



**Illinois  
Central  
Gulf**

An **IC Industries** Company

William H. Sanders  
Corporate Counsel

**Illinois Central  
Gulf Railroad**  
Two Illinois Center  
233 North Michigan Avenue  
Chicago, IL 60601  
(312) 565 1600

June 9, 1980

Honorable Agatha L. Mergenovich, Secretary  
Interstate Commerce Commission  
Washington, D. C. 20423

RECORDATION NO. **11888** Filed 1425

**JUN 10 1980 - 12 15 PM**

INTERSTATE COMMERCE COMMISSION

Dear Ms. Mergenovich:

Pursuant to the provisions of former Section 20(c) of the Interstate Commerce Act (now 49 U.S.C. Sec. 11303) and the applicable regulations of the Interstate Commerce Commission, there are herewith transmitted for filing and recording two counterparts of a Purchase and Remanufacture Agreement dated as of May 1, 1980 between Wickes Equipment Leasing, Inc. and Illinois Central Gulf Railroad Company.

A draft payable to the order of the Interstate Commerce Commission for the recording fee applicable to this filing is enclosed herewith.

The name of the purchaser is:

Wickes Equipment Leasing, Inc.  
1010 Second Avenue  
San Diego, California 92101

The name of the seller and rebuilder is:

Illinois Central Gulf Railroad Company  
233 North Michigan Avenue  
Chicago, Illinois 60601

The equipment covered by this Agreement is 2 Model GP-11 locomotive hulks numbered IC 9333 and IC 9244 and 10 Model SW-14 locomotives numbered IC 1247, IC 424, IC 1211, ICG 1218, ICG 406, ICG 456, ICG 1000, IC 1233, IC 1013 and ICG 1005. This Agreement has not previously been recorded with the Interstate Commerce Commission.

RECEIVED  
JUN 10 12 13 PM '80  
I. C. C.  
FEE OPERATION BR.

**0-162A061**

**JUN 10 1980**

Date \_\_\_\_\_  
Fee \$ ~~100.00~~ 50.00

ICG Washington, D. C.

*W.H. Sanders*  
*Agatha L. Mergenovich*

It is respectfully requested that all counterparts not needed for the Commission's files be returned to the bearer of this letter with the Commission's recordation stamp shown thereon.

Very truly yours,

*William H. Sanders*  
William H. Sanders

RECORDATION No. **11888** Filed 1425

JUN 10 1980 - 12 15 PM

INTERSTATE COMMERCE COMMISSION

PURCHASE AND  
REMANUFACTURE AGREEMENT

Remanufacture Agreement dated as of May 1, 1980, between ILLINOIS CENTRAL GULF RAILROAD COMPANY, a Delaware corporation ("Central") and Wickes Equipment Leasing, Inc., a Delaware corporation, ("Wickes").

RECITALS

Wickes desires to purchase and have remanufactured the used locomotives described in annexed Exhibit A (collectively the "Equipment" or "Units of Equipment", and referred to individually as a "Unit");

Wickes will acquire title to and ownership of the Equipment from Central pursuant to bills of sale and will own the Equipment and all materials used to remanufacture the Equipment throughout the period of remanufacture and thereafter;

Wickes has requested, Central to remanufacture the Equipment, and Central desires to perform such work for Wickes; the Equipment will be remanufactured from materials acquired and owned by Wickes, or to be purchased by Central as an independent contractor acting on behalf of Wickes and owned by Wickes and with labor and other services to be paid for by Wickes;

Upon completion of remanufacture of the Equipment Wickes, as Lessor, will lease the Equipment to Central, as Lessee, in accordance with the terms of the Lease Agreement (the "Lease Agreement") dated as of the date of this agreement.

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties agree as follows:

1. Purchase of Equipment. Wickes agrees to purchase from Central, in order to secure reusable components, the Units of Equipment and to pay to Central the Locomotive Acquisition Cost applicable to each Unit of the Equipment as set forth in annexed Exhibit A, such payment to be made by

Wickes upon (a) receipt of Central's written instructions for purchase and payment, (b) delivery of bills of sale conveying such Units of Equipment to Wickes free and clear of all liens and encumbrances of any nature whatsoever, (c) the prior filing at Central's sole expense of such Uniform Commercial Code financing statement as Wickes may reasonably request, and (d) satisfaction of the provisions of Section 5 hereof.

