

**BRAE
CORPORATION**

RECORDATION NO. 11498-11 Filed 725

JUN 19 1980 12 35 PM

INTERSTATE COMMERCE COMMISSION
June 16, 1980

9-171A014

JUN 19 1980
10.00
U.S. MAIL

Ms. Agatha Mergenovich
Secretary
Interstate Commerce Commission
Office of the Secretary
S.E. Room 2215
Washington, DC 20423

Dear Ms. Mergenovich:

Enclosed for filing and recordation pursuant to the provisions of 49 U.S.C. § 11303 are several copies of a First Amendment dated as of April 1, 1980 to the Equipment Trust Agreement dated as of January 1, 1980 by and between The Connecticut Bank and Trust Company, as Trustee, and Brae Corporation which relate to the railroad equipment described on and marked in accordance with Schedule A to this letter.

The names and addresses of the parties to the documents described above are as follows:

Company: Brae Corporation
Three Embarcadero Center
San Francisco, CA 94111

Trustee: The Connecticut Bank and
Trust Company
One Constitution Plaza
Hartford, CT 06115

The Equipment Trust Agreement dated as of January 1, 1980 by and between The Connecticut Bank and Trust Company, as Trustee, and Brae Corporation was duly filed and recorded on February 14, 1980 under Recordation No. 11498.

Please file the enclosed document assigning it the first subletter available under Recordation No. 11498 and cross-index the document under the names listed above.

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I.C.C.
OPERATION BR.

Brian Nedemeyer
C. Aubrey

Acharoff

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Ms. Agatha Mergenovich
Interstate Commerce Commission

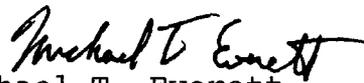
6/16/80

Page 2

Enclosed is a check payable to the Interstate Commerce Commission in the amount of \$10.00, the prescribed fee for filing and recording the enclosed document.

Please return to the person presenting this letter your letter confirming such filing and recordation, your fee receipt therefor and all copies of the enclosed document not required for filing stamped with your pertinent filing information.

Very truly yours,


Michael T. Everett
Assistant Secretary

Enclosures

SCHEDULE A

EQUIPMENT DESCRIPTION

<u>Lessee</u>	<u>Number of Cars</u>	<u>Identification Nos. (Inclusive)</u>	<u>Physical Description</u>	<u>AAR Designation</u>
CHICAGO, WEST PULLMAN AND SOUTHERN RAIL- ROAD COMPANY*	250	CWP 300- CWP 549	52' 6", 100-ton Gondola Cars	GB
COLUMBIA & COWLITZ RAILWAY COMPANY**	50	CLC 3501- CLC 3550	52' 6", 70-ton Double 8' Plug doors, 2' off- set Boxcars	XP

*Lease Agreement, dated as of August 14, 1979, between such Lessee and the Company.

**Lease Agreement, dated as of July 13, 1979, between such Lessee and the Company.

Interstate Commerce Commission
Washington, D.C. 20423

6/19/80

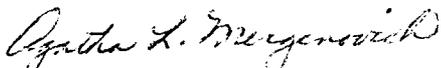
OFFICE OF THE SECRETARY

Michael T. Everett
Assistant Secretary
Brae Corporation
Three Embarcadero Center
San Francisco, Calif 94111

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 6/19/80 at 12:55pm, and assigned re-
recording number(s). 9875-W, 10630-N, 10844-J, 11498-F

Sincerely yours,


Agatha L. Mergenovich
Secretary

Enclosure(s)

FIRST AMENDMENT dated as of April 1, 1980 to Equipment Trust Agreement dated as of January 1, 1980, (the "Equipment Trust Agreement") between THE CONNECTICUT BANK AND TRUST COMPANY, as trustee (the "Trustee"), and BRAE CORPORATION (the "Company").

Recitals

The Company has requested that the Trustee amend the Equipment Trust Agreement as more completely described below. The Trustee has received the written consent to execute this Amendment from the Original Purchaser, which at the present time holds 100% in principal amount of the outstanding Trust Certificates.

Section 9.02 of the Equipment Trust Agreement provides for amendment of the Equipment Trust Agreement under such circumstances.

