

10465
RECORDATION NO. Filed 1425
JUN 11 1979 - 12 10 PM
INTERSTATE COMMERCE COMMISSION

FIRST SECURITY BANK OF UTAH
NATIONAL ASSOCIATION
79 South Main Street
Salt Lake City, Utah 84111

10465
JUN 11 1979
INTERSTATE COMMERCE COMMISSION

10465-A
RECORDATION NO. Filed 1425

9-162A-23
JUN 11 1979
Date
Fee \$ 100.00

Secretary
Interstate Commerce Commission
Washington, D.C. 20423

JUN 11 1979 - 12 10 PM
INTERSTATE COMMERCE COMMISSION

Dear Sir:

CC Washington, D. C.

Herewith for recordation pursuant to section 20c of the Interstate Commerce Act are three counterparts of each of the following:

1. Equipment Lease between L U C Leasing, Inc., Lessee, and ITEL Capital Corporation, lessor; and Assignment (of such Equipment Lease) between ITEL Capital Corporation, assignor and First Security Bank of Utah, N.A. and Thomas C. Cuthbert, as trustees, assignee.

4-20-78

2. Collateral Assignment of Lease dated as of June 20, 1978 (relating to the aforesaid Equipment Lease and Assignment), between First Security Bank of Utah, National Association, as trustees, assignor, and Manufacturers Hanover Trust Company, assignee.

3. Collateral Equipment Trust Agreement dated as of June 20, 1978, between First Security Bank of Utah, National Association, and Thomas C. Cuthbert, as trustees, lessee, and Manufacturers Hanover Trust Company, lessor.

The addresses of the parties to these documents are:

ITEL Capital Corporation, 425 Battery Street, San Francisco, California 94111.

L U C Leasing, Inc., 4314 Marina City Drive, Suite 130, Marina Del Ray, California 90291.

First Security Bank of Utah, National Association, and Thomas C. Cuthbert, as trustees, c/o First Security Bank of Utah, N.A., 79 South Main Street, Salt Lake City, Utah 84111.

Manufacturers Hanover Trust Company, 350 Park Avenue, New York, New York 10022.

The equipment covered by the above-described documents consists of 18 100-ton, 4600 cubic foot hopper cars, bearing the car numbers of L U C Leasing, Inc. LLIX 8001 through LLIX 8018.

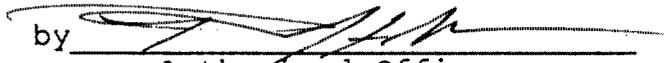
Charles Thomas Cuthbert

RECEIVED
JUN 12 08 AM '79
FEDERATION BR
I.O.C.

Herewith is a check for \$110 for the required fee. Please accept for recordation the enclosed documents, and return one copy, stamped with the recordation number, to the delivering messenger for transmittal to the undersigned.

Very truly yours,

FIRST SECURITY BANK OF UTAH,
NATIONAL ASSOCIATION, and
THOMAS C. CUTHBERT, as
trustees, by FIRST SECURITY
BANK OF UTAH, NATIONAL
ASSOCIATION,

by 

Authorized Officer

Enclosures

SALES REPRESENTATIVE02 C. Phillips
NUMBER NAME**LEASE REFERENCE NUMBER**01-0005108-011
NUMBER**LEASE BILLING INFORMATION**NAME
ADDRESS
CITY STATE ZIP
CONTACT TELEPHONE**EQUIPMENT LOCATION INFORMATION**Freight Agent, Chassis System
ADDRESS
City RECORDATION NO. 10465 Filed 12/25
County JUN 11 1979 12 10 PM
State INTERSTATE COMMERCE COMMISSION**EQUIPMENT INFORMATION (USE SCHEDULE I IF REQUIRED)**

QUANTITY	DESCRIPTION (MODEL #, SERIAL #, CATALOG # ETC.)	INVOICE PRICE
10	New A & F Center Flow Hopper Cars, 100 TON Capacity	\$ 112,000.00
		\$
		\$
		\$
		\$

