

6-112A069  
No.

Date APR 22 1986

Fee \$ 10.00

**ITEL**

March 13, 1986

RECORDATION NO. 10129-E Filed 1423

Istel Rail Corporation ICC Washington, D.C.

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

APR 22 1986 3 25 PM

INTERSTATE COMMERCE COMMISSION

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

*\$10.00 filing fee*

Re: Amendment No. 4 to the Lease Agreement of July 26, 1978 Between Istel Corporation, Rail Division, and Minnesota, Dakota and Western Railway Company

Dear Mr. Bayne:

On behalf of Istel Rail Corporation, the above instrument, in four (4) counterparts, is hereby submitted for filing and recording pursuant to 49 USC §11303(a), along with a check in the amount of \$10 covering the recordation fee.

Please record this Amendment under the Lease Agreement dated July 26, 1978 between Istel Corporation, Rail Division, as predecessor in interest to Istel Rail Corporation, and Minnesota, Dakota and Western Railway Company, which was filed with the ICC on February 22, 1979 and given Recordation No. 10129.

The names and addresses of the parties to the aforementioned Amendment are listed below:

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

Minnesota, Dakota and Western Railway Company (Lessee)  
Box 19  
International Falls, Minnesota 56649

This Amendment deletes the boxcar bearing reporting mark MDW 10166 and adds provisions to Section 7 of the Lease Agreement with respect to boxcars bearing reporting marks MDW 10200-10299.

Once filed, please return to the bearer the stamped counterparts not required for filing purposes together with the fee receipt and a letter from ICC acknowledging this filing.

Very truly yours,

*Josie Villaflores*  
Josie Villaflores  
Legal Assistant

JV:  
Enclosures

cc: Robert S. Clark  
J. Michael Kelly  
Ginny Hanger

TOP OFFICE OF THE SECRETARY  
APR 22 3 20 PM '86  
MOTION PICTURE UNIT

*Thank this  
10129-E  
C. [Signature]*

ASSIGNED TO FIRST SECURITY BANK  
OF UTAH, N.A., TRUSTEE, UNDER  
A LEASE ASSIGNMENT DATED  
AS OF February 10, 1986  
02/03/86 LESSOR'S INTEREST ASSIGNED TO  
FIRST SECURITY BANK OF  
UTAH, N.A., WITH RESPECT TO  
CARS NUMBERED MDW 10299

REGISTRATION NO. 10129-E  
Filed 142

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AMENDMENT NO. 4 INTERSTATE COMMERCE COMMISSION

THIS AMENDMENT NO. 4 (the "Amendment") to that certain Lease Agreement (the "Agreement") made as of July 26, 1978, between ITEL CORPORATION, RAIL DIVISION and MINNESOTA, DAKOTA & WESTERN RAILWAY COMPANY ("Lessee") is made as of this 3rd day of February, 1986 between ITEL RAIL CORPORATION, as successor in interest to Itel Corporation, Rail Division ("Lessor"), and Lessee.

RECITALS:

- A. Lessor and Lessee are parties to the Agreement pursuant to which three hundred eighty-nine (389) boxcars (the "Boxcars") described therein have been leased to Lessee.
- B. The Boxcar bearing reporting marks MDW 10166 was destroyed on November 25, 1985, and is no longer subject to the Agreement.
- C. Lessor and Lessee desire to add new Subsections to Section 7 of the Agreement with respect to the Boxcars bearing reporting marks MDW 10200-10299.

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

- 1. All terms defined in the Agreement shall have their defined meanings when used in the Amendment.
- 2. Subsections 2.I(i) and (ii) of Schedule A, attached and incorporated into the Agreement, are hereby amended by the deletion of the words, "one hundred eighty-eight (188) Boxcars" and the replacement of such words with the words "one hundred eighty-seven (187) Boxcars".
- 3. Subsection 2.J. of Schedule A, attached and incorporated into the Agreement, is hereby amended to delete the Boxcar bearing the railroad reporting marks MDW 10166.
- 4. With respect to the Boxcars on Schedule E only, new subsections 7.I., 7.J. and 7.K. shall be added to the Agreement as follows:
  - "I. Unless Lessee receives Lessor's prior written consent, Lessee shall not take any action which diminishes the base hourly rate or the base mileage rate listed for the Boxcars in the October 1985 edition of the ICC Official Railway Equipment Register (each rate a 'Boxcar Rate', collectively, the 'Boxcar Rates').

"J. In the event that the Interstate Commerce Commission ("ICC") reduces or eliminates either or both Boxcar Rates for any reason, the words:

'...if the Utilization of all such Boxcars delivered to Lessee on an aggregate basis for each calendar year shall be equal to or less than

in Subsection 7.A.(i) of the Agreement shall be replaced by:

'...if the Payments earned by the Boxcars in the aggregate for any calendar year are less than or equal to

per Boxcar (such amount shall be known as the "Iitel Base Rent").';

and Subsection 7.A.(ii) shall be deleted and replaced by the following:

'In the event that the Payments earned by the Boxcars in the aggregate during any calendar year exceed the Iitel Base Rent, Lessor shall receive an amount equal to the Iitel Base Rent plus an amount equal to one half (1/2) of the Payments earned by the Boxcars in excess of the Iitel Base Rent.'

"K. In the event that the ICC reduces or eliminates either or both Boxcar Rates for any reason, if the Payments earned during any calendar quarter are less than or equal to

Boxcar, Lessor may, at its option, and upon 60 days written notice, terminate the Agreement as to such Boxcars as Lessor shall determine; provided, however, that Lessor shall be responsible for all costs associated with remarking such terminated Boxcars and moving such terminated Boxcars to the lines of another lessee."

5. With respect to the Boxcars on Schedule E only, a new sentence is hereby added to Section 10 of the Agreement as follows:

"However, if any Boxcars are terminated by Lessor pursuant to Subsection 7.K., Lessor shall be responsible for the costs associated with the termination of such Boxcars as described therein."

6. Except as expressly modified by the Amendment, all terms and provisions of the Agreement shall remain in full force and effect with respect to all of the Boxcars subject to the Agreement, including the Cars.
7. 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**

**MINNESOTA, DAKOTA & WESTERN  
RAILWAY COMPANY**

By: *AD Hayes*  
Title: *President*  
Date: *2/3/86*

By: *Robert A Schwarz*  
Title: *President*  
Date: *2-7-86*

