

WILMER, CUTLER & PICKERING

4-153A011

1666 K STREET, N. W.

WASHINGTON, D. C. 20006

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ALLEN H. HARRISON, JR.

DIRECT LINE (202)

872-6093

RECORDATION NO. 12989-F Filed 1425

June 1, 1984 - 8:45 AM

INTERSTATE COMMERCE COMMISSION

Dear Mr. Bayne:

On behalf of Railgon Company, I submit for filing and recording, under 49 U.S.C. § 11303(a) and the regulations promulgated thereunder, the enclosed executed counterpart and one certified true copy of a secondary document entitled "Amendment to Lease of Railroad Equipment (No. 3)."

The aforesaid document amends the payment obligation of the Lessee in that certain Lease of Railroad Equipment (No. 3) dated as of February 1, 1981, and recorded with the Interstate Commerce Commission March 20, 1981 under Recordation No. 12989-B. Please file the enclosed document under Recordation No. 12989 under the next available letter.

12989-F

RECEIVED
JUN 1 8 40 AM '84
L.I.C.
FEE OPERATION BUREAU

The parties to this transaction are as follows:

Railgon Company - Lessee
101 North Wacker Drive
Chicago, Illinois 60606

4-153A011
Date JUN 1 1984
Fee \$ 10.00

The Connecticut Bank and Trust Company, National Association - as Trustee for Owner, and as Lessor
One Constitution Plaza
Hartford, Connecticut 06115

The equipment covered by the aforesaid Lease is not changed by the enclosed document.

Enclosed is a check of this firm in the amount of \$10 to pay the recording fee for the instant document.

A short summary of the document to appear in the Index is as follows:

"Amends payment obligation, no change in equipment."

Once the filing has been made, please keep for your files the certified true copy, and return to bearer the stamped executed counterpart, together with the fee receipt, the letter from the ICC acknowledging the filing, and the two extra copies of this letter of transmittal.

Very truly yours,



Allen H. Harrison, Jr.
Attorney for Railgon Company
for the purpose of this
filing.

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

Enclosures

AHH/iw

BY HAND

CERTIFICATION OF TRUE COPY

RECORDATION NO. 12989-F Filed 1425

DISTRICT OF COLUMBIA) SS.: JUN 1 1984 -8 5 AM

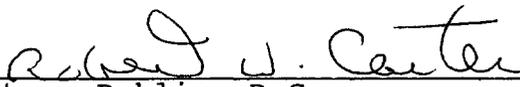
INTERSTATE COMMERCE COMMISSION

I, Allen H. Harrison, Jr., a member of the Bars of the District of Columbia and the Commonwealth of Virginia, do hereby certify that I have compared the attached copy of the document entitled "Amendment to Lease of Railroad Equipment (No. 3)" with an executed original counterpart thereof and find the said attached copy to be in all respects a true, correct and complete copy of the aforesaid executed original counterpart.

IN WITNESS WHEREOF, the undersigned has hereunto affixed his signature this 31st day of May, 1984.


Allen H. Harrison, Jr.

Subscribed and sworn to
before me this 31st day
of May, 1984.


Notary Public, D.C.

My commission expires:

May 31, 1984

AMENDMENT TO LEASE OF RAILROAD EQUIPMENT (No. 3)

AMENDMENT made as of the 1st day of January, 1984 between RAILGON COMPANY, a Delaware corporation ("Lessee") and THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association, acting not in its individual capacity but solely as Trustee (hereinafter together with its successors and assigns, called "Trustee") acting under a Trust Agreement dated as of February 1, 1981 with General Electric Credit Corporation ("Owner").

RECITALS

WHEREAS, the Trustee and the Lessee are parties to a Lease of Railroad Equipment, dated as of February 1, 1981 (the "Lease"), pursuant to which the Trustee leased to the Lessee certain railroad equipment described in Schedule A thereto (the "Equipment");

WHEREAS, by an Assignment of Lease and Agreement dated as of February 1, 1981, the Trustee has assigned its rights in, to and under the Lease to Mercantile-Safe Deposit and Trust Company, not in its individual capacity but solely as "Agent" for a certain institutional investor ("Investor") under a Participation Agreement dated as of February 1, 1981 among the Trustee, the Owner, the Agent, the Investor and the Lessee;

WHEREAS, in connection with the restructuring of certain indebtedness of the Lessee incurred in connection with the financing of the Equipment, the Owner has agreed to advance to the Lessee up to an aggregate amount of \$12,000,000;

WHEREAS, in consideration for the foregoing advances of the Owner the Lessee has agreed to an extension of the term of the Lease on the terms set forth herein and to certain other amendments.

