

RECORDATION NO. 12691-A  
FILED 1426

12691-A  
#10  
Sublease

JUL 1 - 1983 - 11 22 AM RECEIVED  
INTERSTATE COMMERCE COMMISSION  
L.C.C.  
SEE OPERATION BR.

Agatha Mergenovich  
Interstate Commerce Commission  
Washington, D.C. 20423

3-182A014  
No. 7 JUL 1 - 1983  
Date.....  
Fee \$...10.00  
Washington, D.C.

Dear Ms. Mergenovich

Enclosed for recordation under the provisions of 49 USC 11303(a) are the original and eleven counterparts each of an Amendment to Equipment Sublease dated as of June 1, 1983. The Equipment Sublease to which said amendment relates is dated as of December 29, 1980 and was filed with your office at 4:20 p.m. on December 30, 1980 and given Recordation No. 12691. Said Amendment is a secondary document.

A general description of the railroad equipment covered by the enclosed document is set forth in Schedule A attached to this letter and made a part hereof.

The names and addresses of the parties are:

Sublessor: United States Lease Financing, Inc.  
633 Battery Street  
San Francisco, California 94111

Sublessee: Stockton Terminal and Eastern  
Railroad  
1330 North Broadway  
Stockton, California 95205

The undersigned is the Sublessor mentioned in the enclosed document and has knowledge of the matters set forth therein.

Please return the original and ten copies of said amendment to Deborah G. Page, Esq., Chapman and Cutler, 111 West Monroe Street, Chicago, Illinois 60603.

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

A short summary of the enclosed secondary document to appear in the Index follows:

Amendment to Equipment Sublease between United States Lease Financing, Inc., as Sublessor, 633 Battery Street, San Francisco, California 94111, and Stockton Terminal and Eastern

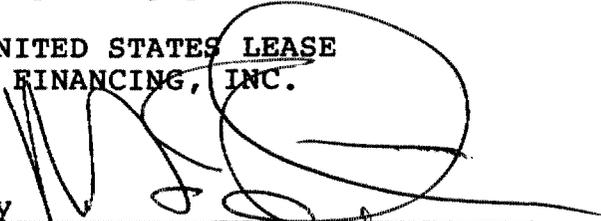
*Handwritten signature: C. Mergenovich*

Railroad, as Sublessee, 1330 North Braodway, Stockton, California, 95205, covering 99 70-ton insulated "RBL" type railroad boxcars.

Very truly yours,

UNITED STATES LEASE  
FINANCING, INC.

By

  
Its

Vice President  
SUBLESSOR AS AFORESAID

Enclosures

**SCHEDULE A**

**DESCRIPTION OF ITEMS OF EQUIPMENT**

Manufacturer of Equipment:	Paccar, Inc.
Description and Mark and	52' 6" 70-ton insulated "RBL" type railroad boxcars marked and numbered STE-2008 to 2107, both inclusive, excluding STE-2057
Number of Items of Equipment:	99

RECORDATION NO. 12691-A FILED 1425

JUL 1 - 1983 - 11 22 AM

INTERSTATE COMMERCE COMMISSION

Execution Copy

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AMENDMENT TO EQUIPMENT SUBLEASE

Dated as of June 1, 1983

between

UNITED STATES LEASE FINANCING, INC.,

Sublessor

and

STOCKTON TERMINAL AND EASTERN RAILROAD

Sublessee

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USLFI TRUST No. 7

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AMENDMENT TO EQUIPMENT SUBLEASE

AMENDMENT TO EQUIPMENT SUBLEASE dated as of June 1, 1983 between United States Lease Financing, Inc., a California corporation (the "Sublessor") and Stockton Terminal and Eastern Railroad, a California corporation (the "Sublessee").