2. Remanufacture of Equipment. Central, as an independent contractor, agrees to remanufacture each Unit for Wickes as Wickes' property at the Cost of Remanufacture (as hereinafter defined) therefor and agrees to deliver the remanufactured Equipment as provided in Section 3 hereof. The Equipment shall be remanufactured to the specifications set forth in annexed Exhibit B and in accordance with (i) such other modification as may have been agreed upon in writing by Central and Wickes (the "Specifications"), and (ii) such requirements, specifications and standards as are set forth in the second paragraph of this Paragraph 2. Before delivery of each remanufactured Unit to Wickes or its duly appointed representative pursuant to Paragraph 3 hereof, Central shall have the following ownership markings or such other marking as Wickes may direct stenciled on each side of such remanufactured Unit in a conspicuous place in letters not less than one inch in height:

"Owner-Lessor Wickes Equipment Leasing, Inc."

Wickes agrees that it will pay Central the cost of remanufacture as provided in Section 4 hereof.

Central agrees that the design, quality and component parts of the remanufactured Equipment will conform, on the date of completion of remanufacture, to all Department of Transportation and Interstate Commerce Commission requirements and specifications and to all standards recommended by the Association of American Railroads reasonably interpreted as being applicable; provided, however, that if any such requirements, specifications or standards are amended or otherwise modified prior to delivery and acceptance of the remanufactured Equipment under this Agreement and the Lease Agreement, or if any new governmental requirements or specifications are promulgated or proposed for adoption or if any new standards are recommended prior to such date, Central shall cause the remanufactured Equipment to conform to such new requirements, specifications or standards, provided, however, that

the Cost of Remanufacture of the remanufactured Equipment affected will be appropriately adjusted by written agreement of Central and Wickes.

Central agrees that in the remanufacture of the Equipment there shall be used exclusively articles, supplies, materials and parts (collectively, the "materials") acquired and owned by Wickes and furnished to Central or purchased by Central as an independent contractor acting on behalf of Wickes and owned by Wickes.

Wickes hereby authorizes Central to act for Wickes in the purchase, for the account of Wickes, of all materials necessary in the remanufacture of the Equipment, and Central agrees to enter into appropriate contracts, at the lowest practicable prices, with the vendors of materials necessary for the remanufacture of the Equipment. Full legal title to the materials, free of any liens, claims or charges of any nature whatsoever, shall vest in Wickes prior to the delivery to Wickes for acceptance of any remanufactured Unit of which the materials shall become a part. Every contract for the purchase of materials shall be entered into by Central as an independent contractor and shall expressly recite that the purchase is for Wickes and title to the materials upon purchase shall vest directly and solely in Wickes. All such contracts shall instruct the vendors of such materials to invoice Central for such materials and Central shall pay such invoices within the time periods specified therein and will from time to time, at Wickes request, furnish Wickes with a certificate signed by its Treasurer stating that all amounts presently due and owing for such materials have been paid in full or, if not paid in full, stating the reason(s) therefor. Central waives any right it has or may have to claim any lien or charges for any purpose whatsoever upon the remanufactured Equipment or upon any materials used in the remanufacture.

3. Delivery. Central will complete remanufacture of and deliver the remanufactured Equipment to Wickes, freight charges, if any, prepaid, at such point or points within the United States of America as shall be determined by the mutual agreement of Central and Wickes and in accordance with the delivery schedule set forth in annexed Exhibit A; provided however, that no remanufactured Unit shall be delivered under this Agreement until the Lease Agreement shall have been filed and recorded with the Interstate Commerce Commission in accordance with Section 11303(a) of the Revised Interstate Commerce Act.

Central represents and warrants that at the time of delivery, the remanufactured Equipment will be railroad equipment free and clear of all liens, claims or charges of any nature whatsoever, other than liens, claims or charges attaching through Wickes, and that, to the best of its knowledge, no amortization or depreciation of the remanufactured Equipment will have been claimed by any person.

Central's obligation as to time of delivery is subject to delays resulting from causes beyond Central's reasonable control, including, but not limited to, acts of God, acts of government such as embargos, priorities and allocations, war or war conditions, riot or civil commotion, sabotage, strikes, labor shortages, differences with workmen, accidents, fire, flood, explosion, damage to plant, equipment or facilities or delays in receiving necessary materials or delays of carriers or subcontractors.

