

The Kansas City Southern Railway Company  
Louisiana & Arkansas Railway Company

301 West 11th Street, Kansas City, Missouri 64105

RECORDATION NO. 11873-P Filed 1425

MAY 28 1981 - 12:35 PM

INTERSTATE COMMERCE COMMISSION  
May 27, 1981

RICHARD P. BRUENING  
General Counsel

RECORDATION NO. 11873-R Filed 1425

MAY 28 1981 - 12:35 PM

Hon. Agatha Mergenovich  
Secretary  
Interstate Commerce Commission  
Washington, DC 20423

RECORDATION NO. 11873-G Filed 1425

MAY 28 1981 - 12:35 PM

RE: Amendment to Lease No. 1000 dated as of May 1, 1981, among Carland, Inc. The Kansas City Southern Railway Company and Louisiana & Arkansas Railway Company, Security Agreement and Assignment dated as of May 1, 1981, between Carland, Inc. and City Bank & Trust Company, and Consent and Agreement, dated as of May 1, 1981, among The Kansas City Southern Railway Company, Louisiana & Arkansas Railway Company and City Bank & Trust Company

INTERSTATE COMMERCE COMMISSION  
No. 1-148A-093  
Date MAY 28 1981  
Fee \$ 30.00  
ICC Washington, D. C.

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I. C. C.  
FILE OPERATION BR.

Dear Ms. Mergenovich:

Pursuant to Section 11303 of the Interstate Commerce Act, and the Commission Rules and Regulations promulgated thereunder The Kansas City Southern Railway Company and Louisiana & Arkansas Railway Company transmit herewith 9 copies each of the above mentioned Amendment to Lease No. 1000 (the "Lease Amendment"), Security Agreement and Assignment (the "Assignment") and Consent and Agreement (the "Consent") for filing and recording with the Interstate Commerce Commission. These documents are amendments to Lease No. 1000 and the Assignment thereof previously filed with the Commission on June 4, 1980, under recordation No. 11873, and the Consent filed with the Commission on June 18, 1980 under Recordation No. 11873-A..

The names and addresses of the parties to the Lease Amendment are:

Lessor: Carland, Inc.  
4200 West 83rd Street  
Shawnee Mission, KS 66208

Lessees: The Kansas City Southern Railway Company  
114 West 11th Street  
Kansas City, MO 64105

Louisiana & Arkansas Railway Company  
114 West 11th Street  
Kansas City, MO 64105

Sullivan + Worcester

C. A. [Signature]

The names and addresses of the parties to the Assignment are:

Assignor: Carland, Inc.  
4200 West 83rd Street  
Shawnee Mission, KS 66208

Assignee: City Bank & Trust Company of Kansas City, Mo.  
2401 Grand Avenue  
Kansas City, MO 64108

The names and addresses of the parties to the Consent are:

1. The Kansas City Southern Railway Company  
114 West 11th Street  
Kansas City, MO 64105  
  
Louisiana & Arkansas Railway Company  
114 West 11th Street  
Kansas City, MO 64105
2. City Bank & Trust Company of Kansas City, Mo.  
2401 Grand Avenue  
Kansas City, MO 64108

A general description of the equipment covered by these amendments is:

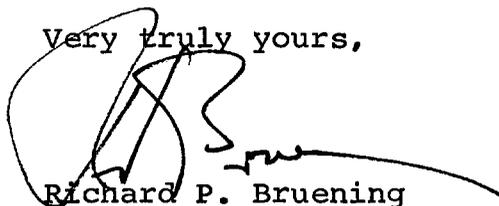
All rolling stock covered by Lease No. 1000, and amendments Nos. 1 through 14, inclusive, previously recorded with the Commission under Recordation Nos. 11873 and 11873-A through 11873-O, inclusive.

The Lease Amendment and Assignment herewith presented for filing are amendments to Lease 1000, and its Assignment previously filed on June 4, 1980 under recordation No. 11873, and the Consent is an amendment to the Consent filed on June 18, 1980 under Recordation No. 11873-A. The last previous amendment to Lease 1000 and its attendant documents was filed on February 26, 1981, under recordation No. 11873-O.

A Kansas City Southern Lines Draft in the amount of \$30.00 is enclosed to cover the filing fee for these three amendment documents.

We request that all copies of the Lease Amendment, Assignment, and Consent not required for your files be marked with the Commission filing stamp and returned to the party tendering same.

