

ITEL RAIL

RECORDATION NO. 8233-D FILED 1405
SEP 28 1983 - 9 10 AM
INTERSTATE COMMERCE COMMISSION

55 Francisco
San Francisco, California 94133
(415) 955-9090
Telex 34234

August 31, 1983

322714025

Ms. Agatha Mergenovich, Secretary
Interstate Commerce Commission
Washington, D.C. 20423

No. _____
Date SEP 28 1983
Fee \$ 10.00
I.C.C.
Washington, D. C.

RECEIVED
SEP 28 3 02 AM '83
I.C.C.
FEE OPERATION BR.

Dear Ms. Mergenovich:

Pursuant to 49 U.S.C. Section 11303(a) and the Interstate Commerce Commission's rules and regulations thereunder, I enclose herewith on behalf of Itel Corporation, Rail Division, the successor by merger to SSI Rail Corp. ("Itel"), for filing and recordation under the Conditional Sale Agreement made as of March 5, 1976 (the "CSA") between Itel and FMC Corporation ("FMC") which was filed on March 9, 1976 and given Recordation Number 8233, four counterparts of the following documents:

Second Amendment and Supplement to Conditional Sale Agreement and Termination of Guaranty dated as of May 1, 1982, (the "Amendment") between Itel and Birmingham Trust National Bank, assignee of FMC's rights, title and interest in the CSA (the "Bank").

The names and addresses of the parties to the aforementioned Amendment are:

1. Birmingham Trust National Bank
Box 2554
Birmingham, Alabama 35290
2. Itel Corporation, Rail Division
55 Francisco, 7th Floor
San Francisco, California 94133

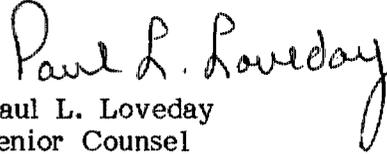
The equipment covered by this Amendment is one hundred (100) fifty foot six inch boxcars, A.A.R. mechanical designation XM, bearing reporting marks GMRC 650 - GMRC 699 and VTR 4050 - VTR 4099.

Also enclosed is a check in the amount of \$10.00 for the required recording fee.

Ms. Agatha Mergenovich, Secretary
August , 1983
Page Two

Please stamp all counterparts of the enclosed Assignment with your official recording stamp. You will wish to retain one (1) counterpart of the document for your files; it is requested that the remaining three (3) counterparts be returned to Itel Rail, attention Ms. Linda Lawrence, at the above listed address. Thank you.

Sincerely,



Paul L. Loveday
Senior Counsel

/ma
Enclosures

8233-D
SEP 28 1983 - 9 10 AM
INTERSTATE COMMERCE COMMISSION

SECOND AMENDMENT AND SUPPLEMENT TO CONDITIONAL SALE AGREEMENT and TERMINATION OF GUARANTY made as of May 1, 1982 ("this Second Amendment"), between Birmingham Trust National Bank, a national banking association ("Bank"), and **ITEL Corporation, Rail Division** debtor and debtor-in-possession, a Delaware corporation and the successor by merger to SSI Rail Corp. ("Itel").

