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14771-A

LAW OFFICES

ALVORD AND ALVORD

200 WORLD CENTER BUILDING

918 SIXTEENTH STREET, N.W.

WASHINGTON, D.C.

20006-2973

(202) 393-2266

OF COUNSEL
URBAN A. LESTER

CABLE ADDRESS
"ALVORD"

TELEX
440367 A AND A

TELEFAX
(202) 393-2156

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD*
CHARLES T. KAPPLER
JOHN H. DOYLE*
GEORGE JOHN KETO*
RICHARD N. BAGENSTOS
JAMES C. MARTIN, JR.*

* ALSO ADMITTED IN NEW YORK
* ALSO ADMITTED IN OHIO
* ALSO ADMITTED IN MARYLAND

INTERSTATE COMMERCE COMMISSION December 9, 1988

DEC 9 1988 4-30 PM

8-344A078

RECORDATION NO. 14771-A Filed 12/9/88

No.

Date DEC 9 1988

Fee \$ 13.00

ICC Washington, D.C.

Ms. Noretta R. McGee
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Dear Ms. McGee:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two fully executed copies of an Agreement dated as of December 9, 1988, a secondary document as defined in the Commission's Rules for the Recordation of Documents (49 C.F.R. Section 1177).

The enclosed document relates to the Management Agreement dated as of August 12, 1985 between MLL Equipment Investors - I and United States Rail Services, Inc., which was duly filed and recorded on August 13, 1985 and assigned Recordation Number 14771.

The names and addresses of the parties to the enclosed document are:

United States Rail Services, Inc.
733 Front Street
San Francisco, California 94111

MLL Equipment Investors - I
c/o ML Leasing Partners, Inc.
48th Floor
One Liberty Plaza
165 Broadway
New York, New York 10080

TOO OFFICE OF
THE SECRETARY
DEC 9 4 28 PM '88
MOTOR OPERATING UNIT

C. T. Kappler
Countdown

Ms. Noreta R. McGee
Secretary
Interstate Commerce Commission
December 9, 1988

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

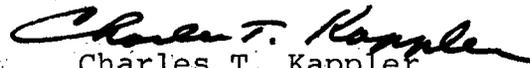
Also enclosed is a check in the amount of \$13 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return a stamped copy of the enclosed document to Charles T. Kappler, Esq., Alvord and Alvord, 918 Sixteenth Street, N.W., Washington, D.C. 20006.

A short summary of the enclosed secondary document to appear in the Commission's Index is:

Agreement dated as of December 9, 1988 between United States Rail Services, Inc. and MLL Equipment Investors - I covering 227 covered hopper cars.

Very truly yours,


Charles T. Kappler

Enclosures

SCHEDULE A

14771 - A

Description of Cars	Serial # (Inclusive)	Number of Cars	New RUSX Car Numbers
4750 cubic foot covered hopper cars, 100 ton trucks (per North American Car Corporation Specification No. 4750F, attached)	64257-64282	26	5301 - 5326
same as above	486711-486716	6	5377 - 5382
same as above	478100-478149	50	5327 - 5376
same as above	487209-487244	36	5384 - 5419
same as above	487246-487247	2	5421 - 5422
same as above	487249-487275	27	5424 - 5450
same as above	487654-487689	36	5451 - 5486
same as above	487691-487709	19	5488 - 5506
same as above	487711-487732	22	5507 - 5528
same as above	487078	1	5383
same as above	487245	1	5420
same as above	487248	1	5423
same as above	487690	1	5487
same as above	487733-487735	3	5529 - 5531
		<u>231</u>	

NOTE: The total number of cars is reduced to 227 by the deletion of RUSX 5352, RUSX 5374, RUSX 5439 and RUSX 5444 together with related Serial #'s.

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INTERSTATE COMMERCE COMMISSION

AGREEMENT OF
UNITED STATES RAIL SERVICES, INC.

