

RECORDATION NO. 10796, C, D, E, F, G
Filed 1425

McDERMOTT, WILL & EMERY JAN 2 1980 - 2 15 PM

SUITE 1201
1101 CONNECTICUT AVENUE, N. W.

WASHINGTON, D. C. 20036

202-223-9450

TELECOPIER 202-223-0335

INTERSTATE COMMERCE COMMISSION

111 WEST MONROE STREET
CHICAGO, ILLINOIS 60603
312-372-2000

700 BRICKELL AVENUE
MIAMI, FLORIDA 33131
305-358-6030

FRANK E. BABB
CHARLES EMMET LUCEY
ROBERT F. SAGLE
JULIUS Y. YACKER*
THOMAS G. MAYS**
WILLIAM A. CERILLO
D. JANE DRENNAN
GARY L. RYAN
LAWSON W. TURNER, III**

January 2, 1980

*Admitted in Illinois only
**Admitted in Virginia only

0-002A140

Mrs. Mildred Lee
Recordation Unit
Office of the Secretary
Interstate Commerce Commission
Washington, D.C. 20423

JAN 2 1980
Date
Fee \$ 50.00

Re: Recordation Number 10796 (CC Washington, D. C.)

Dear Mrs. Lee:

Enclosed are an original and two (2) copies of the following documents:

- (1) Assignment of Lease;
- (2) Amendment No. 1 to the Assignment of Lease of HON Financial Corporation I;
- (3) Amendment No. 1 to the Assignment of Lease of HON Financial Corporation II;
- (4) Amendment No. 1 to the Chattel Mortgage of HON Financial Corporation I; and
- (5) Amendment No. 1 to the Chattel Mortgage of HON Financial Corporation II.

Also enclosed is a check in the amount of \$50.00 payable to the Interstate Commerce Commission for recordation fees.

Please cause the documents to be recorded as supplements to the captioned filing, and return one (1) copy, stamped to show that it has been recorded, to me.

Sincerely,

Gary L. Ryan
Gary L. Ryan

GLR:j
Enclosures

RECORDED
JAN 2 2 13 PM '80
I.C.C.
OPERATION BR.

*Counterspart
Gary L. Ryan*

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

Gary L. Ryan
McDermott, Will & Emery
Suite 1201
1101 Connecticut Avenue, N. W.
Washington, D. C. 20036

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 _____ at _____, and assigned re-
recording number(s) ^{1/2/1980} 2:15PM 10796-C, 10796-D, 10796-E, 10796-F, & 10796-G

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

SE-30
(7/79)

Interstate Commerce Commission
Washington, D.C. 20423

11/8/79

OFFICE OF THE SECRETARY

Doris Wilson
Rex Railways Inc.
616 Palisade Avenue
Englewood Cliffs, New Jersey 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 11/5/79 at 10:55am, and assigned re-
recording number(s) 107960B.

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

RECORDATION NO. 10796-^C Filed 1425

JAN 2 1980 - 2 15 PM

INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF LEASE

WHEREAS, HON FINANCIAL CORPORATION II, an Iowa corporation (herein called the Company), Rex Railways, Inc., a New Jersey corporation (herein called Rex) acting as the agent of the Company, and Lamoille Valley Railroad Company, a Vermont corporation (herein called the Lessee), have entered into a lease (herein called the Lease) dated July 24, 1979, providing for the lease by the Company to the Lessee of 50 cars therein described (herein referred to as the Cars); and

WHEREAS, the Lease was recorded pursuant to the provisions of 12 U.S.C. 11303 and was assigned recordation number 10796, 10796-A; and

WHEREAS, the Company has entered into a certain Chattel Mortgage (herein called the Mortgage) dated August 8, 1979, as amended, securing the various obligations of the Company defined in the Mortgage as "indebtedness hereby secured" to the Continental Illinois National Bank and Trust Company of Chicago, a national banking association (herein called the Mortgagee), and the Company has agreed to assign all of its right, title and interest in and to the Lease to Mortgagee as additional security for the obligations so defined in the Mortgage.