WHEREAS, the Sublessor and the Sublessee have heretofore executed and delivered that certain Equipment Sublease dated as of December 29, 1980 (the "Original Sublease") pursuant to which the Sublessor leased to the Sublessee 100 70-ton insulated "RBL" type railroad boxcars manufactured by Paccar, Inc., marked and numbered STE 2008 to 2107, inclusive (the "Equipment"); and

WHEREAS, the Original Sublease was recorded in the Office of the Secretary of the Interstate Commerce Commission on December 30, 1980 at 4:20 P.M. and was given Recordation No. 12691; and

WHEREAS, the Original Sublease was entered into as part of the lease financing of the Equipment more fully provided for in a Participation Agreement dated as of December 29, 1980 (the "Interim Participation Agreement") among the Sublessor, the Sublessee, United States Leasing International, Inc., a California corporation (the "Lease Guarantor"), Stockton Terminal Company, a Nevada corporation (the "Sublease Guarantor"), Wells Fargo Bank, National Association, not individually but as Trustee for USLFI Trust No. 7 (the "Owner-Trustee"), Centerre Bank National Association (formerly First National Bank in St. Louis), a national banking association, and IntraWest Bank of Denver, N.A. (formerly The First National Bank of Denver), a national banking association (collectively, the "Owners"), pursuant to which the Owner-Trustee acquired the Equipment by application of sums advanced by the Owners and leased the Equipment to the Sublessor, as lessee under an Equipment Lease dated as of December 29, 1980 (the "Primary Lease"); and

WHEREAS, at the time the parties entered into the Interim Participation Agreement, it was contemplated that the Owner-Trustee would, at the request of the Sublessor, issue its Secured Notes at some future date during the term of the Primary Lease in order to reimburse the Owners for a portion of the Purchase Price (as defined in the Interim Participation Agreement) of the Equipment and that, in the event such issuance and reimbursement were accomplished, the Original Sublease would be modified to adjust the amounts of Fixed Rental and Casualty Value payable thereunder in accordance with the terms and provisions of Section 2.4 of the Original Sublease and Section 2.3 of the Interim Participation Agreement; and

WHEREAS, the Sublessor has now requested the issuance of the Owner-Trustee's Secured Notes and in response thereto the Owner-Trustee now proposes to sell to Connecticut General Life

Insurance Company (the "Note Purchaser") the 12.75% Secured Notes due 1984-1997 (the "Notes") of the Owner-Trustee in an aggregate principal amount not exceeding \$4,477,245.57; and

WHEREAS, in order to provide for the sale of the Notes to the Note Purchaser, the Owner-Trustee and the Sublessor propose to enter into a Term Financing Participation Agreement dated as of June 1, 1983 (the "Term Financing Participation Agreement") with the Owners, the Lease Guarantor, the Sublessee, the Sublease Guarantor, the Note Purchaser and The Connecticut Bank and Trust Company, National Association, as security trustee (the "Security Trustee"), and to secure the Notes by entering into a Security Agreement-Trust Deed dated as of June 1, 1983 (the "Security Agreement") from the Owner-Trustee to the Security Trustee, as secured party thereunder providing for a first lien on and security interest in the Equipment, the Original Sublease, as amended hereby, the Primary Lease as amended by the Amendment to Equipment Lease dated as of June 1, 1983 between the Owner-Trustee and the Sublessor, any other Permitted Subleases (as such term is defined in the Primary Lease), the Guaranty of Lease dated as of December 29, 1980 from the Lease Guarantor, as amended by the Amendment to Guaranty of Lease dated as of June 1, 1983 (the "Guaranty of Lease" as so amended being hereinafter referred to as the "Lease Guaranty") and the Guaranty of Sublease dated as of December 29, 1980 from the Sublease Guarantor, as amended by the Amendment to Guaranty of Sublease dated as of June 1, 1983 (the Guaranty of Sublease as so amended being hereinafter referred to as the "Sublease Guaranty") and the rentals and other sums due and to become due under said agreements; and

WHEREAS, in order to induce the Note Purchaser to purchase the Notes, the proceeds of which are to be applied to the reimbursement to the Owners of a portion of the Purchase Price of the Equipment and to further induce the Security Trustee to enter into the Security Agreement as security for the Notes and to provide for the adjustments to the Original Sublease contemplated by Section 2.4 of the Original Sublease and Section 2.3 of the Interim Participation Agreement, the Sublessor and the Sublessee desire to amend the Original Sublease as hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt whereof is hereby acknowledged, the Sublessor and the Sublessee agree that the Original Sublease shall be deemed to be and is hereby amended upon the execution and delivery of this Amendment and effective with respect to acts and events occurring from and after such date as follows:

1. The term "Participation Agreement" whenever used in the Original Sublease shall be deemed to mean and refer to the Interim Participation Agreement as hereinabove defined.

