for a like aggregate principal sum.

Whenever any registered bond without coupons shall be surrendered for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Trustee, duly executed by the registered owner of such bond or his duly authorized attorney, at the office of the Trustee, for exchange for coupon bonds, the Company shall issue, and the Trustee shall authenticate, and, in exchange for such registered bond, shall deliver coupon bonds for a like aggregate principal sum, with coupons thereto attached representing interest from the interest payment date on which interest was last paid on such registered bond without coupons.

In every case of exchange of bonds under this Section 6, the surrendered bond or bonds shall be presented to the Trustee for cancellation, and the Trustee shall cancel and cremate all such bonds in coupon form, and shall deliver a certificate thereof to the Company, and shall cancel all such bonds in fully registered form.

Upon every such 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 any transfer of registered bonds without coupons, the Company may require the payment of such charge therefor as it may deem proper, not exceeding Two Dollars ($2.00) for each bond issued upon such exchange, payment of which, together with any taxes or other governmental charges required to be paid with respect to such exchange or transfer, shall be made by the party requesting such exchange or transfer as a condition precedent thereto.

The Company shall not be required to make exchanges or transfers of bonds as provided in this Section 6 during a period of ten (10) days next preceding any interest payment date.

SECTION 7. Before authenticating any coupon bonds the Trustee shall cut off, cancel and cremate all matured coupons thereon, unless issued in exchange for a registered bond without coupons, in which case only such coupons as shall have matured on or prior to the last interest payment date on which interest shall have been paid on such

registered bond shall be so cut off, cancelled and cremated. The Trustee shall deliver to the Company a certificate of cremation thereof.

SECTION 8. Until definitive bonds are ready for delivery, the Company may execute, and upon the written request of the Company the Trustee shall authenticate and deliver in lieu of such definitive bonds, temporary printed or typewritten bonds, substantially of the tenor of the bonds hereinbefore described and of the same maturities, with one or more coupons or without coupons and with appropriate omissions, variations and insertions. Such temporary bonds may be for the principal amount of One Thousand Dollars ($1000) or any multiple or multiples thereof, as the Company may determine. Until exchanged for definitive bonds, such temporary bonds shall be entitled to the lien and benefit of this Indenture. Upon such exchange, which the Company shall make at the principal office of the Trustee, at its own expense and without making any charge therefor, such temporary bonds shall be cancelled, and, if so requested by the Company, cremated by the Trustee, and a certificate of such disposition shall be delivered to the Company. When and as interest is paid upon temporary bonds, if no coupons be attached, the fact of such payment shall be noted thereon. Until such definitive bonds are ready for delivery, the holder of one or more temporary bonds 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 a temporary bond or temporary bonds of like aggregate principal amount and of the same maturities in authorized denominations indicated by him.

SECTION 9. Upon the receipt by the Company and the Trustee of evidence satisfactory to them of the loss, theft, destruction or mutilation of any outstanding bond hereby secured, and of indemnity satisfactory to them, and upon surrender and cancellation of such bond if mutilated, the Company may execute and the Trustee may authenticate and deliver, upon the lapse of such period of time as they may deem advisable, a new bond of like tenor and maturity bearing the same or a different serial number, to be issued in lieu of such lost, stolen, destroyed or mutilated bond. Such new bond may bear

such endorsement as may be agreed upon by the Company and by the Trustee and which at the time is necessary to conform to the requirements of any stock exchange or of any governmental body having jurisdiction. The Company may require the payment of a sum not exceeding Two Dollars ($2.00) for each new bond issued under this Section 9, and of the expenses which may be incurred by the Company and the fees and expenses of the Trustee in the premises. The Trustee shall incur no liability for anything done by it under this Section.

SECTION 10. 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 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 registered coupon bond, 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 above 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 Trustees 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 Trustees shall not be affected by any notice to the contrary.

ARTICLE THREE.

REDEMPTION OF BONDS.

SECTION 1. In case the Company shall desire to exercise its right of redemption of all, or, as the case may be, any permissible part of the bonds, it shall publish in one daily newspaper printed in the English language and published and of general circulation in the City of Chicago, Illinois, at least once in each of three (3) successive calendar

weeks (in each instance on any day of the week), the first publication in such newspaper to be not less than thirty (30) nor more than fifty (50) days before 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 the maturity dates and in the case of partial redemption of the bonds of any maturity, the distinctive numbers of the bonds of such maturity to be redeemed, and in every case stating that on said redemption date there will become and be due and payable upon each bond so to be redeemed, at the office of the Trustee, the principal thereof, together with the accrued interest to such date and the applicable redemption premiums, if any, and that from and after such redemption date interest thereon will cease to accrue. If any of the bonds to be redeemed are registered bonds without coupons, or coupon bonds registered as to principal, similar notice shall be sent by the Company through the mails, postage prepaid, at least thirty (30) days prior to such redemption date, to the persons respectively who shall appear by the transfer register of the Company to be the registered owners of such bonds, at their addresses as the same shall appear, if at all, upon the transfer register of the Company at the office of the Trustee, but such mailing shall not be a condition precedent to such redemption and failure so to mail any notice shall not affect the validity of the proceedings for the redemption of such bonds.

In case of redemption of less than all the outstanding bonds such bonds shall be redeemed in the inverse order of their maturities, that is to say the latest maturing bonds shall be first redeemed, and in case less than all of the outstanding bonds of any maturity are to be redeemed the bonds to be redeemed shall be selected by the Trustee by lot from the bonds of such maturity. In each such instance the Company shall, at least ten (10) days before the date upon which the first publication of the notice of redemption hereinbefore mentioned is required to be made (or the mailing of such notice in case no publication is required as hereinafter specified), notify the Trustee in writing of such election and of the aggregate principal amount of bonds to be redeemed, and thereupon, in case such redemption shall involve the redemption of less than all bonds of any maturity, the Trustee shall

draw by lot, from the outstanding bonds of such maturity, in any manner deemed by it proper, the bonds to be redeemed, and shall within five (5) days after receiving the notice aforesaid notify the Company in writing of the numbers of the bonds so drawn. In any such selection by lot each bond of a denomination in excess of $1,000 shall be given a separate number for each $1,000 of the principal amount thereof.

In case of any registered bonds without coupons of a denomination in excess of $1,000 which are to be redeemed in part only, said notice shall specify the respective portions of the principal amounts thereof to be redeemed (which shall be $1,000 or any multiple thereof) and shall state that payment of the redemption price shall be made only upon presentation of such registered bonds without coupons (a) for the notation thereon of such payment on account of principal, or (b) for surrender in exchange for a coupon bond or bonds or a registered bond or bonds without coupons of authorized denominations in aggregate principal amount equal to the unredeemed portion of the principal amount thereof and of the same maturity; and in such case, if coupon bonds or registered bonds without coupons are so to be delivered in exchange, the Company shall execute and the Trustee shall authenticate and deliver to or upon the written order of the registered owner of any registered bonds without coupons, a portion only of which is to be redeemed, and at the expense of the Company, a new bond or bonds for the principal amount of the surrendered registered bond without coupons, less the principal amount thereof paid on surrender, and of the same maturity.

The foregoing is subject to the condition that if all of the bonds then outstanding of any maturity to be partially redeemed are either coupon bonds registered as to principal or fully registered bonds, the numbers of the bonds so to be redeemed need not be determined by lot but may be determined by the Trustee in accordance with the provisions of any written agreement duly executed by the registered owners of all bonds of such maturity then outstanding and filed with the Trustee prior to the time of such determination. If all of the bonds to be redeemed are either coupon bonds registered as to principal or fully registered bonds, notice of redemption need not be published but may be

sent by registered mail to the registered owners of the bonds to be redeemed at their addresses appearing upon the registration books. Such notice shall be mailed by the Company not less than thirty (30) days nor more than fifty (50) days prior to the date fixed for redemption.

In case of redemption of bonds through the application of the proceeds of insurance or the proceeds of the sale of mortgaged property, bonds shall be selected for redemption and such redemption shall be made upon publication and/or mailing of notice in the manner and with the effect provided in this Article, except that such publication and/or mailing may, at the option of the Trustee, be made by and in the name of the Trustee.

On or before the redemption date specified in the notice above provided for (and in case of the redemption of bonds from the contingent sinking fund, at least ten days before such date), the Company shall, and it hereby covenants that it will, deposit with the Trustee an amount of cash sufficient to effect the redemption of the bonds specified in such notice, or cause the Trustee to apply to such purpose moneys theretofore deposited with the Trustee under the provisions hereof and properly available for such purpose. All moneys deposited by the Company with the Trustee, or set apart by the Trustee, under the provisions of this Article Three, for the redemption of bonds, shall be held for account of the holders of such bonds and shall be paid to them respectively upon presentation and surrender of said bonds accompanied by all interest coupons maturing on and after the date fixed for redemption thereof; provided, however, if any such bonds shall be registered the same shall be endorsed in blank for transfer if the Trustee shall so require.

From and after the date of redemption designated in such notice (such notice having been given as aforesaid and such deposit having been made or moneys set apart as aforesaid), no further interest shall accrue upon any of the bonds so to be redeemed (or, in the case of registered bonds without coupons, only a portion of the principal amount of which is to be redeemed, on such portion thereof); and any coupons for interest pertaining to any such bonds and maturing after such date shall be void and all such bonds, in so far as such deposit

shall have been made or moneys set apart as aforesaid, and all such coupons shall cease to be entitled to the benefit of the lien of this Indenture, and the Company shall be under no further liability in respect thereof.

Notwithstanding any of the provisions hereof, in the event a deposit shall be made with the Trustee sufficient, with moneys then held with the Trustee, if any, to redeem all of the bonds outstanding hereunder, the full redemption price shall be paid to any bondholder on demand made at any time after such deposit upon surrender for cancellation of the bonds held by such bondholder.

SECTION 2. All bonds so redeemed shall forthwith be cancelled and cremated by the Trustee, which shall deliver a certificate thereof to the Company.

ARTICLE FOUR.

CONTINGENT SINKING FUND AND APPLICATION THEREOF.

SECTION 1. The Company covenants that it will establish a contingent sinking fund to be used for the retirement of bonds as hereinafter specified, and the bonds issued under this Indenture shall be redeemable through the operation of said contingent sinking fund upon payment of the principal amount thereof and accrued interest thereon to the date fixed for such redemption and otherwise upon the terms and conditions specified in Section 2 of Article Two and in Article Three hereof. The Company covenants that it will deposit, on or before March 31 in the year 1954 and in each succeeding year so long as any bonds shall be outstanding, with the Trustee to the credit of said contingent sinking fund a sum in cash equal to the lesser of (a) the sum of Three Hundred Thousand Dollars ($300,000) or (b) the amount of the net income of the Company, as hereinafter defined, for the preceding calendar year.

For the purpose of the above provision, net income of the Company shall mean (i) the total operating revenue of the Company less all operating expenses (including provision for depreciation and taxes except as hereinafter provided) and amortization of debt discount and expense or premium and (ii) plus or minus, as the case may be, the

net non-operating income or the net non-operating loss of the Company eliminating, however, any profits or losses from the sale or exchange of capital assets and related tax adjustments and (iii) less interest accrued during the period for which the computation is made on the bonds outstanding hereunder and the Secured Notes described in division (f) of Section 4 of Article Five hereof, and dividends accrued during such period on the outstanding 5% Cumulative Preferred Stock of the Company issued at the time of the acquisition of the mortgaged property. Operating revenues, operating expenses and provisions for depreciation and taxes, amortization and non-operating income or loss shall be determined in accordance with the Classification of Accounts prescribed for electric railway and common motor carriers of passengers by the regulatory authority having jurisdiction in the premises or, if there is no such Classification of Accounts, in accordance with sound accounting principles.

Each deposit to the credit of the contingent sinking fund shall be accompanied by a certificate of an independent certified public accountant or firm of independent certified public accountants of recognized standing, showing in reasonable detail the net income of the Company (computed as above provided) for the then last preceding fiscal year of the Company, and showing in reasonable detail the manner in which such net income has been computed; provided, however, that if the annual audit report for the pertinent fiscal year filed responsive to Section 19 of Article Five hereof shall disclose the net income of the Company computed in the manner required by this Section, then no separate certificate need be filed at the time of such deposit to the credit of the contingent sinking fund. The Trustee shall be entitled to rely upon the foregoing certificates or audit reports for the purpose of determining the amount then required to be deposited to the credit of the contingent sinking fund.

SECTION 2. All moneys deposited with the Trustee pursuant to Section 1 of this Article shall, to the extent practicable, be applied by the Trustee to the redemption of bonds outstanding hereunder at a price equal to the principal amount thereof and accrued interest to the redemption date and otherwise upon the terms and conditions specified in Section 2 of Article Two and in Article Three hereof. Any

moneys not applied to such redemption shall be retained by the Trustee and shall be applied as a part of the next following contingent sinking fund deposit. All bonds retired through the operation of the contingent sinking fund shall be forthwith cancelled and cremated by the Trustee, which shall deliver a certificate thereof to the Company, and no bonds shall be issued in lieu thereof.

SECTION 3. The Company covenants that from time to time upon request of the Trustee it will deposit in the contingent sinking fund such moneys as may be required to pay interest to the redemption date on all bonds called for redemption through the operation of the contingent sinking fund and will reimburse the contingent sinking fund for the cost of advertising or mailing of notices as well as any other expenses paid or incurred in connection with the purchase or redemption of bonds under this Article, the intention being that the contingent sinking fund shall not be reduced by such interest, costs or expenses.

ARTICLE FIVE.

PARTICULAR COVENANTS OF THE COMPANY.

The Company hereby covenants and agrees:

SECTION 1. That it is the lawful owner of the property hereinbefore by it conveyed or transferred to the Trustees, that it has good right and lawful authority to mortgage and pledge the same, as provided in and by this Indenture, that said property is free from any and all liens and encumbrances prior to or on a parity with the lien of these presents, excepting only the liens and encumbrances mentioned in the granting clauses hereof; and that it will warrant and defend the title thereto against all claims and demands whatsoever.

SECTION 2. That it will not suffer or permit any default to occur under this Indenture, but will faithfully observe and perform all of the conditions, covenants and requirements hereof obligatory upon it.

SECTION 3. That it will duly and punctually pay or cause to be paid the principal sum, and the interest accruing on said principal, on each and every one of the bonds issued hereunder, at the dates and places, and in the manner provided in said bonds and in the coupons

thereunto appertaining, according to the terms thereof and of this Indenture; that it will pay interest at the rate of six per cent (6%) per annum on any overdue interest; and that so long as any of the bonds shall remain outstanding and unpaid, it will not directly or indirectly extend or assent to the extension of the time for the payment of any interest coupon or claim for interest of or upon any bond, and will not directly or indirectly be a party to any arrangement therefor, either by purchasing or refunding or in any manner keeping alive such interest coupon or claim for interest, or otherwise; that in case the payment of any such interest coupon or claim for interest shall be so extended by or with or without the consent of the Company, then, anything in this Indenture contained to the contrary notwithstanding, such interest coupon or claim for interest so extended shall not be entitled, in case of default hereunder, to any benefit of or from this Indenture, except after the prior payment in full of the principal of all bonds issued hereunder and of such interest coupons and claims for interest as shall not have been so extended.

SECTION 4. (a) That it will duly pay and discharge, as the same shall become due and payable, all real estate and personal property taxes, water rates, tolls, assessments and governmental and other charges lawfully levied and imposed by the United States of America or by any state, county or municipality or other taxing body upon the mortgaged property conveyed or transferred to the Trustees hereby, and upon the income or profits thereof; and that it will not suffer any mechanics', laborers', statutory or other lien (except permitted liens hereunder, the liens mentioned in the granting clauses hereof and other liens to the extent permitted under the provisions of this Section as herein elsewhere mentioned) which might or could be held to be prior to or on a parity with the lien of this Indenture to be created or to remain outstanding upon the mortgaged property, or any part thereof, or upon any after-acquired property, unless any and all obligations for or on account of which any such lien, prior to or on a parity with the lien of this Indenture, might exist, are pledged hereunder; provided that nothing contained in this Section shall require the Company to pay, acquire or make provision for any tax, assessment, lien or charge so long as the Company in good faith shall contest the

validity thereof in such manner as will not result in loss or forfeiture of any part of the mortgaged property.

The Company further covenants that it will comply with all of the provisions of the Lease Agreement entered into between the Company and Wisconsin Electric Power Company and the Operating Agreement entered into between the Company and Wisconsin Electric Power Company, referred to in the granting clauses of this Indenture, as hereafter modified or amended by agreement or agreements between the parties thereto, which action is hereby expressly authorized.

(b) The Company further covenants that so long as any bonds shall remain outstanding it will not create, issue or assume any indebtedness for money borrowed, in addition to that evidenced by the bonds, except that listed in the following subdivisions A, B and C:

A. Secured indebtedness of the Company consisting of equipment obligations not exceeding One Million Five Hundred Thousand Dollars ($1,500,000) in principal amount at any time outstanding until an aggregate of Two Million Dollars ($2,000,000) principal amount of bonds issued hereunder shall have been retired, at which time such limitation shall be increased to Two Million Five Hundred Thousand Dollars ($2,500,000); provided, however, no such secured indebtedness shall be issued unless the net earnings available for interest computed as hereinafter provided for a twelve months period ending not more than ninety days prior to the first day of the calendar month in which a computation shall be made and such secured indebtedness shall be created (except as hereinafter otherwise specifically provided) are equal to one and three tenths (1.3) times the aggregate amount of the annual interest charges on all funded indebtedness at the time outstanding (including any funded indebtedness to be created by the issuance of equipment obligations and disregarding interest on any funded indebtedness to be retired simultaneously with the creation of such secured indebtedness) plus the portion of the principal amount of all bonds outstanding hereunder and of all equipment obligations of the Company which mature during a twelve months period following the date of creation of such secured indebtedness; provided, however, that such secured indebtedness shall (i) be issued only for purchase of equipment or refunding of obligations

previously issued for such purpose by the issuance of obligations having substantially the same maturities as those refunded, (ii) be secured by a lien on equipment so purchased or by title retention to such equipment which may be either sold under conditional sales contract or leased to the Company, and (iii) be not in excess of eighty per cent (80%) of the aggregate cost to the purchaser of the equipment subject to such lien or to such title retention arrangement.

Funded indebtedness as used herein shall include only equipment obligations (which term is herein defined) and bonds issued hereunder and the Secured Notes referred to in division (f) of this Section 4.

Net earnings available for interest for the purposes of the foregoing provisions (subject to the express provisions hereinafter stated) shall mean (i) the total operating revenues of the Company less all operating expenses (but without any deduction for depreciation or interest on debt) and amortization of debt discount and expense or premium, and (ii) plus or minus, as the case may be, the net non-operating income or the net non-operating loss of the Company eliminating, however, any profits or losses from the sale or exchange of capital assets and related tax adjustments. Operating revenues, operating expenses and provisions for taxes, amortization and non-operating income or loss shall be determined in accordance with the Classification of Accounts prescribed for electric railway and common motor carriers of passengers by the regulatory authority having jurisdiction in the premises or, if there is no such Classification of Accounts, in accordance with sound accounting principles.

At any time prior to July 1, 1953 the net earnings available for interest to be used in determining whether or not the above limitation on the creation of secured indebtedness has been complied with shall consist of the net earnings available for interest of the passenger transportation operations of The Milwaukee Electric Railway and Transport Company determined in the manner provided for the determination of net earnings available for interest of the Company, except that such net earnings shall consist of the net earnings available for interest of said company for the period commencing on January 1, 1952 and ending on the date on which said company con-

veyed the mortgaged property to the Company, as certified to by the President or Vice President and the Treasurer of the Company based upon figures taken from an audit report of The Milwaukee Electric Railway and Transport Company prepared by reputable auditors.

At any time after July 1, 1953 and prior to September 1, 1953 net earnings available for interest shall be computed for a six months period ending June 30, 1953 and multiplying the amount thereof by two, and at any time after September 1, 1953 and prior to November 1, 1953 net earnings available for interest shall be computed for an eight months period ending on August 31, 1953 and multiplying the amount thereof by one and one-half, and at any time after November 1, 1953 and prior to January 1, 1954 net earnings available for interest shall be computed for a ten months period ending on October 31, 1953 and multiplying the amount thereof by one and one-fifth.

Either prior to or simultaneously with the creation of any indebtedness prior to July 1, 1953 in reliance on net earnings available for interest of the transportation operations of The Milwaukee Electric Railway and Transport Company pursuant to the foregoing provisions there shall be filed with the Trustee a certificate of such net earnings available for interest used as a basis for determining whether or not such indebtedness may be created in accordance with the provisions hereof, together with the audit report relied upon.

B. Unsecured indebtedness maturing within a twelve month period following the date of creation thereof, not exceeding at any one time outstanding the sum of Five Hundred Thousand Dollars ($500,000), plus interest on any such indebtedness for a period of not more than six months which is not in default.

C. Secured Notes of the Company not exceeding $3,000,000, which are referred to in division (f) of this Section 4.

(c) The Company further covenants that it will not mortgage or pledge, or create or permit to exist any lien on, any of its property or assets, of any kind or character, other than the lien of this Indenture, the lien of an indenture of mortgage securing the Secured Notes of the Company which are referred to in division (f) of this Section 4, which is junior to the lien hereof and the liens referred to in the granting clauses hereof, and will not acquire any property of any kind or character

under any conditional sale contract or equipment trust agreement or subject to any existing mortgage or other lien, except liens created for the benefit of equipment obligations permitted under the provisions of division (b) of this Section. The Company shall always have the right to lease tires for use on its motor buses, trolley cars and other vehicles without acquiring title to such tires.

(d) The Company further covenants that the equipment obligations created by the Company within the limitations of this Section will be paid and discharged as and when the same shall become due, and that the Company will at all times fully comply with all of the terms and provisions of any and every lien securing any such obligations, and upon the payment of such obligations, including any equipment obligations issued for refunding as herein permitted, will procure the release and discharge of any and every such lien, it being the intention hereof that upon such discharge the property theretofore subject to any such lien shall be and become subject to the lien of this Indenture as a first mortgage thereon, and that pending such release this Indenture shall constitute a lien on all such property, subject only to the prior lien then remaining to be discharged.

(e) The Company further covenants that, so long as any bonds shall remain outstanding hereunder, it will not make any advances or lend any moneys on any terms whatever to any officer or director, and that, except with the consent in writing of the holders of at least seventy-five per cent (75%) in principal amount of the outstanding bonds filed with the Trustee it will not make any advances or lend money to any affiliate or make any investment in any subsidiary of the Company or lend money to any such subsidiary.

(f) The Company will simultaneously with the issuance of the bonds issued hereunder issue $3,000,000 principal amount of its secured promissory notes bearing interest at the rate of 5% per annum maturing on or before December 31, 1962 (which are herein referred to as "Secured Notes"), and the Company covenants that so long as the bonds are outstanding hereunder no payments will be made on said notes, except interest thereon from time to time maturing, and except that the Company may on March 31, 1954 and on March 31 in each year thereafter pay a principal amount of Secured Notes equal

to one-half (½) of the net income of the Company for the preceding fiscal year determined as hereinafter provided.

For the purpose of the above provision, net income of the Company shall mean (i) the total operating revenues of the Company less all operating expenses (including provisions for depreciation and taxes except as hereinafter provided) and amortization of debt discount and expense or premium, and (ii) plus or minus, as the case may be, the net non-operating income or the net non-operating loss of the Company eliminating, however, any profits or losses from the sale or exchange of capital assets and related tax adjustments, and (iii) less interest accrued during the period for which the computation is made on the bonds outstanding hereunder and the Secured Notes, dividends accrued during such period on the outstanding 5% Cumulative Preferred Stock of the Company issued at the time of the acquisition of the mortgaged property and the amount of any contingent sinking fund (whether paid or not during such period) payable to the Trustee under this Indenture pursuant to the provisions of Section 1 of Article Four hereof. Operating revenues, operating expenses and provisions for depreciation and taxes, amortization and non-operating income or loss shall be determined in accordance with the Classification of Accounts prescribed for electric railway and common motor carriers of passengers by the regulatory authority having jurisdiction in the premises or, if there is no such Classification of Accounts, in accordance with sound accounting principles.

SECTION 5. That it will keep all the property of the Company of a character usually insured by companies similarly situated, insured against loss or damage by fire, windstorm, explosion and other risks usually insured against by the owners of like properties and in such amounts as are usually insured against by such owners, in reputable insurance companies satisfactory to the Trustee, loss, if any, to be made payable to the Trustee as its interest may appear; that it will within a reasonable time after the execution hereof, and within four (4) months after the close of each calendar year thereafter, furnish to the Trustee a statement in writing signed by an officer of the Company fully describing all insurance then in force, but the Trustee may, at its option, require the Company to deposit with it any or all such insur-

ance policies, and shall require such deposit if any event of default occurs; that if the total amount received by the Trustee upon all policies shall, in the case of any one loss, be less than the sum of Ten Thousand Dollars ($10,000), the amount shall be paid forthwith to the Company by the Trustee, to be used by the Company to pay for replacements or repairs of or substitutes for the damaged or destroyed property, but the Trustee shall not be obliged to see to the application thereof; that in all other cases the proceeds of any and all insurance on any part of said property which may be received by the Trustee shall be held and applied by the Trustee as hereinafter in this Section provided.

All insurance moneys (except amounts of less than Ten Thousand Dollars ($10,000) above provided to be paid over to the Company) received by the Trustee under the provisions of this Section shall be held by the Trustee as a part of the mortgaged property and the same shall be by the Trustee paid out from time to time upon written orders of the Company, signed by the President and Treasurer of the Company, and accompanied by an approving certificate of an engineer, either for the purpose of paying the reasonable cost of repairing or replacing part or all of the property damaged or destroyed or for the purpose of making or acquiring permanent additions or improvements to the mortgaged property, properly chargeable to the fixed capital account and useful in the conduct of the business of the Company, or for the purchase of new motor buses or trolley cars; provided, however, that the Company shall have furnished, in addition to the proceeds of such insurance, such moneys as may be required to complete such repairs, replacements, additions or improvements, or to fully pay for such new motor buses or trolley cars, and said insurance moneys shall be paid out by the Trustee only when the same shall be fully sufficient to complete such repairs, replacements, additions or improvements or to fully pay for such new motor buses or trolley cars, as shown by the said certificate of an engineer. Every such order of the Company for the payment of insurance moneys shall state that the Company is not in default under any of the terms and provisions of this Indenture, and if any of such moneys is being paid out on account of additions or improvements or for the purchase of new motor

buses or trolley cars the same shall be described in the said order and the said order shall be accompanied by an opinion of counsel to the effect that such additions or improvements or new motor buses or trolley cars (describing the same) have been or will be, upon application of the moneys, withdrawal whereof is then requested, subjected to the lien of this Indenture as a first lien thereon, subject only to the liens referred to in the granting clauses hereof. The Trustee shall be fully protected in paying any such moneys to or upon the order of the Company upon receipt of the showings above specified, but the Trustee shall have the right, but shall not be obliged, to require the Company to furnish such additional evidence in the premises as the Trustee may deem necessary in order to establish the right of the Company to the withdrawal of any such insurance moneys.

In the event that the Company shall not elect, within six (6) months after the date of deposit of any such insurance moneys, and within such period notify the Trustee in writing of such election, to have such insurance moneys applied to one or more of the purposes above specified, then the Trustee shall apply such insurance moneys to the retirement of bonds in the manner and at the price provided in Section 2 of Article Six in the case of the proceeds of the sale of mortgaged property.

The Company further covenants that it will at all times keep and maintain in force in reputable insurance companies public liability and property damage insurance under policies which insure the liability of the Company occasioned by any one incident to the extent of the excess of such liability over $100,000 but not more than $1,000,000, and further covenants it will apply all moneys collected on account of such insurance as hereinafter provided.

The Company covenants that it will deposit in such depositary as the Board of Directors of the Company may designate from time to time in a separate fund designated as "Injuries and Damage Reserve Fund" within ten days after the date of delivery hereof a sum of $50,000, and on or before January 20, 1953 and on or before the 20th day of each month thereafter, an amount equal to at least three per cent (3%) (subject to revision as hereinafter provided) of its passenger and charter revenues received during the preceding calendar

month for the purpose of providing for the adjustment, defense and satisfaction of all suits, claims, demands, rights and causes of action, and the payment and satisfaction of all judgments entered or chargeable against the Company for injury to or death of any person or damage to property resulting from the maintenance and operation of the transit property of the Company or incident thereto. The amount so set aside (other than the initial deposit of $50,000) shall be charged to operating expenses.

The Company may use and expend the moneys in the Injuries and Damage Reserve Fund to pay all expenses and costs arising from the adjustment, defense and satisfaction of all suits, claims, demands, rights and causes of action, and the payment and satisfaction of all judgments entered or chargeable against the Company for injury to or death of any person or damage to property resulting from the maintenance and operation of the transit properties of the Company, and also for the purpose of paying premiums on public liability and property damage insurance carried in accordance with the provisions of this Section 5. All moneys received from such insurance coverage and protection shall also be deposited in the Injuries and Damage Reserve Fund.

Any moneys held in the Injuries and Damage Reserve Fund may be invested in obligations of the United States of America and such obligations may be collected or sold from time to time, provided, however the proceeds of any such collection or sale and interest received on such obligations shall be deposited in the Injuries and Damage Reserve Fund. Any such obligations shall be segregated and held solely for the purpose of realizing moneys to be deposited in the Injuries and Damage Reserve Fund.

Within four months after the end of the calendar year 1953 and of each calendar year thereafter the Company at its expense shall cause a review to be made by such independent transit engineers or other expert as the Company may select and may be acceptable to the Trustee of the adequacy of the amounts deposited in the Injuries and Damage Reserve Fund during the preceding calendar year (not including the $50,000 required to be initially deposited as provided above or any insurance money or moneys deposited to offset any deficiency in de-

posits for any year) to provide sufficient sums to attend to the payments to be made therefrom as above specified. Such transit engineer or other expert shall report as to the amount which should be deposited by the Company to offset any deficiency in such fund for the preceding calendar year by reason of the fact that such deposits were inadequate to provide for all payments contemplated to be made therefrom, or shall report any amount by which such deposits for the preceding calendar year were in excess of the sum necessary to provide for such payments, and shall report as to any changes which should be made during the current calendar year in such Injuries and Damage Reserve Fund so that based on the experience for the preceding calendar year the amounts deposited in such Injuries and Damage Reserve Fund may reasonably be expected to be sufficient to attend to such payments. A counterpart of such report shall be filed with the Trustee within four months after the end of the calendar year 1953 and each year thereafter. The Company shall be obligated to make payment of the amount of any such deficiency into the Injuries and Damage Reserve Fund within sixty days after filing of such report with the Trustee and shall also notify the Trustee that such payment has been made. In the event the expert shall report that such deposits were in excess of the amount required to provide for all such payments, then the Company shall be entitled to a credit to the extent of such excess on payments made in the Injuries and Damage Reserve Fund during the current calendar year. If any changes in the deposit rate shall be recommended in such report, then the Company shall be obligated to make deposits as so recommended for the remainder of the current calendar year and to make deposits in succeeding calendar years so the amount thereof will be at least equal to the amount required to be deposited during the calendar year in which a change was last recommended. In reviewing the adequacy of the amounts deposited in such Injuries and Damage Reserve Fund, such transit engineers or other expert shall assume that the Company is liable for the payment of all judgments entered against the Company for damages caused by injury to or death of any person and for damage to property from the maintenance and operation of the transit property of the Company notwithstanding such judgments may be pending on an appeal from the trial court.

Notwithstanding the foregoing provisions, the holders of not less than 51% in principal amount of the bonds outstanding under this Indenture shall have the right to designate the transit engineers or other expert who shall make a report of the character provided above, such designation to be made not later than December 1 of the year preceding the calendar year in which such report is required to be made, and in the event of such designation a report by transit engineers or other expert selected by the Company shall not be required.

SECTION 6. That it will at all times maintain, preserve and keep the mortgaged property and every part thereof necessary to the operations of the Company in good condition, repair and working order and will from time to time make all needful and proper repairs, replacements, additions, betterments and improvements so that the operations and business of and pertaining to the mortgaged property and every part thereof necessary to the operations of the Company shall at all times be conducted properly and advantageously; and whenever any portion of the mortgaged property shall have been worn out or destroyed or shall have become obsolete, inefficient or otherwise unfit for use, the Company will procure and install property of at least equal utility, value and efficiency so that the value and efficiency of the mortgaged property shall at all times be fully maintained; and the Company will set apart, use and apply for the foregoing purposes so much of the revenues of the mortgaged property as may be required and will charge to income annually adequate appropriations for depreciation in an amount not less than the amount allowed or claimed for federal income tax purposes.

SECTION 7. That if it shall fail to perform any of the covenants contained in division (a) of Section 4 and in Sections 5 and 6 of this Article, the Trustees, or any receiver appointed hereunder, as herein provided, may make advances to perform the same in its behalf; and it hereby agrees to repay all sums so advanced in its behalf, on demand, with interest at the rate of six per cent (6%) 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 issued hereunder;

but no such advance shall be deemed to relieve the Company from any default hereunder.

SECTION 8. That it will cause this Indenture and each supplemental indenture to be kept recorded and filed and re-recorded and refiled in such manner and at such times and in such places as may be required by law in order that constructive notice hereof may be given to all parties under the laws of the State of Wisconsin.

SECTION 9. That it will furnish to the Trustee promptly after the execution and delivery of this Indenture and of each supplemental indenture, an opinion of counsel (who may be of counsel for the Company) stating that in his opinion (A) this Indenture or such supplemental indenture has been properly recorded and/or filed so as to make effective the lien intended to be created thereby, and reciting the details of such action, or (B) this Indenture or such supplemental indenture has been received for record or filing in each jurisdiction in which it is required to be recorded or filed, and that such receipt for record or filing makes effective the lien intended to be created by this Indenture or such supplemental indenture, or (C) no such action is necessary to make such lien effective.

SECTION 10. That it will, upon reasonable request by the Trustees, 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 now owned or hereafter acquired by it, which it is herein provided shall be subject to the lien hereof, and to transfer to any new trustee the estate, powers, interests and funds held in trust hereunder.

SECTION 11. That whenever necessary to avoid or fill a vacancy in the office of the Trustee, the Company will in the manner provided in Section 5 of Article Twelve hereof appoint a trustee so that there shall at all times be a trustee hereunder which shall at all times be a bank or trust company having its principal office and place of business in the City of Chicago, Illinois, if there be such a bank or trust company willing and able to accept the trust upon reasonable or customary terms, and which shall at all times be a corporation organized and doing business under the laws of the United States or of the State of Illinois,

with a capital and surplus of at least Five Million Dollars ($5,000,000), and authorized under such laws to exercise corporate trust powers and subject to supervision or examination by federal or state authority.

SECTION 12. That it will not go into voluntary bankruptcy or insolvency, or apply for or (subject to the provisions of Section 2 of Article Nine hereof) consent to the appointment of a receiver or trustee of itself or of its property (otherwise than as set forth in the mortgage securing the Secured Notes) or make any general assignment for the benefit of its creditors, or suffer any order adjudicating it to be bankrupt or insolvent or appointing a receiver or trustee of it or of its property.

SECTION 13. That it is duly authorized under the laws of Wisconsin and under all other applicable provisions of law to create and issue the bonds herein provided for, to execute and deliver this Indenture, and to mortgage and pledge the property conveyed and assigned by it hereunder, that all corporate and/or other action necessary on its part for the creation and issue of said bonds and the execution of this Indenture has been duly and effectually taken, that said bonds when issued and in the hands of the holders thereof are and will be valid and enforceable obligations of the Company, and that this Indenture is and always will be a valid mortgage or deed of trust to secure the payment of said bonds; and that the Company now has complete and lawful authority and privilege to maintain and operate the mortgaged property and that no permits, rights, certificates, franchises or privileges of the Company will be allowed to lapse or be forfeited so long as the same shall be necessary for the carrying on of the business of the Company; provided, however, that the expiration by lapse of time of any right, franchise or privilege shall not constitute a violation of this covenant, but the Company hereby expressly covenants that it will exercise its best efforts and any and every proper means to procure extension or renewal of each and every right, franchise or privilege so expiring and necessary or desirable for the operation of the mortgaged property or for the carrying on of the business of the Company.

SECTION 14. That upon the issue of each and every bond hereby secured it shall and will pay all such United States Internal Revenue and

other taxes (which may legally be paid by the Company) as may be imposed by any law of the United States of America, or of any state, then in force applicable to and imposed upon the issue of such bond; that as evidence of such payment it will cause to be affixed to each bond issued hereunder or to this Indenture and duly cancelled all such Internal Revenue and other stamps, and that it will cause to be endorsed or affixed to each bond issued hereunder or to this Indenture such statement or recital as shall be necessary to comply with any and every such law then in force.

SECTION 15. That it will not issue, or permit to be issued, 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 that it will faithfully observe and perform all conditions, covenants and requirements of this Indenture and of all indentures supplemental thereto.

SECTION 16. That, unless the Company shall designate to the Trustee in writing the location of some other office where notices and presentations to or demands upon the Company in respect of the said bonds or coupons may be given or made, presentations and demands may be made and notices may be served at the office of the Trustee in Chicago, Illinois; and the Company will keep books at the office of the Trustee for the transfer and registration of said bonds as hereinbefore provided. The Trustee shall be under no duty with respect to any such presentation, demand or notice served upon it except such duty, if any, with respect thereto as may exist by reason of any other of the provisions of this Indenture.

SECTION 17. That it will do and perform all matters or things necessary or expedient to be done or performed by reason of any law of the United States of America, or of any state or states thereof, or of any competent authority, for the purpose of creating, performing and maintaining the trust hereby created for the security of the payment of the bonds and the coupons appertaining thereto, and to perform all of the obligations hereby imposed upon the Company.

SECTION 18. That it will not declare or pay any dividends on or acquire or redeem any stock of any class during any calendar year,

except as permitted by this Section 18. The Company may during any calendar year declare and pay dividends on and acquire or redeem stock of any class up to but not exceeding in the aggregate a sum representing 10% of the cash received by the Company as consideration for the issuance of all common capital stock outstanding as of the close of the preceding calendar year, provided, however, that no such dividends shall be declared or paid or stock acquired or redeemed, unless

(a) the Company is not in default in the payment of the principal of or interest on the bonds, and is not in default under any of the provisions of this Indenture; and

(b) the net earnings of the Company derived from the operation of its business after November 1, 1952, computed as hereinafter provided, after deducting from such net earnings a sum equal to all cash dividends theretofore paid or accrued and all amounts theretofore applied to the acquisition or redemption of shares shall exceed the aggregate of all dividends, acquisitions and redemptions theretofore made and then to be made.

The restrictions contained in this Section shall not, however, be applicable to or prevent the payment of dividends in common stock of the Company, or the payment of dividends on 5% Cumulative Preferred Stock of the Company issued at the time of the acquisition of the property hereby mortgaged or on preferred stock hereafter issued for cash, or the acquisition or redemption of stock from the proceeds of the sale of any shares of stock issued after the time of the acquisition of the property hereby mortgaged.

For the purposes of this Section, the net earnings of the Company for any period shall be the amount remaining after deducting from the gross earnings of the Company derived from the operation of its business (excluding any amounts derived from the sale or exchange of capital assets) all operating expenses, all taxes (including income taxes, excess profits taxes and other similar taxes), depreciation, interest and all other proper income charges. The amount of depreciation used in any computation of net earnings shall be the greater of either the provision made for depreciation by the Company on its books or the amount claimed for federal income tax purposes.

In case of any dispute as to any of the matters referred to in this

Section the question shall be referred to an independent certified public accountant selected by the Company and approved by the Trustee, and the determination of such question by such independent certified public accountant shall be final and conclusive for all purposes of this Indenture.

SECTION 19. That it will furnish to the Trustee within forty-five (45) days after the end of each quarterly fiscal period of the Company, a copy of the quarterly operating report of the Company, including a balance sheet of the Company as at the end of each quarterly fiscal period and an income and surplus statement of the Company for the quarterly fiscal period ending at the date of such balance sheet, all in reasonable detail and certified by an authorized officer of the Company. That it will furnish to the Trustee within one hundred twenty (120) days after the end of each fiscal year, beginning with the fiscal year ending in 1953, a detailed audit report for the preceding fiscal year, in the form intended for submission to the Board of Directors of the Company, prepared by and accompanied by the opinion of an independent certified public accountant or firm of independent certified public accountants of recognized standing, who shall be satisfactory to the Trustee, containing in any event a balance sheet of the Company as at the close of the preceding fiscal year and a statement of the income account and surplus account of the Company for such preceding fiscal year, and such report shall contain a statement of opinion by the signer as to whether or not the covenants of the Company contained in Sections 4 and 18 of this Article Five have been complied with by the Company.

ARTICLE SIX.

POSSESSION, USE AND RELEASE OF MORTGAGED PROPERTY.

SECTION 1. Until the happening of an event of default hereunder to the knowledge of the Trustee,

(1) The Company shall be suffered and permitted by the Trustees to remain in full possession, enjoyment and control of all the property, including without limitation, all rights, privileges and franchises, hereby mortgaged; and shall be permitted to manage and operate the same, subject always to the observance of the

covenants in this Indenture with respect thereto, and to receive, receipt for, take, use, enjoy and dispose of all rents, tolls, earnings, surplus, profits, revenues and income thereof in the same manner and with the same effect as if this Indenture had not been made;

(2) The Company shall be permitted at all times and from time to time to sell or otherwise dispose of, free from the lien of this Indenture, and without any release by the Trustees, any machinery, equipment, apparatus or tools, which may be subject to the lien hereof, when obsolete, worn out or unnecessary for the purposes of the Company; provided, however, that the aggregate amount or value of such property so sold or otherwise disposed of shall not exceed $25,000 in any one year, and, provided, further, that in every case of such sale or other disposition the Company shall deposit any cash proceeds thereof with the Trustee or shall within a reasonable time replace the property so sold with other property (in such manner as to come under the lien hereof) of a value at least equal to the value of the property so sold or disposed of.

