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9628-E Filed 1425

March 13, 1986

MAR 17 1986 -2 25 PM

INTERSTATE COMMERCE COMMISSION 6-076A022

Date MAR 17 1986

Fee $ 10.00

ICC Washington, D. C.

VIA FEDERAL EXPRESS

Mr. James Bayne
Acting Secretary
Interstate Commerce Commission
12th and Constitution Avenue, N.W.
Washington, D.C. 20423

RE: Fourth Amendment to the Conditional Sale Agreement originally between General Motors Corporation (Electro-Motive Division) and Missouri-Kansas-Texas Railroad Company which was dated July 28, 1978; and assigned to Texas Commerce Bank National Association

Dear Mr. Bayne:

I have enclosed an original and two (2) counterparts of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a Fourth Amendment to Conditional Sale Agreement ("Fourth Amendment"), a secondary document, dated the 17th day of January, 1986.

The primary document to which the Fourth Amendment is connected is a Conditional Sale Agreement dated July 28, 1978 recorded under Recordation No. 9628.

The names and addresses of the parties to the Fourth Amendment are as follows:

Purchaser: Missouri-Kansas-Texas Railroad Company
701 Commerce Street
Dallas, Texas 75202

Seller (Assignee): Texas Commerce Bank National Association
P. O. Box 2558
Houston, Texas 77001

A description of the equipment covered by the Fourth Amendment follows:

> Three (3) Model SD40-2 diesel electric locomotives with 3000 HP each, bearing MKT's road numbers 604, 605 and 606.

Enclosed please find this Firm's check which covers the statutory recording fee of $10.00. Please return an original Fourth Amendment and one counterpart stamped with the appropriate recording information to the undersigned.

A short summary of the Fourth Amendment to appear in the Index follows:

> Fourth Amendment to Conditional Sale Agreement originally executed by and between Missouri-Kansas-Texas Railroad Company and General Motors Corporation (Electro-Motive Division) which assigned same to Texas Commerce Bank National Association, covering three (3) Model SD40-2 diesel electric locomotives with 3000 HP each, bearing MKT's road numbers 604, 605 and 606.

I certify that I have knowledge of the foregoing.

Very truly yours,

Cathleen S. Cox

Cathleen S. Cox
Paralegal

CSC:lgr
Encls.
MKT-109B

(B)CSC:ICC-01a

9628-F
Filed 1425
MAR 17 1986 -2 25 PM
INTERSTATE COMMERCE COMMISSION

(A)RES:MKT-109B

FOURTH AMENDMENT TO CONDITIONAL SALE AGREEMENT

THIS FOURTH AMENDMENT TO CONDITIONAL SALE AGREEMENT, hereinafter referred to as this "Fourth Amendment", is made and entered into by and between MISSOURI-KANSAS-TEXAS RAILROAD COMPANY (the "Railroad"), a Delaware corporation, and TEXAS COMMERCE BANK NATIONAL ASSOCIATION (the "Bank"), a national banking association domiciled in Houston, Harris County, Texas.

RECITALS:

1.

The Railroad and General Motors Corporation (Electro-Motive Division) (the "Manufacturer"), a Delaware corporation, have entered into a Conditional Sale Agreement dated as of July 28, 1978 (which Conditional Sale Agreement, as same may have been amended prior to the hereinafter described First Amendment, is herein called the "Original Sale Agreement"), covering and affecting certain locomotives and other equipment (the "Rolling Stock") more fully described in the Original Sale Agreement. All of the Manufacturer's rights and interests, but none of its obligations, under the Original Sale Agreement have been assigned to the Bank pursuant to an Agreement and Assignment dated of even date with the Original Sale Agreement by and between the Manufacturer and the Bank.

2.

The Railroad and the Bank have amended the Original Sale Agreement pursuant to (a) an Amendment to Conditional Sale Agreement (the "First Amendment") dated effective as of September 10, 1984, (b) a Second Amendment to Conditional Sale Agreement (the "Second Amendment") dated effective as of April 24, 1985, and (c) a Third Amendment to Conditional Sale Agreement (the "Third Amendment") dated effective as of October 23, 1985 (the Original Sale Agreement as amended by the First Amendment, the Second Amendment and the Third Amendment being hereinafter called the "Sale Agreement").

3.

The Railroad has heretofore entered into certain other conditional sale agreements with certain manufacturers of locomotives, railroad cars and other rolling stock, and/or with one or more other financial institutions (collectively, the "Sellers") for the construction and/or purchase of certain locomotives, railroad cars and equipment more fully described in said other conditional sale agreements (collectively, the "Other Rolling Stock"), the rights and benefits (but none of the

obligations) of each of the Sellers having been heretofore assigned to Bank in writings executed by the Sellers or their prior assigns, said other conditional sale agreements, as each may have been amended, supplemented, modified, restated or extended to the date hereof being referred to hereinafter collectively as the "Other Conditional Sale Agreements"), each of the Other Conditional Sale Agreements being more fully described in Exhibit A attached hereto and incorporated herein by reference for all purposes.