ACCORDINGLY, THE PARTIES AGREE AS FOLLOWS:

1. The terms used in this Amendment which are defined in the Equipment Trust Agreement shall have the same meanings herein as specified therein.
2. The definition of Consolidated Net Income appearing in Article One of the Equipment Trust Agreement as originally executed is amended by substituting the word "Person" for the word "corporation" in clause (c) of such definition.
3. The definition of Generally Accepted Accounting Principles appearing in Article One of the Equipment Trust Agreement as originally executed is amended by the deletion of the period at the end of such definition and the addition of the phrase "and except that any Permitted Investments of the Company described in clause (e) or (f) of the definition of Permitted Investments shall be accounted for by the Company on the equity method of accounting for all purposes of this Agreement, whether or not such Investments are accounted for by the Company on the equity method of accounting for financial reporting purposes generally."
4. The definition of Permitted Investments appearing in Article One of the Equipment Trust Agreement as originally executed is amended by the deletion of the word "and" at the end of clause (c) of such definition, by the deletion of the period at the end of such definition and the substitution of a comma therefor and by the addition of the following clauses thereafter:

RECORDATION NO. 11498-1
Filed 1425

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INTERSTATE COMMERCE COMMISSION

"(e) any Investments in any form (including, without limitation, purchases of voting stock, non-voting stock, partnership shares or shares of beneficial interest in a trust, loans, guarantees of indebtedness, capital contributions or contributions to a trust estate) whether made directly or through a Subsidiary in (i) the "Leasing Company" to be organized pursuant to the Project Agreement dated February 12, 1980 between PACCAR Inc., a Delaware corporation ("PACCAR"), and Brae Rail Venture Corporation, a California corporation, which is a wholly-owned Subsidiary of the Company, which Leasing Company will be owned 90% by PACCAR and 10% by the Company and will carry on no business other than owning and leasing up to 9,400 railcars and activities related thereto, and (ii) a trust in which the Company or a Subsidiary is to have a 15% beneficial interest and Ford Motor Credit Company is to have an 85% beneficial interest and which trust will carry on no business other than owning and leasing approximately 1200 railcars with an aggregate original cost of approximately \$47,000,000 and activities related thereto, provided that in all cases the Company shall, at the time any such Investment described in this clause (e) is made, have undertaken the actual management of the railcars owned by the corporation, partnership or trust in which the Company has made such Investment, whether by management contract, informal arrangement or otherwise, and (f) at any time prior to October 1, 1981, any Investments in the form of voting stock, non-voting stock, preferred stock, options, warrants, or debt instruments convertible into any of the foregoing, in any of the six corporations identified to the Original Purchaser in a letter from the Company dated March 25, 1980, provided that any investment pursuant to this clause (f) shall be limited to a transaction in which the anticipated Investment would not exceed \$40,000,000 in the aggregate and would result in the acquisition of not less than a 15% to 20% interest in such corporation, and provided, further, that, upon the expiration of a period of 18 months from the date upon which any such Investment was made pursuant to this clause (f), such Investment shall no longer be a Permitted Investment but rather shall be deemed a Restricted Investment made on the date of expiration of such 18-month period."

5. Section 6.05(c) of the Equipment Trust Agreement as originally executed is amended by the deletion of the word "and" at the end of paragraph (vii), by the addition of the word "and" following the semicolon at the end of paragraph (viii) and by the addition of the following paragraph thereafter:

"(ix) any Lien on a Permitted Investment described in clause (e) or (f) of the definition of Permitted Investments and created in connection with the acquisition or carrying of such Permitted Investment; provided that the Debt secured by such Lien is permitted by Section 6.05(d);"

6. The second paragraph of Section 8.04 of the Equipment Trust Agreement is amended by substituting in the first sentence thereof the phrase "in Permitted Investments of the types described in clauses (a) through (d) of the definition of Permitted Investments" for the phrase "in Permitted Investments" immediately following the parenthetical in such sentence.

7. Except as modified hereby, the Equipment Trust Agreement shall remain in full force and effect.

8. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original but all of which when taken together shall constitute a single instrument.

9. The provisions of this Amendment and all rights and obligations of the parties hereunder shall be governed by the laws of the State of New York.

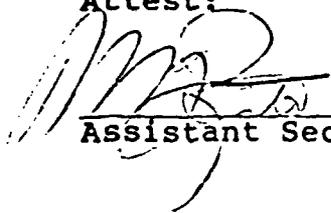
10. The Company shall, at its expense, cause this Amendment to be filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303, as soon as possible.

IN WITNESS WHEREOF, the Company and the Trustee have caused their names to be signed hereto by their respective officers thereunto duly authorized and their corporate seals, duly attested, to be hereunto affixed as of the date first above written.