RECITALS

- A. FMC Corporation ("FMC") and the said SSI Rail Corp. ("SSI") heretofore entered into that certain Conditional Sale Agreement made as of March 5, 1976, filed and recorded with the Interstate Commerce Commission as Recordation No. 8233 on March 9, 1976, as amended and supplemented by that certain First Amendment and Supplement to Conditional Sale Agreement between FMC and SSI made as of March 25, 1976, filed and recorded with the Interstate Commerce Commission as Recordation No. 8233-A on March 30, 1976 (as so amended, the Conditional Sale Agreement or "CSA"), providing for the construction, sale and delivery by FMC and the purchase by SSI of one hundred (100) 50' 6" 70-ton capacity general service single sheath boxcars numbered GMRC 0650 through GMRC 0699, both inclusive, and VTR 4050 through VTR 4099, both inclusive (the "Equipment");
- B. FMC and Bank heretofore entered into that certain Agreement and Assignment made as of March 25, 1976, filed and recorded with the Interstate Commerce Commission as Recordation No. 8233-B on March 30, 1976 (the "Assignment"), pursuant to which FMC sold, assigned, transferred and set over unto Bank all its right, title and interest in and to the Equipment and the Conditional Sale Agreement;
- C. **ITEL**, pursuant to a Guaranty Agreement dated as of March 25, 1976 (the "Guaranty"), unconditionally guaranteed and promised to Bank the full and prompt payment of all sums provided to be paid by SSI under the Conditional Sale Agreement and the full and prompt performance and observance of all the covenants and agreements to be performed and observed by SSI under the Conditional Sale Agreement and is the successor by merger to SSI;
- D. **ITEL** is the debtor and debtor-in-possession in that certain case under Chapter 11 of the Bankruptcy Code now pending as Case No. 3-81-00111 in the United States Bankruptcy Court, Northern District of California (the "Court");
- E. Upon confirmation of a plan of reorganization ("Plan of Reorganization") for Itel Corporation as debtor and debtor-in-possession by the Court, all the assets, rights, obligations and liabilities of the Rail Division of Itel Corporation (including the rights and obligations of Itel Corporation as debtor and debtor-in-possession under this Conditional Sale Agreement) shall be transferred to and assumed by Itel Rail Corporation, a wholly owned subsidiary of Itel Corporation.
- F. The term "Railroad" (as used in the Conditional Sale Agreement) shall mean Itel Corporation, Rail Division as debtor and debtor-in-possession from the date that this Second Amendment is approved by the Court until the date that the Plan of Reorganization is confirmed by the Court. Upon confirmation of the Plan of Reorganization by the Court, Railroad shall mean Itel Rail Corporation. The term "Builder" (as used in the CSA) shall mean Bank. The term "Boxcar" as

used in the CSA shall mean one item of Equipment.

G. **ITEL** has requested Bank further to amend and supplement the CSA and Bank is willing to do so upon the terms and conditions herein set forth.

NOW, THEREFORE, in consideration of the premises and of the mutual agreements hereinafter set forth, Bank and **ITEL** hereby agree as follows:

1. Amendment of Payments

Subsection (b) of Section 3 of the CSA is hereby deleted in its entirety. In lieu thereof, new Subsections (b), (c) and (d) of Section 3 of the CSA are hereby substituted to read in full as follows:

- (b) The balance of the conditional sale indebtedness remaining unpaid (the Remaining Conditional Sale Indebtedness), together with interest thereon or on so much thereof as from time to time remains unpaid, shall be paid in one installment of \$11,905.26 due upon approval of this Second Amendment by the Court and thereafter in 14 quarterly installments each in an amount equal to 1.93560% of the original CSA indebtedness per Boxcar subject to the CSA on the date payment is due commencing on the first day of July 1982 and on the first day of each October, January, April and July thereafter (or if any such day is not a business day, on the next following business day) through and including October 1, 1985, and thereafter in 30 quarterly installments each in an amount equal to 3.61154% of the Original CSA Indebtedness per Boxcar subject to the CSA on the date payment is due commencing on the first day of January 1986 and on the first day of each April, July, October and January thereafter (or if any such day is not a business day, on the next business day) through and including April 1, 1993, and thereafter in one quarterly installment in an amount equal to 1.18782% of the original CSA indebtedness per Boxcar subject to the CSA on the date the payment is due.
- (c) The Original CSA Indebtedness per Boxcar is deemed to be \$23,484.32.
- (d) The balance of the principal amount of conditional sale indebtedness remaining unpaid as of January 1, 1982 was \$1,995,972.51. For purposes of determining the principal amount of conditional sale indebtedness remaining

unpaid in the event Railroad opts to make a prepayment of principal at any time and for all other purposes other than determining the principal amount of conditional sale indebtedness remaining unpaid in the event of subsequent default by Railroad, the interest rate on the principal conditional sale indebtedness shall be 8.136880% and the amortization of the conditional sale indebtedness (assuming no casualties to Boxcars or prepayments) shall be as set forth on Exhibit A hereto.

