



**Illinois
Central
Gulf**

An **IC Industries** Company

RECORDATION NO. 10390-C Filed 1425

RECORDATION NO. 10390-B Filed 1425

MAY 6 1980 - 1 45 PM

MAY 6 1980 - 1 45 PM

William H. Sanders
Corporate Counsel

RECORDATION NO. 10390-A
MAY 6 1980
INTERSTATE COMMERCE COMMISSION
Illinois Central
Gulf Railroad
Two Illinois Center
1233 North Michigan Avenue
Chicago, IL 60601
(312) 565 1600

May 2, 1980

INTERSTATE COMMERCE COMMISSION
HONORABLE AGATHA L. MERGENOVICH

Secretary
Interstate Commerce Commission
Washington, D. C. 20423

No. 0-1234114

Date MAY 6 1980 (10.00 per)

Fee \$ 30.00

ICC Washington, D. C.

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I.C.C.
FEE OPERATION BR.

Dear Ms. Mergenovich:

Pursuant to the provisions of 49 U.S.C. Sec. 11303 and the applicable regulations of the Interstate Commerce Commission, there are herewith transmitted for filing and recording a number of counterparts of three separate supplements or amendments to an Equipment Lease Agreement dated as of May 21, 1979 between McDonnell Douglas Finance Corporation and Illinois Central Gulf Railroad Company. This Equipment Lease Agreement was recorded with the Commission on May 22, 1979, Recordation No. 10390.

A draft payable to the order of the Interstate Commerce Commission for the recording fee applicable to this filing is enclosed herewith. The name of the Lessor is:

McDonnell Douglas Finance Corporation
3855 Lakewood Blvd.
Long Beach, California 90846

The name of the Lessee is:

Illinois Central Gulf Railroad Company
233 North Michigan Avenue
Chicago, Illinois 60601

The equipment covered by these supplements is 100 83-ton open hopper coal cars, numbered ICG 340600-340699 and 25 70-ton 50'6" boxcars numbered ICG 501000-501024.

It is respectfully requested that all counterparts not needed for the Commission's files be returned to the bearer of this letter with the Commission's recordation stamp shown thereon.

Very truly yours,

William H. Sanders
William H. Sanders

Enc.

Agatha L. Mergenovich
Carroll

STIPULATED LOSS VALUES

PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST	PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST	PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST
Before Payment 1	105.0	46	97.0	93	72.0
1	105.1	47	96.9	94	71.6
2	105.2	48	96.7	95	71.2
3	105.3	49	96.5	96	70.8
4	104.4	50	96.4	97	70.4
5	104.5	51	96.2	98	70.0
6	104.5	52	89.8	99	69.6
7	104.5	53	89.6	100	69.2
8	104.6	54	89.4	101	68.7
9	104.6	55	89.2	102	68.3
10	104.6	56	89.0	103	67.9
11	104.6	57	88.8	104	67.4
12	104.6	58	88.6	105	66.9
13	104.6	59	88.4	106	66.5
14	104.7	60	88.2	107	66.1
15	104.7	61	87.9	108	65.6
16	104.7	62	87.7	109	65.1
17	104.7	63	87.4	110	64.6
18	104.6	64	87.2	111	64.2
19	104.6	65	86.9	112	63.7
20	104.6	66	86.7	113	63.2
21	104.6	67	86.4	114	62.7
22	104.6	68	86.2	115	62.2
23	104.5	69	85.9	116	61.7
24	104.5	70	85.6	117	61.2
25	104.4	71	85.3	118	60.7
26	104.4	72	85.0	119	60.1
27	104.3	73	84.7	120	59.6
28	99.1	74	84.4	121	59.1
29	99.0	75	84.1	123	58.5
30	98.9	76	77.7	124	58.0
31	98.6	77	77.3	125	57.4
32	98.8	78	77.0	126	56.9
33	98.7	79	76.7	127	56.3
34	98.6	80	76.4	128	55.8
35	98.5	81	76.0	129	55.2
36	98.4	82	75.7	130	54.7
37	98.3	83	75.4	131	54.1
38	98.2	84	75.0	132	53.5
39	98.0	85	74.7	133	52.9
40	97.9	86	74.3	134	52.3
41	97.8	87	73.9	135	51.7
42	97.6	89	73.6	136	51.1
43	97.5	90	73.2	137	50.5
44	97.4	91	72.8	138	49.9
45	97.2	92	72.4	139	49.3

STIPULATED LOSS VALUES

PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST	PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST	PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST
140	48.7				
141	48.1				
142	47.4				
143	46.8				
144	46.2				
145	45.5				
146	44.9				
147	44.2				
148	43.5				
149	42.9				
150	42.2				
151	41.5				
152	40.9				
153	40.2				
154	39.5				
155	38.8				
156	38.1				
157	37.4				
158	36.7				
159	36.0				
160	35.3				
161	34.5				
162	33.8				
163	33.1				
164	32.3				
165	31.6				
166	30.9				
167	30.1				
168	29.3				
169	28.6				
170	27.8				
171	27.0				
End of Term and Thereafter	25.0				

Special Conditions

1. Except as provided below, the covenants, terms and conditions appearing in that certain Equipment Lease Agreement dated as of May 21, 1979 (including Lease Addendums No. 1 and 2) between the Lessor and Lessee (the "Lease"), shall be deemed to be incorporated herein by reference. The obligation of the Lessee to pay rent for each unit of equipment described on the face of this IER (individually referred to as a "unit of equipment" and collectively as "the equipment") shall commence on the Acceptance Date (as that term is hereinafter described) thereof.

