

ITEL

January 29, 1987

RECORDATION NO. 14615-D Filed & Recorded

Istel Rail Corporation

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

FEB 9 1987 11:50 AM 7-011A013

INTERSTATE COMMERCE COMMISSION

No. _____
Date FEB 10 1987

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

Fee \$ 20.00

ICC Washington, D. C.

Re: Amendment No. 1 dated December 31, 1986, to the Lease Agreement dated January 1, 1985, between Istel Rail Corporation and Grand Trunk Western Railroad Company

Dear Ms. McGee:

On behalf of Istel Rail Corporation, the above instrument, in four (4) counterparts, is hereby submitted for filing and recording pursuant to 49 U.S.C. §11303(a), along with a check in the amount of \$20 covering the recordation fees.

Please record this Amendment under the Lease Agreement dated January 1, 1985, between Istel Rail Corporation and Grand Trunk Western Railroad Company, which was filed with the ICC on April 3, 1985, and given Recordation No. 14615. In addition, please cross-index this Amendment with the Equipment Trust Agreement dated January 1, 1982, between Istel Rail Corporation and First Security Bank of Utah, N.A., which was filed with the ICC on September 20, 1983, and given Recordation No. 14165.

The parties to the aforementioned instrument are listed below:

Istel Rail Corporation (Lessor)
55 Francisco Street
San Francisco, California 94133

Grand Trunk Western Railroad Company (Lessee)
131 West Lafayette Blvd.
Detroit, Michigan 48226

This Amendment extends the term of the Agreement with respect to eighty-nine (89) 89'4", 70-ton, flush deck flatcars bearing reporting marks DTI 90000-90234.

Please return to the undersigned the stamped counterparts not required for filing purposes, together with the fee receipt and a letter from the ICC acknowledging this filing.

Very truly yours,

Patricia Schumacker

Patricia Schumacker
Legal Department

:ps
Enclosures

cc: Ginny Hanger

ICC OFFICE OF
THE SECRETARY
FEB 10 11 43 AM '87
MOTOR OPERATING UNIT

12/15/86

RECORDATION NO. 14615 A
Filed & Recorded
FEB 9 1987 11-50 AM
INTERSTATE COMMERCE COMMISSION

AMENDMENT NO. 1

THIS AMENDMENT NO. 1 (the "Amendment") to that certain Lease Agreement dated as of January 1, 1985 (the "Agreement") between ITEL RAIL CORPORATION ("Lessor") and GRAND TRUNK WESTERN RAILROAD COMPANY ("Lessee") is made as of this 31 day of Dec, 1986 between Lessor and Lessee.

RECITALS:

- A. Lessor and Lessee are parties to the Agreement pursuant to which two hundred thirty-five (235) flatcars bearing reporting marks DT1 90000-90234 (the "Cars") have been leased by Lessor to Lessee.
- B. The Cars bearing the reporting marks DT1 90064 and DT1 90166 were destroyed on March 6, 1985 and December 17, 1984, respectively.
- C. One hundred forty-four (144) Cars have been modified as set forth in Subsection 3.B. of the Agreement.
- D. Lessor and Lessee desire to extend the term of the Agreement with respect to the eighty-nine (89) Cars which have not been modified as set forth in Subsection 3.B.

NOW THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto agree to amend the Agreement as follows:

- 1. All terms defined in the Agreement shall have the meanings defined therein when used in this Agreement.
- 2. Equipment Schedule No. 1 attached to the Agreement is replaced by Equipment Schedules No. 1.A. and No. 1.B. attached hereto and all references in the Agreement to Equipment Schedule No. 1 shall be deemed to refer to Equipment Schedules No. 1.A. and No. 1.B.
- 3. Subsections 2.B. and 2.C. of the Agreement are hereby replaced by the following:

"B. The term of the Agreement with respect to each Car listed on Equipment Schedule No. 1.A. shall commence on January 1, 1985, and shall continue through and including June 30, 1987 ('Initial Term'). If this Agreement has not been terminated early and no unremedied default has occurred pursuant to Section 9, the Agreement shall automatically be extended for not more than seven (7) consecutive periods of six (6) months each (the 'Extended Term(s)') with respect to all of the Cars listed on Equipment Schedule No 1.A., provided, however, that either party may

ASSIGNED TO FIRST SECURITY BANK OF UTAH, N.A., TRUSTEE, UNDER A LEASE ASSIGNMENT.

THIS INSTRUMENT IS SUBJECT TO A SECURITY INTEREST IN FAVOR OF HELLER FINANCIAL, INC. UNDER THE HELLER FINANCIAL, INC. LOAN AND SECURITY AGREEMENT WITH ITEL RAIL CORPORATION DATED AS OF SEPTEMBER 30, 1985.

terminate the Agreement at any time after the Initial Term as to all, but not fewer than all, of the Cars listed on Equipment Schedule No. 1.A. upon not less than ninety (90) days' prior written notice to the other.

