



The nationwide gondola pool

No. JUN 20 1986  
Date .....  
Fee \$ 20.00

RAILGON COMPANY  
101 NORTH WACKER DRIVE  
CHICAGO, ILLINOIS 60606  
(312) 853-3223

DIRECT LINE: (312) 984-3826

ICC Washington, D. C.

June 17, 1986

4984

REGISTRATION F.O. .... Filed 1425

REGISTRATION F.O. 4984 Filed 1425

JUN 20 1986 - 1 50 PM

6-171A035 INTERSTATE COMMERCE COMMISSION

Honorable Noreta R. McGee  
Acting Secretary  
Interstate Commerce Commission  
12th & Constitutional  
Room 2215  
Washington, DC 20423

JUN 20 1986 - 1 50 PM  
INTERSTATE COMMERCE COMMISSION

\$ 20. filing fee  
One doc + cross indexing

Dear Ms. McGee:

On behalf of The Kansas City Southern Railway Company, I submit for filing and recording, under 49 U.S.C. Section 11303(a) and the regulations promulgated thereunder, the enclosed executed original and a certified true copy of each of the following primary documents:

- New number — 1. "Lease of Railroad Equipment."  
— A 2. "Assignment of Lease."

The parties to these transactions are as follows:

The Kansas City Southern Railway Company  
100 North Charles Street  
Baltimore, Maryland 21201

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

Mercantile-Safe Deposit and Trust  
Company - as Agent  
Two Hopkins Plaza  
Baltimore, Maryland 21201

JUN 20 1 59 PM '86  
MOTOR OPERATING UNIT  
ICC OFFICE OF  
THE SECRETARY

The equipment covered by the enclosed documents is as set forth below:

CAR TYPE	AAR Mechanical Designation	No. of Units	Reporting Marks	Car Numbers
52'6" 100 ton gondola cars	GB	100	GONX	See Attached Schedule A

Please cross-index this filing under the name Railgon Company.

Handwritten signature: Charles W. ...

Honorable Noreta R. McGee  
June 17, 1986  
Page Two

Enclosed is a check in the amount of \$20, \$10 to pay the recording fee for the instant documents and \$10 to cover the requested cross-indexing fee.

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

Lease and Assignment of Lease dated June 16, 1986, relating to 100 52'6" 100-ton capacity gondola cars."

Once the filing has been made, please keep the executed original of each document for your files and return to bearer the other stamped copies, together with the fee receipt, the letter from the ICC acknowledging the filing, and the four extra copies of this letter of transmittal.

Very truly yours,

*Thomas D. Marion*

Thomas D. Marion  
Agent for The Kansas City  
Southern Railway Company  
for the purpose of this filing.

TDM:kbb  
Enclosures

RAILGON COMPANY  
Schedule A

(KCS Lease of Equipment  
dated as of June 16, 1986)

Car Numbers

310000  
310009  
310059  
310085  
310103  
310131  
310174  
310217  
310269  
310316  
310318  
310327  
310330  
310356  
310398  
310468  
320007  
320010  
320018  
  
320020  
320023  
320025  
320037  
320039  
320041  
320051  
320052  
320059  
320063  
320064  
  
320078  
320083  
320085  
320087  
320094  
320106  
320107  
320108  
320115  
320120  
320127  
320129  
320137  
320140  
320141

Car Numbers

320144  
320154  
  
320157  
320159  
320161  
320165  
320167  
320172  
320191  
320193  
320199  
320201  
320203  
320204  
320205  
320207  
320209  
320213  
320223  
320227  
320230  
320232  
320233  
320234  
320243  
320246  
  
320249  
320254  
320259  
320268  
320283  
320285  
320287  
320291  
320298  
320306  
320315  
320322  
320328  
320329  
320332  
320337  
320340  
320342  
320344

Car Numbers

320350  
320356  
320358  
320359  
320362  
320375  
320379  
320383  
320387  
320395

# Interstate Commerce Commission

Washington, D.C. 20423

6/20/86

OFFICE OF THE SECRETARY

T.D. Marion  
Trailer Train Company  
101 North Wacker Drive  
Chicago, Illinois 60606

Dear Sir:

The enclosed documents(s) was recorded pursuant to the provision of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 6/20/86 at 1:50pm, and assigned recordation number(s). 12013-L, 12013-M, 12013-N, 12564-L, 12564-M & 12564-N  
12989-M, 12989-N, 12989-O  
14329-C, 14984 & 14984-A

