MISSOURI-KANSAS-TEXAS RAILROAD COMPANY
LAW DEPARTMENT
701 COMMERCE STREET
DALLAS, TEXAS 75202
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13449 RECORDATION NO. Filed 1425
JAN 26 1982 -2 10 PM
INTERSTATE COMMERCE COMMISSION
13449/A RECORDATION NO. Filed 1425
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INTERSTATE COMMERCE COMMISSION
2-026A089
No.
Date JAN 26 1982
Fee $ 50.00
Washington, D. C.

January 22, 1982

IN REPLY REFER TO: 410.043-79

Mrs. Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
Washington, DC 20423

Dear Mrs. Mergenovich:

I have enclosed an original and two (2) counterparts of the documents described below, to be recorded pursuant to Section 11303 of Title 49 of the US Code. The first document is a Car Lease Agreement, a primary document, dated as of the first day of September, 1981

The second document is an Assignment of Funds under Car Lease Agreement, a secondary document, dated the 22nd day of January, 1982.

The names and address of the parties to the documents are as follows:

The lessor under the Car Lease Agreement is Southwestern States Management Co., 701 Commerce Street, Dallas, TX 75202;

The lessee under the Car Lease Agreement is the Missouri-Kansas-Texas Railroad Company, 701 Commerce Street, Dallas, TX 75202;

The assignor under the Assignment of Funds under Car Lease Agreement is Southwestern States Management Co., 701 Commerce Street, Dallas, TX 75202;

The assignee under the Assignment of Funds under Car Lease Agreement is First City Bank of Dallas, P. O. Box 88000, Dallas, TX 75388.

January 22, 1982

A description of the equipment covered by the documents follows:

> Five (5) rebuilt wide vision cupola type cabooses bearing Missouri-Kansas-Texas Railroad Company recording marks and numbers MKT 211 to MKT 215, both inclusive.

A fee of $50.00 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to the undersigned or the bearer of this letter if hand delivered.

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

> The primary document is a Car Lease Agreement between Southwestern States Management Co., 701 Commerce Street, Dallas, TX 75202, lessor, and the lessee is Missouri-Kansas-Texas Railroad Company, 701 Commerce Street, Dallas, TX 75202, and covers five (5) rebuilt wide-vision cupola type cabooses bearing Missouri-Kansas-Texas Railroad Company recording marks and numbers MKT 211 to MKT 215, both inclusive.
>
> The secondary document is an Assignment of Funds under Car Lease Agreement between Southwestern States Management Co., 701 Commerce Street, Dallas, TX 75202, assignor, and First City Bank of Dallas, P. O. Box 88000, Dallas, TX 75388, assignee, dated January 22, 1982, and covers five (5) rebuilt wide-vision cupola type cabooses bearing Missouri-Kansas-Texas Railroad Company recording marks and numbers MKT 211 to MKT 215, both inclusive.

I certify that I have knowledge of the foregoing.

Yours very truly,

Arthur M. Albin

Arthur M. Albin

AMA/bmw

Enclosures

13449/A

RECORDATION NO. ..... Filed 1425

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INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF FUNDS UNDER
CAR LEASE AGREEMENT

THIS ASSIGNMENT is made this 22nd day of January, 1982, by SOUTHWESTERN STATES MANAGEMENT CO., a Missouri corporation ("Assignor"), to FIRST CITY BANK OF DALLAS, a Texas banking corporation ("Assignee").

W I T N E S S E T H :

WHEREAS, the Assignor is the owner of the following railroad equipment:

Five (5) wide vision re-built cupola type cabooses bearing recording marks of Missouri-Kansas-Texas Railroad Company, MKT 211 to MKT 215, inclusive

WHEREAS, by Security Agreement dated as of the 1st day of September, 1981, Assignor became obligated to pay to Assignee a certain sum of money used by Assignor to cover a portion of the purchase price of said Cars, together with interest thereon and other sums specifically provided for in the Security Agreement; and

WHEREAS, by Car Lease Agreement (as hereafter renewed, extended, modified, or substituted, the "Lease") dated as of the date of this assignment, Assignor has leased the cars to Missouri-Kansas-Texas Railroad Company, a Delaware corporation ("Lessee");