4.

The Railroad has requested that the Bank establish a revolving credit facility (the "Credit Facility") pursuant to which the Bank will agree, subject to certain terms and conditions, to make loans from time to time before January 17, 1987 (the"Termination Date"), to the Railroad at the Railroad's request and issue commercial and standby letters of credit (collectively, the "Letters of Credit") for the account of the Railroad, the aggregate of said loans, the outstanding face amount of all of said letters of credit and the amount of all of the Letters of Credit which have been drawn on for which the Bank has not been reimbursed not to exceed at any one time the sum of $4,000,000.00, the terms and conditions for establishing the Credit Facility to be governed by one or more loan agreements (as the same may be amended and supplemented from time to time, the "Loan Agreements"), the Loan Agreements to be executed by and between the Railroad and the Bank from time to time, the indebtedness arising pursuant to the Credit Facility to be evidenced by one or more promissory notes (or notes and any and all renewals, extensions, modifications, rearrangements or replacements thereof or substitutions therefor being collectively referred to as the "Notes"), from time to time executed by the Railroad, the face amount of the Notes to equal to in the aggregate up to (but no more than) $4,000,000.00.

5.

The Bank is unwilling to establish the Credit Facility, and from time to time prior to the Termination Date to make any loans pursuant to the Credit Facility, issue any of the Letters of Credit, enter into any of the Loan Agreements, and/or accept any of the Notes unless, among other things, the Railroad agrees to amend the Sale Agreement so as to provide that the Rolling Stock shall secure, in addition to the purchase price of Rolling Stock (if not fully paid and satisfied) and such other indebtedness (if any) described in the Sale Agreement, (a) the indebtedness arising pursuant to the Credit Facility, and (b) the indebtedness arising pursuant to each of the Other Conditional Sale Agreements, as any of the same may have been or may be amended,

renewed, extended or otherwise modified from time to time; and the Railroad is willing to so agree.

AGREEMENTS:

NOW, THEREFORE, in consideration of the premises and the mutual agreements, representations and warranties herein set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Railroad and the Bank do hereby agree as follows:

1.

The first sentence of Article 5 of the Sale Agreement is hereby amended in its entirety to be and read as follows:

> "1. The Manufacturer, or its successors and assigns (including, without limitation, the Bank), shall and hereby does retain the full legal title to and property in the Locomotives until (a) the Railroad shall have made all of the payments and shall have kept and performed all of the covenants contained in this Agreement to be made, kept or performed by the Railroad, (b) the Railroad shall have made all of the payments and shall have kept and performed all of the covenants contained in each those certain other Conditional Sale Agreements described on Exhibit A attached hereto and incorporated herein by reference for all purposes as the same may have been or may be amended, modified or supplemented from time to time, therein provided to be made, kept or performed by the Railroad; and (c) the Railroad shall have made all of the payments and shall have kept and performed all of the covenants provided to be made, kept and performed by the Railroad in any and all writings (the 'Writings') executed in connection with or evidencing the indebtedness arising pursuant to a line of credit commitment (the "Commitment") of the Bank in favor of the Railroad pursuant to which the Bank agrees to, subject to certain terms and conditions set forth in the Writings, (i) make loans from time to time on or before January 17, 1987, to the Railroad at the Railroad's request, and (ii) issue commercial and standby letters of credit for the account of the Railroad, the aggregate of said loans, the outstanding face amount of all of said letters of credit and the amount of all of said letters of credit which have been drawn on for which the Bank has not been reimbursed not to exceed at any one time the sum of $4,000,000;

notwithstanding the delivery of the Locomotives to and the possession and use thereof by the Railroad as herein provided."

2.

Article 18 of the Sale Agreement is hereby amended by adding at the end of subsection (e) therein, two additional subsections which shall be and read as follows:

"(f) The failure by the Railroad to make any payment as and when due under any and all promissory notes (the 'Notes') and applications for the Letters of Credit (the 'Applications') executed or issued in connection with the Commitment;

"(g) The occurrence of any event of default or default or the occurrence of any Event of Default or Default (as those capitalized terms may be defined in and) under any of the Writings executed or issued in connection with the Commitment, including, without limitation, any of the Notes, any of the Applications or any loan agreement or loan agreements executed by and between the Railroad and the Bank, as the same may be amended from time to time;".

3.

The Sale Agreement is hereby amended by adding thereto an Exhibit A which shall be in the form of Exhibit A attached hereto and incorporated herein by reference for all purposes.

4.

