ITEL

January 26, 1987

Itel Rail Corporation
55 Francisco Street
San Francisco, California 94133
(415) 984-4000

RECORDATION NO. 13706 Filed & Recorded

JAN 28 1987 2-15 PM

INTERSTATE COMMERCE COMMISSION

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

Re: **Rescission and Release of Assignments dated as of December 29, 1986**

Dear Ms. McGee:

On behalf of Itel Rail Corporation, the above instrument, in five (5) counterparts, is hereby submitted for filing and recording pursuant to 49 USC Section 11303(a), along with a check in the amount of $10 covering the recordation fee.

this one under 13706 - not sure of next letter

Please record this Rescission under the Lease Agreement dated May 14, 1982, between Itel Corporation, Rail Division, and Atchison, Topeka and Santa Fe Railway Co., which was filed with the ICC on July 26, 1982, and given Recordation No. 13706.

The parties to the aforementioned instrument are listed below:

Itel Corporation
2 North Riverside Plaza
Chicago, Illinois 60606

Itel Rail Corporation
55 Francisco Street
San Francisco, California 94133

First Security Bank of Utah, N.A.
79 South Main Street
Salt Lake City, Utah 84111

This instrument effects rescission by the parties of the assignments of subleases relating to equipment leased to Providence and Worcester Railroad Company. Those subleases, filed under Recordation Nos. 13048, 13077, 11899, 13664 and 13706, have now all expired or been terminated.

Please return to the undersigned the stamped counterparts not required for filing purposes, along with the fee receipt and a letter from the ICC acknowledging this filing.

Very truly yours,

patricia schumacker

Patricia Schumacker
Legal Department

:ps
Enclosures

cc: Robert S. Clark, Esq.
J. Michael Kelly, Esq.

7-028A034

No.
Date JAN 28 1987
Fee $ 10.00
ICC Washington, D.C.

ICC OFFICE OF THE SECRETARY
JAN 28 2 10 PM '87
MOTOR OPERATING UNIT

Counterparts to Dacon

13706

RECORDATION NO. 13706-15 Filed & Recorded

JAN 28 1987 2-15 PM

INTERSTATE COMMERCE COMMISSION

RESCISSION AND RELEASE OF ASSIGNMENTS

This Rescission and Release is executed as of this 29th day of December, 1986, by Itel Corporation, a Delaware corporation (hereinafter called "Itel"), Itel Rail Corporation, a Delaware corporation (hereinafter called "Rail"), and First Security Bank of Utah, N.A., as trustee (hereinafter called "First Security").

W I T N E S S E T H

WHEREAS, Itel, as lessor, and the corporate predecessor ("P&W") of Providence and Worcester Railroad Company, a Rhode Island corporation (also "P&W"), as lessee, entered into a lease agreement dated September 1, 1978 (the "Lease") providing for the leasing of certain flatcars (the "Flatcars");

WHEREAS, some or all of the Flatcars were financed by Itel on the terms and conditions set forth in an Equipment Trust Agreement entered into between Itel and Citibank, N.A., (as trustee) ("Citibank") on November 1, 1978, and whereas First Security is the successor to Citibank, as trustee, under that agreement (the "Trust Agreement");

WHEREAS, the Trust Agreement has been amended and restated by a Consolidated, Amended, and Restated Equipment Trust Agreement, dated as of January 1, 1982, entered into between Itel, Rail, and First Security, as trustee, (the "Amended Trust Agreement"), and that Amended Trust Agreement has been further amended by a First Amendment filed with the Interstate Commerce Commission on October 16, 1986 and a Second Amendment filed with the Interstate Commerce Commission on November 6, 1986;

WHEREAS, Itel and P&W entered into an Agency Agreement, dated September 12, 1980 (the "Agency Agreement") whereby P&W appointed Itel as its agent, with full power and authority and in the name of Itel (but on behalf of P&W), to enter into one or more sublease agreements with third parties covering some or all of the Flatcars;

WHEREAS, the Agency Agreement, as clarified by a letter (the "Fee Letter") from P&W to Itel dated September 12, 1980, provided that Itel was to receive all rentals generated by the Flatcars pursuant to any sublease agreements as a fee for acting as P&W's agent;