NOW, THEREFORE, for value received and upon the terms and conditions hereinafter set forth:

1. The Company, in order to secure the payment of all obligations of the Company defined in the Mortgage as "indebtedness hereby secured" and the performance and observance of all of the covenants and agreements in the Mortgage, the Loan Agreement, dated as of August 8, 1979, among the Company, Hon. Financial Corporation I (herein called HFC 1) and the Mortgagee, the Guaranty (referred to in the aforesaid Loan Agreement of HFC 1) the Loan Agreement, dated as of December 13, 1979, (herein called the HFC 2 Loan Agreement) among the Company, HFC 1 and the Mortgagee, the Note (referred to in the Mortgage), the Note issued pursuant to the HFC 2 Loan Agreement, all other agreements and instruments, between the Company and the Mortgagee or given by the Company to the Mortgagee, and in this Assignment provided to be performed or observed by the Company, does hereby sell, assign, transfer and set over to Mortgagee all of the

right, title and interest of the Company in and to the rentals and all other amounts payable by the Lessee, Rex or any other person, firm or corporation with respect to the Cars or under the Lease, except that any amount so payable shall continue to be paid to and received by the Company until and unless Mortgagee or its successors or the Company shall notify the Lessee or any successor to its interest that an Event of Default has occurred under the terms and provisions of the Mortgage (as therein defined) and that the payments are thereafter to be made to Mortgagee, or its successors; and in furtherance of this Assignment and transfer, the Company does hereby authorize and empower Mortgagee in the event of notice of a default as aforesaid, in its own name to sue for, collect, receive and enforce all payments to be made to the Company or to Rex by the Lessee under and in compliance on the part of the Lessee with the terms and provisions of the Lease, to exercise all of the rights of the Company under any of the provisions of the Lease including, without limitation, the right to terminate or renew, and in its discretion to take any action under the Lease or with respect to the Cars as the Company could have taken thereunder if it had not assigned and transferred its rights therein, provided that nothing herein shall obligate Mortgagee to take any action under the Lease or in respect of the Cars.

2. The Company hereby warrants and covenants (a) that on the date hereof title to the Cars and the Lease (subject to this Assignment and the rights of the Lessee under the Lease) is vested in the Company, that it has good and lawful right to grant a security interest in the Cars and to assign the Lease as provided in the Mortgage and herein and that its right and title thereto is free from all liens and encumbrances (excepting only liens for ad valorem taxes not now in default and the rights of Rex pursuant to Section 10 of the Management Agreement (as defined in the Mortgage), subject, however, in each case to the rights of the Lessee under the Lease and to the rights of the assignee hereunder; and (b) that notwithstanding this Assignment, it will perform and comply or cause Rex to perform or comply with each and all of the covenants and conditions in the Lease set forth to be complied with by the Company. The Company will cause notice of this Assignment forthwith to be given to the Lessee (together with a copy of this Assignment).

3. The Company represents and warrants that the Lease has been duly authorized and executed by Rex as its agent, that it authorized and ratified the execution and it covenants that it will, from time to time, at the request of Mortgagee, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as

Mortgagee may reasonably request to give effect to the provisions hereof and to confirm the right, title and interest hereby assigned and transferred to Mortgagee or intended so to be.