2. Amendment of Term

The term "the Conditional Sale Indebtedness" as defined and used in the Conditional Sale agreement shall be amended to read in each place it is so used "the Remaining Conditional Sale Indebtedness."

3. Supplementation of Assignment Section

Section 10 of the CSA, entitled Assignments, is hereby supplemented by adding at the end of the currently existing section the following:

"Railroad may lease the Boxcars to others; provided, however that the rights of any such Lessee shall be subject and subordinate to all the rights of Bank hereunder. Railroad shall not assign its rights hereunder to any party without the prior written consent of Bank, which consent shall not be unreasonably withheld; provided, however, that Bank's consent shall not be required for an assignment of the CSA to Itel Rail Corporation and an assumption by Itel Rail Corporation of all of Itel Corporation's (as debtor-in-possession) obligations under the CSA upon the confirmation of a Plan of Reorganization for Itel Corporation as debtor-in-possession, and such consent shall not be required for any sale, assignment, or transfer of Itel Rail Corporation's interest in the CSA if such sale, assignment or transfer arises pursuant to a merger into, consolidation with or transfer of all or substantially all of Itel Rail Corporation's assets to a purchaser, assignee or transferee which is a wholly owned subsidiary of Itel Rail Corporation, and provided further, however, that such subsidiary shall have fully assumed the Railroad's obligations under the CSA. Effective upon (i) the confirmation of the Plan of Reorganization by the Court, and (ii) the assignment of the CSA and the rights thereunder to Itel Rail Corporation and (iii) the assumption of the obligations under the CSA by Itel Rail Corporation, Itel Corporation is hereby released from all obligations hereunder."

4. Amendment of Default Section

Section 11 of the CSA, entitled Defaults and Remedies, is hereby amended

by deleting the first paragraph thereof (including subparagraphs (a), (b), (c), (d), (e) and (f) and substituting in lieu thereof the following:

"11. Defaults and Remedies Any one or more of the following events shall constitute an event of default under the CSA:

(a) Failure to pay in full any installment of the Remaining Conditional Sale indebtedness and the interest thereon or any other sum payable by Railroad hereunder as provided in this CSA within five (5) days after written notice of such failure is received by Railroad from Bank; or

(b) Failure to observe and perform any other covenant or agreement to be observed or performed by Railroad hereunder which failure continues for thirty (30) days after written notice of such failure is received by Railroad from Bank.

5. Amendment of Casualty Section

Section 18, entitled Casualty Occurrence and Prepayment, is hereby amended by deleting such Section and substituting in lieu thereof the following:

"In the event of any loss, damage, injury or accident involving the Boxcars, Railroad shall promptly provide Bank with written notice thereof and make available to Bank all information and documentation relating thereto. In the event any Boxcar shall become lost, stolen, destroyed or rendered permanently unfit for use, then on the Remaining Conditional Sale Indebtedness installment payment date next succeeding the date upon which Lessee receives reimbursement from the railroad responsible for such Boxcar or from the insurance carrier, Railroad shall make a Casualty Value payment to Bank with respect to such Boxcar pursuant to the Schedule of Casualty Values attached as Exhibit B hereto. Such payment shall be an amount equal to (i) the Remaining Conditional Sale Indebtedness installment due with respect to such Boxcar on such date plus (ii) the Original CSA indebtedness per Boxcar multiplied by the percentage set forth in the Schedule of Casualty Values opposite such quarterly installment payment date. Upon (but not prior to) the payment of the Casualty Value by the Railroad with respect to any Boxcar, the obligation to make quarterly installment payments for such Boxcar shall thereafter cease to accrue, the unpaid principal amount of Remaining Conditional Sale Indebtedness with respect to such Boxcar shall be deemed to have been paid, and the term of this CSA as to such Boxcar shall terminate. If a Boxcar is damaged but not destroyed or rendered permanently unfit for service, the obligation to make quarterly installment

payments shall continue to accrue and Railroad shall be responsible for repair of such Boxcar. All payments from railroads responsible for damage shall be paid to Lessee."