Sincerely yours,

Noreta R. McGee  
Acting Secretary

4984/A

JUL 20 1986 -1 50 PM

INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF LEASE dated as of June 16, 1986 ("Assignment"), by and between THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, not in its individual capacity but solely as Trustees (hereinafter collectively, together with its successors and assigns, called the "Trustee") acting under three separate Trust Agreements dated as of July 1, 1980, October 1, 1980 and February 1, 1981, respectively, as amended (collectively, the "Trust Agreement"), with GENERAL ELECTRIC CREDIT CORPORATION ("Owner") and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, not in its individual capacity but solely as agents (collectively, the "Agent") for certain institutional investors ("Investors") under three separate Participation Agreements dated as of July 1, 1980, October 1, 1980 and February 1, 1981, respectively, as amended (collectively, the "Participation Agreement").

WHEREAS, the Trustee entered into three separate Conditional Sale Agreements dated as of July 1, 1980, October 1, 1980 and February 1, 1981, respectively, as amended (individually, a "CSA" and collectively, the "CSAs") with the manufacturers specified in Item 1 of Annex A to each CSA ("Builders"), whereby the Trustee purchased certain units of railroad equipment on behalf of the Owner ("Original Units") described in the Annex B thereto, and the CSAs were assigned to the Agent by the Builders;

WHEREAS, all of the Original Units had been leased by the Trustee to Railgon Company ("Railgon") pursuant to three separate Leases of Railroad Equipment dated July 1, 1980, October 1, 1980 and February 1, 1981, respectively, as amended (the "Railgon Leases");

WHEREAS, the Trustee has leased certain of such Original Units (the "Units") to The Kansas City Southern Railway Company (the "Kansas City Southern Lessee") pursuant to a Lease of Railroad Equipment dated as of June 16, 1986 (hereinafter, together with all amendments and supplements thereto, being called the "Kansas City Southern Lease");

WHEREAS, in order to provide further security for the obligations of the Trustee under the CSAs, the Trustee

has agreed to assign for security purposes pursuant to this Assignment its rights in, to and under the Kansas City Southern Lease to the Agent.

NOW, THEREFORE, in consideration of the payments to be made, the parties hereto agree as follows:

1. Subject to the provisions of Paragraph 10 hereof, the Trustee hereby assigns, transfers and sets over unto the Agent, as collateral security for the payment and performance of the Trustee's obligations in respect of the Kansas City Southern CSA Indebtedness under each of the CSAs, all the Trustee's right, title and interest, powers, privileges, and other benefits under the Kansas City Southern Lease (including those inuring to the benefit of the Owner and the Owner's assigns by reason of § 12 of the Kansas City Southern Lease), including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Trustee under or pursuant to the provisions of the Kansas City Southern Lease whether as rent, casualty payment, indemnity (except sums that by the express terms of the Kansas City Southern Lease are payable directly to the Owner or the Trustee pursuant to §§ 6, 9 and 17 of the Kansas City Southern Lease), liquidated damages, payment in respect of purchase option or otherwise (such moneys being hereinafter called "Payments"), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Kansas City Southern Lease, and to do any and all other things whatsoever that the Trustee is or may become entitled to do under the Kansas City Southern Lease. In furtherance of the foregoing assignment, the Trustee hereby irrevocably authorizes and empowers the Agent in its own name, or in the name of its nominee, or in the name of the Trustee or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which the Trustee is or may become entitled under the Kansas City Southern Lease and to enforce compliance by the Kansas City Southern Lessee with all the terms and provisions thereof.

The Agent agrees to accept any Payments made by the Kansas City Southern Lessee for the account of the Trustee pursuant to the Kansas City Southern Lease and, to the extent received, the Agent will apply such Payments to satisfy the obligations of the Trustee under the CSAs then due and payable in respect of the Kansas City Southern CSA Indebtedness, subject to the limitations contained in the last paragraph of Article 4 of the CSAs, and any balance held by the Agent hereunder for the account of the Trustee shall be

deemed to be held in trust for the Trustee and shall be paid immediately to and retained by the Trustee. If the Agent shall not receive any rental payment under the first paragraph of § 3 of the Kansas City Southern Lease or any payment of Casualty Values under § 7 of the Kansas City Southern Lease when due, the Agent shall promptly notify the Trustee by telegraphic communication at the address set forth in the Kansas City Southern Lease. Failure to so notify the Trustee shall not affect the rights and remedies of the Agent hereunder or under the CSAs; except that the Agent may not declare an event of default under subparagraph (a) or (f) of Article 15 of the CSAs arising solely by reason of the failure of the Kansas City Southern Lessee to make any such rental payment that, pursuant to subparagraph (f) of Article 15 of the CSAs, would not constitute an event of default thereunder if the Trustee complies with the provisions thereof, unless such event of default is not remedied within 5 days after notification is given as aforesaid.