(3) The Company shall be permitted at all times and from time to time to trade in, as a part of the purchase price of any new motor bus or trolley car, any motor bus or trolley car which may be subject to the lien hereof, when obsolete, worn out or unnecessary for the purposes of the Company, and until the happening of an event of default to the knowledge of the Trustee, the Trustees shall, whenever from time to time requested by the Company, release from the lien hereof any such motor bus or trolley car, upon receipt by the Trustee of the following:

(i) A certificate signed by the President or a Vice President of the Company (a) stating that one or more motor buses or trolley cars then owned by the Company is to be traded in as a part of the purchase price of one or more new motor buses or trolley cars to be acquired by the Company, describing in reasonable detail each motor bus or trolley car then to be traded in, and also describing in reasonable detail each new motor bus or trolley car then to be acquired by the Company by means of such trade-in; (b) stating that each motor bus or trolley car then to be traded in by the Company is obsolete or worn out; (c) setting forth the terms of the trade-in in respect of each such motor bus or trolley car, that is to say, identifying the motor bus or buses or trolley car or cars to be traded in by the Company and the motor bus or buses or trolley car or cars to be acquired by the Company and stating the amount, if any, of the purchase price to be paid in cash; and (d) stating that the value of each

new motor bus or buses or trolley car or cars to be acquired by the Company by means of such trade-in is equal to or in excess of the value of the motor bus or buses or trolley car or cars to be traded in as a part of the purchase price of such new motor bus or buses or trolley car or cars; and

(ii) An opinion of counsel (who may be of counsel for the Company) to the effect that (a) the Company has acquired title to each new motor bus or trolley car mentioned in the pertinent certificate responsive to subparagraph (i) next above, free of all liens and encumbrances, except the lien of current taxes and assessments and of this Indenture and of the mortgage securing the Secured Notes; and (b) the Company has executed and delivered an appropriate supplemental indenture subjecting each such new motor bus or trolley car to the lien of this Indenture, or, in the alternative, that no such supplemental indenture is necessary in order to subject such motor bus or trolley car to the lien of this Indenture; and

(iii) An executed counterpart of each supplemental indenture mentioned in the opinion of counsel filed pursuant to subparagraph (ii) above.

While the Company is not in default under any provision of this Indenture, it may at any time and from time to time (1) make any change in the location of any of the buildings or other structures upon any part of the mortgaged premises, provided that the fair value of any building or structure, subject to the lien of this Indenture, after such change, shall not be substantially less than the fair value thereof prior to such change, or (2) alter, remodel or rebuild any of the buildings or other structures upon any part of the mortgaged premises so long as the fair value of such buildings or structures upon completion of such alteration, remodeling or rebuilding shall not be less than the fair value thereof immediately prior to the commencement of such alteration, remodeling or rebuilding or (3) surrender to any municipality any property which has been abandoned. The Trustees shall release any abandoned property from the lien hereof upon written request of the Company and upon receipt of a certificate of the President of the Company describing the property which has been abandoned and naming the municipality to which it is to be surrendered. The term "fair value," as used herein, with respect to buildings

or other structures, shall be deemed to mean the fair value thereof when used in a business similar to that in which the Company is engaged.

SECTION 2. Until the happening of an event of default hereunder to the knowledge of the Trustee—

(A) In instances not covered by Section 1 of this Article, the Company may sell any property then subject to the lien of this Indenture, and the Trustees shall release the same from the lien hereof; provided that this Section shall not be deemed to authorize the sale or release of all or substantially all of the mortgaged property and, provided further, that before so releasing such property, and as conditions precedent thereto, the Trustee shall have received:

(1) A certified copy of a resolution of the Board of Directors of the Company requesting such release;

(2) A certificate of the President of the Company setting forth (A) a general description of the property to be released, and (B) the consideration to be received therefor, which consideration must be cash in an amount at least equal to the fair value of such property, as set forth in the accompanying opinion of an engineer or independent engineer;

(3) An opinion of an engineer (who may be an officer or employee of the Company, unless the fair value to the Company of the property to be released, stated in his opinion, is in excess of Fifty Thousand Dollars ($50,000), in which case he shall be an independent engineer), selected by the Company and approved by the Trustee, stating (a) the fair value to the Company of the property to be released; (b) that such release is desirable in the conduct of the business of the Company and that the property to be released is no longer necessary or advantageous for use in the business of the Company; (c) that the Company has sold or contracted to sell the property to be released for a consideration representing its fair value to the Company; and (d) that the proposed release will not impair the security hereunder;

(4) The cash stated in the certificate mentioned in paragraph (2) above, to be received as consideration for the property to be released.

(B) As evidence of compliance with the conditions precedent, set forth in subsection (A) of this Section, the Trustee, before the Trustees shall release said property from the lien of this Indenture, shall have received:

(1) A certificate of the President of the Company stating that the conditions precedent to the release of said property have been complied with; and

(2) An opinion of counsel (who may be of counsel for the Company) stating that in his opinion the conditions precedent to the release of said property have been complied with.

All cash received by the Trustee under the provisions of this Section and representing the proceeds of the release of any part of the mortgaged property shall be held by the Trustee as a part of the mortgaged property. Such cash may be withdrawn by the Company in the manner specified in Section 5 of Article Five hereof for the purpose of making or acquiring additions to or improvements of the mortgaged property or new motor buses or trolley cars; provided that the Company shall have notified the Trustee in writing, within six (6) months after the date of deposit of such cash, of the intention of the Company to withdraw the same for said purposes, and in case the Company shall not, within said six (6) months period, notify the Trustee of its intention to withdraw such cash, then such cash shall be by the Trustee applied to the redemption of bonds outstanding hereunder, in an amount sufficient to exhaust such cash as nearly as may be, in the manner, upon the notice and with the effect provided in Article Three hereof, and upon payment of the principal amount of such bonds, plus accrued interest to the redemption date together with a premium if redemption is made prior to November 1, 1953 of 2% of such principal amount, and in case redemption is made on or after November 1, 1953 and prior to November 1, 1954 1½% of such principal amount, and in case redemption is made on or after November 1, 1954 and prior to November 1, 1955 1% of such principal amount, and in case redemption is made on or after November 1, 1955 and prior to November 1, 1956 ½ of 1% of such principal amount, and in case redemption is made on or after November 1, 1956 without premium.

SECTION 3. The release of property from the lien of this Indenture by the Trustees under the provisions of this Article shall operate and be effective as a full and complete discharge and satisfaction of the lien

created by this Indenture as to the property described in such release, and such release shall be conclusive evidence that the property therein specifically described has been validly released from the lien of this Indenture.

SECTION 4. Should any of the mortgaged property be taken by the exercise of the power of eminent domain, the Trustees may accept any award or consideration stated in a certificate of the President of the Company, delivered to the Trustee, to be satisfactory to the Company, and the Trustees may release the property so taken, and shall be fully protected in doing so upon being furnished with an opinion of counsel (who may be of counsel for the Company) to the effect that such property has been taken by exercise of the power of eminent domain. In any such proceeding the Trustees may be represented by counsel (who may be of counsel for the Company), and the Trustees may or may not become a party thereto as the Trustee in its discretion may determine. The proceeds of all property so taken shall be paid over to the Trustee, and shall be held and disbursed or applied upon the terms and conditions provided in Section 2 of this Article.

SECTION 5. No purchaser in good faith of property purporting to be released hereunder shall be bound to ascertain the authority of the Trustees to execute the release, or to inquire as to any facts required by the provisions hereof for the exercise of such authority.

SECTION 6. In case the mortgaged property shall be in the possession of a receiver, the powers hereinbefore conferred upon the Company with respect to the sale or other disposition of property covered hereby may be exercised by such receiver; and if the Trustees or either of them shall be in possession of the mortgaged property under any provision of this Indenture, then such powers may be exercised by the Trustees or either of them in the discretion of the Trustee. In case the Company shall be in default hereunder, but the mortgaged property shall not be in the possession of a receiver or of the Trustees or either of them, the Company shall none the less be permitted to exercise the powers hereinbefore conferred upon it with respect to the sale or disposition of property covered hereby; provided that the holders of seventy-five per cent (75%) or more in principal amount of

the bonds at any time outstanding shall have consented thereto by an instrument or instruments in writing, signed as provided in Section 8 of Article Thirteen hereof and delivered to the Trustee.

ARTICLE SEVEN.

SUPPLEMENTAL INDENTURES.

SECTION 1. When authorized by resolution of its Board of Directors, the Company and the Trustees, from time to time and at any time, subject to the restrictions in this Indenture contained, may, and when so required by this Indenture shall, enter into such indentures supplemental hereto as may or shall by them be deemed necessary or desirable for any one or more of the following purposes, among others:

(1) To correct the description of any property hereby conveyed or transferred or intended so to be, or to assign, convey, mortgage, pledge, transfer and set over unto the Trustees additional property of the Company which may be now owned by the Company but through error omitted from the specific descriptions of property herein contained, or acquired by the Company hereafter by purchase, consolidation or merger, or otherwise, with the same force and effect as though included in the granting and pledging clauses hereof, all for the equal and proportionate benefit and security of the holders and owners of all bonds at any time issued and outstanding under this Indenture;

(2) To add to the covenants or agreements of the Company for the protection of the bondholders and of the trust estate other and additional covenants and/or agreements;

(3) To evidence the succession of another corporation to the Company, or successive successions, and the assumption by such successor corporation of the covenants and obligations of the Company in the bonds hereby secured and in this Indenture and in any and every supplemental indenture contained;

(4) For the purpose of adding to this Indenture and revising any provisions thereof in order that the same may comply with the provisions of the Trust Indenture Act of 1939 as then amended; and

(5) For any other purpose not inconsistent with the terms of this Indenture, and which shall not impair the security of the same, or for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective or inconsistent provision contained herein or in any supplemental indenture.

SECTION 2. The Trustees are authorized to join with the Company in the execution of any supplemental indenture, to make the further agreements and stipulations which may be therein contained, and to accept the conveyance, transfer and assignment of any such property thereunder.

Any supplemental indenture executed in accordance with any of the provisions of this Article shall thereafter form a part of this Indenture; and all the terms and conditions contained in any such supplemental indenture as to any provision authorized to be contained therein shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

SECTION 3. Any and every such supplemental indenture entered into as required or permitted by the provisions of this Article, may be simultaneously executed in any number of counterparts for the purpose, among other things, of prompt and convenient recording, and all such counterparts executed and delivered each as an original shall constitute but one and the same instrument.

ARTICLE EIGHT.

MERGER, CONSOLIDATION AND SALE.

SECTION 1. The Company covenants that, so long as any bonds shall remain outstanding hereunder, it will not be or become a party to any merger or consolidation with any other corporation whatsoever and it will not convey or transfer or lease all or substantially all of its assets as an entirety to any other corporation (the corporation resulting from such merger or consolidation or to which such sale or transfer or lease shall be made being hereinafter called the "Successor Corporation"), unless the written consent thereto of the holders of not less than seventy-five per cent (75%) in principal amount of the bonds then outstanding hereunder shall have been obtained and filed with the Trustee, and then only upon and subject to the following further conditions:

(1) Any such consolidation, merger, conveyance, transfer or sale or lease shall be upon such terms as shall in no respect impair the lien of this Indenture, or any of the rights or powers of

the Trustees or the bondholders hereunder, or result in a violation of any of the covenants of this Indenture;

(2) Upon any such consolidation, merger, conveyance, sale or transfer or lease, the Successor Corporation (if other than the Company) shall assume and agree with the Trustees for the benefit of the bondholders to pay duly and punctually the principal of and interest and premium on the bonds, in accordance with the provisions of the bonds and interest coupons and this Indenture and of all indentures supplemental hereto, and shall agree to perform, preserve and fulfill duly and punctually all the terms, covenants and conditions of this Indenture and all indentures supplemental hereto binding upon the Company.

SECTION 2. In case the Company, pursuant to and in accordance with Section 1 of this Article, shall be consolidated with or merged into any other corporation, or shall convey or transfer or lease, subject to the lien of this Indenture, all or substantially all of its properties and assets as an entirety, the Successor Corporation (if other than the Company) shall execute and cause to be recorded an indenture supplemental hereto with the Trustees, satisfactory to the Trustee, whereby the Successor Corporation shall assume and agree to pay duly and punctually the principal of and interest and premium (if any) on the bonds issued hereunder and hereby secured in accordance with the provisions of the bonds and interest coupons and this Indenture and all indentures supplemental hereto, and shall agree to perform, observe and fulfill duly and punctually all the terms, covenants and conditions of this Indenture and all indentures supplemental hereto binding upon the Company, and thereupon such Successor Corporation shall succeed to and be substituted for the Company with the same effect as if it had been named herein as the mortgagor company.

The Trustees may receive an opinion of counsel (who may be of counsel for the Company) as conclusive evidence that such supplemental indenture complies with the foregoing conditions and provisions of this Section, and that any such Successor Corporation has lawful power to acquire or lease all or substantially all of the property and assets of the Company and operate the same.

ARTICLE NINE.

DEFAULT AND REMEDIES THEREFOR.

SECTION 1. (A) In case any one or more of the following events (elsewhere in this Indenture called "events of default") shall happen, that is to say, in case

(1) default shall be made by the Company in the payment of any interest due on any of the bonds according to the tenor of said bonds and the interest coupons, if any, appertaining thereto, and such default shall continue for a period of ten (10) days; or

(2) default shall be made by the Company in the payment of the principal of any of the bonds as they become due and payable according to their terms, or pursuant to call thereof for redemption, or otherwise; or

(3) default shall be made by the Company in the due and punctual making of any one or more of the contingent sinking fund payments required under the terms of Article Four hereof, and such default shall continue for a period of thirty (30) days; or

(4) default shall be made by the Company in the due observance or performance of any other covenant, obligation, condition or requirement imposed upon it by this Indenture, or by the bonds or coupons, and such default shall continue for a period of sixty (60) days after written notice thereof to the Company from the Trustee or from the holders of not less than twenty-five per cent (25%) in principal amount of bonds outstanding hereunder; or

(5) any order shall be made for the appointment of a receiver of the Company, or of its property, or any part thereof, or for the appointment of an assignee for creditors, or a trustee in bankruptcy, or for the sequestration, winding up, or liquidation of the Company or the affairs of the Company, and any such order shall not have been stayed or dismissed and shall have remained in full force and effect for a period of at least sixty (60) days from the entry thereof; or

(6) any judgment shall be recovered against the Company or any attachment or other court process shall become or create a lien upon any of its property and such judgment, attachment or court process shall not be discharged, or effectually secured or execution thereon stayed within sixty (60) days from the entry thereof; or

(7) any property of the Company, mortgaged or pledged hereunder, is sold under judicial process, under any lien prior to or on a parity with the lien of this Indenture; or

(8) the Company shall make any assignment for the benefit of its creditors or shall file a petition for voluntary bankruptcy or shall consent to the appointment of a receiver at the suit of some party other than the Trustees or either of them; or

(9) the Company shall file a petition in any court for relief under the provisions of Chapter X (as now existing or at any time hereafter amended) of that certain Act of Congress relating to the establishment of a uniform system of bankruptcy in the United States, as amended, and such petition shall be approved by said court; or

(10) creditors of the Company shall file a petition affecting or seeking to affect the outstanding bonds or any substantial part thereof in any court under the provisions of said Chapter X (as now existing or as at any time hereafter amended) and such petition shall be approved by said court and such order of approval shall not have been stayed or dismissed and shall have remained in full force and effect for a period of at least sixty (60) days from the entry thereof;

(11) any of the Secured Notes of the Company referred to in subdivision (f) of Section 4 of Article Five hereof shall be declared due and payable pursuant to the provisions of such notes or the indenture under which the same have been issued;

then, and in any such case, the Trustee may, and upon the written request of the holders of not less than a majority in principal amount of the bonds then outstanding, the Trustee shall, by notice in writing delivered to any officer of the Company or deposited in the mails addressed to the Company, at Milwaukee, Wisconsin, declare the principal of all of the bonds to be due and payable immediately, and upon such declaration the same shall become due and payable immediately, anything in this Indenture or in said bonds to the contrary notwithstanding.

(B) Subsection (A) of this Section is subject to the condition that, at any time after the principal of said bonds shall be so declared due and payable and prior to any foreclosure sale of the mortgaged or pledged property, if all arrears of interest upon all bonds then outstanding (except interest accruing since the last interest payment date

of said bonds), together with all other payments required to be paid by the Company by the terms of this Indenture, including all advances, expenses and reasonable charges of the Trustees hereunder, shall have been paid by or on behalf of the Company or collected by the Trustees out of the income of the mortgaged or pledged property, and if every other default of the Company in the performance of the covenants and obligations imposed upon it by said bonds and by this Indenture shall have been made good to the reasonable satisfaction of the Trustee, and if the Company, its successors or assigns, shall have executed, acknowledged and duly filed for record in each county where any of the mortgaged property is situated an instrument in form satisfactory to the Trustee, whereby the Company, its successors or assigns, shall, for the benefit of the Trustees and the holders from time to time of the bonds outstanding hereunder, have acknowledged the validity of the debt hereby secured and of the lien hereby created or intended to be created and shall have agreed to perform each and every of the covenants and provisions in this Indenture and in the bonds at the time outstanding hereunder, at the times and in the manner herein and in the said bonds provided, then and in every such case, the Trustee may, and upon the written request of the holders of a majority in principal amount of the bonds then outstanding, shall, by written notice to the Company waive any such default and its consequences and rescind such declaration as aforesaid, and abandon any proceedings taken on account of such default, and in case of any such waiver or in case any proceedings taken by the Trustees on account of any such default shall have been discontinued or abandoned, or determined adversely, then and thereupon the Trustees and the holders of the bonds shall be restored to their former respective positions and rights hereunder, and any previous declarations as aforesaid shall be deemed rescinded and of no effect, but no such rescission or annulment shall affect any subsequent default, or impair any right consequent thereon.

SECTION 2. (A) In case of the happening of an event of default specified in Section 1 of this Article, and its continuance beyond the period of grace, if any, applicable thereto, or in case the principal of all of the bonds shall have been declared due and payable immediately,

as provided in Section 1 of this Article, then and in every such case the Trustees may proceed to protect and enforce their rights and the rights of the holders of the bonds under this Indenture and/or otherwise, by a suit or suits in equity or at law, either for the specific performance of any covenant or agreement contained herein and/or therein, or in aid of the execution of any power herein and/or therein granted, or for the foreclosure of this Indenture, or for the enforcement of any other appropriate legal or equitable remedy, as the Trustee, being advised by counsel, may deem most effectual to protect and enforce any of the rights or interests under the bonds and/or this Indenture.

(B) In every case referred to in subsection (A) of this Section, the Trustees may, of their own motion, and upon written request of the holders of a majority in principal amount of the bonds then outstanding shall, institute and carry on or cause to be instituted and carried on such suit or suits to enforce payment of the obligations secured hereby or to foreclose the lien of this Indenture, as may be authorized or permitted by law.

(C) In every case referred to in subsection (A) of this Section, the Trustees may, by such officers or agents as they may appoint, with or without entry, sell the mortgaged and pledged property as an entirety or in such parcels as the holders or registered owners of a majority in principal amount of the bonds then outstanding hereunder shall in writing request or, in the absence of such request, as the Trustee may determine, at public auction at some convenient place in Milwaukee, Wisconsin, or in such other place or places as may be required by law, having first given notice of such sale by publication in at least one newspaper printed in the English language and of general circulation in the place or places where such sale is to take place, at least once a week for four (4) successive calendar weeks preceding such sale, and having given any other or further or additional notice which may be required by law, and from time to time may 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 may make and deliver to the purchaser or purchasers a good and sufficient deed or

deeds or bill or bills of sale or assignment or assignments for the same, which sale, as well as any sale made under this Indenture by virtue of any judicial proceedings, shall be a perpetual bar both at law and in equity against the Company and all persons or entities claiming by, through or under the Company. The Trustees and its and his successors are hereby further irrevocably appointed the true and lawful attorneys of the Company, in its name and stead, for the purpose of effectuating any such sale, to execute and deliver all necessary deeds, bills of sale, assignments and transfers, and to substitute one or more persons 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; provided, nevertheless, that if so requested by the Trustee or any purchaser, the Company shall ratify and confirm any such sale or transfer by executing and delivering to the Trustees or to such purchaser or purchasers all such proper instruments of conveyance, assignment or transfer as may be designated in any such request.

(D) In any case referred to in subsection (A) of this Section, the Trustees may proceed to protect and enforce their rights and the rights of the holders of the bonds and coupons, whether for the specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted or for the enforcement of any other appropriate legal or equitable remedy as may be most effective to protect and enforce the rights aforesaid; and upon the bringing of any suit to foreclose this Indenture, or to enforce any other remedy of the Trustees hereunder, the Trustees shall be entitled, as a matter of right, without notice and without giving bond to the Company, or anyone claiming under it, to have a receiver appointed of all the mortgaged property and of the earnings, income, rents, issues and profits thereof pending such proceedings, with such powers as the court making such appointment shall confer, and the Company does hereby irrevocably consent to such appointment. Without in any way intending hereby to limit, restrict or circumscribe the lawful exercise of the discretion or authority of the court in the premises, the court, wherein any action for the foreclosure of this Indenture or the enforcement of any right or remedy hereunder shall be pending, may in its discretion authorize such receiver to prosecute and con-

duct the Company's corporate enterprise, in whole or in part; and may in its discretion authorize such receiver to make, issue and sell his interest-bearing receiver's certificates, paramount to and displacing the lien of the bonds and coupons, outstanding hereunder, in such form and on such terms as the court shall prescribe, for the purpose of supplying working capital, of paying or redeeming taxes, tax liens or other liens, of effectuating and maintaining insurance, of protecting, maintaining, and operating the mortgaged premises, property and enterprise, and for such other purposes as shall in the discretion of the court promote the better protection and security of the bonds and coupons; and the consent of the Trustee, in its discretion, to any such order shall be the sufficient consent thereto of all owners and holders of bonds and coupons outstanding hereunder; but notwithstanding the appointment of any receiver, the Trustee shall be entitled to retain possession and control of any securities, including bonds of the Company, and cash at the time held by the Trustee.

If in any foreclosure proceedings the mortgaged property shall be sold for a sum less than the total amount of the indebtedness for which judgment is therein given, the judgment creditor shall be entitled to the entry of a deficiency decree against the Company and against the property of the Company for the amount of such deficiency, and the Company does hereby irrevocably consent to the appointment of a receiver of the mortgaged property and of the rents, issues and profits thereof after such sale, during the period or periods, if any, allowed by law for the redemption of the property so sold and until such deficiency decree is satisfied in full.

SECTION 3. (A) In the event of any sale to enforce the security of this Indenture, the property mortgaged and pledged hereunder may be sold as an entirety or in such lots and/or parcels as the Trustee in its discretion shall determine (unless the holders of a majority in principal amount of the bonds then outstanding shall otherwise request in writing), and this provision shall bind the parties hereto and each and every one of the holders of said bonds at any time outstanding. In case of any such sale the whole of the principal of the bonds shall at once become due and payable, anything in said bonds or in this Indenture contained to the contrary notwithstanding.

(B) The Company, for itself, and for all who may claim through or under it, hereby expressly waives and releases all right to have the property covered by the lien of this Indenture, any part thereof or any other of its property marshalled upon any foreclosure, sale or other enforcement hereof, and the Trustees, or any court in which the foreclosure of this Indenture or the administration of the trusts hereby created is sought, shall have the right as aforesaid to sell the mortgaged and pledged property as an entirety in a single parcel. It is hereby stipulated and agreed that in case of foreclosure of this Indenture, the court shall direct the sale of the mortgaged property to be with or without appraisement, as the Trustee may elect, such election to be made at the time judgment is rendered in any proceeding for the foreclosure of this Indenture.

The Company covenants that it will not at any time insist upon or plead, or in any manner whatever claim, or take any benefit or advantage of, any stay or extension law now or at any time hereafter in force, nor claim, take or insist upon any benefit or advantage of or from any law now or hereafter in force providing for the valuation or appraisement of the mortgaged property, or any part thereof, prior to any sale or sales thereof to be made pursuant to any provision herein contained, or to the decree, judgment or order of any court of competent jurisdiction; nor, after any such sale or sales, claim or exercise any right under any statute now or hereafter made or enacted by any state or otherwise to redeem the property so sold, or any part thereof, and hereby expressly waives all benefit and advantage of any such law or laws and covenants that it will not invoke or utilize any such law or laws or otherwise hinder, delay or impede the execution of any power herein granted and delegated to the Trustees or either of them, but will suffer and permit the execution of every such power as though no such law or laws had been made or enacted.

(C) If any of the foregoing provisions of this Section 3 shall be invalid under the laws of the State of Wisconsin such provision shall be ineffective and shall be disregarded.

SECTION 4. The proceeds or avails of any sale shall, subject to the provisions of Section 3 of Article Five hereof, be paid to and applied by the Trustee as follows:

(1) To the payment of costs and expenses of foreclosure, if

any, and of such sale, and the reasonable compensation of the Trustees, their agents, attorneys and counsel, and of all proper expenses, liability and advances incurred or made hereunder by the Trustees or by any holder or holders of the bonds, and of all taxes, assessments or liens superior to the lien of these presents, except any taxes, assessments or other superior lien subject to which said sale may have been made.

(2) To the payment of the whole amount then owing or unpaid upon the bonds for principal and interest, together with interest at the rate of six per cent (6%) per annum on overdue interest and/or principal; and in case such proceeds shall be insufficient to pay the whole amount so due and unpaid upon the bonds, then to the payment of such principal and interest, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, ratably, in proportion to the aggregate of such principal and accrued and unpaid interest.

(3) To the payment of the surplus, if any, to the Company, its successors and assigns, or to whoever may be lawfully entitled to receive the same.

SECTION 5. (A) In the event of any judicial sale of the mortgaged or pledged property under a decree of foreclosure of mortgage made by any court having competent jurisdiction, the Trustees, if requested in writing by the holders of not less than a majority in principal amount of the bonds then outstanding, are hereby authorized but shall not be obligated to purchase the property sold, or any part thereof, for the use and benefit of the holders of all of the bonds and, having so purchased such property, or any part thereof, the right and title to the property so purchased shall vest in the Trustees and no holder of any bond shall have any claim to the property, or any part thereof, so purchased or the proceeds thereof except for his pro rata share of the proceeds of any disposal by the Trustees of the property, or any part thereof, so purchased.

(B) In case of any such sale of the mortgaged or pledged property, or of any part thereof, the purchaser or purchasers, for the purpose of making settlement for or payment of the purchase price, shall be entitled to turn in and use any of the bonds and any interest coupons or claims for interest matured and unpaid thereon, in order that there

may be credited as paid on the purchase price the sum apportionable and applicable to such bonds, including principal and interest thereof, out of the net proceeds of such sale after allowing for the proportion of the total purchase price required to be paid in actual cash; and such purchaser or purchasers shall be credited on account of the purchase price payable by him or them with the sums apportionable and applicable out of such net proceeds to the payment of or as a credit on the bonds so turned in by him or them.

SECTION 6. In case default shall be made in the payment of any installment of interest on any bond, and such default shall have continued for a period of thirty (30) days, or in case default shall be made in the payment of the principal of any of said bonds when the same shall become due, whether in accordance with their terms or upon call for redemption thereof, or upon declaration accelerating the maturity of bonds as authorized by this Indenture, then, and in any of these events, upon demand of the Trustee, the Company will pay to the Trustee an amount of money sufficient to enable the Trustee to pay the whole amount that then shall have become due and payable upon the bonds, for principal or interest, or both of them, as the case may be, with interest upon the overdue principal and installments of interest, and in addition thereto such further amount as shall be sufficient to cover the cost and expenses of collection of all thereof, including reasonable compensation to the Trustees, their agents, attorneys and counsel, and any expenses or liabilities incurred by the Trustees hereunder, and in case the Company shall fail to pay the same forthwith, upon such demand, the Trustees, in their own names, and as trustees of an express trust, shall be entitled to recover judgment for the whole amount so due and unpaid. The Trustees shall 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, and the right of the Trustees to recover such judgment shall not be affected by the exercise of any other right, power or remedy for the enforcement of the provisions of this Indenture, or the foreclosure of the lien hereof. In case of a sale of any or all of the property subject to this Indenture, and of the application of the proceeds of sale to the payment of the

debt hereby secured, the Trustees in their own names, and as trustees of an express trust, shall be entitled to enforce payment of, and to receive all amounts then remaining due and unpaid for principal and interest, with interest on overdue principal and interest as aforesaid, 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 debt remaining unpaid with interest. No recovery of any such judgment by the Trustees, and no levy of any execution under any such judgment, on property subject to this Indenture, or on any other property shall in any manner or to any extent affect the lien of this Indenture on the property, or any part thereof, subject hereto, or any liens, rights, powers or remedies of the Trustees hereunder, or of the holders of the bonds, but such liens, rights, powers and remedies of the Trustees and of the bondholders shall continue unimpaired as before. Any moneys thus collected by the Trustee or Trustees under this Section shall be applied by the Trustee, first, to the payment of the expenses, disbursements and compensation of the Trustees, their agents and attorneys, and, second, toward the payment of the amount then due and unpaid upon the principal and interest on such bonds in respect of which such moneys shall have been collected, ratably, and without any preference or priority of any kind (except as provided in Section 3 of Article Five hereof), according to the amounts due and payable for such principal and interest, respectively, at the date fixed by the Trustee for the distribution of such moneys upon presentation of the several bonds and coupons and their surrender, if fully paid, or for proper stamping if only partly paid.

SECTION 7. No delay or omission of the Trustees or of any holder of any of the bonds to exercise any right or power arising from any default on the part of the Company shall exhaust or impair any such right or power or prevent its exercise during the continuance of such default. No waiver by the Trustees or bondholders of any such default, whether such waiver be full or partial, shall extend to or be taken to affect any subsequent default, or to impair the rights resulting therefrom, except as may be otherwise provided herein. No remedy hereunder is intended to be exclusive of any

other remedy but each and every remedy shall be cumulative and in addition to any and every other remedy given hereunder or otherwise existing.

SECTION 8. Upon default in payment of any installment of interest and its continuance for a period of thirty (30) days, or default in the payment of the principal of any of the bonds hereby secured, the Trustees, in their own names and as trustees of an express trust, shall be entitled and empowered to institute any action or proceeding at law or in equity, as may to the Trustee seem best for the collection of the sums so due and unpaid, and may prosecute any such action or proceeding to judgment or final decree, and may enforce any such judgment or final decree against the Company, and collect the moneys adjudged or decreed to be payable out of the property of the Company, wherever situated, in the manner provided by law. All rights of action under this Indenture or under any of the bonds or coupons may be enforced by the Trustees without the possession of any of the bonds or coupons or the production thereof on any trial or other proceeding relative thereto and any such suit or proceeding instituted by the Trustees shall be brought in their names as Trustees, and any recovery of judgment shall be for the ratable benefit of the holders of the bonds and coupons.

SECTION 9. In case any of the remedies herein given or attempted to be given to the Trustees or the holders of the bonds and coupons shall at any time be held invalid, or any provision of this Indenture or of the bonds and coupons shall be held illegal or invalid for any reason, such illegality or invalidity shall not affect the remaining parts of this Indenture or of such bonds or coupons or the other remedies given hereby, but this Indenture shall be construed and enforced as if all such illegal or invalid provisions had never been inserted therein.

SECTION 10. The Trustees are hereby appointed, and the successive respective holders of the bonds and coupons, by taking and holding the same, shall be conclusively deemed to have so appointed the Trustees, the true and lawful attorneys-in-fact of the respective holders of the bonds and coupons, with authority to make or file,

in the respective names of the holders of the bonds and/or coupons or in behalf of all holders of the bonds and/or coupons, as a class, any proof of debt, amendment to proof of debt, petition or other document; to receive payment of any sums becoming distributable on account thereof; to execute any other papers and documents and to do and perform any and all acts and things for and in the respective names of the holders of the bonds and/or coupons or for or in behalf of all holders of the bonds and/or coupons as a class, as may be necessary or advisable, in the opinion of the Trustee, in order to have the respective claims of the holders of the bonds and/or coupons against the Company allowed in any equity receivership, insolvency, liquidation, bankruptcy or other proceedings to which the Company shall be a party; and to receive payment of or on account of such claims. The Trustees shall have full power of substitution and delegation in respect of any such powers.

SECTION 11. Notwithstanding any other provision of this Indenture, the right of any holder of any bond and/or coupon to receive payment of the principal thereof and/or interest thereon, on or after the respective due dates expressed therein, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such holder except that no holder of any bond and/or coupon may institute any such suit if and to the extent that the institution or prosecution thereof or the entry of judgment therein would, under applicable law, result in the surrender, impairment, waiver or loss of the lien of this Indenture upon any property subject to such lien.

SECTION 12. In case the Trustees shall have proceeded to enforce any right under this Indenture by foreclosure, sale, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustees, then and in every such case the Company and the Trustees shall be restored to their former positions and rights hereunder with respect to the property subject to the lien of this Indenture, and all rights, remedies and powers of the Trustees shall continue as if no such proceedings had been taken.

ARTICLE TEN.

RELEASE AND DISCHARGE OF INDENTURE.

SECTION 1. Whenever the Company shall pay, or cause to be paid, the principal (and premium, if any) and interest due and to become due upon all the bonds hereby secured and then outstanding, or shall provide for full payment thereof by depositing with the Trustee hereunder, for the discharge of such bonds and coupons, the entire amount due and to become due thereon for principal (and premium, if any) and interest, and shall, in case of redemption of all of the outstanding bonds, deliver to the Trustee proof satisfactory to it that notice of redemption of all of the outstanding bonds has been duly given, or a written instrument executed by the Company under its corporate seal and expressed to be irrevocable, authorizing the Trustee to give such notice for and on behalf of the Company, together with the moneys necessary to pay the cost of giving such notice, and shall pay the Trustees in full for all services rendered by them hereunder, and all lawful claims accruing to them by virtue of this instrument, and shall well and truly keep and perform all of the things herein required to be kept and performed by it, according to the true intent and meaning of this Indenture, then and in that event these presents and the trust hereby created shall cease and terminate, and the properties hereby mortgaged, conveyed and pledged shall revert and/or pass to the Company, and the estate, right, title and interest of the Trustees shall thereupon cease, terminate and become void, except as to the moneys deposited for payment of principal (and premium, if any) and interest due or to become due on said bonds and coupons which shall be held by the Trustee and shall be applied by said Trustee to the payment of such bonds and coupons upon the presentation and surrender thereof. Any deposit of money with the Trustee for the purpose of paying and sufficient in amount to pay certain of the bonds and interest due and to become due thereon, or certain of the coupons appertaining thereto, shall discharge the liability of the Company on the bonds and/or coupons for payment of which such deposit shall be made, and thereafter such bonds and coupons shall not be entitled to any of the benefits

of this Indenture, and in case of full payment of all the bonds and coupons and the discharge of all other obligations on the part of the Company, as herein provided, or in case of the deposit of a sufficient sum of money for the full payment of the bonds and coupons, and the discharge of all other obligations on the part of the Company, as herein provided, the Trustees, in either case, if the Trustee first shall have received:

(1) A certificate of the President and the Treasurer of the Company stating that the conditions precedent to the release and discharge of this Indenture have been complied with, and

(2) An opinion of counsel (who may be of counsel for the Company) stating that in his opinion the conditions precedent to the release and discharge of this Indenture have been complied with,

shall execute and deliver to the Company on demand, at the cost and expense of the Company, all proper instruments that may be necessary to evidence the satisfaction of this Indenture and secure its release and discharge.

SECTION 2. Whenever the Company shall present to the Trustee for cancellation all bonds (with all coupons thereunto appertaining), which have been authenticated by the Trustee and delivered to the Company, and have not previously been paid or redeemed, or otherwise retired and cancelled, and shall request the Trustees upon cancellation of such bonds and coupons to release and satisfy this Indenture, and shall pay the Trustees in full for all services rendered by them hereunder and all lawful claims accruing to them by virtue of this instrument, then and in that event the Trustees if the Trustee first shall have received the certificate and the opinion mentioned, respectively, in paragraphs (1) and (2) of Section 1 of this Article, shall execute and deliver to the Company all proper instruments that may be necessary to evidence that satisfaction of this Indenture and secure its release and discharge.

SECTION 3. The cancellation and discharge of this Indenture pursuant to Sections 1 or 2 of this Article shall be without prejudice to the right of the Trustees to be paid any compensation then due them hereunder and to be protected and saved harmless by the Company from any and all losses, liabilities, costs and expenses, in-

cluding counsel fees, at any time incurred by the Trustees hereunder or connected with any bond issued hereunder, and the Company hereby covenants to protect and save the Trustees harmless from any and all such losses, liabilities, costs and expenses.

ARTICLE ELEVEN.

IMMUNITY OF INCORPORATORS, STOCKHOLDERS, OFFICERS AND DIRECTORS.

No recourse shall be had for the payment of the principal of or interest on any bond issued hereunder or for any claim based thereon, or upon any obligation, covenant or agreement in this Indenture contained, against any incorporator or any past, present or future stockholder, officer or director of the Company, or of any successor corporation, as such, either directly or through the Company, or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporators, stockholders, officers or directors as such is hereby expressly waived and released as a condition of and consideration for the execution of this Indenture and the issue of such bonds and coupons.

ARTICLE TWELVE.

CONCERNING THE TRUSTEES.

SECTION 1. The Trustees, and each of them, hereby accept the trusts imposed upon them, and each of them, by this Indenture, but only upon and subject to the following express terms and conditions:

(a) The Trustees, and each of them, may execute any of the trusts or powers hereof and perform any duties required of them, or either of them, by or through attorneys, agents, receivers, or employees, and shall be entitled to advice of counsel concerning all matters of trust hereof and their duties hereunder, and may in all cases pay such reasonable compensation as they, or either of them, shall deem proper to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof, and the Company covenants and agrees to repay upon demand all such outlays and expenditures so incurred.

(b) Neither of the Trustees shall be responsible for any recitals herein or in said bonds, or for insuring the mortgaged property or collecting any insurance moneys, or for the execution, recording, registration, filing or refiling of this Indenture or of any supplemental indenture or instrument of further assurance or for the validity thereof or for the affixing or cancellation of any revenue stamps, or for the sufficiency of the security for the bonds issued under or intended to be secured hereby, or for the value or title of any of the mortgaged property, or for the payment of or for keeping down taxes, charges, assessments or liens upon the same, or otherwise as to the maintenance of the security hereof; and the Trustees shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Company contained herein; but the Trustees, or either of them, may require of the Company full information and advice as to the performance of the covenants, conditions and agreements aforesaid and as to the condition of the mortgaged property. The recitals and statements in this Indenture and in said bonds and coupons contained shall be taken as statements by the Company and shall not be considered as made by or as imposing any obligation or liability upon the Trustees.

(c) Neither of the Trustees shall be accountable for the use of any bonds authenticated or delivered hereunder or of any of the proceeds of such bonds. Any money received by the Trustee under any provision of this Indenture may be treated by it, until it is required to pay out the same conformably herewith, as a deposit without any liability for interest save such as it shall agree to pay thereon. Holders of bonds and/or coupons shall not be entitled to interest on funds deposited for payment of such bonds and/or coupons. The Trustees, or either of them, may become the owner of bonds and coupons secured hereby with the same rights which they, or either of them, would have if not Trustees.

(d) Each of the Trustees shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed by them, or either of them, to be genuine and correct and to have been signed or sent by the proper person or persons, and neither of the Trustees shall be bound to recognize any person as a holder of any bond or coupon or to take any action at his request unless such bond or coupon shall be deposited with the Trustee, or submitted to it for inspection. Any action taken by the Trustee or Trustees pursuant to this Indenture, upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the owner of any bond secured hereby, shall

be conclusive and binding upon all future owners of the same bond and upon bonds issued in exchange therefor or in place thereof.

(e) Neither of the Trustees shall be compelled to do any act hereunder, or to take any action toward the execution or enforcement of the trusts hereby created or to prosecute or to defend any suit in respect hereof, unless indemnified to its or his satisfaction against loss, cost, liability and expense.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper, or proceeding, each of the Trustees shall be entitled to rely upon a certificate of the Company signed by its President and by its Treasurer or Secretary as sufficient evidence of the facts therein contained, and shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may, in its or his discretion, at the reasonable expense of the Company, in every case secure such further evidence as either of them may think necessary or advisable, but shall in no case be bound to secure the same. Each of the Trustees may accept a certificate of the secretary of any corporation, under its corporate seal, to the effect that a resolution in the form therein set forth has been adopted by the Board of Directors of said corporation, as conclusive evidence that said resolution has been duly adopted, and is in full force and effect. Each of the Trustees may in relation to this Indenture act upon the opinion or advice of any attorney, valuator, surveyor, engineer, accountant, or other expert, whether retained or selected by either of the Trustees, the Company, or otherwise, and shall not be responsible for any loss resulting from any action or non-action in accordance with any such opinion or advice.

(g) Neither of the Trustees shall be liable for any action taken or omitted to be taken by them, or either of them, in good faith and believed by them, or either of them, to be within the discretion or power conferred upon them, or either of them, by this Indenture, or be responsible for the consequences of any oversight or error of judgment, and the Trustees, and each of them, shall be answerable only for their own respective acts, receipts, neglects and defaults, and not for those of any person employed, and selected with reasonable care, nor for any loss unless the same shall happen through willful neglect.

(h) Neither of the Trustees shall be required to take notice or be deemed to have notice of any default hereunder unless the Trustees shall be specifically notified in writing of such default by the holders of at least five per cent (5%) in principal amount of

the bonds hereby secured and then outstanding, and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the office of such Trustee.

(i) Neither of the Trustees shall be personally liable for any debts contracted or for damages to persons or to personal property injured or damaged, or for salaries or nonfulfillment of contracts during any period in which the Trustees or either of them may be in the possession of or manage the mortgaged property as in this Indenture provided.

(j) At any and all reasonable times, the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect any and all of the mortgaged property, including all books, papers and contracts of the Company, and to take such memoranda from and in regard thereto as may be desired.

(k) The Trustees shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(l) Notwithstanding anything elsewhere in this Indenture contained, each of the Trustees shall have the right, but shall not be required, to demand, in respect of the authentication of any bonds, the withdrawal of any cash, the release of any property or securities, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals, or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action, and by the Trustees or either of them deemed desirable for the purpose of establishing the right of the Company to the authentication of any bonds, the withdrawal of any cash, the release of any property or securities, or the taking of any other action by the Trustees or either of them. The Trustee shall not be required to authenticate any bonds, permit the withdrawal of any cash, release any property or securities, or take any other action if at the time there exists to its knowledge any default in respect of any of the covenants, agreements or provisions of this Indenture.

(m) The Trustee may buy, own, hold and sell any of the bonds or equipment obligations permitted to be issued under the terms of this Indenture or any other evidences of indebtedness or other securities, whether heretofore or hereafter created or issued, of the Company or any subsidiary or affiliate of the Company; and may engage or be interested in any financial or other transaction with the Company or any subsidiary or affiliate, including without

limitation secured and unsecured loans to the Company permitted to be created by the terms of this Indenture or any subsidiary or affiliate; and may maintain any and all other general banking and business relations with the Company and any subsidiary or affiliate with like effect and in the same manner as if the Trustee were not a party to this Indenture; and no implied covenant shall be read into this Indenture against the Trustee in respect of any such matters.

