ITEL
Pullman

Itel Rail Corporation
55 Francisco Street
San Francisco, CA 94133
(415) 984-4000
(415) 781-1035 Fax

August 31, 1989

9778-S

SEP 6 1989 -11 50 AM
INTERSTATE COMMERCE COMMISSION

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

Re: **Full Release and Termination of Assignment Agreement**

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 $26 recordation fee.

Please record this Release under the Lease Agreement dated March 15, 1978, between Itel Rail Corporation and Texas Mexican Railway Company, which was filed with the ICC on October 17, 1978, under Recordation No. 9778. Please cross-index Release under the Lease Assignment and Agreement dated as of September 30, 1986, as supplemented (as supplemented, the "Lease Assignment"), between Itel Rail Corporation and Heller Financial, Inc. ("Heller"), which was filed with the ICC on October 7, 1986, under Recordation No. 15064.

The parties to the aforementioned instrument are listed below:

Itel Rail Corporation (Borrower)
55 Francisco Street
San Francisco, California 94133

Heller Financial, Inc. (Secured Party)
200 North LaSalle Street
Chicago, Illinois 60601

This Release terminates the Lease Assignment in its entirety and completely releases Heller of any security interest it may have had in the leases and equipment identified therein.

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 Assistant

## CERTIFICATION OF TRUE COPY

On September 1, 1989, I, Patricia Schumacker, examined an original copy of the **Full Release and Termination Agreement dated as of August 11, 1989, between Itel Rail Corporation and Heller Financial, Inc.**, and I hereby certify that I have compared the attached duplicate copy with the original, and that it is a complete, true and correct copy of the original in all respects, including the dates, signatures and acknowledgements thereof.

patricia schumacker
Patricia Schumacker

RECORDATION NO. 9778-S FILED 1425

SEP 6 1989 -11 50 AM

INTERSTATE COMMERCE COMMISSION

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

On this 1st day of September 1989, before me personally appeared Patricia Schumacker, personally known to me to be the person whose name is subscribed to the above instrument, and she acknowledged that she executed the same.

OFFICIAL SEAL
PATRICIA M. O'GRADY
NOTARY PUBLIC - CALIFORNIA
CITY AND COUNTY OF SAN FRANCISCO
My Comm Expires April 20, 1990

Patricia M. O'Grady
Notary Public

File under
9778
Cross-index under
15064

RECORDATION NO. 9778-8
SEP 6 1989 -11 50 AM
INTERSTATE COMMERCE COMMISSION

# FULL RELEASE AND TERMINATION AGREEMENT

Full Release and Termination Agreement ("Release"), dated as of August 11, 1989 among Itel Rail Corporation, a Delaware corporation ("Rail"), and Heller Financial, Inc., a Delaware corporation (the "Lender").

WHEREAS, pursuant to that certain Loan and Security Agreement dated as of September 30, 1986, between Rail and the Lender, as heretofore amended, modified or supplemented (the "Loan Agreement") the Lender agreed to make loans from time to time (the "Loans") to Rail; and

WHEREAS, the Loans are guaranteed pursuant to that certain guaranty dated as of September 30, 1986 by Itel Railcar Corporation, a Delaware corporation, as heretofore amended, modified or supplemented (the "Guaranty"); and

WHEREAS, to secure repayment of the Loans, Rail entered into that certain Security Agreement dated as of September 30, 1986, made by Rail to the Lender as heretofore amended, modified or supplemented (the "Security Agreement") which was filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. Section 11303(a) on October 7, 1986, and given Recordation No. 15063; and

WHEREAS, to further secure repayment of the Loans, Rail entered into that certain Pledge Agreement dated as of September 20, 1988, made by Rail to the Lender, as heretofore amended, modified or supplemented (the "Pledge Agreement"; pursuant to which Rail has pledged the Pledged Shares (as defined in the Pledge Agreement); and

WHEREAS, to further secure repayment of the Loans, Rail entered into those certain lease assignments from time to time, by and between Rail and the Lender, as heretofore amended, modified or supplemented (the "Lease Assignments") which was filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. Section 11303(a) on October 7, 1986, and given Recordation No. 15064, pursuant to which Rail has assigned all of its rights in the Leases (as defined in the Lease Assignments) to the Lender; and

WHEREAS, Rail has repaid its obligations including, without limitation, its Obligations (as defined in the Loan Agreement) with respect to the Loan Agreement, including all outstanding principal plus accrued interest and fees and expenses to the date hereof; and

WHEREAS, the Lender has agreed to terminate the Loan Agreement, the Guaranty, the Security Agreement, the Pledge Agreement, and the Lease Assignments, and to release the security interests granted pursuant thereto.

NOW THEREFORE, in consideration the foregoing and the terms of this Release:

(1) The Lender hereby acknowledges receipt of the entire outstanding principal balance, plus accrued interest thereon, plus any accrued fees and expenses, including, without limitation, all prepayment penalties, to the date of this Release, of funds advanced and fees and expenses incurred pursuant to the Loan Agreement, evidenced by a wire transfer payment in an aggregate amount equal to $68,077,778.34, and the Lender hereby expressly declares all of the terms, provisions and covenants of the Loan Agreement to be terminated and no longer in effect.

(2) The Lender hereby expressly relinquishes, releases and renders ineffective all of its rights, powers and interests derived from or arising under the Guaranty, the Security Agreement, the Pledge Agreement, the Lease Assignments, or any filings pertaining to any thereof, and the Lender hereby expressly declares all of the terms, provisions and covenants of the Guaranty, the Security Agreement, the Pledge Agreement and the Lease Assignments to be terminated and no longer in effect.

(3) The Lender agrees to promptly deliver all certificates evidencing the Pledged Shares to Rail free and clear of any claim, charge or security interest for the benefit of the Lender.

(4) The Lender hereby agrees to effect such other documents as are reasonably required by Rail (at Rail's sole cost and expense), to carry out the intent of this Release, including the execution and filing of Uniform Commercial Code termination statements and Interstate Commerce Commission filings.

(5) In case any provision is or obligation under this Release shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provision or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

(6) This Release shall be binding upon the parties hereto and their successors and assigns, for the uses and purposes above set forth and referred to effective immediately upon execution by the Lender and Rail.

(7) This Release may be executed in counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same document.

(8) This release shall be governed by and construed in accordance with the laws of the State of Illinois.

IN WITNESS WHEREOF, the parties have executed and delivered this Release as of the date first above written.

HELLER FINANCIAL, INC.

By: Patrick Pesch
Title: SVP

ITEL RAIL CORPORATION

By: Robert Kidwell
Title: Vice President and Treasurer