

BRAE CORPORATION

May 29, 1979

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REC'D JUN 4 1979
10:00
Washington, D.C.

H. G. Homme, Jr.
Secretary
Interstate Commerce Commission
Washington, D. C. 20423

RECORDATION NO. 9844-B Filed 1425

JUN 4 1979 - 12 45 PM

INTERSTATE COMMERCE COMMISSION

Dear Mr. Homme:

Enclosed for filing and recordation pursuant to 49 U.S.C. Section 11303 is an Amendment to the Loan and Security Agreement dated as of September 12, 1978 among Brae Corporation, Union Mutual Life Insurance Company and Unionmutual Stock Life Insurance Co. of America.

The Loan and Security Agreement was filed on November 20, 1978 at 10:35 A.M. under Recordation No. 9844.

Please file the Amendment under Recordation No. 9844 under the next available subletter.

The names and addresses of the parties to the Amendment are as follows:

Lenders: Union Mutual Life Insurance Company
2211 Congress Street
Portland, Maine

Unionmutual Stock Life Insurance
Co. of America
2211 Congress Street
Portland, Maine

Debtor: Brae Corporation
Three Embarcadero Center
San Francisco, California 94111

Also enclosed is a check payable to the order of the Interstate Commerce Commission in the amount of \$10, the prescribed fee for filing and recording the Amendment.

Please file and record the Amendment and cross-index it under the names of the Lenders and the Debtor (both under its present name, Brae Corporation, and its former name, BraeLease Corporation). Return to the person presenting this

Donald / Bailey

H. G. Homme, Jr.
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letter, together with your letter confirming such filing and recordation and your fee receipt therefor, all copies of the enclosed Amendment not required for filing.

Very truly yours,

BRAE CORPORATION



Michael T. Everett
Assistant Secretary

Enclosures

RECORDATION NO. 9844-B Filed 1425

JUN 4 1979 - 12 45 PM

INTERSTATE COMMERCE COMMISSION

AMENDMENT dated as of April 25, 1979 to the Loan and Security Agreement (the "Agreement") dated as of September 12, 1978, as supplemented by Supplement No. 1 dated as of November 15, 1978, among Brae Corporation (the "Company") and Union Mutual Life Insurance Company and Unionmutual Stock Life Insurance Co. of America (the "Lenders") and Union Mutual Life Insurance Company (the "Security Agent"), relating to the financing of 100 rail-road box-cars.

The Company, the Lender and the Security Agent agree as follows:

1. The Agreement is amended in the following respects:

(a) The definition of "Funded Debt" in Sub-section 1.1 of the Agreement is amended to read as follows:

"Funded Debt" of any corporation shall mean all indebtedness for borrowed money or for the deferred purchase price of property and all Capitalized Lease Obligations of such corporation or guaranteed by such corporation which by its terms matures more than one year from the date as of which any calculation of Funded Debt is made (excluding, however, all fixed prepayments, fixed sinking fund payments and other payments required to be made with respect thereto within one year from such date), and any such indebtedness maturing within one year from such date which is renewable or extendible at the option of the obligor to a date beyond one year from such date, including any indebtedness renewable or extendible (whether

or not theretofore renewed or extended) under, or payable from the proceeds of other indebtedness which may be incurred pursuant to the provisions of, any revolving credit agreement or other similar agreement.

(b) The definition of "Short-Term Debt" in Subsection 1.1 of the Agreement is amended to read as follows:

"Short-Term Debt" of any corporation shall mean unsecured indebtedness for money borrowed of such corporation or guaranteed by such corporation, which indebtedness is created in the ordinary course of business and matures on demand or within one year after the date of creation thereof (excluding any such indebtedness renewable or extendible, or in effect renewable or extendible through the operation of a revolving credit agreement or other similar agreement, at the option of the debtor for a period or periods ending more than one year after the date of creation thereof).

(c) The definition of "Unprotected Unit" in Subsection 1.1 of the Agreement is amended to read as follows:

"Unprotected Unit: shall mean, at any time, any Box-car which is then located in a jurisdiction (other than any jurisdiction for which an opinion of counsel has been delivered to the Lender pursuant to Subsection 6.23 hereof to the effect that (i) no recording, registration or filing is necessary in such jurisdiction in order to protect the security interest of the Lender under this Agreement against any and all subsequent purchasers or mortgagees from or under the Company or from creditors of the Company, and (ii) assuming that this Agreement is a valid, binding and enforceable instrument in accordance with the laws of the jurisdiction which governs it, this Agreement is a valid and binding instrument enforceable in accordance with its terms in such jurisdiction [which opinion as to enforceability may be qualified by reference to bankruptcy and other laws affecting creditors' rights generally and to the extent that the availability of equitable remedies is subject to judicial discretion]) in which the lien on and security

interest in such Box-car created by this Agreement has not been duly perfected of record against all third parties so as to be prior to all other Liens except Permitted Liens.