NOW THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties hereto agree as follows:

1. The first two sentences of Section 1 of the Lease are hereby amended to read in their entirety as follows:

§ 1. Net Lease. This Lease is a net lease. The Lessee's obligation to pay all rentals and other amounts hereunder shall be absolute and unconditional and, except as herein provided, the Lessee shall not be entitled to any abatement of rent, reduction thereof or setoff against rent, including, but not limited to, abatements, reductions or setoffs due or alleged to be due by reason of any past, present or future claims of the Lessee against the Trustee or the Owner, whether under this Lease, under the CSA, under the Override and Restructuring Agreement, dated as of January 1, 1984, among the Trustee, the Lessee, the Owner, the Investors, Trailer Train Company and the Agent (each as defined therein) (the "Override Agreement") or otherwise, including the Lessee's rights by subrogation thereunder against any Builder or the Vendor or otherwise; nor, except as otherwise expressly provided herein, shall this Lease terminate, or the respective obligations of the Trustee or the Lessee be otherwise affected, by reason of any defect in or damage to or loss of possession or loss of use or destruction of all or any of the Units from whatsoever cause, any liens, encumbrances or rights of others with respect to any of the Units, the prohibition of or other restriction against the Lessee's use of all or any of the Units, the interference with such use by any person or entity, the invalidity or unenforceability or lack of due authorization of this Lease, any insolvency of or bankruptcy, reorganization or similar proceeding against the Lessee, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the rents and other amounts payable by the Lessee hereunder shall continue to be payable in all events in the manner and at the times herein provided unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease.

2. The first paragraph of Section 3 of the Lease is hereby amended to read in its entirety as follows:

§ 3. Rentals. With respect to each of the Units subject to this Lease, the Lessee will pay to the Trustee the following rentals: a special rental payment payable on each Closing Date (as defined in Article 4 of the CSA) with respect to such Unit and thereafter 32 consecutive semiannual payments ("Basic Rentals"), payable on February 15 and August 15 in each year, commencing February 15, 1982; provided, however, that during the Override Period (as such term is defined in the Override Agreement) and thereafter until termination of any extended term of this Lease such Basic Rentals shall be payable on June 15 and December 15 in each year. The special rental payment shall be in an amount equal to the interest due the Builder of such Unit pursuant to subparagraph (a) of the third paragraph of Article 4 of the CSA. The 32 semiannual Basic Rentals in respect of each such Unit subject to this Lease on such date of such payment are as follows:

<u>Payment</u>	<u>Rentals Percentage of Purchase Price</u>
1-17	5.752510%
18	5.616037%
19	5.483631%
20	5.136864%
21	5.007663%
22-28	4.938000%
29-32	5.752510%

provided, however, that during the Override Period each of the payments of Basic Rentals shall be reduced by an amount equal to the amount of interest due on such date pursuant to Article 4 of the CSA (as amended during the Override Period by the Override Agreement) which is deferred on such date pursuant to the Override Agreement. All of such amounts shall be payable by the Lessee in accordance with the terms of the Override Agreement. Except as provided in the second preceding sentence, in no event shall the foregoing rentals be less than the principal and interest payment due on each such date pursuant to Article 4 of the CSA (as amended during the Override Period by the Override Agreement).

3. The first paragraph of Section 7 of the Lease is hereby amended by adding the following sentence to the end thereof:

In addition to any CSA Indebtedness (as defined in Article 4 of the CSA) required to be paid to the Agent out of any casualty payments, the Investors shall also be entitled to receive, prior to any payments to the Owner or the Trustee out of such casualty payments, any amounts payable in respect of Deferred Amounts, Additional Deferred Amounts and Additional Interest (each as defined in the Override Agreement) under the Override Agreement in respect of each Unit suffering the Casualty Occurrence.

4. The final two paragraphs of Section 7 of the Lease are hereby amended to read in their entirety as follows:

The Lessee shall at all times while this Lease is in effect maintain or cause to be maintained (including by means of insurance, including self-insurance, maintained by the users of the Units at the time subject hereto having an obligation to indemnify the Lessee for any damage to or destruction of any of such Units), at its own expense, property and casualty insurance (other than by self-insurance maintained by the Lessee) in respect of the Units at the time subject hereto, at least in amounts and against risks (i) customarily insured against by owners or lessees of similar equipment and (ii) insured against by Trailer Train Company, a Delaware corporation ("TT") or any affiliate thereof with respect to equipment owned or leased by them.

The Lessee will at all times prior to the return of the Units to the Trustee in accordance with the terms of this Lease, at its own expense, cause to be carried and maintained public liability insurance (other than by self-insurance maintained by the Lessee) with respect to the Units in amounts and against risks (a) customarily insured against by owners of similar equipment and (b) insured against by TT or its affiliates with respect to equipment owned or leased by them.

5. The first two paragraphs of Section 13 of the Lease are hereby amended to read in their entirety as follows:

§ 13. Renewals. The Trustee intends to retain the Units for re-lease at the expiration of the term of this Lease. Provided that (i) this Lease has not been earlier terminated, (ii) the Lessee is not in default hereunder and (iii) the Owner shall have made advances to the Lessee during the Override Period pursuant to the Override Agreement, the term of this Lease in respect of all, but not fewer than all, of the Units then covered by this Lease shall be extended for one additional two-year period commencing on the scheduled expiration of the original term of this Lease, at a semiannual rental equal to \$3,330,464.09 provided that the Owner shall have advanced to the Lessee not less than \$6,000,000 pursuant to the Override Agreement or, if the Owner shall have advanced less than \$6,000,000 to the Lessee pursuant to the Override Agreement, such rental shall equal the product of multiplying \$3,330,464.09 by a fraction the numerator of which is the amount (up to \$6,000,000) so advanced by the Owner and the denominator of which is \$6,000,000; such rental is payable in arrears on June 15 and December 15 in each year of the extended term of this Lease.