6. Amendment of Possession and Use Section

Section 21, entitled Possession and Use, is hereby amended by deleting the second sentence thereof and substituting in lieu thereof the following:

"Railroad shall not lease any Boxcars to a Lessee having a principal place of business outside the continental United States."

7. Security Assignment of Leases

The CSA is hereby supplemented by adding as Section 23 thereof the following:

"23. Assignment of Leases for Security

Railroad hereby assigns, sets over and transfers unto Bank for security purposes all Railroad's right, title and interest in, to and under (i) that certain lease agreement between the Vermont Railway, Inc. and SSI Rail Corp. solely with respect to 50 Boxcars marked VTR 4050 through 4099 (the "VTR Lease"), which lease is undated but appears to have been executed on December 4, 1975 and which was filed with the Interstate Commerce Commission ("ICC") on March 13, 1978 and (ii) that certain lease agreement and the first equipment schedule thereto between SSI Rail Corp. and the Green Mountain Railroad Corporation solely with respect to 50 Boxcars marked GMRC 0650 through 0699 ("the GMRC Lease") dated as of January 2, 1976.

Said assignments of leases are made solely insofar as such leases relate to the Boxcars and no assignment of such leases is made with respect to any other boxcars.

Said assignments authorize Bank to sue for, collect, receive and enforce in its own name all payments and other obligations of the respective lessees with respect solely to the Boxcars under the VTR Lease and the GMRC Lease, except that Bank shall not take any action until and unless Bank has notified Railroad that an event of default under the CSA has occurred and is continuing and that the cure period has elapsed.

Railroad will, from time to time, at the request of Bank, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts as Bank may reasonably request to give effect to the provisions hereof.

Railroad shall not terminate the VTR Lease or the GMRC Lease unless and until Railroad has entered into another lease with respect to Boxcars pursuant to reasonably favorable economic terms. Upon the execution of such subsequent leases, Railroad shall assign for security purposes only such subsequent leases to Bank.

8. Withdrawal of Proof of Claim

Upon approval of this Second Amendment by the Court, Bank will file with the Court the Withdrawal of Claim in the form attached hereto as Exhibit C.

9. Termination of Guaranty

Effective upon the approval of this Second Amendment by the Court, the Guaranty is hereby terminated and Bank hereby releases Itel Corporation from all claims, obligations and liabilities under or relating to the Guaranty.

10. Release by Railroad

Effective as of the date of approval of this Second Amendment by the Court, Railroad hereby releases Bank from all claims it may have against Bank under the Bankruptcy Reform Act of 1978 with respect to the recovery or the refund of payments made by Railroad to Bank pursuant to the CSA on and after October 15, 1980 and hereby agrees that this Second Amendment will survive and will not be affected by the confirmation of the Plan of Reorganization. Except as amended hereby, all provisions of the CSA shall remain in full force and effect.

11. Counterparts

This Second Amendment may be executed in any number of counterparts, all of which shall constitute one and the same agreement.

12. Subject to Approval by Court

This Second Amendment is subject to and conditioned upon the approval thereof by the Court on or before July 31, 1982. If this Second Amendment is not approved by the Court on or before July 31, 1982, this Second Amendment shall be null and void. Railroad agrees to make all reasonable efforts to persuade the Court to approve this Second Amendment.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment and Supplement to Conditional Sale Agreement and Termination of Guaranty by their duly authorized officers.

