

**ITEL**  
**CORPORATION**  
 TRANSPORTATION SERVICES GROUP

September 18, 1978

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

Dear Sir:

Enclosed for filing with and recording by the Interstate Commerce Commission are six counterparts of Amendment D (dated March 1, 1978), Amendment E (dated March 1, 1978) and Equipment Schedules 3, 4 and 5 to that certain Lease Agreement dated February 22, 1977 between Port Huron & Detroit Railroad Company, P. O. Box 266, Port Huron, Michigan, 48060, and ITEL Corporation, acting through its Rail Division (successor in interest to SSI Rail Corp.), Two Embarcadero Center, San Francisco, California, 94111. These documents concern the cars numbered: PHD 3000-3199, 1000-1099, 2000-2199, 3000-3199, 4000-4024, and 5000-5039. The foregoing Lease Agreement was filed with the Interstate Commerce Commission on April 27, 1977 at 12:45 p.m. and assigned recordation number 8799.

Also enclosed is this company's check in the sum of ~~\$50~~ \$50.00, payable to the Interstate Commerce Commission, being the prescribed fee for filing and recording the foregoing two amendments and the three equipment schedules.

Please return all additional copies of the enclosed counterparts not required by the Interstate Commerce Commission to David Schwartz, Esq., of Sullivan and Worcester, who will be delivering this letter on our behalf.

Very truly yours,

  
 Paul M. Willard  
 Counsel

:md  
 Enc.

RECORDATION NO. 8799-F  
 FILED & RECORDED

SEP 21 1978 12 00 PM

INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 8799-H  
 FILED & RECORDED

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INTERSTATE COMMERCE COMMISSION

RECORDATION NO. ~~8799-F~~

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INTERSTATE COMMERCE COMMISSION

9-2531090

Date SEP 21 1978

Fee \$ 50.00

ICC Washington, D. C.

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 I. C. C.  
 FEE OPERATION BR.

*John A. Auger*  
*Paul M. Willard*

EQUIPMENT SCHEDULE NO. 4

Itel Corporation, Rail Division, successor in interest to SSI Rail Corp. ("SSI"), hereby leases the following Boxcars to Port Huron & Detroit Railroad Company ("Lessee") subject to the terms and conditions of that certain Lease Agreement ("the Agreement") dated as of February 22, 1977.

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A.A.R. Mech. Desig.	Description	Numbers	Length	Dimensions Inside Width	Height	Doors Width	No. of Cars
XF	Box, Steel	PHD 4000- PHD 4024	50'6"	9'6"	11'2"	10'	25

With respect only to the Boxcars described on this Equipment Schedule No. 4, the following shall apply:

1. The number "73 per cent" shall be substituted in Section 6A (i) for the number "94 per cent".

2. Section 6A (ii) is hereby amended by deleting such section in its entirety and substituting in lieu thereof the following:

"(ii) In the event utilization exceeds 73 per cent in any calendar year, SSI shall receive an amount equal to the SSI Base Rental. For the purpose hereof, SSI Base Rental shall be an amount equal to the total payments for the calendar year multiplied by a fraction, the numerator of which is 73 per cent and the denominator of which is the utilization for such calendar year. (The above determination of SSI Base Rental insures that Lessee will, if utilization is greater than 73 per cent in any calendar year, receive all the payments made by other railroads for use or handling of the Boxcars for utilization greater than 73 per cent.)"

3. If the ICC shall at any time issue an order reducing incentive car hire for Boxcars on an annual basis to less than twelve months, but at least six months, without a corresponding increase in straight car hire or other monies available to both SSI and Lessee at least equal to such reduction, then the number "82 per cent" shall be substituted in paragraphs 1 and 2 herein for the number "73 per cent" each time it appears.

4. The number "73 per cent" shall be substituted in Section 6C for the number "87.5 per cent".

5. If the ICC shall at any time issue an order reducing incentive car hire for Boxcars on an annual basis to less than six months without a corresponding increase in straight car hire or other monies available to both SSI and Lessee at least equal to such reduction or if the rules or regulations of the ICC or Association of American Railroads (AAR) shall preclude the use of the XF mechanical designation for the Boxcars, then Lessee shall immediately re-register the Boxcars to the XM mechanical designation. Upon the date such change in registration is effective (i) paragraphs 3 and 4 of Amendment D to the Agreement shall be amended by adding to the identifying numbers set forth therein the identifying numbers of the Boxcars set forth on this Equipment Schedule No. 4, and (ii) the preceding paragraphs 1, 2, 3, & 4 shall be null and void and of no force and effect.

6. Lessee shall be entitled to claim the benefits of any available Investment Tax Credit for Federal income tax purposes in connection with acquisition of the Boxcars bearing the identifying numbers PHD 4000-PHD 4024 set forth on this Equipment Schedule No. 4, to the Agreement. Such Boxcars shall be new equipment when delivered to Lessee hereunder and SSI agrees to execute such documents as may be required to permit Lessee to claim any Investment Tax Credits relating to such Boxcars.

7. Section 6A (iii) is hereby deleted.

8. Except as expressly modified herein, all the terms and provisions of the Agreement shall remain in full force and effect.

ITEL CORPORATION,  
RAIL DIVISION

By: *John M. Cella*  
Title: President  
Date: September 13, 1978

THE PORT HURON & DETROIT  
RAILROAD COMPANY

By: *George G. Duffy*  
Title: Pres  
Date: 7/27/78