NOV 1 1985

10.00

ITEL

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

RECORDATION NO. 9756-V Filed 1425

NOV 1 1985 - 1 05 PM

INTERSTATE COMMERCE COMMISSION

October 29, 1985

5-305A025

Honorable James H. Bayne, Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Dear Mr. Bayne:

Pursuant to 49 U.S.C. Section 11303(a) and the Interstate Commerce Commission's rules and regulations thereunder, I enclose herewith on behalf of Itel Rail Corporation for filing and recordation under the Lease Agreement dated as of April 26, 1978 between Itel Corporation, Rail Division as predecessor in interest to Itel Rail Corporation and East Camden and Highland Railroad Company which was filed with the I.C.C. on October 11, 1978 and given I.C.C. Recordation No. 9756, four counterparts of the following document:

this one we think will be 9756-V

Assignment of October 6, 1983 Sublease between East Camden and Highland Railroad Company and Green Bay and Western Railroad Company to First Security Bank of Utah, N.A., as Trustee.

The names and addresses of the parties to the aforementioned are:

1. First Security Bank of Utah, N.A. (Assignee)
   Corporate Trust Division
   79 South Main Street
   Salt Lake City, Utah 84111

2. Itel Rail Corporation (Assignor)
   55 Francisco, 5th Floor
   San Francisco, California 94133

The equipment covered by this Assignment is fifty (50) 50'6", 70-ton, Plate C, C-Sgl., XM boxcars bearing reporting marks GBW 10050-10099.

Also enclosed is a check in the amount of $10.00 for the required recording fee.

Countersigned
John Austin

NOV 1 12 59 PM '85

Please stamp all counterparts of the enclosed Assignment with your official recording stamp. You will wish to retain one (1) counterpart of the document for your files; it is requested that the remaining three (3) counterparts be returned to the bearer of this document.

Sincerely,

Denise M. Bottarini

Denise M. Bottarini
Senior Legal Assistant

DMB/vdv/47

cc: Howard Chabner
Robert S. Clark
J. Michael Kelly, Esq.
Ginny Hanger

11/1/85

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

Denise M. Bottarini
Senior Legal Assist.
55 Francisco St.
San Francisco, Calif. 94133

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 11/1/85 at 1:05pm and assigned re-recordation number(s). 9756-V

Sincerely yours,

James H. Bayne

Secretary

Enclosure(s)

SE-30
(7/79)

07/15/85

RECORDATION NO. 9756 Filed
NOV 1 1985 -1 05 PM
INTERSTATE COMMERCE COMMISS

ASSIGNMENT OF OCTOBER 6, 1983
SUBLEASE BETWEEN EAST CAMDEN AND HIGHLAND RAILROAD COMPANY
AND GREEN BAY AND WESTERN RAILROAD COMPANY
TO FIRST SECURITY BANK OF UTAH, N.A., AS TRUSTEE

ASSIGNMENT OF SUBLEASE AND AGREEMENT dated as of July 22, 1985, (hereunder called this "Assignment"), by and between **ITEL RAIL CORPORATION,** a Delaware corporation ("Itel Rail"), and **FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION,** a national banking association, incorporated and existing under the laws of the United States of America (the "Trustee").

WHEREAS, Itel Rail has entered into a Consolidated, Amended, and Restated Equipment Trust Agreement, dated January 1, 1982 (the "ETC Modification Agreement"), and pursuant to the ETC Modification Agreement, Itel Rail has certain obligations with respect to the Itel Corporation, Itel Rail Corporation 10% Amended Equipment Trust Certificates, 1978 Series 3, due 1994 as set forth in Schedule 2F of the ETC Modification Agreement (the "Amended 1978 Series 3 Trust Certificates"); and

WHEREAS, Itel Rail is the successor in interest to Itel Corporation, Rail Division, pursuant to Itel Corporation's Amended Plan of Reorganization which became effective on September 19, 1983; and

WHEREAS, Itel Rail and **EAST CAMDEN AND HIGHLAND RAILROAD COMPANY** ("EACH") have entered into a Lease (as defined in the ETC Modification Agreement) of Equipment (as defined in the ETC Modification Agreement) dated as of April 26, 1978, (such Lease, together with any amendments or supplements thereto, called the "Lease") providing for the leasing by Itel Rail to EACH of certain units of the Trust Equipment (as defined in the ETC Modification Agreement); and

WHEREAS, the Lease may also cover the leasing to EACH of other Equipment not included as part of the Trust Equipment; and

