

ITEL

IteI Rail Corporation

55 Francisco
San Francisco, California 94133
(415) 984-4000
Telex 34234

RECORDATION NO. 14548-A Filed 1425

FEB 5 1985 - 9 AM

December 28, 1984

INTERSTATE COMMERCE COMMISSION

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

No. 5-036A021
Date FEB 5 1985
Fee \$ 10.00
ICC Washington, D. C.

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 IteI Rail Corporation for filing and recordation under the Sublease Agreement dated as of September 24, 1984 between East Camden and Highland Railroad Company and Northern Louisiana and Gulf Railroad Company which was filed with the I.C.C. on JANUARY 15, 1985 and given I.C.C. Recordation No. 14548, four counterparts of the following document:

Assignment of September 24, 1984 Sublease between East Camden and Highland Railroad Company and Northern Louisiana and Gulf Railroad Company to the Trustee.

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

1. First Security Bank of Utah, N.A. - ASSIGNEE
79 South Main Street
Salt Lake City, Utah 84125
2. IteI Rail Corporation - ASSIGNOR
55 Francisco, 5th Floor
San Francisco, California 94133

The equipment covered by this Assignment is thirty (30) 60', 100-ton plate C boxcars, A.A.R. mechanical designation XM, bearing reporting marks NLG 7150-7179.

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

100 JH 1270F
FEB 5 1985
9:34 AM '85
RECEIVED
FEB 5 1985

This one should be 14548-A

*100 JH 1270F
A.H. Johnson*

Mr. James H. Bayne, Secretary
December 28, 1984
Page Two

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 to the bearer of this document.

Sincerely,



Denise M. Bottarini
Legal Assistant

DMB/vdv

cc: Robert S. Clark, Esq.
Senior Trust Officer
First Security Bank of Utah, N.A.
Corporate Trust Division
79 South Main Street
Salt Lake City, Utah 84125

Virginia Hanger
Itel Rail Corporation.

14548-A
ASSIGNMENT OF SEPTEMBER 24, 1984 SUBLEASE
BETWEEN EAST CAMDEN AND HIGHLAND RAILROAD COMPANY
AND NORTHERN LOUISIANA GULF RAILROAD COMPANY
TO THE TRUSTEE

RECORDATION NO. 14548-A
Filed 1425

FEB 5 1985 - 9 AM

INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF SUBLEASE AND AGREEMENT dated as of November 28, 1984 (hereunder called this "Assignment"), by and between ITEL RAIL CORPORATION, a Delaware corporation ("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, 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, 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, Rail is the successor in interest to Itel Corporation, Rail Division, pursuant to the ETC Modification Agreement which is part of Itel Corporation's Amended Plan of Reorganization which became effective on September 19, 1983; and

WHEREAS, 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, 1984, (such Lease, together with any amendments or supplements thereto, called the "Lease") providing for the leasing by 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 Rail under the ETC Modification Agreement, 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, EACH has entered into a Sublease (as defined in the ETC Modification Agreement) with the NORTHERN LOUISIANA GULF RAILROAD COMPANY (hereinafter called "Sublessee") dated as of September 24, 1984 (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 Rail as and only to the extent that the Sublease relates to the Subleased Trust Equipment by means of an Assignment dated as of November 28, 1984 ("Assignment of Sublease to Rail"); and

WHEREAS, in order to continue to provide security for the obligations of Rail under the ETC Modification Agreement, Rail agrees to assign for security purposes its rights, to and under the Sublease and/or the Assignment of Sublease to 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. Rail hereby assigns, transfers, and sets over unto the Trustee, as collateral security for the payment and performance of Rail's obligations under the ETC Modification Agreement with respect to the Amended 1978 Series 3 Trust Certificates, all of 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 Assignment of Sublease to 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 Rail from the Sublessee under or pursuant to the provisions of the Sublease and/or the Assignment of Sublease to 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 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 Rail is entitled to the payment of any and all of 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, Rail irrevocably authorizes and empowers the Trustee in its own name, in the name of its nominee or in the name of Rail or as its attorney, to ask, demand, sue for, collect, and receive any and all the Payments to which Rail is or may become entitled under the Sublease and/or Assignment of Sublease to 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 Rail under the Sublease and/or Assignment of Sublease to 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 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 Rail pursuant to the exercise of its rights under the Assignment of Sublease to Rail, it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of EACH or Rail to the Sublessee shall be and remain enforceable by the Sublessee, its successor and assigns, against, and only against EACH or 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, Rail agrees as follows:
 - (a) Rail will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Sublease and/or Assignment of Sublease to Rail provides is to be performed by Rail;
 - (b) At Rail's sole cost and expense, 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 Rail under the Sublease and/or Assignment of Sublease to Rail; and
 - (c) Should Rail fail to make any payment or to do any act which this Assignment requires Rail to make or do, then the Trustee may, but without obligation so to do, after first making written demand upon Rail and affording Rail a reasonable period of time within which to make such payment or do such act, but without releasing 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 Rail contained in the Sublease and/or Assignment of Sublease to 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 Rail will reimburse the Trustee for such costs, expenses and fees.
4. Upon the full discharge and satisfaction of all of 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 Assignment of Sublease to Rail shall revert to Rail.
5. 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 Assignment of Sublease to 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)

Attest: Howard S. Chelton
Assistant Secretary

By: [Signature]

FIRST SECURITY BANK OF UTAH,
NATIONAL ASSOCIATION

(Seal)

Attest: Val T. Oster
Authorized Officer

By: [Signature]
Authorized Officer

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

On this 27th day of December, 1984, before me personally appeared Diamond [Signature], to me personally known, who being by me duly sworn, says that such person is ^{also} President of IteI Rail Corporation, that the foregoing instrument was signed 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.



(Notarial Seal)

[Signature]

Notary Public

My commission expires: June 10, 1985

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

On this 1st day of February, 1985, before me personally appeared Robert S. Clark, 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 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.

[Signature]
Notary Public

(Notarial Seal)

My commission expires: 8-13-87

ANNEX A

<u>No. of Units</u>	<u>Reporting Marks</u>	<u>Subleased Trust Equipment Description</u>	<u>AAR Mechanical Designation</u>
30	NLG 7150-7179	60', 100-ton, Plate C Boxcar, 15" End-of-Car Cushioning	XM