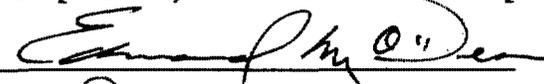
Birmingham Trust National Bank

By: 

Title: V.P.

Date: 6-9-82

Itel Corporation, debtor and debtor-in-possession

By: 

Title: President

Date: 7-29-82

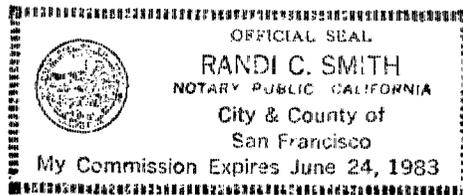
STATE OF CALIFORNIA)
)
COUNTY OF SAN FRANCISCO)

ss:

On this 20th day of September, 1982 before me personally appeared Edward M. O'Dea to me personally known, who being by me duly sworn says that such person is President of Itel Corporation, Rail Division, that the foregoing Second Amendment and Supplement to Conditional Sale Agreement and Termination of Guaranty 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.

Randi C. Smith
Notary Public

My Commission Expires:



STATE OF)
)
COUNTY OF)

ss:

On this 22nd day of September, 1982, before me personally appeared B. Stale to me personally known, who being by me duly sworn says that such person is V.P. of Birmingham Trust National Bank, that the foregoing Second Amendment and Supplement to Conditional Sale Agreement and Termination of Guaranty 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.

Bonnie L. Selack
Notary Public

My Commission Expires:

My Commission Expires March 24, 1986

EXHIBIT A

DATE	PRINCIPAL	INTEREST BALANCE	INTEREST (8.126880%)	PRINCIPAL RECOVERY	PAYMENT
10/ 1/81	\$1,995,972.66	\$1,303,062.53	\$40,402.48	\$4,853.77	\$45,456.25
1/ 1/82	1,991,118.89	1,262,460.05	40,503.74	4,952.51	45,456.25
4/ 1/82	1,986,166.38	1,231,956.31	40,402.99	5,053.24	45,456.25
7/ 1/82	1,981,113.12	1,181,553.32	40,300.20	5,156.05	45,456.25
10/ 1/82	1,975,957.07	1,141,253.12	40,195.31	5,260.94	45,456.25
1/ 1/83	1,970,696.13	1,101,057.81	40,088.29	5,367.96	45,456.25
4/ 1/83	1,965,328.17	1,060,969.52	39,979.10	5,477.15	45,456.25
7/ 1/83	1,959,851.02	1,020,990.42	39,867.68	5,588.57	45,456.25
10/ 1/83	1,954,262.45	981,122.74	39,754.00	5,702.25	45,456.25
1/ 1/84	1,948,560.20	941,368.74	39,638.00	5,818.25	45,456.25
4/ 1/84	1,942,741.95	901,730.74	39,519.65	5,936.60	45,456.25
7/ 1/84	1,936,805.35	862,211.09	39,398.88	6,057.37	45,456.25
10/ 1/84	1,930,747.98	822,812.21	39,275.66	6,180.59	45,456.25
1/ 1/85	1,924,567.39	783,536.55	39,149.93	6,306.32	45,456.25
4/ 1/85	1,918,261.07	744,386.62	39,021.65	6,434.60	45,456.25
7/ 1/85	1,911,826.47	705,364.97	38,890.76	6,565.49	45,456.25
10/ 1/85	1,905,260.98	627,717.04	38,757.20	6,697.48	45,456.25
1/ 1/86	1,859,203.50	539,894.72	37,820.29	6,829.39	45,456.25
4/ 1/86	1,812,209.11	453,032.40	36,864.32	6,950.36	45,456.25
7/ 1/86	1,764,258.75	377,143.50	35,888.90	7,065.78	45,456.25
10/ 1/86	1,715,332.97	307,249.85	34,893.65	7,172.03	45,456.25
1/ 1/87	1,665,411.94	248,249.85	33,878.14	7,265.54	45,456.25
4/ 1/87	1,614,475.40	192,717.71	32,841.98	7,345.70	45,456.25
7/ 1/87	1,562,502.70	145,529.73	31,784.74	7,411.94	45,456.25
10/ 1/87	1,509,472.76	93,333.68	30,706.00	7,465.37	45,456.25
1/ 1/88	1,455,364.08	35,433.68	29,605.31	7,505.45	45,456.25
4/ 1/88	1,400,164.71	294,951.45	28,482.23	7,532.45	45,456.25
7/ 1/88	1,343,822.26	267,615.15	27,336.30	7,547.38	45,456.25
10/ 1/88	1,286,343.88	241,448.09	26,167.06	7,554.62	45,456.25
1/ 1/89	1,227,694.26	216,474.05	24,974.04	7,557.93	45,456.25
4/ 1/89	1,167,855.62	192,717.30	23,756.75	7,557.93	45,456.25
7/ 1/89	1,106,797.69	170,202.60	22,514.70	7,557.93	45,456.25
10/ 1/89	1,044,497.71	148,955.22	21,247.38	7,557.93	45,456.25
1/ 1/90	980,930.41	129,000.94	19,954.28	7,557.93	45,456.25
4/ 1/90	915,070.01	110,366.06	18,634.88	7,557.93	45,456.25
7/ 1/90	849,890.21	93,077.42	17,288.64	7,557.93	45,456.25
10/ 1/90	782,364.17	77,162.41	15,915.01	7,557.93	45,456.25
1/ 1/91	713,464.50	62,348.97	14,513.44	7,557.93	45,456.25
4/ 1/91	643,163.26	49,565.61	13,083.36	7,557.93	45,456.25
7/ 1/91	571,431.94	37,941.43	11,624.18	7,557.93	45,456.25
10/ 1/91	498,241.44	27,806.10	10,135.33	7,557.93	45,456.25
1/ 1/92	423,562.09	19,189.92	8,616.18	7,557.93	45,456.25
4/ 1/92	347,363.59	12,123.78	7,066.14	7,557.93	45,456.25
7/ 1/92	269,615.05	6,639.22	5,484.56	7,557.93	45,456.25
10/ 1/92	190,284.93	2,768.41	3,870.81	7,557.93	45,456.25
1/ 1/93	109,341.06	544.17	2,224.24	7,557.93	45,456.25
4/ 1/93	26,750.62	.00	544.17	7,557.93	45,456.25
7/ 1/93	.00	.00	544.17	7,557.93	45,456.25