2. Upon notification by Lessor to Lessee that any of the units of equipment are available for inspection, Lessor (by itself or through its agent, Railway & Industrial Services, Inc.) and Lessee shall inspect such units of equipment. To the extent that it is agreed that it is necessary to (1) re-mark and re-paint the equipment, and (2) perform repairs so that the equipment is in a condition which is acceptable for interchange service (hereinafter collectively referred to as "the Work"), Lessee shall promptly perform the Work and Lessor shall pay to Lessee its costs and expenses directly attributable thereto; provided however, in the event Lessee estimates that the Work with respect to any unit of equipment will exceed \$600.00, then Lessee shall notify Lessor of such fact, and Lessor shall promptly elect to have the Work performed by Lessee or another entity chosen by Lessor. Upon completion of the Work, if any, with respect to each unit of equipment, Lessee shall

immediately notify Lessor that such unit of equipment has been accepted, and confirm such acceptance to Lessor in writing. The Acceptance Date for each unit of equipment shall be (1) the date of inspection if no Work is necessary, or (2) the date when the Work is completed **to Lessee's reasonable satisfaction.**

Each unit of equipment shall be subject to all of the terms and conditions of the Lease on the Acceptance Date, and the Lease term for each unit of equipment shall be 14 years and 3 months; provided, however, in no event shall the Lease term for any unit of equipment extend beyond November 30, 1994.

In the event that Lessee reasonably asserts that: (A) as a direct result of corrosion or abuse which exists at the time of the inspection, which corrosion or abuse cannot be repaired to Lessee's reasonable satisfaction is designated in writing by Lessee, the designated units of equipment will, during the Lease term (i) require "extraordinary maintenance" (as that term is hereinafter defined) or (ii) become a "bad order" railroad car, (B) such unit of equipment, as a result of such corrosion or abuse, actually requires extraordinary maintenance or becomes a "bad order" railroad car, and (C) subsequent to the Acceptance Date, an officer of Lessee who is familiar with railroad maintenance certifies in writing that such unit of equipment has become a "bad order" railroad car or that extraordinary maintenance will be or has been performed as a result of such designated corrosion or abuse, then Lessor, at its option shall, as applicable, (1) reimburse Lessee for such extraordinary maintenance, (2) pay all costs and expenses to cause any such "bad order" railroad car to be in a condition

acceptable for interchange service, or (3) cancel the Lease with respect to such unit of equipment. The term "extraordinary maintenance" as used herein shall mean and include all repairs or maintenance which are attributable to such corrosion or abuse.

3. In the event that, as of June 30, 1981, any unit of equipment set forth on this IER is not subject to this Lease, Lessor and Lessee shall amend this IER to delete the reference to any such unit of equipment. In the event that, subsequent to acceptance of any unit of equipment Lessee is compelled

to return any such unit of equipment to NRUC, Lessee shall not be liable to Lessor for rent relating to any such unit of equipment after re-delivery thereof pursuant to such court order; provided, however, Lessee shall (1) inform Lessor of any demand, case or proceeding to compel Lessee to re-deliver any unit of equipment to NRUC, and (2) assign to Lessor all of its rights in any such unit of equipment. If any unit of equipment which has been re-delivered by Lessee to NRUC is returned or made available to Lessee on or before June 1, 1981, Lessee shall again pay rent for any such unit of equipment at the time of such return or availability.

4. Lessor represents and warrants to Lessee that the equipment was new and unused prior to the commencement of the lease between Lessor and NRUC, dated as of April 30, 1979, pertaining to the equipment.

5. This Agreement may be executed in counterparts, each of which shall be considered to be an original; all of the counterparts, however, shall constitute but one and the same Agreement.

LESSOR:

MCDONNELL DOUGLAS
FINANCE CORPORATION

By: D. J. Black
Title: Vice Pres.

ATTEST:

By: W. J. [Signature]
Title: Asst. Secy

SEAL

LESSEE:

ILLINOIS CENTRAL GULF RAILROAD
COMPANY

By: Dennis Melvin
Title: VP & Treasurer

ATTEST:

By: W H Sanders
Title: ASSISTANT SECRETARY

SEAL

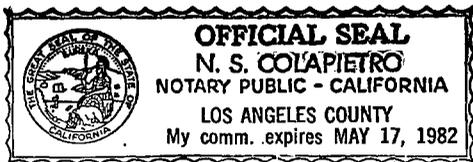
STATE OF CALIFORNIA)
) SS
COUNTY OF LOS ANGELES)

On this *2d* day of *May*, 1980, before me personally appeared Don V. Black, to me personally known, who, being by me duly sworn, says that he is Vice-President, Commercial and Industrial Financing of McDonnell Douglas Finance Corporation 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.

N. S. Colapietro
Notary Public

(Notarial Seal)

My Commission expires *May 17, 1982*



STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this *2nd* day of *May*, 1980, before me personally appeared D. N. Melin, to me personally known, who, being by me duly sworn, says that he is Vice President and Treasurer of Illinois Central Gulf Railroad 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.

Virginia N. Skonaker

Notary Public

(Notarial Seal)

My Commission expires May 4, 1980