

# REX RAILWAYS

September 14, 1983

Mr. R.A. Jahnke  
Vice President-Equipment Management  
Chicago & Northwestern Transportation Co.  
One North Western Center  
Chicago, Illinois 60606

14168  
REGISTRATION NO. .... Filed 1423  
SEP 26 1983 - 9 00 AM  
INTERSTATE COMMERCE COMMISSION

Dear Mr. Jahnke:

The following are the terms of the new agreement recently reached by telephone regarding the use of Rex Railways (RREX) and Rex Leasing (RRRX) covered hopper cars by the CNW:

1) The letter agreement of August 5, 1983 will be extended to end October 31, 1983 rather than the October 15, 1983 date.

2) The new agreement dated September 14, 1983 will be for a six (6) month term, commencing November 1, 1983 and ending April 30, 1984, with further stipulations through October 31, 1984.

3) The CNW will lease for this period 225 covered hopper cars as described in Schedule I.

4) Commencing November 1, 1983, Rex will be paid a guaranteed minimum of (\$200.00) two hundred dollars per car per month, and a maximum of (\$300.00) three hundred dollars per car per month at 25¢ per loaded mile both on and off the CNW line, on an aggregate basis for the 225 cars leased. Rex will receive at its offices all of the car hire monies earned by those cars. Monthly, Rex will prepare an accounting based on the above assumptions. Each monthly accounting will be treated independently from any other monthly accounting. At the end of the month following the receipt of the April, 1984 car hire report, Rex will prepare a summarization of the six (6) monthly accountings and we'll bill CNW for any monies due or remit to CNW any funds due.

5) Should the six (6) month average maximum attainable figure of \$1,800.00 per car be received by Rex prior to settlement expiration, Rex will remit any funds received in excess of this amount.

6) If a car is bad ordered, rental will be abated from the date of notification to the date returned to service. A totally destroyed car will be removed from the lease without substitution required.

7) Any car derailed or bad ordered on the CNW will be treated as a foreign car under Rule 107.

8) At the end of the six (6) month period ending April 30, 1984 the CNW has the one way option to extend this agreement for any term not to exceed six (6) months. If CNW does not extend this agreement, CNW agrees to store these cars on their line for a period of six (6) months at the rate of 55¢ per car per day. Rex may remove any or all of these cars from storage during this six (6) month period.

9) If the CNW elects to use any of these stored cars, they will be treated as follows:

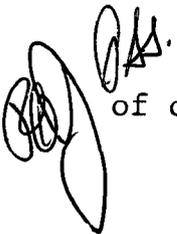
- a) Storage charges will stop on the day the cars are removed and resumed as of the date returned to storage.
- b) CNW will be billed on a pro-rated basis for the \$200.00 minimum per car per month. If the car is in use on the first day of the succeeding month, CNW will be billed under the terms of this agreement. Thus a car in use on the first day of the month will be subject to the \$200.00 per car per month minimum and \$300.00 per car per month maximum. Accountings and cash settlements will be done on a monthly basis.

10) At the time Rex removes these cars from the CNW, Rex will only be liable for switching charges and "charges beyond".

11) At any time during the period starting November 1, 1983 and ending April 30, 1984, the CNW may elect to put CNW markings on the cars at CNW expense. When Rex removes the cars from the CNW, the CNW agrees to remark the cars to any markings required by Rex, but at the expense of Rex. CNW will perform this remarking at AAR rates or less.

12) Maintenance on the equipment will be for the account of Rex.

13) Exclusive of the aforementioned items, all other provisions of our Letter Agreement of August 5, 1983 continue to apply.



SCHEDULE I  
EXHIBIT A

LIST OF CARS TO BE UTILIZED BY CNW:

RREX 4231	RREX 4371	RRRX 1400	RRRX 2012
RREX 4232	RREX 4372	RRRX 1401	RRRX 2013
RREX 4233	RREX 4373	RRRX 1402	RRRX 2015
RREX 4234	RREX 4374	RRRX 1403	RRRX 2016
RREX 4235	RREX 4375	RRRX 1404	RRRX 2017
RREX 4236	RREX 4376	RRRX 1405	RRRX 2018
RREX 4237	RREX 4377	RRRX 1406	RRRX 2019
RREX 4238	RREX 4378	RRRX 1407	RRRX 2020
RREX 4239	RREX 4379	RRRX 1408	RRRX 2023
RREX 4240	RREX 4380	RRRX 1409	RRRX 2024
RREX 4241	RREX 4381	RRRX 1410	RRRX 2025
RREX 4242	RREX 4382	RRRX 1411	RRRX 2026
RREX 4243	RREX 4383	RRRX 1412	RRRX 2027
RREX 4244	RREX 4384	RRRX 1413	RRRX 2028
RREX 4245	RREX 4385	RRRX 1414	RRRX 2029
RREX 4246	RREX 4386	RRRX 1415	RRRX 2030
RREX 4247	RREX 4504	RRRX 1416	RRRX 2031
RREX 4248	RREX 4505	RRRX 1417	RRRX 2032
RREX 4249	RREX 4506	RRRX 1418	RRRX 2033
RREX 4250	RREX 4507	RRRX 1419	RRRX 2034
RREX 4251	RREX 4508	RRRX 1420	RRRX 2035
RREX 4252	RREX 4509	RRRX 1421	RRRX 2036
RREX 4253	RREX 4510	RRRX 1422	RRRX 2037
RREX 4254	RREX 4511	RRRX 1423	RRRX 2038
RREX 4255	RREX 4512	RRRX 1424	RRRX 2039
RREX 4347	RREX 4513	RRRX 1425	RRRX 2040
RREX 4348	RREX 4514	RRRX 1426	RRRX 2041
RREX 4349	RREX 4515	RRRX 1427	RRRX 2042
RREX 4350	RREX 4516	RRRX 1428	RRRX 2043
RREX 4351	RREX 4517	RRRX 1429	RRRX 2044
RREX 4352	RREX 4518	RRRX 1430	RRRX 2045
RREX 4353	RREX 4519	RRRX 1431	RRRX 2046
RREX 4354	RREX 4520	RRRX 1432	RRRX 2047
RREX 4355	RREX 4521	RRRX 1433	RRRX 2049
RREX 4356	RREX 4522	RRRX 1434	RRRX 2050
RREX 4357	RREX 4523	RRRX 1435	RRRX 2051
RREX 4358	RREX 4524	RRRX 1436	RRRX 2052
RREX 4359	RREX 4525	RRRX 1437	RRRX 2053
RREX 4360	RREX 4526	RRRX 2001	RRRX 2054
RREX 4361	RREX 4527	RRRX 2002	RRRX 2055
RREX 4362	RREX 4528	RRRX 2003	RRRX 2056
RREX 4363	RREX 4529	RRRX 2004	RRRX 2057
RREX 4364	RREX 4530	RRRX 2005	RRRX 2058
RREX 4365	RREX 4531	RRRX 2006	RRRX 2059
RREX 4366	RREX 4532	RRRX 2007	RRRX 2060
RREX 4367	RREX 4533	<del>RRRX 2008</del> <i>ms</i>	RRRX 2061
RREX 4368	RREX 4534	RRRX 2009	RRRX 2062
RREX 4369	RREX 4535	RRRX 2010	RRRX 2064
RREX 4370	RREX 4536	RRRX 2011	RRRX 2065

SCHEDULE I

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EXHIBIT A

LIST OF CARS TO BE UTILIZED BY CNW: (Cont'd)

RRRX 2067  
RRRX 2069  
RRRX 2070  
RRRX 2071  
RRRX 2073  
RRRX 2074  
RRRX 2075  
RRRX 2076  
RRRX 2077  
RRRX 2078  
RRRX 2079  
RRRX 2080  
RRRX 2082  
RRRX 2083  
RRRX 2084  
RRRX 2085  
RRRX 2086  
RRRX 2087  
RRRX 2088  
RRRX 2089  
RRRX 2091  
RRRX 2092  
RRRX 2093  
RRRX 2094  
RRRX 2095  
RRRX 2096  
RRRX 2097  
RRRX 2098  
RRRX 2099  
RRRX 2100

RG/bd  
(RREX/RRRX)  
1-2

If the terms outlined above reflect the understanding we have reached, please execute the agreement by signing and dating all copies and returning three to my attention.

ACCEPTED and APPROVED

CHICAGO NORTHWESTERN TRANSPORTATION  
COMPANY

BY: *Bob Johnson*

DATE: 9/20/83

ACCEPTED and APPROVED

REX RAILWAYS, INC. and  
REX LEASING, INC.

BY: *Peter Schwan V.P.*

DATE: 9/14/83

*Janet Slemon*  
Notary Public

*Rubin Schertz*  
Notary Public  
RUBIN SCHERTZ  
NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires May 16, 1987

Federal Express