2. The term "Assignee" whenever used in the Original Sublease shall be deemed to refer to and include, without limitation, the Security Trustee and the Note Purchaser.

3. Section 2.1 of the Original Sublease shall be and the same is hereby amended in its entirety to read as follows:

"Section 2.1 Rentals for Equipment.

The Lessee agrees to pay the Lessor, on June 2, 1983 and July 2, 1983, monthly installments of rental each in an amount equal to 1.42704% of the Purchase Price of each Item of Equipment leased hereunder, and thereafter Lessee agrees to pay the Lessor, on the dates provided in Section 2.2 hereof, for each Item of Equipment leased hereunder, 175 consecutive monthly installments of rental (the "Fixed Rental"), payable in arrears, the first such installment to be paid on January 2, 1984, each in an amount equal to 1.20977% of the Purchase Price thereof."

4. Section 2.2 of the Original Sublease shall be and the same is hereby amended so that the date "2nd of August, 1981" appearing in the first sentence of such Section shall read "January 2, 1984".

5. Section 2.3(c) of the original Sublease shall be and the same is hereby amended to read as follows:

"(c) The amount of any payment owing to Lessor pursuant to Sections 6, 10.2, 11.1 (with respect to public liability insurance) and 20.2 hereof or to the Owners pursuant to Section 7(d) of the Interim Participation Agreement as amended by Section 8 of the Term Financing Participation Agreement shall be made directly to the party to receive the same without regard to the assignment of this Lease for the payments due hereunder pursuant to Section 16 hereof;"

6. The first sentence of Section 10.1 of the Original Sublease shall be and the same is hereby amended to read as follows:

"The Lessee will, at its sole expense, cause this Lease and any amendments thereof and the Primary Lease and any amendments thereof and the Security Agreement to be duly filed, registered or recorded with the Interstate Commerce Commission in accordance with Section 11303 of the Interstate Commerce Act and in such other places within or without the United States as the Lessor, the Owner-Trustee or any Assignee hereof may reasonably request, and will furnish the Lessor, the Owner-Trustee and such Assignee proof thereof."

7. Section 14.1 of the Original Sublease shall be and the same is hereby amended so that clauses (c), (e) and (f) thereof shall read as follows:

" \* \* \*

(c) Any representation or warranty made (i) by the Lessee herein or in the Purchase Order Assignment, the Interim Participation Agreement or the Term Financing Participation Agreement or in any statement or certificate furnished to the Lessor, the Owner-Trustee, the Security Trustee or any Participant (as such term is defined in the Term Financing Participation Agreement) pursuant to or in connection with this Lease, the Purchase Order Assignment, the Interim Participation Agreement or the Term Financing Participation Agreement, or (ii) by the Sublease Guarantor in or pursuant to or in connection with the Sublease Guaranty or in the Interim Participation Agreement or the Term Financing Participation Agreement or in any statement or certificate furnished the Lessor, the Owner-Trustee, the Security Trustee or any Participant pursuant to or in connection with this Lease, the Sublease Guaranty, the Interim Participation Agreement or the Term Financing Participation Agreement proves untrue in any material respect as of the date of issuance or making thereof;

\* \* \*

(e) Default shall be made in the observance or performance of any other of the covenants, conditions and agreements on the part of the Lessee contained herein or in the Interim Participation Agreement or the Term Financing Participation Agreement and any such default shall continue for twenty (20) days after written notice from the Lessor to the Lessee, specifying the default and demanding that the same be remedied;

