

# ITEL

## IteI Rail Corporation

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

5-120A026

April 18, 1985

RECORDATION NO. 14548-B Filed 1425

APR 30 1985

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

APR 30 1985 - 10 55 AM  
INTERSTATE COMMERCE COMMISSION

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 North 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:

*Plus is  
14548-B*

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

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

1. East Camden and Highland Railroad Company (Assignor)  
Building 142  
East Camden Industrial Park  
East Camden, Arkansas 71701
2. IteI Rail Corporation (Assignee)  
55 Francisco, 5th Floor  
San Francisco, California 94133

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

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

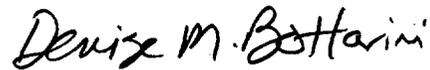
*A. H. Johnson*

APR 30 1985  
10 51 AM '85

Mr. James H. Bayne, Secretary  
April 18, 1985  
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/188

cc: Robert S. Clark  
J. Michael Kelly, Esq.  
Virginia Hanger

Interstate Commerce Commission  
Washington, D.C. 20423

4/30/85

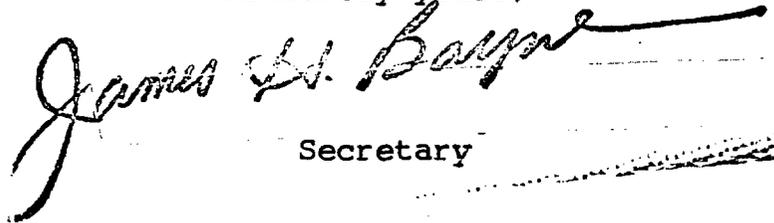
OFFICE OF THE SECRETARY

Denise Bottarini  
Legal Assist.  
Itel Rail Corporation  
55 Francisco  
San Francisco, Calif. 94133

Dear Ms. Bottarini:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 4/30/85 at 10:55am and assigned re-  
recording number(s). 14548-B

Sincerely yours,

  
Secretary

Enclosure(s)

APR 30 1985 - 10 55 AM

INTERSTATE COMMERCE COMMISSION

12/06/84  
Sublease Assignment  
relating to Supplement #14

**ASSIGNMENT OF SEPTEMBER 24,  
1984 SUBLEASE BETWEEN EAST CAMDEN AND HIGHLAND RAILROAD COMPANY  
AND NORTHERN LOUISIANA GULF RAILROAD COMPANY TO ITEL**

**ASSIGNMENT OF SUBLEASE AND AGREEMENT** dated as of November 28, 1984 (hereunder called this "Assignment"), by and between **EAST CAMDEN AND HIGHLAND RAILROAD COMPANY** a Arkansas corporation ("EACH") and **ITEL RAIL CORPORATION**, a Delaware corporation ("Itel").

**WHEREAS**, Itel 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 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 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**, Itel and 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 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 under the ETC Modification Agreement, Itel assigned for security purposes its rights, to and under the Lease, as amended, to First Security Bank of Utah, National Association, as trustee ("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 the "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 the Trust Equipment (the "Subleased Trust Equipment"); and

**WHEREAS**, in order to provide security for the obligations of EACH under the Lease, EACH agrees to assign to Itel for security purposes only, EACH's

rights in, to and under the Sublease 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. EACH hereby assigns, transfers, and sets over unto Itel, as collateral security for the payment and performance of EACH's obligations under the Lease, with respect to the 1978 Series 3 Trust Certificates, all of EACH's rights, title and interest, powers, privileges and other benefits under the Sublease as and only to the extent that the Sublease relates to the Subleased Trust Equipment set forth in Annex A hereto, including, without limitations, all rights to receive and collect all rentals, profits and other sums payable to or receivable by EACH from the Sublessee under or pursuant to the provisions of the Sublease, 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 Lease) or an Event of Default (as defined in the Lease) shall occur, it is understood that EACH 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 Sublease, and to apply all Payments to which EACH is entitled hereunder to the payment of any and all of EACH's obligations under the Lease and to retain the balance, if any. Also provided, however, that after the occurrence of a Default or an Event of Default, both as defined in the Lease, and 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 shall be entitled to collect and receive all 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 is entitled hereunder to the payment of any and all of Itel'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, EACH hereby irrevocably authorizes and empowers Itel in its own name, in the name of its nominee or in the name of each or as its attorney, to ask, demand, sue for, collect and receive any and all the Payments to which EACH is or may become entitled under the Sublease, and to enforce compliance by the Sublessee 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 EACH under such Sublease 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 EACH pursuant to the Lease and to Paragraphs 8 and 14 of the Sublease with respect to the Amended 1978 Series 3 Trust Certificates under the Lease and, therefore, the execution and delivery of this Assignment shall not subject Itel to, or transfer or pass, or in any way affect or modify, the liability of EACH under the Sublease, it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of EACH to the Sublessee shall be and remain enforceable by the Sublessee, its successor and assigns, against, and only against EACH or persons other than Itel, the Trustee or any holder of Amended 1978 Series 3 Trust Certificates.
3. To protect the security afforded by this Assignment, EACH agrees as follows:
  - (a) EACH will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Sublease provides is to be performed by EACH; and
  - (b) At EACH's sole cost and expense, EACH 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 EACH.
  - (c) Should EACH fail to make any payment or to do any act which this Assignment requires EACH to make or do, then Itel may, but without obligation so to do, first making written demand upon EACH and affording EACH a reasonable period of time within which to make such payment or do such act, but without releasing EACH from any obligation hereunder, make or do the same in such manner and to such extent as Itel 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 Itel, and also the right to perform and discharge each and every obligation, covenant and agreement of EACH contained in the Sublease, and in exercising any such powers, Itel may pay necessary costs and expenses, employ counsel and incur and pay reasonable attorney's fees and EACH will reimburse Itel for such costs, expenses and fees.
4. Upon the full discharge and satisfaction of all of EACH's obligations under the Lease and this Assignment, all rights herein assigned to Itel shall terminate and all estate, right, title and interest of Itel in and to the Sublease shall revert to EACH.
5. EACH 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 Itel in order to confirm or further assure the interests of Itel hereunder.

6. Itel may assign all or any of the rights assigned to it hereby or arising under the Sublease, 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 Itel hereunder. Itel 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 E. Chabner  
Assistant Secretary

By: DP Hayes

EAST CAMDEN & HIGHLAND RAILROAD CO

(Seal)

Attest:

F. W. Deane  
Secretary  
AUDITOR & ASST. TREASURER

By: Sam E. Hunt

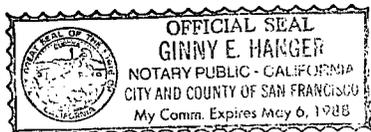
PRESIDENT

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

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

On this 20th day of December, 1984, 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 Assignment was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Ginny E. Hanger  
Notary Public

STATE OF ARKANSAS        )  
  ) ss:  
COUNTY OF OUACHITA    )

On this 26th day of DECEMBER, 1984, before me personally appeared DON E. GHENT, to me personally known, who being by me duly sworn says that such person is PRESIDENT of EAST CAMDEN & HIGHLAND, RR, that the foregoing ASSIGNMENT was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

My Commission Expires Nov. 29, 1992

Sarah G. Lerrick  
Notary Public