

BRAE
CORPORATION

RECEIVED

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FEE OPERATION BR.

RECORDATION NO. *9753-A* Filed 1428

OCT 24 1978 9 18 AM

INTERSTATE COMMERCE COMMISSION

October 19, 1978

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

No. *8-291 A010*

Date *OCT 24 1978*

Fee \$ *1.00*

ICC Washington, D. C.

Dear Sir:

Enclosed for filing and recordation pursuant to Section 20c of the Interstate Commerce Act is Supplement No. 1 to the Loan and Security Agreement dated as of September 12, 1978 between Brae Corporation and Manufacturers Hanover Leasing Corporation.

The Loan and Security Agreement was filed on October 11, 1978 at 9:40 A.M. under Recordation No. 9753. Another copy of Supplement No. 1 was filed and recorded at the same time under Recordation No. 9753-A. The enclosed copy of Supplement No. 1, which is substantially identical to that previously filed under Recordation No. 9753-A, is being filed to correct certain typographical and minor errors in the previously filed copy of Supplement No. 1.

Please file the enclosed copy of Supplement No. 1 under Recordation No. 9753 (under the next available sub-letter, which I believe is "D") without disturbing the copy currently on file.

The names and addresses of the parties to Supplement No. 1 are as follows:

Lender: Manufacturers Hanover Leasing Corporation
30 Rockefeller Plaza
New York, New York 10020

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

Brae Corporation, the corporation which originally executed the Loan and Security Agreement, was merged into its wholly-owned subsidiary, BraeLease Corporation, on September 27,

Handwritten signature/initials on the left margin.

BRAE CORPORATION

1978. Pursuant to such merger, BraeLease Corporation assumed all of the rights and obligations of Brae Corporation. Accordingly, BraeLease Corporation as the successor to Brae Corporation is now party to the Loan and Security Agreement, as supplemented by Supplement No. 1.

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 Supplement No. 1.

Please file and record Supplement No. 1 and cross-index it under the names for Lender and Debtor (both BraeLease Corporation and its predecessor, Brae Corporation). Return to the person presenting this letter, together with your letter confirming to such filing and recordation and your fee receipt therefor, all copies of the enclosed document not required for filing.

Very truly yours,



Michael T. Everett
Assistant Secretary

Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

10/24/78

OFFICE OF THE SECRETARY

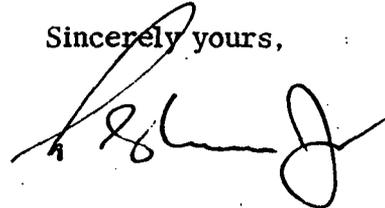
Michael T. Everett
Assistant Secretary
Brae Corp.
Three Embarcadero Center
San Francisco, Calif. 94111

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 20(c) of the Interstate Commerce Act,

49 U.S.C. 20(c), on **10/24/78** at **9:15am**
and assigned recordation number(s) **9753-D**

Sincerely yours,



H.G. Homme, Jr.,
Acting Secretary

Enclosure(s)

SE-30-T
(2/78)

NOV 15 1978 - 2 25 PM

INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF LEASE AND AGREEMENT dated as of October 1, 1978 (hereinafter called this Assignment), by and between BRAELEASE CORPORATION (hereinafter called the Lessor), and FIRST MARYLAND LEASECORP (hereinafter called the Assignee).

WHEREAS the Assignee has entered into an Equipment Lease Agreement dated as of October 1, 1978 (hereinafter called the Master Lease), with Lessor, providing for the Lease to the Lessor of such units of railroad equipment (hereinafter called the "Units") described in Schedule I thereto as are delivered to and accepted by the Lessor thereunder;

WHEREAS the Lessor and * (hereinafter called the Lessee) have entered into a Lease Agreement dated as of ** (hereinafter called the Lease), a true copy of which is annexed hereto, providing for the leasing by the Lessor to the Lessee of certain of the Units and

WHEREAS in order to provide security for the obligations of the Lessor under the Master Lease and as an inducement to the Assignee to enter into the Master Lease, the Lessor has agreed to assign to the Assignee for security purposes its rights in, to and under the Lease (but only to the extent that the same arise out of, derive from, or relate to the Units);

NOW, THEREFORE, in consideration of the premises and of the payments to be made and the covenants hereinafter set forth to be kept and performed, the parties hereto agree as follows:

1. Subject to the provisions of Paragraph 9 hereof, the Lessor hereby assigns, transfers and sets over unto the Assignee, as collateral security for the payment and performance of the obligations of the Lessor (as "Lessee") under the Master Lease, all the Lessor's right, title and interest, powers, privileges and other benefits under the Lease (but only to the extent that the same arise out of, derive from, or relate to the Units), including, without limitation the immediate right to receive and collect all rentals, profits and other amounts payable to or receivable by the Lessor from the Lessee under or pursuant to the provisions of the Lease whether as rent, casualty payment, indemnity, liquidated damages, or otherwise, but only to the extent that the same arise out of, derive from, or relate to the Units (such moneys being hereinafter called the Payments), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an event of default specified in the Lease, and to do any and all other things whatsoever which the Lessor is or may become entitled to do under the Lease (but only in respect of the Units). In furtherance of the foregoing assignment, the Lessor, subject to the provisions of Paragraph 9 hereof, hereby irrevocably authorizes and empowers the Assignee in its own name, or in the name of its nominee, or in the name of the Lessor or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which the Lessor is or may become entitled under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof (but only to the extent that the same arise out of, derive from, or relate to the Units). The Assignee agrees to accept any Payments made by the Lessee for the account of the Lessor pursuant to the Lease. To the extent received, the Assignee will apply such Payments to satisfy the obligations of the Lessor under the Master Lease.

* Ashley, Drew & Northern Railway Company

** February 23, 1978, as amended by Amendment No. 1 dated as of April 28, 1978.

2. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify the liability of the Lessor under the Lease, it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of the Lessor to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Lessor or persons other than the Assignee.

3. The Lessor will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides are to be performed by the Lessor. Without the written consent of the Assignee, the Lessor will not anticipate the rents under the Lease as it relates to the Units or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Lessee, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into any agreement amending, modifying or terminating the Lease as it relates to the Units and the Lessor agrees that any amendment, modification or termination thereof without such consent shall be void.

4. Subject to the provisions of Paragraph 9 hereof, the Lessor does hereby constitute the Assignee the Lessor's true and lawful attorney, irrevocably, with full power (in the name of the Lessor, or otherwise), to ask, require, demand, receive, compound and give acquittance for any and all Payments due and to become due under or arising out of the Lease to which the Lessor is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, (but only to the extent that the same arise out of, derive from, or relate to the Units), to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which to the Assignee may seem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all amounts due from the Lessor under the Master Lease, this Assignment and all rights herein assigned to the Assignee shall terminate, and all estate, right, title and interest of the Assignee in and to the Lease shall revert to the Lessor.

6. The Lessor will, from time to time, execute, acknowledge and deliver any and all further instruments required by law or reasonably requested by the Assignee in order to confirm or further assure, the interest of the Assignee hereunder.

7. The Assignee may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due. 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 Assignee hereunder.

8. This Assignment shall be governed by the laws of the State of Maryland, but the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

9. The Assignee hereby agrees with the Lessor that the Assignee will not, so long as no Event of Default under the Master Lease has occurred and is continuing, exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits assigned hereby and that, subject to the terms of the Lease and the Master Lease, the Lessor may, so long as no Event of Default under the Master Lease has occurred and is continuing, exercise or enforce, or seek to exercise or enforce or avail itself of, such rights, powers, privileges, authorizations or benefits.

10. Whenever the Lease covers equipment other than the Units and the amount of any payment due to the Lessee under the Lease as car hire payments (including both straight and incentive per diem), mileage charges or other rental revenues is calculated on an aggregate basis for all equipment leased thereunder, an amount equal to the Assigned Fraction (as hereinafter defined) of each such payment shall be deemed to be payable with respect to the Units. For the purpose hereof, "Assigned Fraction" shall mean a fraction the numerator of which is the number of Units leased under the Lease and the denominator of which is the aggregate number of units of equipment (including such Units) at the time leased under the Lease.

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

(corporate seal)

BRAELEASE CORPORATION

Attest:

Fergus H. Weber

By *Lawrence W. Buisson*
Vice President

(corporate seal)

First Maryland Leasecorp

Attest:

Donald H. Hosh, Jr.

By *Maurice E. Moore*
FINANCIAL OFFICER

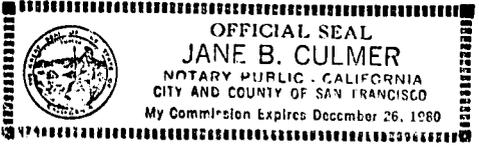
State of Maryland)
CITY)
County of BALTIMORE)

On this 9th day of October 1978 before me personally
appeared MAURKE E. MOORE to me known,
who being by me duly sworn says that such person is FINANCIAL OFFICER of
FIRST MARYLAND LEASECORP, that the seal affixed to the foregoing Assignment
of Lease and Agreement is the corporate seal of such corporation, that the
foregoing Assignment of Lease and Agreement was signed and sealed on behalf
of such 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.

Delbrach Ann Warner
Notary Public

State of California)
City and County of San Francisco)

On this 23 day of October 1978 before me personally
appeared Lawrence W. Briscoe to me known,
who being by me duly sworn says that such person is a Vice President of
BRALEASE CORPORATION, that the seal affixed to the foregoing Assignment
of Lease and Agreement is the corporate seal of such corporation, that the
foregoing Assignment of Lease and Agreement was signed and sealed on behalf
of such 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.



Jane B Culmer
Notary Public