(f) Default shall be made in the observance or performance of any of the covenants and agreements on the part of the Sublease Guarantor contained in the Sublease Guaranty or in the Interim Participation Agreement or the Term Financing Participation Agreement and such default shall continue for thirty (30) days after written notice from the Lessor to the Lessee and the Sublease Guarantor, specifying the default and demanding that the same be remedied;"

8. Section 16 (ii) of the Original Sublease shall be and the same is hereby amended so that the parenthetical clause beginning in line 7 thereof shall read as follows:

"(except those rights, privileges and remedies relating to amounts payable to the Lessor pursuant to

Sections 6, 10.2, 11.1 [with respect to public liability insurance] and 20.2 hereof and to the Owners pursuant to Section 7(d) of the Interim Participation Agreement as amended by Section 8 of the Term Financing Participation Agreement which shall remain enforceable by the Lessor or, as the case may be, the Owners)"

9. Section 20.1 of the Original Lease shall be amended by the addition thereto of a new sentence at the end thereof reading as follows:

"Any notice required or permitted to be given by either party hereto to the Security Trustee, the Owner-Trustee or any Participant (as defined in the Term Financing Participation Agreement) shall be given to such party in the manner and to the address specified in Section 8.2 of the Term Financing Participation Agreement."

10. Schedule A to the Original Sublease shall be amended and restated in its entirety so as to read in accordance with Schedule A attached to this Amendment.

11. Schedule C to the Original Sublease (including Annex 1 thereto) shall be amended and restated in its entirety, so as to read in accordance with Schedule B (including Annex 1 thereto) attached to this Amendment.

Except to the extent hereby amended and modified, the Original Sublease is in all respects ratified, confirmed and approved.

This Amendment shall be governed by and construed in accordance with the laws of the State of California.

The terms of this Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

This Amendment may be executed in several counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed and delivered as of the day and year first above written.

UNITED STATES LEASE FINANCING,  
INC.,  
Sublessor

By *Aesa Wakeman*  
Its Senior Vice President

[SEAL]

Attest:

*[Signature]*  
Assistant ~~Secretary~~

STOCKTON TERMINAL AND EASTERN  
RAILROAD  
Sublessee

By *B. P. Schneider*  
Its President

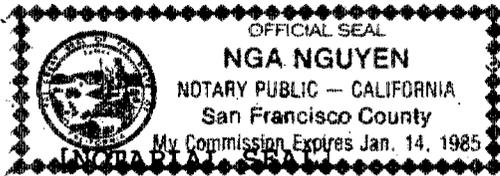
[SEAL]

Attest:

*Deane R. Muste*  
Assistant ~~Secretary~~

STATE OF CALIFORNIA )  
 ) SS  
COUNTY OF SAN FRANCISCO )

On this 29<sup>th</sup> day of June, 1983, before me personally appeared Alea Waterman, to me personally known, who being by me duly sworn, says that she is a Jr. Vice President of UNITED STATES LEASE FINANCING, INC., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

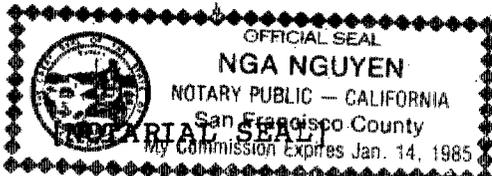


Nga Nguyen  
Notary Public

My commission expires: Jan. 14, 1985

STATE OF CALIFORNIA )  
 ) SS  
COUNTY OF San Francisco

On this 29<sup>th</sup> day of June, 1983, before me personally appeared B. D. Schneider, to me personally known, who being by me duly sworn, says that he is a President of STOCKTON TERMINAL AND EASTERN RAILROAD, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Nga Nguyen  
Notary Public

My commission expires: Jan. 14, 1985

**SCHEDULE A**  
**(to Amendment to Equipment Sublease)**

**DESCRIPTION OF ITEMS OF EQUIPMENT**

Manufacturer of Equipment:	Paccar, Inc.
Description and Mark and Number:	52' 6" 70-ton insulated "RBL" type railroad box cars marked and numbered STE-2008 to 2107, both inclusive, excluding STE-2057
Number of Items of Equipment:	99
Base Purchase Price of Equipment:	\$66,490.00 per Item
Maximum Aggregate Purchase Price of Equipment:	\$6,582,510.00
Place of Delivery:	F.O.B. Manufacturer's Plant in Rent on, Washington
Outside Delivery Date:	June 30, 1981