WHEREAS, in order to provide security for the obligations of Itel Rail under the ETC Modification Agreement, Itel Rail assigned for security purposes its rights to and under the Lease, as amended, to the Trustee as and only to the extent that the Lease relates to the Trust Equipment by means of an Assignment (as defined in the ETC Modification Agreement) dated as of May 29, 1979; and

WHEREAS, by Amendment No. 7 dated October 12, 1983 to the Lease (hereinafter called the "Amendment"), Itel Rail consented to EACH's entering into a Sublease (as defined in the ETC Modification Agreement) with the **GREEN BAY AND WESTERN RAILROAD COMPANY** ("GBW") for up to fifty (50) units of Trust Equipment bearing reporting marks from within the series EACH 2351-2500; and

WHEREAS, EACH has entered into a Sublease with the GBW (hereinafter called "Sublessee") dated as of October 6, 1983 (such Sublease together with any amendments and supplements thereto called the "Sublease") providing for the subleasing by EACH to the Sublessee of certain units of Trust Equipment (the "Subleased Trust Equipment"); and

WHEREAS, in order to provide security for the obligations of EACH under the Lease, EACH assigned for security purposes only its rights to and under the Sublease to Itel Rail as and only to the extent that the Sublease relates to the Subleased Trust Equipment by means of an Amended Assignment dated as of July 23, 1985 ("Amended Assignment of Sublease to Itel Rail"); and

WHEREAS, in order to continue to provide security for the obligations of Itel Rail under the ETC Modification Agreement, Itel Rail agrees to assign for security purposes its rights to and under the Sublease and/or the Amended Assignment of Sublease to Itel Rail to the Trustee, as and only to the extent that the Sublease relates to the Subleased Trust Equipment.

NOW, THEREFORE, in consideration of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto hereby agree as follows:

1. Itel Rail hereby assigns, transfers, and sets over unto the Trustee, as collateral security for the payment and performance of Itel Rail's obligations under the ETC Modification Agreement with respect to the Amended 1978 Series 3 Trust Certificates, all of Itel Rail's rights, title and interest, powers, privileges and other benefits under the ETC Modification Agreement, with respect to the Amended 1978 Series 3 Trust Certificates, as and only to the extent that the Sublease and/or Amended Assignment of Sublease to Itel Rail relates to the Subleased Trust Equipment set forth in Annex A hereto, including, without limitation, all rights to receive and collect all rentals, profits and other sums payable to or receivable by Itel Rail from the Sublessee under or pursuant to the provisions of the Sublease and/or the Amended Assignment of Sublease to Itel Rail, whether as rent, casualty payment, indemnity, liquidated damages, or otherwise (such monies being hereinafter called the "Payments"); provided, however, that until a Default (as defined in the ETC Modification Agreement) or an Event of Default (as defined in the ETC Modification Agreement) shall occur, it is understood that Itel Rail shall be entitled to collect and receive all the Payments and to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to apply all Payments to which Itel Rail is entitled to the payment of any and all of Itel Rail's obligations under the ETC Modification Agreement and to retain the balance, if any. In furtherance of the foregoing assignment, but subject to the foregoing provisions of this paragraph, Itel Rail irrevocably authorizes and empowers the Trustee in its own name, in the name of its nominee or in the name of Itel Rail or as its attorney, to ask, demand, sue for, collect, and receive any and all the Payments to which Itel Rail is or may become entitled under the Sublease and/or Amended Assignment of Sublease to Itel Rail, and to enforce compliance by the Sublessee or the Sublessor with all the terms and provisions thereof. Whenever a Sublease covers other Equipment not included as part of the Subleased Trust Equipment and the amount of any payment due to Itel Rail under the Sublease and/or Assignment of Sublease to Itel Rail as car hire payments (including both straight and incentive per diem), mileage charges, or other rental revenues is calculated on an aggregate basis for all Equipment subleased thereunder, for the purposes of this Assignment an amount equal to the Assigned Fraction (as hereinafter defined) of each such payment shall be deemed to be payable with respect to such

Subleased Trust Equipment subleased under such Sublease. The term "Assigned Fraction" as used herein shall mean a fraction the numerator of which shall be the number of units of Equipment comprising such Subleased Trust Equipment subleased under such Sublease and the denominator of which shall be the aggregate number of units of Equipment (including such units of Subleased Trust Equipment) at the time subleased under such Sublease.