(d) Subsection 6.7 of the Agreement is amended by deleting clause (4) thereof and substituting therefor clauses (4), (5), (6), (7), (8) and (9) to read as follows:

(4) indemnify trustees, lessors, lenders and third party security holders in connection with financings to which it is a party pursuant to indemnification provisions customary in such financings; (5) indemnify its officers, directors and employees for acts undertaken in their corporate capacities; (6) indemnify purchasers, sellers, underwriters, brokers, dealers and dealer-managers of securities of the Company (of which the Company may be deemed to be an issuer or otherwise) in connection with the offer, sale or purchase of such securities pursuant to indemnification provisions customary in such offers, sales or purchases; (7) enter into guaranties which constitute Funded Debt or Short-Term Debt, provided that such guaranties are limited to a fixed maximum amount and the incurrence of the Funded Debt or Short-Term Debt represented thereby shall then be permitted by Subsections 6.3, 6.4 and 6.5 hereof; (8) indemnify beneficial owners and lessors for the loss of certain tax benefits in connection with lease financing transactions in which it is the lessee, and indemnify lessees for the loss of investment tax credit in connection with leases in which it is the lessor and in passing through such investment tax credit to the lessee, all pursuant to customary indemnification provisions as found in equipment leases; and (9) pay expenses of trustees, lessors, lenders and third party security holders and their respective counsel in connection with financings to which it is a party.

(e) Subsection 6.10 of the Agreement is amended by inserting after "December 13, 1978" the following:

provided, however, that notwithstanding the foregoing limitations, the Company may redeem shares of its capital stock from William J. Texido pursuant to Section 8 of the Employment and Stock

Agreement dated as of October 17, 1977, as amended by an Amendment dated as of September 28, 1978 and by a letter agreement dated December 7, 1978, but only from the proceeds of any life insurance policy or policies maintained by the Company on the life of William J. Texido.

2. Except as expressly amended hereby, the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereof have caused this Amendment to be executed by their duly authorized officers, as of the date first written above.

Attest:

BRAE CORPORATION

By *Fernando M. Maldonado*
Assistant Secretary
(Seal)

By *Lawrence A. P. Buisson*
Vice President - Finance

Attest:

UNION MUTUAL LIFE
INSURANCE COMPANY

By *Viola J. Hakukos*
Assistant Secretary
(Seal)

By *E. M. Borley*
Second Vice President

Attest:

UNIONMUTUAL STOCK LIFE
INSURANCE CO. OF AMERICA

By *Viola J. Hakukos*
Secretary

By *E. M. Borley*
Second Vice President

Attest:

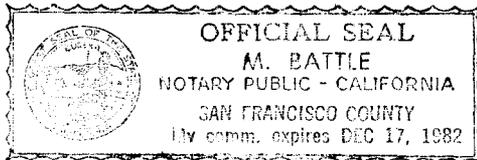
UNION MUTUAL LIFE INSURANCE COMPANY
as Security Agent

By *Viola J. Hakukos*
Assistant Secretary

By *E. M. Borley*
Second Vice President

STATE OF CALIFORNIA)
)
CITY AND COUNTY OF SAN FRANCISCO)

On this 13rd day of April, 1979, before me personally appeared Lawrence W. Briscoe, to me personally known, who being by me duly sworn says that such person is Vice President - Finance of BRAE CORPORATION, that the foregoing Amendment was signed and sealed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of such corporation.



M. Battle
Notary Public

My Commission expires: 12/17/82

STATE OF Maine)
COUNTY OF Cumberland)

On this 7th day of May, 1979, before me personally appeared Edmund R. Dooley, to me personally known, who being by me duly sworn says that such person is a Second Vice President of UNION MUTUAL LIFE INSURANCE COMPANY, that the foregoing Amendment was signed and sealed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of such corporation.

Rosemarie Gagne
Notary Public

My Commission expires:

MY COMMISSION EXPIRES
DECEMBER 1, 1935

STATE OF Maine

COUNTY OF Cumberland

On this 7th day of May, 1979, before me personally appeared Edmund R. Dooley, to me personally known, who being by me duly sworn says that such person is a Second Vice President of UNIONMUTUAL STOCK LIFE INSURANCE CO. OF AMERICA, that the foregoing Amendment was signed and sealed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of such corporation.

Rosemarie Gagne
Notary Public

My Commission expires:

MY COMMISSION EXPIRES
DECEMBER 1, 1985

STATE OF Maine)

COUNTY OF Cumberland)

On this 7th day of May 1979, before me personally appeared Edmund R. Dooley, to me personally known, who being by me duly sworn says that such person is a Second Vice President of UNION MUTUAL LIFE INSURANCE COMPANY, as Security Agent, that the foregoing Amendment was signed and sealed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of such corporation.

Rosemarie Gagne
Notary Public

My Commission expires:

MY COMMISSION EXPIRES
DECEMBER 1, 1985