

# ITEL

RECORDATION NO. 14766-A Filed 1425

**Itel Rail Corporation**

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

**AUG 7 1985 -2 05 PM**

**INTERSTATE COMMERCE COMMISSION**

**5-219A053**

July 23, 1985

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

No.   
Date AUG 7 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 Itel Rail Corporation for filing and recordation under the Lease Agreement dated as of May 1, 1985 between Itel Rail Corporation and Burlington Northern Railroad Company which was filed with the I.C.C. on August 7, 1985 and given I.C.C. Recordation No. 14766, four counterparts of the following document:

Assignment of May 1, 1985 Lease between Itel Rail Corporation and Burlington Northern Railroad Company to First Security Bank of Utah, N.A. as Trustee.

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

1. First Security Bank of Utah, N.A. (Assignee)  
Corporate Trust Division  
79 South Main Street  
Salt Lake City, Utah 84111
2. Itel Rail Corporation (Assignor)  
55 Francisco, 5th Floor  
San Francisco, California 94133

The equipment covered by this Assignment is one hundred (100) 60'10", 100-ton, Plate E, XP boxcars bearing reporting marks BN 377300-377399.

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

*This one is 14766-A*

*John H. Bayne*

*James H. Bayne*

**ICC OFFICE OF THE SECRETARY  
AUG 7 1 59 PM 1985  
MOTOR OPERATING UNIT**

Mr. James H. Bayne, Secretary  
July 23, 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 be returned to the bearer of this document.

Sincerely,



Denise M. Bottarini  
Senior Legal Assistant

DMB/vdv/36

cc: Howard Chabner  
Robert S. Clark  
J. Michael Kelly  
Virginia Hanger

07/17/85  
Supplement No. 26

AUG 7 1985 -2 05 PM

INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF MAY 1, 1985 LEASE  
BETWEEN ITEL RAIL CORPORATION AND  
BURLINGTON NORTHERN RAILROAD COMPANY  
TO FIRST SECURITY BANK OF UTAH, N.A., AS TRUSTEE

ASSIGNMENT OF LEASE AND AGREEMENT dated as of July 23, 1985 (hereunder called this "Assignment"), by and between ITEL RAIL CORPORATION, a Delaware corporation ("Itel 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, Itel Rail has entered into a Consolidated, Amended, and Restated Equipment Trust Agreement, dated January 1, 1982, among First Security Bank of Utah, N.A., Itel Corporation and Itel Rail Corporation (the "ETC Modification Agreement"), and pursuant to the ETC Modification Agreement, Itel Rail has certain obligations with respect to the Itel Corporation, Itel Rail Corporation 9-1/4% Amended Equipment Trust Certificates, 1978 Series 2, due 1993 as set forth in Schedule 2 E of the ETC Modification Agreement (the "Amended 1978 Series 2 Trust Certificates"); and

WHEREAS, Itel Rail is the successor in interest to Itel Corporation, Rail Division pursuant to Itel Corporation's Amended Plan of Reorganization which became effective on September 19, 1983; and

WHEREAS, Itel Rail and the BURLINGTON NORTHERN RAILROAD COMPANY (hereinafter called the "Lessee") have entered into a Lease (as defined in the ETC Modification Agreement) of Equipment (as defined in the ETC Modification Agreement) dated as of May 1, 1985 (such Lease together with any amendments and supplements thereto called the "Lease"), providing for the leasing by Itel Rail to the Lessee of certain units of the Trust Equipment (as defined in the ETC Modification Agreement); and

WHEREAS, the Lease may also cover the leasing to the Lessee of other Equipment not included as part of the Trust Equipment; and

WHEREAS, in order to provide security for the obligations of Itel Rail under the ETC Modification Agreement, Itel Rail agrees to assign 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;

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. Itel Rail hereby assigns, transfers, and sets over unto the Trustee, as collateral security for the payment and performance of Itel Rail's obligations under the ETC Modification Agreement with respect to the Amended 1978 Series 2 Trust Certificates, all of Itel Rail's rights,

- (a) Itel Rail will faithfully abide by, perform and discharge each and every obligation, covenant, and agreement which the Lease provides is to be performed by Itel Rail;
  - (b) At Itel Rail's sole cost and expense, Itel 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 Itel Rail under the Lease; and
  - (c) Should Itel Rail fail to make any payment or to do any act which this Assignment requires Itel Rail to make or do, then the Trustee may, but without obligation so to do, after first making written demand upon Itel Rail and affording Itel Rail a reasonable period of time within which to make such payment or do such act, but without releasing Itel 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 Itel Rail contained in the Lease, and in exercising any such powers, the Trustee may pay necessary costs and expenses, employ counsel, and incur and pay reasonable attorneys' fees, and Itel Rail will reimburse the Trustee for such costs, expenses, and fees.
4. Upon the full discharge and satisfaction of all of Itel Rail's obligations under the ETC Modification 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 Lease shall revert to Itel Rail.
5. Itel 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 Lease, 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 Itel Rail and the Lessee 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

By: *J. Hayes*

(Seal)

Attest: *Howard S. Cohen*  
Asst. Secretary

FIRST SECURITY BANK OF UTAH,  
NATIONAL ASSOCIATION

By: *Vol. J. Ort*  
Authorized Officer

(Seal)

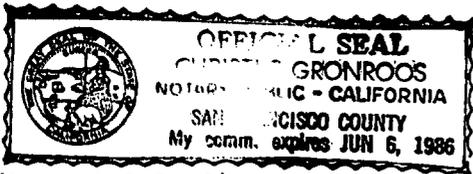
Attest: *N. Clayton*  
Authorized Officer

ANNEX A

<u>No. of Units</u>	<u>Reporting Marks</u>	<u>Trust Equipment Description</u>	<u>AAR Mechanical Designation</u>
100	BN 377300-377399	60'10", 100-Ton, Plate E Boxcar, End-of-Car Cushioning	XP

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

On this 23rd day of JULY, 1985, 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 instrument was signed and sealed 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)

My commission expires: 6/6/86

Christi S. Gronroos  
Notary Public



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

On this 6th day of August, 1985, before me personally appeared Vol T. Orton, 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 and sealed 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.

David B. Smith  
Notary Public

(Notarial Seal)

My commission expires: 10-16-88