



July 28, 1989

RECORDATION NO. FILED No.

AUG 2 1989 12 45 PM

Istel Rail Corporation

55 Francisco Street
San Francisco, California 94133
(415) 984-4000
(415) 781-1035 Fax

INTERSTATE COMMERCE COMMISSION

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

9-214A022

Re: Termination of Sublease Agreement dated as of January 10, 1986, between Itel Rail Corporation and SouthRail Corporation, as successor in interest to Gulf & Mississippi Railroad Corporation

Dear Ms. McGee:

On behalf of Itel Rail Corporation, the above instrument, in three (3) 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 Termination under the Sublease Agreement dated as of January 10, 1986, between Itel Rail Corporation and SouthRail Corporation, as successor in interest to Gulf & Mississippi Railroad Corporation, which was filed with the ICC on February 25, 1986, under Recordation No. 15015 *mg*

The parties to the aforementioned instrument are listed below:

Itel Rail Corporation (Sublessor)
55 Francisco Street
San Francisco, California 94133

SouthRail Corporation (Sublessee)
111 E. Capitol Avenue
Jackson, Mississippi 39201

This Termination Agreement terminates the Lease Agreement in its entirety.

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

THIS INSTRUMENT IS SUBJECT TO A SECURITY INTEREST IN FAVOR OF HELLER FINANCIAL, INC. UNDER THE HELLER FINANCIAL, INC. LOAN AND SECURITY AGREEMENT WITH ITEL RAIL CORPORATION DATED AS OF SEPTEMBER 30, 1986.

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TERMINATION AGREEMENT

INTERSTATE COMMERCE COMMISSION

THIS AGREEMENT ("Agreement") to terminate the Lease Agreement dated as of July 28, 1986, as amended, (the "Lease") between ITEL RAIL CORPORATION ("Lessor") and SOUTHRAIL CORPORATION ("Lessee"), as successor in interest to Gulf & Mississippi Railroad Corporation, is made as of this 14th day of July, 1989.

R E C I T A L S :

- A. Lessor and Lessee are parties to the Lease pursuant to which forty (40) boxcars currently bearing the reporting marks GMSR 40501-40540 (the "Cars") were leased by Lessor to Lessee.
- B. The Car bearing the reporting marks GMSR 40519 was destroyed on May 27, 1988.
- C. Lessor desires to provide to Lessee the option to change the mechanical designation of the Cars.
- D. Lessor and Lessee desire to change the rental with respect to the Cars.
- E. The parties desire to terminate the Lease and enter into a new agreement with respect to the thirty-nine (39) Cars.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto agree to the following:

1. The termination of the Lease shall become effective on ^{July 1, 1989} ~~the first day of the month following the full execution of the Master Lease dated _____, 1989 and Schedule No. 1 dated _____, 1989 to the Master Lease, between Lessor and Lessee.~~ RK
2. Any obligations under the Lease with respect to the Cars incurred prior to such termination shall survive the termination of the Lease with respect to such Cars. Any obligations of either party, the terms of which provide that they shall survive termination of the Lease, shall survive, including without limitation indemnity obligations.

ITEL RAIL CORPORATION

By: Robert K. Korb
Title: Vice President + Treasurer
Date: July 14, 1989

SOUTHRAIL CORPORATION

By: H. J. Schum
Title: VP & CTO
Date: JUNE 30, 1989

STATE OF CALIFORNIA)
) ss:
COUNTY OF SAN FRANCISCO)

On this 14th day of July, 1989, before me personally appeared ~~Robert Kiehnle~~ ~~Desmond P. Hayes~~, to me personally known, who being by me duly sworn says that such person is ^{Vice} President and ~~Chief Executive Officer~~ ^{Treasurer} of ITEL Rail Corporation, that the foregoing Termination Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Sharon L. Van Fossan
Notary Public



STATE OF Mississippi)
) ss:
COUNTY OF Ninds)

On this 30th day of June, 1989, before me personally appeared H F Salmon, to me personally known, who being by me duly sworn says that such person is VP & CTO of SouthRail Corporation, that the foregoing Termination Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Donna R May
Notary Public
My Commission Expires May 9, 1992