SUPPLIER INFORMATIONNAME
ADDRESS
CITY STATE ZIP
SALESMAN TELEPHONE

FEDERAL EXCISE TAX	\$
OTHER	\$
SALES TAX	\$
(LESS TRADE IN, IF ANY)	\$
TOTAL COST TO LESSOR	\$ 112,000.00

LEASE/RENTAL INFORMATION

LEASE TERM	PAYMENT FREQUENCY	RENTAL PAYMENTS	RENTAL PAYMENT AS PERCENT OF TOTAL COST	SECURITY DEPOSIT
MONTHS	<input type="checkbox"/> MONTHLY <input type="checkbox"/> OTHER SPECIFY	NUMBER	BASIC RENT % DAILY RENT %	\$

ACCEPTANCE36 @ 1.2197%
120 @ 1.2471%

Lessee's signature is required in ink on pages 1, 2, 3 & 4. The undersigned affirms that he is a duly authorized corporate officer, partner or proprietor of the above named Lessee.

ITEL CAPITAL CORPORATION
BY (AUTHORIZED SIGNATURE)
John G. Bannister, Jr.
(PRINTED NAME)
Vice President 6/20/78
TITLE DATEL U C Leasing, Inc.
LESSEE
BY (AUTHORIZED SIGNATURE)
Lucille J. Boston
(PRINTED NAME)
President 6/17/78
TITLE DATE**ASSIGNMENT**

The Lessor under the foregoing Lease hereby sells, assigns and conveys all of its right, title and interest in, to and under the foregoing Lease to First Security Bank of Utah, N.A. and Thomas C. Cuthbert, as c/o Trustees, % First Security Bank of Utah, N.A., as Corporate Trustees and the undersigned Assignee hereby assumes all of the Lessor's obligations and duties thereunder

ITEL CAPITAL CORPORATION
BY (AUTHORIZED SIGNATURE)
John G. Bannister, Jr.
(PRINTED NAME)
Vice President 6/20/78
TITLE DATEFirst Security Bank of Utah, N.A. and Thomas C. Cuthbert, as Trustees
ASSIGNEE
BY (AUTHORIZED SIGNATURE)
John G. Bannister, Jr.
(PRINTED NAME)
Vice President 6/20/78
TITLE DATE

REFER TO BACKSIDE FOR CONDITIONS OF AGREEMENT

CONDITIONS OF AGREEMENT

1 Lease of Equipment; Assignment of Purchase Orders. The Lessor agrees to lease to the Lessee and the Lessee agrees to lease from the Lessor the Equipment described above. Upon delivery of each item of Equipment, the Lessee will inspect the same and, if found in good order, execute and deliver to the Lessor a Certificate of Acceptance with respect thereto in the form set forth herewith. Upon execution and delivery of a Certificate of Acceptance for an item of Equipment, such item, for purposes of this Lease, shall be deemed an *Item*. The Lessee hereby assigns to the Lessor, with the right to further assign, all of the Lessee's rights under the purchase orders relating to the Equipment; *provided, however*, that the Lessor authorizes the Lessee to exercise in the name of the Lessor all rights and powers of the Lessor as buyer under the purchase orders. Such assignment shall not transfer to the Lessor any of the Lessee's obligations to the seller other than to pay for an item.

2 Term; Rent. The term of this Lease for an Item shall begin on the date set forth in the Certificate of Acceptance (the Acceptance Date), and, except as otherwise expressly set forth in this Lease, shall end upon the expiration of the number of months specified above after the First Rent Date. The *First Rent Date* shall be the first day of the month immediately following the month in which the Acceptance Date occurs, *provided, however*, that if the Acceptance Date occurs on or after the 27th day of a month then the First Rent Date shall be the first day of the second month following the month in which the Acceptance Date occurs. The Lessee shall pay to the Lessor as rent for each Item the following: (a) on the First Rent Date an amount equal to the Basic Rent set forth above, plus Daily Rent for each day elapsed from and including the Acceptance Date to but excluding the First Rent Date; and (b) monthly or as otherwise specified above, thereafter, on the first day of the month, until the number of payments of Basic Rent set forth above shall have been paid, an amount equal to the Basic Rent. Each date upon which Basic Rent is payable shall be a *Rent Date*. To the extent not otherwise stated, all other amounts payable hereunder shall be payable on demand. With respect to any amount not paid when due hereunder, the Lessee shall pay to the Lessor a late charge in the amount of 5% of such amount and interest on such overdue amount at the rate of 1-1/2% per month. Such late charge and interest shall only apply if permitted by applicable law, and, if not so permitted, the late charge and interest shall be calculated at the maximum rates permitted by applicable law.