- C. The term of the Agreement with respect to each Car listed on Equipment Schedule No. 1.B. shall commence on January 1, 1985, and shall continue through and including December ~~21~~³¹, 1990 ('Term')."
4. The words "ASSIGNED TO FIRST SECURITY BANK OF UTAH, N.A., TRUSTEE UNDER A LEASE ASSIGNMENT DATED AS OF MARCH 1, 1985" on page 1 of the Agreement are replaced by "ASSIGNED TO FIRST SECURITY BANK OF UTAH, N.A., TRUSTEE UNDER A LEASE ASSIGNMENT DATED AS OF JUNE 14, 1985."
5. The words "up to one hundred forty-six (146)" in Subsection ~~3.A.~~³ of the Agreement are replaced by the words "one hundred forty-four (144)" and an additional sentence is inserted between the first and second sentences of Subsection ~~3.A.~~³ as follows:
- "In addition, Lessor may, at its sole option and expense, modify some or all of the Cars listed on Equipment Schedule No. 1.A. to handled two (2) forty-five foot (45') intermodal trailers."
6. The sentence: "However, to enable Lessor to meet its financial commitments, Lessee shall pay Lessor, within thirty (30) days after the end of each calendar quarter, an amount equal to one hundred percent (100%) of the Per Diem Revenues and Mileage Revenues received by Lessee during such calendar quarter."
- in Subsection 7.D. of the Agreement is replaced by the sentence:
- "However, to enable Lessor to meet its financial commitments, Lessee shall pay to Lessor, within sixty (60) days after each calendar month, an amount equal to one hundred percent (100%) of the Per Diem Revenues and Mileage Revenues received during such calendar month."
7. Effective January 1, 1987, Subsection 7.E. of the Agreement is replaced by the following:
- "E. If, with respect to any calendar quarter, Per Diem Revenues for the Cars listed on Equipment Schedule No. 1.B. are less than the Base Rental for such Cars, Lessor may, at any time, and at its option and upon not less than ten (10) days' prior written notice to Lessee, terminate this Agreement as to any such Cars listed on Equipment Schedule No. 1.B. as Lessor shall determine; provided, however, that Lessee may, at its option, within ten (10) days of receipt of such notice from Lessor, void such termination notice by paying to Lessor an amount equal to the difference between actual Per Diem Revenues for such Cars during such calendar quarter and the Base Rental for such cars during such calendar quarters."

js
DPA

8. The words "~~under any financing agreement~~ entered into by Lessor in connection with the acquisition of the Cars." in Subsection 8.A. of the Agreement are replaced by the words "pursuant to which Lessor's obligations thereunder are or become secured by the Cars."
9. Except as expressly modified by this Amendment, all terms and provisions of the Agreement shall remain in full force and effect.
10. This Amendment may be executed by the parties hereto in any number of counterparts and all said counterparts taken together shall be deemed to constitute one and the same instrument.

ITEL RAIL CORPORATION

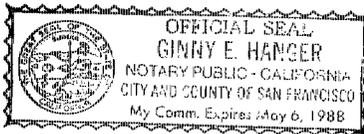
**GRAND TRUNK WESTERN
RAILROAD COMPANY CA 4337**

By: *AD Hayes*
Title: President
Date: 1/28/87

By: *George L. Steen*
Title: SVP Operations
Date: 1/12/87

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

On this 29th day of January, 198~~6~~⁷, 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 Amendment No. 1 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 Michigan)
) ss:
COUNTY OF Wayne)

On this 19th day of JANUARY, 198~~6~~⁷, before me personally appeared George L. Stern, to me personally known, who being by me duly sworn says that such person is Asst. Vice President-Operations of Grand Trunk Western Railroad Company, that the foregoing Amendment No. 1 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.

J. Isabelle Matusko
Notary Public

J. ISABELLE MATUSKO
Notary Public, Oakland County, MI
My Commission Expires Feb. 17, 1987
Acting in Wayne County

EQUIPMENT SCHEDULE NO. 1.A.

Itel Rail Corporation hereby leases the following Cars to Grand Trunk Western Railroad Company subject to the terms and conditions of that certain Lease Agreement dated as of January 1, 1985.

A.A.R. Mech. Desig.	Description	Numbers	Length	Dimensions Inside Width	Height	Doors Width	No. of Cars
FC	70-Ton Flush Deck Flatcar	DT1 90000-90029, 90087-90088, 90091,90097- 90134,90170- 90175,90194- 90199,90207- 90212	89'4"	N/A	N/A	N/A	89

ITEL RAIL CORPORATION

By: *AP Hayes*
Title: President
Date: 1/28/87

GRAND TRUNK WESTERN
RAILROAD COMPANY CA 4337

By: *George L. Starn*
Title: sup operations
Date: 1/19/87

EQUIPMENT SCHEDULE NO. 1.B.

Itel Rail Corporation hereby leases the following Cars to Grand Trunk Western Railroad Company subject to the terms and conditions of that certain Lease Agreement dated as of January 1, 1985.

A.A.R. Mech. Desig.	Description	Numbers	Length	Dimensions Inside Width	Height	Doors Width	No. of Cars
FC	70-Ton Flush Deck Flatcar Modified to hold two (2) forty-five foot (45') intermodal trailers	DT1 90030-90063, 90065-90086, 90089-90090, 90092-90096, 90135-90165, 90167-90169, 90176-90193, 90200-90206, 90213-90234	89'4"	N/A	N/A	N/A	144

ITEL RAIL CORPORATION

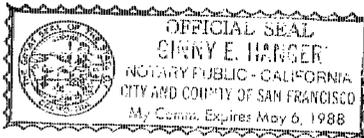
By: *[Signature]*
Title: President
Date: 1/20/87

GRAND TRUNK WESTERN
RAILROAD COMPANY CA 4337

By: *[Signature]*
Title: AVP Operations
Date: 1/19/87

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

On this 28th day of January, 1986, 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 Equipment Schedules No. 1.A. and 1.B. were 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 Michigan)
) ss:
COUNTY OF Wayne)

On this 19th day of JANUARY, 1986, before me personally appeared George L. Stern, to me personally known, who being by me duly sworn says that such person is Asst. Vice President-Operations of Grand Trunk Western Railroad Company, that the foregoing Equipment Schedules No. 1.A. and 1.B. were 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.

J. Isabelle Matusko
Notary Public

J. ISABELLE MATUSKO
Notary Public, Oakland County, MI
My Commission Expires Feb. 17, 1992
Acting In Wayne County