SECTION 2. The Trustees, and each of them, shall have a first lien hereunder upon the mortgaged and pledged property for reasonable compensation, expenses, advances and counsel fees incurred in and about the execution of the trusts hereby created and the exercise and performance of the powers and duties of the Trustees hereunder and the cost and expense of defending against any liability in the premises of any character whatsoever, and the Company hereby covenants and agrees to pay unto the Trustees, and each of them, reasonable compensation for their respective services in the premises as well as all advances, counsel fees and other expenses reasonably made or incurred in and about the execution of the trusts hereby created. The compensation of the Trustees shall not be limited to or by any provision of law in regard to the compensation of a trustee of an express trust.

SECTION 3. The Trustee may at any time resign and be discharged of the trusts hereby created by mailing written notice to the Company and to each registered owner of bonds specifying the day upon which such resignation shall take effect, and thereafter, unless all outstanding bonds are fully registered bonds, causing notice thereof to be published in a daily newspaper of general circulation at the time published in the City of Chicago, Illinois, once each week for three (3) consecutive weeks prior to the date upon which such resignation shall take effect; and such resignation shall take effect upon the day specified in such notice unless previously a successor Trustee shall have been appointed by the bondholders or the Company in the manner hereinafter provided in Section 5 of this Article Twelve, and in such event such resignation shall take effect immediately on the appointment of such successor Trustee.

SECTION 4. The Trustee may be removed at any time by an instrument or concurrent instruments in writing, delivered to the Trustee

and to the Company, and signed by the holders of a majority in principal amount of the bonds hereby secured and then outstanding.

SECTION 5. In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation or otherwise become incapable of acting hereunder, or in case the Trustee shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the holders of a majority in principal amount of the bonds hereby secured and then outstanding by an instrument or concurrent instruments in writing, signed by such holders, or by their attorneys in fact, duly authorized; provided, nevertheless, that in case of any such event the Company by an instrument executed by order of its Board of Directors, and signed by its President, and attested by its Secretary, under its corporate seal, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the bondholders in the manner above provided; and any such temporary Trustee so appointed by the Company shall immediately and without further act be superseded by the Trustee so appointed by such bondholders. Every such Trustee appointed pursuant to the provisions of this Section shall be a trust company or bank of the character specified in Section 11 of Article Five hereof.

SECTION 6. The Co-Trustee may be removed at any time by an instrument in writing signed by the person who shall at the time be the president of the trust company or bank then acting as Trustee hereunder and duly acknowledged and filed for record in each place where this Indenture shall have been recorded. In the event of the death, removal, resignation or incapacity to act of the Co-Trustee, a successor Co-Trustee may be appointed by the person who shall at the time be the president of the trust company or bank then acting as Trustee hereunder by an instrument in writing duly acknowledged and filed for record in each place where this Indenture shall have been recorded. Every successor Co-Trustee shall be an individual and an officer of the trust company or bank then acting as Trustee hereunder, unless, in the opinion of counsel, some pertinent statute shall otherwise require.

SECTION 7. Every successor Trustee and successor Co-Trustee appointed hereunder shall execute, acknowledge and deliver to its or

his predecessor and also to the Company, an instrument in writing accepting such appointment hereunder, and thereupon such successor Trustee or Co-Trustee without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its or his predecessor; but such predecessor shall, nevertheless, on the written request of the Company, or of its or his successor, execute and deliver an instrument transferring to such successor Trustee or Co-Trustee all the estate, properties, rights, powers, and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it to its successor. Should any deed, conveyance or instrument in writing from the Company be required by any successor Trustee or Co-Trustee for more fully and certainly vesting in such Trustee or Co-Trustee the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Trustee or Co-Trustee, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Company. The resignation of any Trustee or Co-Trustee, and the instrument or instruments removing any Trustee or Co-Trustee and appointing a successor Trustee or Co-Trustee hereunder, together with all deeds, conveyances, and other instruments provided for in this Article shall, at the expense of the Company, be forthwith filed for record in each county wherein any part of the mortgaged property is located.

SECTION 8. The Trustees may raise and borrow money on the security of the mortgaged property, or any part thereof, for the purpose of paying off or discharging any mortgage or charge for the time being charged on the mortgaged property, or any part thereof, in priority to this Indenture. The Trustees may raise and borrow such moneys as aforesaid at such rate of interest and generally on such terms and conditions as the Trustees shall think fit, and may secure the repayment of the moneys so raised or borrowed, with interest on the same, by mortgaging or otherwise charging the mortgaged property, or any part thereof, in such manner and form as the Trustees shall think fit.

SECTION 9. In case the Company shall fail seasonably to pay any

tax, assessment or governmental or other charge upon any part of the mortgaged property, or shall fail to pay when due the principal or interest of any indebtedness secured by a lien prior to this Indenture on any part of the mortgaged property, or to procure and maintain reasonable and proper insurance thereon as aforesaid, the Trustee may pay such tax, assessment or governmental charge or principal or interest, or procure and maintain such insurance, without prejudice, however, to any rights of the Trustees or the bondholders hereunder arising in consequence of such failure; and any amount at any time so paid under this Section, with interest thereon from the date of payment at the highest rate borne by any bonds at the time outstanding hereunder, shall be repaid by the Company upon demand, and shall become so much additional indebtedness secured by this Indenture, and the same shall be given a preference in payment over any of said bonds, and shall be paid out of the proceeds of any sale of the mortgaged property, if not otherwise paid by the Company; but the Trustee shall be under no obligation to make any such payment unless indemnified to its satisfaction against the expense thereof or furnished with means therefor.

SECTION 10. Each and every estate, right, title, interest, lien, claim, demand and cause of action expressed or intended by this Indenture to be vested in or conveyed to the Trustees shall (whether or not the same shall be lawfully conveyed to or vested in Harris Trust and Savings Bank and its successors in trust hereunder) in any event hereby vest in and be conveyed to W. H. Milsted and his successors in trust hereunder, and each and every covenant or obligation expressed or intended by this Indenture to run in favor of, and each and every right, power, remedy and duty expressed or intended by this Indenture to be conferred upon or enforceable by the Trustee shall (whether or not the same shall lawfully run in favor of or be conferred upon or be enforceable by Harris Trust and Savings Bank, and its successors in trust hereunder) in any event run in favor of, be conferred upon and be enforceable by W. H. Milsted, and his successors in trust hereunder, with like effect, in each and every such case, as though this Indenture were originally entered into between the parties of the first part and the said W. H. Milsted, as sole Trustee.

SECTION 11. The Co-Trustee may, as to the execution of releases, or as to any other action hereunder, whether discretionary or otherwise, act by attorney in fact.

ARTICLE THIRTEEN.

MISCELLANEOUS PROVISIONS.

SECTION 1. In case the principal of any of the bonds shall not be punctually paid when due at maturity, whether by declaration or lapse of time, and/or in case any installment of interest thereon shall not be punctually paid when due, then upon deposit with or receipt by the Trustee of moneys sufficient to pay such overdue principal and/or such overdue installment or installments of interest thereon and interest on overdue principal and/or installments of interest (together with moneys sufficient to pay interest due and to become due thereon up to the date when interest upon such overdue principal and/or installment or installments of interest shall cease as herein provided), interest on such overdue principal and/or installment or installments of interest thereon shall cease to accrue one week after the mailing of notice, stating that said moneys have been so deposited or received, to each registered owner of bonds, or if all of the outstanding bonds are not fully registered bonds, then one week after the date of publication by the Company of such notice in a daily newspaper of general circulation published in the City of Chicago, Illinois. A copy of such notice shall be delivered by the Company to the Trustee prior to the mailing or publication thereof and the Trustee shall mail a copy of such notice to registered owners of bonds, but notwithstanding failure so to mail such notice, in case of the publication thereof, interest shall nevertheless cease to accrue as above provided.

SECTION 2. (a) In the event that any bond issued hereunder shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for the redemption thereof, or in the event that any coupon shall not be presented for payment at the due date thereof, the Company, having deposited with the Trustee in trust for the purpose, or left with it

if previously so deposited, funds sufficient to pay the principal of such bonds (and premium, if any) together with all interest due thereon to the date of the maturity of such bond or to the date fixed for the redemption thereof, or to pay such coupon, as the case may be, for the use and benefit of the holder thereof, then and in every such case, interest on said bond or on said unpaid coupon, and all liability of the Company to the holder of said bond for the payment of the principal thereof and interest thereon (and premium, if any) or to the holder of said unpaid coupon for the payment thereof and interest thereon, as the case may be, shall forthwith cease, determine and be completely discharged; and thereupon it shall be the duty of the Trustee to hold the funds, so deposited in trust, for the benefit of the holder of such bond or unpaid coupon, as the case may be, who shall thereafter, as long as the funds deposited or left on deposit for the payment thereof shall remain on deposit with the Trustee, be restricted exclusively to said funds for any claim of whatsoever nature on the part of such holder under this Indenture or on said bond or any coupons appertaining thereto, or on said unpaid coupon.

(b) In case the holder of any bond or coupon shall not within six (6) years after such bond or coupon, as the case may be, shall have become due and payable, claim the amount deposited pursuant to subsection (a) of this Section for the payment thereof, or in case the holder of any bond or coupon shall not, within six (6) years after the deposit or receipt of moneys under Section 1 of this Article, claim the amount so deposited, the Trustee shall upon demand pay over to the Company such amount so deposited if the Company is not at the time in default hereunder to the knowledge of the Trustee. The Trustees shall be free from any and all liability or responsibility for money so paid over by the Trustee, and the Company shall be liable to the holder of such bond or coupon only to the extent of the funds so returned to it.

SECTION 3. Except as in this Section otherwise expressly provided, the holders of seventy-five per cent (75%) or more in principal amount of the bonds at any time outstanding shall have the power, by an instrument or instruments in writing signed by such holders in person or by their duly authorized agents or attorneys or by a committee

constituted by an agreement to which any portion of the bonds shall have been made subject by deposit or otherwise, and delivered to the Trustee, to authorize any modification or alteration of this Indenture or any indenture supplemental hereto or the rights and obligations of the Company under this Indenture or of the holders of bonds and coupons issued under this Indenture in any particular, approved by the Company, including without limitation by reason of the foregoing, waiver of any default and of any rights arising by reason of any default under any of the provisions of this Indenture; and any action herein authorized to be taken with the assent or authority, given as aforesaid, of the holders of seventy-five per cent (75%) or more in principal amount of the bonds at the time outstanding shall be binding upon the holders of all of the bonds then or from time to time thereafter outstanding under this Indenture as fully as though such action were specifically and expressly authorized by the terms of this Indenture; provided always that no such modification or alteration (a) shall change or impair the obligation of the Company to pay the principal of and interest on the bonds at the respective dates and at the places and in the respective amounts, including the redemption prices, as provided in the bonds, (b) shall give to any bond or bonds secured by the Indenture any preference over any other bond or bonds so secured, (c) shall authorize the creation of any lien prior to or on a parity with the lien of this Indenture upon any of the property subject to such lien of this Indenture, (d) shall deprive any bondholder of the security afforded by the lien of this Indenture, or (e) shall reduce the percentage required by the provisions of this Section for any action under this Section. Any modification of the provisions of this Indenture, made as aforesaid, shall be set forth in a supplemental indenture between the Trustee and the Company in the manner provided in Article Seven hereof.

SECTION 4. Whenever in this Indenture the holders of a percentage or fraction of the bonds or of the principal amount of the bonds, or the bonds outstanding, are given or granted any power, right or authority to do any act or thing, and/or to direct or consent that any act or thing be done in respect of this Indenture, the bonds secured hereby and/or the property mortgaged and pledged hereunder,

such percentage or fraction in each such case shall be exclusive of bonds owned by the Company, or by any person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company, except that for the purpose of determining whether the Trustees shall be protected in relying on any such direction or consent, only bonds which the Trustee knows are so owned shall be disregarded. Bonds so owned which have been pledged in good faith may be regarded as outstanding for the purposes of this Section, if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such bonds and that the pledgee is not a person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company. In case of a dispute as to such right, any decision of the Trustee taken upon the advice of counsel shall be full protection to the Trustees, and the Trustees may accept the certificate of the President and Treasurer of the Company as to the amount of the bonds held directly or indirectly by or for the benefit of the Company, and shall be liable to no one for acting in reliance thereon.

SECTION 5. Whenever in this Indenture either of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party, 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 Trustees shall bind and inure to the benefit of the respective successors and assigns of such parties, whether so expressed or not.

SECTION 6. Nothing in this Indenture, expressed or implied, is intended or shall be construed to confer upon or give to any person or corporation, other than the parties hereto and the holders of the bonds and of coupons, any right, remedy or claim under or by reason of this Indenture, or any covenant, condition or stipulation hereof, and all the covenants, stipulations, promises, agreements and conditions in this Indenture contained, by or on behalf of the Company, shall be for the sole and exclusive benefit of the parties hereto, their successors and assigns, and of the holders of the bonds and of coupons.

SECTION 7. The Company and the Trustees agree, and each holder or owner of any bond or coupon by his acceptance thereof shall be

conclusively deemed to have agreed, that any court may in its discretion require in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustees for any action taken or omitted by them as Trustees, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Trustees, to any suit instituted by any bondholder, or group of bondholders, holding in the aggregate more than ten per cent (10%) in principal amount of the bonds outstanding, or to any suit instituted by any bondholder for the enforcement of the payment of the principal of or interest on any bond, on or after the respective due dates expressed in such bond.

SECTION 8. Any request, declaration or other instrument required or permitted by this Indenture to be signed and executed by 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 request or other instrument, or of a writing appointing any such attorney, and of the holding by any person of bonds transferable by delivery or interest coupons shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustees as against the person signing such request and all future holders of the bonds held by such person and otherwise hereunder with regard to due action taken by the Trustees under such request or other instrument, if made in the following manner:

The fact and date of the execution by any person of any such request 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 the place where such acknowledgment is taken, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness to such execution.

The amount of interest coupons held by any person executing such request or other instrument as a bondholder, and the amounts and issue numbers of the bonds transferable by delivery 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, institution or other depository (wherever situated), if such certificate shall be deemed by the Trustee to be satisfactory, showing therein that at the date therein mentioned such person had on deposit with or exhibited to such depository, the bonds and/or interest coupons described in such certificate. The Trustee may, nevertheless, in its discretion, require further proof in cases where it deems further proof desirable.

The ownership of fully registered bonds or registered coupon bonds shall be proved by the registry books.

SECTION 9. The descriptive headings of the various Articles of this Indenture were formulated, used and inserted in this Indenture for convenience only and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

SECTION 10. This Indenture may be simultaneously executed in any number of counterparts, and all said counterparts executed and delivered, each as an original, shall constitute but one and the same instrument. The date of actual execution of this Indenture shall be the date of execution by the Trustee.

IN WITNESS WHEREOF, the party of the first part has caused its corporate name to be hereunto subscribed by its President or by one of its Vice Presidents, and its corporate seal to be hereto affixed, and said seal to be attested, and this Indenture to be countersigned by its Secretary or by one of its Assistant Secretaries, and said Harris Trust and Savings Bank, to evidence its acceptance of the trusts hereby created and vested in it, has caused its corporate name to be hereto subscribed by its President or by one of its Vice Presidents, and its corporate seal to be hereto affixed and said seal to be attested and this Indenture to be countersigned by its Secretary or by one of its Assistant Secretaries, and said W. H. Milsted, to evidence his acceptance of the trusts hereby created and vested in him, has hereunto subscribed his name and

affixed his seal, all as of the day and year first above written, but actually on this 30th day of December, 1952.

MILWAUKEE & SUBURBAN TRANSPORT CORPORATION,
By _____
Arthur T. Kuesel
President.

Attest:

Countersigned:
_____
Paul Noelke
Assistant Secretary.

Witnesses to the execution hereof by
Milwaukee & Suburban Transport
Corporation:
_____
L. F. Seyfarth
_____
ALFRED GRUHL

HARRIS TRUST AND SAVINGS BANK, *as Trustee,*
By _____
M. Q. Lytle
Vice President.

Attest:

Countersigned:
_____
R. H. Long
Assistant Secretary.

Witnesses to the execution hereof by
Harris Trust and Savings Bank:
_____
D. L. Hoel
_____
J. R. Roy

_____ (SEAL)
W. H. Milsted

Witnesses to the execution hereof by
W. H. Milsted:
_____
D. L. Hoel
_____
J. R. Roy

Forty-four Hundred Dollars ($4,400) United States internal revenue documentary stamps, denoting payment of tax on Four Million Dollars ($4,000,000) bonds issued under this Indenture, are affixed to an executed original of this Indenture on file with Harris Trust and Savings Bank, Trustee, Chicago, Illinois, and have been duly cancelled in accordance with law.

STATE OF WISCONSIN, } ss.
COUNTY OF MILWAUKEE. }

I, Katherine Schipper, a Notary Public in and for said county in the state aforesaid, do hereby certify that ARTHUR T. KUESEL, President of MILWAUKEE & SUBURBAN TRANSPORT CORPORATION, a Wisconsin corporation, and PAUL NOELKE, the Assistant Secretary of said corporation, who are both personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such President and Assistant Secretary respectively and who are both personally known to me to be the President and Assistant Secretary respectively of said corporation, 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 Milwaukee & Suburban Transport Corporation, and was affixed by order of the Board of Directors of said corporation, and that they signed, sealed and delivered the said instrument as their free and voluntary act as such President and Assistant Secretary respectively of said corporation, and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 30th day of December, 1952.

Katherine Schipper
Notary Public.
KATHERINE SCHIPPER

My commission expires on 7/11/54.

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, LOIS M. ANDRS, a Notary Public in and for said county in the state aforesaid, do hereby certify that M. Q. LYTLE, a Vice President of HARRIS TRUST AND SAVINGS BANK, a corporation organized and existing under the laws of the State of Illinois, and R. H. LONG, an Assistant Secretary of said corporation, 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 the Vice President and Assistant Secretary respectively of said corporation, 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 Harris Trust and Savings Bank, and was affixed by order of the Board of Directors of said corporation, 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 corporation, and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 30th day of December, 1952.

Lois M. Andrs
Lois M. Andrs
Notary Public.

My commission expires on November 28, 1955.

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, LOIS M. ANDRS, a Notary Public in and for said county in the state aforesaid, do hereby certify that W. H. MILSTED, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed the said instrument as his free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 30th day of December, 1952.

Lois M. Andrs
Lois M. Andrs
Notary Public.

My commission expires on November 28, 1955.

State of Wisconsin } ss.
DEPARTMENT OF STATE
Received this 30TH day of
DECEMBER A. D. 1952 at 10:00
o'clock A.M. and recorded in Vol.
44 of RAILROAD MORTGAGES
on pages 272-328, inc.
Deputy Secretary of State

MILWAUKEE & SUBURBAN TRANSPORT CORPORATION

TO

THE MILWAUKEE ELECTRIC RAILWAY & TRANSPORT COMPANY

Mortgage

DATED DECEMBER 30, 1952.

THE SUNTHORP-WARREN PRINTING COMPANY, CHICAGO

MORTGAGE.

This Mortgage, made this 30th day of December, 1952, by and between **MILWAUKEE & SUBURBAN TRANSPORT CORPORATION**, a Wisconsin corporation having its principal office in the City of Milwaukee, Wisconsin (hereinafter called the "Company"), party of the first part, and **THE MILWAUKEE ELECTRIC RAILWAY & TRANSPORT COMPANY**, a Wisconsin corporation having its principal office in the City of Milwaukee, Wisconsin (hereinafter called the "Mortgagee"), party of the second part:

WITNESSETH, That

WHEREAS, the Company desires to issue its notes aggregating the principal amount of $3,000,000 (hereinafter called the "Notes"), consisting of ten notes identical except as to numbering, each in the amount of $300,000, dated December 30, 1952, payable to the order of the Mortgagee on or before December 31, 1962, together with interest from the date thereof, at the rate of five per cent (5%) per annum on the unpaid principal amount from time to time remaining unpaid, payable December 31, 1952, and semi-annually thereafter on June 30 and December 31 of each year, and requiring certain payments on principal thereof prior to December 31, 1962, as in the Notes specifically provided; and

WHEREAS, the Company desires to execute and deliver this Mortgage to secure the payment of the Notes; and

WHEREAS, the execution and delivery of this Mortgage by the Company has been duly authorized by the Board of Directors and the stockholders of the Company, at meetings thereof duly convened and held, and all requirements of law and of the articles of incorporation and by-laws of the Company have been duly complied with, and all other acts and things necessary to make the Notes when duly executed

and delivered by the Company valid, binding and legal obligations of the Company, and to make this Mortgage, a valid, binding and enforceable instrument for the security of the Notes, have been done and performed;

NOW, THEREFORE, the Company, in consideration of the sum of $1.00 to it in hand paid, the receipt of which is hereby acknowledged, and of other good and valuable consideration, and in order to secure the Notes, does hereby grant, bargain, sell, warrant, alien, remise, release, convey, assign, transfer, mortgage, pledge, set over, hypothecate, effect and confirm unto the Mortgagee, and to its successors and assigns, forever, the following described properties, which are hereinafter sometimes called the "mortgaged property" or the "mortgaged and pledged property"—that is to say:

SECTION I.

1. Real Estate.

All of the following described pieces or parcels of land, rights, easements or interest therein owned or held by the Company, situated in the State of Wisconsin and the County of Milwaukee, subject to such license agreements and easements as have been granted heretofore by the Company's predecessors in interest permitting others to make minor use of certain of said lands for such purposes as street openings, the planting of shrubbery or the installation of sewers or water mains.

(a) Right-of-Way Land.

The rights of the Company in former private right-of-way land located in South Delaware Avenue between South Ellen Street and East Estes Street, which land has been dedicated to public use as a street.

The right-of-way easements of the Company in North 27th Street from West Hopkins Street to West Atkinson Avenue in the City of Milwaukee.

The rights of predecessors in interest to the Company reserved in West Wells Street in deeds recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 476 of Deeds, on Page 357, and Volume 924 of Deeds, on Page 379; also the private right-of-way on the Wells-Wauwatosa Line extending from North 68th Street to the Harwood Avenue Transfer Station.

Lot 1, Block 4, Assessor's Plat No. 249, in the Northeast ¼ of Section 4, Township 7 North, Range 22 East, in the Village of Whitefish Bay, as said lot is shown in the plat recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin on July 7, 1939, as Document No. 2222133.

Lots 28, 29 and 30, Block 7, Euclid Park, in the NW ¼ of Section 34, Township 7 North, Range 21 East.

The rights of the Company in the private right-of-way 25 feet in width lying east of and adjacent to the abandoned 66 foot right-of-way of the Chicago & North Western Railway Company, and extending from Henry Clay Street to the N and S ¼ section line in the NW ¼ of Section 33, Township 8 North, Range 22 East, in the Village of Whitefish Bay.

Also the rights of the Company in the private right-of-way described as Lots 5 and 6, in Block 1, of Assessor's Plat No. 244

in the NW¼ of Section 33, Township 8 North, Range 22 East, in the Village of Whitefish Bay, subject to that certain license agreement dated November 30, 1936, between The Milwaukee Electric Railway and Light Company and The Pure Oil Company for the use of part of said premises for a driveway from East Silver Spring Drive to lands of The Pure Oil Company.

Trolley bus loop between North 35th Street and North 36th Street and lying south of West St. Paul Avenue, being in the SW ¼ of Section 25, Township 7 North, Range 21 East, City of Milwaukee, and described as follows, to wit:

The north 35 feet of Lot 4, Block 1, Continuation of Park Hill Subdivision.

All that part of the SW ¼ of said Section 25 described as follows, to wit: Commencing at a point in the east line of said SW ¼ of 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 7.15 feet to a point; thence east 183 feet to the east line of said ¼ section; thence south 7.15 feet to the place of beginning.

Lot 16, Block 1, Park Hill Subdivision.

The north 16.5 feet of Lot 15, Block 1, Park Hill Subdivision.

(b) Passenger Station and Waiting Room Land.

North Twenty-seventh and West Hopkins Street Transfer Station Site: Lots 3 and 4 and that part of Lot 10, Block 4, People's 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.

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.

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, to wit: Commencing at the southeast corner of said Lot 5;

running 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; subject, however, to building and use restrictions set forth in deed dated July 19, 1909 from Gustave G. Pabst, Frederick Pabst, Jr. and Wisconsin Trust Company as executors of the Last Will and Testament of Frederick Pabst, deceased, to Oswald Theobald, recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 588 of Deeds, page 305, as Document No. 641896.

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.

Harwood Avenue Transfer Station Site: Lots 6 and 7 in Assessor's Plat No. 18 in the SE ¼ 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, to wit: On the southeast by the southeasterly line of said Lot 7 extended northeasterly to the railway right-of-way of the Company; on the northeast by said right-of-way; on the northwest by Harwood Avenue; and on the southwest by said Lots 6 and 7; subject to use restrictions contained in deed dated November 1, 1916 from Milwaukee Sanitarium to Adolph G. Becker and Mary J. Becker, his wife, recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 729 of Deeds, Page 369, as Document No. 888526 and also in deed dated December 7, 1923 from The Milwaukee Sanitarium to Adolph G. Becker, recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 1046 of Deeds, Page 1, as Document No. 1274051; subject also to right-of-way for sewer purposes granted by Adolph G. Becker and Mary J. Becker, his wife, to Metropolitan Sewerage Commission of the County of Milwaukee by conveyance dated June 2, 1923 and recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 971 of Deeds, Page 169, as Document No. 1212333.

North Sixtieth and West Vliet Street Transfer Station Site: That part of Lots 1 and 2, Block 1, in Rosedale Park, being part of the SW ¼ of Section 23, Township 7 North, Range 21 East, in the 15th Ward of the City of Milwaukee, described as follows, to wit: Beginning at the northwest corner of said Lot 1; running

thence south along the west line of said lot, 100 feet; thence east, parallel to the south line of said Lots 1 and 2, 60 feet; thence north along the east line of said Lot 2, 91.57 feet to the northeast corner of said Lot 2; thence westerly along the north line of said Lots 2 and 1, 60.58 feet to the point of beginning; subject to restrictions contained in that certain deed recorded on April 26, 1945 in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 2107 of Deeds, on Page 632, as Document No. 2553800.

Grange Avenue Transfer Station Site: All of Lot 11 and the south 10 feet of Lot 10, and the south 81.66 feet of Lot 13, in Block 7, in Brenk and Coit Land Co.'s Addition to the Townsite of Cudahy, being a part of the SE ¼ of Section 26, Township 6 North, Range 22 East, in the City of Cudahy.

North Fifty-second and West Wells Street Waiting Station Site: Lot 8, Block 7, Murray Hill, a subdivision in the NW ¼ of Section 26, Township 7 North, Range 21 East, in the City of Milwaukee; excepting therefrom the following described part of said Lot 8: Commencing at the northwest corner of said Lot 8; running thence east along the north line of said Lot, 16 feet to a point; thence southwesterly in a straight line to a point on the west line of said Lot, which point is 24 feet south of the northwest corner of said Lot; thence north along the said west Lot line, 24 feet to the place of beginning; subject, however, to building and use restrictions set forth in deed dated May 2, 1899 from Murray Hill Land Company to Thomas E. Mitten, recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 329 of Deeds, Page 85, as Document No. 374995.

Atkinson Avenue Transfer Station Site: All that part of the NW ¼ and the SW ¼ of Section 8, Township 7 North, Range 22 East, in the City of Milwaukee, described as follows, to wit: Commencing at the intersection of the northeasterly line of West Atkinson Avenue and the southwesterly line of North Green Bay Avenue as presently laid out; running thence North 60° 09′ West on the northeasterly line of West Atkinson Avenue, 102.92 feet to a point; thence North 29° 51′ 30″ East 74.88 feet to a point in the southwesterly line of North Green Bay Avenue; thence South 24° 06′ 30″ East on said southwesterly line of North Green Bay Avenue 127.29 feet to the place of beginning together with the easement right for attachment of the train shed and bus shelter roof to the building located on the lands lying northwest of the above described premises as said easement is reserved in that certain

deed recorded on December 3, 1940, in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 1687 of Deeds, on Page 401, as Document No. 2291696, and subject to the conditions contained therein. Subject to that certain easement of The Milwaukee Electric Railway & Transport Company dated October 7, 1952, and recorded on October 8, 1952, in the office of the Register of Deeds for Milwaukee County, Wisconsin as Document No. 3146644, granting to Wisconsin Electric Power Company the right of ingress and egress over and across a portion of the above described premises to and from the adjoining substation property of said Wisconsin Electric Power Company.

(c) Car House and Car Storage Yard Land.

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 in the City of Milwaukee bounded as follows, to wit: 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, excepting therefrom that portion of the above described premises lying north of the south line of lands described in the land contract to Clarence F. Sommerfield, dated July 11, 1945, and recorded on July 31, 1946, in the office of the Register of Deeds for Milwaukee County, Wisconsin as Document No. 2653339, said south line being more fully described as follows: Commencing at a point in the east line of North 35th Street, which point is 135.95 feet south of the point of intersection of said east line of North 35th Street and the southwesterly line of West Fond du Lac Avenue; running thence North 68° 11′ East on the center line of a party wall and its extension 61.32 feet to a point; thence South 21° 53′ East 42.50 feet to a point; thence North 68° 07′ East 9.53 feet to a point; thence North 46° 19′ 30″ East at right angles to the southwesterly line of West Fond du Lac Avenue 43.92 feet to a point on said southwesterly line of West Fond du Lac Avenue, which point is 164.11 feet southeasterly from said point of intersection, measured on the southwesterly line of West Fond du Lac Avenue. Subject to party wall agreement as described in said Document No. 2653339.

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.

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, together with all the rights of the Company in and to abutting streets.

Fiebrantz Avenue Car Station Site: All that part of the Southeast ¼ of Section 6, Township 7 North, Range 22 East, in the City of Milwaukee, bounded and described as follows, to wit: Commencing at the southwest corner of Lot 3, Block 1, of Harry Mewes Subdivision; running thence east on the north line of West Fiebrantz Avenue 229.12 feet to a point; which point is the place of beginning of the lands herein described; thence North 22° 38′ 20″ West 57.15 feet to a point; thence west 14.2 feet to a point; thence North 8° 09′ West 20.45 feet to a point; thence North 0° 26′ West 305 feet to a point; thence North 8° 48′ 40″ West 20.23 feet to a point; thence North 0° 06′ 15″ West 42.30 feet to a point; thence North 44° 50′ 55″ East 42.82 feet to a point on the extended south line of Block 2 of the Savings and Investment Association of Milwaukee Subdivision No. 21; thence east on the south line of said Block 2 and the extension thereof, 292.63 feet to the southeast corner of Lot 15 of said Block 2; thence South 0° 25′ East on the west line of said Block 2, 295.5 feet to the southwest corner of Lot 25, said Block 2; thence east on the south line of said Lot 25, 120 feet to a point on the west line of North 19th Street; thence South 0° 25′ East on the west line of said North 19th Street 175.59 feet to a point on the north line of West Fiebrantz Avenue; thence west on the north line of West Fiebrantz Avenue 401.33 feet to the place of beginning. Excepting and reserving therefrom all that part of the above described parcel lying west of a line 200 feet east of and parallel to the east line of North 20th Street as said street is presently laid out.

All that part of the north 80 feet of Lots 1, 2 and 3, Block 4, People's 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, City of Milwaukee, 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.

West Allis Car Station Site: That part of the NE ¼ of Section 4, Township 6 North, Range 21 East, City of West Allis, 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 the Chicago & North Western Railway Company; on the south by West Lapham Street, and on the west by South 84th Street, excepting and reserving therefrom that part of said NE ¼ of Section 4 described as follows, to wit: Beginning at a point on the west line of said quarter section, which point is the point of intersection of said west line with the north line of West Lapham Street as presently laid out; running thence north on the west line of said quarter section 333.73 feet to a point; thence South 89° 57′ East 65.59 feet to a point; thence South 0° 02′ West along the east face of the east wall of the substation building and its extension 332.90 feet to a point on the north line of West Lapham Street; thence South 89° 23′ West along the north line of West Lapham Street 65.39 feet to the place of beginning. Subject to that certain easement of The Milwaukee Electric Railway & Transport Company dated October 7, 1952 and recorded on October 8, 1952, in the office of the Register of Deeds for Milwaukee County, Wisconsin as Document No. 3146646, granting to Wisconsin Electric Power Company (1) the right, permission and authority (a) to maintain, repair and reconstruct the east foundation wall of the building located on the said excepted and reserved premises and the footings supporting said east foundation wall, (b) to use in common the existing drains, sewers and water mains on the premises hereby mortgaged now serving the said excepted and reserved premises and (c) to use, service, maintain, replace or remove the two oil tanks located east of the car station structure on said premises hereby mortgaged, together with the feed pipes leading from said oil tanks west to said excepted and reserved premises, and (2) the right of ingress and egress over and across the premises hereby mortgaged, for the purposes above set forth.

Also the permanent right to use in common with The Milwaukee Electric Railway & Transport Company, its successors or assigns, the existing drains, sewers and water mains installed in said excepted and reserved premises and now serving the premises hereby mortgaged.

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 a point on the south line of said Lot 2, which point is 329.00 feet west of SE

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 & North Western Railway Company; thence northwest on said east line of the Chicago & North Western 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 217.23 feet to a point which is 86.84 feet north of the southeast corner of said Lot 2; thence South 89° 11′ West parallel to the south line of said Lot 2, 116.83 feet to a point; thence north parallel to the east line of said Lot 2, 14.4 feet to a point; thence South 89° 11′ West, 9.6 feet to a point; thence north, parallel to said east line of Lot 2, 39.8 feet to a point; thence South 89° 11′ West, 202.57 feet to a point; thence south parallel to said east line 141.04 feet to the place of beginning. Subject to the public's use of North Oakland Avenue, which includes that part of the above described land lying east of a line 40 feet west of and parallel to the east line of said Section 9.

Also together with the easements and party wall rights conveyed to The Milwaukee Electric Railway & Transport Company by, and subject to the easements, party wall rights, exceptions, reservations and conditions contained in that certain correction deed dated January 29, 1947, and recorded on February 6, 1947 in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 2335 of Deeds, on Pages 538 to 542, inclusive, as Document No. 2693852.

Also together with the easements reserved to The Milwaukee Electric Railway & Transport Company by, and subject to the easements, exceptions, reservations and conditions contained in that certain deed of The Milwaukee Electric Railway & Transport Company to Wisconsin Electric Power Company dated April 11, 1947, and recorded on April 14, 1947 in the office of the Register of Deeds for Milwaukee County, Wisconsin as Document No. 2706334.

Also subject to rights of Metropolitan Sewerage Commission of the County of Milwaukee to construct, maintain and operate a sewer in the property as set forth in right-of-way granted July

21, 1930 by Milwaukee Electric Railway and Light Company to Metropolitan Sewerage Commission of the County of Milwaukee, recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 1354 of Deeds, Page 328, as Document No. 1857524.

(d) Garage Land.

Thirty-fifth Street Garage: Lots 12, 13, 14, 15, 16, 17, 18, 19 and 20 in Block 2, Lyman's Subdivision in the NW ¼ of Section 25, Township 7 North, Range 21 East.

East Kinnickinnic Garage: A strip of land at the south end of Lot B in Subdivision of Lots B and L, Horace Chase's Subdivision in the NE ¼ of Section 5, Township 6 North, Range 22 East, measuring 3 inches wide at the east end and 9 inches wide at the west end.

Also 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 in Block 133, of Judge A. D. Smith's Subdivision, in said NE ¼ of Section 5; excepting and reserving therefrom all that part of Lots 7, 8 and 9 in said Block 132, that part of Lots 7, 8 and 9 in said Block 133, lying east of South Kinnickinnic Avenue, and that part of vacated Barclay Street, all in said Judge A. D. Smith's Subdivision, bounded and described as follows, to wit: Commencing at a point on the south line of said Lot 9, Block 132, 23 feet west of the southeast corner of said Lot 9, Block 132, running thence north parallel to the east line of said Block 132, 60.88 feet to a point on the extended line of the north face of an existing wall; thence west on the north face of said wall and its extension to a point on the easterly line of South Kinnickinnic Avenue as presently laid out and occupied; thence southeasterly on said easterly line 65.46 feet to a point on the north line of East Maple Street; thence east on the north line of East Maple Street 156.49 feet to the place of beginning, together with the footings of said wall with the permanent right and easement to maintain, repair and replace said footings in the south 3 feet of said mortgaged premises, and the permanent right of The Milwaukee Electric Railway & Transport Company to use in common with the Company the existing drains, sewers and water mains on the premises hereby mortgaged and now serving the said excepted premises.

Also together with the right to maintain existing attachments to said wall for the support and use of the garage structure on

the premises hereby mortgaged so long as said existing wall shall remain in place, and the permanent right to use in common with The Milwaukee Electric Railway & Transport Company the existing drains, sewers and water mains on the said excepted premises and now serving the premises hereby mortgaged.

1715 South Kinnickinnic Avenue Garage: The south 60 feet of Lot lettered "C" in Horace Chase's Subdivision in the NE ¼ of Section 5, Township 6 North, Range 22 East.

West Kinnickinnic Garage: All that part of Lots 1, 2, 3 and 4 in Block 133 of Judge A. D. Smith's Subdivision in the NE ¼ of Section 5, Township 6 North, Range 22 East, lying west of South Kinnickinnic Avenue, and all of Lots 15, 16, 17 and 18 in said Block 133.

(e) Repair Shop Land.

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, excepting and reserving therefrom the east 39 feet. Subject to that certain easement of The Milwaukee Electric Railway & Transport Company dated October 7, 1952, and recorded on October 8, 1952, in the office of the Register of Deeds for Milwaukee County, Wisconsin as Document No. 3146645, granting to Wisconsin Electric Power Company the permanent right to keep, use, maintain or remove certain buildings and equipment located on the easterly portion of the above described premises

hereby mortgaged, together with the right of ingress and egress to and from said buildings and equipment.

(f) Miscellaneous Land.

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, to wit: Commencing at the intersection of the center line of West State Street and the east line of said Section 26; running 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; subject, however, to rights of A. Gettelman Brewing Company to locate, maintain, operate and repair water mains as reserved in a deed from A. Gettelman Brewing Company to The Milwaukee Electric Railway and Light Company recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin, in Volume 1012 of Deeds, Page 412, as Document No. 1271976; subject also to a 15 foot easement to the City of Milwaukee for sewer purposes as set forth in conveyance from Milwaukee Sharpshooters Society of Milwaukee to the City of Milwaukee dated September 18, 1893 and recorded October 12, 1893 in the office of the Register of Deeds for Milwaukee County, Wisconsin in Volume 322 of Deeds, Page 123, as Document No. 242866; subject also to conveyance from James D. Shaw to the City of Milwaukee dated March 31, 1906 for construction and

maintenance of a viaduct for highway purposes, recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin April 16, 1906, in Volume 529 of Deeds, Page 181, as Document No. 544196.

2. Structures and Improvements on Land Not Owned.

The following described structures and improvements, rights or interest therein, situated on land not owned by the Company and located in Milwaukee County, Wisconsin.

(a) Right-of-Way Structures.

All of the rights and interests of the Company arising from the payment, to the City of Milwaukee, the City of Wauwatosa and the City of West Allis, of portions of the cost of certain bridges and viaducts.

(b) Passenger Station and Waiting Room Structures.

All passenger station and waiting room structures owned by the Company and located, pursuant to leases or other agreements, on land not owned by the Company.

(c) Miscellaneous Structures and Improvements, including all of the rights of the Company in respect thereof as lessee, licensee, or otherwise.

Elevated sheet steel sand storage bin, with elevator and hopper, located near West Oklahoma Avenue and South 20th Street, Milwaukee, on land leased from the County of Milwaukee.

Elevated sheet steel sand storage bin, with elevator and hopper, located on West St. Paul Avenue near North 23rd Street, Milwaukee, on land leased from Wisconsin Electric Power Company.

Elevated sheet steel sand storage bin, with elevator and hopper, located on West St. Paul Avenue near North 10th Street, Milwaukee, on land owned by The Milwaukee Electric Railway & Transport Company.

Lighting installation on South Kinnickinnic Avenue at East St. Francis Avenue, in the City of St. Francis.

Safety island at North 27th Street and West Atkinson Avenue, in the City of Milwaukee.

Paved roadway at Lake Park Station, in the City of Milwaukee.

Paved roadway at Tenth and Madison Avenues, in the City of South Milwaukee.

Passenger landing at West Greenfield Avenue and South 65th Street, in the City of West Allis.

Four steel storage tanks and a pump house located at the northwest corner of North 20th Street and West St. Paul Avenue, in the City of Milwaukee.

Two electric signs located on the roof of a building owned by General Electric Realty Corporation situated at the northeast corner of North 10th Street and West St. Paul Avenue, in the City of Milwaukee.

The interest of the Company in office facilities installed by The Milwaukee Electric Railway & Transport Company in offices heretofore occupied by The Milwaukee Electric Railway & Transport Company in the building owned by General Electric Realty Corporation and located at North 10th Street and West St. Paul Avenue, in the City of Milwaukee.

Three express car bodies, air compressor, and corrugated iron shed for office use on the roof of the garage structure at North 10th Street and West Hibernia Street.

3. Roadway and Track.

All grading, retaining walls, ballast, ties, rails, rail fastenings and joints, special work, paving, roadway and track tools, tunnels, subways, bridges, culverts, crossings, fences, cattle guards, signs, interlocking and other signal apparatus owned by the Company and appurtenant to its Milwaukee metropolitan passenger transportation system.

4. Rolling Stock.

(a) Rail Passenger Cars.

Two hundred and three rail passenger cars, numbered 719, 720, 722, 733, 734, 736, 737, 739 to 741 inclusive, 747, 748, 804 to 825 inclusive, 827 to 838 inclusive, 840 to 878 inclusive, 881 to 884 inclusive, 886 to 899 inclusive, and 900 to 999 inclusive, together with associated rail passenger car spare equipment and fare boxes.

(b) Trackless Trolley Cars.

Four hundred trackless trolley cars, numbered 50 to 449 inclusive, together with associated trackless trolley car spare equipment and fare boxes.

(c) Motor Buses.

Three hundred ninety seven gasoline motor buses, numbered 650 to 678 inclusive, 680 to 714 inclusive, 746 to 781 inclusive, 783 to 828 inclusive, 830 to 873 inclusive, 875 to 984 inclusive, and 1000 to 1096 inclusive, together with gasoline motor bus spare equipment and fare boxes.