EXHIBIT B

<u>CSA Indebtedness Payment Date</u>	<u>Casualty Value as Percentage of Original CSA Indebtedness</u>
7-1-82	84.360
10-1-82	84.141
1-1-83	83.918
4-1-83	83.690
7-1-83	83.457
10-1-83	83.219
1-1-84	82.977
4-1-84	82.730
7-1-84	82.477
10-1-84	82.220
1-1-85	81.957
4-1-85	81.689
7-1-85	81.416
10-1-85	81.137
1-1-86	79.176
4-1-86	77.176
7-1-86	75.135
10-1-86	73.052
1-1-87	70.927
4-1-87	68.758
7-1-87	66.546
10-1-87	64.288
1-1-88	61.985
4-1-88	59.635
7-1-88	57.236
10-1-88	54.790
1-1-89	52.293
4-1-89	49.745
7-1-89	47.146
10-1-89	44.494
1-1-90	41.787
4-1-90	39.026
7-1-90	36.209
10-1-90	33.334
1-1-91	30.401
4-1-91	27.408
7-1-91	24.354
10-1-91	21.238
1-1-92	18.058
4-1-92	14.814
7-1-92	11.504
10-1-92	8.127
1-1-93	4.680
4-1-93	1.164
7-1-93	0

EXHIBIT C

1 ISAAC M. PACHULSKI, A Member of
2 STUTMAN, TREISTER & GLATT
3 PROFESSIONAL CORPORATION
4 Ahmanson Center East
5 3701 Wilshire Boulevard
6 Los Angeles, California 90010
7 Telephone: (213) 380-1360