Provided that (i) this Lease has not been earlier terminated, (ii) the Lessee is not in default hereunder, and (iii) the Owner shall have advanced to the Lessee in excess of \$6,000,000 during the Override Period pursuant to the Override Agreement, the term of this Lease as extended pursuant to the first paragraph of this § 13 shall be extended in respect of all, but not fewer than all, of the Units then covered by this Lease for an additional two-year period commencing on the scheduled expiration of the first extended two-year term of this Lease at a rental amount equal to the greater of (a) \$3,330,464.09 and (b) the Fair Market Rental, payable in semiannual payments on the semiannual anniversaries of the expiration of the preceding extended term; provided, however, that if the Owner shall have advanced less than \$12,000,000 to the Lessee pursuant to the Override Agreement, such rental shall equal the product of multiplying the applicable rental set forth above by a fraction, the numerator of which is the total amount so advanced by the Owner and the denominator of which is \$12,000,000.

6. The beginning clause of the second sentence of of the third paragraph of Section 13 of the Lease is hereby amended to read as follows:

If, on or before the date which is 60 days prior to the expiration of the first extended term of this Lease, the Trustee and the Lessee are unable to agree upon a determination of the Fair Market Rental, such rental shall be determined in accordance with the foregoing definition by the following procedure:

7. The last two paragraphs of Section 13 of the Lease are hereby deleted in their entirety.

8. The last paragraph of Section 14 of the Lease is hereby deleted in its entirety.

9. Schedule B to the Lease is hereby amended to read as follows:

SCHEDULE B TO THE LEASE

Casualty Values*

<u>Rental Payment Date</u>	<u>Percentage</u>
June 15, 1984.....	115.4636
December 15, 1984.....	113.5304
June 15, 1985.....	113.1519
December 15, 1985.....	112.7232
June 15, 1986.....	112.8487
December 15, 1986.....	113.0772
June 15, 1987.....	111.2874
December 15, 1987.....	109.3878
June 15, 1988.....	107.0956
December 15, 1988.....	104.6771
June 15, 1989.....	101.6352
December 15, 1989.....	98.2600
June 15, 1990.....	94.4860
December 15, 1990.....	93.2190
June 15, 1991.....	87.3973
December 15, 1991.....	84.1795
June 15, 1992.....	81.0902
December 15, 1992.....	78.1091
June 15, 1993.....	75.5648
December 15, 1993.....	73.3123
June 15, 1994.....	69.6420
December 15, 1994.....	67.3214

June 15, 1995.....	62.7317
December 15, 1995.....	58.7518
June 15, 1996.....	52.9621
December 15, 1996.....	47.9177
June 15, 1997.....	42.2070
December 15, 1997.....	39.9084
June 15, 1998.....	39.2689
December 15, 1998.....	38.7191
June 15, 1999.....	37.2447
December 15, 1999.....	36.7623
June 15, 2000.....	35.1726
December 15, 2000.....	33.8085
June 15, 2001.....	32.2209
December 15, 2001.....	30.1326
and thereafter.....	

* The Casualty Value of each Unit as of any rental payment date shall be that percentage of the Purchase Price of such Unit as is set forth in the above schedule opposite such rental payment date.

10. Except as amended by this Agreement, the Lease shall remain in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, the parties have executed or caused this instrument to be executed as of the date first above written.

RAILGON COMPANY

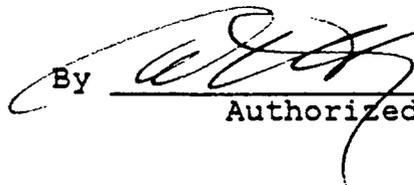
By RC Burbank

[Corporate Seal]

Attest:

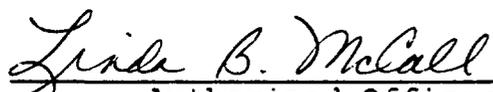
T. D. Marlow
 ASSISTANT Secretary

THE CONNECTICUT BANK AND TRUST
COMPANY, NATIONAL ASSOCIATION,
not in its individual capacity,
but solely as Trustee

By  _____
Authorized Officer

[Seal]

Attest:



Authorized Officer

STATE OF ILLINOIS,)
 : ss.:
COUNTY OF COOK,)

On this 29th day of *May*, 1984, before me personally appeared *R. C. Buxton, Jr.*, to me personally known, who, being by me duly sworn, says that he is the *President - Chief Executive Officer* of Railgon Company, 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.

Carole A. Freund

Notary Public

[Notarial Seal]

MY COMMISSION EXPIRES
AUGUST 29, 1984