3 Security Deposit. The security deposit set forth above has been deposited with the Lessor as security for the full performance of all the terms and conditions of this Lease and, if all the terms and conditions are fully complied with, such sum may be credited by the Lessor toward the last Basic Rent payment or payments due hereunder. The Lessor may, but shall not be required to, apply such security deposit to discharge any overdue obligation of the Lessee hereunder.

4 Net Lease. The Lessee's obligation to pay all rent and all other amounts payable hereunder shall be absolute and unconditional and shall not be subject to any abatement, reduction, set off, defense, counterclaim or recoupment for any reason whatsoever, it being the express intention of the Lessor and the Lessee that all Basic Rent and all other payments payable by the Lessee hereunder shall be, and continue to be, payable in all events unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease. *THE LESSOR HEREBY DISCLAIMS ANY REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING WITHOUT LIMITATION, THE DESIGN OR CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, THE QUALITY OF THE MATERIAL OR WORKMANSHIP THEREOF OR ITS CONFORMITY TO THE PROVISIONS AND SPECIFICATIONS OF ANY PURCHASE ORDER OR ORDERS RELATING THERETO, NOR SHALL THE LESSOR BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING STRICT OR ABSOLUTE LIABILITY IN TORT).*

5 Return of Equipment; Liens. Upon the expiration or earlier termination of this Lease with respect to an Item, the Lessee, at its own risk and expense, shall return such Item to the Lessor at the place originally delivered hereunder in the condition in which such Item is required to be maintained pursuant to Section 7 hereof, packaged, crated and otherwise ready for shipment. Each Item, during the term of this Lease and upon redelivery pursuant hereto, shall be free and clear of all mortgages, liens, security interests, charges, encumbrances and claims arising by, through or under the Lessee, and the Lessee will, at its own expense, take such action as may be necessary to discharge the same.

6 Taxes. The Lessee agrees to declare, pay, indemnify and hold the Lessor and any assignees thereof harmless from and against all franchise, sales, use, personal property, ad valorem, value added, leasing, leasing use, or other taxes, levies, imposts, duties, charges, or withholdings of any nature, together with any penalties, fines or interest thereon (other than taxes based upon net income). The Lessee further agrees to indemnify and hold the Lessor and any assignees thereof harmless from and against all liabilities, obligations, losses, damages, costs, actions, suits, expenses, disbursements and claims (including claims based upon strict liability or involving latent defects) of any kind or nature whatsoever in any way relating to or arising out of this Lease or the transactions contemplated by this Lease, the rentals, receipts or earnings arising therefrom, or any Item or the manufacture, purchase, acceptance, delivery, lease, possession, use, operation, maintenance, condition, return, storage or disposition thereof.

7 Use, Maintenance and Operation; Equipment Marking; Sublease and Assignment; Inspection. The Lessee agrees that each Item will be used in compliance with all applicable statutes, laws, ordinances and regulations, will at all times be used solely in its business and be and remain solely in the possession and control of the Lessee. No Item shall be removed from the location where delivered hereunder without the Lessor's consent, which consent shall not be unreasonably withheld. Throughout the term of this Lease, the possession, use and maintenance of each Item shall be at the sole risk and expense of the Lessee. The Lessee shall, at its own cost and expense, repair and maintain each Item so as to keep it in as good condition as when delivered to the Lessee hereunder, ordinary wear and tear excepted. The Lessee may not affix or install any accessory, equipment or device on any Item or make any improvement or addition thereto which cannot be removed without causing material damage to such Item. During the term of this Lease, each Item shall be and remain personal property. The Lessee agrees, at its own cost and expense, to cause each Item to be kept numbered with the identification or serial number therefor specified in the Certificate of Acceptance. The Lessee will not, without the Lessor's consent, which consent shall not be unreasonably withheld, sublet or otherwise relinquish possession of any Item or assign any of its rights hereunder or permit any other party to use any Item. The Lessor may sell or assign this Lease for any purpose whatsoever, and the Lessee hereby consents to all such assignments and agrees that any such assignee shall be deemed to be the Lessor hereunder. Upon the request of the Lessor, the Lessee shall confirm to the Lessor the location of each Item and shall, at any reasonable time, make each Item and the Lessee's records pertaining thereto available to the Lessor for inspection.

