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February 3, 1977

Hon. Robert L. Oswald
Secretary
Interstate Commerce Commission
Washington, D. C. 20423

RE: Conditional Sale Agreement made as of January 20, 1977, filed with the ICC on January 27, 1977, at 3:50 p.m. and assigned recordation number 8676-A.

Dear Sir:

Enclosed for filing with and recording by the Interstate Commerce Commission are six (6) executed counterparts of a First Amendment and Supplement to the above referenced Conditional Sale Agreement dated as of January 20, 1977, between SSI Rail Corp., Two Embarcadero Center, San Francisco, California, 94111, Buyer, and FMC Corporation, 200 East Randolph Drive, Chicago, Illinois, 60601, Seller, covering the following railroad equipment:

50 50'6", 70-ton capacity, general purpose, single sheath boxcars, built by FMC Corporation, numbered TPW 70701 through 70150, inclusive.

Identifying marks on all of the foregoing equipment: The words, "Owned subject to a security interest filed under the Interstate Commerce Act, Section 20c," printed on each side of each unit.

Also enclosed are six (6) executed counterparts of an Agreement and Assignment assigning Seller's interest to First Pennsylvania Bank N.A., First Pennsylvania Tower, Center Square, Philadelphia, Pennsylvania, 19101. The Conditional Sale Agreement, as amended, is guaranteed by ITEL Corporation, One Embarcadero Center, San Francisco, California, 94111, the parent company of SSI Rail Corp.

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TWO EMBARCADERO CENTER SAN FRANCISCO, CALIFORNIA 94111 (415) 983-0123
TELEX 34-0867 CABLE SSI
SUBSIDIARY OF THE ITEL CORPORATION

Also enclosed is this Company's check in the sum of $20.00, payable to the Interstate Commerce Commission, being the prescribed fee for filing and recording the foregoing document.

Please return all copies of the enclosed counterparts (with recordation data stamped thereon) which are not required by the ICC to the representative of the office of Sullivan and Worcester, Attorneys at Law, Washington, D. C., who will be delivering this letter on our behalf.

Very truly yours,

Martin D. Goodman
Secretary

MDG:md
Enc.

AGREEMENT AND ASSIGNMENT ("this Assignment") made as of this 4th day of February, 1977, between FMC Corporation a Delaware corporation (hereinafter called "Builder") and First Pennsylvania Bank N. A. (hereinafter called "Assignee");

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W I T N E S S E T H:

Whereas, Builder and SSI Rail Corp., a Delaware corporation (hereinafter called "SSI,") heretofore entered into a conditional sale agreement made as of January 20, 1977, filed and recorded with the Interstate Commerce Commission and assigned Recordation No. 8676-A as amended by the First Amendment and Supplement to Conditional Sale Agreement made as of February 4, 1977 (hereinafter called "the Conditional Sale Agreement,") providing for the construction, sale and delivery by Builder and the purchase by Railroad of fifty (50) 50' 6" 70-ton capacity, general service, single sheath boxcars numbered TPW 70101 through 70150, inclusive (hereinafter called "the Equipment");

WHEREAS, Builder has delivered and SSI has accepted the Equipment; and

WHEREAS, the parties anticipated that the Conditional Sale Agreement and the right, title and interest of Builder in and to the Equipment would be sold and assigned to Assignee;

NOW, THEREFORE, in consideration of the premises and the sum of one million two hundred seventy-one thousand six hundred twenty-six dollars ($1,271,626) paid to Builder by Assignee, the receipt and sufficiency of which are hereby acknowledged, and of the covenants herein set forth, the parties agree as follows:

1. Builder hereby sells, assigns, transfers and sets over to Assignee, its successors and assigns, the following:

(a) All the right, title and interest of Builder in and to the Equipment subject to the Conditional Sale Agreement; and

(b) All right, title, interest, powers, privileges and remedies of Builder in, to and under the Conditional Sale Agreement (except payments heretofore made by SSI to Builder) including all amounts which may be or become due or owing under the Conditional Sale Agrement on account of the purchase price for the Equipment and the interest thereon and any other sums becoming due from SSI under the Conditional Sale Agreement;

without any recourse, however, against Builder for or on account of the failure of SSI 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 Assignee to or transfer or pass or in any way affect or modify the obligations and warranties of Builder under the Conditional Sale Agreement or relieve SSI of its obligations to Builder under article 8 of the Conditional Sale Agreement, it being understood and agreed that notwithstanding this Assignment all obligations of Builder to SSI shall remain enforceable by SSI against and only against Builder. In furtherance of the foregoing assignment and transfer, Builder hereby authorizes and empowers Assignee in the Assignee's own name, or in the name of and as attorney for Builder, to ask, demand, sue for, collect, receive and enforce any and all sums to which Assignee is or may be entitled under this Assignment and compliance by SSI with the terms and agreements on its part to be performed under the Conditional Sale Agreement, but at the expense and liability and for the sole benefit of Assignee.