2. This Assignment is executed only as security for the obligations of Itel Rail with respect to the Amended 1978 Series 3 Trust Certificates under the ETC Modification Agreement and, therefore, the execution and delivery of this Assignment shall not subject the Trustee to, or transfer or pass, or in any way affect or modify, the liability of EACH under the Sublease or of Itel Rail pursuant to the exercise of its rights under the Assignment of Sublease to Itel Rail, it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of EACH or Itel Rail to the Sublessee shall be and remain enforceable by the Sublessee, its successor and assigns, against, and only against EACH or Itel Rail or persons other than the Trustee or any holder of Amended 1978 Series 3 Trust Certificates.

3. To protect the security afforded by this Assignment, Itel Rail agrees as follows:

   (a) Itel Rail will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Sublease and/or Amended Assignment of Sublease to Itel Rail provides is to be performed by Itel Rail;

   (b) At Itel Rail's sole cost and expense, Itel Rail will appear in and defend every action or proceeding arising under, growing out of, or in any manner connected with the obligations, duties or liabilities of Itel Rail under the Sublease and/or Amended Assignment of Sublease to Itel Rail; and

   (c) Should Itel Rail fail to make any payment or to do any act which this Assignment requires Itel Rail to make or do, then the Trustee may, but without obligation so to do, after first making written demand upon Itel Rail and affording Itel Rail a reasonable period of time within which to make such payment or do such act, but without releasing Itel Rail from any obligation hereunder, make or do the same in such manner and to such extent as the Trustee may deem necessary to protect the security provided hereby, including specifically, without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof and the rights or powers of the Trustee, and also the right to perform and discharge each and every obligation, covenant and agreement of Itel Rail contained in the Sublease and/or Amended Assignment of Sublease to Itel Rail, and in exercising any such powers, the Trustee may pay necessary costs and expenses, employ counsel and incur and pay reasonable attorney's fees, and Itel Rail will reimburse the Trustee for such costs, expenses and fees.

4. Upon the full discharge and satisfaction of all of Itel Rail's obligations under the Agreement and this Assignment, all rights herein assigned to the Trustee shall terminate and all estate, right, title and interest of the Trustee in and to the Sublease and/or Amended Assignment of Sublease to Itel Rail shall revert to Itel Rail.

5. Itel Rail will, from time to time, do and perform any other act and will execute, acknowledge, and deliver and file, register, deposit and record (and will refile, reregister, rerecord, or redeposit whenever required) any and all further instruments required by law or reasonably requested by the Trustee in order to confirm or further assure the interests of the Trustee hereunder.

6. If an Event of Default shall occur and be continuing under the ETC Modification Agreement, the Trustee may assign all or any of the rights assigned to it hereby or arising under the Sublease and/or Amended Assignment of Sublease to Itel Rail, including without limitation, the right to receive any Payments due or to become due. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Trustee hereunder. The Trustee will give written notice to EACH and the Sublessee of any such assignment.

7. This Assignment shall be governed by the laws of the State of New York, but the parties shall be entitled to all rights conferred by the laws of the United States permitting filing with the Interstate Commerce Commission.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective names, by officers thereunto duly authorized, and their respective seals to be affixed and duly attested, all as of the date first above written.

ITEL RAIL CORPORATION

(Seal)

By: _____

Attest: _____
Asst. Secretary

FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION

(Seal)

By: _____
Authorized Officer

Attest: _____
Authorized Officer

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

On this 22ND day of JULY, 1985, 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 instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and that such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

OFFICIAL SEAL
CHRISTI S GRONROOS
NOTARY PUBLIC - CALIFORNIA
SAN FRANCISCO COUNTY
My comm. expires JUN 6, 1986

Christi S. Gronroos
Notary Public

(Notarial Seal)

My commission expires: 6/6/86

STATE OF UTAH)
) ss:
COUNTY OF SALT LAKE)

On this 16th day of Oct, 1985, before me personally appeared John R. Sagen, to me personally known, who being by me duly sworn, says that such person is an authorized Officer of First Security Bank of Utah, N.A., a national banking association, that the foregoing instrument was signed and sealed on behalf of said national banking association by authority of its board of directors and that such person acknowledged that the execution of the foregoing instrument was the free act and deed of said national banking association.

Elizabeth M. Webb
Notary Public

(Notarial Seal)

My commission expires: MAY 31 1989

160:47846

ANNEX A

No. of Units	Reporting Marks	Subleased Trust Equipment Description	AAR Mechanical Designation
50	GBW 10050-10099	50'6", 70-Ton PL.C., C-Sgl. Boxcars	XM