8 Loss or Destruction. In the event that any Item shall be damaged and cannot be repaired, or shall be destroyed, lost, stolen, or permanently rendered unfit for any reason whatsoever (any such occurrence being referred to as an *Event of Loss*), the Lessee shall promptly notify the Lessor of such Event of Loss and on the Rent Date next following the date of such Event of Loss pay to the Lessor, as the *Casualty Value* of such Item, the greater of 120% of the then remaining amount of Basic Rent applicable to such Item payable hereunder or 20% of the Total Cost of such Item. Following payment of the *Casualty Value* of an Item which has been damaged, destroyed or permanently rendered unfit, the Lessee shall cause such Item to be disposed of on an *as is, where is* basis without recourse, representation or warranty, express or implied. As to each Item so disposed of, the Lessee shall be entitled to retain the proceeds of such sale, up to the *Casualty Value* thereof, plus the Lessee's reasonable disposition costs, and all amounts in excess thereof shall be remitted to the Lessor.

9 Insurance. At its own expense, the Lessee will cause to be carried and maintained casualty insurance with respect to each Item in an amount not less than the *Casualty Value* thereof and public liability insurance in an amount satisfactory to the Lessor. Policies with respect to such insurance shall (a) be with an insurance carrier acceptable to the Lessor; (b) name the Lessor as assured and loss payee, and (c) provide for at least 10 days' prior written notice by the insurance carrier to the Lessor in the event of cancellation, expiration or material modification.

10 Events of Default. The term *Event of Default*, wherever used herein, shall mean any of the following events under this Lease: (a) the Lessee shall fail to make any payment of Basic Rent within 10 days after the same shall become due; (b) the Lessee shall fail to perform or observe any other covenant, condition or agreement to be performed or observed by it under this Lease or any agreement, document or certificate delivered by the Lessee in connection herewith, and such failure shall continue for 15 days after written notice thereof from the Lessor to the Lessee; (c) any representation or warranty made by the Lessee in this Lease or in any document or certificate furnished by the Lessor in connection herewith shall prove to have been incorrect in any material respect when such representation or warranty was made or given; (d) a petition in bankruptcy or for reorganization or arrangement shall be filed by the Lessee, or the Lessee shall make an assignment for the benefit of creditors or consent to the appointment of a trustee or a receiver; or a trustee or a receiver shall be appointed for the Lessee, or for any Item, or for a substantial part of the Lessee's property without its consent, and any such trustee or receiver shall not be dismissed within a period of 60 days; or bankruptcy, reorganization or insolvency proceedings shall be instituted against the Lessee and shall not be dismissed within a period of 60 days; or (e) the Lessee shall attempt to remove, sell, transfer, encumber, part with possession, assign or sublet any Item without the Lessor's consent.