1

SCHEDULE B  
(to Amendment to Equipment Sublease)

SCHEDULE OF CASUALTY VALUES

The Casualty Value for an Item of Equipment payable on any Lessor's Payment Date shall mean an amount equal to the percent of the Purchase Price of such Item set forth opposite such date in the following schedule:

<u>Number and Date of Fixed Rental Payment on which Casualty Value is Paid</u>	<u>Percentage of Purchase Price Payable as Casualty Value*</u>
1            January 2, 1984	121.7782
2            July 2, 1984	121.4335
3            January 2, 1985	120.5742
4            July 2, 1985	119.3467
5            January 2, 1986	117.6877
6            July 2, 1986	115.7227
7            January 2, 1987	113.5769
8            July 2, 1987	111.2430
9            January 2, 1988	108.7382
10           July 2, 1988	106.0388
11           January 2, 1989	103.1750
12           July 2, 1989	100.1146
13           January 2, 1990	96.8962
14           July 2, 1990	93.4781
15           January 2, 1991	89.9084
16           July 2, 1991	86.1363
17           January 2, 1992	82.2193
18           July 2, 1992	78.1040
19           January 2, 1993	74.2317
20           July 2, 1993	69.8773
21           January 2, 1994	65.3115
22           July 2, 1994	60.5989
23           January 2, 1995	55.8767
24           July 2, 1995	51.0552
25           January 2, 1996	46.2395
26           July 2, 1996	41.3442
27           January 2, 1997	36.4901
28           July 2, 1997	31.3606
29           January 2, 1998	25.9832
30           July 2, 1998	20.0000
and thereafter	

\*This Value applicable on the assumption that, as required by the Equipment Sublease, Lessee has paid all Fixed Rental for the Item affected due on all Lessee's Fixed Rental Payment Dates to and including the Lessor's Fixed Rental Payment Date on which Casualty Value is paid.

ANNEX I TO SCHEDULE B  
 (to Amendment to Equipment Sublease)

The percentages set forth above in this Schedule B have been computed without regard to recapture of the Investment Credit provided for in Section 38 and related sections of the Internal Revenue Code. Consequently, the Casualty Value of any Item of Equipment suffering a Casualty Occurrence on or before any particular anniversary of the date of delivery and acceptance of such Item shall be increased by the applicable percentage of the Purchase Price set forth below:

Anniversary of Delivery and Acceptance	Percentage of Purchase Price
Third	11.40936
Fourth	7.60624
Fifth	3.80317

Applicable to the following Items only:

DATE OF DELIVERY AND ACCEPTANCE	ITEMS MARKED	NO. OF ITEMS
1.5.81	STE 2058, 2060, 2061	3
1.6.81	STE 2056, 2063, 2064 2065, 2066	5
1.7.81	STE 2067 thru 2072	6
1.8.81	STE 2073 thru 2078	6
1.9.81	STE 2079 thru 2084	6
1.12.81	STE 2017, 2018 2085 thru 2090	8
1.13.81	STE 2010, 2016 2091 thru 2096	8
1.14.81	STE 2097 thru 2102	6
1.15.81	STE 2103, 2104, 2105 2106, 2107, 2015 2059	7
1.16.81	STE 2013, 2014, 2024 2062	4
TOTAL:		59

(Continued on next page)

Anniversary of  
Delivery and Acceptance

Percentage of  
Purchase Price

Third	19.01559%
Fifth	12.67706
Seventh	6.33853

Applicable to the following Items only:

<u>DATE OF DELIVERY AND ACCEPTANCE</u>	<u>ITEMS MARKED</u>	<u>NO. OF ITEMS</u>
12.31.80	STE 2008, 2009, 2011 2012, 2019, 2020 2021, 2022, 2023 2025 thru 2055	40