

ITEL RAIL

55 Francisco
San Francisco, California 94133
(415) 955-9090
Telex 34234

No. **3-151A047**

Date **MAY 31 1983**

Fee \$ **10.00**

ICC Washington, D. C.

May , 1983

RECORDATION NO. **8770-F** Filed 1428

Ms. Agatha Mergenovich, Secretary
Interstate Commerce Commission
Washington, D.C. 20423

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INTERSTATE COMMERCE COMMISSION

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Dear Ms. Mergenovich:

Pursuant to 49 U.S.C. Section 11303(a) and the Interstate Commerce Commission's rules and regulations thereunder, I enclosed herewith on behalf of Itel Corporation for filing and recordation under the Equipment Lease Agreement between SSI Rail Corporation and Rainier Equipment Leasing, Inc. dated as of March 31, 1977, which was filed and recorded with the Interstate Commerce Commission on April 1, 1977 at 11:20 a.m. and given Recordation No. 8770, four counterparts of the following document:

Assignment and Amendment of Lease Agreement dated February 7, 1983 (the "Assignment") between Rainier Equipment Leasing, Inc., Itel Corporation as successor in interest to SSI Rail Corporation, and Itel Rail Corporation.

The names and addresses of the parties to the aforementioned Assignment are:

1. Rainier Equipment Leasing, Inc.
c/o Graham & Dunn
3400 Rainier Bank Tower
Seattle, Washington 98101
2. Itel Corporation, Rail Division
55 Francisco, 7th Floor
San Francisco, California 94133

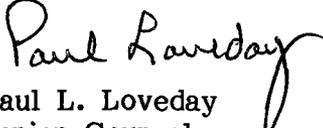
The equipment covered by this Assignment is one hundred (100) 50'6" single sheath boxcars bearing reporting marks CIRR 90001 through CIRR 90100 inclusive.

Also enclosed is a check in the amount of \$10.00 for the required recording fee.

Ms. Agatha Mergenovich, Secretary
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Please stamp all counterparts of the enclosed Assignment with your official recording stamp. You will wish to retain one (1) counterpart of the document for your files; it is requested that the remaining three (3) counterparts be returned to me.

Sincerely,



Paul L. Loveday
Senior Counsel

PSP:dmm
Enclosures

cc: Linda Lawrence
Itel Corporation

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ASSIGNMENT AND AMENDMENT OF LEASE AGREEMENT INTERSTATE COMMERCE COMMISSION

This Assignment and Amendment of Lease Agreement ("Agreement") is entered into as of this 7th day of February, 1983, between RAINIER EQUIPMENT LEASING, INC., a Washington corporation (the "Lessor"), ITEL CORPORATION, a Delaware corporation ("Itel") as successor in interest to SSI Rail Corp. ("SSI"), and ITEL RAIL CORPORATION, a Delaware corporation (the "Assignee").

Section 1. Recitals of Fact.

A. SSI and Lessor entered into an Equipment Lease Agreement dated as of March 31, 1977 and amended pursuant to an amendment dated as of April 15, 1977 (the lease, as so amended, being hereinafter referred to as the "Lease"). Pursuant to the Lease, SSI leased from Lessor the railroad equipment described on Annex A, attached hereto. The Lease was filed and recorded with the Interstate Commerce Commission on April 1, 1977 at 11:20 a.m. and given Recordation Number 8770.

B. Pursuant to a Guaranty and Suretyship Agreement (the "Guaranty") dated March 31, 1977, Itel guaranteed the obligations of SSI under the Lease.

C. Itel merged SSI into itself pursuant to a Certificate of Ownership and Merger dated as of December 15, 1977. As a result of said merger, Itel, as the successor in interest to SSI, became the "Lessee" under the Lease.

D. The Lessor amended its Articles of Incorporation on June 23, 1978. Under the Amended Articles of Incorporation, the Lessor's corporate name was changed from RainierBank Equipment Leasing, Inc., to Rainier Equipment Leasing, Inc.

E. On January 19, 1981, Itel filed a petition for reorganization pursuant to Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Northern District of California (the "Court"). A proof of claim was filed with the Court on behalf of the Lessor.

F. Pursuant to the amended plan of reorganization dated as of December 8, 1982, filed in said reorganization proceeding (the "Plan of Reorganization"), Itel will transfer to the Assignee substantially all of the assets utilized by

Itel's rail division. The Plan of Reorganization further provides that the Assignee will conduct all of Itel's current and future rail operations (except for the management and marketing of Itel's residual interests in rail-related assets) and will continue Itel's railroad equipment leasing business as it is now conducted. In connection with the continuation of Itel's railroad equipment leasing business, Itel is willing to assume its obligations under the Lease, and assign all of its rights and obligations thereunder to the Assignee; provided that the Lessor releases Itel from all obligations with respect thereto and agrees to look only to Assignee for the performance of such Lease.

G. The parties hereto desire by this Amendment to amend and supplement certain provisions of the Lease and to provide for the assumption by the Assignee of the due and punctual performance and observance of all the terms, covenants and conditions of and the due and punctual payment of all amounts payable under the Lease in like manner as if the Assignee were named therein in lieu of SSI (as predecessor in interest to Itel).

Section 2. Effective Date.

This Agreement shall become effective upon entry by the Court of an order confirming the Plan of Reorganization.

Section 3. Assignment and Assumption.

A. Itel hereby assigns to the Assignee all of its right, title and interest in and to the Lease. The Lessor hereby consents to the foregoing assignment and agrees that Itel shall be relieved of all liabilities and obligations under the Lease and the Guaranty and that only the Assignee shall be henceforth liable thereunder.