11 Remedies. Upon the occurrence of any Event of Default and so long as the same shall be continuing, the Lessor may, at its option, declare this Lease to be in default by written notice to such effect given to the Lessee, and at any time thereafter, the Lessor may, as the Lessor in its sole discretion shall elect, (a) proceed by appropriate court action, either at law or in equity, to enforce performance by the Lessee of the applicable covenants of this Lease or to recover damages, including consequential damages, for the breach thereof; and/or (b) by notice in writing terminate this Lease, whereupon all rights of the Lessee to the use of the Equipment shall absolutely cease and terminate and the Lessee shall at its expense promptly return the Equipment to the possession of the Lessor at such place as the Lessor shall designate and in the condition required upon the return thereof pursuant to this Lease and, the Lessor, at its option, may enter upon the premises where the Items are located and take immediate possession of and remove the same by summary proceedings or otherwise. Without further demand, the Lessee shall forthwith pay to the Lessor to and including the Rent Date following the date on which the Lessor has declared this Lease to be in default, plus, as liquidated damages for loss of a bargain and not as a penalty, an amount equal to the *Casualty Value* of the Equipment, computed as of the Rent Date following the date on which the Lessor has declared this Lease to be in default. The Lessee shall be liable for all costs, charges and expenses, including reasonable legal fees and disbursements, incurred by the Lessor by reason of the occurrence of any Event of Default or the exercise of the Lessor's remedies with respect thereto. No remedy referred to herein is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to above or otherwise available to the Lessor of any default or Event of Default hereunder shall in any way be, or be construed to be, a waiver of any future or subsequent default or Event of Default.

12 Lessee Representations. The Lessee represents and warrants that (a) the Lessee is a corporation duly organized and validly existing in good standing under the laws of the jurisdiction of its incorporation, is duly qualified to do business in each jurisdiction where any Item is, or is to be, located, and has full corporate power and authority to hold property under lease and to enter into and perform its obligations under this Lease; (b) the execution, delivery and performance by the Lessee of this Lease have been duly authorized by all necessary corporate action on the part of the Lessee, are not inconsistent with its Certificate of Incorporation or By-Laws, do not violate any law or governmental rule, regulation or order applicable to the Lessee, do not and will not contravene any provision of, or constitute a default under, any indenture, mortgage, contract, or other instrument to which it is bound, and, upon execution and delivery hereof, will constitute a legal, valid and binding agreement of the Lessee, enforceable in accordance with its terms; and (c) no action in respect of or by any state, federal, or other governmental authority or agency is required with respect to the execution, delivery, and performance by the Lessee of the Lease.

13 Notices. All communications and notices provided for herein shall be in writing and shall become effective when deposited in the United States mail, with proper postage for first-class mail prepaid, addressed to the respective addresses set forth above, or such other address as the Lessee or the Lessor may from time to time give the other in writing.

14 Payments. Payments hereunder shall be made payable to "IteI Capital Corporation" and sent to it at 425 Battery Street, San Francisco, California 94111.

15 Miscellaneous. This Lease and all agreements, covenants, representations and warranties in any other certificate or document delivered by the Lessee in connection herewith shall be binding upon and inure to the benefit of the Lessor and its successors and assigns. The terms of this Lease shall not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever except by written instrument signed by the Lessor and the Lessee. All agreements, indemnities, representations and warranties in this Lease or in any document or certificate delivered pursuant hereto or in connection herewith shall survive execution and delivery of this Lease and the expiration or other termination of this Lease. This Lease shall be construed in accordance with, and shall be governed by, the laws of the State of New York.

SALES REPRESENTATIVE

02	C. Phillips
<small>NUMBER</small>	<small>NAME</small>

LEASE REFERENCE NUMBER

01-0005108-011
<small>NUMBER</small>

THIS RIDER is hereby incorporated into that certain Equipment Lease (the Lease) between the parties hereto and more particularly identified by the Lease Reference Number set forth above

So long as no Event of Default shall have occurred and be continuing under the Lease, at any time on or after the 85th Monthly Rent payment date for an Item, and upon no less than 90 days prior written notice to the Lessor, the Lessee shall have the right to terminate the Lease with respect to any Item if such Item has become economically obsolete or surplus to the Lessee's needs, such termination to be effective on the first Monthly Rent payment date following the expiration of the 90-day notice period (the Termination Date).

During the period from the giving of such notice until the Termination Date, the Lessee shall use its best efforts to obtain bids for the cash purchase of the Item. The Lessee shall certify in writing the highest bid received and the name and address of the party submitting such bid.

On the Termination Date, the Lessor shall sell the Item, without recourse or warranty against receipt in cash of the full amount of the purchase price, to the purchaser submitting the highest bid and shall transfer to such purchaser all the Lessor's right, title and interest in and to the Item.

