

2600
ITEL
Pullman
March 1, 1989

Itel Rail Corporation

55 Francisco Street
San Francisco, California 94133
(415) 984-4000
(415) 781-1035 Fax

RECORDATION NO. 15480-C
FILED 1423

MAR 6

1989 -11 05 AM

INTERSTATE COMMERCE COMMISSION

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

CC Washington, D.C.

9-065A005

Re: Amendment No. 3 dated January 3, 1989, to the Lease Agreement dated December 30, 1987, among Itel Rail Corporation, Itel Railcar Corporation and Union Pacific Railroad

Dear Ms. McGee:

On behalf of Itel Rail Corporation, the above instrument, in three (3) 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 Itel 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:

Itel Rail Corporation and
Itel Railcar Corporation (Lessors)
55 Francisco Street
San Francisco, California 94133

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

This Amendment adds to the Lease Agreement eighty-three (83) 50'6", Plate B, XM boxcars bearing reporting marks OKKT 1815-1926 (n.s.).

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

MAR 6 1989 - 11 05 AM

C.D. No. 53425-11-C

INTERSTATE COMMERCE COMMISSION

AMENDMENT NO. 3

THIS AMENDMENT NO. 3 (the "Amendment") to that certain Lease Agreement (the "Agreement") made as of December 30, 1987, as amended, among ITEL RAIL CORPORATION, ITEL RAILCAR CORPORATION, severally, as lessors, and UNION PACIFIC RAILROAD ("Lessee") is made this 3rd day of January 19889 by and between ITEL RAILCAR CORPORATION, individually as lessor ("Lessor"), and Lessee.

RECITALS:

- A. Lessor and Lessee are parties to the Agreement, pursuant to which three hundred (300) fifty-foot (50') Plate C boxcars (the "Cars") have been leased by Lessor to Lessee and eighty-three (83) Plate B boxcars are to be delivered by Lessor to Lessee.
- B. Lessor and Lessee desire to add eighty-three (83) 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. Equipment Schedule No. 4 attached hereto shall be added to and made part of the Agreement upon its full execution by the parties.
4. With respect to the Cars described on Equipment Schedule No. 4 only, the following Section 2 shall apply instead of Section 2 of the Agreement:

"2. Term

The term of the Agreement (the 'Term') with respect to each Car described on Equipment Schedule No. 4 shall commence at 12 noon on the date that this Amendment is fully executed (the 'Effective Date') and shall expire as to all of the Cars described on Equipment Schedule No. 4 four (4) years from Effective Date."

5. With respect to the Cars described on Equipment Schedule No. 4 only, the following shall apply instead of the first sentence of Subsection 3.A. of the Agreement.

"Lessee hereby approves the specifications set forth on Equipment Schedule No. 4 for the Cars delivered to it by Lessor."

6. With respect to the Cars described on Equipment Schedule No. 4 only, the following Subsection 3.B. shall apply instead of Subsection 3.B. of the Agreement:

"C. With respect only to the Cars described on Equipment Schedule No. 4, during the term of the Agreement, Lessor may, at its expense, replace any or all said Cars with similar boxcars of lower per

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UNION PACIFIC
OMAHA

diem car hire value upon prior written notice from Lessor to Lessee; provided, however, that any such replacement shall not prevent or prohibit Lessee from fulfilling its obligations to provide transportation and facilities upon reasonable request therefor."

7. With respect to the Cars on Equipment Schedule No. 4 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

during the Term. The monthly rental for any Car which is not subject to the Agreement for an entire 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

Effective on the first day of the twenty-fifth (25th) Month (the twenty-fifth (25th) through the thirty-sixth (36th) Month shall be known as the 'Third Year') after the remark of the last Car described on Equipment Schedule No. 4, Lessor may elect to adjust the Service Factor as follows for all the Cars described on such Equipment Schedule No. 4: 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 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."