The Railroad represents and warrants to the Bank that the representations and warranties contained in the Sale Agreement are true and correct in all material respects on and as of the date hereof as though made on and as of such date. The Railroad hereby certifies that no event has occurred and is continuing which constitutes an event of default under the Sale Agreement or which upon the giving of notice or the lapse of time or both would constitute such an event of default.

5.

Except as expressly further amended hereby, the Sale Agreement shall remain in full force and effect. The Sale Agreement, as hereby further amended, and all rights and powers created thereby or thereunder are in all respects ratified and confirmed and remain in full force and effect. Without limiting

the generality of the foregoing, the Sale Agreement as amended hereby shall continue to secure all indebtedness secured thereby.

6.

Terms used herein which are defined in the Sale Agreement shall have the meanings therein ascribed to them. Except where the context otherwise requires, the term "Sale Agreement" or "Agreement" as used in the Sale Agreement or any other instrument, document or writing furnished to the Bank by the Railroad shall mean the Sale Agreement as hereby amended.

7.

The Railroad agrees to pay to the Bank upon demand all expenses incurred by the Bank in connection with the preparation, negotiation, execution and recordation of this Fourth Amendment and any other instruments or documents related to the execution of this Fourth Amendment, and any other expenses incurred by the Bank in connection with the Sale Agreement and any and all related writings. The Railroad shall furnish to the Bank all such other documents, consents and information relating to the Railroad, the Rolling Stock, or otherwise, as the Bank may reasonably require.

8.

This Fourth Amendment (a) shall be binding upon and inure to the benefit of the Railroad and the Bank and their respective successors and assigns (provided, however, that the Railroad shall not assign its rights hereunder without the prior written consent of the Bank); (b) may be modified or amended only by a writing signed by each party; (c) shall be governed by and construed in accordance with the laws of the State of Texas and the United States of America; (d) may be executed in several counterparts, and by the parties hereto on separate counterparts, and each counterpart, when so executed and delivered, shall constitute an original agreement, and all such separate counterparts shall constitute but one and the same agreement; and (e), when read together with the Sale Agreement including all prior supplements, amendments and addenda thereto, embodies the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes all prior agreements, consents and understandings relating to such subject matter.

IN WITNESS WHEREOF, the Railroad and the Bank have caused this Fourth Amendment to be signed by their respective duly authorized officers, effective as of January 17, 1986.

MISSOURI-KANSAS-TEXAS
RAILROAD COMPANY,
a Delaware corporation

By: _____
Name: Karl R. Ziebarth
Title: Executive Vice President-Financial

ATTEST:

_____
Name: J. T. BASS
Title: SECRETARY

TEXAS COMMERCE BANK
NATIONAL ASSOCIATION,
a national banking association

By: _____
Name: ROBERT A. SALCETTI
Title: VICE PRESIDENT

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Karl R. Ziebarth, Executive Vice President-Financial of Missouri-Kansas-Texas Railroad Company, a Delaware corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

Given under my hand and seal of office this 17th day of January, 1986.

(SEAL)

Virginia A. Schoeneberger
Notary Public in and for
the State of Texas
Printed Name: Virginia A. Schoeneberger
My Commission Expires: 3-24-90

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared ROBERT A. SALCETTI, VICE PRESIDENT of Texas Commerce Bank National Association, a national corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

Given under my hand and seal of office this 11th day of February, 1986.

(SEAL)

Laura E. Lowe
Notary Public in and for
the State of T E X A S
Printed Name:
My Commission Expires:

LAURA E. LOWE
Notary Public, State of Texas
My Commission Expires 5/16/87

EXHIBIT A

CONDITIONAL SALE AGREEMENTS
AMENDED AS OF 10/23/85

Original Lender	Contract No.	MKT Series	Type of Equipment	Active Units	TCB Note No.	Month of Issue	(000 omitted) Original Amount
TCB	30700	318 - 321	GP 38-2	4		6/76	$1,596
TCB	32147	607 - 610	SD 40-2	4	9006	9/78	2,189
TCB	32492	10850 - 10899	Hopper	50	9007	3/79	1,500
TCB	32628	10900 - 10949	Hopper	50	9008	5/79	1,608
TCB	32711	10950 - 10999	Hopper	50	2001	7/79	1,608
TCB	32796	611 - 618	SD 40-2	7	3001	9/79	5,040
TCB	33425	619 - 627	SD 40-2	9	9010	6/80	6,960
TCB	33517	56 - 59	MP 15 AC	4	9011	9/80	1,896
Merc.	32360	8000 - 8050	Glass	50		1/79	2,832
Amer.	33813	14025 - 14034	Coil	10		12/80	468
Inter.	33741	14035 - 14042	Coil	8		1/81	374
Citi.	33790	14043 - 14049	Coil	7		1/81	336
CNA	34604	170 - 181	GP-40	12		2/82	1,500