4. Pursuant to the terms of the Mortgage and this Assignment, the Company shall not without the prior consent of Mortgagee:

(a) terminate, modify or accept a surrender of, or offer or agree to any termination, modification, or surrender of, the Lease (except as otherwise expressly provided in the Mortgage) or allow Rex to do so, or by affirmative act consent to the creation or existence of any security interest or other lien to secure the payment of indebtedness upon the leasehold estate of the Company created by the Lease; or

(b) receive or collect or permit the receipt or collection of any rental payment under the Lease prior to the date for payment thereof provided for by the Lease (except as required by the Management Agreement) or assign, transfer or hypothecate (other than to the Mortgagee under the Mortgage) any rent payment then due or to accrue in the future under the Lease in respect of the Cars; or

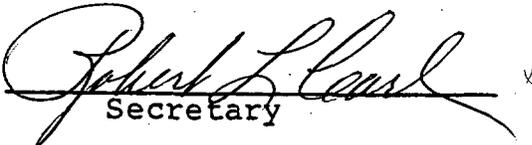
(c) sell, mortgage, transfer, assign or hypothecate (other than to Mortgagee under the Mortgage) its interest in the Cars or any part thereof or in any amount to be received by it from the use or disposition of the Cars.

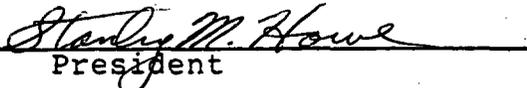
5. When the Mortgagee shall have no outstanding commitment to make any loans or advances to the Company or HFC 1 and upon full discharge and satisfaction of all indebtedness secured by the Mortgage, the assignment made hereby shall terminate and all estate, right, title and interest of Mortgagee in and to the Lease shall cease and revert to the Company. Mortgagee agrees that upon termination of said Credit and satisfaction of the indebtedness as aforesaid, it will execute and deliver to the Company a release or reassignment of its interest hereunder as the Company may request.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its proper officers thereunto duly authorized as of the 13th day of December, 1979.

ATTEST:

HON FINANCIAL
CORPORATION II


Secretary

By 
President

ACCEPTED:

CONTINENTAL ILLINOIS NATIONAL
BANK AND TRUST COMPANY OF CHICAGO,
as Mortgagee


Operations Officer

By 
Vice President

REX claims no interest as lessor in the Leases of the Cars assigned pursuant to this Assignment of Lease.

ATTEST:

REX RAILWAYS, INC.,
~~As Agent for the Company~~ 


Assistant Secretary

By 
Vice President

STATE OF IOWA)
) SS.
COUNTY OF MUSCATINE)

On this 21st day of December, 1979, before me personally appeared Stanley M. Howe and Robert S. Cahel to me personally known, who being by me duly sworn, say that they are, respectively, the President and Secretary of HON FINANCIAL CORPORATION II, an Iowa corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and that they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Karen Padgett
Notary Public

My Commission expires 9/30/82

STATE OF ILLINOIS)
) SS.
COUNTY OF C O O K)

On this 19th day of December, 1979, before me personally appeared Robert P. Gibbs and J. Borowicz to me personally known, who being by me duly sworn, say that they are, respectively, the Vice President and Operations Officer of CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association, that the seal affixed to the foregoing instrument is the corporate seal of said association, that said instrument was signed and sealed on behalf of said association by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

Susan A. Meitz
Notary Public

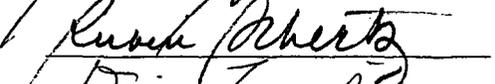
My Commission expires January 3rd, 1981

REX RAILWAYS, INC.

Incumbancy Certificate

SAUL B. SCHNEIDER, FINAN. VICE PRES.

We, ~~Robert W. Gruber, President~~ of REX RAILWAYS, INC., a New Jersey corporation (the "Company"), and Rubin Schertz, Secretary of the Company, hereby certify that the following named individuals are duly elected and qualified officers of the Company, that they hold the offices set forth opposite their respective names, that they have held such offices since January 1, 1979 and that the signatures written opposite the respective names and titles of such officers are their genuine signatures.

<u>Name</u>	<u>Title</u>	<u>Signature</u>
Saul B. Schneider	Financial Vice President	
Rubin Schertz	Secretary	
Doris Wilson	Assistant Secretary	

IN WITNESS WHEREOF, we have hereunto signed our names this 28 day of December, 19 79


Saul B. Schneider


Rubin Schertz