One hundred twenty diesel motor buses, numbered 1200 to 1319 inclusive, together with diesel motor bus spare equipment and fare boxes.

(d) Utility and Special Rail Equipment.

Forty-one utility and special rail cars, numbered A-1, A-3, B-29, B-30, B-32, B-36, B-38 to B-47 inclusive, B-49, C-1, C-2, D-2, D-4, D-14, D-15, D-16, D-23, D-28, E-6, E-52, E-54, E-90 to E-93 inclusive, F-201, F-202, F-204, F-209, F-231, F-235, L-1 and W-1 (wrecking car), together with associated equipment.

5. Trolley and Feeder Systems.

All trolley wire and associated devices and suspension owned by the Company.

Seven steel trolley arch supports, numbered TR-2, TR-4, TR-7, TR-8, TR-9, TR-10 and TR-11, located on the line of electric street railway known as Route 10 between South 53rd Street and South 68th Street, and all poles, together with associated cross-arms, guys, and other pole fixtures, owned by the Company and used in the operation of the Milwaukee metropolitan passenger transportation system, subject to continuance of the use made of said poles and fixtures by others than the Company.

All overhead and underground feeder conductors and negative return conductors, together with associated insulators, switches, cutouts and other line devices, owned by the Company and used in the operation of its Milwaukee metropolitan passenger transportation system, except the following described conductors and devices associated therewith, which are not owned by the Company:

Tie Line A, an underground conductor extending from the East Wells Street power plant via North Edison Street and West McKinley Avenue to the Commerce Street power plant.

Tie Line B, consisting of two sections of single underground conductor and one section with two conductors in parallel, extending from the East Wells Street power plant via North Edison Street and West McKinley Avenue to the Commerce Street power plant.

Tie Line C, an underground conductor extending from the East Wells Street power plant via North Edison Street and West McKinley Avenue to the Commerce Street power plant.

Feeder 14, consisting of two short sections of single underground conductor and a longer section of two underground conductors in parallel, extending generally from the East Wells Street power plant across the Milwaukee River to North Plankinton Avenue, thence by two routes to the alley between North Third and North Fourth Streets and thence to the Commerce Street power plant.

Feeder 54, an underground conductor extending from East Wells Street power plant northerly, then westerly under the Milwaukee River to a riser pole on the east side of North Plankinton Avenue, together with the riser section of cable terminating at switch No. 15-54.

Those sections of Feeder 66 which are owned by The Milwaukee Electric Railway & Transport Company, comprising the following:

(a) A single underground conductor extending along West Michigan Street from North Second Street to North Plankinton Avenue.

(b) A single underground conductor extending along North Eighth Street from West Clybourn Street to West St. Paul Avenue.

(c) An underground conductor extending from a point on West St. Paul Avenue 240 feet east of North 17th Street to a riser pole located on North 17th Street south of West St. Paul Avenue.

Those sections of Feeder 70 which are owned by The Milwaukee Electric Railway & Transport Company, comprising the following:

(a) An underground conductor extending from North Eleventh Street at West Clybourn Street to a riser pole on North Twelfth Street at West Hibernia Street.

(b) An overhead conductor extending from a riser pole at North Twelfth and West Hibernia Streets along the former rapid transit right-of-way to switch No. 2 located near North 16th Street.

(c) An underground conductor 125 feet in length extending from manhole No. 6383 to manhole No. 6080 located on the former rapid transit right-of-way at North 17th Street.

Feeder 81 or 109, consisting of an underground conductor extending from the East Wells Street power plant generally along North Water Street to West Seeboth and South First Streets, two underground conductors in parallel extending from that point to a point immediately south of East Mitchell Street on South Kinnickinnic Avenue, and a single underground conductor from that point to First Street substation.

A portion of Feeder 106, consisting of a section of underground conductor extending from First Street substation along South Kinnickinnic Avenue and South First Street to a riser pole near West Mineral Street, together with a section of the overhead portion of Feeder 89 extending to another riser pole located near the intersection of West National Avenue and South First Street.

A portion of Feeder 115, consisting of a short section of underground conductor and a longer section of two overhead conductors in parallel extending generally along South First Street from First Street substation to West Greenfield Avenue.

A portion of Feeder 117, consisting of an underground conductor extending along West Mitchell Street from First Street substation to South Third Street, thence along South Third Street to West National Avenue and thence to a riser pole located near West National Avenue and South Sixth Street, together with a short section of overhead conductor extending to a metering station at West National Avenue and South Sixth Street.

Return No. 31 or 91, an underground conductor extending from the Commerce Street power plant via North Commerce Street, West McKinley Avenue, East Knapp Street and North Edison Street to East Wells Street power plant.

Return No. 36 or 96A, an underground conductor extending from Commerce Street power plant via North Commerce Street, West McKinley Avenue, North Fourth Street, West State Street and North Plankinton Avenue to East Wells Street power plant.

Return No. 36 or 96B, an underground conductor extending from Commerce Street power plant via North Commerce Street, West McKinley Avenue, North Fourth Street, West State Street and North Plankinton Avenue to East Wells Street power plant; and a branch of underground conductor

extending from a connection near the intersection of North Fourth Street and West State Street via West State Street, North Eighth Street and West Wells Street to a manhole located near the intersection of North Eleventh Street and West Wells Street.

Return No. 39 or 99, an underground conductor extending from Commerce Street power plant via North Commerce Street, West McKinley Avenue, North Fourth Street, West State Street and North Plankinton Avenue to East Wells Street power plant.

Return No. 95, consisting principally of one underground conductor extending from East Wells Street power plant along North Edison Street, thence southwesterly to North Plankinton Avenue; thence southeasterly along North Plankinton Avenue; thence southwesterly to North Second Street and along North Second Street and West Wisconsin Avenue to a point of termination on a riser pole located near West Wisconsin Avenue and North Seventh Street.

Return No. 97, an underground conductor extending from East Wells Street power plant along West Wells Street to a point of connection with an unnumbered return conductor at West Wells Street and North Eleventh Street.

Return No. 122, an underground conductor extending from First Street substation along South First Street, West Mitchell Street and South Second Street to West National Avenue.

Return No. 123, an underground conductor extending from First Street substation along South First Street, West Mitchell Street and South Second Street to West Greenfield Avenue and thence along West Greenfield Avenue to South Eleventh Street.

Return No. 124, consisting of sections of one, three, or four overhead conductors extending from a pole located near the intersection of South Eleventh Street and West Greenfield Avenue via South Eleventh Street and West Maple Street to a riser pole located near the intersection of South Seventh Street and West Maple Street; also a section of underground conductor extending from said riser pole along West Maple Street to the First Street substation.

Return No. 125, an underground conductor extending from First Street substation along West Maple Street, South Second Street and West Greenfield Avenue to manhole No. 1424

located at the intersection of West Greenfield Avenue and South First Street.

Unnumbered overhead return conductors, consisting of a section of two conductors in parallel extending from a riser pole located near West Wisconsin Avenue and North Seventh Street along North Seventh Street to a pole near West Clybourn Street; and a section consisting of one conductor extending from this pole westward along West Clybourn Street to a point of connection with Return No. 3911, owned by Wisconsin Electric Power Company, near North Seventeenth Street; also a section of overhead conductor extending from a pole near the intersection of South Second Street and West National Avenue via West National Avenue and South Eleventh Street to a pole located near the intersection of West Greenfield Avenue and South Eleventh Street.

The following sections of unnumbered conductors which constitute part of the uninsulated negative return system.

(a) A single underground conductor extending from the terminus of Return No. 97 at North Eleventh Street and West Wells Street, along North Eleventh Street, West Clybourn Street, North Tenth Street, and West St. Paul Avenue to manhole No. 1352 near North Twelfth Street.

(b) A single underground conductor extending from Commerce Street power plant generally along North Commerce Street, West McKinley Avenue and East Knapp Street, North Water Street, East State Street and North Edison Street to East Wells Street power plant.

(c) Two underground conductors in parallel extending from East Wells Street power plant along East Wells Street, North Front Street, East Mason Street and North Water Street to North Erie Street, a single underground conductor from there to the intersection of East Seeboth and South First Streets, two single conductors in parallel from said intersection along South First Street to West National Avenue, and a single underground conductor along South First Street to First Street substation.

(d) An underground conductor extending from riser pole No. 28-7748 on North 17th Street immediately south of West St. Paul Avenue to manhole No. 6080 at the intersection of North 17th Street and West St. Paul Avenue and thence east along West St. Paul Avenue a distance of 240 feet.

(e) A short section of single underground conductor and a short section of two underground conductors in parallel on West National Avenue between South Second Street and South First Street.

Also, except such overhead and underground conductors and associated equipment shown as property of Wisconsin Electric Power Company on the map records of The Milwaukee Electric Railway & Transport Company and Wisconsin Electric Power Company, which records were followed in describing the above excepted facilities, but shown by book records to be property of The Milwaukee Electric Railway & Transport Company.

Mortgaging, however, the Company's right to a non-exclusive use of such of the above excepted feeder conductors and negative return conductors to the extent they are used by the Company in the operation of its Milwaukee metropolitan passenger transportation system, so long as such excepted conductors shall be continued in service by the owner thereof.

6. Car Service Equipment.

The equipment of the Company located at car houses and garages and used in servicing railway cars, trackless trolley cars and motor buses.

7. Repair Shop Equipment.

The equipment owned by the Company and located at repair shops and garages and used for overhauling and making major repairs to railway cars, trackless trolley cars and motor buses, such as air compressors, boring machines, cranes, furnaces, forges, grinders, lathes, milling machines, planers, presses, punching machines, riveters, saws, shapers, steam hammers, power trucks and welders, except such tools and equipment as are used exclusively in the manufacture of electric furnaces, and are not owned by the Company.

8. Miscellaneous Equipment.

All office furniture and equipment, communications equipment, work equipment and other equipment and apparatus owned by the Company and used in the operation of its Milwaukee metropolitan passenger transportation system.

9. Agreements with Wisconsin Electric Power Company.

The rights of the Company under a Lease Agreement dated December 30, 1952 between Wisconsin Electric Power Company, as Lessor, and the Company, as Lessee, whereby the Company has a non-exclusive use of certain private rights-of-way used by the Company's electric railway lines on the Wells-Wauwatosa Line, Wells-West Allis Line, and National Line, and a non-exclusive use of certain private telephone facilities, underground conduit, poles and other like structures owned by the Lessor; and whereby the Company leases certain parcels used as trainmen's quarters, gasoline storage facilities and motor bus loops.

The rights of the Company under an Operating Agreement dated December 30, 1952 between Wisconsin Electric Power Company and the Company, whereby the Company has a non-exclusive use of certain 600 volt, direct current conductors owned by Wisconsin Electric Power Company.

SECTION II.

All of the income, revenues, contributions, receipts, rents, returns, contracts, leases, books of account, and contract rights of all kinds, belonging to the Company (except those arising from property herein specifically excepted from the lien of this Mortgage), and all other property, rights, privileges, franchises, licenses, easements and permits of any and every kind and description, real, personal and mixed, of the Company, wheresoever the same may be situated and whenever acquired, and not hereinbefore specified or referred to nor herein specifically excepted from the lien of this Mortgage, with all the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, including all rents, issues and profits during any period allowed by law for redemption of the mortgaged property, or any part thereof, upon any judicial or other foreclosure sale.

SECTION III.

All of the property, real, personal and mixed, including rights, privileges, ordinances, concessions, easements, licenses, permits, liberties, immunities, patents, trade-marks and franchises which the Company may hereafter acquire or to which it may hereafter become entitled, whether acquired pursuant to its present charter powers or pursuant to such powers as they may be enlarged or hereafter exist, save and except the property hereinafter specifically excepted from the lien hereof.

It is the intention hereof that all property, real, personal and mixed, of any and every kind and character, which the Company now owns (except as herein otherwise specifically provided), and all property which it may hereafter acquire or construct, and the rents, issues and profits thereof, shall be subject to the lien of this Mortgage, with like effect as if now owned by the Company and as if covered and conveyed hereby by specific and apt descriptions.

Subject nevertheless, as to any franchises, licenses or permits, to the terms and provisions of such franchises, licenses and permits; and subject, in the case of the Lease Agreement described in these granting clauses between Wisconsin Electric Power Company and the Company, to the rental payments payable under the terms of such lease and to the prior lien on the property covered thereby of the Mortgage and Deed of Trust dated October 28, 1938 executed by Wisconsin Electric Power Company to First Wisconsin Trust Company, as Trustee, and all present and future indentures supplemental thereto and any refunding or substitute mortgage which may hereafter be executed by the lessor, all as provided in said Lease Agreement, as now in force and as the same may hereafter be modified or amended, and subject to the obligations of the lessee provided for in said Lease Agreement, as now in force and as the same may hereafter be modified or amended; and subject, in the case of the Operating Agreement described in these granting clauses between Wisconsin Electric Power Company and the Company, to the obligations of the Company thereunder as now in force and as the same may hereafter be modified or amended.

And also subject nevertheless to certain liens (which are herein referred to as "permitted liens") as follows:

(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 any of the mortgaged property may be lost or forfeited;

(g) the lien of the Indenture of Mortgage dated as of November 1, 1952 from the Company to Harris Trust and Savings Bank and W. H. Milsted, as Trustees, securing an issue of first mortgage bonds of the Company, limited to $4,000,000 principal amount, until such Indenture of Mortgage has been satisfied and discharged; and

(h) the rights of the public and others in those portions of the mortgaged property which are designated as or used as streets or thoroughfares.

And also subject nevertheless to liens and reservations of title or other like interests created for the benefit of equipment obligations hereafter issued which are permitted by the provisions of subdivisions (b) and (c) of Section 4 of Article One hereof, it being intended that equipment obligations issued in accordance with such provisions shall constitute a lien prior to the lien of this Mortgage with respect to the security created therefor. It is also intended that the lien of this Mortgage shall be subordinate to the lien of the Indenture of Mortgage described in clause (g) above of "permitted liens" with respect to property now owned or hereafter acquired, including property securing equipment obligations.

Excepting and reserving, however, from the lien of this Mortgage (a) any and all cash on hand and in banks, bills, notes and accounts receivable, credits, claims, choses in action, securities (other than such of the foregoing items as are delivered to or pledged with the Mortgagee or required so to be), and (b) work trucks and repair trucks and automobiles not used in the business of carrying passengers for hire and materials and supplies and small tools owned or hereafter acquired, until the Mortgagee or a receiver appointed hereunder shall enter upon and take possession of the mortgaged property; but if upon the happening of an event of default as hereinafter in this Mortgage defined, the Mortgagee or any receiver appointed hereunder shall enter upon and take possession of the mortgaged property, the Mortgagee or such receiver may at the same time likewise take possession of any and all such personal property then on hand and described under clauses (a) and (b) above, which thereupon shall be and become subject to the lien of this Mortgage (which lien, however, shall be subordinate to the lien of the Indenture of Mortgage described in clause (g) above of "permitted liens"), and shall so continue unless and until such event of default shall be remedied and possession of the mortgaged property shall be restored to the Company, its successors or assigns.

TO HAVE AND TO HOLD the properties, rights, privileges and franchises hereby conveyed and assigned, or intended so to be (and described in the granting and pledging clauses hereof, and excluding the properties and rights above specifically excepted and reserved from the lien hereof) unto the Mortgagee, its successors and assigns forever;

Provided, nevertheless, and these presents are upon the express condition, that if the Company or its successors or assigns shall well and truly pay or cause to be paid the principal of the Notes with interest, according to the true intent and meaning of the Notes and each of them, and shall also pay or cause to be paid all other sums payable hereunder by the Company, then these presents and the estate and rights hereby granted shall cease, determine, and become void, and thereupon the Mortgagee, on payment of all lawful charges and disbursements then unpaid, on demand of the Company, shall duly execute, acknowledge and deliver to the Company such instruments of satisfaction or release in respect of the mortgaged property as may be

necessary or proper to discharge this Mortgage of record, and if necessary shall grant, reassign and deliver to the Company, its successors or assigns, all and singular the property, rights, privileges, franchises and interests by it hereby granted, conveyed, and assigned, and all substitutes therefor or for any part thereof, not previously disposed of as herein provided; otherwise this Mortgage shall be and remain in full force.

THIS MORTGAGE FURTHER WITNESSETH that the Company has agreed and covenanted, and does hereby agree and covenant with the Mortgagee as follows, that is to say:

ARTICLE ONE.

PARTICULAR COVENANTS OF THE COMPANY.

The Company hereby covenants and agrees:

SECTION 1. That it is the lawful owner of the property hereinbefore by it conveyed or transferred to the Mortgagee, that it has good right and lawful authority to mortgage and pledge the same, as provided in and by this Mortgage, that said property is free from any and all liens and encumbrances prior to or on a parity with the lien of these presents, excepting only the liens and encumbrances mentioned in the granting clauses hereof; and that it will warrant and defend the title thereto against all claims and demands whatsoever.

SECTION 2. That it will not suffer or permit any default to occur under this Mortgage, but will faithfully observe and perform all of the conditions, covenants and requirements hereof obligatory upon it.

SECTION 3. That it will duly and punctually pay or cause to be paid the principal sum, and the interest accruing on said principal, on the Notes, at the dates and places, and in the manner provided in the Notes, according to the terms thereof and of this Mortgage; that it will pay interest at the rate of five per cent (5%) per annum on any overdue interest; and that so long as any of the Notes shall remain outstanding and unpaid, it will not directly or indirectly extend or assent to the extension of the time for the payment of any claim for

interest upon any Note, and will not directly or indirectly be a party to any arrangement therefor, either by purchasing or refunding or in any manner keeping alive such claim for interest, or otherwise; that in case the payment of any such claim for interest shall be so extended by or with or without the consent of the Company, then, anything in this Mortgage contained to the contrary notwithstanding, such claim for interest so extended shall not be entitled, in case of default hereunder, to any benefit of or from this Mortgage, except after the prior payment in full of the principal of all the Notes and of such claims for interest as shall not have been so extended.

SECTION 4. (a) That it will duly pay and discharge, as the same shall become due and payable, all real estate and personal property taxes, water rates, tolls, assessments and governmental and other charges lawfully levied and imposed by the United States of America or by any state, county or municipality or other taxing body upon the mortgaged property conveyed or transferred to the Mortgagee hereby, and upon the income or profits thereof; and that it will not suffer any mechanics', laborers', statutory or other lien (except permitted liens hereunder, the liens mentioned in the granting clauses hereof and other liens to the extent permitted under the provisions of this Section as herein elsewhere mentioned) which might or could be held to be prior to or on a parity with the lien of this Mortgage to be created or to remain outstanding upon the mortgaged property, or any part thereof, or upon any after-acquired property, unless any and all obligations for or on account of which any such lien, prior to or on a parity with the lien of this Mortgage, might exist, are pledged hereunder or under the indenture securing the First Mortgage Bonds; provided that nothing contained in this Section shall require the Company to pay, acquire or make provision for any tax assessment, lien or charge so long as the Company in good faith shall contest the validity thereof in such manner as will not result in loss or forfeiture of any part of the mortgaged property.

The Company further covenants that it will comply with all of the provisions of the Lease Agreement entered into between the Company and Wisconsin Electric Power Company and the Operating Agreement entered into between the Company and Wisconsin Electric Power

Company, referred to in the granting clauses of this Mortgage, as hereafter modified or amended by agreement or agreements between the parties thereto, which action is hereby expressly authorized.

(b) The Company further covenants that so long as any of the Notes shall remain outstanding it will not create, issue or assume any indebtedness for money borrowed in addition to that evidenced by the Notes, except that listed in the following subdivisions A, B and C:

A. First Mortgage Bonds of the Company not exceeding $4,000,000 in principal amount, issued under and having maturities, interest rates, sinking fund requirements and security as provided in the Indenture of Mortgage of the Company to Harris Trust and Savings Bank and W. H. Milsted, as Trustees, referred to in the granting clauses hereof (which bonds are hereinafter sometimes referred to as the "First Mortgage Bonds").

B. Secured indebtedness of the Company consisting of equipment obligations not exceeding One Million Five Hundred Thousand Dollars ($1,500,000) in principal amount at any time outstanding until an aggregate of Two Million Dollars ($2,000,000) principal amount of the First Mortgage Bonds shall have been retired, at which time such limitation shall be increased to Two Million Five Hundred Thousand Dollars ($2,500,000); provided, however, no such secured indebtedness shall be issued unless the net earnings available for interest computed as hereinafter provided for a twelve months' period ending not more than ninety days prior to the first day of the calendar month in which a computation shall be made and such secured indebtedness shall be created (except as hereinafter otherwise specifically provided) are equal to one and three tenths (1.3) times the aggregate amount of the annual interest charges on all funded indebtedness at the time outstanding (including any funded indebtedness to be created by the issuance of equipment obligations and disregarding interest on any funded indebtedness to be retired simultaneously with the creation of such secured indebtedness) plus the portion of the principal amount of all First Mortgage Bonds and of all equipment obligations of the Company which mature during a twelve months' period following the date of creation of such secured indebtedness; provided, however, that such secured indebtedness shall (i) be issued only for purchase of equipment or refunding of obligations previously issued for such purpose by the issuance of obligations having substantially the same maturities as those refunded, (ii) be secured by a lien on equipment so purchased or by title retention to such equipment which may be either sold under conditional sales contract or leased to the Company, and (iii) be not in excess of eighty per cent (80%) of the aggregate cost to the purchaser of the equipment subject to such lien or to such title retention arrangement.

Funded indebtedness as used herein shall include only equipment obligations (which term is herein defined), the Notes secured hereby and the First Mortgage Bonds.

Net earnings available for interest for the purposes of the foregoing provisions (subject to the express provisions hereinafter stated) shall mean (i) the total operating revenues of the Company less all operating expenses (but without any deduction for depreciation or interest on debt) and amortization of debt discount and expense or premium, and (ii) plus or minus, as the case may be, the net non-operating income or the net non-operating loss of the Company eliminating, however, any profits or losses from the sale or exchange of capital assets and related tax adjustments. Operating revenues, operating expenses and provisions for taxes, amortization and non-operating income or loss shall be determined in accordance with the Classification of Accounts prescribed for electric railway and common motor carriers of passengers by the regulatory authority having jurisdiction in the premises or, if there is no such Classification of Accounts, in accordance with sound accounting principles.

At any time prior to July 1, 1953 the net earnings available for interest to be used in determining whether or not the above limitation on the creation of secured indebtedness has been complied with shall consist of the net earnings available for interest of the passenger transportation operations of The Milwaukee Electric Railway and Transport Company determined in the manner provided for the determination of net earnings available for interest of the Company, except that such net earnings shall consist of the net earnings available for interest of said company for the period commencing on January 1, 1952 and ending on the date on which said Company conveyed the mortgaged property to the Company. At any time after July 1, 1953 and prior to September 1, 1953 net earnings available for interest shall be computed for a six months' period ending June 30, 1953 and multiplying the amount thereof by two, and at any time after September 1, 1953 and prior to November 1, 1953 net earnings available for interest shall be computed for an eight months' period ending on August 31, 1953 and multiplying the amount thereof by one and one-half, and at any time after November 1, 1953 and prior to January 1, 1954 net

earnings available for interest shall be computed for a ten months' period ending on October 31, 1953 and multiplying the amount thereof by one and one-fifth.

C. Unsecured indebtedness, maturing within a twelve month period following the date of creation thereof, not exceeding at any one time outstanding the sum of Five Hundred Thousand Dollars ($500,000), plus interest on any such indebtedness for a period of not more than six months which is not in default.

(c) The Company further covenants that it will not mortgage or pledge, or create or permit to exist any lien on, any of its property or assets, of any kind or character, other than the lien of the indenture securing the First Mortgage Bonds, the lien of this Mortgage and the liens referred to in the granting clauses hereof, and will not acquire any property of any kind or character under any conditional sale contract or equipment trust agreement or subject to any existing mortgage or other lien, except liens created for the benefit of equipment obligations permitted under the provisions of division (b) of this Section. The Company shall always have the right to lease tires for use on its motor buses, trolley cars and other vehicles without acquiring title to such tires.

(d) The Company further covenants that the equipment obligations created by the Company within the limitations of this Section will be paid and discharged as and when the same shall become due, and that the Company will at all times fully comply with all of the terms and provisions of any and every lien securing any such obligations, and upon the payment of such obligations, including any equipment obligations issued for refunding as herein permitted, will procure the release and discharge of any and every such lien, it being the intention hereof that pending such release this Mortgage shall constitute a lien on all such property, subject only to such lien and to the prior lien of the indenture securing the First Mortgage Bonds.

(e) The Company further covenants that, so long as any Notes remain outstanding, it will not make any advances or lend any moneys on any terms whatever to any officer or director, and that except with the consent in writing of the Mortgagee it will not make any advances

or lend money to any affiliate or make any investment in any subsidiary of the Company or lend money to any such subsidiary.

(f) The Company further covenants that, without the consent of the Mortgagee, it will not consent to or permit any amendment, modification, extension or increase of the First Mortgage Bonds or the indenture securing the same; provided, however, that nothing contained herein shall prevent the Company from executing and delivering any supplemental indenture to the trustees under the indenture securing the First Mortgage Bonds for any one or more of the following purposes:

(1) to correct the description of any property thereby conveyed or transferred or intended so to be, or to assign, convey, mortgage, pledge, transfer and set over unto said trustees additional property of the Company which may be owned by the Company at the date of execution thereof but through error omitted from the specific descriptions of property therein contained, or acquired by the Company thereafter by purchase, consolidation or merger, or otherwise, with the same force and effect as though included in the granting and pledge clauses thereof, all for the equal and proportionate benefit and security of the holders and owners of all First Mortgage Bonds at any time issued and outstanding under said indenture;

(2) to evidence the succession of another corporation to the Company, or successive successions, and the assumption by such successor corporation of the covenants and obligations of the Company in the First Mortgage Bonds and in the indenture securing the same and in any and every indenture supplemental thereto contained;

(3) for the purpose of adding to said indenture and revising any provisions thereof in order that the same may comply with the provisions of the Trust Indenture Act of 1939 as then amended;

(4) for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective or inconsistent provision contained therein or in any indenture supplemental thereto.

SECTION 5. That it will keep all the property of the Company of a character usually insured by companies similarly situated insured against loss or damage by fire, windstorm, explosion and other risks usually insured against by owners of like properties, and in such

amounts as are usually insured against by such owners, in reputable insurance companies, loss, if any, payable to the Mortgagee as its interest may appear; and that it will within a reasonable time after the execution hereof, and within four months after the close of each calendar year thereafter, furnish to the Mortgagee, a statement in writing signed by an officer of the Company fully describing all insurance then in force.

If the total amount received upon all policies shall, in the case of any one loss, be less than the sum of One Hundred Thousand Dollars ($100,000), the amount shall be paid forthwith to the Company to be used by the Company to pay for replacements or repairs of or substitutes for the damaged or destroyed property. In all other cases, the proceeds of any and all insurance on any part of said property which are not deposited with the corporate trustee under the indenture securing the First Mortgage Bonds and applied by said corporate trustee as set forth therein shall be paid over to the Mortgagee to be held and applied as hereinafter provided.

All insurance moneys (except amounts of less than One Hundred Thousand Dollars ($100,000) above provided to be paid over to the Company) received by the Mortgagee under the provisions of this Section shall be held by the Mortgagee as a part of the mortgaged property and the same shall be by the Mortgagee paid out from time to time upon written orders of the Company, signed by the President and Treasurer of the Company and accompanied by an approving certificate of an engineer, either for the purpose of paying the reasonable cost of repairing or replacing part or all of the property damaged or destroyed or for the purpose of making or acquiring permanent additions or improvements to the mortgaged property, properly chargeable to the fixed capital account and useful in the conduct of the business of the Company, or for the purchase of new motor buses or trolley cars; provided, however, that the Company shall have furnished, in addition to the proceeds of such insurance, such moneys as may be required to complete such repairs, replacements, additions or improvements, or to fully pay for such new motor buses or trolley cars, and said insurance moneys shall be paid out by the Mortgagee only when the same shall be fully sufficient to complete such repairs, replacements, additions or

improvements or to fully pay for such new motor buses or trolley cars, as shown by the said certificate of an engineer. Every such order of the Company for the payment of insurance moneys shall state that the Company is not in default under any of the terms and provisions of this Mortgage, and if any of such moneys is being paid out on account of additions or improvements or for the purchase of new motor buses or trolley cars the same shall be described in the said order and the said order shall be accompanied by an opinion of counsel to the effect that such additions or improvements or new motor buses or trolley cars (describing the same) have been or will be, upon application of the moneys, withdrawal whereof is then requested, subjected to the lien of this Mortgage, subject only to the liens referred to in the granting clauses of this Mortgage.

In the event that the Company shall not elect, within six (6) months after the date of deposit of any such insurance moneys, and within such period notify the Mortgagee in writing of such election, to have such insurance moneys applied to one or more of the purposes above specified, then the Mortgagee shall apply such insurance moneys to the prepayment of Notes.

The Company further covenants that it will at all times keep and maintain in force in reputable insurance companies public liability and property damage insurance under policies which insure the liability of the Company occasioned by any one incident to the extent of the excess of liability over $100,000 but not more than $1,000,000, and further covenants it will apply all moneys collected on account of such insurance as hereinafter provided.

The Company covenants that it will deposit in such depositary as the Board of Directors of the Company may designate from time to time in a separate fund designated as "Injuries and Damage Reserve Fund" within ten days after the date of delivery hereof a sum of $50,000, and on or before January 20, 1953 and on or before the 20th day of each month thereafter, an amount equal to at least three percent (3%) (subject to revision as hereinafter provided) of its passenger and charter revenues received during the preceding calendar month for the purpose of providing for the adjustment, defense and satisfaction of all suits, claims, demands, rights and causes of action, and

the payment and satisfaction of all judgments entered or chargeable against the Company for injury to or death of any person or damage to property resulting from the maintenance and operation of the transit property of the Company or incident thereto. The amount so set aside (other than the initial deposit of $50,000) shall be charged to operating expenses.

The Company may use and expend the moneys in the Injuries and Damage Reserve Fund to pay all expenses and costs arising from the adjustment, defense and satisfaction of all suits, claims, demands, rights and causes of action, and the payment and satisfaction of all judgments entered or chargeable against the Company for injury to or death of any person or damage to property resulting from the maintenance and operation of the transit properties of the Company, and also for the purpose of paying premiums on public liability and property damage insurance carried in accordance with the provisions of this Section 5. All moneys received from such insurance coverage and protection shall also be deposited in the Injuries and Damage Reserve Fund.

Any moneys held in the Injuries and Damage Reserve Fund may be invested in obligations of the United States of America and such obligations may be collected or sold from time to time, provided, however, the proceeds of any such collection or sale and interest received on such obligations shall be deposited in the Injuries and Damage Reserve Fund. Any such obligations shall be segregated and held solely for the purpose of realizing moneys to be deposited in the Injuries and Damage Reserve Fund.

Within four months after the end of the calendar year 1953 and of each calendar year thereafter, the Company at its expense shall cause a review to be made by such independent transit engineers or other expert as the Company may select and may be acceptable to the Mortgagee of the adequacy of the amounts deposited in the Injuries and Damage Reserve Fund during the preceding calendar year (not including the $50,000 required to be initially deposited as provided above or any insurance moneys or moneys deposited to offset any deficiency in deposits for any year) to provide sufficient sums to attend to the payments to be made therefrom as above specified. Such transit engineer

or other expert shall report as to the amount which should be deposited by the Company to offset any deficiency in such fund for the preceding calendar year by reason of the fact that such deposits were inadequate to provide for all payments contemplated to be made therefrom, or shall report any amount by which such deposits for the preceding calendar year were in excess of the sum necessary to provide for such payments, and shall report as to any changes which should be made during the current calendar year in such Injuries and Damage Reserve Fund so that based on the experience for the preceding calendar year the amounts deposited in such Injuries and Damage Reserve Fund may reasonably be expected to be sufficient to attend to such payments. A counterpart of such report shall be filed with the Mortgagee within four months after the end of the calendar year 1953 and each year thereafter. The Company shall be obligated to make payment of the amount of any such deficiency into the Injuries and Damage Reserve Fund within sixty days after filing of such report with the Mortgagee and shall also notify the Mortgagee that such payment has been made. In the event the expert shall report that such deposits were in excess of the amount required to provide for all such payments, then the Company shall be entitled to a credit to the extent of such excess on payments made in the Injuries and Damage Reserve Fund during the current calendar year. If any changes in the deposit rate shall be recommended in such report, then the Company shall be obligated to make deposits as so recommended for the remainder of the current calendar year and to make deposits in succeeding calendar years so the amount thereof will be at least equal to the amount required to be deposited during the calendar year in which a change was last recommended. In reviewing the adequacy of the amounts deposited in such Injuries and Damage Reserve Fund, such transit engineers or other expert shall assume that the Company is liable for the payment of all judgments entered against the Company for damages caused by injury to or death of any person and for damage to property from the maintenance and operation of the transit property of the Company notwithstanding such judgments may be pending on an appeal from the trial court.

Section 6. That it will at all times maintain, preserve and keep the mortgaged property and every part thereof necessary to the opera-

tions of the Company in good condition, repair and working order and will from time to time make all needful and proper repairs, replacements, additions, betterments and improvements so that the operations and business of and pertaining to the mortgaged property and every part thereof necessary to the operations of the Company shall at all times be conducted properly and advantageously; and whenever any portion of the mortgaged property shall have been worn out or destroyed or shall have become obsolete, inefficient or otherwise unfit for use, the Company will procure and install property of at least equal utility, value and efficiency so that the value and efficiency of the mortgaged property shall at all times be fully maintained; and the Company will set apart, use and apply for the foregoing purposes so much of the revenues of the mortgaged property as may be required and will charge to income annually adequate appropriations for depreciation in an amount not less than the amount allowed or claimed for federal income tax purposes.

SECTION 7. That if it shall fail to perform any of the covenants contained in division (a) of Section 4 and in Sections 5 and 6 of this Article, the Mortgagee, or any receiver appointed hereunder, as herein provided, may make advances to perform the same in its behalf; and it hereby agrees to repay all sums so advanced in its behalf, on demand, with interest at the rate of 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 Notes; but no such advance shall be deemed to relieve the Company from any default hereunder.

SECTION 8. That it will cause this Mortgage and each supplemental mortgage to be kept recorded and filed and re-recorded and refiled in such manner and at such times and in such places as may be required by law in order that constructive notice hereof may be given to all parties under the laws of the State of Wisconsin.

SECTION 9. That it will furnish to the Mortgagee promptly after the execution and delivery of this Mortgage and of each supplemental mortgage, an opinion of counsel (who may be of counsel for the Company) stating that in his opinion (A) this Mortgage or such supplemental mortgage has been properly recorded and/or filed so as to make effective the lien intended to be created thereby, and reciting the details of such action, or (B) this Mortgage or such supplemental mortgage has been received for record or filing in each jurisdiction in which it is required to be recorded or filed, and that such receipt for record or filing makes effective the lien intended to be created by this Mortgage or such supplemental mortgage, or (C) no such action is necessary to make such lien effective.

SECTION 10. That it will, upon reasonable request by the Mortgagee, 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 Mortgage, especially to make subject to the lien hereof any property now owned or hereafter acquired by it, which it is herein provided shall be subject to the lien hereof.

SECTION 11. That it will not go into voluntary bankruptcy or insolvency, or apply for or (subject to the provisions of Section 2 of Article Five hereof) consent to the appointment of a receiver or trustee of itself or of its property (otherwise than as set forth in the indenture securing the First Mortgage Bonds) or make any general assignment for the benefit of its creditors, or suffer any order adjudicating it to be bankrupt or insolvent or appointing a receiver or trustee of it or of its property.

SECTION 12. That it is duly authorized under the laws of Wisconsin and under all other applicable provisions of law to create and issue the Notes, to execute and deliver this Mortgage, and to mortgage and pledge the property conveyed and assigned by it hereunder, that all corporate and/or other action necessary on its part for the creation and issue of the Notes and the execution of this Mortgage has been duly and effectually taken, that the Notes are valid and enforceable obligations of the Company, and that this Mortgage is and always will be a valid mortgage to secure the payment of the Notes; and that the Company now has complete and lawful authority and privilege to maintain and operate the mortgaged property and that no permits, rights, certificates, franchises or privileges of the Company will be allowed to lapse or be forfeited so long as the same shall be necessary

for the carrying on of the business of the Company; provided, however, that the expiration by lapse of time of any right, franchise or privilege shall not constitute a violation of this covenant, but the Company hereby expressly covenants that it will exercise its best efforts and any and every proper means to procure extension or renewal of each and every right, franchise or privilege so expiring and necessary or desirable for the operation of the mortgaged property or for the carrying on of the business of the Company.

SECTION 13. That it will faithfully observe and perform all conditions, covenants and requirements of the Notes and of this Mortgage and of all mortgages supplemental thereto.

SECTION 14. That it will do and perform all matters or things necessary or expedient to be done or performed by reason of any law of the United States of America, or of any state or states thereof, or of any competent authority, for the purpose of creating, performing and maintaining the mortgage hereby created for the security of the payment of the Notes, and to perform all of the obligations imposed upon the Company by the Notes and by this Mortgage.

SECTION 15. That it will not declare or pay any dividend, or make any other distribution, on junior stock of the Company in respect of any fiscal year of the Company (except in junior stock of the Company), and will not acquire for value or redeem shares of its junior stock in respect of any such fiscal year, unless

(a) after giving effect to such dividend, distribution, acquisition or redemption, net earnings of the Company available for dividends on junior stock earned in such fiscal year are equal to at least the aggregate of such dividends, distributions, acquisitions or redemptions,

(b) the aggregate of such dividends, distributions, acquisitions or redemptions does not exceed 10% of the cash consideration received by the Company from the issue and sale of junior stock, less any amounts theretofore paid by the Company for the acquisition or redemption of any junior stock, and

(c) all sinking fund and serial maturity requirements on the First Mortgage Bonds and the Notes then due have been paid;

and then only if such dividends are declared and paid and such distributions, acquisitions and redemptions are made within 120 days after the end of such fiscal year.

For the purposes of this Section, the term "net earnings of the Company available for dividends" shall mean (i) the total operating revenues of the Company less all operating expenses (including provisions for depreciation and taxes except as hereinafter provided) and amortization of debt discount and expense or premium, and (ii) plus or minus, as the case may be, the net non-operating income or the net non-operating loss of the Company eliminating, however, any profits or losses from the sale or exchange of capital assets and related tax adjustments, and (iii) less interest accrued during the period for which the computation is made on the First Mortgage Bonds and on the Notes and dividends accrued during such period on the outstanding 5% Cumulative Preferred Stock of the Company. Operating revenues, operating expenses and provisions for depreciation and taxes, amortization and non-operating income or loss shall be determined in accordance with the Classification of Accounts prescribed for electric railway and common motor carriers of passengers by the regulatory authority having jurisdiction in the premises or, if there is no such Classification of Accounts, in accordance with sound accounting principles. For the purposes of this Section, the term "junior stock" shall mean any stock of the Company ranking junior to the 5% Cumulative Preferred Stock of the Company in the distribution of assets or dividends.

SECTION 16. That it will furnish to the Mortgagee (a) as soon as practicable after the end of each of the first three quarters of each fiscal year of the Company, an unaudited earnings statement of the Company for such quarter and for the twelve months ended with the close of such quarter, including comparison with the earnings statement for the corresponding periods in the immediately preceding fiscal year, certified by the Treasurer or Assistant Treasurer of the Company, and (b) within three months after the end of each fiscal year of the Company, a balance sheet as of the close of such fiscal year, in reasonable detail, together with a statement of earnings and analysis of surplus, in reasonable detail, of the Company, for such fiscal year, including comparison with such financial statements for the preceding

fiscal year, such financial statements to be certified by independent public accountants, who may be the regular accountants for the Company, and (c) from time to time, such other reasonable information as the Mortgagee may request.

ARTICLE TWO.

POSSESSION, USE AND RELEASE OF MORTGAGED PROPERTY.

SECTION 1. Until the happening of an event of default hereunder,

(1) The Company shall be suffered and permitted by the Mortgagee to remain in full possession, enjoyment and control of all the property, including without limitation, all rights, privileges and franchises, hereby mortgaged; and shall be permitted to manage and operate the same, subject always to the observance of the covenants in this Mortgage with respect thereto, and to receive, receipt for, take, use, enjoy and dispose of all rents, tolls, earnings, surplus, profits, revenues and income thereof in the same manner and with the same effect as if this Mortgage had not been made;

(2) The Company shall be permitted at all times and from time to time to sell or otherwise dispose of, free from the lien of this Mortgage, and without any release by the Mortgagee, any machinery, equipment, apparatus or tools, which may be subject to the lien hereof, when obsolete, worn out or unnecessary for the purposes of the Company; provided, however, that the aggregate amount or value of such property so sold or otherwise disposed of shall not exceed $25,000 in any one year, and, provided, further, that in every case of such sale or other disposition the Company shall deposit any cash proceeds thereof, not deposited with the corporate trustee under the indenture securing the First Mortgage Bonds pursuant to the provisions of such indenture, with the Mortgagee or shall within a reasonable time replace the property so sold with other property (in such manner as to come under the lien hereof) of a value at least equal to the value of the property so sold or disposed of.

(3) The Company shall be permitted at all times and from time to time to trade in, as a part of the purchase price of any new motor bus or trolley car, any motor bus or trolley car which may be subject to the lien hereof, when obsolete, worn out or unnecessary for the purposes of the Company, and until the happening of an event of default, the Mortgagee shall, whenever from

time to time requested by the Company, release from the lien hereof any such motor bus or trolley car, upon receipt by the Mortgagee of the following:

(i) A certificate signed by the President or a Vice President of the Company (a) stating that one or more motor buses or trolley cars then owned by the Company is to be traded in as a part of the purchase price of one or more new motor buses or trolley cars to be acquired by the Company, describing in reasonable detail each motor bus or trolley car then to be traded in, and also describing in reasonable detail each new motor bus or trolley car then to be acquired by the Company by means of such trade-in; (b) stating that each motor bus or trolley car then to be traded in by the Company is obsolete or worn out; (c) setting forth the terms of the trade-in in respect of each such motor bus or trolley car, that is to say, identifying the motor bus or buses or trolley car or cars to be traded in by the Company and the motor bus or buses or trolley car or cars to be acquired by the Company and stating the amount, if any, of the purchase price to be paid in cash; (d) stating that the value of each new motor bus or buses or trolley car or cars to be acquired by the Company by means of such trade-in is equal to or in excess of the value of the motor bus or buses or trolley car or cars to be traded in as a part of the purchase price of such new motor bus or buses or trolley car or cars; and (e) stating that no event of default hereunder has occurred and is continuing; and

(ii) An opinion of counsel (who may be of counsel for the Company) to the effect that (a) the Company has acquired title to each new motor bus or trolley car mentioned in the pertinent certificate responsive to subparagraph (i) next above, free of all liens and encumbrances, except the lien of current taxes and assessments, the lien of this Mortgage and of the indenture securing the First Mortgage Bonds; and (b) the Company has executed and delivered an appropriate supplemental mortgage subjecting each such new motor bus or trolley car to the lien of this Mortgage, or, in the alternative, that no such supplemental mortgage is necessary in order to subject such motor bus or trolley car to the lien of this Mortgage; and

(iii) An executed counterpart of each supplemental mortgage mentioned in the opinion of counsel filed pursuant to subparagraph (ii) above.