DEC 9 1988 4-30 PM

RECORDATION NO. 14771-A Filed 12/25

AND

MLL EQUIPMENT INVESTORS -I

Agreement dated as of December 9, 1988 regarding the Management Agreement dated as of August 12, 1985 made between MLL Equipment Investors-I, a New York limited partnership (the "Owner"), and United States Rail Services, Inc., a California corporation ("USRS"), and recorded on the books and records of the Interstate Commerce Commission under Recordation No. 14771 (the "Management Agreement").

WHEREAS, the Owner and USRS have heretofore entered into the Management Agreement pursuant to which the Owner retained USRS as its agent for the purpose of managing railroad cars on its behalf; and

WHEREAS, the Owner and USRS have entered into a Purchase and Sale Letter Agreement dated as of December 9, 1988 (the "Purchase Agreement") pursuant to which the Owner will sell to USRS and USRS will purchase 227 - 4,750 cubic foot covered hopper cars (the "Railcars") under the terms and conditions set forth in the Purchase Agreement; and

WHEREAS, the Management Agreement provides in Section 2 thereof that upon the sale of the Railcars the Management Agreement shall be terminated;

NOW THEREFORE, for and in consideration of the premises and and other good consideration, receipt of which is hereby acknowledged, the Owner and USRS hereby agree as follows:

1. All future rights and obligations of the Owner and USRS under the Management Agreement shall terminate upon the consummation of the sale of the Railcars pursuant to the terms of the Purchase Agreement.

2. Notwithstanding the provisions of Section 1 hereof, nothing in this Agreement shall alter or modify any rights or obligations of the Owner and USRS arising under the Management Agreement or relating to a time or event occurring prior to the execution or as a result of this Agreement and termination of the Management Agreement. In furtherance of the preceding sentence, all revenues received by USRS in connection with the Railcars from

whatever source and for whatever reason under the Management Agreement which are accrued or earned prior to the date hereof shall be for the account of the Owner and all costs and expenses incurred by USRS in management of the Railcars prior to the date hereof shall be for the account of the Owner.

3. USRS shall present to the Owner a final accounting and report of all revenues and expenses earned and accrued under the Management Agreement for the account of the Owner in accordance with the terms and under the provisions of the Purchase Agreement.

This Agreement may be executed in one or more counterparts.

IN WITNESS WHEREOF, the parties hereto have caused this Termination and Agreement to be duly executed as of the date first written above.

MLL EQUIPMENT INVESTORS-I, as Owner
By: ML Leasing Partners, Inc.
General Partner

By:

Title:



UNITED STATES RAIL SERVICES, INC.
as Manager under the Management Agreement and as Purchaser under the Purchase Agreement

By:

Title:

whatever source and for whatever reason under the Management Agreement which are accrued or earned prior to the date hereof shall be for the account of the Owner and all costs and expenses incurred by USRS in management of the Railcars prior to the date hereof shall be for the account of the Owner.

3. USRS shall present to the Owner a final accounting and report of all revenues and expenses earned and accrued under the Management Agreement for the account of the Owner in accordance with the terms and under the provisions of the Purchase Agreement.

This Agreement may be executed in one or more counterparts.

IN WITNESS WHEREOF, the parties hereto have caused this Termination and Agreement to be duly executed as of the date first written above.

MLL EQUIPMENT INVESTORS-I, as Owner
By: ML Leasing Partners, Inc.
General Partner

By: _____
Title:

UNITED STATES RAIL SERVICES, INC.
as Manager under the Management
Agreement and as Purchaser under the
Purchase Agreement

By:  _____
Title:
PRESIDENT

CORPORATE ACKNOWLEDGMENT

State of NY)
County of NY) ss.

On this 8th day of December, 1988, before me personally appeared Robert F. Aufenanger, to me personally known (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument, which person being duly sworn says that he/she is V.P. of ML Leasing Partners, Inc., that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the within instrument was the free act and deed of said corporation.

Kathleen M Keavey
Notary Public

KATHLEEN M. KEAVEY
Notary Public, State of New York
No. 03-4620764
Qualified in Bronx County
Commission Expires June 30, 1989

