

RECORDATION NO. 6466-A Filed 1425

SEP 17 1979 - 4 20 PM

INTERSTATE COMMERCE COMMISSION

SUPPLEMENTAL AGREEMENT

TO

CONDITIONAL SALE AGREEMENT BETWEEN
THRALL CAR MANUFACTURING COMPANY AND
ILLINOIS TERMINAL RAILROAD COMPANY,
DATED DECEMBER 15, 1971

AND

AGREEMENT AND ASSIGNMENT BETWEEN
THRALL CAR MANUFACTURING COMPANY AND
MERCANTILE TRUST COMPANY NATIONAL
ASSOCIATION, DATED DECEMBER 15, 1971

This Supplemental Agreement (the Agreement) made and entered into and dated as of September 10, 1979 by and between Mercantile Trust Company National Association (Lender) and Illinois Terminal Railroad Company (Railroad).

WHEREAS, pursuant to provisions of Conditional Sale Agreement (Conditional Sale) dated as of December 15, 1971 between Thrall Car Manufacturing Company (referred to therein as Manufacturer or Builder) herein designated as "Builder", and Illinois Terminal Railroad Company (referred to therein as Buyer) herein designated as "Railroad", and pursuant to a separate Agreement and Assignment (Assignment), dated as of December 15, 1971 between said Builder and Mercantile Trust Company (referred to therein as Assignee) herein designated as "Lender," the parties to the

said Agreements (hereinafter jointly referred to as "the Basic Agreements") arranged for the purchase by Railroad under such Conditional Sale of 100 - 100 Ton Covered Hopper Cars, 4750 C.F., at a unit base price of \$17,345, and 50 - 52'6" 100 Ton Gondola Cars at a unit base price of \$15,110, and the financing by Lender of such purchase at a total purchase price of \$2,490,000 (the deferred purchase price) which was repayable to Lender by Railroad in 20 installments, the last 19 installments of which are repayable in the sum of \$124,500.00 each and the first such installment in an amount which when added to the total of the last 19 installments resulted in the aggregate deferred purchase price, the first such installment being payable by Railroad to Lender on October 1, 1972; and

WHEREAS, Railroad has fully complied with the requirements of said Basic Agreements to date hereof, its payment thereunder being current and not in default and such payments to date hereof represent a total equity investment of \$1,743,000.00; and

WHEREAS, the parties hereto desire to modify and amend the provisions of said Basic Agreements so as to extend the term of payments required thereby from 10 years to 15 years and to thereby reduce the amount of individual

installment payments required thereunder from \$124,500.00 to \$83,000.00 and to further adjust the equity which Railroad has accumulated by reason of its payments to date by refunding to Railroad the amount by which such payments to date exceed the sum of equity it would have achieved to date if such installment payments had been made by it under a 15 year term agreement rather than a 10 year term; and

WHEREAS, the parties hereto desire that all terms and conditions of said Basic Agreements except as modified herein shall remain in full force and effect.

NOW, THEREFORE, in consideration of the premises and the mutual benefits obtained hereunder, the parties hereto do agree:

1. The provisions of Section 2 of the Conditional Sale Agreement are amended effective as of September 10, 1979 so as to provide for payment of the deferred purchase price of the Equipment in 30 installments instead of 20 installments and the amount of each of the last 29 installments shall be \$83,000 instead of \$124,500.00 and the amount of the first installment shall be determined as the amount which, when added to the total of the last 29 installments will result in the aggregate deferred purchase price.

2. The interest payable by Railroad on each of said 30 installments which shall become payable on and after the effective date of this Agreement shall be calculated in accordance with the existing provisions of Section 2 of said Conditional Sale Agreement.

3. The parties hereto stipulate that the total installments paid by Railroad under said Basic Agreements to date hereof is the sum of \$1,743,000.00 and that the total amount of such installments which would have been payable to date hereof under the reduced amount applicable to a 15 year term for said Basic Agreements is the sum of \$1,162,000, and the parties agree that consistent with the intent of this Agreement to adjust the rights and obligations of the parties hereto to those which would exist if the term of the Basic Agreements when initially executed had been for a 15 year term instead of a 10 year term, that the Railroad's equity in said Equipment to date hereof shall be reduced to the sum of \$1,162,000 and Railroad shall be reimbursed by Lender the amount by which such equity has been reduced, or the sum of \$581,000.00.

4. Railroad represents and warrants:

a. That each unit of Equipment acquired under the Basic Agreements, except to the extent reimbursed

to Lender under the provisions of Section 6 of said Conditional Sale Agreement, is still in service and in good condition and has a present appraised fair market value equivalent to 80% of original cost.

b. Railroad will endeavor to file and record this Agreement with the Interstate Commerce Commission at Railroad's expense so as to accomplish such Notice as may be afforded pursuant to Section 20c of the Interstate Commerce Act.

5. Lender represents and warrants that as of the effective date of the Agreement, it will refund to Railroad the sum of \$581,000.00 which is intended to reimburse Railroad the excess of its equity in the Equipment resulting from the Agreement made herein as described herein.

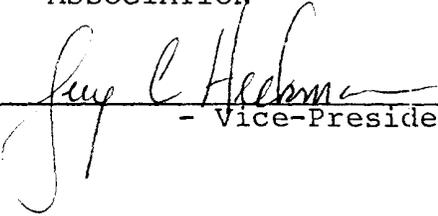
6. The parties hereto agree that all other terms and conditions of said Basic Agreements shall remain in force and effect except as modified herein and that all such existing terms and provisions not specifically modified herein shall be interpreted and applied in a manner consistent with the intent of the parties hereto to change the Basic Agreements from a 10 year term to a 15 year term. Nothing in this Agreement shall be construed as limiting,

deleting or changing any warranties, obligations and rights of the Builder which exist under the terms of such Basic Agreement prior to amendment by this Agreement.

7. The terms and provisions of this Agreement shall become effective and the payment to Railrad by Lender shall be made as of September 10, 1979.

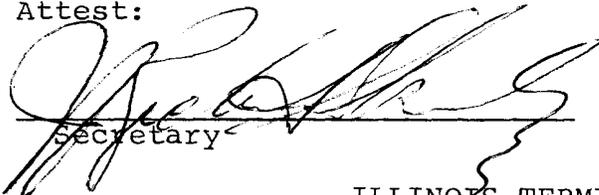
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in their respective names by their respective officers thereunto duly authorized, and their respective corporate seals to be affixed, duly attested, as of the day and year first above written.

MERCANTILE TRUST COMPANY NATIONAL
ASSOCIATION

By: 
- Vice-President

(Seal)

Attest:


Secretary

ILLINOIS TERMINAL RAILROAD COMPANY

By: 
W. J. CASSIN - President

(Seal)

Attest:


Secretary