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

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9. 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 RAILCAR CORPORATION

UNION PACIFIC RAILROAD

By: *W. A. Bales*
Title: *President*
Date: *1/3/89*

By: *W A Bales*
Title: *V.P. Purchasing*
Date: *Dec 15, 1988*

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OMAHA

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

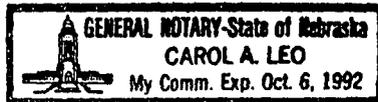
On this 3rd day of January, 1988⁹, before me personally appeared Desmond P. Hayes, to me personally known, who being by me duly sworn says that such person is President of Itel Railcar Corporation, that the foregoing Amendment No. 3 was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Sharon L. Van Fossan
Notary Public



STATE OF Nebraska)
) ss:
COUNTY OF Douglas)

On this 15th day of December, 1988, before me personally appeared W.A. Bales to me personally known, who being by me duly sworn says that such person is V.P. Purca & Mills of Union Pacific Railroad, that the foregoing Amendment No. 3 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.



Carol A. Leo
Notary Public

LAW DEPT. C. D.
UNION PACIFIC
OMAHA

EQUIPMENT SCHEDULE NO. 4

Itel Railcar 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 B boxcar, cushion underframe	OKKT	50'6"	9'6"	11'	10'	83

Specific Car Numbers shall be listed on an Exhibit A to be attached to this Equipment Schedule No. 4.

ITEL RAILCAR CORPORATION

UNION PACIFIC RAILROAD

By: *J. W. Hayes*
Title: *President*
Date: *1/3/89*

By: *W A Bales*
Title: *V. P Purchasing*
Date: *Dec 15, 1988*

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EXHIBIT A TO EQUIPMENT SCHEDULE NO. 4 to Amendment No. 3 dated January 3, 1989, between ITEL RAILCAR CORPORATION ("Lessor") and UNION PACIFIC RAILROAD ("Lessee"), to the Lease Agreement dated as of December 30, 1987, as amended, between ITEL Rail Corporation and Lessor, severally, as lessors, and Lessee.

The following boxcars shall be subject to the terms of Amendment No. 3 to the Agreement effective as of January 3, 1989.

OKKT 1815	OKKT 1872	OKKT 1904-1926
OKKT 1816	OKKT 1873	=====
OKKT 1817	OKKT 1874	83 Plate B XMs
OKKT 1819	OKKT 1875	
OKKT 1821	OKKT 1876	
OKKT 1822	OKKT 700002	
OKKT 1826	OKKT 700009	
OKKT 1828	OKKT 700015	
OKKT 1829	OKKT 700018	
OKKT 1833	OKKT 700020	
OKKT 1835	OKKT 700023	
OKKT 1837	OKKT 700028	
OKKT 1838	OKKT 700031	
OKKT 1842	OKKT 700032	
OKKT 1844	OKKT 700035	
OKKT 1845	OKKT 700044	
OKKT 1848	OKKT 700049	
OKKT 1849	OKKT 700461	
OKKT 1851	OKKT 700464	
OKKT 1853	OKKT 700477	
OKKT 1856	OKKT 700481	
OKKT 1857	OKKT 700483	
OKKT 1858	OKKT 700488	
OKKT 1859	OKKT 700491	
OKKT 1860	OKKT 700492	
OKKT 1861	OKKT 700495	
OKKT 1863	OKKT 1900	
OKKT 1864	OKKT 1901	
OKKT 1868	OKKT 1902	
OKKT 1869	OKKT 1903	

ITEL RAILCAR CORPORATION

By: *D. P. Boyer*

Title: *President*

Date: *2/21/89*

UNION PACIFIC RAILROAD

By: *M. G. Gutwirth*

Title: *Mgr. Ext. Car Pkng*

Date: *2-23-89*

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

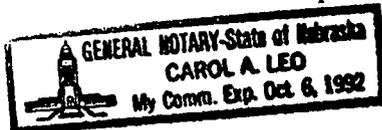
On this 3rd day of January, 1988, before me personally appeared Desmond P. Hayes, to me personally known, who being by me duly sworn says that such person is President of ITEL Railcar Corporation, that the foregoing Equipment Schedule No. 4 was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Sharon L. Van Fossan
Notary Public



STATE OF Nebraska)
) ss:
COUNTY OF Douglas)

On this 15th day of December, 1988, before me personally appeared W.A. Bales, to me personally known, who being by me duly sworn says that such person is U.P. Purch & Mottles of Union Pacific Railroad, that the foregoing Equipment Schedule No. 4 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.



Carol A. Leo
Notary Public

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