While the Company is not in default under any provision of this Mortgage, it may at any time and from time to time (1) make any change in the location of any of the buildings or other structures upon any part of the mortgaged premises, provided that the fair value of any building or structure, subject to the lien of this Indenture, after such change, shall not be substantially less than the fair value thereof prior to such change, or (2) alter, remodel or rebuild any of the buildings or other structures upon any part of the mortgaged premises so long as the fair value of such buildings or structures upon completion of such alteration, remodeling or rebuilding shall not be less than the fair value thereof immediately prior to the commencement of such alteration, remodeling or rebuilding, or (3) surrender to any municipality any property which has been abandoned. The Mortgagee shall release any abandoned property from the lien hereof upon written request of the Company and upon receipt of a certificate of the President of the Company describing the property which has been abandoned and naming the municipality to which it is to be surrendered. The term "fair value", as used herein, with respect to buildings or other structures, shall be deemed to mean the fair value thereof when used in a business similar to that in which the Company is engaged.

SECTION 2. Until the happening of an event of default hereunder

(A) In instances not covered by Section 1 of this Article, the Company may sell any of its property then subject to the lien of this Mortgage, and the Mortgagee shall release the same from the lien hereof; provided that this Section shall not be deemed to authorize the sale or release of all or substantially all of the mortgaged property and, provided further, that before so releasing such property, and as conditions precedent thereto, the Mortgagee shall have received:

(1) A certified copy of a resolution of the Board of Directors of the Company requesting such release;

(2) A certificate of the President of the Company setting forth (a) a general description of the property to be released, (b) the consideration to be received therefor, which consideration must be cash in an amount at least equal to the fair value of such property, as set forth in the accompanying opinion of an engineer or independent engineer, and (c) a statement that no event of default hereunder has occurred and is continuing;

(3) An opinion of an engineer (who may be an officer or employee of the Company, unless the fair value to the Company of the property to be released, stated in his opinion, is in excess of Fifty Thousand Dollars ($50,000), in which case he shall be an independent engineer), selected by the Company and acceptable to the Mortgagee, stating (a) the fair value to the Company of the property to be released; (b) that such release is desirable in the conduct of the business of the Company and that the property to be released is no longer necessary or advantageous for use in the business of the Company; (c) that the Company has sold or contracted to sell the property to be released for a consideration representing its fair value to the Company; and (d) that the proposed release will not impair the security hereunder;

(4) The cash stated in the certificate mentioned in paragraph (2) above, to be received as consideration for the property to be released; provided, however, that if the property to be released is subject to the lien of the indenture securing the First Mortgage Bonds, then the certificate of the corporate trustee under such indenture that it has received the cash referred to in this paragraph (4) shall be accepted by the Mortgagee in lieu of the cash required by this paragraph (4) to be delivered to the Mortgagee.

(B) As evidence of compliance with the conditions precedent, set forth in subsection (A) of this Section, the Mortgagee, before releasing said property from the lien of this Mortgage, may require:

(1) A certificate of the President of the Company stating that the conditions precedent to the release of said property have been complied with; and

(2) An opinion of counsel (who may be of counsel for the Company) stating that in his opinion the conditions precedent to the release of said property have been complied with.

All cash received by the Mortgagee under the provisions of this Section and representing the proceeds of the release of any part of the mortgaged property shall be held by the Mortgagee as a part of the mortgaged property. Such cash may be withdrawn by the Company in the manner specified in Section 5 of Article One hereof for the purpose of making or acquiring additions to or improvements of the mortgaged property or new motor buses or trolley cars; provided that the Company shall have notified the Mortgagee in writing,

within six (6) months after the date of deposit of such cash, of the intention of the Company to withdraw the same for said purposes, and provided further that the order of withdrawal of such cash shall describe the additions or improvements or new motor buses or trolley cars to be acquired and shall state the cost thereof, and shall be accompanied by an opinion of counsel to the effect that such additions or improvements or new motor buses or trolley cars (describing the same) have been or will be, upon application of the cash, withdrawal whereof is requested, subject to the lien of this Mortgage. In case the Company shall not, within said six (6) months' period, notify the Mortgagee of its intention to withdraw such cash, then such cash shall be by the Mortgagee applied to the prepayment of the Notes in their numerical order, at par plus unpaid interest, on the portion being prepaid, to the date of such application.

SECTION 3. The release of property from the lien of this Mortgage by the Mortgagee under the provisions of this Article shall operate and be effective as a full and complete discharge and satisfaction of the lien created by this Mortgage as to the property described in such release, and such release shall be conclusive evidence that the property therein specifically described has been validly released from the lien of this Mortgage.

SECTION 4. Should any of the mortgaged property be taken by the exercise of the power of eminent domain, the Mortgagee shall accept any award or consideration stated in a certificate of the President of the Company, delivered to the Mortgagee, to be satisfactory to the Company, and the Mortgagee shall release the property so taken, upon being furnished with an opinion of counsel (who may be of counsel for the Company) to the effect that such property has been taken by exercise of the power of eminent domain. In any such proceeding the Mortgagee may be represented by counsel (who may be of counsel for the Company), and the Mortgagee may or may not become a party thereto as the Mortgagee in its discretion may determine. Except to the extent paid to or deposited with the corporate trustee under the indenture securing the First Mortgage Bonds, the proceeds of all mortgaged property so taken shall be paid over to the

Mortgagee, and shall be held and disbursed or applied upon the terms and conditions provided in Section 2 of this Article.

SECTION 5. No purchaser in good faith of property purporting to be released hereunder shall be bound to inquire as to any facts required by the provisions hereof for the exercise of such authority.

SECTION 6. In case the mortgaged property shall be in the possession of a receiver or of the trustee or trustees under the indenture securing the First Mortgage Bonds, the powers hereinbefore conferred upon the Company with respect to the sale or other disposition of property covered hereby may be exercised by such receiver or such trustee or trustees; and if the Mortgagee shall be in possession of the mortgaged property under any provision of this Mortgage, then such powers may be exercised by the Mortgagee in the discretion of the Mortgagee. In case the Company shall be in default hereunder, but the mortgaged property shall not be in the possession of a receiver or of the trustee or trustees under the indenture securing the First Mortgage Bonds or of the Mortgagee, the Company shall none the less be permitted to exercise the powers hereinbefore conferred upon it with respect to the sale or disposition of property covered hereby with the consent of the Mortgagee.

ARTICLE THREE.

SUPPLEMENTAL MORTGAGES.

SECTION 1. When authorized by resolution of its Board of Directors, the Company, from time to time and at any time, subject to the restrictions in this Mortgage contained, may, and when so required by this Mortgage shall, enter into such indentures supplemental hereto as may be deemed necessary or desirable for any one or more of the following purposes, among others:

(1) To correct the description of any property hereby conveyed or transferred or intended so to be, or to assign, convey, mortgage, pledge, transfer and set over unto the Mortgagee additional property of the Company which may be now owned by the Company but through error omitted from the specific descriptions of property herein contained, or acquired by the

Company hereafter by purchase, consolidation or merger, or otherwise, with the same force and effect as though included in the granting and pledging clauses hereof;

(2) To add to the covenants or agreements of the Company other and additional covenants and/or agreements;

(3) To evidence the succession of another corporation to the Company, or successive successions, and the assumption by such successor corporation of the covenants and obligations of the Company in the Notes and in this Mortgage and in any and every supplemental mortgage contained; and

(4) For any other purpose not inconsistent with the terms of this Mortgage, and which shall not impair the security of the same, or for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective or inconsistent provision contained herein or in any supplemental mortgage.

SECTION 2. The Company covenants and agrees that, when and if the Mortgagee so requests in writing, it will execute and deliver a mortgage supplemental hereto appointing a trustee hereunder. Such trustee shall be a bank or trust company having its principal office and place of business in the City of Milwaukee, Wisconsin, organized and doing business under the laws of the United States or of the State of Wisconsin, with a capital and surplus of at least $5,000,000, and authorized under such laws to exercise corporate trust powers and subject to supervision or examination by federal or state authority. Such supplemental mortgage shall contain such additional provisions and such amendments to the provisions of this Mortgage as are necessary in order to add hereto provisions which are customary in an indenture of mortgage providing for a corporate trustee.

SECTION 3. Any supplemental mortgage executed in accordance with any of the provisions of this Article shall thereafter form a part of this Mortgage; and all the terms and conditions contained in any such supplemental mortgage as to any provision authorized to be contained therein shall be and be deemed to be part of the terms and conditions of this Mortgage for any and all purposes.

SECTION 4. Any and every such supplemental mortgage entered into as required or permitted by the provisions of this Article, may

be simultaneously executed in any number of counterparts for the purpose, among other things, of prompt and convenient recording, and all such counterparts executed and delivered each as an original shall constitute but one and the same instrument.

ARTICLE FOUR.

MERGER, CONSOLIDATION AND SALE.

SECTION 1. The Company covenants that, so long as any of the Notes shall remain outstanding, it will not be or become a party to any merger or consolidation with any other corporation whatsoever and it will not convey or transfer or lease all or substantially all of its assets as an entirety to any other corporation (the corporation resulting from such merger or consolidation or to which such sale or transfer or lease shall be made being hereinafter called the "Successor Corporation"), unless the written consent thereto of the Mortgagee shall have been obtained, and then only upon and subject to the following further conditions:

(1) Any such consolidation, merger, conveyance, transfer or sale or lease shall be upon such terms as shall in no respect impair the lien of this Mortgage, or any of the rights or powers of the holder of any Notes, or result in a violation of any of the covenants of the Notes or of this Mortgage;

(2) Upon any such consolidation, merger, conveyance, sale or transfer or lease, the Successor Corporation (if other than the Company) shall assume and agree to pay duly and punctually the principal of and interest on the Notes, in accordance with the provisions of the Notes and this Mortgage and of all mortgages supplemental hereto, and shall agree to perform, preserve and fulfill duly and punctually all the terms, covenants and conditions of the Notes and this Mortgage and all mortgages supplemental hereto binding upon the Company.

SECTION 2. In case the Company, pursuant to and in accordance with Section 1 of this Article, shall be consolidated with or merged into any other corporation, or shall convey or transfer or lease, subject to the lien of this Mortgage, all or substantially all of its properties and assets as an entirety, the Successor Corporation (if other than

the Company) shall execute and cause to be recorded a mortgage supplemental hereto, whereby the Successor Corporation shall assume and agree to pay duly and punctually the principal of and interest on the Notes in accordance with the provisions of the Notes and this Mortgage and all mortgages supplemental hereto, and shall agree to perform, observe and fulfill duly and punctually all the terms, covenants and conditions of the Notes and this Mortgage and all mortgages supplemental hereto binding upon the Company, and thereupon such Successor Corporation shall succeed to and be substituted for the Company with the same effect as if it had been named herein as the mortgagor company.

The Company shall, if requested, furnish the Mortgagee with an opinion of counsel (who may be of counsel for the Company) that such supplemental indenture complies with the foregoing conditions and provisions of this Section, and that any such Successor Corporation has lawful power to acquire or lease all or substantially all of the property and assets of the Company and operate the same.

ARTICLE FIVE.

DEFAULT AND REMEDIES THEREFOR.

SECTION 1. (A) In case any one or more of the following events (elsewhere in this Mortgage called "events of default") shall happen and be continuing, that is to say, in case

(1) all of the outstanding First Mortgage Bonds of the Company shall be declared due and payable because of the occurrence of an event of default under the indenture securing the same; or

(2) default shall be made by the Company in the payment of any interest due on any of the Notes when the same shall be due and payable, and such default shall continue for a period of thirty (30) days; or

(3) default shall be made by the Company in the payment of the principal of any of the Notes when due and payable, whether at maturity, pursuant to any prepayment requirement contained in the Notes, or otherwise; or

(4) default shall be made by the Company in the due observance or performance of any of the covenants contained in Sections 4 (b), 15 or 16 of Article One of this Mortgage; or

(5) default shall be made by the Company in the due observance or performance of any other covenant, obligation, condition or requirement imposed upon it by this Mortgage, or by the Notes, and such default shall continue for a period of thirty (30) days after written notice thereof to the Company from the Mortgagee; or

(6) the Company shall (a) admit in writing its inability to pay its debts generally as they become due, (b) file a petition in bankruptcy, (c) make an assignment for the benefit of its creditors, (d) consent to the appointment of a receiver of itself or of the whole or any substantial part of the mortgaged property, otherwise than as set forth in division (D) of Section 2 of this Article and in the indenture securing the First Mortgage Bonds, or (e) on a petition in bankruptcy filed against the Company, be adjudicated a bankrupt; or

(7) 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 mortgaged property, and such order, judgment or decree shall not be vacated or set aside or stayed within ninety days from the date of such appointment; or

(8) the Company shall (a) 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 (b) file an answer seeking the relief provided in said Chapter X; or

(9) 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

(10) 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 mortgaged property, and such custody or control shall not be terminated within sixty days from the date of assumption of such custody or control; or

(11) 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 execu-

tion 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 any such case, the Mortgagee may, by notice in writing delivered to any officer of the Company or deposited in the mails addressed to the Company, at Milwaukee, Wisconsin, declare the principal of all of the Notes to be due and payable immediately, and upon such declaration the same shall become due and payable immediately, anything in this Mortgage or in the Notes to the contrary notwithstanding.

(B) Division (A) of this Section is subject to the condition that, at any time after the principal of the Notes shall be so declared due and payable and prior to any foreclosure sale of the mortgaged or pledged property, if all arrears of interest upon all Notes then outstanding (except interest accruing since the last interest payment date of the Notes), together with all other payments required to be paid by the Company by the terms of the Notes and of this Mortgage, shall have been paid by or on behalf of the Company or collected by the Mortgagee out of the income of the mortgaged or pledged property, and if every other default of the Company in the performance of the covenants and obligations imposed upon it by the Notes and by this Mortgage shall have been made good to the reasonable satisfaction of the Mortgagee, and if the Company, its successors or assigns, shall have executed, acknowledged and duly filed for record in each county where any of the mortgaged property is situated an instrument in form satisfactory to the Mortgagee, whereby the Company, its successors or assigns, shall, for the benefit of the Mortgagee and the holders from time to time of the Notes, have acknowledged the validity of the debt hereby secured and of the lien hereby created or intended to be created and shall have agreed to perform each and every of the covenants and provisions in this Mortgage and in the Notes at the time outstanding hereunder, at the times and in the manner herein and in the Notes provided, then and in every such case,

the Mortgagee may, by written notice to the Company, waive any such default and its consequences and rescind such declaration as aforesaid, and abandon any proceedings taken on account of such default, and in case of any such waiver or in case any proceedings taken by the Mortgagee on account of any such default shall have been discontinued or abandoned, or determined adversely, then and thereupon the Mortgagee shall be restored to its former position and rights hereunder and under the Notes, and any previous declarations as aforesaid shall be deemed rescinded and of no effect, but no such rescission or annulment shall affect any subsequent default, or impair any right consequent thereon.

SECTION 2. (A) In case of the happening of an event of default specified in Section 1 of this Article, and its continuance beyond the period of grace, if any, applicable thereto, or in case the principal of all of the Notes shall have been declared due and payable immediately, as provided in Section 1 of this Article, then and in every such case the Mortgagee may proceed to protect and enforce its rights, by a suit or suits in equity or at law, either for the specific performance of any covenant or agreement contained herein or in the Notes, or in aid of the execution of any power herein and/or therein granted, or for the foreclosure of this Mortgage, or for the enforcement of any other appropriate legal or equitable remedy, as the Mortgagee may deem most effectual to protect and enforce any of the rights or interests under the Notes and/or this Mortgage.

(B) In every case referred to in division (A) of this Section, the Mortgagee may institute and carry on or cause to be instituted and carried on such suit or suits to enforce payment of the obligations secured hereby or to foreclose the lien of this Mortgage, as may be authorized or permitted by law.

(C) In every case referred to in division (A) of this Section, the Mortgagee may, by such officers or agents as it may appoint, with or without entry, sell the mortgaged and pledged property as an entirety or in such parcels as the Mortgagee may determine, at public auction at some convenient place in Milwaukee, Wisconsin, or in such other place or places as may be required by law, having first given notice of such sale by publication in at least one newspaper printed

in the English language and of general circulation in the place or places where such sale is to take place, at least once a week for four (4) successive calendar weeks preceding such sale, and having given any other or further or additional notice which may be required by law, and from time to time may 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 may make and deliver to the purchaser or purchasers a good and sufficient deed or deeds or bill or bills of sale or assignment or assignments for the same, which sale, as well as any sale made under this Mortgage by virtue of any judicial proceedings, shall be a perpetual bar both at law and in equity against the Company and all persons or entities claiming by, through or under the Company. The Mortgagee and its successors are hereby further irrevocably appointed the true and lawful attorneys of the Company, in its name and stead, for the purpose of effectuating any such sale, to execute and deliver all necessary deeds, bills of sale, assignments and transfers, and to substitute one or more persons 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; provided, nevertheless, that if so requested by the Mortgagee or any purchaser, the Company shall ratify and confirm any such sale or transfer by executing and delivering to the Mortgagee or to such purchaser or purchasers all such proper instruments of conveyance, assignment or transfer as may be designated in any such request.

(D) In any case referred to in division (A) of this Section, the Mortgagee may proceed to protect and enforce its rights, whether for the specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted or for the enforcement of any other appropriate legal or equitable remedy as may be most effective to protect and enforce the rights aforesaid; and upon the bringing of any suit to foreclose this Mortgage, or to enforce any other remedy of the Mortgagee hereunder, the Mortgagee shall be entitled, as a matter of right, without notice and without giving bond to the Company, or anyone claiming under it, to have a receiver appointed of all the mortgaged property and of the earnings,

income, rents, issues and profits thereof pending such proceedings, with such powers as the court making such appointment shall confer, and the Company does hereby irrevocably consent to such appointment. Without in any way intending hereby to limit, restrict or circumscribe the lawful exercise of the discretion or authority of the court in the premises, the court, wherein any action for the foreclosure of this Mortgage or the enforcement of any right or remedy hereunder shall be pending, may in its discretion authorize such receiver to prosecute and conduct the Company's corporate enterprise, in whole or in part; and may in its discretion authorize such receiver to make, issue and sell his interest-bearing receiver's certificates, paramount to and displacing the lien of this Mortgage, in such form and on such terms as the court shall prescribe, for the purpose of supplying working capital, of paying or redeeming taxes, tax liens or other liens, of effectuating and maintaining insurance, of protecting, maintaining, and operating the mortgaged premises, property and enterprise, and for such other purposes as shall in the discretion of the court promote the better protection and security of the Notes.

If in any foreclosure proceedings the mortgaged property shall be sold for a sum less than the total amount of the indebtedness for which judgment is therein given, the Mortgagee shall be entitled to the entry of a deficiency decree against the Company and against the property of the Company for the amount of such deficiency, and the Company does hereby irrevocably consent to the appointment of a receiver of the mortgaged property and of the rents, issues and profits thereof after such sale, during the period or periods, if any, allowed by law for the redemption of the property so sold and until such deficiency decree is satisfied in full.

SECTION 3. (A) In the event of any sale to enforce the security of this Mortgage, the property mortgaged and pledged hereunder may be sold as an entirety or in such lots and/or parcels as the Mortgagee in its discretion shall determine, and this provision shall bind the Company. In case of any such sale the whole of the principal of the Notes shall at once become due and payable, anything in the Notes or in this Mortgage contained to the contrary notwithstanding.

(B) The Company, for itself, and for all who may claim through

or under it, hereby expressly waives and releases all right to have the property covered by the lien of this Mortgage, any part thereof or any other of its property marshalled upon any foreclosure, sale or other enforcement hereof, and the Mortgagee, or any court in which the foreclosure of this Mortgage is sought, shall have the right as aforesaid to sell the mortgaged and pledged property as an entirety in a single parcel. It is hereby stipulated and agreed that in case of foreclosure of this Mortgage, the court shall direct the sale of the mortgaged property to be with or without appraisement, as the Mortgagee may elect, such election to be made at the time judgment is rendered in any proceeding for the foreclosure of this Mortgage.

The Company covenants that it will not at any time insist upon or plead, or in any manner whatever claim, or take any benefit or advantage of, any stay or extension law now or at any time hereafter in force, nor claim, take or insist upon any benefit or advantage of or from any law now or hereafter in force providing for the valuation or appraisement of the mortgaged property, or any part thereof, prior to any sale or sales thereof to be made pursuant to any provision herein contained, or to the decree, judgment or order of any court of competent jurisdiction; nor, after any such sale or sales, claim or exercise any right under any statute now or hereafter made or enacted by any state or otherwise to redeem the property so sold, or any part thereof, and hereby expressly waives all benefit and advantage of any such law or laws and covenants that it will not invoke or utilize any such law or laws or otherwise hinder, delay or impede the execution of any power herein granted and delegated to the Mortgagee, but will suffer and permit the execution of every such power as though no such law or laws had been made or enacted.

SECTION 4. The proceeds or avails of any sale shall, subject to the provisions of Section 3 of Article One hereof, be paid to and applied by the Mortgagee as follows:

(1) To the payment of costs and expenses of foreclosure, if any, and of such sale, and the reasonable compensation of the Mortgagee, its agents, attorneys and counsel, and of all proper expenses and advances incurred or made hereunder by the Mortgagee, and of all taxes, assessments or liens superior to the lien of

these presents, except any taxes, assessments or other superior lien subject to which said sale may have been made.

(2) To the payment of the whole amount then owing or unpaid upon the Notes for principal and interest, together with interest at the rate of five per cent (5%) per annum on overdue interest and/or principal; and in case such proceeds shall be insufficient to pay the whole amount so due and unpaid upon the Notes, then to the payment of such principal and interest, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, ratably, in proportion to the aggregate of such principal and accrued and unpaid interest.

(3) To the payment of the surplus, if any, to the Company, its successors and assigns, or to whoever may be lawfully entitled to receive the same.

SECTION 5. (A) In the event of any judicial sale of the mortgaged or pledged property under a decree of foreclosure of mortgage made by any court having competent jurisdiction, the Mortgagee is hereby authorized to purchase the property sold, or any part thereof, and, having so purchased such property, or any part thereof, the right and title to the property so purchased shall vest in the Mortgagee.

(B) In case of any such sale of the mortgaged or pledged property, or of any part thereof, the purchaser or purchasers, for the purpose of making settlement for or payment of the purchase price, shall be entitled to turn in and use any of the Notes or claims for interest matured and unpaid thereon, in order that there may be credited as paid on the purchase price the sum apportionable and applicable to such Notes, including principal and interest thereof, out of the net proceeds of such sale after allowing for the proportion of the total purchase price required to be paid in actual cash; and such purchaser or purchasers shall be credited on account of the purchase price payable by him or them with the sums apportionable and applicable out of such net proceeds to the payment of or as a credit on the Notes so turned in by him or them.

SECTION 6. In case default shall be made in the payment of any installment of interest on any Note, and such default shall have continued for a period of thirty (30) days, or in case default shall be

made in the payment of the principal of any of said Notes when the same shall become due, whether in accordance with their terms, or upon declaration accelerating the maturity of Notes as authorized by this Mortgage, then, and in any of these events, upon demand of the Mortgagee, the Company will pay to the Mortgagee an amount of money sufficient to pay the whole amount that then shall have become due and payable upon the Notes, for principal or interest, or both of them, as the case may be, with interest upon the overdue principal and installments of interest, and in addition thereto such further amount as shall be sufficient to cover the cost and expenses of collection of all thereof, including reasonable compensation to the agents, attorneys and counsel of the Mortgagee, and any expenses incurred by the Mortgagee hereunder, and in case the Company shall fail to pay the same forthwith, upon such demand, the Mortgagee shall be entitled to recover judgment for the whole amount so due and unpaid. The Mortgagee shall 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 Mortgage, and the right of the Mortgagee to recover such judgment shall not be affected by the exercise of any other right, power or remedy for the enforcement of the provisions of this Mortgage, or the foreclosure of the lien hereof. In case of a sale of any or all of the property subject to this Mortgage, and of the application of the proceeds of sale to the payment of the debt hereby secured, the Mortgagee shall be entitled to enforce payment of, and to receive all amounts then remaining due and unpaid for principal and interest, with interest on overdue principal and interest as aforesaid, upon any and all of the Notes, and shall be entitled to recover judgment for any portion of the debt remaining unpaid with interest. No recovery of any such judgment by the Mortgagee, and no levy of any execution under any such judgment, on property subject to this Mortgage, or on any other property shall in any manner or to any extent affect the lien of this Mortgage on the property, or any part thereof, subject hereto, or any liens, rights, powers or remedies of the Mortgagee hereunder, but such liens, rights, powers and remedies shall continue unimpaired as before. Any moneys thus collected by the Mortgagee under this Section shall be applied by the Mortgagee, first, to the payment of the expenses and disburse-

ments of the Mortgagee, its agents and attorneys, and, second, toward the payment of the amount then due and unpaid upon the principal and interest on the Notes in respect of which such moneys shall have been collected.

SECTION 7. No delay or omission of the Mortgagee to exercise any right or power arising from any default on the part of the Company shall exhaust or impair any such right or power or prevent its exercise during the continuance of such default. No waiver by the Mortgagee of any such default, whether such waiver be full or partial, shall extend to or be taken to affect any subsequent default, or to impair the rights resulting therefrom, except as may be otherwise provided herein. No remedy hereunder is intended to be exclusive of any other remedy but each and every remedy shall be cumulative and in addition to any and every other remedy given hereunder or otherwise existing.

SECTION 8. Upon default in payment of any installment of interest and its continuance for a period of thirty (30) days, or default in the payment of the principal of any of the Notes, the Mortgagee shall be entitled and empowered to institute any action or proceeding at law or in equity, as may to the Mortgagee seem best for the collection of the sums so due and unpaid, and may prosecute any such action or proceeding to judgment or final decree, and may enforce any such judgment or final decree against the Company, and collect the moneys adjudged or decreed to be payable out of the property of the Company, wherever situated, in the manner provided by law.

SECTION 9. In case any of the remedies herein given or attempted to be given to the Mortgagee shall at any time be held invalid, or any provision of this Mortgage shall be held illegal or invalid for any reason, such illegality or invalidity shall not affect the remaining parts of this Mortgage or the other remedies given hereby, but this Mortgage shall be construed and enforced as if all such illegal or invalid provisions had never been inserted herein.

SECTION 10. In case the Mortgagee shall have proceeded to enforce any right under this Mortgage by foreclosure, sale, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Mort-

gagee, then and in every such case the Company and the Mortgagee shall be restored to their former positions and rights hereunder with respect to the property subject to the lien of this Mortgage, and all rights, remedies and powers of the Mortgagee shall continue as if no such proceedings had been taken.

SECTION 11. The rights and remedies of the Mortgagee contained in this Article are subject to the rights and remedies of the trustee under the indenture securing the Company's First Mortgage Bonds, in the event of a default under such indenture.

ARTICLE SIX.

RELEASE AND DISCHARGE OF MORTGAGE.

Whenever the Company shall pay, or cause to be paid, the principal and interest due and to become due upon all the Notes then outstanding, and shall pay the Mortgagee all lawful claims accruing to it by virtue of this instrument, and shall well and truly keep and perform all of the things herein required to be kept and performed by it, according to the true intent and meaning of this Mortgage, then and in that event these presents and the trust hereby created shall cease and terminate, and the properties hereby mortgaged, conveyed and pledged shall revert and/or pass to the Company, and the estate, right, title and interest of the Mortgagee shall thereupon cease, terminate and become void. In case of full payment of all the Notes and the discharge of all other obligations on the part of the Company, as herein provided, the Mortgagee shall execute and deliver to the Company on demand, at the cost and expense of the Company, all proper instruments that may be necessary to evidence the satisfaction of this Mortgage and secure its release and discharge.

ARTICLE SEVEN.

IMMUNITY OF INCORPORATORS, STOCKHOLDERS, OFFICERS AND DIRECTORS.

No recourse shall be had for the payment of the principal of or interest on any Note or for any claim based thereon, or upon any obligation, covenant or agreement in this Mortgage contained, against

any incorporator or any past, present or future stockholder, officer or director of the Company, or of any successor corporation, as such, either directly or through the Company, or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporators, stockholders, officers or directors as such is hereby expressly waived and released as a condition of and consideration for the execution of this Mortgage and the issue of the Notes.

ARTICLE EIGHT.

DEFINITIONS OF TERMS AND MISCELLANEOUS PROVISIONS.

SECTION 1. In each and every place in and throughout this Mortgage wherein the following terms, or any of them, are used, the same, unless the context shall indicate another or different meaning or intent, shall be construed, are used, and are intended to have meanings and to be inclusive as follows:

(a) "Company"—Milwaukee & Suburban Transport Corporation, the first party hereto, and its corporate successor or successors in title to the properties vested in it or in its successors and at the time of such succession subject to the lien hereof.

(b) "Mortgagee"—The Milwaukee Electric Railway & Transport Company, and its successor or successors as mortgagee hereunder.

(c) "Mortgaged property"—the physical property, franchises and rights at the time subject to the lien hereof, including all cash and securities at the time held by the Mortgagee under the terms of this Mortgage.

(d) "President"—the president and each and every vice president and each and every other officer of the corporation concerned authorized to exercise the powers and authority customarily reposed in the president of a corporation.

(e) "Secretary"—the secretary and each and every assistant secretary and each and every other officer of the corporation concerned authorized to exercise the powers and authority customarily reposed in the secretary of a corporation.

(f) "Treasurer"—the treasurer and each and every assistant treasurer and each and every other officer of the corporation concerned authorized to exercise the powers and authority customarily reposed in the treasurer of a corporation.

(g) "Counsel"—any counsel appointed by the Company and approved by the Mortgagee, including any counsel in the employ of the Company and so appointed and approved.

(h) "Engineer"—any engineer appointed by the Company and approved by the Mortgagee, including any engineer in the employ of the Company and so appointed and approved.

(i) "Independent engineer"—any engineer or firm of engineers of recognized standing, not regularly in the employ of or under retainer to the Company, appointed by the Company and approved by the Mortgagee.

(j) "Certified copy of a resolution"—a copy of a resolution certified by the secretary of the Company to have been by the requisite majority of the Board of Directors or stockholders duly passed and adopted at a meeting of such board or stockholders duly called and convened.

(k) "Equipment Obligations"—any evidences of debt, participation certificates or like instruments signed by the Company or a trustee or agent which may be secured by transportation equipment through a reservation of title or lien or any similar arrangement, which may hereafter be issued in order to effect the purchase of such equipment by the Company or the use thereof by the Company under lease, or any such instruments issued for the purpose of refunding instruments of the character aforesaid, subject, however, to the restrictions appearing in subdivisions (b) and (c) of Section 4 of Article One hereof.

(l) "Trolley cars"—any vehicles operated by use of a trolley, whether or not on rails.

SECTION 2. Whenever in this Mortgage either the Company or Mortgagee is referred to, such reference shall be deemed to include the successors and assigns of such corporations, and all the covenants, promises and agreements in this Mortgage contained by or on behalf of the Company, or by or on behalf of the Mortgagee shall bind and inure to the benefit of the respective successors and assigns of such corporations, whether so expressed or not.

SECTION 3. Nothing in this Mortgage, expressed or implied, is intended or shall be construed to confer upon or give to any person or corporation, other than the Company and the Mortgagee and the holders of the Notes, any right, remedy or claim under or by reason of this Mortgage, or any covenant, condition, or stipulation hereof, and all the covenants, stipulations, promises, agreements and conditions

in this Mortgage contained, by or on behalf of the Company, shall be for the sole and exclusive benefit of the Company and the Mortgagee, their successors and assigns, and of the holders of the Notes.

SECTION 4. This Mortgage may be simultaneously executed in any number of counterparts, and all said counterparts executed and delivered, each as an original, shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the party of the first part has caused its corporate name to be hereunto subscribed by its President or by one of its Vice Presidents, and its corporate seal to be hereto affixed, and said seal to be attested, and this Mortgage to be countersigned by its Secretary or by one of its Assistant Secretaries, all on the day and year first above written.

MILWAUKEE & SUBURBAN TRANSPORT CORPORATION,

By _____
ARTHUR T. KUESEL,
President.

Attest:

Countersigned:

_____
PAUL NOELKE,
Assistant Secretary.

Witnesses to the execution hereof:

_____
KATHERINE SCHIPPER

_____
LUCILLE HARTMANN

Thirty-three Hundred Dollars ($3300.00) United States internal revenue documentary stamps, denoting payment of tax on Three Million Dollars ($3,000,000) of notes secured by this Mortgage, are affixed to an executed original of this Mortgage on file with The Milwaukee Electric Railway & Transport Company, Milwaukee, Wisconsin, and have been duly cancelled in accordance with law.

STATE OF WISCONSIN,
COUNTY OF MILWAUKEE. } ss:

I, _____, a Notary Public in and for said county in the state aforesaid, do hereby certify that Arthur T. Kuesel, President of Milwaukee & Suburban Transport Corporation, a Wisconsin corporation, and Paul Noelke, the Assistant Secretary of said corporation, who are both personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such President and Assistant Secretary respectively and who are both personally known to me to be the President and Assistant Secretary respectively of said corporation, 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 Milwaukee & Suburban Transport Corporation, and was affixed by order of the Board of Directors of said corporation, and that they signed, sealed and delivered the said instrument as their free and voluntary act as such President and Assistant Secretary respectively of said corporation, and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 30th day of December, 1952.

_____
Notary Public, Milwaukee County, Wis.
KATHERINE SCHIPPER

My Commission expires: 7-11-54

State of Wisconsin } ss.
DEPARTMENT OF STATE
Received this 30TH day of
DECEMBER A. D. 19 52 at 10:00
o'clock A.M. and recorded in Vol.
44 of RAILROAD MORTGAGES
on pages 329-360, INCL.
_____
Assistant Secretary of State

A G R E E M E N T

BY AND BETWEEN

GENERAL MOTORS CORPORATION (ELECTRO-MOTIVE DIVISION)

AND

DULUTH, MISSABE AND IRON RANGE RAILWAY COMPANY

DATED, DECEMBER 11, 1952

AND

A S S I G N M E N T

BY

GENERAL MOTORS CORPORATION (ELECTRO-MOTIVE DIVISION)

TO

THE FIRST NATIONAL BANK OF CHICAGO

DATED, MARCH 2, 1953

COUNTERPART
No. 4 OF 13

THIS AGREEMENT, dated as of December 11, 1952, by and between GENERAL MOTORS CORPORATION (Electro-Motive Division), a corporation organized under the laws of the State of Delaware, with a principal office in the City of Detroit and State of Michigan (hereinafter called the "Manufacturer"), and DULUTH, MISSABE AND IRON RANGE RAILWAY COMPANY, a corporation organized under the laws of the State of Minnesota, with its principal office in the City of Duluth, State of Minnesota, (hereinafter called the "Railroad"),

W I T N E S S E T H :

In consideration of the mutual promises, covenants and agreements hereinafter set forth the parties hereto do hereby agree as follows:

1. CONSTRUCTION AND SALE. The Manufacturer will construct, sell and deliver to the Railroad and the Railroad will purchase from the Manufacturer and accept delivery as hereinafter provided and pay therefor as hereinafter set forth Diesel-Electric Switching Locomotives (any one of which is hereinafter referred to as "Locomotive" and more than one or all of which are hereinafter referred to as "Locomotives") as follows:

Fifteen (15) 1200 H.P. Model SW-9, 125 ton Diesel-Electric Switching Locomotives, bearing the Railroad's Road Numbers 11 to 25, inclusive, as described by the Manufacturer's Specifications No. 8023-A, dated April 18, 1951, and in accordance with Manufacturer's Proposal No. C-133 dated November 25, 1952, and Purchase Order 1152-9077 dated December 11, 1952 and modifications thereof agreed upon in writing between the Railroad and the Manufacturer.

2. DELIVERY. The Manufacturer will deliver the Locomotives to the Railroad at Proctor, Minnesota, and will complete shipment of the Locomotives not later than April 30, 1953.

On shipment of the Locomotives by the Manufacturer from its works at Cleveland, Ohio, the Manufacturer will assume responsibility and risk of loss or damage with respect to the Locomotives so shipped while the same are East of McCook, Illinois, and the Railroad will assume such responsibility and risk while the Locomotives are West of McCook, Illinois.

The Manufacturer's obligation as to time of delivery is subject, however, to delays and/or defaults resulting from any and all causes beyond the Manufacturer's reasonable control, including but not limited to acts of God, acts of government such as embargoes, priorities and allocations, war or war conditions, riot or civil commotion, sabotage, strikes or other labor conditions, accidents, fire, flood, explosion, damage to plant, equipment or facilities, epidemics, quarantine restrictions, delays or defaults of sub-contractors, failure to receive necessary materials or supplies, inability to obtain fuel, light or power, or absence of usual means of transportation.

The Railroad shall accept the Locomotives as soon as practicable after delivery at Proctor, Minnesota. Each of the Locomotives prior to acceptance shall be inspected by an authorized representative of the Railroad. If such Locomotive conforms to specifications such representative of the Railroad shall execute a certificate of acceptance (hereinafter called the "Certificate of Acceptance") stating that such Locomotive has been inspected and accepted by him on behalf of the Railroad as conforming in all respects to the requirements and provisions of this agreement. Such Certificate of Acceptance shall constitute conclusive evidence that the Locomotive conforms to specifications and is acceptable to the Railroad in all details. The Certificate of Acceptance shall be delivered to the Manufacturer as soon as practicable after delivery of the Locomotive to the Railroad.

The Manufacturer will furnish a competent service engineer to superintend the placing of each of the Locomotives in

working condition. The Railroad will provide free of charge each such service engineer as well as any person that may be provided by the Manufacturer at the Railroad's request to instruct the Railroad's engineers in the operation of the Locomotives or that may be sent by the Manufacturer to investigate complaints regarding the Locomotives, with all necessary labor, materials, supplies and transportation on lines owned or controlled by the Railroad.

3. PURCHASE PRICE. The purchase price of the Locomotives shall be $107,838.00 each, with a total purchase price for all of the Locomotives of $1,617,570.00. For said price, the Manufacturer shall deliver the Locomotives freight prepaid to Proctor, Minnesota. In addition to the purchase price the Railroad shall, for each Locomotive, reimburse the Manufacturer upon presentation of an invoice in an amount representing freight at the existing rates from McCook, Illinois, to Proctor, Minnesota.

Conditional only upon receipt and acceptance of the Locomotives, which shall be conclusively presumed from the execution of the Certificate of Acceptance, the Railroad hereby promises to pay to the Manufacturer, at its office in La-Grange, Illinois, or at such bank or trust company in the United States of America as the Manufacturer may designate, the aforesaid purchase price of the Locomotives, as follows:

(a) In cash, upon presentation of the invoice for each Locomotive:

For each Locomotive Twenty-six Thousand Nine Hundred Fifty-nine & 50/100 Dollars ($26,959.50), representing approximately 25% of the purchase price of such Locomotive.

(b) The balance of the purchase price remaining unpaid after the initial cash payments provided for in (a) above shall be payable:

For each Locomotive Eighty Thousand Eight Hundred Seventy-eight & 50/100 Dollars ($80,878.50), represent-

ing approximately 75% of the purchase price of each such Locomotive, shall be payable in 14 consecutive semi-annual instalments, the first thirteen of which instalments shall be in the principal amount of Five Thousand Seven Hundred Seventy-seven & 03/100 Dollars ($5,777.03), and the final of which instalment shall be in the principal amount of Five Thousand Seven Hundred Seventy-seven & 11/100 Dollars ($5,777.11), together with interest at the rate of 3% per annum from the date of acceptance of such Locomotive on the balance of the purchase price of such Locomotive remaining unpaid, the first instalment of principal and interest to be payable on the first day of November, 1953, and subsequent instalments to be payable on the first day of May and November in each year thereafter.

All payments provided for in this agreement will be made by the Railroad 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.

In the event of any change or modification made in the specifications the amount by which such change or modification increases or decreases the cost of the Locomotives shall be added to or subtracted from, as the case may be, the price of the Locomotives. The Initial payment to be made by the Railroad to the Manufacturer as provided herein shall be increased or decreased accordingly.

Whenever there is a general change in the cost of the manufacture of the Locomotives specified herein sufficient to warrant, in Manufacturer's opinion, an increase in the price herein set forth, the Manufacturer will notify Railroad of such an increase at least sixty (60) days prior to the date then scheduled for delivery. Prices of specialties and extra equipment not included in the basic specifications of the Locomotives are subject to revision by the Manufacturer at any time prior to sixty (60) days from the date of delivery of the Locomotives specified herein. Within fifteen (15) days after

receipt of any notice of price change, or within such further period of time as may be agreed upon in writing between Railroad and Manufacturer, Railroad may— (a) cancel this agreement in entirety by written notice of cancellation if there has been an increase in the price of the basis Locomotive, (b) cancel this agreement in respect of any specialty or extra where there is a price increase of such specialty or extra. If such written notice of cancellation is not received within such fifteen (15) day period or such period as may have been agreed upon, Manufacturer shall proceed with production and this agreement shall be modified to include the increased price. Cancellation charges on specialties and extras not manufactured by Manufacturer, will be assumed by the Railroad. In the event there should be a reduction in the price of this type of Locomotive before delivery and/or any specialty or extra equipment quoted herein, such reduction will be applicable. Notwithstanding anything to the contrary in this agreement, the purchase price of each Locomotive, including any price increases pursuant to the provisions of this Article, shall in no event exceed the ceiling price in effect for such Locomotive under applicable Federal laws and regulations as of the date of delivery.

