

# ITEL

November 7, 1988

## Itel Rail Corporation

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

RECORDATION NO. 15415-C FILED 1988

NOV 14 1988 11 40 AM

**INTERSTATE COMMERCE COMMISSION**

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

**Re: Release No. 2 to the Security Agreement between Itel  
Railcar Corporation and Chemical Bank, as Agent**

Dear Ms. McGee:

On behalf of Itel 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 Release under the Security Agreement dated as of December 18, 1987, between Itel Railcar Corporation and Chemical Bank, as Agent, which was filed with the ICC on December 18, 1988, under Recordation No. 15415.

The parties to the aforementioned instrument are listed below:

Itel Railcar Corporation (Debtor)  
55 Francisco Street  
San Francisco, California 94133

Chemical New York Corporation-USA (Agent)  
Three First National Plaza, 55th Floor  
Chicago, Illinois 60602

This Release releases any interest the Agent may have in and to the boxcars identified on the schedule attached thereto.

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  
Legal Department

RELEASE NO. 2 ("RELEASE")  
DATED AS OF OCTOBER 20, 1988,  
TO THE SECURITY AGREEMENT  
BETWEEN ITEL RAILCAR CORPORATION  
AND CHEMICAL BANK, AS AGENT

RECORDATION NO. 15415-C  
FIND 1588

NOV 14 1988 - 11 40 AM

INTERSTATE COMMERCE COMMISSION

WHEREAS, Itel Railcar Corporation ("Debtor"), Chemical Bank and Wells Fargo Bank, National Association (collectively, the "Lenders") and Chemical Bank, as agent for the Lenders (the "Agent"), are parties to a Credit Agreement dated as of December 18, 1987, as amended (the "Credit Agreement"); and

WHEREAS, in furtherance of the Credit Agreement, Debtor and Agent have entered into a Security Agreement (the "Security Agreement"), dated as of December 18, 1987, which was filed with the Interstate Commerce Commission pursuant to 49 U.S.C. §11303(a) on December 18, 1987, and given Recordation No. 15415; and

WHEREAS, pursuant to the Security Agreement, Debtor has granted to Agent a security interest in certain assets including certain railcars (the "Collateral"); and

WHEREAS, Subsection 8.11 of the Credit Agreement provides that Debtor may from time to time sell, transfer or dispose of items of Collateral; and

WHEREAS, Borrower has entered into a railcar purchase and sale agreement, dated in October, 1988 (the "Railcar Purchase Agreement") with purchaser (the "Purchaser") for the sale of certain railcars, constituting items of Collateral, as identified on Schedule 1 attached hereto (the "Boxcars"); and

WHEREAS, Debtor and Agent wish for Agent to release its security interest in and to the Boxcars and any and all

additions, substitutions, accessions and proceeds thereto or thereof and proceeds of proceeds including payments made or which become due under policies of insurance insuring the Boxcars; and

WHEREAS, Agent inadvertently released its security interest in one (1) 70-ton RBL boxcar bearing reporting mark USLX 11117 ("Boxcar USLX 11117"), which boxcar was released pursuant to Release No. 1, dated as of September 29, 1988, to the Security Agreement between ITEL Railcar Corporation and Chemical Bank, as Agent.

NOW, THEREFORE, pursuant to the premises and the covenants and promises contained in the Credit Agreement and in the Security Agreement, the parties agree as follows:

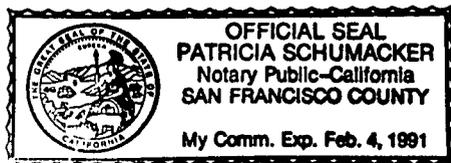
1. All capitalized terms used herein shall have the meanings assigned to them in the Security Agreement, unless otherwise stated.
2. Agent hereby fully, completely and irrevocably releases any security interest it has or might have in the property listed on Schedule 1 attached hereto.
3. Notwithstanding this Release and Release No. 1, Debtor acknowledges that Agent has a full and complete security interest in and to Boxcar USLX 11117.
4. Except as expressly modified hereby, the Security Agreement remains in full force and effect.

**CHEMICAL BANK, AS AGENT**  
By [Signature]  
Title VICE PRESIDENT  
Date NOVEMBER 3, 1988

**ITEL RAILCAR CORPORATION**  
By [Signature]  
Title President  
Date November 1, 1988

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

On this 1st day of November, 1988, before me personally appeared Desmond P. Hayes, to me personally known, who being by me duly sworn says that he is President of Itel Railcar Corporation, that the foregoing Release No. 2 was signed 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.



Patricia Schumacker  
Notary Public

STATE OF ILLINOIS        )  
  ) ss.  
COUNTY OF COOK         )

On this 3rd day of November, 1988, before me personally appeared LEONARD R. ESSEX, to me personally known, who being by me duly sworn says that he is Vice President of Chemical Bank, that the foregoing Release No. 2 was signed on behalf of said corporation by authority of its board of directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Mary M. Atkinson  
Notary Public

SCHEDULE 1

- (A) 1 RBL boxcar weighing 70 tons and being 52'5" long, bearing number USLX 11110, as more particularly identified in Exhibit A hereto; and 16 open top hopper railcars, built in 1967, bearing numbers within the series MKT 10029-10515 (non-sequential), as more particularly identified on Exhibit B hereto, together with all accessories, parts, repairs, replacements, substitutions, attachments, modifications, renewals, additions, improvements, upgrades and accessions of, to or upon such boxcars (the "Boxcars"); and
- (B) any lease or sublease or other contract or contract right, whether presently existing or hereafter arising, as and to the extent such may relate to the Boxcars (collectively, the "Leases"); and
- (C) any and all proceeds of the Boxcars or the Leases, including without limitation any and all proceeds of insurance, indemnity, warranty or guaranty payable with respect to the Boxcars; any and all payments (in any form whatsoever) made or due and payable in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any of the Boxcars by any governmental body, authority, bureau or agency; and all rents, issues, profits, revenues and other monies due and to become due under, and all claims for damages arising out of the breach of, any Lease, as and to the extent such Lease relates to the Boxcars; and
- (D) any and all property and interests in property, now owned or hereafter acquired, all accessions and additions thereto, substitutions therefor, and replacements and products thereof, cash, and all other cash and non-cash proceeds, solely to the extent the foregoing are derived from the Boxcars.

EXHIBIT A

IDENTIFICATION OF CARS

<u>Reporting Mark</u>		<u>Description</u>
USLX	11110*	52'5", 70-ton, RBL Boxcar

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\* replaces USLX 11117

EXHIBIT B

IDENTIFICATION OF CARS

	<u>Reporting Marks</u>	<u>Description</u>
MKT	10029	Open Top Hopper Railcars, built in 1967
	10092	
	10194	
	10251	
	10298	
	10361	
	10449	
	10469	
	10472	
	10474	
	10485	
	10486	
	10493	
	10502	
	10508	
	10515	

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16 Railcars