

(3)



June 9, 1989

Itel Rail Corporation

55 Francisco Street
San Francisco, California 94133
(415) 984-4000
(415) 781-1035 Fax

RECORDATION NO. 16383 FILED 1425 *A*

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INTERSTATE COMMERCE COMMISSION

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

Re: Schedule No. 1 to Master Lease No. 2218-00 dated as of May 26, 1989, between Itel Railcar Corporation and ICI Americas, Inc.

Dear Ms. McGee:

On behalf of Itel Rail Corporation, the above instrument, in three (3) counterparts, is hereby submitted for filing and recording pursuant to 49 U.S.C. Section 11303(a), along with the \$13 recordation fee.

Please record this Schedule under Master Lease No. 2218-00 dated s of May 26, 1989, between Itel Railcar Corporation and ICI Americas, Inc., which is being filed with the ICC simultaneously this date.

The parties to the aforementioned instrument are listed below:

Itel Railcar Corporation (Lessor)
55 Francisco Street
San Francisco, California 94133

ICI Americas, Inc.
P. O. Box 751
Wilmington, Delaware 19897

This Schedule adds to the Master Lease twenty (20) 5,750 cubic foot, 100-ton, Plate C covered hopper cars bearing reporting marks ERLX 6110-6147 (n.s.).

Please return to the undersigned the stamped counterparts not required for filing purposes, together with the ICC fee receipt and acknowledgment letter.

Very truly yours,

patricia schumacker

Patricia Schumacker
Legal Department

REC'D. IN APAY

JUN 09 1989

Returned For Approval _____ To _____
Returned For Coding _____ To _____

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INTERSTATE COMMERCE COMMISSION

LOT NO. 2218-01

SCHEDULE NO. 1 TO MASTER LEASE

THIS SCHEDULE NO. 1 ("Schedule") to that certain Lease Agreement (the "Agreement") made as of May 26, 1989 between ITEL RAILCAR CORPORATION as lessor ("Lessor"), and ICI AMERICAS, INC., as lessee ("Lessee") is made this 26th day of May, 1989, between Lessor and Lessee.

Lessor and Lessee agree as follows:

1. All capitalized terms defined in the Agreement shall have the meanings defined therein when used in this Schedule No. 1, except that the term "Cars" as used herein shall only refer to the equipment described in this Schedule unless otherwise indicated.
2. Lessor hereby leases the following Cars to Lessee subject to the terms and conditions of the Agreement and this Schedule:

AAR Mech Desig. Description	Numbers	Dimensions Inside Length	Width	No. of Cars
LO 5750 c.f., 100-ton, Plate C, covered hopper	ERLX 6110- 6116; 6118-6123; 6130-6132; 6143; 6145-6147	59'3"	10'4"	20

3. With respect to the Cars, the Agreement shall supersede, terminate and replace Schedule 9 dated January 27, 1986, to the United States Railway Leasing Company Railroad Car Lease Agreement dated August 7, 1978, (the "United Lease") by and between United States Railway Leasing Company, Lessor's assignor, and Lessee.
4. The term of the Agreement with respect to each Car described in this Schedule shall commence retroactively to June 1, 1988 (the "Effective Date") and shall continue as to all of the Cars described in this Schedule through the close of business on May 31, 1993 (the "Initial Term").
5. Lessor shall perform the registration and record keeping required for the Cars described in this Schedule.
6. Lessor shall perform or cause to be performed and shall pay all costs and expenses associated with the maintenance of the Cars described in this Schedule, except as set forth in Article 10 and Article 12.A. of the Agreement. Lessee may make running repairs to the parts of the Cars specified in Exhibit A attached hereto.