WHEREAS, Itel, as agent for P&W pursuant to the Agency Agreement, entered into certain sublease agreements with respect to certain of the Flatcars in its own name (but on behalf of the P&W), including: Car Lease Agreement dated February 25, 1981 between Itel Corporation, Rail Division, Southern Pacific Transportation Co., and St. Louis Southwestern Railway Co. (ICC No. 13048); Lease Agreement dated March 10, 1981 between Itel Corporation, Rail Division, and Detroit, Toledo and Ironton Railroad Co., and Amendment No. 2 thereto, (ICC Nos. 13077 and 13077-B); Amendment No. 2 to the Lease Agreement dated April 11, 1980, between Itel Corporation, Rail Division, and Maine Central Railroad Co., (ICC Nos. 11899 and 11899-B); Lease Agreement dated March 22, 1982 between Itel Corporation, Rail Division, and Maine Central Railroad Co. (ICC No. 13664); and Lease Agreement dated May 14, 1982 between Itel Corporation, Rail Division, and the Atchison, Topeka and Santa Fe Railway Co. (ICC No. 13706) (the "Subleases");

WHEREAS, Itel, for itself and for P&W and on behalf of P&W, in connection with the Subleases, executed certain assignment documents between Itel and P&W on or about April 21-22, 1981 (one document dated as of April 10, 1981), May 12-13, 1981 (one document dated as of April 28, 1981), and November 18, 1982 (five documents, two dated as of April 10, 1981, one dated as of April 15, 1981, one dated as of April 28, 1981 and one dated as of March 22, 1982), (hereinafter called the "P&W-Itel Assignments");

WHEREAS, Itel on April 22 and May 12, 1981 executed certain assignment documents dated as of April 10 and April 28, 1981, respectively (the "Itel-Citibank Assignments");

WHEREAS, Citibank was a scheduled unsecured creditor in Itel's bankruptcy proceeding, In re Itel Corporation, Debtor, Bankruptcy No. 3-81-00111 LK, filed on January 19, 1981, in the U.S. Bankruptcy Court for the Northern District of California (the "Itel Bankruptcy"), and gave notice of its resignation as trustee under the Trust Agreement on January 22, 1981, which resignation became effective as of June 16, 1981;

WHEREAS, the Itel-Citibank Assignments were never executed by Citibank;

WHEREAS, Itel, on November 18, 1982, and First Security, on February 16, 1983, executed certain assignment documents dated as of April 10, 1981 (two documents), April 15, 1981 (one document), April 28, 1981 (one document), and March 22, 1982 (one document), respectively (hereinafter called the "Itel-First Security Assignments") under which Itel assigned its rights under the five P&W-Itel Assignments executed in 1982, among other rights, to First Security;

WHEREAS, Itel caused copies of the P&W-Itel Assignments executed in 1982 and the Itel-First Security Assignments to be filed with the Interstate Commerce Commission on February 24, 1983, such documents bearing recordation numbers 11899-C, 11899-D, 13048-A, 13048-B, 13077-D, 13077-E, 13077-F, 13077-G, 13706-B, 13706-C;

WHEREAS, pursuant to Itel Corporation's Amended Plan of Reorganization and orders entered in the Itel Bankruptcy, Rail is the corporate successor to the division of Itel (the Rail Division) through which Itel acted in connection with the Lease, the Agency Agreement, the Subleases, the P&W-Itel Assignments, the Itel-Citibank Assignments, and the Itel-First Security Assignments;

WHEREAS, a dispute has arisen among Itel, Rail, First Security, and P&W concerning, inter alia, Itel's authority to execute the P&W-Itel Assignments on behalf of P&W and to assign Itel's rights under the P&W-Itel Assignments to Citibank under the Itel-Citibank Assignments or to First Security under the Itel-First Security Assignments; and whereas P&W has raised claims growing out of this dispute against Itel and First Security in the Bankruptcy Court for the Nothern District of California (Providence and Worcester Railroad Company v. Itel Corporation. Adversary Pro. No. 3-83-1085 LK, Bankruptcy No. 3-81-00111 LK) and against Itel, Rail, and certain additional counterclaim defendants in the United States District Court for the District of Rhode Island (Itel Rail Corporatiion v. Providence and Worcester Railroad Company et al., Civil Action No. 83-0716 P); and whereas Itel, Rail, First Security and the counterclaim defendants in said actions have denied liability with respect to such claims;