Notwithstanding the preceding provisions of this Section 3, any Unit not remanufactured, delivered, accepted and leased to Central pursuant to the Lease Agreement and this Agreement on or before July 26, 1980, shall, at Wickes option, be repurchased by Central from Wickes on that date at a price equal to the sum of : (i) Locomotive Acquisition Cost for such Unit as set forth in annexed Exhibit A; (ii) any additional sums paid by Wickes to Central or directly to a third person for materials incorporated or intended for incorporation, but unused, in such Unit; (iii) any additional sums owed by Wickes to Central or by Wickes or Central to third persons for such materials; and (iv) as liquidated damages for failure to remanufacture, an amount equal to the product of the Locomotive Acquisition Cost for each such Unit times .0384433 percent for each day elapsed commencing with the date of payment of the Acquisition Cost and to, but not including, the date of repurchase hereunder. In the event of any repurchase, Central and Wickes shall execute a supplemental agreement limiting this Agreement to the remanufactured Equipment not so repurchased and providing for the assignment to Central of all right, title and interest of Wickes to the materials owned by Wickes and furnished to Central or purchased by Central on behalf of Wickes for utilization in the remanufacture of the repurchased Equipment, and Wickes shall take such other steps, including the execution of instruments of transfer, as may reasonably be requested by Central for the purpose of acknowledging and perfecting the interest of Central in any Unit so repurchased or such materials. Wickes shall have no further obligation or liability with respect to Units of Equipment so repurchased or material incorporated in such Equipment.

Prior to delivery of the remanufactured Equipment, Wickes shall designate an officer of Central as its authorized representative for inspection and acceptance of the remanufactured Equipment. Upon the completion of the remanufacture of a Unit, or a number of Units of the Equipment, each such remanufactured Unit or Units of Equipment shall be presented to such authorized representative of Wickes for inspection at Central's plant and, if each such remanufactured Unit or Units of Equipment conforms or conform to the Specifications and other standards set forth or referred to in Paragraph 2 hereof, such authorized representative shall promptly execute and deliver to Central and to Wickes, in such number of counterparts or copies as may be reasonably requested, a certificate of acceptance (a "Certificate of Acceptance") in the form referred to in the Lease Agreement stating that such remanufactured Unit or Units of Equipment have been inspected and accepted on behalf of Wickes and the Lessee under the Lease Agreement and are marked in accordance with Paragraph 2 hereof and Section 6 thereof; provided, however, that Central shall not be relieved of its warranty and indemnities contained in Paragraphs 6 and 7 of this Agreement as a result of such acceptance.

4. Cost of Remanufacture. The cost of remanufacture of each Unit of the Equipment is set forth in annexed Exhibit A and is subject to such increase or decrease as may be agreed to in writing by Central and Wickes (the "Cost of Remanufacture"). Payment of the Cost of Remanufacture applicable to any remanufactured Unit shall constitute payment (i) for all materials and labor contained or incorporated in the remanufactured Unit, and (ii) for remanufacture.

Settlement for the remanufacture of the Equipment shall be made on one or more but in no event more than three remanufacture closing dates (the Equipment settled for on a closing date being hereinafter called a "Group"). Central shall give Wickes at least five (5) business days written notice of each remanufacture closing date, stating the number of Units of Equipment in the Group and the aggregate Cost of Remanufacture. Subject to the provisions of Paragraph 5 hereof, Wickes promises to pay in immediately available funds to Central at such place as Central may designate, on the remanufacture closing date with respect to a Group, an amount equal to the aggregate Cost of Remanufacture of all remanufactured Units of the Equipment in such Group as set forth in such notice.

5. Conditions to Obligations of Wickes. The obligations of Wickes to pay Central the amounts required to be

paid pursuant to Paragraph 1 and the second paragraph of Paragraph 4 with respect to the Group of Equipment for which settlement is then being made is subject to the satisfaction of the conditions set forth in Section 20.1 of the Lease Agreement, except that the conditions set forth in Section 20.1(iv)(C)(2), (3) and that portion of (4) relating to useful life and Section 20.1(v)(A)(B)(C) and (D) shall not apply to amounts required to be paid pursuant to Paragraph 1.

Any remanufactured Unit for which payment need not be made as provided in the second paragraph of Paragraph 4 hereof by Wickes because one or more of the conditions referred to in Section 20.1 of the Lease Agreement is not satisfied, shall be repurchased by Central as provided in Paragraph 3 hereof.

6. Contractor's Warranty of Workmanship. Central warrants that the Units of Equipment will be remanufactured to the Specifications and other requirements, specifications and standards set forth or referred to in Paragraph 2 hereof and warrants that the remanufactured Equipment will be free from defects in workmanship or design under normal use and service for a period of one (1) year from the date of delivery.