NOW THEREFORE, for and in consideration of the premises and Assignee's payment to Assignor of certain sums of money under the Security Agreement, and in order to secure the full and complete payment of all principal, interest, and other obligations and liabilities of Assignor of whatever nature now or hereafter owing by Assignor to Assignee under the Security Agreement (all such obligations and liabilities, and renewals and extensions of all or any part thereof, herein collectively called the "Obligation"), Assignor hereby assigns, transfers, and sets over unto Assignee all rental payments and other sums of money (collectively, "Rental") due or to become due to Assignor from Lessee under the Lease, subject to and upon the terms and conditions hereinafter set forth:

1. Assignor represents and warrants to Assignee that: (a) Assignor has full power and authority to execute and deliver this assignment; (b) the Lease is in full force and effect and no default (or event which, with the passage of time, notice, or both, could become a default) has occurred thereunder; (c) the Lease is not subject to any defenses, offsets, or counterclaims; and (d) there have been no renewals, extensions, supplements, modifications, or amendments of or to the Lease.

2. Until Assignee gives notice to Lessee of the occurrence of a default under the Security Agreement (herein, a "Default"), Lessee may pay all Rental directly to Assignor. Upon the giving of notice by Assignee to Lessee of the occurrence of a Default, Lessee is hereby authorized and directed to pay directly to Assignee all Rental thereafter accruing, and the receipt by Assignee shall be a release to Lessee to the extent of the amounts so paid. Without impairing its rights hereunder, Assignee may then release to Assignor Rental so received, or any part thereof.

3. As between Assignee and Assignor and any person claiming through or under Assignor other than Lessee (if Lessee has not been given a notice of Default under Paragraph 2 hereof), this assignment is intended to be absolute, unconditional, and presently effective, and the provisions of the first two sentences of Paragraph 2 hereof are intended solely for the benefit of Lessee and shall never inure to the benefit of Assignor or any person claiming through or under Assignor other than Lessee (if Lessee has not been given a notice of Default under Paragraph 2 hereof). It shall never be necessary for Assignee to institute legal proceedings of any kind whatsoever to enforce the provisions of this assignment.

4. Any Rental received byAssignee and not released to Assignor shall be applied first to Assignee's expenses incurred in the collection thereof and then to the Obligation in the order and manner that Assignee shall, in its sole discretion, elect.

5. Assignee shall not be liable for its failure to exercise diligence in the collection of Rental but shall be accountable only for Rental it shall actually receive. Assignee does not, by the execution of this assignment or by its acceptance thereof, assume or become liable in any manner whatsoever for the performance of any of the terms and conditions in the Lease, unless and until Assignee shall expressly assume any such obligations in writing.

6. Nothing in this assignment shall be construed as subordinating Assignee's rights, titles, and interests in and to the Cars under the Security Agreement to Lessee's rights, titles, and interests in and to the Cars under the Lease.

7. Assignor covenants and agrees with Assignee that without Assignee's prior written consent and except as herein provided, Assignor shall: (a) not amend, modify, extend, or renew the Lease; (b) not assign, transfer, mortgage, cancel, or accept surrender of the Lease; (c) not assign, transfer, pledge, or mortgage any Rental; (d) not waive, excuse, release, or condone any nonperformance of any covenants of Lessee; (e) give to Assignee duplicate notice of each default by Lessee; and (f) cause Lessee to agree (and by its acknowledgment hereof Lessee agrees) to give to Assignee written notice of each and every default under the Lease by Assignor and not to exercise any remedies under the Lease unless Assignee fails to cure such default within ten days, or within such longer period as may be reasonably necessary if such default cannot be cured within ten days after Assignee has received such notice; provided that Assignee shall never have any obligation or duty to cure any such default.

8. This assignment shall terminate upon payment to Assignee of all the Obligation.

9. Whenever this assignment requires or permits any consent, approval, notice, request, or demand from one party to another, the consent, approval, notice, or demand must be in writing to be effective and shall be deemed to have been given on the day actually delivered or, if mailed, on the third business day after it is enclosed in an envelope, addressed to the party to be notified at the address stated for such party below (or to such other address as may have been designated by written notice), properly stamped, sealed, and deposited in the United States mail:

ASSIGNOR: Southwestern States Management Co.
701 Commerce Street
Dallas, TX 75202
Attention: Mr. H. O. Brandt,
Vice President

LESSEE: Missouri-Kansas-Texas Railroad Company
701 Commerce Street
Dallas, TX 75202
Attention: Mr. Karl R. Ziebarth,
Executive Vice President

ASSIGNEE: First City Bank of Dallas
One Main Place
P. O. Box 50688
Dallas, TX 75250
Attention: Mr. Dewain V. Hill,
Vice President

Assignor and Lessee agree to give Assignee copies of each notice or other communication under the Lease and agree that any such notice or communication shall not be effective under the Lease until a copy has been given the Assignee in accordance with this assignment.

