

RECORDATION NO. 15482-A TIME 1200

JUL 5 1988-11 20 AM

# ITEL

July 1, 1988

**IteI Rail Corporation** INTERSTATE COMMERCE COMMISSION

55 Francisco Street  
San Francisco, California 94133  
(415) 984-4000

Hon. Noretta R. McGee  
Secretary  
Interstate Commerce Commission  
Washington, DC 20423

8-187A032

No. JUL 5 1988  
Date.....  
Fee \$13.00

ICC Washington, D. C

Re: Amendment No. 1 dated June 9, 1988, to the Lease Agreement dated December 30, 1987, between IteI Rail Corporation and Union Pacific Railroad

Dear Ms. McGee:

On behalf of IteI Rail Corporation, the above instrument, in four (4) counterparts, is hereby submitted for filing and recording pursuant to 49 U.S.C. Section 11303(a), along with the \$13 recordation fee.

Please record this Amendment under the Lease Agreement dated December 30, 1987, between IteI Rail Corporation and Union Pacific Railroad, which was filed with the ICC on January 22, 1988, under Recordation No. 15480.

The parties to the aforementioned instrument are listed below:

IteI Rail Corporation (Lessor)  
55 Francisco Street  
San Francisco, California 94133

Union Pacific Railroad (Lessee)  
1416 Dodge Street  
Omaha, Nebraska 68179

This Amendment adds to the Lease Agreement one hundred (100) 50'7", Plate C, XM boxcars bearing reporting marks CHTT 100164-100263.

Please return to the undersigned the stamped counterparts not required for filing purposes, together with the ICC fee receipt and acknowledgment letter.

Very truly yours,

*patricia schumacker*

Patricia Schumacker  
Legal Department

MOTOR VEHICLE UNIT  
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RECORDATION NO. 15480-D No. 53425-11-A  
PAGE 1208AMENDMENT NO. 1

JUL 5 1988 - 11 AM

THIS AMENDMENT NO. 1 (the "Amendment") to that ~~CONTRACT~~ <sup>INTERSTATE COMMERCE COMMISSION</sup> (the "Agreement") made as of December 30, 1987, between ITEL RAIL CORPORATION, ("Lessor") and UNION PACIFIC RAILROAD ("Lessee") is made this 9th day of June 1988, by and between Lessor, ITEL RAILCAR CORPORATION, severally, and Lessee.

## RECITALS:

- A. Lessor and Lessee are parties to the Agreement, pursuant to which two hundred (200) fifty-foot (50') Plate C boxcars (the "Cars") have been leased by Lessor to Lessee.
- B. Lessor and Lessee desire to add one hundred (100) boxcars to the Agreement.

NOW, THEREFORE, the parties hereto agree to amend the Agreement as follows:

1. All terms defined in the Agreement shall have their defined meanings when used in this Amendment.
2. This Amendment shall be effective on the date it is fully executed.
3. Section 1 of the Agreement shall be amended as follows:
  - a. The original Subsections 1.A. and 1.B. of the Agreement shall become Subsections 1.B. and 1.C., and a new Subsection 1.A. shall be added as follows:
    - "1. A. Itel Rail Corporation is lessor hereunder only with respect to all Cars listed on the schedules executed by it, and Itel Railcar Corporation is lessor hereunder only with respect to all Cars listed on schedules executed by it. The capitalized term "lessor" in any context shall refer either to Itel Rail Corporation or to Itel Railcar Corporation or to any subsidiary of either which may execute schedules to this Lease, whichever is the lessor of the Cars referred to or affected by such reference. The liabilities, obligations, benefits and rights of Itel Rail Corporation and Itel Railcar Corporation (and such subsidiary, if any) shall be several, not joint, and shall only apply to each in respect of the Cars for which it is lessor."
  - b. A new sentence shall be added to Subsection 1.B. as follows:
 

"The terms and provisions of each Schedule or Amendment shall control, as to the Cars listed on such Schedule or Amendment, over any inconsistent or contrary terms and provisions in the body of this Agreement."
4. Effective as of the date first herein written, ITEL RAILCAR CORPORATION shall be, and hereby is, added as a party to the Agreement.

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MAY 10 1911  
UNION PACIFIC

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UNION PACIFIC  
OMAHA

5. Equipment Schedule No. 2 attached hereto shall be added to and made part of the Agreement upon its full execution by the parties.
6. With respect to the Cars on Equipment Schedule No. 2 only, the following Section 2 shall apply instead of Section 2 of the Agreement:

"2. Term

The term of the Agreement with respect to each Car described on Equipment Schedule No. 2 shall commence at 12 noon on the date such Car is remarked to bear Lessee's reporting marks, and shall expire as to all of the Cars described on Equipment Schedule No. 2 four (4) years from the date the last Car on such Schedule was remarked."

7. With respect to the Cars described on Equipment Schedule No. 2 only, the following shall apply instead of the first sentence of Subsection 3.A. of the Agreement:

"A. Lessee hereby approves the specifications of the Cars delivered to it by Lessor. Lessor shall, at Lessor's expense, remark the Cars with the railroad markings of Lessee in compliance with all applicable regulations. Each Car shall be deemed delivered and subject to the terms and provisions of this Agreement at 12 noon on the date and at the location such Car is remarked ('Delivery'). After each Car has been remarked, such Car shall be moved to Lessee's railroad line at no initial cost to Lessee as soon as is consistent with mutual convenience and economy."