4. Taxes. All payments to be made by the Railroad hereunder will be free of expenses to the Manufacturer for collection or other charges and of the amount of any local, state or federal taxes (other than income taxes) or licenses hereafter levied or imposed upon, or measured by, his agreement and/or any sale, use, payment, shipment or delivery under the terms hereof, all of which expenses, taxes and licenses the Railroad assumes and agrees to pay in addition to the purchase price of the Locomotives. The Railroad will also pay promptly all taxes and assessments which may be imposed upon the Locomotives or for the use thereof or upon the earnings arising therefrom or the operation thereof or upon the Manufacturer by reason of its ownership thereof by any

jurisdiction in which the Locomotives are operated by the Railroad and will keep at all times all and every part of the Locomotives free and clear of all taxes and assessments which might in any way affect the title of the Manufacturer. If any such expenses or taxes shall have been paid by the Manufacturer the Railroad shall reimburse the Manufacturer on presentation of invoice.

5. Title to the Equipment. The Manufacturer shall and hereby does retain the full legal title to and property in the Locomotives until the Railroad 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 Railroad notwithstanding the delivery of the Locomotives to and the possession and use thereof by the Railroad as herein provided.

The Railroad so long as it shall not be in default under this agreement shall be entitled to the possession and use of the Locomotives as herein provided, subject to the terms and conditions herein contained.

The Railroad will cause each Locomotive to be kept numbered with its identifying road number and will keep and maintain, plainly, distinctly, permanently and conspicuously placed and fastened, on each side of each of the Locomotives a metal plate bearing the name of the Manufacturer or of the Manufacturer's assignee, as the case may be, or such name shall be otherwise plainly, distinctly, permanently and conspicuously marked thereon, in letters of the largest size required by law in any of the states in which the Locomotive shall be operated, but in any event in letters not less than one inch in height followed by the word "Owner" or other appropriate words designated by the Manufacturer. The Railroad will not place any of the Locomotives in operation or exercise any control or dominion over any part thereof until this provision has been complied with. The

Railroad will not change the road numbers of the Locomotives, except in accordance with a statement of new road numbers to be substituted therefor, which shall previously have been filed with the Manufacturer by the Railroad and consented to by the Manufacturer and filed and recorded in each public office where this agreement (or any supplements hereto) shall have been filed and recorded.

Except as above provided the Railroad will not allow the name of any person, association or corporation to be placed on the Locomotives or any replacements thereof as a designation that might be interpreted as a claim of ownership; provided, however, that the Railroad may cause the Locomotives to be lettered with appropriate words or marks for convenience of identification of the Railroad's interest therein.

When and only when the Manufacturer has been paid the full purchase price of the Locomotives, together with interest and any and all other payments as herein provided, and all of the Railroad's covenants and conditions herein contained have been performed by the Railroad, absolute right to the possession of, title to and property in the Locomotives shall pass to and vest in the Railroad without further transfer or action on the part of the Manufacturer except that the Manufacturer will, if requested by the Railroad so to do, execute and deliver to the Railroads a bill of sale of the Locomotives transferring the title to and property in them to the Railroad free of all liens and encumbrances created or retained hereby and will execute for record or for filing in public office 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 Railroad to the Locomotives.

6. Replacement. In the event of loss or destruction of or irreparable damage to any of the Locomotives from any cause whatsoever prior to the payment in full of the total

purchase price herein provided together with interest thereon and all other payments required hereby, the Railroad shall promptly and fully inform the Manufacturer in regard to such loss, destruction or damage. The Railroad shall at its election promptly pay to the Manufacturer a sum equal to the then unpaid balance applicable to such Locomotive or Locomotives with interest thereon to the date of payment, or shall replace each such Locomotive at its own cost with a locomotive of similar type and of substantially as good material or construction as that lost, destroyed or damaged and having a cost or fair value (whichever is less) at least equal to the fair value if in good repair of the Locomotive replaced at the time of replacement. The Railroad will cause any such locomotive to be marked as provided in Article 5 hereof and to be numbered with the same road number as the Locomotive so replaced. Any and all such replacements of Locomotives or any of them and all and any parts shall constitute accessions to the Locomotives and all replacements of Locomotives shall be deemed to be specific after acquired property covered by this agreement and in any case all such replacements of Locomotives and parts shall be subject to all of the terms and conditions of this agreement as though part of the original Locomotives delivered hereunder and included in the word "Locomotives" as used in this agreement. Title to all such replacement Locomotives shall be free and clear of all liens and encumbrances and shall be taken initially and shall remain in the name of the Manufacturer (or, if this agreement shall have been assigned, in the name of the assignee or assignees, as the case may be), subject to the provisions hereof.

7. Insurance. The Railroad may, in its sole discretion, instead of insuring the Locomotives against loss, damage or destruction due to fire, and against all other insurable risks, maintain adequate insurance reserves for such purpose.

8. Maintenance and Repair. The Railroad will at all times maintain the Locomotives in good order and repair at its own expense in accordance with the Manufacturer's recommendations in any case involving repair parts, quality of fuel and lubricating oil and any other factors material to and necessary for the proper maintenance and operation of the Locomotives.

9. Manufacturer's Warranty of Workmanship and Material. The Manufacturer guarantees the Locomotives to be at the time of delivery free of defects in workmanship or material. The Manufacturer will repair or replace F. O. B. its works or warehouse any part furnished by it which by reason of defect in workmanship or material requires replacement either within one year after the delivery of the Locomotive to which it is attached or prior to the completion of the first 100,000 miles of normal use and service of such Locomotive, whichever shall first occur; provided, however, that the Railroad notifies the Manufacturer of the defect immediately and accords the Manufacturer an opportunity for verification. The Manufacturer's liability shall not extend to any defect or defects which were caused in whole or in part by failure to comply with its operating and maintenance recommendations, by misuse, negligence or accident, or by repairs or alterations not authorized and approved by the Manufacturer. The Manufacturer does not guarantee materials or parts specified or furnished by the Railroad. The Manufacturer's liability (except as to title) arising out of the supplying of each of the Locomotives or their use, whether on warranties or otherwise, shall not in any case exceed the cost of repairing or replacing a defective part or parts as herein provided and shall not include transportation charges,

the Railroad's labor or materials (except as authorized in writing in advance), loss of use or revenue or any indirect or consequential damages. Upon the expiration of said one year or 100,000 miles of service, whichever shall first occur, all such liability with respect to the Locomotives or any part or parts thereof repaired or replaced by reason of this guaranty shall terminate.

10. Compliance With Laws, Rules and Regulations. Until the total purchase price herein provided for and all other sums of money payable by the Railroad hereunder shall have been fully paid by the Railroad, the Railroad will comply in all respects with all laws of the United States and of the States and Territories in which its operations involving the Locomotives may extend, 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 the Locomotives. In the event that said laws or rules require the alteration of the Locomotives the Railroad will conform therewith, at its expense, and will maintain the same in proper condition for operation under such laws and rules until the total purchase price together with interest and all other payments required hereby shall have been fully paid by the Railroad; provided, however, that the Railroad may, in good faith, contest in any reasonable manner the application of any such law or rule which does not, in the judgment of the Manufacturer, affect the Manufacturer's title in and to the Locomotives.

11. Reports and Inspections. The Railroad will furnish to the Manufacturer, when requested and at least once in every year until the total purchase price together with interest and all other payments required hereby shall have been fully paid by the Railroad, an accurate inventory of the Locomotives in actual service, the numbers and the description of such Locomotives as may have been destroyed and

replaced by others, and the then location of said Locomotives. In addition thereto the Railroad will furnish to the Manufacturer, if requested, once in each year, until the total purchase price together with interest and all other payments required hereby shall have been fully paid by the Railroad, a report of inspection by an authorized representative of the Railroad, or if the Manufacturer so requests, by a competent disinterested party, satisfactory to the Manufacturer, certifying that said Locomotives have been maintained, and are, in good order and repair.

The Railroad will promptly and fully inform the Manufacturer of any loss or destruction of any of the Locomotives and of any substantial repairs made or being made upon them or any of them. If requested by the Manufacturer the Railroad will furnish to the Manufacturer a report of an authorized representative of the Railroad or, if the Manufacturer so requests, of a competent disinterested party, satisfactory to the Manufacturer, covering the nature and extent of any damage to the Locomotives and the satisfactory repair thereof.

The Manufacturer may, but shall be under no obligation to, inspect the Locomotives at any reasonable time or times until the total purchase price together with interest and all other payments required hereby has been fully paid by the Railroad. The Railroad, in so far as it may legally do so, will supply free transportation over its lines to designated agents of the Manufacturer for the purpose of enabling such agents to reach the point or points where the Locomotives are in operation, for the purpose of making such inspection.

12. Use and Location. The Railroad will, after the Locomotives have been accepted by it and until the total purchase price together with interest and all other payments required hereby shall have been fully paid by the Railroad, keep the Locomotives in the States of Minnesota and Wisconsin,

provided, however, that the Railroad may with the written consent of the Manufacturer remove Locomotives to another State upon giving the Manufacturer five (5) days' notice in writing stating where the Locomotives are to be transferred and the route to be followed in the transfer and upon filing, registering and recording this agreement at the Railroad's expense, in and upon full compliance with all laws of such other State or States through which the Locomotives may pass or to which they may be removed to the extent necessary for the protection of the Manufacturer's title to the Locomotives and its rights under this agreement, and also upon providing the Manufacturer with an opinion of the Railroad's counsel to the effect that such filing, registering and recording meets with the legal requirements of such State or States with respect to the filing, registering or recording of agreements of the character of this agreement.

13. Prohibition Against Liens. The Railroad will pay or satisfy and discharge any and all sums claimed by any party by, through or under the Railroad and its successors or substitutes or assigns which, if unpaid, might become a lien or a charge upon the Locomotives, or any of them, equal or superior to the title of the Manufacturer 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 Manufacturer in and to the Locomotives.

14. Railroad's Indemnities and Guaranties. The Railroad will save, indemnify and keep harmless the Manufacturer from and against all losses, damages, injuries, claims and demands whatsoever, regardless of the cause thereof, arising on account of the use or operation of the Locomotives. This covenant of indemnity shall continue in full force and effect notwithstanding the full payment of the purchase price

and the conveyance of the Locomotives, as provided in Article 5, hereof, or the termination of this agreement in any manner whatsoever.

The Railroad 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 any or all of the Locomotives; provided, however, that the Manufacturer and any successor or successors to its manufacturing property and business shall not, as to the Locomotives, be relieved from its guaranty covering workmanship and material hereinbefore in Article 9 set forth.

15. Patent Indemnities. The Manufacturer, for itself and any successor or successors to its manufacturing property and business will save, indemnify and keep harmless the Railroad from and against any and all royalties, damages, claims, suits, judgments and costs that may result from the use of any patented article on the Locomotives at the time of delivery, except with regard to any appliances, devices or material specified or required by the Railroad and not included in the Manufacturer's standard specifications; and the Railroad will indemnify and save harmless the Manufacturer from and against any and all royalties, damages, claims, suits, judgments and costs that may result from the sale and use of any patented article on the Locomotives specified or required by the Railroad and not included in the Manufacturer's standard specifications.

The Railroad agrees that it will give prompt notice in writing to the Manufacturer of the commencement of any action in respect of which the Manufacturer may be charged with liability hereunder, and the Manufacturer agrees to give prompt notice in writing to the Railroad of the commencement of any action in respect of which the Railroad may be charged with liability hereunder. Said covenants of indemnity shall continue in full force and effect notwithstanding

the full payment of all sums due hereunder, the satisfaction and discharge of this agreement or the termination of this agreement in any manner.

16. Assignments by the Manufacturer. All or any of the rights, benefits and advantages of the Manufacturer under this agreement, including the right to receive the payments herein provided to be made by the Railroad, may be assigned by the Manufacturer 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 Manufacturer or the successor or successors to its manufacturing property and business from any of the obligations of the Manufacturer to construct and deliver the Locomotives herein contracted to be delivered in accordance with the specifications or to respond to its guaranties, warranties or indemnities contained in Articles 9 and 15 hereof, or relieve the Railroad of its obligation to the Manufacturer under Articles 14 and 15 hereof or any other obligation which, according to its terms and context, is intended to survive an assignment.

Upon any such assignment, either the assignor or the assignee shall give written notice to the Railroad, 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 Manufacturer's right, title and interest in and to the Locomotives 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 Railroad of the notification of any such assignment, all payments thereafter to be made by the Railroad hereunder shall, to the extent so assigned, be made to the assignee.

The Railroad recognizes that it is the custom of locomotive manufacturers to sell or discount agreements of this character and understands that the sale of this agreement, or of

some or all of the rights of the Manufacturer hereunder, is contemplated. The Railroad expressly represents, for the purpose of assurance to any person, firm or corporation considering the purchase of this agreement or of all or any of the rights of the Manufacturer hereunder and for the purpose of inducing such purchase, that in the event of such purchase and of the assignment of this agreement by the Manufacturer 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 Manufacturer or the successor or successors to its manufacturing property and business in respect of the Locomotives or the manufacture, construction, 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 Railroad by the Manufacturer or the successor or successors to its manufacturing property and business. Any and all such obligations, howsoever arising, shall be and remain enforceable by the Railroad against and only against the Manufacturer and the successor or successors to its manufacturing property and business. The provisions of this paragraph may be relied upon by any such assignee as a continuing offer by the Railroad to waive any remedies which it might otherwise possess for the enforcement of any and all such obligations of the Manufacturer as against such assignee, which offer shall be conclusively presumed for all purposes to be accepted by the assignee by payment to the Manufacturer of the consideration for the purchase and assignment of this agreement.

In the event of any such sale, transfer or assignment, or

successive sales, transfers or assignments by the Manufacturer, of title to the Locomotives and of the Manufacturer's rights hereunder in respect thereof, the Railroad will, whenever requested by such vendee, transferee or assignee, change the name plates or markings to be attached on each side of each unit of each of the Locomotives so as to indicate the title of such vendee, transferee or assignee to such Locomotives and its succession to the rights of the Manufacturer hereunder, such plates or markings to bear such words or legend as shall be specified by said vendee, transferee or assignee, subject to requirements of the laws of the States in which the Locomotives shall be operated relating to such plates or markings for use on equipment covered by conditional sale agreements relating to railroad equipment. The cost of obtaining and attaching the first series of such substituted plates or markings will be borne by the Manufacturer. The cost of obtaining and attaching plates or markings in connection with any subsequent assignment will be borne by such subsequent vendee, transferee or assignee.

17. SUCCESSORS TO AND ASSIGNMENTS BY THE RAILROAD. The Railroad hereby represents and warrants that its execution of this agreement and its assumption and undertaking of the obligations, duties and liabilities hereof have been expressly authorized and that all the obligations of the Railroad then existing or to accrue under this agreement shall be assumed as a general obligation by any person or corporation acquiring title to or possession of the railways and properties of the Railroad, and that upon any sale, lease, transfer or assignment of said railways or properties any person or corporation acquiring title thereto or possession thereof shall also, as a condition to such acquisition, be bound by all such obligations.

The Railroad will not sell, assign, transfer or otherwise dispose of its rights under this agreement nor transfer pos-

session of said Locomotives to any other firm, person or corporation without first obtaining the written consent of the Manufacturer to such sale, assignment or transfer.

18. DEFAULTS. In the event that any one or more of the following events of default shall occur, to wit:

(a) The Railroad fails to pay in full when due any instalment of principal or of interest at the time and in the manner hereinbefore contracted to be paid as provided in Article 3 hereof; or

(b) The Railroad shall, for more than 30 days after the Manufacturer shall have demanded in writing performance thereof, fail or refuse to comply with any covenant, agreement, term or provision of this agreement on its part to be kept and performed; or

(c) A petition for reorganization under Section 77 of the Bankruptcy Act, as now constituted or as said Section 77 may be hereafter amended, is filed by or against the Railroad and the trustee or trustees fail to adopt this agreement within 30 days of the date of his or their appointment unless such petition is dismissed prior to the expiration of such 30 days; or

(d) Any proceedings are commenced by or against the Railroad for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions and the trustee or trustees or receiver or receivers appointed for the Railroad or for its property in connection with such proceedings fail to adopt and assume and agree to perform the terms and obligations of this agreement within 30 days of the date of his or their appointment, unless such proceedings are dismissed prior to the expiration of such 30 days; or

(e) The Railroad transfers or attempts to transfer its interest in or under this agreement or possession of the Locomotives without the consent of the Manufacturer;

then at any time after the occurrence of such an event of

default the Manufacturer may, upon written notice to the Railroad and upon compliance with any legal requirements then in force and applicable to such action by the Manufacturer, declare the entire purchase price of the Locomotives, together with the interest thereon then accrued and unpaid, immediately due and payable, without further demand, and the Manufacturer shall thereupon be entitled to recover judgment for the entire unpaid balance of the purchase price of the Locomotives so payable, with interest thereon, and to collect such judgment out of any property of the Railroad wherever situated.

The Manufacturer may at its election (and, if before sale or before full performance of this agreement all costs and expenses of the Manufacturer incidental to any such default and to the enforcement by the Manufacturer of the provisions hereof, and all sums which shall then have become due and payable by the Railroad 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 Railroad, and all other existing defaults shall have been remedied, or provisions therefor satisfactory to the Manufacturer shall have been made, then and in every such case the Manufacturer will) waive any such event of default and its consequences and rescind and annul any such declaration or termination by notice to the Railroad 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. Notwithstanding the provisions of this paragraph, it is expressly understood and agreed by the Railroad that time is of the essence of this agreement and that no such waiver, rescission or annulment shall limit or affect the Manufacturer's right, upon any other default, or impair any rights or remedies consequent thereon.

19. REMEDIES. Upon the happening of an event of default as hereinabove provided then at any time thereafter and during the continuance of such default the Manufacturer may, without any notice or demand except as required by this agreement or except to the extent necessary in order to comply with any mandatory requirements of law, take or cause to be taken by its agent or agents immediate possession of the Locomotives, or any of them, and/or any replacements and improvements, and all present and future attachments and accessories thereof, without liability to return to the Railroad any sums theretofore paid and free from all claims whatsoever, except as hereinafter in this Article 19 expressly provided, and may remove the same from the use and possession of the Railroad and for such purpose may enter upon the Railroad's premises where the Locomotives 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 Railroad, with or without process of law; and the Railroad shall deliver the Locomotives with all replacements, improvements, equipment, attachments and accessories thereof, at its own cost at such place or places on its railroad as the Manufacturer may reasonably designate and for such purpose move or draw the Locomotives in the usual manner and at the customary speed of trains, and in case of such retaking or delivery the Manufacturer shall have the right to store the same upon the premises of the Railroad without charge until the Manufacturer shall desire to remove the same therefrom. It is hereby expressly agreed by the Railroad that performance of this agreement to deliver the Locomotives 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 Manufacturer shall be entitled to a decree against the Railroad requiring specific performance hereof. It is further expressly agreed by the Railroad that, until the sale of the

Locomotives as hereinafter provided in this Article 19, the Railroad shall not be released from any of its obligations hereunder, including, but not by way of limitation, its obligation under Article 4 hereof.

Upon the happening of an event of 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 Manufacturer, with or without retaking possession thereof, may, at its election, sell the Locomotives, or any of them, and any such replacements, improvements, equipment, attachments and accessories, free from any and all claims of the Railroad, 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 Manufacturer may determine, all subject to and in compliance with any mandatory requirements of law then in force and applicable to such sales; and the proceeds of such sale, less the attorneys' fees and any other expenses incurred by the Manufacturer in taking possession of, removing, storing and selling the Locomotives, shall be credited on the amount due to the Manufacturer under the provisions of this agreement.

To the extent permitted by any such legal requirements, any sale hereunder may be held or conducted at such place or places and at such time or times as the Manufacturer 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 Manufacturer may determine in compliance with any such legal requirements, provided that the Railroad 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 Railroad. If such sale shall be a private sale permitted by such legal requirements, it shall be subject to the right of the Railroad 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 Manufacturer may itself bid for and become the purchaser of the Locomotives, or any of them, so offered for sale without accountability to the Railroad (except to the extent of surplus money received as hereinafter provided in the next to the last paragraph of this Article 19), and in payment of such purchase price the Manufacturer shall be entitled to the extent aforesaid to have credited on account thereof all sums due to the Manufacturer by the Railroad hereunder.

Each and every power or remedy hereby specifically given to the Manufacturer 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 Manufacturer. 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 Manufacturer 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.

If the Manufacturer shall exercise any of the powers or remedies conferred upon it hereunder, the Railroad shall have the right after all sums due hereunder to the Manufacturer shall have been received by it in full, including its proper

costs and expenses incident to the collection thereof, to require title to the Locomotives, if not previously sold or otherwise disposed of by the Manufacturer pursuant to the provisions of this Article 19, to be transferred and assigned by the Manufacturer to the Railroad free from any further liabilities or obligations to the Manufacturer.

If, after applying all sums of money realized by the Manufacturer under the remedies herein provided, there shall remain any amount due to it under the provisions of this agreement the Railroad shall and it hereby undertakes and promises to pay the amount of such deficiency to the Manufacturer upon demand, and if the Railroad fails to pay such deficiency the Manufacturer may bring suit therefor and shall be entitled to recover a judgment therefor against the Railroad. If, after applying as aforesaid all sums realized by the Manufacturer, there shall remain a surplus in the possession of the Manufacturer, such surplus shall be paid to the Railroad.

The Railroad will pay all reasonable attorney's fees and other costs and expenses incurred by the Manufacturer in enforcing its remedies under the terms of this agreement or otherwise provided at law or in equity. In the event that the Manufacturer brings any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Manufacturer may recover reasonable attorneys' fees and such other costs and expenses, and the amount thereof shall be included in such judgment.

20. 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; pro-

vided that nothing herein shall prevent this agreement from being effective as a chattel mortgage in any state under the laws of which reservations of title to personal property as security for the payment of the purchase price thereof are held to be chattel mortgages. Where, however, the conflicting provisions of any applicable State law may be waived they are hereby waived by the Railroad 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.

The Railroad, to the fullest extent permitted by law, hereby waives all statutory or other legal requirements for any notice of any kind, notice of intention to take possession of the Locomotives and to sell them and any other requirements as to the time, place and terms of sale thereof, any other requirements with respect to the enforcement of the Manufacturer's rights hereunder, except such notices as are expressly required by the terms of this agreement, and any and all rights of redemption.

21. Extension Not a Waiver. Any extension of time granted by the Manufacturer to the Railroad 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 Manufacturer reserved hereunder nor of any of its rights and remedies hereunder or otherwise existing.

22. Recording. The Railroad with all convenient speed will cause this agreement, also supplemental agreements which may be executed under the terms of this agreement, and the first assignment thereof, to be filed with the Interstate Commerce Commission for recordation in accordance with Section 20(c) of the Interstate Commerce Act, as amended, and the rules and regulations thereunder approved

and prescribed by said Commission, and from time to time, in addition to such recordation, or in lieu thereof, in such other place or places as may be reasonably requested or consented to by the Manufacturer, so that this agreement and all other said instruments may at all times be duly filed, registered, docketed or recorded in such manner and in such places as to comply with all applicable laws in order to publish notice of and to protect the Manufacturer's title to the Locomotives, and from time to time will execute any and all further instruments that reasonably shall be requested by the Manufacturer for such publication and protection of title; and the Railroad will promptly furnish to the Manufacturer certificates, or other evidence satisfactory to the Manufacturer, of such filing, registration, docketing and recording.

23. Payment of Expenses. The Railroad will pay all costs, charges and expenses, except the counsel fees of the Manufacturer, incident to the preparation, printing, execution, acknowledgment, filing, registering and recording of this agreement, of the first assignment by the Manufacturer of title to the Locomotives, of any instrument supplemental hereto or amendatory hereof and of any declaration of the payment in full of the purchase money due hereunder.

24. Notice. Any notice hereunder to the Railroad shall be deemed to be properly served if delivered or mailed to the Railroad at Wolvin Building, Duluth 2, Minnesota, or at such other address as may have been furnished in writing to the Manufacturer by the Railroad. Any notice hereunder to General Motors Corporation (Electro-Motive Division) shall be deemed to be properly served if delivered or mailed to General Motors Corporation (Electro-Motive Division) at LaGrange, Illinois, or at such other address as may have been furnished in writing to the Railroad by General Motors Corporation (Electro-Motive Division). Any notice here-

under to any assignee of General Motors Corporation (Electro-Motive Division) or of the Railroad shall be deemed to be properly served if delivered or mailed to such assignee at such address as may have been furnished in writing to the Manufacturer or the Railroad, as the case may be, by such assignee.

25. Execution of Counterparts. 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 will constitute but one and the same contract, which will be sufficiently evidenced by any such original counterpart.

26. Article Headings. All article, paragraph or division headings are inserted for convenience only and will not affect any construction or interpretation of this agreement.

27. Modification of Agreement. This agreement of conditional sale, together with the specifications hereinabove referred to, constitutes the entire agreement between the Railroad and the Manufacturer with respect to the sale of the Locomotives herein referred to. No variation or modification of this agreement and no waiver of any of its provisions or conditions will be valid unless in writing and signed by the duly authorized officers of the Manufacturer and the Railroad.

28. Law Governing. The terms of this agreement and all rights and obligations hereunder shall be governed by the laws of the State of Illinois.

In Witness Whereof, General Motors Corporation (Electro-Motive Division) has caused these presents to be executed and its seal to be affixed by its duly elected and authorized officers pursuant to lawful resolutions; and Duluth, Missabe and Iron Range Railway Company has caused these presents

to be executed and its seal to be affixed by its duly elected and authorized officers pursuant to lawful resolutions, all as of the day, month and year first above written.

General Motors Corporation
(Electro-Motive Division)

By ..... N.C. DEZENDORF
Vice President and General Manager of
Electro-Motive Division.

Attest:

F.H. SALVADOR .....
Assistant Treasurer

(Corporate Seal)

Duluth, Missabe and Iron Range
Railway Company

By ..... F.J VOSS
Vice President

Attest:

R.E. ARNESON .....
Secretary

(Corporate Seal)

State of Illinois }
County of Cook } ss.

The undersigned, a Notary Public within and for the State and County aforesaid, certifies that, on the date hereinafter stated, personally appeared before me in said State and County, N.C. Dezendorf, to me personally known, who thereupon produced before me the foregoing instrument, and who being by me duly sworn, says that he is Vice President of General Motors Corporation, a corporation, and General Manager of its Electro-Motive Division, that the seal affixed to said instrument is the corporate seal of said corporation, that said instrument was signed and sealed by him on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution and delivery of said instrument was the free act and deed of said corporation.

Witness my hand and notarial seal, this 5th day of March, 1953.

James Sorna
....., Notary Public
Cook County, Illinois.

JAMES SORNA

My Commission expires January 12th, 1954

STATE OF MINNESOTA }
COUNTY OF ST. LOUIS } ss.

The undersigned, a Notary Public within and for the State and County aforesaid, certifies that, on the date hereinafter stated, personally appeared before me in said State and County, Gilboss....., to me personally known, who thereupon produced before me the foregoing instrument, and who, being by me duly sworn, says that he is VICE PRESIDENT of Duluth, Missabe and Iron Range Railway Company, a corporation, that the seal affixed to said instrument is the corporate seal of said corporation, that said instrument was signed and sealed by him on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution and delivery of said instrument was the free act and deed of said corporation.

Witness my hand and notarial seal, this 4th day of MARCH, 1953.

Frances E. Older
Notary Public,
St. Louis County, Minnesota

My Commission expires October 1, 1959

FRANCES E. OLDER
Notary Public, St. Louis County, Minn.
My Commission Expires Oct. 1, 1959

AGREEMENT AND ASSIGNMENT, dated as of March 2, 1953, between GENERAL MOTORS CORPORATION (Electro-Motive Division), a corporation organized under the laws of the State of Delaware, with an office in the City of Detroit and State of Michigan, (hereinafter called the "Manufacturer"), and THE FIRST NATIONAL BANK OF CHICAGO, a corporation duly organized and existing under the laws of the United States of America (hereinafter called the "Bank").

WHEREAS, the Manufacturer and Duluth, Missabe and Iron Range Railway Company, a corporation organized under the laws of the State of Minnesota with its office in the City of Duluth, State of Minnesota, (hereinafter called the "Railroad"), have entered into a Conditional Sale Agreement dated as of December 11, 1952, (hereinafter called the "Conditional Sale Agreement"), covering the manufacture, sale and delivery, on the conditions therein set forth, by the Manufacturer and the purchase by the Railroad of Fifteen 1200 H.P. Diesel-Electric Switching Locomotives bearing the Railroad's Road Numbers 11 to 25, inclusive, all as more particularly described therein (a counterpart of the Conditional Sale Agreement being prefixed hereto), for an aggregate purchase price of $1,617,570.00, of which the Railroad is to pay to the Manufacturer an initial cash payment of $26,959.50 per locomotive, representing approximately 25% of the purchase price of each locomotive, upon acceptance of such locomotive by the Railroad, leaving a net balance of $80,878.50 per locomotive, payable with interest as provided therein.

NOW THEREFORE, this Agreement and Assignment Witnesseth, that in consideration of the sum of one dollar ($1) and other good and valuable consideration paid by the Bank to the Manufacturer, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained:

1. The Manufacturer hereby sells, assigns, transfers and sets over unto the Bank, its successors and assigns, all the

right, title and interest of the Manufacturer under the Conditional Sale Agreement (except the right to manufacture and the right to receive the initial cash payments specified in Article 3 thereof, reimbursement for taxes as provided in Article 4 thereof, and adjustments for freight to the extent provided for therein) and all the right, title and interest of the Manufacturer in and to each locomotive (each such locomotive or locomotives being hereinafter called "Locomotive" or "Locomotives") in respect of which the Bank shall make payment as provided in Article 6 hereof and in and to any and all amounts (other than those hereinabove excluded) which may be or become due or owing by the Railroad to the Manufacturer under the Conditional Sale Agreement, together with all the Manufacturer's rights, powers, privileges and remedies under the Conditional Sale Agreement (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 Conditional Sale Agreement); provided, however, that this Assignment shall not subject the Bank to, or transfer, or pass, or in any way affect or modify, the liability of the Manufacturer or of any successor or successors to its manufacturing properties and business in respect of its obligations to construct and deliver the Locomotives or in respect of its obligations contained in Articles 9 and 15 of the Conditional Sale Agreement, or relieve the Railroad from its obligations to the Manufacturer or the Bank under Articles 3, 14 and 15 of the Conditional Sale Agreement. Notwithstanding this Assignment, or any subsequent assignment pursuant to the provisions of Article 16 thereof, all obligations of the Manufacturer to the Railroad in respect of the Locomotives shall be and remain enforceable by the Railroad, its successors and assigns, against and only against the Manufacturer and any successor or successors to its manufacturing properties and business. In furtherance of

the foregoing assignment and transfer, the Manufacturer hereby authorizes and empowers the Bank, in the Bank's own name or in the name of the Bank's nominee, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Bank is or may become entitled under this Assignment and compliance by the Railroad with the terms and agreements on its part to be performed under the Conditional Sale Agreement, but without expense and liability to the Manufacturer and for the sole benefit of the Bank.

2. The Manufacturer will construct the Locomotives in full and complete accordance with the Conditional Sale Agreement and will deliver them on completion to the Railroad free of all liens and encumbrances and in accordance with the provisions of the Conditional Sale Agreement; notwithstanding this Assignment, it will perform and fully comply with each and all the covenants and conditions of the Conditional Sale Agreement, set forth to be performed and complied with by the Manufacturer. The Manufacturer further covenants that it has good and lawful right to sell the Locomotives as aforesaid; and that it will warrant and defend the same against the demands of all persons whomsoever based on claims originating prior to the delivery of the Locomotives by the Manufacturer to the Railroad; all subject, however, to the provisions of the Conditional Sale Agreement and the rights of the Railroad thereunder.

3. The rights of the Bank to $80,878.50 of the purchase price of each Locomotive accepted by the Railroad, and interest thereon, as well as any other rights which have been assigned hereunder, shall not be subject to any defense, offset, counterclaim or recoupment whatsoever arising out of a breach by the Manufacturer or by any successor or successors to its manufacturing properties or business of any obligations in respect of the manufacture or delivery of the Locomotives or under Articles 9 and 15 of the Conditional Sale Agreement

nor subject to any defense, offset, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by the Manufacturer or the successor or successors to its manufacturing business. Any and all such obligations shall be and remain enforceable by the Railroad against and only against the Manufacturer and the successor or successors to its manufacturing properties and business and shall not be enforceable against the Bank or any party or parties in whom title to the Locomotives or any of them or the rights of the Manufacturer under the Conditional Sale Agreement shall vest by reason of this assignment or transfer or of successive sales, assignments or transfers. The Manufacturer will save, indemnify and keep harmless the Bank from and against any and all royalties, damages, claims, suits, judgments and costs that may result from the use of any patented article on the Locomotives at the time of delivery, except with regard to any appliances, devices, or materials specified or required by the Railroad and not included in the Manufacturer's standard specifications.

4. The Manufacturer will cause to be plainly, distinctly, permanently and conspicuously placed and fastened on each side of such Locomotive, at the time of delivery of each of the Locomotives to the Railroad, a metal plate bearing the words—

"The First National Bank of Chicago, Owner, as Assignee of General Motors Corporation (Electro-Motive Division), Manufacturer and Prior Owner."

5. Upon request of the Bank, its successors and assigns, the Manufacturer will execute any and all instruments which may be necessary or proper in order to discharge of record the Conditional Sale Agreement or any other instrument evidencing any interest of the Manufacturer therein or in the Locomotives therein described.

6. The Bank if requested to do so on or before May 1, 1953 will, from time to time as and when any of the Locomotives are accepted by the Railroad pursuant to the Conditional Sale Agreement, pay to the Manufacturer $80,878.50 per Locomotive, representing as stated in the Conditional Sale Agreement approximately 75% of the purchase price of each Locomotive, together with interest on $80,878.50, computed at the rate of 3% per annum from the date of delivery of each Locomotive as shown on the Certificate of Acceptance thereof to the date that such payment therefor is made, upon the receipt by the Bank of the following documents, in form and substance satisfactory to it:

(a) A Bill of Sale from the Manufacturer to Bank, transferring to the Bank title to all Locomotives so delivered and warranting said title to be free, as of the time of delivery to the Railroad, of all liens and encumbrances except only the rights of the Railroad under the Conditional Sale Agreement;

(b) A Certificate of Acceptance signed by an authorized representative of the Railroad stating that the Locomotives covered by such Certificate have been inspected and accepted by him on behalf of the Railroad as conforming in all respects to the requirements and provisions of the Conditional Sale Agreement, and further stating that there was plainly, distinctly, permanently and conspicuously placed and fastened on each side of the Locomotive at the time of its acceptance a metal plate bearing the words in letters not less than one inch in height:

"The First National Bank of Chicago, Owner, as Assignee of General Motors Corporation (Electro-Motive Division), Manufacturer and Prior Owner."

(c) A duplicate of the Manufacturer's invoice covering each Locomotive so accepted.

Such documents shall be presented to the Bank within 60 days following the date of delivery of a Locomotive.

7. The Bank may assign its rights under the Conditional Sale Agreement, as a whole in respect of all or any designated number of the Locomotives, including the right to receive any payments due or to become due to it from the Railroad thereunder in respect to such Locomotives. In the event of any such assignment any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and and privileges and be subject to all the obligations of the Bank hereunder.

8. The Manufacturer hereby:

(a) represents and warrants to the Bank, its successors and assigns, that the Conditional Sale Agreement was lawfully executed for a valid consideration and that it is a valid existing agreement and, according to its terms, binding upon the parties thereto, and that said agreement is now in force without amendment thereto; and

(b) covenants and agrees that it will from time to time and at all times, at the request of the Bank or its successors or assigns, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as may be necessary and appropriate in the premises, to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Bank or intended so to be.

9. This Agreement and Assignment may be simultaneously executed in any number of 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 Bank agrees to deliver one of such counterparts, or a certified copy thereof, to the Railroad. Although this Agreement and Assignment is dated for convenience March 2, 1953, the actual date or dates of execution hereof by the

parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

10. The terms of this Agreement and Assignment and all rights and obligations hereunder shall be governed by the laws of the State of Illinois.

IN WITNESS WHEREOF, the Manufacturer and the Bank have caused this instrument to be executed in their respective 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.

GENERAL MOTORS CORPORATION
(Electro-Motive Division)

By ..... N. C. DEZENDORF
Vice President and General Manager of
Electro-Motive Division.

(Corporate Seal)

ATTEST:

..... F. H. SALVADOR
Assistant Treasurer

THE FIRST NATIONAL BANK OF
CHICAGO

By ..... EDWARD F. BLETTNER, JR.
Vice President

(Corporate Seal)

ATTEST:

..... ROBERT P. KEETH
Assistant Cashier

STATE OF ILLINOIS }
COUNTY OF COOK } ss.

The undersigned, a Notary Public for the State and County aforesaid, certifies that, on the date hereinafter stated, personally appeared before me in said State and County, N. C. Dezendorf, to me personally known, who thereupon produced before me the foregoing instrument, and who being by me duly sworn, says that he is Vice President of General Motors Corporation, a corporation, and General Manager of its Electro-Motive Division, that the seal affixed to said instrument is the corporate seal of said corporation, that said instrument was signed and sealed by him on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution and delivery of said instrument was the free act and deed of said corporation.

Witness my hand and notarial seal, this 5th day of March, 1953.

James Sorna
....., Notary Public
Cook County, Illinois.

JAMES SORNA

My Commission expires January 17, 1954.

STATE OF ILLINOIS }
COUNTY OF COOK } ss.

The undersigned, a Notary Public for the State and County aforesaid, certifies that, on the date hereinafter stated, personally appeared before me in said State and County, ~~J. E.~~ E A F. BLETTNER, JR. ~~Buchanan~~, to me personally known, who thereupon produced before me the foregoing instrument, and who being by me duly sworn, says that he is Vice President of The First National Bank of Chicago, a corporation, that the seal affixed to said instrument is the corporate seal of said corporation, that said instrument was signed and sealed by him on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution and delivery of said instrument was the free act and deed of said corporation.

Witness my hand and notarial seal, this 6th day of March, 1953.

Frances Smith
....., Notary Public
Cook County, Illinois.

FRANCES SMITH

My Commission expires May 15, 1956

State of Wisconsin } ss.
DEPARTMENT OF STATE
Received this 10th day of
MARCH A. D. 19 53 at 10:00
o'clock A. M. and recorded in Vol.
44 of RAILROAD MORTGAGES
on pages 361 to 379 incl.
Secretary of State

WISCONSIN

Executed in 20 Counterparts
Counterpart No. 4

SERIES Y

FIFTH SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of April 10, 1953, between **CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking association, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY**, (hereinafter called the Railroad Company), party of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of April 1, 1945, the Trustee 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 (hereinafter called the Railroad Trustees) pursuant to the terms of an Agreement, also dated as of April 1, 1945, between the Vendors named in said Agreement, the Trustee and the Railroad Trustees, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series Y; and by a certain Supplement, dated February 15, 1946, to said Lease and said Agreement the Railroad Company assumed the obligations and succeeded to the rights of the Railroad Trustees thereunder; and

WHEREAS, pursuant to the provisions of Paragraph (a) of Article Fifth of said Lease, the Railroad Company will cause to be delivered to the Trustee, four (4) new 50-ton, 40' 6", wood lined, steel sheathed box cars, numbered, respectively, 35045 to 35048, both inclusive, in replacement of

ten (10) 40′ 6″, 50-ton, all steel box cars, numbered, respectively, 22881, 22197, 22203, 22531, 22416, 22697, 22311, 23082, 23150 and 23045, which cars, so replaced, had been worn out, lost, destroyed or rendered unfit for use as of May 31, 1952;

NOW, THEREFORE, this Fifth Supplemental 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 Company, the said four (4) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35045 to 35048, both inclusive, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of April 1, 1945, and of all Supplements thereto, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution hereof, it will cause this Fifth Supplemental 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 supplements thereto, 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 Fifth Supplemental 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 Company 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,

By .....
(R. M. Kimball)
Vice-President.

Attest: .....
(V. P. Nelson)
Assistant Secretary.

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

.....
(E. W. Landers)

.....
(W. G. Everist)
Attesting Witnesses.

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By .....
(J. W. Severs)
Vice-President.

Attest: .....
(J. J. Roche)
Secretary.

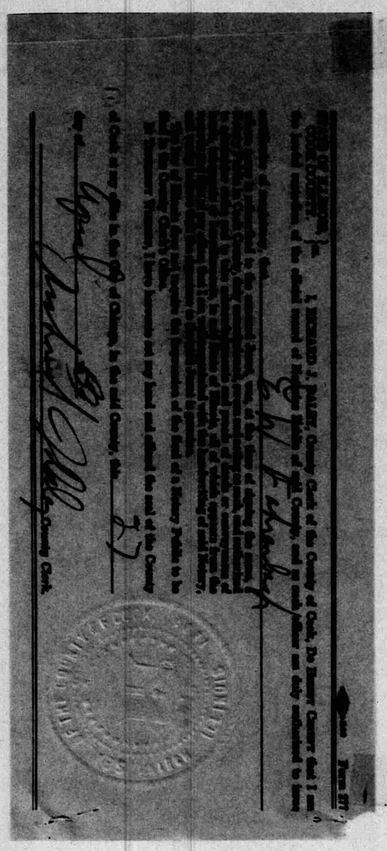
Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

.....
(Ruth E. Hall)

.....
(C. L. Davis)
Attesting Witnesses.

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, E. W. FAHRENBACH, 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 27th day of April, 1953, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in writing; that they, said R. M. KIMBALL, Vice-President



and V. P. NELSON, Assistant Secretary, 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 Secretary 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.

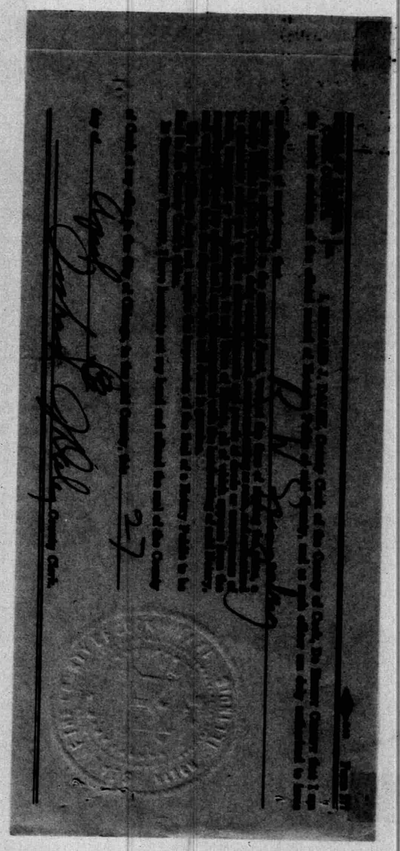
IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires March 26, 1957.