The Lessor shall retain the full amount of such sale proceeds and, in addition, the Lessee shall pay to the Lessor on the Termination Date (i) all reasonable expenses incurred by the Lessor in selling the Item, and (ii) the amount, if any, by which the applicable Termination Value (as defined below) exceeds such sale proceeds.

Upon compliance by the Lessee with all the requirements set forth above, the Lessee's obligation to pay rent for such Item accruing after the Termination Date shall cease.

Termination Value, as used herein, shall mean an amount equal to the Total Cost of the Item multiplied by the percentage set forth opposite the applicable Termination Date.

All terms used herein shall have the meanings set forth in the Lease.

ITEL CAPITAL CORPORATION

[Signature]
LESSOR

(SIGNATURE)**John G. Bannister, Jr.**(PRINTED NAME)**Vice President**TITLE

L U C LEASING, INC

[Signature]
LESSEE

(SIGNATURE)**Lucille J. Boston**(PRINTED NAME)**6/20/78 President**TITLE**6/20/78**DATE**6-17-78**DATE

SEE SCHEDULE B ATTACHED HERETO AND MADE A PART HEREOF.

SCHEDULE B

Rent Date Number	Termination Value	Rent Date Number	Termination Value	Rent Date Number	Termination Value
85	80.5675	1990		1995	
86	84.3516	139	63.9854	199	21.2966
87	80.1256	140	63.4047	200	20.3852
88	83.8998	141	62.8915	201	19.4594
89	83.6639	142	62.3254	202	18.5171
90	83.4178	143	61.7692	203	17.5707
1985		144	61.2003	204	16.6084
91	83.1714	145	60.6411		
92	82.9149	146	60.0692		
93	82.6481	147	59.4843		
94	82.3709	148	58.9092		
95	82.0962	149	58.3211		
96	81.8112	150	57.7200		
97	81.5266	1991			
98	81.2355	151	57.1284		
99	80.9319	152	56.5238		
100	80.6306	153	55.9060		
101	80.3167	154	55.2750		
102	79.9960	155	54.6544		
1987		156	54.0206		
103	79.6755	157	53.3972		
104	79.3442	158	52.7605		
105	79.0020	159	52.1104		
106	78.6489	160	51.4706		
107	78.3000	161	50.8174		
108	77.9402	162	50.1506		
109	77.5846	1992			
110	77.2179	163	49.4940		
111	76.8400	164	48.8238		
112	76.4663	165	48.1400		
113	76.0813	166	47.4423		
114	75.6850	167	46.7545		
1988		168	46.0529		
115	75.2927	169	45.3612		
116	74.8890	170	44.6556		
117	74.4737	171	43.9360		
118	74.0469	172	43.2262		
119	73.6263	173	42.5024		
120	73.1940	174	41.7644		
121	72.7678				
122	72.3299	1993			
123	71.8803	175	41.0360		
124	71.4366	176	40.2934		
125	70.9810	177	39.5365		
126	70.5136	178	38.7652		
1989		179	38.0033		
127	70.0520	180	37.2268		
128	69.5784	181	36.4597		
129	69.0927	182	35.6780		
130	68.5948	183	34.8817		
131	68.1050	184	34.0946		
132	67.6029	185	33.2927		
133	67.1087	186	32.4761		
134	66.6023	1994			
135	66.0836	187	31.6664		
136	65.5727	188	30.8459		
137	65.0494	189	30.0084		
138	64.5136	190	29.1559		
		191	28.3119		
		192	27.4529		
		193	26.6024		
		194	25.7368		
		195	24.8558		
		196	23.9632		
		197	23.0953		
		198	22.1918		

EQUIPMENT LEASE RIDER

THIS RIDER is hereby incorporated into that certain Equipment Lease (the Lease) between the parties hereto and more particularly identified by the Lease Reference Number set forth above.