Central agrees that neither the inspection as provided in Paragraph 3 hereof, nor any examination or acceptance of any remanufactured Units of Equipment as provided in Paragraph 3 hereof, shall be deemed a waiver or modification by Wickes of any of its rights under this Paragraph or Paragraph 7 hereof.

7. Indemnities. Central agrees to indemnify, protect and hold Wickes harmless against all losses, damages (including without limitation losses resulting from destruction of or damage to the Equipment or remanufactured Equipment prior to its acceptance by Central for lease under the Lease Agreement), injuries, liabilities, claims and demands, patent, trademark and copyright liabilities, penalties and interest arising out of or as the result of the entering into or the performance of this Agreement or the ordering, acquisition, ownership, remanufacture, assembly, storage or delivery of any Unit or remanufactured Unit, or any material or materials utilized in connection therewith, or arising out of or as a result of any accident in connection therewith resulting in damage to property or injury to or death of any person or any breach of warranty relating thereto, and agrees to pay any expenses associated with this indemnity, including, but not limited to, counsel fees and expenses. The indemnities

arising under this provision shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the expiration or other termination of this Agreement.

8. Notices. Any notice to the party designated below shall be deemed to be properly served if delivered or mailed to it at the following specified addresses:

(a) To Wickes at: Wickes Equipment Leasing, Inc.  
1010 Second Avenue  
San Diego, California 92101  
Attention of the President

(b) To Central at : Illinois Central Gulf Railroad Co.  
233 North Michigan Avenue  
Chicago, Illinois 60601  
Attention of the Treasurer

or such other address as may have been furnished in writing by such party to the other party to this Agreement.

9. Assignments by Central. All or any of the rights, benefits or advantages of Central under this Agreement, including the right to receive the Locomotive Acquisition Cost or the Cost of Remanufacture of all Units of Equipment or remanufactured Equipment, may be assigned by Central and reassigned by any assignee at any time or from time to time; provided, however, that no such assignment or reassignment shall subject any assignee to, or relieve Central from, any of Central's warranties, indemnities or other obligations contained in this Agreement or relieve Central or a successor or successors to its manufacturing property and business from any of its obligations to remanufacture and deliver the Equipment in accordance with the Specifications and other provisions hereof or to respond to its warranties, indemnities or other obligations, whether contained in this Agreement or created by law, or relieve Wickes of its obligations to Central under this Agreement, which, according to their terms and context, are intended to survive an assignment.

Upon any assignment or reassignment and as a condition precedent to Wickes' obligation to give effect thereto, either the assignor or the assignee shall give written notice to Wickes together with a counterpart or copy of the assignment,

stating the identity and post office address of the assignee (if not otherwise stated in the assignment), and Central's or such other assignee's right, title and interest in and to the rights, benefits and advantages of Central being assigned, subject only to such reservation as may be contained in the assignment. After receipt by Wickes of the notification of any such assignment or reassignment, all payments made by Wickes shall, to the extent so assigned, be made to the assignee in such manner as it may direct.

10. Assignment by Wickes. All or any portion of the rights, benefits or advantages of Wickes under this Agreement, including without limitation (a) title to the materials utilized in the remanufacture of the Equipment, (b) the right to accept delivery of the Equipment or remanufactured Equipment and to be named in any instrument of conveyance delivered by Central, (c) the right to receive any and all monies due or to become due to Wickes in respect of the Equipment or the remanufactured Equipment arising as a result of any default by Central and for indemnification under Paragraph 7 hereof, and (d) all rights of Wickes to perform under this Agreement and compel performance of its terms, may be assigned by Wickes and reassigned by any assignee at any time or from time to time. Upon any assignment, either the assignor or the assignee shall give written notice to Central, stating the identity and post office address of the assignee (if not otherwise stated in the assignment), and the assignee shall by virtue of the assignment acquire all of Wickes' right, title and interest in and to the rights, benefits and advantages of Wickes assigned subject only to such reservation as may be contained in the assignment.

11. Defaults. Occurrence of one or more of the following events shall constitute an event of default hereunder:

(a) Wickes fails to pay in full, when due and payable, any sum payable by Wickes as provided for the Cost of Remanufacture of the Equipment and the failure shall continue for more than ten (10) days following receipt of written notice that the payment is due; or

(b) Wickes fails or refuses to comply with any covenant, agreement, term or provision of this Agreement or fails to make satisfactory provision for its performance within 30 days after Central shall have demanded in writing performance thereof.