2. Builder hereby warrants to Assignee that it owns all the right, title, interest, powers, privileges and remedies of Builder in, to and under the Conditional Sale Agreement free from all claims, liens, security interests or prior assignment, and that it has a good right to assign and transfer the same as herein done. Builder hereby warrants to Assignee and SSI that it has legal title to the Equipment and good and lawful right to sell the same and that its title to the Equipment is free of all claims, liens, security interests or other encumbrances of any nature, except only the rights of SSI under the Conditional Sale Agreement; and Builder does further covenant with Assignee and SSI that it will warrant and defend the title to the Equipment against the demands and claims of all persons, subject only to the rights of SSI under the Conditional Sale Agreement; and Builder further warrants that no unit of Equipment was delivered to SSI under the

under the Conditional Sale Agreement prior to the time that such unit was numbered and marked as provided in Section 6 of the Conditional Sale Agreement or prior to the time the Conditional Sale Agreement was filed and recorded with the Interstate Commerce Commission pursuant to Section 20c of the Interstate Commerce Act.

3. Builder agrees with Assignee that in any suit, proceeding or action brought by Assignee under the Conditional Sale Agreement for any amount due thereunder or to enforce any provision thereof, Builder will indemnify, protect and hold harmless Assignee from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever claimed by SSI arising out of a breach by Builder of any obligation with respect to the Equipment or the manufacture, construction, delivery or warranty thereof or by reason of any other indebtedness or liability at any time owing to SSI by Builder or by reason of any act or omission of Builder. Builder's obligation so to indemnify, protect and hold harmless Assignee is conditioned upon (a) the Assignee's timely motion to strike any such defense, setoff, counterclaim or recoupment asserted by SSI, and (b) if the court or other body having jurisdiction denies such motion or other action and accepts such a defense, setoff, counterclaim or recoupment, Assignee's prompt notification to Builder and Assignee's giving Builder the right, at Builder's expense, to compromise, settle or defend against such defense, setoff, counterclaim or recoupment.

4. Except in cases of articles, materials and designs furnished or specified by SSI and not manufactured by Builder, Builder agrees to indemnify, protect and hold harmless Assignee from and against any and all liability, claims, costs, charges and expense, including royalty payments and counsel fees, in any manner imposed upon or accruing against Assignee because of the use in or about the construction or operation of any unit of Equipment of any such articles, materials and designs which infringes or is claimed to infringe on any patent or other right. Assignee will give prompt notice to Builder of any claim actually known to Assignee which is based upon any such alleged infringement and will give Builder the right, at Builder's expense, to compromise, settle or defend against such claim.

5. Builder agrees that any amount payable to it by SSI with respect to the Equipment, whether pursuant to the Conditional Sale Agreement or otherwise, and not hereby assigned to Assignee, shall not be secured by any lien, charge or security interest upon the Equipment.

6. Builder hereby represents and warrants to Assignee that the Conditional Sale Agreement was duly authorized and lawfully executed and delivered by it and insofar as Builder is concerned is a legal, valid and existing agreement binding upon Builder in accordance with its terms and is now in full force without further amendment or modification thereto.

7. Builder hereby agrees that it will from time to time at the Request of Assignee make, execute and deliver all such future instruments of assignment, transfer and assurance and do such further acts and things as may be necessary and appropriate to give effect to the provisions set forth herein and more perfectly confirm the right, title and interest hereby assigned and transferred to Assignee or intended so to be.

8. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the State of California, provided, however, that the parties shall be entitled to all the rights conferred by Section 20c of the Interstate Commerce Act.

9. This Assignment may be executed in any number of counterparts, but the counterpart delivered to Assignee shall be deemed to be the original counterpart.

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

FMC CORPORATION

By William R. Gallenuth
Its Vice President

ATTEST:
Charles H. Johnson
Its DIVISION PRESIDENT
[CORPORATE SEAL]

FIRST PENNSYLVANIA BANK N.A.

John W. van Dyke
Its Vice President

ATTEST:
Lawrence E. McAlee
Its Assistant Secretary
[CORPORATE SEAL]

STATE OF OREGON)
) SS:
COUNTY OF MULTNOMAH)

On this 8th day of February, 1977, before me personally appeared William R. Galbraith, to me personally known, who, being by me duly sworn, says that he is a Division Vice President, Sales, of FMC Corporation, that one of the seals affixed to the aforegoing 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.

Sada Parshis
Notary Public

[Notarial Seal]

My Commission expires: My Commission Expires November 4, 1977

STATE OF PENNSYLVANIA)
) SS:
COUNTY OF [illegible])

On this 2 day of February, 1977, before me personally appeared John H. [illegible] to me personally known, who, being by me duly sworn, says that he is Vice President of First Pennsylvania Bank N.A., that one of the seals affixed to the aforegoing 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.

Agnes L. Coulton
Notary Public

[Notarial Seal]

My Commission expires: 3/26/79

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

Receipt of a copy of, and due notice of the assignment made by, the foregoing Agreement and Assignment between FMC Corporation and First Pennsylvania Bank N.A. is hereby acknowledged as of February 4, 1977.

SSI RAIL CORP.

By: Patrick B. [illegible]