

ITEL

Pullman

November 7, 1989

RECORDATION NO. 15314-C FILED 1426

NOV 13 1989 - 11 30 AM

INTERSTATE COMMERCE COMMISSION

Istel Rail Corporation

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

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

9-317A007

Re: Supplemental Agreement No. 1 between Istel Rail Corporation and Continental Bank, National Association

Dear Ms. McGee:

On behalf of Istel 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 \$15 recordation fee.

Please record this Supplemental Agreement under the Equipment Trust Agreement (Series 1) dated as of March 1, 1988, between Continental Bank, National Association, as successor to Continental Illinois National Bank and Trust of Chicago and Istel Rail Corporation, as successor to Pullman Leasing Company, which was filed with the ICC on March 1, 1988, under Recordation No. 15514.

The parties to the aforementioned instrument are listed below:

Istel Rail Corporation (Lessor)
55 Francisco Street
San Francisco, California 94133

Continental Bank, National Association (Trustee)
231 South LaSalle Street
Chicago, Illinois 60697

This Supplement covers the substitution of units of equipment for units of Trust Equipment which have been worn out, unsuitable for use, lost or destroyed.

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
Legal Assistant

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INTERSTATE COMMERCE COMMISSION

PULLMAN LEASING COMPANY

EQUIPMENT TRUST

(SERIES 1)

SUPPLEMENTAL AGREEMENT NO. 2

DATED AS OF OCTOBER 17, 1989

TO

EQUIPMENT TRUST AGREEMENT

DATED AS OF MARCH 1, 1988

BY AND BETWEEN

CONTINENTAL BANK, N.A.

AND

ITEL RAIL CORPORATION

SUPPLEMENTAL AGREEMENT NO. 2

EQUIPMENT TRUST AGREEMENT

DATED AS OF MARCH 1, 1988

(SERIES 1)

This Supplemental Agreement (the "Supplemental Agreement"), dated as of October 17, 1989, is made by and between Continental Bank, a national banking association incorporated and existing under the laws of the United States, as Trustee (the "Trustee"), and Itel Rail Corporation, successor by merger and name change to Pullman Leasing Company, a corporation duly organized and existing under the laws of the State of Delaware (the "Company").

WHEREAS, the Trustee and the Company are parties to an Equipment Trust Agreement dated as of March 1, 1988 as supplemented and amended (as so supplemented and amended, the "Equipment Trust Agreement"); and

WHEREAS, several units of the Trust Equipment, as defined in the Equipment Trust Agreement, have become worn out, unsuitable for use, lost or destroyed and have been reported by the Company to the Trustee as required by Section 5.08 of the Equipment Trust Agreement; and

WHEREAS, in accordance with Section 5.06 of the Equipment Trust Agreement, the Company wishes to convey to the Trustee other Equipment, as defined in the Equipment Trust Agreement, which has a value to the Company of not less than the value of such units of Trust Equipment which have become worn out, unsuitable for use, lost or destroyed, in lieu of delivering to the Trustee cash equal to the value of such units of Trust Equipment; and

WHEREAS, Section 12.01 Of the Equipment Trust Agreement authorizes the Trustee and the Company to enter into agreements supplemental to the Equipment Trust Agreement which do not adversely affect the interests of the holders of Trust Certificates, as defined in the Equipment Trust Agreement, without the consent of such holders; and

WHEREAS, pursuant to the provisions of Section 12.01 of the Equipment Trust Agreement, the Equipment Trust Agreement heretofore has been supplemented by various supplemental agreements similar to this Supplemental Agreement; and

WHEREAS, the Trustee and the Company desire to enter into this Supplemental Agreement to permit such substitution of units of Equipment for the units of Trust Equipment which heretofore have become worn out, unsuitable for use, lost or destroyed.

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained, the Trustee and the Company agree as follows:

1. Attached hereto as Schedule A is a list of units of Trust Equipment which have become worn out, unsuitable for use, lost or destroyed since the date of most recent similar supplemental agreement. Each of such units of Trust Equipment is hereby deleted from Schedule A to the Equipment Trust Agreement.

2. Attached hereto as Schedule B is a list of units of Equipment which are to be conveyed by the Company to the Trustee in accordance with Section 5.06 of the Equipment Trust Agreement in substitution for the units of Trust Equipment listed in Schedule A hereto. Upon such conveyance by the Company, such units of Equipment shall be substituted for units of Trust Equipment listed in Schedule A hereto and shall become Trust Equipment.

3. The Equipment Trust Agreement, as further amended by the Supplemental Agreement, shall continue in full force and effect.

IN WITNESS WHEREOF, the Trustee and the Company have caused their names to be signed hereto by their respective officers duly authorized as of the day and year first above written.

**CONTINENTAL BANK, N.A.
AS TRUSTEE**

Attest:

Maureen O'Malley

By Alice K. Greenhouse

Title CORPORATE PRODUCTS OFFICER

ITEL RAIL CORPORATION

Attest:

Howard S. Chabon

By Robert Kalish

Title Vice President and Treasurer

STATE OF ILLINOIS)
) ss.
COUNTY OF)

On this 3rd day of ^{November} October, 1989, before me personally appeared Alice K. Greenhouse, to me personally known, who being by me duly sworn says that she is CORPORATE PRODUCTS OFFICER of Continental Bank, N.A., that the foregoing Supplemental Agreement was signed on behalf of said corporation by authority of its board of directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

J. Washington
Notary Public



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

On this 23rd day of October, 1989, before me personally appeared Robert C. Kiehnle, to me personally known, who being by me duly sworn says that he is Vice President and Treasurer of ITEL Rail Corporation, that the foregoing Supplemental Agreement 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.



Patricia Schumacker
Notary Public

SCHEDULE A - CASUALTIED EQUIPMENT
EQUIPMENT TRUST AGREEMENT
DATED AS OF MARCH 1, 1988
(Series 1)

QUANTITY	DESCRIPTION	CAR NUMBERS	ORIGINAL COST	FAIR VALUE	EQUIPMENT FIRST PUT INTO USE NO LATER THAN
1	4750 cu. ft., 100-ton capacity covered hopper	PTLX 17795	<u>\$24,546.19</u>	<u>\$10,094.62</u>	09/75

SCHEDULE B - SUBSTITUTED EQUIPMENT
EQUIPMENT TRUST AGREEMENT
DATED AS OF MARCH 1, 1988
 (Series 1)

QUANTITY	DESCRIPTION	CAR NUMBERS	ORIGINAL COST	FAIR VALUE	EQUIPMENT FIRST PUT INTO USE NO LATER THAN
2	4750 cu. ft., 100-ton capacity covered hopper	PTLX 15347 15348	<u>\$44,288.08</u>	<u>\$15,390.10</u>	1/75