.....,
(E. W. Fahrenbach)
Notary Public in and for the State of Illinois, County of Cook.

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 this 24th day of April, 1953, 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. W. SEVERS, and J. J. ROCHE, each to me personally known and known to me to be, respectively, a Vice-President and the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 thereunto subscribed as such, and said J. W. SEVERS and J. J. ROCHE, 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. W. SEVERS resides in Park Ridge in the State of Illinois, and that said J. J. ROCHE resides in Chicago in the State of Illinois; that said J. W. SEVERS is a Vice-President and said J. J. ROCHE is the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and J. J. ROCHE,



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 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 November 17, 1955.

R. W. Spangenberg
(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

State of Wisconsin }
DEPARTMENT OF STATE } ss.
Received this 1st day of
MAY A. D. 19 53 at 10:0
o'clock A.M. and recorded in Vol.
lili of RAILROAD MORTGAGES
on Page 380-383.

WISCONSIN

Executed in 20 Counterparts

Counterpart No. 4

SERIES Z

SECOND SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of April 10, 1953, between **CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking association, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY**, (hereinafter called the Railroad Company), party of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of July 1, 1947, the Trustee leased certain railroad equipment described therein to Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter called the Railroad Company) pursuant to the terms of an Agreement, also dated as of July 1, 1947, between the Vendors named in said Agreement, the Trustee and the Railroad Company, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series Z; and

WHEREAS, pursuant to the provisions of Paragraph (a) of Article Fifth of said Lease, the Railroad Company will cause to be delivered to the Trustee, two (2) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35049 and 35050, in replacement of four (4) 40′ 6″, 50-ton, all steel box cars, numbered, respectively, 23320, 23547, 23790 and 23393, which cars, so replaced, had been worn out, lost, destroyed or rendered unfit for use as of February 28, 1953;

NOW, THEREFORE, this Second Supplemental 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 Company, the said two (2) new 50-ton, 40′ 6″, wood-lined, steel sheathed box cars, numbered, respectively, 35049 and 35050, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of July 1, 1947, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution hereof, it will cause this Second Supplemental 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 Second Supplemental 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 Company 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,

By ....., (R. M. Kimball) *Vice-President.*

Attest: .....
(V. P. Nelson) *Assistant Secretary.*

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

.....
(E. W. Landers)

.....
(W. G. Everist) *Attesting Witnesses.*

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By ....., (J. W. Severs) *Vice-President.*

Attest: .....
(J. J. Roche) *Secretary.*

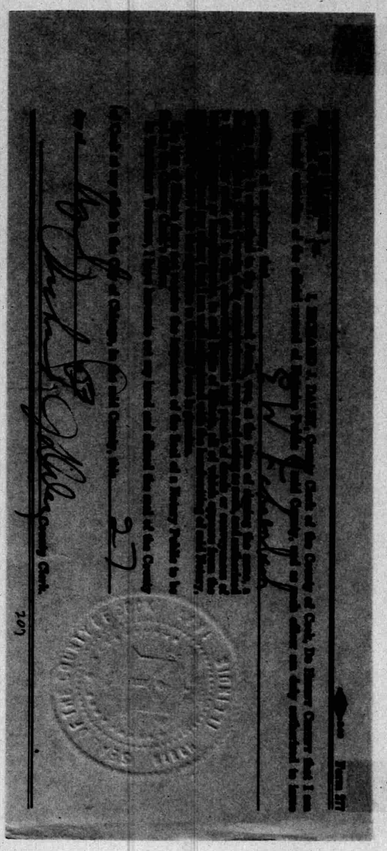
Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

.....
(Ruth E. Hall)

.....
(C. L. Davis) *Attesting Witnesses.*

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, E. W. FAHRENBACH, 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 April, 1953, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in writing; that they, said R. M. KIMBALL, Vice-President



and V. P. NELSON, Assistant Secretary, 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 Secretary 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 March 26, 1957.

....., (E. W. Fahrenbach) *Notary Public in and for the State of Illinois, County of Cook.*

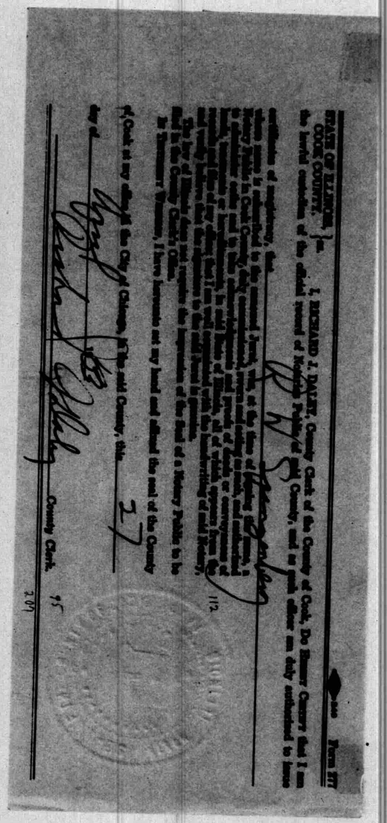
STATE OF ILLINOIS, }
COUNTY OF COOK. } ss.

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 this 24th day of April, 1953, 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. W. SEVERS and J. J. ROCHE, each to me personally known and known to me to be, respectively, a Vice-President and the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 thereunto subscribed as such, and said J. W. SEVERS and J. J. ROCHE, 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. W. SEVERS resides in Park Ridge in the State of Illinois, and that said J. J. ROCHE resides in Chicago in the State of Illinois; that said J. W. SEVERS is a Vice-President and said J. J. ROCHE is the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice President, and J. J. ROCHE, 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 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 November 17, 1955.

R. W. Spangenberg
(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.



State of Wisconsin } ss.
DEPARTMENT OF STATE
Received this 1st day of MAY A. D. 1953 at 10:00 o'clock A.M. and recorded in Vol. 141 of RAILROAD MORTGAGES on page 387.

WISCONSIN

Executed in 20 Counterparts

Counterpart No. 1 4

SERIES BB

SECOND SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of April 10, 1953, between **CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking association, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY**, (hereinafter called the Railroad Company), party of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of April 1, 1948, the Trustee leased certain railroad equipment described therein to Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter called the Railroad Company) pursuant to the terms of an Agreement, also dated as of April 1, 1948, between the Vendors named in said Agreement, the Trustee and the Railroad Company, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series BB; and

WHEREAS, pursuant to the provisions of Paragraph (a) of Article Fifth of said Lease, the Railroad Company will cause to be delivered to the Trustee, five (5) new 50-ton, 40' 6", wood lined, steel sheathed box cars, numbered, respectively, 35051 to 35055, both inclusive, in replacement of ten (10), 50-ton, all steel hopper cars numbered, respectively, 96375, 96964, 96127, 96308, 96297, 96624, 96693, 96033, 96161 and 96189, which cars so replaced, had been

worn out, lost, destroyed or rendered unfit for use as of September 30, 1952;

Now, THEREFORE, this Second Supplemental 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 Company, the said five (5) new 50-ton, 40' 6", wood lined, steel sheathed box cars, numbered, respectively, 35051 to 35055, both inclusive, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of April 1, 1948, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution hereof, it will cause this Second Supplemental 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 Second Supplemental 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 Company 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,

By ..... (R. M. Kimball) *Vice-President.*

Attest: ..... (V. P. Nelson) *Assistant Secretary.*

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago, in the presence of:

..... (E. W. Lueders)

..... (W. G. Everist) *Attesting Witnesses.*

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By ..... (J. W. Severs) *Vice-President.*

Attest: ..... (J. J. Roche) *Secretary.*

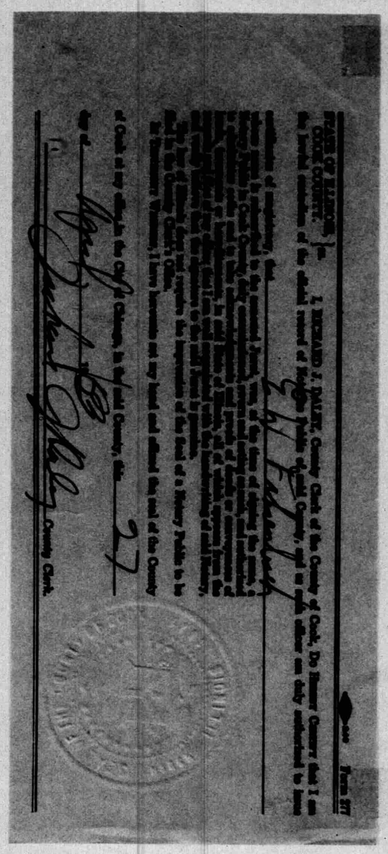
Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

Ruth E. Hall (Ruth E. Hall)

..... (C. L. Davis) *Attesting Witnesses.*

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, E. W. FAHRENBACH, 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 27th day of April, 1953, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in



writing; that they, said R. M. KIMBALL, Vice-President and V. P. NELSON, Assistant Secretary, 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 Secretary 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.

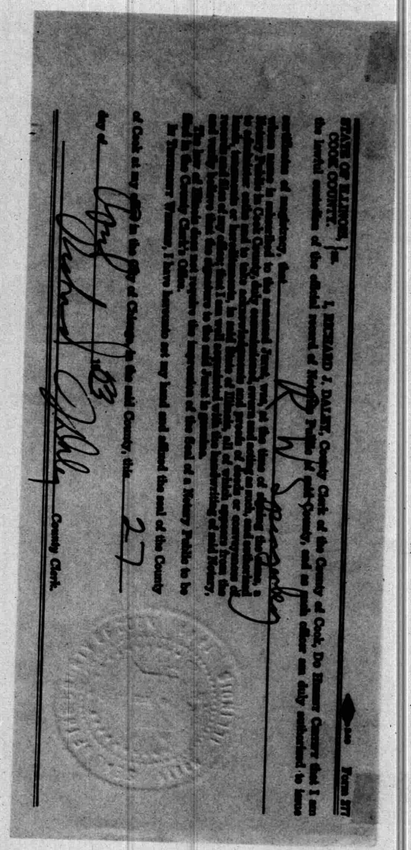
IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires March 26, 1957.

..... (E. W. Fahrenbach)
Notary Public in and for the State of Illinois, County of Cook.

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 this 27th day of April, 1953, 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. W. SEVERS and J. J. ROCHE, each to me personally known and known to me to be, respectively, a Vice-President and the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 thereunto subscribed as such, and said J. W. SEVERS and J. J. ROCHE, 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. W. SEVERS resides in Park Ridge in the State of Illinois, and that said J. J. ROCHE resides in Chicago in the State of Illinois; that said J. W. SEVERS is a Vice-President and said J. J. ROCHE is the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and J. J. ROCHE, 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 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 November 17, 1955.

R. W. Spangenberg
(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

State of Wisconsin } ss.
DEPARTMENT OF STATE
Received this 1st day of
MAY A. D. 19 53 at 10:00
o'clock A. M. and recorded in Vol.
111 of RAILROAD MORTGAGES
on page(s) 388-391.
Secretary of State

WISCONSIN

Executed in 20 Counterparts

Counterpart No. 4

SERIES CC

SECOND SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of April 10, 1953, between **CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking association, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY**, (hereinafter called the Railroad Company), party of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of February 1, 1948, the Trustee leased certain railroad equipment described therein to Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter called the Railroad Company pursuant to the terms of an Agreement, also dated as of February 1, 1948, between the Vendors named in said Agreement, the Trustee and the Railroad Company, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series CC; and

WHEREAS, pursuant to the provisions of Paragraph (a) of Article Fifth of said Lease, the Railroad Company will cause to be delivered to the Trustee, three (3) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35056 to 35058, both inclusive, in replacement of five (5) 40′ 6″, 50-ton all steel box cars, numbered, respec-

tively, 24426, 24672, 24148, 24695 and 24479, which cars, so replaced, had been worn out, lost, destroyed or rendered unfit for use as of February 28, 1953;

NOW, THEREFORE, this Second Supplemental 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 Company, the said three (3) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35056 to 35058, both inclusive, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of February 1, 1948, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution hereof, it will cause this Second Supplemental 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 Second Supplemental 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 Company 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,

By .....
(R. M. Kimball)
Vice-President.

Attest: .....
(V. P. Nelson)
Assistant Secretary.

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago, in the presence of:

.....
(E. W. Landers)

.....
(W. G. Everist)
Attesting Witnesses.

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By .....
(J. W. Severs)
Vice-President.

Attest: .....
(J. J. Roche)
Secretary.

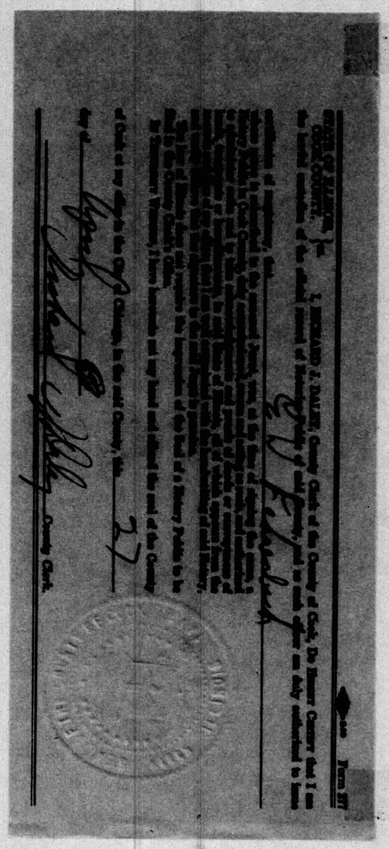
Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

.....
(Ruth B. Hall)

.....
(C. L. Davis)
Attesting Witnesses.

STATE OF ILLINOIS, }
COUNTY OF COOK. } ss.

I, E. W. FAHRENBACH, 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 27th day of April, 1953, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in



writing; that they, said R. M. KIMBALL, Vice-President and V. P. NELSON, Assistant Secretary, 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 Secretary 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 March 26, 1957.

.....,
(E. W. Fahrenbach)
Notary Public in and for the State of Illinois, County of Cook.

tively, 24426, 24672, 24148, 24695 and 24479, which cars, so replaced, had been worn out, lost, destroyed or rendered unfit for use as of February 28, 1953;

NOW, THEREFORE, this Second Supplemental 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 Company, the said three (3) new 50-ton, 40' 6", wood lined, steel sheathed box cars, numbered, respectively, 35056 to 35058, both inclusive, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of February 1, 1948, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution hereof, it will cause this Second Supplemental 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 Second Supplemental 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 Company 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,

By .....
(R. M. Kimball)
Vice-President.

Attest: .....
(V. P. Nelson)
Assistant Secretary.

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago, in the presence of:

.....
(E. W. Leaders)

.....
(W. G. Bruckel)
Attesting Witnesses.

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By .....
(J. W. Severs)
Vice-President.

Attest: .....
(J. J. Roche)
Secretary.

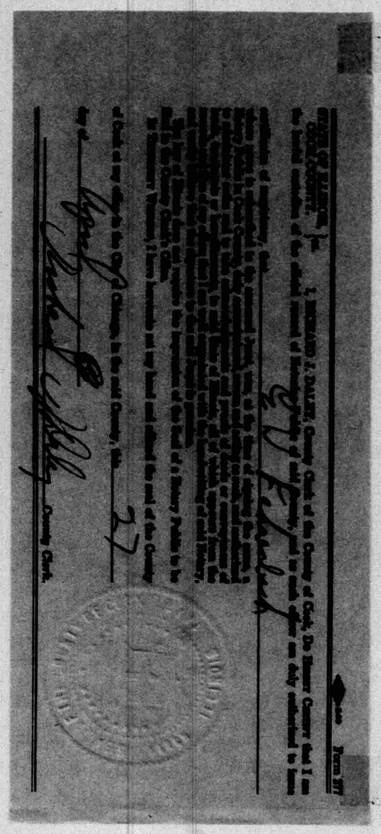
Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

.....
(Ruth E. Hall)

.....
(C. L. Davis)
Attesting Witnesses.

STATE OF ILLINOIS, }
COUNTY OF COOK. } ss.

I, E. W. FAHRENBACH, 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 27th day of April, 1953, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in



writing; that they, said R. M. KIMBALL, Vice-President and V. P. NELSON, Assistant Secretary, 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 Secretary 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.

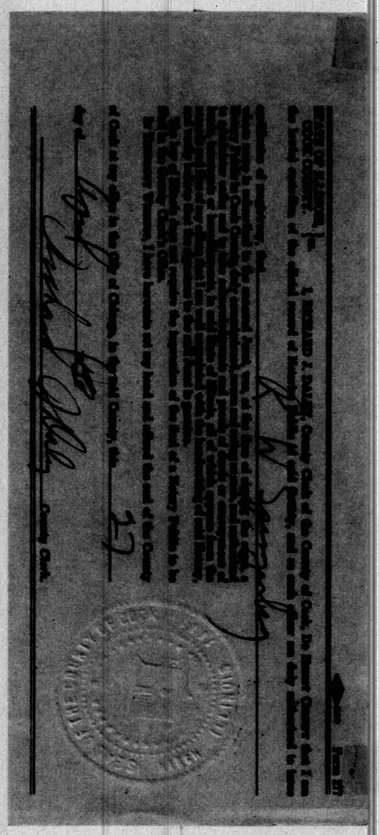
IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires March 26, 1957.

.....,
(E. W. Fahrenbach)
Notary Public in and for the State of Illinois, County of Cook.

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 this 27th day of April, 1953, 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. W. SEVERS and J. J. ROCHE, each to me personally known and known to me to be, respectively, a Vice-President and the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 thereunto subscribed as such, and said J. W. SEVERS and J. J. ROCHE, 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. W. SEVERS resides in Park Ridge in the State of Illinois, and that said J. J. ROCHE resides in Chicago in the State of Illinois; that said J. W. SEVERS is a Vice-President and said J. J. ROCHE is the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and J. J. ROCHE, 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 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 November 17, 1955.

R. W. Spangenberg
(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

State of Wisconsin } ss.
DEPARTMENT OF STATE }

Received this 1st day of MAY A. D. 1953 at 10:00 o'clock A. M. and recorded in Vol. 1th of RAILROAD MORTGAGES on pages 292-305.

WISCONSIN

Executed in 20 Counterparts
Counterpart No. 4

SERIES DD

SECOND SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of April 10, 1953, between **CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking association, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY**, (hereinafter called the Railroad Company), party of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of June 1, 1948, the Trustee leased certain railroad equipment described therein to Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter called the Railroad Company) pursuant to the terms of an Agreement, also dated as of June 1, 1948, between the Vendors named in said Agreement, the Trustee and the Railroad Company, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series DD; and

WHEREAS, pursuant to the provisions of Paragraph (a) of Article Fifth of said Lease, the Railroad Company will cause to be delivered to the Trustee, two (2) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35059 and 35060, in replacement of five (5) 41′ 6″, 50-ton, composite type gondola cars, numbered, re-

spectively, 86559, 86746, 87508, 87825 and 87109, which cars, so replaced, had been worn out, lost, destroyed or rendered unfit for use as of February 28, 1953;

Now, THEREFORE, this Second Supplemental 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 Company, the said two (2) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35059 and 35060, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of June 1, 1948, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution hereof, it will cause this Second Supplemental 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 Second Supplemental 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 Company 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,

By ..... (R. M. Kimball) *Vice-President.*

Attest: ..... (V. P. Nelson) *Assistant Secretary.*

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago, in the presence of:

..... (E. W. Leeders)

..... (W. G. Everist) *Attesting Witnesses.*

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By ..... (J. W. Severs) *Vice-President.*

Attest: ..... (J. P. Rocke) *Secretary.*

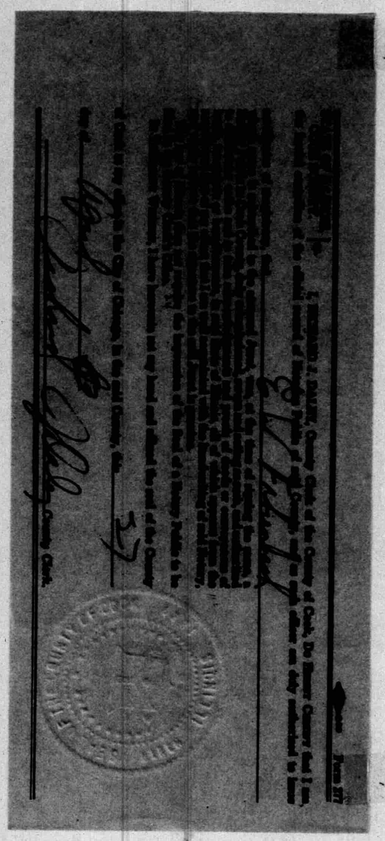
Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

..... (Ruth E. Hall)

..... (C. L. Davis) *Attesting Witnesses.*

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, E. W. FAHRENBACH, 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, 1953, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in



writing; that they, said R. M. KIMBALL, Vice-President and V. P. NELSON, Assistant Secretary, 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 Secretary 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.

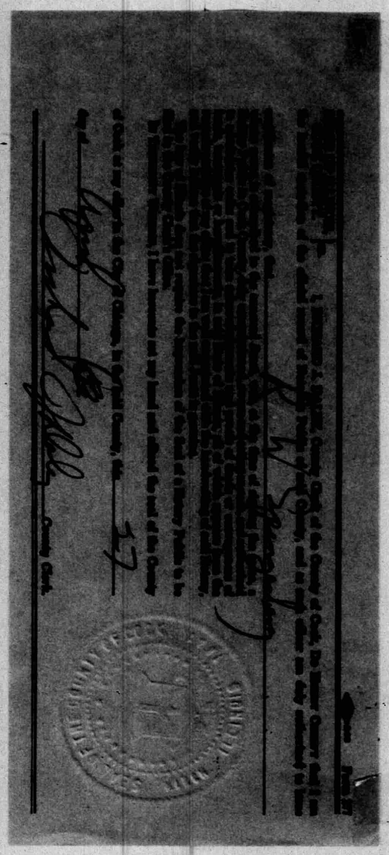
IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires March 26, 1957.

..... (E. W. Fahrenbach)
Notary Public in and for the State of Illinois, County of Cook.

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 this 27th day of April, 1953, 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. W. SEVERS and J. J. ROCHE, each to me personally known and known to me to be, respectively, a Vice-President and the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 thereunto subscribed as such, and said J. W. SEVERS and J. J. ROCHE, 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. W. SEVERS resides in Park Ridge in the State of Illinois, and that said J. J. ROCHE resides in Chicago in the State of Illinois; that said J. W. SEVERS is a Vice-President and said J. J. ROCHE is the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and J. J. ROCHE, 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 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 November 17, 1955.

R. W. Spangenberg
(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

State of Wisconsin } ss.
DEPARTMENT OF STATE }
Received this 1st day of MAY A. D. 19 53 at 10:00 o'clock A. M. and recorded in Vol. 111 of RAILROAD MORTGAGES on page 398-399.

WISCONSIN

Executed in 20 Counterparts

Counterpart No. 4

SERIES FF

SECOND SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of April 10, 1953, between **CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking association, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY**, (hereinafter called the Railroad Company), party of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of October 1, 1948, the Trustee leased certain railroad equipment described therein to Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter called the Railroad Company) pursuant to the terms of an Agreement, also dated as of October 1, 1948, between the Vendors named in said Agreement, the Trustee and the Railroad Company, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series FF; and

WHEREAS, pursuant to the provisions of Paragraph (a) of Article Fifth of said Lease, the Railroad Company will cause to be delivered to the Trustee, seven (7) new 50-ton, 40' 6", wood lined, steel sheathed box cars, numbered, respectively, 35061 to 35067, both inclusive, in replacement of nine (9) 40' 6", 50-ton, all steel box cars, numbered, respectively, 25165, 26389, 25716, 26362, 26410, 25545, 25462, 26271 and 25053 and three (3), 41' 6", 50-ton, composite type

INDEXED

gondola cars, numbered, respectively, 88354, 88677 and 88202, which cars, so replaced, had been worn out, lost, destroyed or rendered unfit for use as of February 28, 1953;

NOW, THEREFORE, this Second Supplemental 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 Company, the said seven (7) new 50-ton, 40' 6", wood lined, steel sheathed box cars, numbered, respectively, 35061 to 35067, both inclusive, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of October 1, 1948, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution hereof, it will cause this Second Supplemental 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 Second Supplemental 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 Company 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,

By..... (R. M. Kimball)
Vice-President.

Attest: .....
(V. P. Nelson)
Assistant Secretary.

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago, in the presence of:

..... (E. W. Leeders)

..... (W. G. Everist)
Attesting Witnesses.

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By..... (J. W. Severs)
Vice-President.

Attest: .....
(J. J. Roche)
Secretary.

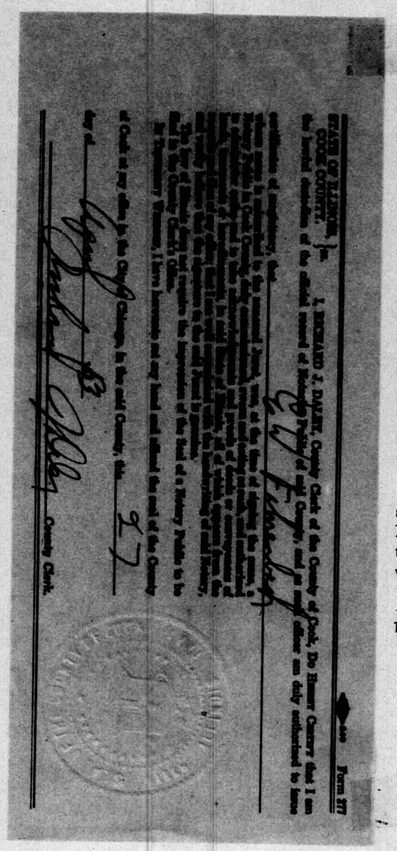
Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

..... (Ruth E. Hall)

..... (C. L. Davis)
Attesting Witnesses.

STATE OF ILLINOIS, }
COUNTY OF COOK. } ss.

I, E. W. FAHRENBACH, 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 ..27.. day of April, 1953, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in



writing; that they, said R. M. KIMBALL, Vice-President and V. P. NELSON, Assistant Secretary, 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 Secretary 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.

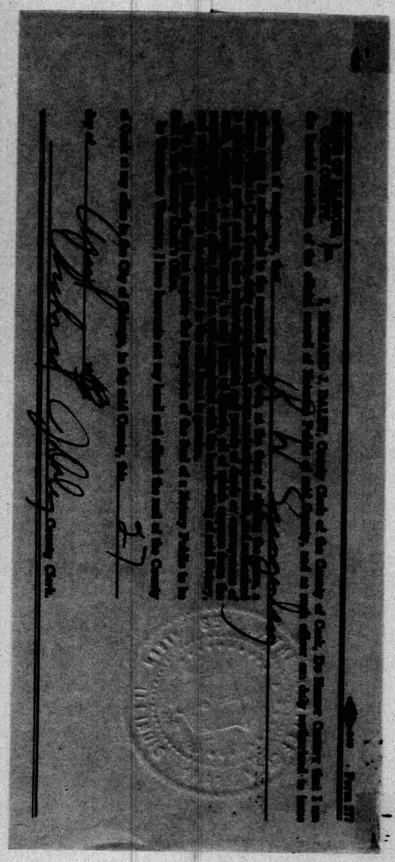
IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires March 26, 1957.

..... (E. W. Fahrenbach)
Notary Public in and for the State of Illinois, County of Cook.

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 this 24th day of April, 1953, 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. W. SEVERS and J. J. ROCHE, each to me personally known and known to me to be, respectively, a Vice-President and the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 thereunto subscribed as such, and said J. W. SEVERS and J. J. ROCHE, 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. W. SEVERS resides in Park Ridge in the State of Illinois, and that said J. J. ROCHE resides in Chicago in the State of Illinois; that said J. W. SEVERS is a Vice-President and said J. J. ROCHE is the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and J. J. ROCHE, 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 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 November 17, 1955.

R. W. Spangenberg
(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

State of Wisconsin } ss.
DEPARTMENT OF STATE
Received this 1st day of MAY A. D. 1953 at 10:00 o'clock A. M. and recorded in Vol. 141 of RAILROAD MORTGAGES on page 1000-1037

WISCONSIN

Executed in 20 Counterparts

Counterpart No. 4

SERIES HH

SECOND SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of April 10, 1953, between **CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking association, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY**, (hereinafter called the Railroad Company), party of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of April 1, 1949, the Trustee leased certain railroad equipment described therein to Chicago, Milwaukee, St. Paul and Pacific Railroad Company (hereinafter called the Railroad Company) pursuant to the terms of an Agreement, also dated as of April 1, 1949, between the Vendors named in said Agreement, the Trustee and the Railroad Company, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series HH; and

WHEREAS, pursuant to the provisions of Paragraph (a) of Article Fifth of said Lease, the Railroad Company will cause to be delivered to the Trustee, six (6) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35068 to 35073, both inclusive, in replacement of nine (9) 40′ 6″, 50-ton, all steel box cars, numbered, respectively, 28402, 26709, 27967, 27055, 27095, 27049, 27655, 28126

and 28285, which cars, so replaced, had been worn out, lost, destroyed or rendered unfit for use as of October 31, 1952;

Now, THEREFORE, this Second Supplemental 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 Company, the said six (6) new 50-ton, 40′ 6″, wood lined, steel sheathed box cars, numbered, respectively, 35068 to 35073, both inclusive, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of April 1, 1949, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution hereof, it will cause this Second Supplemental 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 Second Supplemental 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 Company 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,

By ..... (R. M. Kimball) *Vice-President.*

Attest: .....
(V. P. Nelson) *Assistant Secretary.*

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago in the presence of:

.....
(E. W. Leaders)

.....
(W. G. Everist) *Attesting Witnesses.*

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By ....., (J. W. Severs) *Vice-President.*

Attest: .....
(F. J. Rocke) *Secretary.*

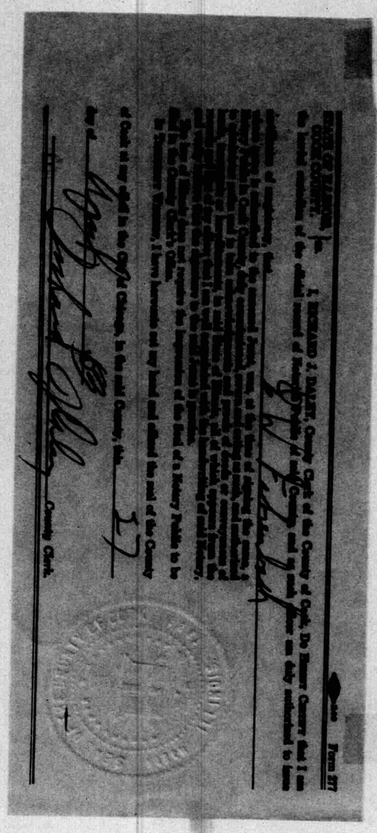
Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

.....Ruth E. Hall.
(Ruth E. Hall)

.....
(C. L. Davis) *Attesting Witnesses.*

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, E. W. FAHRENBACH, 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 April, 1953, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in



writing; that they, said R. M. KIMBALL, Vice-President and V. P. NELSON, Assistant Secretary, 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 Secretary 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.

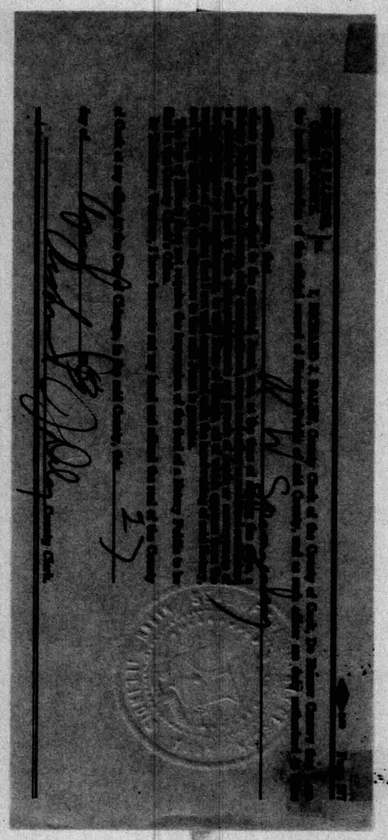
IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires March 26, 1957.

....., (E. W. Fahrenbach)
Notary Public in and for the State of Illinois, County of Cook.

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 this 21st day of April, 1953, 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. W. SEVERS and J. J. ROCHE, each to me personally known and known to me to be, respectively, a Vice-President and the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 thereunto subscribed as such, and said J. W. SEVERS and J. J. ROCHE, 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. W. SEVERS resides in Park Ridge in the State of Illinois, and that said J. J. ROCHE resides in Chicago in the State of Illinois; that said J. W. SEVERS is a Vice-President and said J. J. ROCHE is the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and J. J. ROCHE, 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 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 November 17, 1955.

R. W. Spangenberg
(R. W. Spangenberg)
Notary Public in and for the State of Illinois, County of Cook.

State of Wisconsin } ss.
DEPARTMENT OF STATE
Received this 1st day of
MAY A. D. 19 53 at 10:0
o'clock A. M. and recorded in Vol.
4th of RAILROAD MORTGAGES
on pages 404-407.

Executed in 1 20 WISCONSIN Counterparts

Counterpart No. 4

SERIES JJ

SECOND SUPPLEMENTAL LEASE OF RAILROAD EQUIPMENT, dated as of April 10, 1953, between **CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, a national banking association, Lessor and Trustee as hereinafter mentioned (hereinafter called the Trustee), party of the first part, and **CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY**, (hereinafter called the Railroad Company), party of the second part.

WHEREAS, by a Lease of Railroad Equipment dated as of September 1, 1949, the Trustee leased certain railroad equipment described therein to the Railroad Company pursuant to the terms of an Agreement, also dated as of September 1, 1949, between the Vendors named in said Agreement, the Trustee and the Railroad Company, creating Chicago, Milwaukee, St. Paul and Pacific Railroad Equipment Trust Series JJ; and

WHEREAS, pursuant to the provisions of Paragraph (a) of Article Fifth of said Lease, the Railroad Company will cause to be delivered to the Trustee, one (1) new 50-ton, 40'6", steel sheathed, wood lined box car, manufactured by Pullman-Standard Car Manufacturing Company, numbered 35074, in replacement of one (1), 41'6", 50-ton, composite type gondola car, numbered 89682, which car, so replaced, had been worn out, lost, destroyed or rendered unfit for use as of February 28, 1953.

Now, THEREFORE, this Second Supplemental 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 Company, the said one (1) new 50-ton, 40'6", steel sheathed, wood lined box car, numbered 35074, subject to all the terms and conditions of said Lease and of said Agreement, both dated as of September 1, 1949, as though said new equipment had been part of the original railroad equipment in said Lease described.

2. The Railroad Company covenants that, with all convenient speed after the execution thereof, it will cause this Second Supplemental 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 Second Supplemental 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 Company 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,

By ..... (R. M. Kimball) *Vice-President.*

Attest: ..... (V. P. Nelson) *Assistant Secretary.*

Signed, sealed and delivered by Continental Illinois National Bank and Trust Company of Chicago, in the presence of:

..... (E. W. Luders)

..... (W. G. Everist)

Attesting Witnesses.

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY,

By ..... (J. W. Bowers) *Vice-President.*

Attest: ..... (J. J. Roche) *Secretary.*

Signed, sealed and delivered by Chicago, Milwaukee, St. Paul and Pacific Railroad Company, in the presence of:

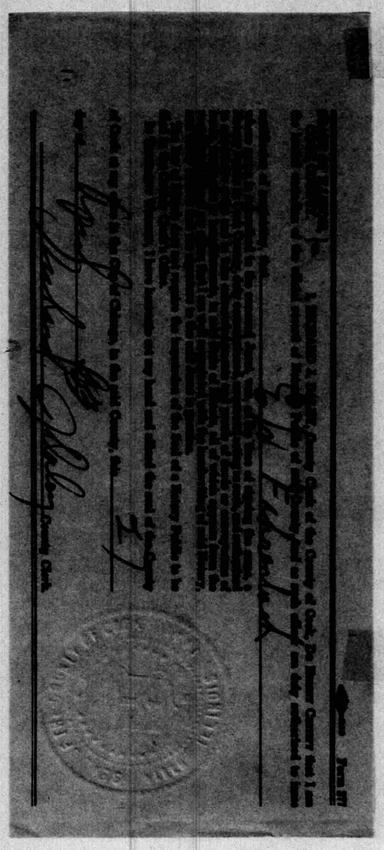
..... (Ruth E. Hall)

..... (C. L. Davis)

Attesting Witnesses.

STATE OF ILLINOIS, } ss.
COUNTY OF COOK. }

I, E. W. FAHRENBACH, 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 April, 1953, 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. M. KIMBALL and V. P. NELSON, 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 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 Secretary, respectively, in my presence and in the presence of the two witnesses whose names are thereunto subscribed as such, and said R. M. KIMBALL and V. P. NELSON, 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 R. M. KIMBALL resides in Evanston, in the State of Illinois, and that said V. P. NELSON resides in Chicago, in the State of Illinois, that said R. M. KIMBALL is a Vice-President and said V. P. NELSON is an Assistant Secretary of Continental Illinois National Bank and Trust Company of Chicago, the national banking association described in and which executed the within and foregoing instrument in writing; that they, said R. M.



KIMBALL, Vice-President and V. P. NELSON, Assistant Secretary, 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 Secretary 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.

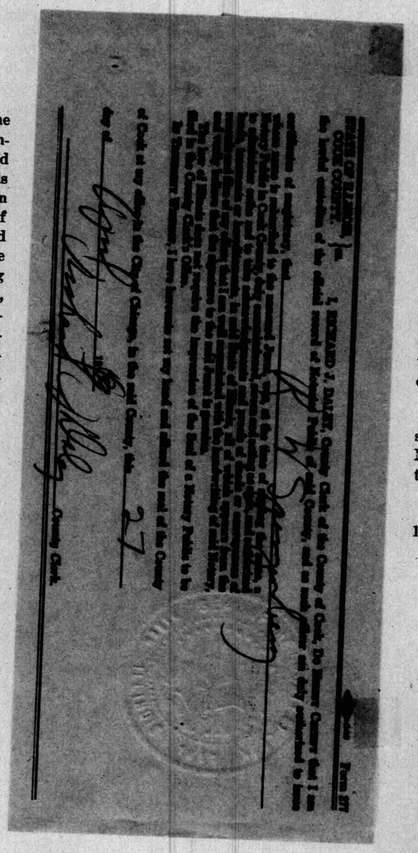
IN TESTIMONY WHEREOF, I have hereunto set my hand, subscribed my name and affixed my official seal as such Notary Public in said County of Cook, State of Illinois, this the day and year in this my certificate first above written.

My commission as such Notary Public expires March 26, 1957.

....., (E. W. Fahrenbach)
Notary Public in and for the State of Illinois, County of Cook.

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 this 24th day of April, 1953, 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. W. SEVERS and J. J. ROCHE, each to me personally known and known to me to be respectively, a Vice-President and the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad 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 thereunto subscribed as such, and said J. W. SEVERS and J. J. ROCHE, 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. W. SEVERS resides in Park Ridge in the State of Illinois, and that said J. J. ROCHE resides in Chicago, in the State of Illinois; that said J. W. SEVERS is a Vice-President and said J. J. ROCHE is the Secretary of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, the corporation described in and which executed the within and foregoing instrument in writing; that they, said J. W. SEVERS, Vice-President, and J. J.



ROCHE, 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 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 November 17, 1955.

R. W. Spangenberg
(R. W. Spangenberg)
Notary Public in and for the State, of Illinois, County of Cook.

State of Wisconsin } ss.
DEPARTMENT OF STATE }
Received this 1st day of
MAY A. D. 1953 at 10:0
o'clock A. M. and recorded in Vol.
lll of RAILROAD MORTGAGES
on page 108-501.

EQUIPMENT LEASE AND AGREEMENT

BY AND BETWEEN

PULLMAN-STANDARD CAR MANUFACTURING COMPANY

AND

DULUTH, MISSABE AND IRON RANGE RAILWAY COMPANY

DATED, NOVEMBER 12th, 1952

AND

A S S I G N M E N T

TO

THE FIRST NATIONAL BANK OF CHICAGO

DATED, APRIL 24th, 1953

THIS AGREEMENT, dated as of November 12, 1952, by and between PULLMAN-STANDARD CAR MANUFACTURING COMPANY, a corporation organized under the laws of the State of Delaware, with a principal office in the City of Chicago and State of Illinois (hereinafter called the "Manufacturer"), and DULUTH, MISSABE AND IRON RANGE RAILWAY COMPANY, a corporation organized under the laws of the State of Minnesota, with its principal office in the City of Duluth, State of Minnesota, (hereinafter called the "Railroad"),

WITNESSETH:

In consideration of the mutual promises, covenants and agreements hereinafter set forth the parties hereto do hereby agree as follows:

1. CONSTRUCTION AND SALE. The Manufacturer will construct, sell and deliver to the Railroad and the Railroad will purchase from the Manufacturer and accept delivery as hereinafter provided and pay therefor as hereinafter set forth Ore Cars (any one of which is hereinafter referred to as "Car" and more than one or all of which are hereinafter referred to as "Cars") as follows:

Five Hundred (500) 70-ton Ore Cars bearing the Railroad's Nos. U32500 to U32999 inclusive in accordance with Railroad's specification dated September 19, 1952 and under Manufacturer's Lot No. 8125 and in accordance with Manufacturer's Contract dated October 7, 1952, and Railroad's Purchase Order 1152-8899, and modifications thereof agreed upon in writing between the Railroad and the Manufacturer.

2. DELIVERY. The Manufacturer will deliver the Cars to the Railroad at Proctor, Minnesota, not later than July 31, 1953.

On shipment of the Cars by the Manufacturer from its works at Michigan City, Indiana, the Manufacturer will assume responsibility and risk of loss or damage with respect to the Cars so shipped.

The Manufacturer's obligation as to time of delivery is subject, however, to delays and/or defaults resulting from any and all causes beyond the Manufacturer's reasonable control, including but not limited to acts of God, acts of government such as embargoes, priorities and allocations, war or war conditions, riot or civil commotion, sabotage, strikes or other labor conditions, accidents, fire, flood, explosion, damage to plant, equipment or facilities, epidemics, quarantine restrictions, delays or defaults of sub-contractors, failure to receive necessary materials or supplies, inability to obtain fuel, light or power, or absence of usual means of transportation.