The Lessor and the Lessee hereby agree that Section 11 of the Lease shall be deleted and that there shall be inserted, in lieu thereof, the following:

"11. Remedies. Upon the occurrence of any Event of Default and so long as the same shall be continuing, the Lessor may, at its option, declare this Lease to be in default by written notice to such effect given to the Lessee, and at any time thereafter, the Lessor may, as the Lessor in its sole discretion shall elect, (a) proceed by appropriate court action, either at law or in equity, to enforce performance by the Lessee of the applicable covenants of this Lease or to recover damages, including consequential damages, for the breach thereof; and/or (b) by notice in writing terminate this Lease, whereupon all rights of the Lessee to the use of the Equipment shall absolutely cease and terminate and the Lessee shall at its expense promptly return the Equipment to the possession of the Lessor at such place as the Lessor shall designate and in the condition required upon the return thereof pursuant to this Lease and, the Lessor, at its option, may enter upon the premises where the Items are located and take immediate possession of and remove the same by summary proceedings or otherwise. Without further demand, the Lessee shall forthwith pay to the Lessor an amount equal to any unpaid Basic Rent due and payable for all periods up to and including the Rent Date following the date on which the Lessor has declared this Lease to be in default, plus, as liquidated damages for loss of a bargain and not as a penalty, an amount equal to (i) the Casualty Value of the Equipment, computed as of the Rent Date following the date on which the Lessor has declared this Lease to be in default, less (ii) the net sale proceeds or other value obtained by the Lessor from disposition of the Equipment. The Lessee shall be liable for all costs, charges and expenses, including reasonable legal fees and disbursements, incurred by the Lessor by reason of the occurrence of any Event of Default or the exercise of the Lessor's remedies with respect thereto. No remedy referred to herein is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to above or otherwise available to the Lessor of any default or Event of Default hereunder shall in any way be, or be construed to be, a waiver of any future or subsequent default or Event of Default."

All terms used herein shall have the meanings set forth in the Lease.

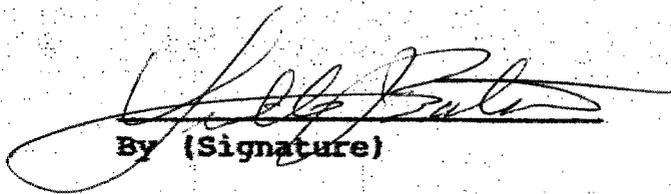
ITEL CAPITAL CORPORATION
Lessor


By (Signature)

John G. Bannister, Jr.
(Printed Name)

Vice President 6/20/78
Title Date

L U C LEASING, INC.
Lessee


By (Signature)

Lucille J. Boston
(Printed Name)

President 6-17-78
Title Date

EQUIPMENT LEASE RIDER

THIS RIDER is hereby incorporated into that certain Equipment Lease (the Lease) between the parties hereto and more particularly identified by the Lease Reference Number set forth above.

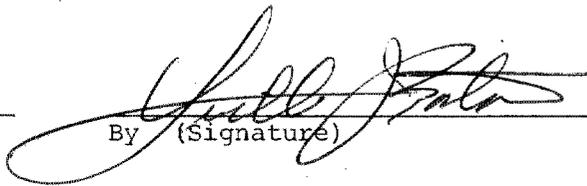
Notwithstanding the provisions of the first sentence of Section 8 of the Lease, the Lessor and the Lessee agree that the "Casualty Value" of any Item, for all purposes of the Lease, shall mean, as of each Rent Date, the percentage of Total Cost of each Item set forth below opposite such Rent Date.

All terms used herein shall have the meanings set forth in the Lease.

ITEL CAPITAL CORPORATION
Lessor

L U C LEASING, INC.
Lessee


By (Signature)


By (Signature)

John Bannister, Jr.
Printed Name

Lucille J. Boston
Printed Name

Vice President 6/20/78
Title Date

President 6-17-78
 Date

SEE SCHEDULE A ATTACHED HERETO AND MADE A PART HEREOF.