Very truly yours,



Richard P. Bruening

## CONSENT AND AGREEMENT

MAY 28 1981 - 12 35 PM

Lease No. INTERSTATE COMMERCE COMMISSION  
~~1900 as amended~~  
 THE KANSAS CITY SOUTHERN RAILWAY COMPANY and  
 LESSEE LOUISIANA & ARKANSAS RAILWAY COMPANY

1. General. The undersigned, the Lessee named in the above-referenced Lease, which Lease is also referred to in a certain Security Agreement and Assignment dated as of May 1, 1981, between CARLAND, INC. ("Carland") and CITY BANK AND TRUST COMPANY OF KANSAS CITY ("Assignee"), Assignee acting as agent for itself and the Banks (as defined below) pursuant to a certain Amendment and Restatement of Revolving Credit and Term Loan Agreement ("the Loan Agreement") among Assignee, Carland, The Northern Trust Company and The First National Bank of Shreveport (such banks, along with City Bank and Trust Company of Kansas City, being referred to as the "Banks") dated as of May 1, 1981, (said Lease, Security Agreement and Loan Agreement, as the same may be supplemented or amended, being hereinafter called the "Lease," the "Security Agreement" and the "Loan Agreement," respectively), the undersigned being one of the Lessees referred to in the Loan Agreement, hereby (a) acknowledges receipt of a copy of the Security Agreement, a copy of the Loan Agreement, and a copy of the Lease, (b) consents to, and agrees to abide by, all the terms and conditions of the Security Agreement and the Loan Agreement, (c) acknowledges that the units of Equipment covered by Schedule B attached to the Lease, were in good condition and

repair when received and that it has accepted said units of Equipment under the Lease and (d) will, by delivery to the Assignee of each Schedule B evidencing delivery of Equipment hereafter, acknowledge that the units of equipment covered by each Schedule B were in good condition and repair when received and were accepted by the Lessee under the Lease.

2. Covenants. As an inducement to the Banks to make the loans evidenced by the Notes (as such terms are defined in the Loan Agreement and the Security Agreement), and for good and valuable consideration, receipt of which is hereby acknowledged, the undersigned agrees that:

(a) the Assignee shall be entitled to the benefits of, and to receive and enforce performance of all of the covenants to be performed by the undersigned under the Lease as though the Assignee were named therein as the Lessor;

(b) notwithstanding anything to the contrary in the Lease, the undersigned acknowledges that the confiscation, condemnation or other loss of any of the Equipment (as defined in the Security Agreement) shall not relieve the Lessee from its obligations to pay rentals or the other amounts required to be paid by it thereunder or hereunder;

(c) notwithstanding anything in the Lease to the contrary, if any of the following events shall occur and be continuing:

(1) if the Lessee shall default in the payment of any Rental (as defined in the Security Agreement)

or other charge payable by the Lessee under the Lease or hereunder as and when the same shall become due and payable, or shall default in the performance of any other term, covenant or condition of the Lease or herein, or

(2) if final judgment for the payment of money in excess of \$50,000 shall be rendered against the Lessee and the Lessee shall not discharge nor obtain a stay of same or cause it to be discharged or stayed within thirty (30) days from the date upon which such judgment becomes final, or a writ or warrant of attachment or any similar process shall be issued by any court against all or any substantial portion of the property of Lessee and such writ, warrant of attachment or any similar process is not related within thirty (30) days after its entry or levy, or

(3) if the Lessee shall abandon any units of the Equipment, or

(4) if the Lessee shall assign, mortgage or encumber its interest in the Equipment or the Lease, or

(5) if the Lessee institutes any proceedings for relief from its creditors under any law pertaining to bankruptcy, reorganization, arrangement or insolvency, or if the Lessee makes any general assignment for the benefit of its creditors, or if the Lessee be adjudicated a bankrupt, or if a petition for reorganization

of the Lessee under the bankruptcy law be filed (other than by Lessee) and be not dismissed within ninety (90) days, or if, pursuant to such petition for reorganization, a trustee be appointed by the court, or if a receiver of all of Lessee's property be appointed and shall not be discharged within sixty (60) days after such appointment, or

(6) if Carland shall default under the Security Agreement or the Loan Agreement;

then the Assignee may immediately, or at any time thereafter, while such default continues to exist, terminate the Lease by notice in writing to the Lessee, whereupon all rights of the Lessee to the possession and use of the Equipment shall absolutely cease and terminate, but the Lessee shall remain liable as hereinafter provided. If the Assignee elects to terminate the Lease pursuant to the foregoing provisions, thereupon the Assignee may take immediate possession of any and all the Equipment in the possession or control of the Lessee, without demand or further notice and without process and for this purpose the Assignee shall have the right to employ any available facilities or means of possessing same and to cause the Lessee to assist in effectuating the re-taking of the Equipment. Any and all Equipment re-taken may be held, possessed and used by the Assignee free from any right of the Lessee to use same for any purposes whatsoever; but the Assignee shall, nevertheless,

have the right to recover from the Lessee any and all amounts which under the terms of the Lease may be then due or which may become due and are unpaid at the time of re-taking, including rent accruing thereunder after the date of default up to the date of repossession by the Assignee, for the possession and use of the Leased Equipment. In case of any such termination (or in case of any termination of the Lease by operation of law or otherwise) prior to the expiration of the terms of the Lease, the Assignee shall be entitled to receive from the Lessee as and for liquidated damages an amount (said amount of damages being hereinafter called the "Liquidated Damages") equal to the sum of (i) the amount of any rents under the Lease then accrued and unpaid (including rents accrued hereunder after the date of any default by the Lessee), and (ii) an amount equal to the aggregate rental set forth in the Lease for the remaining term thereof (not including renewal periods) not yet paid or payable discounted at the rate of six percent (6%) per annum calculated annually over a period of time equal to the remaining term of the Lease (not including renewal periods) on the day prior to its termination; provided, however, that if the Lessor or the Assignee shall repossess the Equipment and sell it, there shall be allowed to the Lessee, as an offset against the amount of Liquidated Damages, but not as an affirmative claim against the Lessor or the Assignee, that amount by which the proceeds of sale of the Equipment by Assignee shall exceed the aggregate of the costs and expenses (including