WHEREAS, the Subleases to which the P&W-Itel Assignments and the Itel-First Security Assignments relate have now all expired or been terminated;

WHEREAS, Itel, Rail, and First Security, for itself and as successor to Citibank, in order to avoid any disputes concerning the possible existence of any obligations on the part of P&W by virtue of the P&W-Itel Assignments, the Itel-Citibank Assignments, and the Itel-First Security Assignments, have decided to rescind these instruments; and

WHEREAS, Itel, Rail, and First Security, for itself and as successor to Citibank, have decided to release P&W from all obligations, if any, that P&W may have by virtue of the P&W-Itel Assignments, the Itel-Citibank Assignments, and the Itel-First Security Assignments.

NOW, THEREFORE, Itel, Rail, and First Security hereby rescind the P&W-Itel Assignments, (some of which have been recorded with the ICC under the recordation numbers 11899-D, 13048-B, 13077-E, 13077-G, and 13706-C), the Itel-Citibank Assignments, none of which has been filed with the ICC, and the Itel-First Security

Assignments, (all of which have been filed with the ICC, under recordation numbers 11899-C, 13048-A, 13077-D, 13077-F, and 13706-B) and declare these assignments null and void and of no effect;

AND FURTHER, Itel, Rail, and First Security hereby release P&W from all obligations, if any, that P&W may have under the P&W-Itel Assignments, the Itel-Citibank Assignments, and the Itel-First Security Assignments;

AND FURTHER, Itel, Rail, and First Security hereby agree to cause this Rescission and Release of Assignments to be filed with the Interstate Commerce Commission.

ITEL CORPORATION

Dated: 12/30/86

By: Roger [illegible]

Title: Asst Secretary & Asst Gen Counsel

ITEL RAIL CORPORATION

Dated: 12-29-86

By: Robert K[illegible]

Title: VICE PRESIDENT - FINANCE

FIRST SECURITY BANK OF UTAH, N.A. AS TRUSTEE

Dated: 1/27/87

By: [illegible]

Title: Trust Officer

STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

On the 30th day of December, 1986 before me personally came Roger H. Kelly to me known, who, being by me duly sworn, did depose and say that he is the Assistant Secretary of Itel Corporation, one of the parties described in and which executed the above instrument; that the execution of the above instrument was duly authorized by the board of directors of Itel Corporation; and that he signed his name thereto pursuant to like authority.

" OFFICIAL SEAL "
MARILYN M. QUINLAN
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 7/29/90

Marilyn M. Quinlan
Notary Public

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

On the 29th day of December, 1986 before me personally came Robert C. Kiehnle to me known, who, being by me duly sworn, did depose and say that he is the Vice President-Finance of Itel Rail Corporation, one of the parties described in and which executed the above instrument; that the execution of the above instrument was duly authorized by the board of directors of Itel Rail Corporation; and that he signed his name thereto pursuant to like authority.

OFFICIAL SEAL
JOSIE VILLAFLORES
NOTARY PUBLIC - CALIFORNIA
SAN FRANCISCO COUNTY
My comm. expires MAR 27, 1987

Josie Villaflores
Notary Public

STATE OF Utah)
COUNTY OF Salt Lake) ss.

On the 26 day of January, 19 87 before me personally came VAL T. ORTON to me known, who, being by me duly sworn, did depose and say that he is the Trust Officer of First Security Bank of Utah, N.A., one of the parties described in and which executed the above instrument; that the execution of the above instrument was duly authorized by the board of directors of First Security Bank of Utah, N.A.; and that he signed his name thereto pursuant to like authority.

Sandra A Gibson
Notary Public

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

January 29, 1987

ITEL Rail Corporation
55 Francisco Street
San Francisco, California 94133

Dear

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 1-28-87 at 2:15PM, and assigned re-recordation number(s). 11899-E, 13048-C, 13077-H, 13664-A, 13706-K

Sincerely yours,

Noreta R. McGee
Secretary

Enclosure(s)

SE-30
(7/79)