SCHEDULE A

Termination Date Number	Termination Value	Rent Date Number	Termination Value	Rent Date Number	Termination Value	Rent Date Number	Termination Value
1978		1983		1987		1992	
1	105.9825	55	102.8853	103	79.6755	163	49.8946
2	106.3268	56	102.7133	104	79.3442	164	48.5238
3	106.6739	57	102.5400	105	79.0020	165	47.1460
4	106.9234	58	102.3651	106	78.6489	166	45.7623
5	107.1749	59	102.1894	107	78.3000	167	44.3745
6	107.4284	60	102.0123	108	77.9402	168	42.9829
1979		61	95.4240	109	77.5806	169	41.5812
7	107.5835	62	95.2445	110	77.2179	170	40.1756
8	107.7399	63	95.0635	111	76.8400	171	38.7660
9	107.8975	64	94.8816	112	76.4663	172	37.3522
10	108.0565	65	94.6982	113	76.0813	173	35.9324
11	108.1975	66	94.5132	114	75.6856	174	34.5044
12	108.3396			1988			
13	108.4637			115	75.2927	1993	
14	108.5888	1984		116	74.8890	175	41.0360
15	108.7149	67	94.3273	117	74.4737	176	40.2934
16	108.8227	68	94.1398	118	74.0469	177	39.5365
17	108.9315	69	93.9507	119	73.6253	178	38.7652
18	109.0412	70	93.7600	120	73.1940	179	38.0033
1980		71	93.5728	121	72.7678	180	37.2268
19	109.1324	72	93.3840	122	72.3299	181	36.4597
20	109.2245	73	93.1987	123	71.8803	182	35.6780
21	109.3173	74	93.0118	124	71.4366	183	34.8817
22	109.4108	75	92.8234	125	70.9810	184	34.0946
23	109.4908	76	92.6384	126	70.5136	185	33.2927
24	109.5715	77	92.4519	1989		186	32.4761
25	109.6385	78	92.2638	127	70.0520	1994	
26	109.7061	1985		128	69.5784	187	31.6664
27	109.7742	79	92.0791	129	69.0927	188	30.8459
28	109.8266	80	91.8930	130	68.5948	189	30.0084
29	109.8834	81	91.7052	131	68.1050	190	29.1559
30	109.9387	82	91.5158	132	67.6029	191	28.3119
		83	91.3347	133	67.1087	192	27.4529
1981		84	91.1521	134	66.6023	193	26.6024
31	109.9801	85	90.9675	135	66.0836	194	25.7368
32	110.0218	86	90.7816	136	65.5727	195	24.8558
33	110.0639	87	90.5956	137	65.0494	196	23.9632
34	110.1063	88	90.4098	138	64.5136	197	23.0953
35	110.1364	89	90.2239	1990		198	22.1918
36	110.1707	90	90.0378	139	63.9854	1995	
37	110.2024	1986		140	63.4447	199	21.2966
38	110.2346	91	89.8514	141	62.8915	200	20.3858
39	110.2668	92	89.6649	142	62.3254	201	19.4594
40	110.2987	93	89.4781	143	61.7692	202	18.5171
41	110.3305	94	89.2909	144	61.2003	203	17.5707
42	110.3625	95	89.1062	145	60.6411	204	16.6084
1982		96	88.9212	146	60.0692		
43	110.3939	97	88.7356	147	59.4843		
44	110.4253	98	88.5495	148	58.9092		
45	110.4567	99	88.3639	149	58.3211		
46	110.4881	100	88.1780	150	57.7200		
47	110.5194	101	87.9917	1991			
48	110.5504	102	87.8050	151	57.1264		
49	110.5813			152	56.5238		
50	110.6119			153	55.9060		
51	110.6423			154	55.2750		
52	110.6725			155	54.6544		
53	110.7025			156	54.0206		
54	110.7323			157	53.3972		
				158	52.7605		
				159	52.1104		
				160	51.4706		
				161	50.8174		
				162	50.1506		

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES) ss:

On this 23rd day of August 1978, before me personally appeared Lucille J. Boston, to me personally known, who being by me duly sworn, says that she is the President of LUC Leasing, Inc., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Brenda Tousignant
Notary Public

My commission expires:
February 18, 1980

STATE OF CALIFORNIA)
)
COUNTY OF SAN FRANCISCO) ss:

On this 20th day of June 1978, before me personally appeared John G. Bannister, Jr., to me personally known, who being by me duly sworn, says that he is a Vice President of ITEL Capital Corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Mary Lou Widdifield
Notary Public

My commission expires:
May 17, 1981