10. Assignor will have this assignment and the Lease filed, registered, and recorded with the Interstate Commerce Commission under Section 11303 of the Interstate Commerce Act.

11. This assignment may be simultaneously executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts, together shall constitute but one and the same instrument.

12. The terms of this assignment and all rights and obligations hereunder shall be governed by the laws of the State of Texas and the United States of America.

13. If any provision of this assignment is held to be illegal, invalid, or unenforceable under present or future laws effective during the term hereof, such provisions shall be fully severable; this assignment shall be construed

and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part hereof; and the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance herefrom. Furthermore, in lieu of such illegal, invalid, or unenforceable provision there shall be added automatically as a part of this assignment a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

14. This assignment is binding upon and inures to the benefit of Assignee and Assignor, and the respective successors and assigns of each.

IN WITNESS WHEREOF, Assignor and Assignee have caused this instrument to be executed in their respective names by their respective officers, thereunto duly authorized, as of the day and year first above written.

SOUTHWESTERN STATES MANAGEMENT CO.

By _____
Vice President

ATTEST:

_____
Assistant Secretary

FIRST CITY BANK OF DALLAS

By _____
Vice President

ACKNOWLEDGMENT

Missouri-Kansas-Texas Railroad Company, lessee under the Lease (herein so called) described in the foregoing assignment, consents and agrees to the foregoing assignment, agrees to be bound by those provisions therein specifically addressing agreements and undertakings of the undersigned, and agrees that upon receipt of a notice of Default (as defined in the foregoing assignment) from First City Bank of Dallas, or its successors or assigns, as set forth in such assignment, to pay any and all Rental (as defined in the foregoing assignment) to First City Bank of Dallas, at its office in Dallas, Texas, without counterclaim or set-off arising out of such Lease or any other transaction between Missouri-Kansas-Texas Railroad Company and Southwestern States Management Co. The undersigned hereby waives all rights it may have or become entitled to cancel such Lease for any cause whatsoever, until such time as the Obligation

(as defined in the foregoing assignment) of Southwestern States Management Co. to First City Bank of Dallas is fully satisfied and discharged or until such time such event of Default is cured and appropriate notice received from First City Bank of Dallas, whichever occurs first.

MISSOURI-KANSAS-TEXAS RAILROAD COMPANY

By W. H. Zeidler
Vice President

THE STATE OF TEXAS:

On this 22nd day of Janury , 1982 before me personally appeared Karl R. Ziebarth , to me personally known, who, being by me duly sworn, says that he is a Vice President of SOUTHWESTERN STATES MANAGEMENT CO., that one of the seals affixed to the foregoing instrument is the corporate seal of such corporation and that such instrument was signed and sealed on behalf of such 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 such corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 22nd day of January , 1982.

Ruth Murdock
Notary Public in
and for the State of Texas

My Commission expires: December 31, 1982

THE STATE OF TEXAS:

On this 22nd day of January , 1982, before me personally appeared Dewain V. Hill, to me personally known, who, being by me duly sworn, says that he is a Vice President of FIRST CITY BANK OF DALLAS and that such instrument was signed on behalf of such 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 such corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 22nd day of January , 1982.

Carolyn L. Palestis
Notary Public in
and for the State of Texas

My Commission expires: April 27, 1985.

THE STATE OF TEXAS:

On this 22nd day of January, 1982 before me personally appeared W. H. Zeidel, to me personally known, who, being by me duly sworn, says that he is a Vice President of MISSOURI-KANSAS-TEXAS RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of such corporation, and that such instrument was signed and sealed on behalf of such 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 such corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 22nd day of January, 1982.

Teresa Ladner

Teresa Ladner Notary Public
in and for the State of Texas

My Commission expires: Nov. 30, 1984.