

# REXRAILWAYS

RECORDATION NO. 14452A Filed 1426

JUL 23 1986 12 30 PM

INTERSTATE COMMERCE COMMISSION July 16, 1986

Date: 7/23/86  
Fee: 10.00  
ICC Washington, D. C.

Ms. Mildred Lee, Chief  
Interstate Commerce Commission  
12th & Constitutional Avenue, N.W.  
Room 2303  
Washington, D.C. 20423

Dear Ms Lee:

Please find enclosed three executed copies of a Collateral Assignment between Citicorp Industrial Credit, Inc., 450 Mamaroneck Avenue, Harrison, N.Y. 10528 and Rex Railways, Inc. 616 Palisade Avenue, Englewood Cliffs, N.J. 07632 which is an Assignment of the lease agreement dated July 6, 1984 between Rex Railways and the Chicago and North Western Transportation Company, One North Western Center, Chicago, Illinois. That lease was recorded on October 22, 1984, recordation #14457.

Please find our check enclosed for \$10.00 for recordation of the Collateral Assignment. Please return the receipt to us in the envelope supplied for your convenience.

Most cordially yours,



Mark A. Salitan  
President

MAS:jgm  
Encl.

Interstate Commerce Commission  
Washington, D.C. 20423

7/23/86

OFFICE OF THE SECRETARY

Mark A Salitan  
President  
Rex Railways, Inc.  
616 Palisade Avenue  
Englewood Cliffs, N.J. 07632

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 7/23/86 at 12:30pm, and assigned re-  
recording number(s). 14457-A

Sincerely yours,

*Norata L. McGee*

Enclosure(s)

SE-30  
(7/79)

COLLATERAL ASSIGNMENT

REGISTRATION NO. 14452 A  
FILED 1425

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INTERSTATE COMMERCE COMMISSION

As further security for its obligations under a Guaranty and Agreement dated October 1, 1979, as amended by a Letter Agreement dated February 6, 1984 between Rex-Noreco, Inc., Rex Railways, Inc., Citicorp Industrial Credit, Inc., and C&H Railways, Ltd., (the "Agreement"), Rex Railways, Inc. (herein called the "Lessor") subject to the terms and conditions of the Agreement hereby assigns to Citicorp Industrial Credit, Inc., (herein in called the "Assignee") all of Lessor's right, title and interest in all sums due and to become due under the lease of 90 boxcars, dated 7/6/84 (the "Lease") between, Rex Railways, Inc., 616 Palisades Avenue, Englewood Cliffs, New Jersey (hereinafter called the "Lessor") and The Chicago and North Western Transportation Company, One North Western Center, Chicago, Illinois, (hereinafter called the "Lessee"), together will all claims for damages arising out of breach thereof and all rights of the Lessor to terminate the Lease, to perform thereunder and to compel performance of the terms thereof.

Notwithstanding any other provisions of this Assignment, the Assignee shall not be entitled to require rental payments to be sent directly from the Lessee to the Assignee unless and only in the event that there is a Default of Payment by the Lessor (and Default of Payment shall mean only non-payment in a timely fashion and for no other reason.) In the event of a Default of Payment by the Lessor, the Assignee may give notice thereof to the Lessee.

Notwithstanding any provision of this Assignment to the contrary, Lessor shall remain fully liable under the Lease to perform all of its obligations thereunder, and the Assignee, its successors or assigns shall have no obligation or liability under the Lease by reason of or arising out of this Agreement, nor shall the Assignee, its successors, or assigns be required or obligated in any manner to perform or fulfill any obligation of the Lessor under or pursuant to the Lease, or to make any payment, or to make any inquiry as to the nature or sufficiency of any payment received by it, its successors or assigns, or to press or file any claim or to take any action to collect or enforce the payment of any amounts which may have been assigned to it or to which it may have been entitled to at any time, provided that the Assignee shall, as soon as practicable, fully inform the Lessor promptly in writing of any matters of which it has actual knowledge.

This Assignment is made pursuant to the Agreement, and the respective rights of Lessor and Assignee relative to the Lease and this Assignment shall be governed by the terms and conditions of the Agreement.

REX-RAILWAYS, INC.

BY: Donald J. Jantzen

TITLE: PRESIDENT

CITICORP INDUSTRIAL CREDIT, INC.

BY: [Signature]

TITLE: VICE PRESIDENT