(c) Wickes makes or suffers an unauthorized assignment or transfer of all or part of this Agreement or any unauthorized assignment or transfer of the right to possession of any Unit or remanufactured Unit;

At any time after the occurrence of such an event of default under this Agreement, Central shall have the rights and remedies of a secured party provided in Article 9 of the Uniform Commercial Code as adopted by the State of Illinois, and in addition, those provided in this Agreement.

In case Central shall rightfully demand possession of the Equipment or remanufactured Equipment in accordance with this Agreement upon an event of default and shall reasonably designate a point or points for the delivery of the Equipment or remanufactured Equipment to Central, Wickes shall forthwith and in the usual manner cause the Equipment or remanufactured Equipment to be moved to such point or points as shall be designated by Central and shall there deliver the Equipment or remanufactured Equipment or cause it to be delivered to Central, and, at the option of Central, Central may keep the Equipment on any lines or premises designated by Central until Central shall have leased, sold or otherwise disposed of the same. Additionally, Wickes shall take such steps, upon the request of Central, to confirm in Central all right, title and interest of Wickes in and to the materials owned by Wickes and furnished to Central but not yet paid for or purchased by Central on behalf of Wickes for utilization in the remanufacture of the Equipment.

12. Paragraph Headings. All paragraph headings are inserted for convenience only and shall not affect the construction or interpretation of this Agreement.

13. Effect and Modification of Agreement. This Agreement and the annexed exhibits exclusively and completely state the rights and agreements of Central and Wickes with respect to the purchase and remanufacture of the Equipment and supersede all purchase agreements, purchase orders and other agreements, oral or written, with respect to the purchase and remanufacture of the Equipment. No variation of this Agreement and no waiver of any of its provision or conditions shall be valid unless in writing and duly executed on behalf of Wickes and Central.

14. Law Governing. The terms of this Agreement and all rights and obligations under it shall be governed by the laws of Illinois; provided, however, that the parties

shall be entitled to all rights conferred by Section 11303(a) of the Revised Interstate Commerce Act.

15. Successors and Assigns. As used in this Agreement the terms Central and Wickes shall be deemed to include the successors and assigns of Central and Wickes, as the case may be.

16. Multiple Copies. This Agreement may be signed in any number of copies, any one of which shall be considered as the original Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of the date first above written.

ILLINOIS CENTRAL GULF RAILROAD  
COMPANY (CENTRAL)

WICKES EQUIPMENT LEASING, INC.

By *D E Kumber*  
Title *Vice President*

By *[Signature]* *9/28/60*  
Title *President*

ATTEST:

ATTEST:

By *W. H. Sanders*  
Title *Asst. Secretary*

By *[Signature]* *9/28/60*  
Title *V. P.*

(SEAL)

(SEAL)



Exhibit A To Purchase and Remanufacture Agreement

<u>Type</u>	<u>Quantity</u>	<u>Locomotive Acquisition Price</u>	<u>Remanufacture Cost</u>	<u>Lessor's Cost of Equipment</u>	<u>Road Numbers</u>	<u>Estimated Delivery</u>
GP-11	2	\$ 112,000	\$ 820,000	\$ 932,000	IC 9333 IC 9244	June-July 1980
SW-14	10	400,000	3,580,000	3,980,000	(see below)	
		<hr/> \$ 512,000	<hr/> \$4,400,000	<hr/> \$4,912,000		

SW-14 Road Numbers

IC 1247  
 IC 424  
 IC 1211  
 ICG 1218  
 ICG 406  
 ICG 456  
 ICG 1000  
 IC 1233  
 IC 1013  
 ICG 1005

EXHIBIT B TO PURCHASE AND  
REMANUFACTURE AGREEMENT

SPECIFICATIONS FOR REMANUFACTURED LOCOMOTIVES

	<u>SW 14</u>	<u>GP 11</u>
Horsepower (minimum)	1,200	1,850
Engine (minimum)	12-567BC	567(C)
Generator (Main)	DISC	D12L-D14
Traction Motors	D27, 37	D37
Generator (auxiliary)	10KW	14KW
Air Brakes	26 NL	26L Porto Pack
Fuel Capacity (gallons)	600	1,750
Gear Ratio	62:15	62:15
Electric Cab Heat		Prime