B. The Assignee hereby assumes the due and punctual performance and observance of all the terms, covenants and agreements of and the due and punctual payment of all amounts payable under the Lease in like manner as if named therein in lieu of SSI (as predecessor in interest to Itel).

Section 4. Amendments to the Lease.

A. The Lease is hereby amended by restating in its entirety the definition therein of "Lessee" to mean Itel Rail Corporation, a Delaware corporation.

B. The Lease is hereby amended by restating the definition therein of "Lessor" to mean Rainier Equipment Leasing, Inc., a Washington corporation.

C. The Lease is hereby amended by deleting all references therein to the "Guarantor" or the "Guaranty Agreement."

D. Section 23 of the Lease is hereby amended by restating the address for notices required or permitted to be given by the Lessor to Lessee under such Lease as follows:

"If to the Lessee:

Itel Rail Corporation
55 Francisco Street
San Francisco, California 94111

Attention of Vice President of Finance"

Section 5. Representations and Warranties of Itel and the Assignee.

Itel and the Assignee jointly and severally represent and warrant that:

(a) They have full power, authority and legal right to execute and deliver this Agreement and to perform and observe the terms and conditions hereof.

(b) The execution and delivery by them of this Agreement, the consummation of the transactions contemplated herein and the fulfillment of the terms hereof and thereof and the compliance by them with the terms and provisions hereof and thereof will not result in any violation of either of their corporate charters or by-laws or in any breach of any applicable law, or any regulation, order, injunction or decree of any court or governmental instrumentality or of any of the terms, conditions or provisions of, or constitute a default under, or with notice of lapse of time, or both, constitute a default under, or result in the creation of any lien, charge, security interest or other encumbrance upon any of its property or assets pursuant to, any indenture, agreement or other instrument to which either is a party or by which either may be bound.

(c) No authorization or approval of any governmental agency or commission or public or quasi-public body

or authority of the United States of America, any state thereof or the District of Columbia, or of any department or subdivision of any thereof, is necessary for the due execution and delivery by them of this Amendment or for the validity of this Agreement or for the validity or enforceability of the Lease as against the Assignee.

Section 6. Representations and Warranties of the Lessor.

The Lessor represents and warrants that it has full power and legal right to carry on its business as now conducted, and is duly authorized and empowered to execute and deliver this Agreement and to perform and observe the terms and conditions hereof and thereof as hereby contemplated.

Section 7. Filings.

The Assignee shall, promptly after the execution and delivery of this Agreement, cause the same to be duly filed and recorded with the Interstate Commerce Commission in accordance with Section 49 U.S.C. 11303. Promptly after filing, the Assignee shall deliver proof of filing to the Lessor at the following address:

Rainier Equipment Leasing, Inc.
c/o Graham & Dunn
3400 Rainier Bank Tower
Seattle, WA 98101

Attention: Irvin W. Sandman

Section 8. Events of Default.

By the execution of this Agreement, the Lessor hereby waives all Events of Default which may have occurred prior to the effective date of this Agreement; provided that such waiver shall in no event constitute a waiver of Events of Default arising after the effective date of this Agreement.

Section 9. Miscellaneous.

This Agreement shall be governed by and construed in accordance with the laws of the State of Washington; provided that the parties shall be entitled to all rights conferred under any applicable Federal statute, rule or regulation.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective names, by officers thereunto duly authorized, all as of the date first above written.

ITEL CORPORATION, RAIL DIVISION

By

Edward M. O'Dea

Title

President

ITEL RAIL CORPORATION

By

Edward M. O'Dea

Title

President

RAINIER EQUIPMENT LEASING,
INC.

By

Patrick Walsh

Title

AVP.

Schedule of Annexes to
Assignment and Amendment of Lease Agreement

A - Description of Lease Railroad Equipment:

100 50'-6" Single Sheath Box Cars with 10"
Freightmaster End-of-Car Cushioning, Nailable
Steel Flooring, Single 10' Sliding Door,
Plate "C", bearing identifying numbers
CIRR 90001 through CIRR 90100 both inclusive.

STATE OF CALIFORNIA)
) ss:
County of San Francisco)

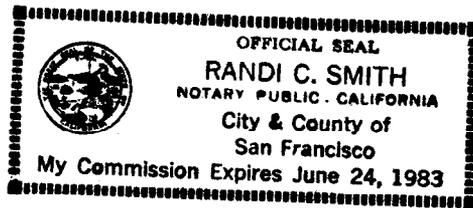
On this 29th day of MARCH, 1983, before the undersigned, a Notary Public in and for the State of California, personally appeared Edward M. O'DEA, known to me (or proved to me on the basis of satisfactory evidence) to be the PRESIDENT of ITEL Corporation, Rail Division, and known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument on behalf of said corporation and acknowledged to me that such corporation executed the same.

WITNESS my hand and official seal.

Randi C. Smith
Notary Public for the
State of California

My Commission Expires:

[NOTARY SEAL]



STATE OF CALIFORNIA)
) ss:
County of San Francisco)

On this 29th day of MARCH, 1983, before the undersigned, a Notary Public in and for the State of California, personally appeared Edward M. O'DEA, known to me (or proved to me on the basis of satisfactory evidence) to be the PRESIDENT of ITEL Rail Corporation, and known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument on behalf of said corporation and acknowledged to me that such corporation executed the same.

WITNESS my hand and official seal.

Randi C. Smith
Notary Public for the
State of California

My Commission Expires:

[NOTARY SEAL]