7. A. Lessee shall, at all times while this Agreement is in effect, at its own expense, cause to be carried and maintained: (i) all-risk, physical loss and damage insurance with respect to the Cars while the Cars are on Lessee's tracks or in Lessee's care, custody or control; and (ii) public liability insurance with respect to third party personal injury and property damage, in each case in such amounts and for such risks. ~~As per rock insurance company as per policy of Lessee.~~ Such insurance shall not cover, and nothing herein shall be construed to absolve Lessor of responsibility and liability for, any and all claims, losses, damages, liabilities, costs, and expenses (including attorneys' fees) with respect to, caused by or arising out of Lessor's own negligence (active or otherwise) and/or any defect in the Cars not attributable to Lessee hereunder. All insurance policies shall be taken out in the name of Lessee and shall name Lessor, any financing party designated by Lessor by written notice to Lessee ("Financing Party"), and any assignee of Lessor as additional ~~named~~ insureds and as loss-payees. Said policies shall provide that Lessor, Financing Party and any assignee of Lessor shall receive thirty (30) days' prior written notice of any material changes in coverage or cancellation thereof. With respect to the additional insureds, Lessee's insurance policies shall be primary to any other valid and available insurance ("Other Insurance") effected by, or for, the additional insureds. Lessee shall require its insurer specifically to waive subrogation, claim and recovery with respect to any Other Insurance. Any and all deductibles in the described policies shall be paid by Lessee.
- B. Each policy obtained by Lessee pursuant to this Section shall be in accordance with the above terms and conditions, which terms and conditions shall be set forth on the Certificate of Insurance provided to Lessor pursuant to this Subsection. Lessee shall furnish to Lessor concurrently with execution hereof, within thirty (30) days of receipt of a written request from Lessor and at intervals of not more than twelve (12) calendar months from execution hereof, Certificates of Insurance evidencing the aforesaid insurance. Lessor shall allow Lessee to be self-insured as to specified interests; such self-insurance by Lessee shall require Lessor's written approval and shall place Lessor in the same position it would have been in had Lessee obtained the insurance specified in Subsection 7.A., hereinabove.
8. A. The fixed rent ("Fixed Rent") shall be _____ dollars (_____ per Car per month for each full calendar month ("Month") during the Initial Term or any extended term. The Fixed Rent for any Car which is not subject to the Agreement for an entire Month shall be prorated at _____ per day for such Car during such Month. The Fixed Rent shall be due and payable regardless of any claimed abatement, reduction or offset, except as otherwise provided herein.
- B. Lessee shall pay to Lessor the Fixed Rent on the first day of each month during the Initial Term and any extended term. On the

Effective Date, all excess mileage payments earned with respect to the Cars during the term of the United Lease shall be credited against rent due under the Agreement pursuant to the terms of Article 7.B. of the Agreement.

9. Except as expressly modified by this or any other Schedule, all terms and provisions of the Agreement shall remain in full force and effect with respect to all Cars subject to the Agreement.
10. This Schedule may be executed by the parties hereto in any number of counterparts, and all counterparts taken together shall be deemed to constitute one instrument.

ITEL RAILCAR CORPORATION

By: 
Title: President and CEO
Date: 5-26-89

ICI AMERICAS, INC.

By: 
Title: Director Distribution Services
Date: 5-8-89

EXHIBIT A

Running Repairs: Covered Hoppers

Angle Cocks	Wheels
Air Hose	Yokes
Train Line	Knuckles/Pins
Operating Levers and Brackets	Slack Adjuster
Sill Steps	Couplers
Grab Irons	Draft Gears
Brake Shoes	Coupler Carriers
Brake Shoe Keys	Center Plate Repair (Not Replacement of Center Plate)
Brake Connecting Pin	Cotter Keys
Brake Head Wear Plates	Roller Bearing Adapters
Air Brakes	Outlet Gate Repair (Not Gate Replacement)
Hand Brakes	Hatch Cover Repair (Not Replacement of Hatch Cover)
Brake Beams and Levers	
Truck Springs	

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

On this 26th day of May, 1989, before me personally appeared Desmond P. Hayes, to me personally known, who being by me duly sworn says that such person is President of Itel Railcar Corporation, that the foregoing Schedule No. 1 was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Sharon L. Van Fossan
Notary Public



STATE OF Delaware)
) ss:
COUNTY OF New Castle)

On this 8th day of May, 1989, before me personally appeared Thomas Gordon, to me personally known, who being by me duly sworn says that such person is Director Distribution Services of ICI Americas, Inc. that the foregoing Schedule No. 1 was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Fay N. Bloothoofd
Notary Public
My Commission expires JUNE 11 1991