

ITEL

15063-Q

October 26, 1988

OCT 31 1988-2 20 PM
INTERSTATE COMMERCE COMMISSION

Istel Rail Corporation

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

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

10/31/88
\$13.00
ICC Washington, D. C.

Re: Amendment No. 8 and Release dated as of September 21, 1988, to the Security Agreement between Istel Rail Corporation and Heller Financial, Inc.

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. Section 11303(a), along with the \$13 recordation fee.

Please record this Amendment under the Security Agreement dated as of September 30, 1986, between Istel Rail Corporation and Heller Financial, Inc., which was filed with the ICC on October 7, 1986, under Recordation No. 15063.

The parties to the aforementioned instrument are listed below:

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

Heller Financial, Inc. (Secured Party)
200 North LaSalle Street
Chicago, Illinois 60601

This Amendment releases the Secured Party from any security interest it may have in seventy-four (74) 50', 70-ton boxcars bearing reporting marks from within the series HCRC 9010-9191 (n.s.).

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

Very truly yours,

Patricia Schumacker

Patricia Schumacker
Legal Department

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AMENDMENT NO. 8 AND RELEASE
DATED AS OF SEPTEMBER 21, 1988
TO THE SECURITY AGREEMENT
BETWEEN ITEL RAIL CORPORATION ("BORROWER")
AND HELLER FINANCIAL, INC. ("LENDER")

WHEREAS, Borrower and Lender are parties to a Loan and Security Agreement (the "Loan") dated as of September 30, 1986, as amended; and

WHEREAS, in furtherance of the Loan, Borrower and Lender have entered into a Security Agreement (the "Security Agreement"), dated as of September 30, 1986, as amended, which was filed with the Interstate Commerce Commission pursuant to 49 U.S.C. §11303(a) on October 7, 1986, and given Recordation No. 15063; and

WHEREAS, pursuant to the Loan and the Security Agreement, Borrower granted Lender a security interest in certain Collateral (as defined in the Loan), including certain after-acquired property, including seventy-four (74) 50', 70-ton boxcars built in 1975 and 1976 bearing reporting marks HCRC 9010-9191 (n.s.) and identified on Schedule 1 attached hereto (the "Boxcars"); and

WHEREAS, Subsection 5.4 of the Loan provides that if the Borrower shall sell or otherwise dispose of any assets in accordance with Subsection 7.13 of the Loan, the Lender shall release its interest in such assets and shall execute and file all necessary or appropriate instruments to remove any liens in favor of Lender with respect to such assets; and

WHEREAS, Borrower has entered into a railcar purchase and sale agreement dated in September, 1988 (the "Railcar Purchase Agreement") with a purchaser (the "Purchaser") for the sale of the Boxcars; and

WHEREAS, Borrower and Lender wish to make clear that the Boxcars shall constitute Excluded Rolling Stock (as defined in the Loan) and that Lender has no security interest therein or in proceeds, Accounts or General Intangibles (including without limitation Boxcar Leases) related to the Boxcars, or in any appurtenances or accessions related to the Boxcars.

NOW, THEREFORE, pursuant to the premises and the covenants and promises contained in the Loan and in the Security Agreement, the parties agree as follows:

1. All capitalized terms used herein shall have the meanings assigned to them in the Security Agreement, unless otherwise stated.
2. The Boxcars are hereby deemed Excluded Rolling Stock.
3. Lender hereby fully, completely and irrevocably releases any security interest it has or might have in the property listed on Schedule 1 attached hereto.
4. Except as expressly modified hereby, the Security Agreement remains in full force and effect.

HELLER FINANCIAL, INC.

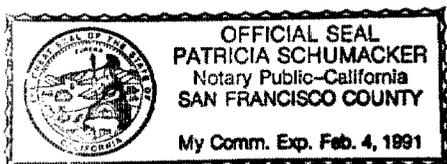
By Allen A. Palmer
Title Vice President
Date 10/21/88

ITEL RAIL CORPORATION

By Robert Kielbaso
Title Vice President - Finance
Date 9-21-88

STATE OF CALIFORNIA)
) SS.
COUNTY OF SAN FRANCISCO)

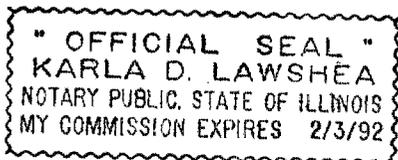
On this 21st day of September, 1988, before me personally appeared Robert C. Kiehle, to me personally known, who being by me duly sworn says that he is Vice President-Finance of ITEL Rail Corporation, that the foregoing Amendment No. 8 and Release was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Patricia Schumacker
Notary Public

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

On this 21st day of ~~September~~ ^{October}, 1988, before me personally appeared Colleen A. Palmer, to me personally known, who being by me duly sworn says that she is Vice President of Heller Financial, Inc., that the foregoing Amendment No. 8 and Release was signed 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.



Karla D. Lawshea
Notary Public

SCHEDULE 1

- (A) 74 Plate B, XM boxcars built in 1975 and 1976 by Berwick Manufacturing Company, each weighing 70 tons and being 50'0" long, bearing the numbers HCRC 9010-9191 (non-sequential), as more particularly identified in Exhibit A hereto, together with all accessories, parts, repairs, replacements, substitutions, attachments, modifications, renewals, additions, improvements, upgrades and accessions of, to or upon such boxcars (the "Boxcars"); and
- (B) any lease or sublease, whether presently existing or hereafter arising, as such lease or sublease may relate to the Boxcars (colletively, the "Leases"); and
- (C) any and all proceeds of the Boxcars or Leases, including without limitation any and all proceeds of insurance, indemnity, warranty or guaranty payable with respect to the Boxcars; any and all payments (in any form whatsoever) made or due and payable in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any of the Boxcars by any governmental body, authority, bureau or agency; and all rents, issues, profits, revenues and other monies due and to become due under, and all claims for damages arising out of the breach of, any Lease, as such Lease relates to the Boxcars; and
- (D) any and all Accounts, General Intangibles, Inventory, Equipment (all as defined in the Heller Loan Agreement) and any and all property and interests in property, now owned or hereafter acquired, all accessions and additions thereto, substitutions therefor, and replacements and products thereof, cash, and all other cash and non-cash proceeds, solely as the foregoing relate to the Boxcars.

EXHIBIT A

Identification of Cars

<u>Reporting Mark</u>	<u>AAR Mechanical Designation</u>	<u>Description</u>
HCRC 9010-9014	XM	50', 70-ton roller bearing, rigid Plate B, grandfathered boxcars
HCRC 9016-9053		
HCRC 9104-9109		
HCRC 9124-9128		
HCRC 9133		
HCRC 9167-9169		
HCRC 9171-9177		
HCRC 9179-9181		
HCRC 9183-9185		
HCRC 9188-9189		
HCRC 9191		

74 Boxcars