reasonable counsel fees and disbursements) incurred or paid by the Assignee in connection with the default or defaults resulting in the termination of the Lease, including but not limited to, removing the Equipment and reselling the same. The Assignee agrees that in the event of repossession of the Equipment, it shall use its best efforts to sell the Equipment within six (6) months from the date of repossession thereof;

(d) notwithstanding anything in the Lease to the contrary, in case of the destruction, confiscation, condemnation or other loss (hereinafter called a "Casualty Occurrence") of any unit of the Equipment, the Lessee shall either replace said unit at its own expense with a similar unit of equipment of a value at least equal to the value at the time of the Casualty Occurrence with respect to the unit which suffered the Casualty Occurrence, conveying title thereto to the Lessor, or shall pay to the Assignee an amount equal to the aggregate balance of the unpaid rentals over the remaining term of the Lease (not including renewal periods) on the unit which has suffered the Casualty Occurrence, discounted over the remaining term of the Lease at the rate of six percent (6%) per annum calculated annually. After such payment is made by the Lessee, no rentals shall be payable under the Lease with respect to the unit of the Equipment which suffered the Casualty Occurrence;

(e) the Lease is and shall be subordinated to the Security Agreement and the Lessee will, upon request of the Assignee, execute any instrument or instruments which Assignee deems necessary or desirable to evidence such subordination;

(f) the rentals, amounts and other monies due or to become due hereunder or under the Lease or otherwise in respect of the property leased thereunder shall not be subject to any right of setoff or counterclaim or other defense which the undersigned might have against Carland or otherwise and the payment thereof to the Assignee shall be final and shall not be subject to, and the undersigned hereby agrees to indemnify the Assignee against any liens, charges or claims of any nature whatsoever (other than liens, charges or claims created or incurred by the Assignee), prior to or pari passu with the right of the Assignee to apply such rentals, amounts and other monies as provided in the Assignment;

(g) the Assignee shall not, by virtue of the Security Agreement or this Consent and Agreement, be or become subject to any liability or obligation under the Lease or otherwise;

(h) the Lease will not, without the prior written consent of the Assignee, be terminated or modified, or any action be taken or omitted by the undersigned, the taking or omission of which might result in an alteration of impairment of the Lease or the Security Agreement or this Consent and Agreement or of any of the rights created by any thereof;

(i) it will take all steps reasonably necessary or appropriate in the opinion of the Assignee to cause the Assignee's security interests to be filed or recorded in any public office (including but not limited to the Interstate Commerce Commission) as a lien on the Equipment;

This Consent and Agreement, and the rights of the Assignee hereunder, may be assigned by the Assignee at any time to a successor Agent (as defined in the Loan Agreement) appointed pursuant to the Loan Agreement.

The foregoing agreement shall remain binding upon the undersigned until receipt of written notice from the Assignee that the Security Agreement or any further assignment of right in and to the Lease as contemplated by the Security Agreement has become void and of no effect. This Consent and Agreement, when accepted by the Assignee by signing the acceptance at the foot hereof, shall be deemed to be a contract under the laws of the State of Missouri, and for all purposes shall be construed in accordance with the laws of said State. All terms used herein shall have the same meaning provided in the Lease, Security Agreement and Loan Agreement.

THE KANSAS CITY SOUTHERN RAILWAY COMPANY  
LOUISIANA & ARKANSAS RAILWAY COMPANY

\_\_\_\_\_  
Lessee

Date: May 1, 1981

By Robert E. Zimmerman  
Its Vice President

(CORPORATE SEAL)

ATTEST:

E. F. James  
Secretary

The foregoing Consent and Agreement is hereby accepted. The undersigned agrees to notify the above named Lessee, in writing, when the Assignment above has become void and of no effect, upon request in writing so to do from Carland.

Date: May 1, 1981

CITY BANK AND TRUST COMPANY OF KANSAS CITY

By John D. Drouak  
Its President

(CORPORATE SEAL)

ATTEST:

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STATE OF MISSOURI)  
) ss.  
COUNTY OF JACKSON)

On this 27th day of May, 1981, before me personally appeared Robert E. Zimmerman, to me personally known, who being duly sworn, says that he is the Vice President of the Kansas City Southern Railway Company and, Kansas & Oklahoma Banking Company, 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.

Irene Paulhe  
Notary Public

My Commission Expires:  
March 22, 1983

IRENE PAULHE  
Notary Public - State of Missouri  
Commissioned in Platte County  
My Commission Expires March 22, 1983