8. With respect to the Cars on Equipment Schedule No. 2 only, the following Subsection 7.A. shall apply instead of Subsection 7.A. of the Agreement:

- "7. A. (i) The monthly rental for each Car on Equipment Schedule No. 2 shall be [REDACTED] ( [REDACTED] ) per Car per month for each full calendar month ('Month') during the Term. The monthly rental for any Car which is not subject to the Agreement for an entire Month shall be prorated at [REDACTED] cents ( [REDACTED] ) per day for such Car during such Month. The monthly rental for any Car shall commence to accrue upon Delivery of such Car.
- (ii) The monthly rental for each Car is composed of a Constant Factor of [REDACTED] ( [REDACTED] ) and a Service Factor of [REDACTED] ( [REDACTED] ). Effective on the first day of the twenty-fifth (25th) calendar month (the 'Third Year') after the remark of the last Car described on Equipment Schedule No. 2, Lessor may elect to adjust the Service Factor as follows for all the Cars described on such Equipment Schedule No. 2: The AAR Labor Rate in effect on the date of such Schedule is termed the Original Labor Rate and on each subsequent January 1, the prevailing Labor Rate in effect at that point in time

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will be referred to as the Current Labor Rate. If the Current Labor Rate in effect on the first day of the Third Year shall increase over the Original Labor Rate, the Service Factor shall be adjusted to the product obtained by multiplying the Service Factor by a fraction, the numerator of which is the Current Labor Rate and the denominator of which is the Original Labor Rate. The monthly rental per Car shall then be the sum of the Constant Factor and the adjusted Service Factor. The monthly rental shall be adjusted likewise on the first day of each year after the Third Year if the Current Labor Rate then in effect has similarly increased. Any such adjustment shall be instituted by notice from Lessor to Lessee and shall take effect with respect to rents coming due next after the date of notice."

9. Except as expressly modified by this Amendment, all terms and provisions of the Agreement shall remain in full force and effect.
10. This Amendment may be executed by the parties hereto in any number of counterparts and all said counterparts taken together shall be deemed to constitute one and the same instrument.

**ITEL RAIL CORPORATION**

By: *D. P. Meyer*  
Title: *President*  
Date: *June 9, 1988*

**UNION PACIFIC RAILROAD**

By: *J. R. Saw*  
Title: EXEC. VICE PRESIDENT-OPERATION  
Date: *5-31-88*

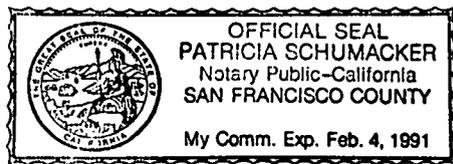
**ITEL RAILCAR CORPORATION**

By: *D. P. Meyer*  
Title: *President*  
Date: *June 9, 1988*

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OMAHA

STATE OF CALIFORNIA )  
 ) ss:  
COUNTY OF SAN FRANCISCO )

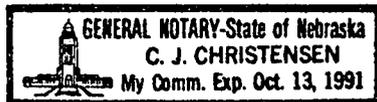
On this 9<sup>th</sup> day of June, 1988, before me personally appeared Desmond P. Hayes, to me personally known, who being by me duly sworn says that such person is President of ITEL Rail Corporation, that the foregoing Amendment No. 1 was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Patricia Schumacker  
Notary Public

STATE OF Nebraska )  
 ) ss:  
COUNTY OF Douglas )

On this 31<sup>st</sup> day of May, 1988, before me personally appeared J. R. Davis to me personally known, who being by me duly sworn says that such person is Exec VP Operations of Union Pacific Railroad, that the foregoing Amendment No. 1 was signed 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 said corporation.



C. J. Christensen  
Notary Public

LAW DEPT. C. D.  
UNION PACIFIC  
OMAHA

STATE OF CALIFORNIA        )  
  ) ss:  
COUNTY OF SAN FRANCISCO )

On this 9<sup>th</sup> day of June, 1988, before me personally appeared Desmond P. Hayes, to me personally known, who being by me duly sworn says that such person is President of Itel Railcar Corporation, that the foregoing Amendment No. 1 was signed 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 said corporation.



Patricia Schumacker  
Notary Public

5/3/88

EQUIPMENT SCHEDULE NO. 2

Itel Rail Corporation hereby leases the following Cars to Union Pacific Railroad subject to the terms and conditions of that certain Lease Agreement dated as of December 30, 1987, as amended.

AAR Mech Desig	Description	Numbers	Length	Dimensions			No. of Cars
				Inside Width	Height	Doors Width	
XM	50 foot, Plate C boxcar, cushion underframe	CHTT 100164- 100263	50'7"	9'6"	11'	10'	100

ITEL RAIL CORPORATION

By: *AD Hayes*

Title: *President*

Date: *June 9, 1988*

UNION PACIFIC RAILROAD

By: *R. Davis*

Title: EXEC. VICE PRESIDENT, CORPORATION

Date: *5-31-88*

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