2. This Assignment is executed only as security for the obligations of the Trustee under the CSAs in respect of the Kansas City Southern CSA Indebtedness and, therefore, the execution and delivery of this Assignment shall not subject the Agent to, or transfer, or pass, or in any way affect or modify the liability of the Trustee under, the Kansas City Southern Lease, it being agreed that, notwithstanding this Assignment or any subsequent assignment, all obligations of the Trustee to the Kansas City Southern Lessee shall be and remain enforceable by the Kansas City Southern Lessee, its successors and assigns, against, and only against, the Trustee or persons other than the Agent.

3. To protect the security afforded by this Assignment, the Trustee agrees as follows:

(a) The Trustee will faithfully abide by, perform and discharge each and every obligation, covenant and agreement that the Kansas City Southern Lease provides are to be performed by the Trustee; without the written consent of the Agent, the Trustee will not anticipate the rents under the Kansas City Southern Lease or waive, excuse, condone, forgive or in any manner release or discharge the Kansas City Southern Lessee thereunder or from the obligations, covenants, conditions and agreements to be performed by the Kansas City Southern Lessee which are intended to satisfy the obligations of the Trustee under the CSAs, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into

any agreement so amending, modifying or terminating the Kansas City Southern Lease, and the Trustee agrees that any such amendment, modification or termination thereof without such consent shall be void.

(b) Should the Trustee fail to make any payment or do any act which this Assignment requires the Trustee to make or do, then the Agent, but without obligation so to do, after first making written demand upon the Trustee and affording the Trustee a reasonable period of time within which to make such payment or do such act, but without releasing the Trustee from any obligation hereunder, may make or do the same in such manner and to such extent as the Agent may deem necessary to protect the security provided hereby, including specifically, without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof and the rights or powers of the Agent, and also the right to perform and discharge each and every obligation, covenant and agreement of the Trustee contained in the Kansas City Southern Lease; and in exercising any such powers, the Agent may pay necessary costs and expenses, employ counsel and incur and pay reasonable attorneys' fees, and the Trustee will reimburse the Agent for such costs, expenses and fees; provided, however, that the obligations of the Trustee to make reimbursements under this Paragraph 3 are subject to the last paragraph of Article 4 of the CSAs.

4. Subject to the provisions of Paragraph 10 hereof, the Trustee does hereby constitute the Agent the Trustee's true and lawful attorney, irrevocably, with full power (in the name of the Trustee, or otherwise), to ask, require, demand, receive, compound and give acquittance for any and all Payments due and to become due under or arising out of the Kansas City Southern Lease to which the Trustee is or may become entitled, to enforce compliance by the Kansas City Southern Lessee with all the terms and provisions of the Kansas City Southern Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings that the Agent may deem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all the Trustee's obligations under the CSAs in respect of the Kansas City Southern CSA Indebtedness, this Assignment, and all rights herein assigned to the Agent in respect thereof, shall terminate, and all estate, right, title and interest of the Agent in and to the Kansas City Southern

Lease shall revert to the Trustee without further act or deed, but the Agent shall execute and deliver such documents as the Trustee may reasonably request in order to confirm or make clear upon public records such termination and/or reversion.

6. The Trustee will, from time to time, do and perform any other act and will execute, acknowledge and deliver any and all further instruments required by law and reasonably requested by the Agent in order to confirm or further assure the interests of the Agent hereunder.

7. The Agent may assign all or any of the rights assigned to it hereby or arising under the Kansas City Southern Lease, including, without limitation, the right to receive any Payments due or to become due. The Agent will give written notice to the Trustee and the Kansas City Southern Lessee of any such assignment.

8. This Assignment shall be governed by the laws of the State of New York, but the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303.

9. The Trustee shall cause copies of all notices received in connection with the Kansas City Southern Lease and all payments hereunder to be promptly delivered or made to the Agent at its address set forth in Article 20 of the CSAs, or at such other address as the Agent shall designate.