The Railroad shall accept the Cars as soon as practicable after delivery at Proctor, Minnesota. Each of the Cars prior to acceptance shall be inspected by an authorized representative of the Railroad. If such Car conforms to specifications such representative of the Railroad shall execute a certificate of acceptance (hereinafter called the "Certificate of Acceptance") stating that such Car has been inspected and accepted by him on behalf of the Railroad as conforming in all respects to the requirements and provisions of this agreement. Such Certificate of Acceptance shall constitute conclusive evidence that the Car conforms to specifications and is acceptable to the Railroad in all details. The Certificate of Acceptance shall be delivered to the Manufacturer as soon as practicable after delivery of the Car to the Railroad.

3. PURCHASE PRICE. The Purchase price of the Cars shall

be $7,129.30 each f.o.b. Proctor, Minnesota, with a total purchase price for all of the Cars of $3,564,650.00.

Conditional only upon receipt and acceptance of the Cars, which shall be conclusively presumed from the execution of the Certificate of Acceptance, the Railroad hereby promises to pay to the Manufacturer, at its office in Chicago, Illinois, or at such bank or trust company in the United States of America as the Manufacturer may designate, the aforesaid purchase price of the Cars, as follows:

(a) In cash, upon presentation of the invoice for each Car:

For each Car One Thousand Seven Hundred Eighty-two & 32/100 Dollars ($1,782.32), representing approximately 25% of the purchase price of such Car.

(b) The balance of the purchase price remaining unpaid after the initial cash payments provided for in (a) above, shall be payable:

For each Car Five Thousand Three Hundred Forty-six & 98/100 Dollars ($5,346.98), representing approximately 75% of the purchase price of each such Car, shall be payable in 14 consecutive semi-annual installments, the first thirteen of which installments shall be in the principal amount of Three Hundred Eighty-one and 92/100 Dollars ($381.92), and the fourteenth of which installments shall be in the principal amount of Three Hundred Eighty-two and 02/100 Dollars ($382.02), together with interest at the rate of three (3) percent per annum from the date of acceptance of such Car on the balance of the purchase price of such Car remaining unpaid, the first installment of principal and interest to be payable on the first day of January, 1954, and subsequent installments to be payable on the first day of July and January in each year thereafter.

All payments provided for in this agreement will be made by the Railroad 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.

In the event of any change or modification made in the specifications the amount by which such change or modification increases or decreases the cost of the Cars shall be added to or subtracted from, as the case may be, the price of the Cars. The Initial payment to be made by the Railroad to the Manufacturer as provided herein shall be increased or decreased accordingly.

If the prices, which the Manufacturer is required to pay for specialties, steel, and/or other materials actually used in building the Cars, shall be more or less than the delivered prices of specialties and other materials listed on Exhibit "A" to Manufacturer's Contract dated October 7, 1952 at amounts as shown thereon or more or less than the delivered prices in effect as of August 18, 1952 for other materials not listed thereon, the base price of Cars will be increased or decreased accordingly.

Price of the Cars quoted herein is further based on the present effective rate of compensation of Manufacturer's Employees at its Michigan City, Indiana plant which includes (a) hourly wage rates presently in effect at said plant under union contract with the bargaining unit representing Manufacturer's Employees dated June 11, 1952, (b) present allowances and benefits such as paid vacations and holidays, group insurance, retirement income plans and other benefits of similar nature, and (c) payroll taxes provided under existing laws. In the event, either as the result of negotiation with the union representing said employees or as the result of changes in laws affecting the payroll taxes, the average effective rate of compensation per hour shall be changed by 1¢ or more, the amount of such change shall be determined and stated in cents per hour and the price of the Cars will

be increased or decreased by an amount equal to the product obtained by multiplying the amount shown below as the manufacturing cost escalation per car by the actual amount (to the nearest 1/10th of a cent) of such change in the effective rate of compensation expressed in cents per hour. The amount of such change in the effective rate of compensation above referred to shall be determined and shall be certified by Arthur Young & Company, Auditors, Chicago, Illinois and in such determination such Auditors shall consider, among other relevant matters (a) all changes in hourly wage rates from those provided in present union contract, (b) all changes and production costs resulting from changes in allowances and benefits hereafter granted to said employees of character set forth above, and (c) all changes in payroll taxes paid by Manufacturer as a result of change in existing laws or regulations.

In the event that any such increase or decrease in the effective rate of compensation shall become effective after the work of fabricating and construction of the Cars shall commence, the portion of work affected by such increase or decrease shall be determined and certified by Arthur Young & Company and the increase or decrease under effective rate of compensation shall apply only to that proportion.

The manufacturing cost escalation per car will be at the rate of $8.75 for each one cent change in effective rate of compensation but such amount is based on building the Cars in accordance with the base specification, and is subject to adjustment for subsequent changes in specification which involve an increase or decrease in man hours. The price of the Cars quoted herein is based on freight rates in effect August 18, 1952. Should freight rates or other transportation rates, including relative taxes, be increased or decreased from rates in effect August 18, 1952, the base price of the

Cars will be adjusted to the extent that such increased or decreased rates and taxes thereon are paid and borne by Manufacturer on material used in the construction of the Cars or affect the cost of delivery of the Cars. Railroad shall have the right to specify routing of Cars from Manufacturer's Michigan City, Indiana plant to place of delivery, such routing however, to carry the lowest available freight rate.

Cars will be invoiced as delivered at the final unit purchase price ascertained as provided above, if such price has been determined and accepted at time of shipment. Otherwise, Manufacturer will reserve the right to determine a tentative billing price as realistically as possible on the basis of estimated costs and Cars will be invoiced and paid for at such price as shipped. The initial payment to be made by the Railroad to the Manufacturer as provided herein shall be increased or decreased accordingly. Any difference between the aggregate of tentative billing and final unit purchase price of all Cars will be paid by Railroad or will be repaid by the Manufacturer, as the case may be, as soon as final price has been determined.

4. Taxes. All payments to be made by the Railroad hereunder will be free of expenses to the Manufacturer for collection or other charges and of the amount of any local, state or federal taxes (other than income taxes) or licenses hereafter levied or imposed upon, or measured by, this agreement and/or any sale, use, payment, shipment or delivery under the terms hereof, all of which expenses, taxes and licenses the Railroad assumes and agrees to pay in addition to the purchase price of the Cars. The Railroad will also pay promptly all taxes and assessments which may be imposed upon the Cars or for the use thereof or upon the earnings arising therefrom or the operation thereof or upon the Manufacturer by reason of its ownership thereof by any jurisdiction

in which the Cars are operated by the Railroad and will keep at all times all and every part of the Cars free and clear of all taxes and assessments which might in any way affect the title of the Manufacturer. If any such expenses or taxes shall have been paid by the Manufacturer the Railroad shall reimburse the Manufacturer on presentation of invoice.

5. Title to the Equipment. The Manufacturer shall and hereby does retain the full legal title to and property in the Cars until the Railroad 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 Railroad notwithstanding the delivery of the Cars to and the possession and use thereof by the Railroad as herein provided.

The Railroad so long as it shall not be in default under this agreement shall be entitled to the possession and use of the Cars as herein provided, subject to the terms and conditions herein contained.

The Railroad will cause each Car to be kept numbered with its identifying road number and will keep and maintain, plainly, distinctly, permanently and conspicuously placed and fastened, on each side of each of the Cars a metal plate bearing the name of the Manufacturer or of the Manufacturer's assignee, as the case may be, or such name shall be otherwise plainly, distinctly, permanently and conspicuously marked thereon, in letters of the largest size required by law in any of the states in which the Car shall be operated, but in any event in letters not less than one inch in height followed by the word "Owner" or other appropriate words designated by the Manufacturer. The Railroad will not place any of the Cars in operation or exercise any control or dominion over any part thereof until this provision has been complied with. The Railroad will not

change the road numbers of the Cars, except in accordance with a statement of new road numbers to be substituted therefor, which shall previously have been filed with the Manufacturer by the Railroad and consented to by the Manufacturer and filed and recorded in each public office where this agreement (or any supplements hereto) shall have been filed and recorded.

Except as above provided the Railroad will not allow the name of any person, association or corporation to be placed on the Cars or any replacements thereof as a designation that might be interpreted as a claim of ownership; provided, however, that the Railroad may cause the Cars to be lettered with appropriate words or marks for convenience of identification of the Railroad's interest therein.

When and only when the Manufacturer has been paid the full purchase price of the Cars, together with interest and any and all other payments as herein provided, and all of the Railroad's covenants and conditions herein contained have been performed by the Railroad, absolute right to the possession of, title to and property in the Cars shall pass to and vest in the Railroad without further transfer or action on the part of the Manufacturer except that the Manufacturer will, if requested by the Railroad so to do, execute and deliver to the Railroad a bill of sale of the Cars transferring the title to and property in them to the Railroad free of all liens and encumbrances created or retained hereby and will execute for record or for filing in public office 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 Railroad to the Cars.

6. Replacement. In the event of loss or destruction of or irreparable damage to any of the Cars from any cause whatsoever prior to the payment in full of the total purchase

price herein provided together with interest thereon and all other payments required hereby, the Railroad shall promptly and fully inform the Manufacturer in regard to such loss, destruction or damage. The Railroad shall at its election promptly pay to the Manufacturer a sum equal to the then unpaid balance applicable to such Car or Cars with interest thereon to the date of payment, or shall replace each such Car at its own cost with a car of similar type and of substantially as good material or construction as that lost, destroyed or damaged and having a cost or fair value (whichever is less) at least equal to the fair value if in good repair of the Car replaced at the time of replacement. The Railroad will cause any such car to be marked as provided in Article 5 hereof and to be numbered with the same road number as the Car so replaced. Any and all such replacements of Cars or any of them and all and any parts shall constitute accessions to the Cars and all replacements of Cars shall be deemed to be specific after acquired property covered by this agreement and in any case all such replacements of Cars and parts shall be subject to all of the terms and conditions of this agreement as though part of the original Cars delivered hereunder and included in the word "Cars" as used in this agreement. Title to all such replacement Cars shall be free and clear of all liens and encumbrances and shall be taken initially and shall remain in the name of the Manufacturer (or, if this agreement shall have been assigned, in the name of the assignee or assignees, as the case may be), subject to the provisions hereof.

7. Insurance. The Railroad may, in its sole discretion, instead of insuring the Cars against loss, damage or destruction due to fire, and against all other insurable risks, maintain adequate insurance reserves for such purpose.

8. Maintenance and Repair. The Railroad will at all

times maintain the Cars in good order and repair at its own expense.

9. Manufacturer's Warranty of Workmanship and Material. The Manufacturer guarantees the Cars will be built in accordance with the specifications herein provided for and warrants the Cars to be at the time of delivery free of defects in material (except as to specialties incorporated therein specified by the Railroad and not manufactured by the Manufacturer) or workmanship. The Manufacturer will repair or replace F. O. B. its works or warehouse any part furnished by it which by reason of defect in workmanship or material under normal use and service requires replacement within one year after the delivery of the Car; provided, however, that the Railroad notifies the Manufacturer of the defect immediately and accords the Manufacturer an opportunity for verification. The Manufacturer's liability shall not extend to any defect or defects which were caused in whole or in part by misuse, negligence or accident. The Manufacturer's liability (except as to title) arising out of the supplying of each of the Cars or their use, whether on warranties or otherwise, shall not in any case exceed the cost of repairing or replacing a defective part or parts as herein provided and shall not include transportation charges, the Railroad's labor or materials (except as authorized in writing in advance), loss of use or revenue or any indirect or consequential damages. Upon the expiration of said one year all such liability with respect to the Cars or any part or parts thereof repaired or replaced by reason of this guaranty shall terminate.

10. Compliance With Laws, Rules and Regulations. Until the total purchase price herein provided for and all other sums of money payable by the Railroad hereunder shall have been fully paid by the Railroad, the Railroad will comply in all respects with all laws of the United States and of the

States and Territories in which its operations involving the Cars may extend, 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 the Cars. In the event that said laws or rules require the alteration of the Cars the Railroad will conform therewith, at its expense, and will maintain the same in proper condition for operation under such laws and rules until the total purchase price together with interest and all other payments required hereby shall have been fully paid by the Railroad; provided, however, that the Railroad may, in good faith, contest in any reasonable manner the application of any such law or rule which does not, in the judgment of the Manufacturer, affect the Manufacturer's title in and to the Cars.

11. Reports and Inspections. The Railroad will furnish to the Manufacturer, if requested, once in every year until the total purchase price together with interest and all other payments required hereby shall have been fully paid by the Railroad, an accurate inventory of the Cars in actual service, the numbers and the description of such Cars as may have been destroyed and replaced by others, and the then location of said Cars. In addition thereto the Railroad will furnish to the Manufacturer, if requested, once in each year, until the total purchase price together with interest and all other payments required hereby shall have been fully paid by the Railroad, a report of inspection by an authorized representative of the Railroad, or if the Manufacturer so requests, by a competent disinterested party, satisfactory to the Manufacturer, certifying that said Cars have been maintained, and are, in good order and repair.

The Railroad will promptly and fully inform the Manufacturer of any loss or destruction of any of the Cars and of any substantial repairs made or being made upon them

or any of them. If requested by the Manufacturer the Railroad will furnish to the Manufacturer a report of an authorized representative of the Railroad or, if the Manufacturer so requests, of a competent disinterested party, satisfactory to the Manufacturer, covering the nature and extent of any damage to the Cars and the satisfactory repair thereof.

The Manufacturer may, but shall be under no obligation to, inspect the Cars at any reasonable time or times until the total purchase price together with interest and all other payments required hereby has been fully paid by the Railroad. The Railroad, in so far as it may legally do so, will supply free transportation over its lines to designated agents of the Manufacturer for the purpose of enabling such agents to reach the point or points where the Cars are in operation, for the purpose of making such inspection.

12. Use and Location. So long as the Railroad shall not be in default under this contract, the Railroad 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 the Railroad, or over which the Railroad has trackage rights, and upon connecting and other railroads in the usual interchange of freight cars, but subject at all time to all terms and conditions of this Agreement.

13. Prohibition Against Liens. The Railroad will pay or satisfy and discharge any and all sums claimed by any party by, through or under the Railroad and its successors or substitutes or assigns which, if unpaid, might become a lien or a charge upon the Cars, or any of them, equal or superior to the title of the Manufacturer 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 Manufacturer in and to the Cars.

14. Railroad's Indemnities and Guaranties. The Railroad will save, indemnify and keep harmless the Manufacturer from and against all losses, damages, injuries, claims and demands whatsoever, regardless of the cause thereof, arising on account of the use or operation of the Cars. This covenant of indemity shall continue in full force and effect notwithstanding the full payment of the purchase price and the conveyance of the Cars, as provided in Article 5, hereof, or the termination of this agreement in any manner whatsoever.

The Railroad 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 any or all of the Cars; provided, however, that the Manufacturer and any successor or successors to its manufacturing property and business shall not, as to the Cars, be relieved from its guaranty covering workmanship and material hereinbefore in Article 9 set forth.

15. Patent Indemnities. The Manufacturer, for itself and any successor or successors to its manufacturing property and business will save, indemnify and keep harmless the Railroad from and against any and all royalties, damages, claims, suits, judgments and costs that may result from the use of any patented article on the Cars at the time of delivery, except with regard to any appliances, devices or material specified or required by the Railroad and not included in the Manufacturer's standard specifications; and the Railroad will indemnify and save harmless the Manufacturer from and against any and all royalties, damages, claims, suits, judgments and costs that may result from the sale and use of any patented article on the Cars specified or re-

quired by the Railroad and not included in the Manufacturer's standard specifications.

The Railroad agrees that it will give prompt notice in writing to the Manufacturer of the commencement of any action in respect of which the Manufacturer may be charged with liability hereunder, and the Manufacturer agrees to give prompt notice in writing to the Railroad of the commencement of any action in respect of which the Railroad may be charged with liability hereunder. Said covenants of indemnity shall continue in full force and effect notwithstanding all sums due hereunder, the satisfaction and discharge of this agreement or the termination of this agreement in any manner.

16. ASSIGNMENTS BY THE MANUFACTURER. All or any of the rights, benefits and advantages of the Manufacturer under this agreement, including the right to receive the payments herein provided to be made by the Railroad, may be assigned by the Manufacturer 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 Manufacturer or the successor or successors to its manufacturing property and business from any of the obligations of the Manufacturer to construct and deliver the Cars herein contracted to be delivered in accordance with the specifications or to respond to its guaranties, warranties or indemnities contained in Articles 9 and 15 hereof, or relieve the Railroad of its obligation to the Manufacturer under Articles 14 and 15 hereof or any other obligation which, according to its terms and context, is intended to survive an assignment.

Upon any such assignment, either the assignor or the assignee shall give written notice to the Railroad, 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

Manufacturer'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 the Railroad of the notification of any such assignment, all payments thereafter to be made by the Railroad hereunder shall, to the extent so assigned, be made to the assignee.

The Railroad recognizes that it is the custom of car manufacturers to sell or discount agreements of this character and understands that the sale of this agreement, or of some or all of the rights of the Manufacturer hereunder, is contemplated. The Railroad expressly represents, for the purpose of assurance to any person, firm or corporation considering the purchase of this agreement or of all or any of the rights of the Manufacturer hereunder and for the purpose of inducing such purchase, that in the event of such purchase and of the assignment of this agreement by the Manufacturer 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 Manufacturer or the successor or successors to its manufacturing property and business in respect of the Cars or the manufacture, construction, 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 Railroad by the Manufacturer or the successor or successors to its manufacturing property and business. Any and all such obligations, howsoever arising, shall be and remain enforceable by the Railroad against and only against the Manufacturer and the successor

or successors to its manufacturing property and business. The provisions of this paragraph may be relied upon by any such assignee as a continuing offer by the Railroad to waive any remedies which it might otherwise possess for the enforcement of any and all such obligations of the Manufacturer as against such assignee, which offer shall be conclusively presumed for all purposes to be accepted by the assignee by payment to the Manufacturer of the consideration for the purchase and assignment of this agreement.

In the event of any such sale, transfer or assignment, or successive sales, transfers or assignments by the Manufacturer, of title to the Cars and of the Manufacturer's rights hereunder in respect thereof, the Railroad will, whenever requested by such vendee, transferee or assignee, change the name plates or markings to be attached on each side of each of the Cars so as to indicate the title of such vendee, transferee or assignee to such Cars and its succession to the rights of the Manufacturer hereunder, such plates or markings to bear such words or legend as shall be specified by said vendee, transferee or assignee, subject to requirements of the laws of the States in which the Cars shall be operated relating to such plates or markings for use on equipment covered by conditional sale agreements relating to railroad equipment. The cost of obtaining and attaching the first series of such substituted plates or markings will be borne by the Railroad. The cost of obtaining and attaching plates or markings in connection with any subsequent assignment will be borne by such subsequent vendee, transferee or assignee.

17. SUCCESSORS TO AND ASSIGNMENTS BY THE RAILROAD. The Railroad hereby represents and warrants that its execution of this agreement and its assumption and undertaking of the obligations, duties and liabilities hereof have been expressly

authorized and that all the obligations of the Railroad then existing or to accrue under this agreement shall be assumed as a general obligation by any person or corporation acquiring title to or possession of the railways and properties of the Railroad, and that upon any sale, lease, transfer or assignment of said railways or properties any person or corporation acquiring title thereto or possession thereof shall also, as a condition to such acquisition, be bound by all such obligations.

The Railroad will not sell, assign, transfer or otherwise dispose of its rights under this agreement nor transfer possession of said Cars to any other firm, person or corporation without first obtaining the written consent of the Manufacturer to such sale, assignment or transfer.

18. DEFAULTS. In the event that any one or more of the following events of default shall occur, to wit:

(a) The Railroad fails to pay in full when due any instalment of principal or of interest at the time and in the manner hereinbefore contracted to be paid as provided in Article 3 hereof; or

(b) The Railroad shall, for more than 30 days after the Manufacturer shall have demanded in writing performance thereof, fail or refuse to comply with any covenant, agreement, term or provision of this agreement on its part to be kept and performed; or

(c) A petition for reorganization under Section 77 of the Bankruptcy Act, as now constituted or as said Section 77 may be hereafter amended, is filed by or against the Railroad and the trustee or trustees fail to adopt this agreement within 30 days of the date of his or their appointment unless such petition is dismissed prior to the expiration of such 30 days; or

(d) Any proceedings are commenced by or against the Railroad for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrange-

ments, compositions or extensions and the trustee or trustees or receiver or receivers appointed for the Railroad or for its property in connection with such proceedings fail to adopt and assume and agree to perform the terms and obligations of this agreement within 30 days of the date of his or their appointment, unless such proceedings are dismissed prior to the expiration of such 30 days; or

(e) The Railroad transfers or attempts to transfer its interest in or under this agreement or possession of the Cars without the consent of the Manufacturer;

then at any time after the occurrence of such an event of default the Manufacturer may, upon written notice to the Railroad and upon compliance with any legal requirements then in force and applicable to such action by the Manufacturer, declare the entire purchase price of the Cars, together with the interest thereon then accrued and unpaid, immediately due and payable, without further demand, and the Manufacturer shall thereupon be entitled to recover judgment for the entire unpaid balance of the purchase price of the Cars so payable, with interest thereon, and to collect such judgment out of any property of the Railroad wherever situated.

The Manufacturer may at its election (and, if before sale or before full performance of this agreement all costs and expenses of the Manufacturer incidental to any such default and to the enforcement by the Manufacturer of the provisions hereof, and all sums which shall then have become due and payable by the Railroad 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 Railroad, and all other existing defaults shall have been remedied, or provisions therefor satisfactory to the Manufacturer shall have been made, then

and in every such case the Manufacturer will) waive any such event of default and its consequences and rescind and annul any such declaration or termination by notice to the Railroad 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. Notwithstanding the provisions of this paragraph, it is expressly understood and agreed by the Railroad that time is of the essence of this agreement and that no such waiver, rescisson or annulment shall limit or affect the Manufacturer's right, upon any other default, or impair any rights or remedies consequent thereon.

19. Remedies. Upon the happening of an event of default as hereinabove provided then at any time thereafter and during the continuance of such default the Manufacturer may, without any notice or demand except as required by this agreement or except to the extent necessary in order to comply with any mandatory requirements of law, take or cause to be taken by its agent or agents immediate possession of the Cars, or any of them, and/or any replacements and improvements, and all present and future attachments and accessories thereof, without liability to return to the Railroad any sums theretofore paid and free from all claims whatsoever, except as hereinafter in this Article 19 expressly provided, and may remove the same from the use and possession of the Railroad and for such purpose may enter upon the Railroad's premises where the Cars 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 Railroad, with or without process of law; and the Railroad shall 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 the Manufacturer may reasonably designate

and for such purpose move or draw the Cars in the usual manner and at the customary speed of trains, and in case of such retaking or delivery the Manufacturer shall have the right to store the same upon the premises of the Railroad without charge until the Manufacturer shall desire to remove the same therefrom. It is hereby expressly agreed by the Railroad that performance of this agreement to deliver the Cars 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 Manufacturer shall be entitled to a decree against the Railroad requiring specific performance hereof. It is further expressly agreed by the Railroad that, until the sale of the cars as hereinafter provided in this Article 19, the Railroad shall not be released from any of its obligations hereunder, including, but not by way of limitation, its obligations under Article 4 hereof.

Upon the happening of an event of 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 Manufacturer, with or without retaking possession thereof, may, at its election, sell the Cars, or any of them, and any such replacements, improvements, equipment, attachments and accessories, free from any and all claims of the Railroad, 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 Manufacturer may determine, all subject to and in compliance with any mandatory requirements of law then in force and applicable to such sales; and the proceeds of such sale, less the attorneys' fees and any other expenses incurred by the Manufacturer in taking possession of, removing, storing and selling the Cars, shall be credited on the amount

due to the Manufacturer under the provisions of this agreement.

To the extent permitted by any such legal requirements, any sale hereunder may be held or conducted at such place or places and at such time or times as the Manufacturer 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 Manufacturer may determine in compliance with any such legal requirements, provided that the Railroad 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 Railroad. If such sale shall be a private sale permitted by such legal requirements, it shall be subject to the right of the Railroad 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 Manufacturer may itself bid for and become the purchaser of the Cars, or any of them, so offered for sale without accountability to the Railroad (except to the extent of surplus money received as hereinafter provided in the next to the last paragraph of this Article 19), and in payment of such purchase price the Manufacturer shall be entitled to the extent aforesaid to have credited on account thereof all sums due to the Manufacturer by the Railroad hereunder.

Each and every power or remedy hereby specifically given to the Manufacturer 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 simulta-

neously and as often and in such order as may be deemed expedient by the Manufacturer. 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 Manufacturer 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.

If the Manufacturer shall exercise any of the powers or remedies conferred upon it hereunder, the Railroad shall have the right after all sums due hereunder to the Manufacturer shall have been received by it in full, including its proper costs and expenses incident to the collection thereof, to require title to the Cars, if not previously sold or otherwise disposed of by the Manufacturer pursuant to the provisions of this Article 19, to be transferred and assigned by the Manufacturer to the Railroad free from any further liabilities or obligations to the Manufacturer.

If, after applying all sums of money realized by the Manufacturer under the remedies herein provided, there shall remain any amount due to it under the provisions of this agreement the Railroad shall and it hereby undertakes and promises to pay the amount of such deficiency to the Manufacturer upon demand, and if the Railroad fails to pay such deficiency the Manufacturer may bring suit therefor and shall be entitled to recover a judgment therefor against the Railroad. If, after applying as aforesaid all sums realized by the Manufacturer, there shall remain a surplus in the possession of the Manufacturer, such surplus shall be paid to the Railroad.

The Railroad will pay all reasonable attorney's fees and other costs and expenses incurred by the Manufacturer in

enforcing its remedies under the terms of this agreement or otherwise provided at law or in equity. In the event that the Manufacturer brings any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Manufacturer may recover reasonable attorneys' fees and such other costs and expenses, and the amount thereof shall be included in such judgment.

20. 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; provided that nothing herein shall prevent this agreement from being effective as a chattel mortgage in any state under the laws of which reservations of title to personal property as security for the payment of the purchase price thereof are held to be chattel mortgages. Where, however, the conflicting provisions of any applicable State law may be waived they are hereby waived by the Railroad 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.

The Railroad, to the fullest extent permitted by law, hereby waives all statutory or other legal requirements for any notice of any kind, notice of intention to take possession of the Cars and to sell them and any other requirements as to the time, place and terms of sale thereof, any other requirements with respect to the enforcement of the Manufacturer's rights hereunder, except such notices as are expressly required by the terms of this agreement, and any and all rights of redemption.

21. Extension Not a Waiver. Any extension of time granted by the Manufacturer to the Railroad 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 Manufacturer reserved hereunder nor of any of its rights and remedies hereunder or otherwise existing.

22. Recording. The Railroad with all convenient speed will cause this agreement, also supplemental agreements which may be executed under the terms of this agreement, and the first assignment thereof, to be filed with the Interstate Commerce Commission for recordation in accordance with Section 20(c) of the Interstate Commerce Act, as amended, and the rules and regulations thereunder approved and prescribed by said Commission, and from time to time, in addition to such recordation, or in lieu thereof, in such other place or places as may be reasonably requested or consented to by the Manufacturer, so that this agreement and all other said instruments may at all times be duly filed, registered, docketed or recorded in such manner and in such places as to comply with all applicable laws in order to publish notice of and to protect the Manufacturer's title to the Cars, and from time to time will execute any and all further instruments that reasonably shall be requested by the Manufacturer for such publication and protection of title; and the Railroad will promptly furnish to the Manufacturer certificates, or other evidence satisfactory to the Manufacturer, of such filing, registration, docketing and recording.

23. Payment of Expenses. The Railroad will pay all costs, charges and expenses, except the counsel fees of the Manufacturer, incident to the preparation, printing, execution, acknowledgment, filing, registering and recording of this agreement, of the first assignment by the Manufacturer of title to the Cars, of any instrument supplemental hereto or amendatory hereof and of any declaration of the payment in full of the purchase money due hereunder.

24. Notice. Any notice hereunder to the Railroad shall be deemed to be properly served if delivered or mailed to the Railroad at Wolvin Building, Duluth 2, Minnesota, or at such other address as may have been furnished in writing to the Manufacturer by the Railroad. Any notice hereunder to Pullman-Standard Car Manufacturing Company shall be deemed to be properly served if delivered or mailed to Pullman-Standard Car Manufacturing Company, 79 East Adams Street, Chicago 3, Illinois, or at such other address as may have been furnished in writing to the Railroad by Pullman-Standard Car Manufacturing Company. Any notice hereunder to any assignee of Pullman-Standard Car Manufacturing Company or of the Railroad shall be deemed to be properly served if delivered or mailed to such assignee at such address as may have been furnished in writing to the Manufacturer or the Railroad, as the case may be, by such assignee.

25. Execution of Counterparts. 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 will constitute but one and the same contract, which will be sufficiently evidenced by any such original counterpart.

26. Article Headings. All article, paragraph or division headings are inserted for convenience only and will not affect any construction or interpretation of this agreement.

27. Modification of Agreement. This agreement of conditional sale, together with the specifications hereinabove referred to, constitutes the entire agreement between the Railroad and the Manufacturer with respect to the sale of the Cars herein referred to. No variation or modification of this agreement and no waiver of any of its provisions or conditions will be valid unless in writing and signed by the duly authorized officers of the Manufacturer and the Railroad.

28. LAW GOVERNING. The terms of this agreement and all rights and obligations hereunder shall be governed by the laws of the State of Illinois.

IN WITNESS WHEREOF, Pullman-Standard Car Manufacturing Company has caused these presents to be executed and its seal to be affixed by its duly elected and authorized officers pursuant to lawful resolutions; and Duluth, Missabe and Iron Range Railway Company has caused these presents to be executed and its seal to be affixed by its duly elected and authorized officers pursuant to lawful resolutions, all as of the day, month and year first above written.

PULLMAN-STANDARD CAR MANUFACTURING COMPANY

GEORGE L. GREEN

By ...George L. Green...
Vice President

ATTEST:

B. R. BEERS ...B. R. Beers...
Assistant Secretary

(Corporate Seal)

DULUTH, MISSABE AND IRON RANGE RAILWAY COMPANY

P. H. VAN HOVEN By ...P. H. Van Hoven...
President

ATTEST:

A. E. ARNESON ...A. E. Arneson...
Secretary

(Corporate Seal)

STATE OF ILLINOIS }
COUNTY OF COOK } ss.

GEORGE L. GREEN

The undersigned, a Notary Public within and for the State and County aforesaid, certifies that on the date hereinafter stated, personally appeared before me in said State and County, ...Geo. L. Green..., to me personally known, who thereupon produced before me the foregoing instrument, and who being by me duly sworn, says that he is Vice President of Pullman-Standard Car Manufacturing Company, that the seal affixed to said instrument is the corporate seal of said corporation, that said instrument was signed and sealed by him on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution and delivery of said instrument was the free act and deed of said corporation.

Witness my hand and notarial seal, this 2d day of ...April..., 1953.

J. J. CLIFFORD ...J. J. Clifford...
Notary Public,
Cook County, Illinois.

My Commission expires ...Nov. 17, 1955

STATE OF MINNESOTA }
COUNTY OF ST. LOUIS } ss.

P. H. VAN HOVEN

The undersigned, a Notary Public within and for the State and County aforesaid, certifies that, on the date hereinafter stated, personally appeared before me in said State and County, ...P. H. Van Hoven..., to me personally known, who thereupon produced before me the foregoing instrument, and who being by me duly sworn, says that he is President of Duluth Missabe and Iron Range Railway Company, a corporation, that the seal affixed to said instrument is the corporate seal of said corporation, that said instrument was signed and sealed by him on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution and delivery of said instrument was the free act and deed of said corporation.

Witness my hand and notarial seal, this 15th day of ...April..., 1953.

...Elizabeth M. Whipple...
Notary Public,
St. Louis County, Minnesota.

ELIZABETH M. WHIPPLE
Notary Public, St. Louis County, Minn.
My Commission Expires April 24, 1958

My Commission expires .....

AGREEMENT AND ASSIGNMENT, dated as of April 2, 1953, between PULLMAN-STANDARD CAR MANUFACTURING COMPANY, a corporation organized under the laws of the State of Delaware, with an office in the City of Chicago and State of Illinois, (hereinafter called the "Manufacturer"), and THE FIRST NATIONAL BANK OF CHICAGO, a corporation duly organized and existing under the laws of the United States of America (hereinafter called the "Bank").

WHEREAS, the Manufacturer and Duluth, Missabe and Iron Range Railway Company, a corporation organized under the laws of the State of Minnesota with its principal office in the City of Duluth, State of Minnesota, (hereinafter called the "Railroad"), have entered into a Conditional Sale Agreement dated as of November 12, 1952, (hereinafter called the "Conditional Sale Agreement"), covering the manufacture, sale and delivery, on the conditions therein set forth, by the Manufacturer and the purchase by the Railroad of Five Hundred (500) 70-ton Ore Cars bearing the Railroad's Road Numbers U32500 to U32999, inclusive, all as more particularly described therein (a counterpart of the Conditional Sale Agreement being prefixed hereto), for an aggregate purchase price of $3,564,650.00, of which the Railroad is to pay to the Manufacturer an initial cash payment of $1,782.32 per Car, representing approximately 25% of the purchase price of each car, upon acceptance of such Car by the Railroad, leaving a net balance of $5,346.98 per Car, payable with interest as provided therein.

NOW THEREFORE, this Agreement and Assignment Witnesseth, that in consideration of the sum of one dollar ($1) and other good and valuable consideration paid by the Bank to the Manufacturer, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained:

1. The Manufacturer hereby sells, assigns, transfers and

sets over unto the Bank, its successors and assigns, all the right, title and interest of the Manufacturer under the Conditional Sale Agreement (except the right to manufacture and the right to receive the initial cash payments specified in Article 3 thereof and reimbursement for taxes as provided in Article 4 thereof) and all the right, title and interest of the Manufacturer in and to each car (each such car or cars being hereinafter called "Car" or "Cars") in respect of which the Bank shall make payment as provided in Article 6 hereof and in and to any and all amounts (other than those hereinabove excluded) which may be or become due or owing by the Railroad to the Manufacturer under the Conditional Sale Agreement, together with all the Manufacturer's rights, powers, privileges and remedies under the Conditional Sale Agreement (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 Conditional Sale Agreement); provided, however, that this Assignment shall not subject the Bank to, or transfer, or pass, or in any way affect or modify, the liability of the Manufacturer or of any successor or successors to its manufacturing properties and business in respect of its obligations to construct and deliver the Cars or in respect of its obligations contained in Articles 9 and 15 of the Conditional Sale Agreement, or relieve the Railroad from its obligations to the Manufacturer or the Bank under Articles 3, 14 and 15 of the Conditional Sale Agreement. Notwithstanding this Assignment, or any subsequent assignment pursuant to the provisions of Article 16 thereof, all obligations of the Manufacturer to the Railroad in respect of the Cars shall be and remain enforceable by the Railroad, its successors and assigns, against and only against the Manufacturer and any successor or successors to its manufacturing properties and

or under Articles 9 and 15 of the Conditional Sale Agreement nor subject to any defense, offset, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by the Manufacturer or the successor or successor to its manufacturing business. Any and all such obligations shall be and remain enforceable by the Railroad against and only against the Manufacturer and the successor or successors to its manufacturing properties and business and shall not be enforceable against the Bank or any party or parties in whom title to the Cars or any of them or the rights of the Manufacturer under the Conditional Sale Agreement shall vest by reason of this assignment or transfer or of successive sales, assignments or transfers. The Manufacturer will save, indemnify and keep harmless the Bank from and against any and all royalties, damages, claims, suits, judgments and costs that may result from the use of any patented article on the Cars at the time of delivery, except with regard to any appliances, devices, or materials specified or required by the Railroad and not included in the Manufacturer's standard specifications.

4. The Manufacturer will cause to be plainly, distinctly, permanently and conspicuously placed and fastened on each side of each of such Cars, at the time of delivery of each of the Cars to the Railroad, a metal plate bearing the words—

"The First National Bank of Chicago, Owner, as Assignee of Pullman-Standard Car Manufacturing Company, Manufacturer and Prior Owner."

5. Upon request of the Bank, its successors and assigns, the Manufacturer will execute any and all instruments which may be necessary or proper in order to discharge of record the Conditional Sale Agreement or any other instrument evidencing any interest of the Manufacturer therein or in the Cars therein described.

6. The Bank if requested to do so on or before July 31, 1958 will, from time to time as and when any of the Cars are accepted by the Railroad pursuant to the Conditional Sale Agreement, pay to the Manufacturer $5,246.38 per Car, representing as stated in the Conditional Sale Agreement, approximately 75% of the purchase price of each Car, together with interest on $5,246.38, computed at the rate of 3% per annum from the date of delivery of each Car as shown on the Certificate of Acceptance thereof to the date that such payment therefor is made, upon the receipt by the Bank of the following documents, in form and substance satisfactory to it:

(a) A Bill of Sale from the Manufacturer to Bank, transferring to the Bank title to all Cars so delivered and warranting said title to be free, as of the time of delivery to the Railroad, of all liens and encumbrances except only the rights of the Railroad under the Conditional Sale Agreement;

(b) A Certificate of Acceptance signed by an authorized representative of the Railroad stating that the Cars covered by such Certificate have been inspected and accepted by him on behalf of the Railroad as conforming in all respects to the requirements and provisions of the Conditional Sale Agreement, and further stating that there was plainly, distinctly, permanently and conspicuously placed and fastened on each side of each Car at the time of its acceptance a metal plate bearing the words in letters not less than one inch in height:

"The First National Bank of Chicago, Owner, as Assignee of Pullman-Standard Car Manufacturing Company, Manufacturer and Prior Owner."

(c) A duplicate of the Manufacturer's invoice covering each Car so accepted.

Such documents shall be presented to the Bank within 60 days following the date of delivery of a Car.

business. In furtherance of the foregoing assignment and transfer, the Manufacturer hereby authorizes and empowers the Bank, in the Bank's own name or in the name of the Bank's nominee, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Bank is or may become entitled under this Assignment and compliance by the Railroad with the terms and agreements on its part to be performed under the Conditional Sale Agreement, but without expense and liability to the Manufacturer and for the sole benefit of the Bank.

2. The Manufacturer will construct the Cars in full and complete accordance with the Conditional Sale Agreement and will deliver them on completion to the Railroad free of all liens and encumbrances and in accordance with the provisions of the Conditional Sale Agreement; notwithstanding this Assignment, it will perform and fully comply with each and all the covenants and conditions of the Conditional Sale Agreement, set forth to be performed and complied with by the Manufacturer. The Manufacturer further covenants that it has good and lawful right to sell the Cars as aforesaid; and that it 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 the Manufacturer to the Railroad; all subject, however, to the provisions of the Conditional Sale Agreement and the rights of the Railroad thereunder.

3. The rights of the Bank to $5,246.38 of the purchase price of each Car accepted by the Railroad, and interest thereon, as well as any other rights which have been assigned hereunder, shall not be subject to any defense, offset, counterclaim or recoupment whatsoever arising out of a breach by the Manufacturer or by any successor or successors to its manufacturing properties or business of any obligations in respect to the manufacture or delivery of a Car.

7. The Bank may assign its rights under the Conditional Sale Agreement, as a whole in respect of all or any designated number of the Cars, including the right to receive any payments due or to become due to it from the Railroad thereunder in respect to such Cars. In the event of any such assignment any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Bank hereunder.

8. The Manufacturer hereby:

(a) represents and warrants to the Bank, its successors and assigns, that the Conditional Sale Agreement was lawfully executed for a valid consideration and that it is a valid existing agreement and, according to its terms, binding upon the parties thereto, and that said agreement is now in force without amendment thereto; and

(b) covenants and agrees that it will from time to time and at all times, at the request of the Bank or its successors or assigns, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as may be necessary and appropriate in the premises, to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Bank or intended so to be.

9. This Agreement and Assignment may be simultaneously executed in any number of 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 Bank agrees to deliver one of such counterparts, or a certified copy thereof, to the Railroad. Although this Agreement and Assignment is dated for convenience April .., 1953, the actual date or dates of execution hereof by the

parties hereto is or are, respectively, the date or dates stated in the acknowledgements hereto annexed.

10. The terms of this Agreement and Assignment and all rights and obligations hereunder shall be governed by the laws of the State of Illinois.

In Witness Whereof, the Manufacturer and the Bank have caused this instrument to be executed in their respective 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.

Pullman-Standard Car Manufacturing Company

By ..... GEORGE L. GREEN
Vice President

(Corporate Seal)

Attest:

B. R. BEERS .....
Assistant Secretary

The First National Bank of Chicago

J. L. BUCHANAN By .....
Vice President

(Corporate Seal)

Attest:

ROBERT P. KEETH .....
Assistant Cashier

State of Illinois }
County of Cook } ss.

The undersigned, a Notary Public within and for the State and County aforesaid, certifies that, on the date hereinafter stated, personally appeared before me in said State and County, ..., to me personally known, who thereupon produced before me the foregoing instrument, and who being by me duly sworn, says that he is Vice President of Pullman-Standard Car Manufacturing Company, a corporation, that the seal affixed to said instrument is the corporate seal of said corporation, that said instrument was signed and sealed by him on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution and delivery of said instrument was the free act and deed of said corporation.

GEORGE L. GREEN

Witness my hand and notarial seal, this 24th day of April, 1953.

J. J. Clifford
Notary Public,
Cook County, Illinois.

J. J. CLIFFORD

My Commission expires Nov. 17, 1955.

State of Illinois }
County of Cook } ss.

The undersigned, a Notary Public within and for the State and County aforesaid, certifies that, on the date hereinafter stated, personally appeared before me in said State and County, J. L. Buchanan, to me personally known, who thereupon produced before me the foregoing instrument, and who being be me duly sworn, says that he is Vice President of The First National Bank of Chicago, a corporation, that the seal affixed to said instrument is the corporate seal of said corporation, that said instrument was signed and sealed by him on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution and delivery of said instrument was the free act and deed of said corporation.

Witness my hand and notarial seal, this 27th day of April, 1953.

FRANCES SMITH Frances Smith
Notary Public,
Cook County, Illinois.

My Commission expires May 15, 1956.

State of Wisconsin }
DEPARTMENT OF STATE

Received this 1st day of MAY A. D. 1953 at 10:00 o'clock A.M. and recorded in Vol. 44 of RAILROAD MORTGAGES on page 130.

STATEMENT OF COMPLIANCE
FORM CPR 11

State of Wisconsin
PUBLIC RECORDS BOARD

AGENCY	DATE
Secretary of State	1984
DIVISION	**REEL NUMBER**
—	44
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
44	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 9-16, 1984, 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. 44	Vol. 44
	CAMERA OPERATOR
	C.N.