[Corporate Seal]

THE CONNECTICUT BANK AND TRUST
COMPANY, as Trustee

Attest:



Assistant Secretary

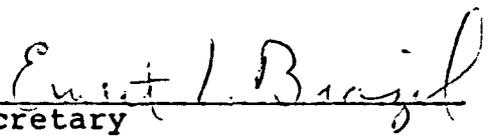
By: 

Corporate Trust Officer

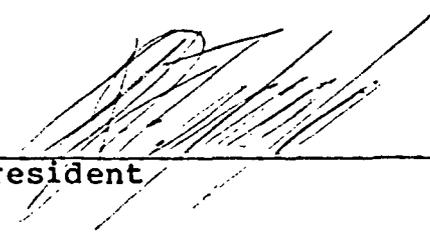
[Corporate Seal]

BRAE CORPORATION

Attest:



Secretary

By: 

President

STATE OF NEW YORK)
)
COUNTY OF NEW YORK)

ss.:

On the _____ day of April, 1980, before me personally came P. J. CROOKS, to me known, who, being by me duly sworn, did depose and say that he resides at 70 Ferry Street, Lambertville, New Jersey; that he is a Trust Officer of MORGAN GUARANTY TRUST COMPANY OF NEW YORK, one of the corporations described in and which executed the above amendment; that he knows the corporate seal of said corporation; that the seal affixed to said amendment is such corporate seal; that it was so affixed by the authority of the Board of Directors of said corporation; and that he signed his name thereto by like authority.

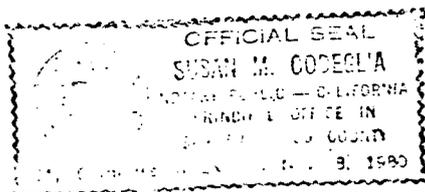
Notary Public

[Notarial Seal]

STATE OF CALIFORNIA)
)
CITY AND COUNTY OF SAN FRANCISCO)

ss.:

On the 25th day of April, 1980, before me personally came WILLIAM J. TEXIDO, to me known, who, being by me duly sworn, did depose and say that he resides at 69 Almedral Avenue, Atherton, California; that he is the President of BRAE CORPORATION, one of the corporations described in and which executed the above amendment; that he knows the corporate seal of said corporation; that the seal affixed to said amendment is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation; and that he signed his name thereto by like authority.



Susan M. Codeglia

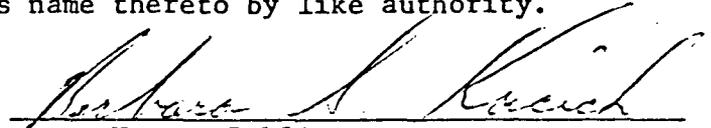
Notary Public

[Notarial Seal]

STATE OF CONNECTICUT)
)
COUNTY OF HARTFORD)

ss.:

On the 21st day of May, 1980, before me personally came F.W. Kawan, to me known, who, being by me duly sworn, did depose and say that he resides at 17 Mt. Sumner Drive, Bolton, Connecticut; that he is a Corporate Trust Officer of The Connecticut Bank and Trust Company, one of the corporations described in and which executed the above amendment; that he knows the corporate seal of said corporation; that the seal affixed to said amendment is such corporate seal; that it was so affixed by the authority of the Board of Directors of said corporation; and that he signed his name thereto by like authority.



Notary Public

(Notarial Seal)

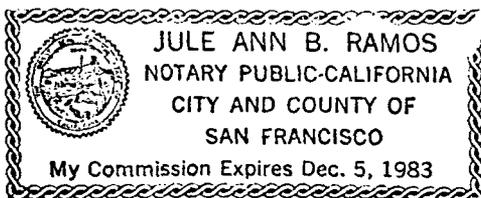
BARBARA S. KACICH
NOTARY PUBLIC
MY COMMISSION EXPIRES MARCH 31, 1982

STATE OF CALIFORNIA)
)
CITY AND COUNTY OF SAN FRANCISCO) ss:

I, Jule Ann B. Ramos, a Notary Public, State of California, duly commissioned and sworn, do certify that on this 16th day of June, 1980, I carefully compared the annexed copy of FIRST AMENDMENT dated as of April 1, 1980 to Equipment Trust Agreement dated as of January 1, 1980 between THE CONNECTICUT BANK AND TRUST COMPANY, as trustee, and BRAE CORPORATION

with the original thereof, now in the possession of Heller, Ehrman, White & McAuliffe of 44 Montgomery Street, San Francisco, State of California, and that the same is a full, true and exact copy of the said original.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the City and County of San Francisco the day and year in this certificate first above written.



Jule Ann B. Ramos

Jule Ann B. Ramos

[seal]