10. The Agent hereby agrees with the Trustee that, so long as no event of default in respect of the Kansas City Southern Lease, the Kansas City Southern Lessee or the Kansas City Southern CSA Indebtedness (as defined in the CSAs), or any event which with lapse of time or notice or both would constitute such an event of default, under the CSAs has occurred and is then continuing, the Agent will not exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits assigned and transferred by the Trustee to the Agent by this Assignment, except the right to receive and apply the Payments as provided in Paragraph 1 hereof, and that, subject to the terms of the Kansas City Southern Lease and the CSAs the Trustee may, so long as no such event of default under the CSAs has occurred and is then continuing, exercise or enforce, or seek or exercise or enforce, its rights, powers, privileges and remedies arising out of subparagraph (a) of the first paragraph of § 10 of the Kansas City Southern Lease; provided, however, the Trustee shall not, without the prior written consent of the Agent, terminate the Kansas City Southern Lease or otherwise

exercise or enforce, or seek to exercise or enforce, any rights, powers, privileges and remedies arising out of subparagraph (b) of said § 10.

11. No recourse shall be had in respect of any obligation due under this Assignment, or referred to herein, against any incorporator, stockholder, director or officer, as such, past, present or future, of the Trustee, the Agent, the Investors, or the Owner, whether by virtue of any constitutional provision, statute or rule of law or by enforcement of any assessment or penalty or otherwise, all such liability, whether at common law, in equity, by any constitutional provision, statute or otherwise, of incorporators, stockholders, directors or officers, as such, being forever released as a condition of and as a consideration for the execution of this Assignment.

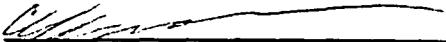
It is expressly agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, warranties and agreements herein made on the part of the Trustee are each and every one of them made and intended not as personal representations, warranties and agreements by the financial institution acting as Trustee hereunder or for the purpose or with the intention of binding said financial institution personally but are made and intended for the purpose of binding only the Trust Estate as that term is used in the Trust Agreement and this Assignment is executed and delivered by the Trustee solely in the exercise of the powers expressly conferred upon the Trustee under the Trust Agreement; and that no personal liability or responsibility is assumed by or shall at any time be asserted or enforceable against said financial institution or the Owner on account of any representation, warranty or agreement hereunder of said financial institution, acting in its capacity as Trustee or the Owner, either expressed or implied, all such personal liability, if any, being expressly waived and released by the Agent and by all persons claiming by, through or under the Agent; provided, however, that the Agent or any person claiming by, through or under the Agent, making claim hereunder, may look to the Trust Estate for satisfaction of the same.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed in their respective corporate names, by officers thereunto duly authorized, and their

respective corporate seals to be affixed and duly attested,  
all as of the date first above written.

[Seal]

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

By:   
\_\_\_\_\_

Attest:

  
\_\_\_\_\_

[Seal]

MERCANTILE-SAFE DEPOSIT AND  
TRUST COMPANY, not in its  
individual capacity, but solely  
as Agent.

By: \_\_\_\_\_

Attest:

\_\_\_\_\_

respective corporate seals to be affixed and duly attested,  
all as of the date first above written.

[Seal]

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

By: \_\_\_\_\_

Attest:

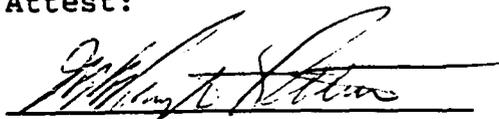
\_\_\_\_\_

[Seal]

MERCANTILE-SAFE DEPOSIT AND  
TRUST COMPANY, not in its  
individual capacity, but solely  
as Agent.

By:   
VICE PRESIDENT

Attest:

  
M. WINGATE BRITCHETT  
ASSISTANT CORPORATE TRUST OFFICER



STATE OF MARYLAND     )  
                                  ) ss.:  
COUNTY OF BALTIMORE )

On this *16* th day of June, 1986, before me personally appeared R. E. Schreiber , to me personally known, who being by me duly sworn, says that he is the VICE PRESIDENT of Mercantile-Safe Deposit and Trust Company, National Association, one of the corporations described in and which executed the foregoing instrument, that said instrument was signed 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.

  
Notary Public

[Notarial Seal]

My Commission Expires: *7-1-86*

DISTRICT OF COLUMBIA ) SS.:

CERTIFICATION OF TRUE COPY

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

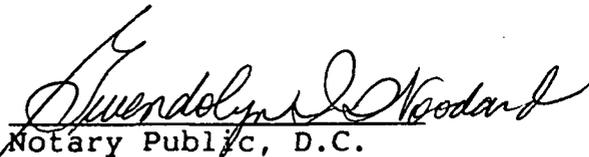
Assignment of Lease

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 hereto affixed his signature this 20<sup>th</sup> day of June, 1986

  
Allen H. Harrison, Jr.

Subscribed and sworn to  
before me this 20<sup>th</sup> day  
of June, 1986.

  
Notary Public, D.C.

My commission expires: 9-30-90