8 Attorneys for Debtor
9 and Debtor-in-Possession

10 UNITED STATES BANKRUPTCY COURT
11 NORTHERN DISTRICT OF CALIFORNIA

12 In re) Bankruptcy No. 3-81-00111
13)
14 ITEL CORPORATION) WITHDRAWAL OF CLAIM NO.
15 a Delaware Corporation,) 4342 FILED BY BIRMINGHAM
16 Debtor) TRUST NATIONAL BANK
17)
18)
19)
20)

21 COMES NOW Birmingham Trust National Bank (hereinafter referred to as
22 "Claimant") and hereby withdraws and dismisses the Proof of Claim (a copy of
23 which is attached hereto) which Claimant filed on July 24, 1981 for \$2,007,823.58
24 herein as Claim No. 4342 with prejudice.

25 DATED: _____, 1982

26 BIRMINGHAM TRUST NATIONAL BANK

27 By _____

28 Its _____

29 DATED: _____, 1982

30 _____
31 Attorney for Claimant

32 Itel Corporation hereby consents to the above withdrawal of claim.

DATED: _____, 1982

By _____
President, Itel Corporation
Rail Division

4342
more
backup

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

In re:

ITEL CORPORATION,
a Delaware corporation,

Debtor.

Case No. 3-81-00111

Secured Claim of

~~Birmingham Trust National Bank~~
~~2007,823.58~~

FILED

JUL 27 1981

WALTER T. MONIZ, CLERK
U. S. BANKRUPTCY COURT

PROOF OF SECURED CLAIM

Comes Ollie Sandlin, Senior Vice-President of Birmingham Trust National Bank ("the Bank"), and says as follows:

(1) The undersigned, who resides at 2732 Rocky Ridge Road, Birmingham, Alabama 35243, is Senior Vice-President of the Bank, a national banking association organized under the laws of the United States and doing business at 112 North 20th Street, Birmingham, Alabama 35203 (P. O. Box 2554, Birmingham, Alabama 35290), and is authorized to make this proof of claim on behalf of the Bank.

(2) ITEL Corporation, the above-named debtor, was, at the time of filing of the petition initiating this case, and still is indebted to the Bank in the sum of \$2,007,823.58 (consisting of \$1,995,972.51 principal and \$11,851.07 interest to the date of filing the petition herein), together with interest at the rate of 11.875% per annum after filing of said petition.

(3) The consideration for this debt is as follows: FMC Corporation entered into a conditional sale agreement dated as of March 5, 1976, with SSI Rail Corporation covering purchase by the latter of 100 railroad boxcars, which agreement was amended and supplemented under agreement dated as of March 25, 1976. The

EXHIBIT C (3)

said agreement as so amended and supplemented was assigned to the Bank by an agreement and assignment dated the same date. Copies of the initial conditional sale agreement, the amendment and supplement thereto, and the assignment thereof are attached as exhibits to this proof of claim and have also been filed with the Interstate Commerce Commission under Recordation Nos. 8233, 8233-A and 8233-B.

(4) The said conditional sale agreement as amended and supplemented was guaranteed by Itel Corporation, into which your claimant understands SSI Rail Corporation has now been merged.

(5) No judgment has been rendered on this claim; the amounts of all payments on this claim have been credited and deducted for the purpose of making this proof of claim; and this claim is not subject to any setoff or counterclaim.

(6) No security interest is held for this claim except the conditional sale agreement as amended and supplemented, referred to above, under which the Bank claims a security interest in the railroad boxcars covered thereby. Accordingly, this claim is a secured claim and is also a general unsecured claim except to the extent that said security interest is sufficient to satisfy it.

Dated at Birmingham, Alabama, this 24th day of July, 1981.



Ollie Sandlin
Senior Vice-President
Birmingham Trust National Bank