

# ITEL

RECORDATION NO. 9703-D FILED 1425

## Itel Rail Corporation

55 Francisco Street  
San Francisco California 94133  
(415) 984-4000

AUG 27 1985 10 05 AM

August 9, 1985

INTERSTATE COMMERCE COMMISSION

Honorable James H. Bayne, Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

DATE 8/27/85  
FEE \$ 10.00  
DC Washington, D. C.

Dear Mr. Bayne:

Pursuant to 49 U.S.C. Section 11303(a) and the Interstate Commerce Commission's rules and regulations thereunder, I enclose herewith on behalf of Itel Rail Corporation for filing and recordation under the Lease Agreement dated as of May 5, 1978 between Itel Corporation, Rail Division as predecessor in interest to Itel Rail Corporation and Atlanta and St. Andrews Bay Railway Co. which was filed with the I.C.C. on September 22, 1978 and given I.C.C. Recordation No. 9703, four counterparts of the following document:

Amendment No. 2 dated May 24, 1984 to the Lease Agreement dated May 5, 1978 between Itel Corporation, Rail Division and Atlanta and St. Andrews Bay Railway Company.

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

1. Itel Rail Corporation (Lessor)  
55 Francisco, 5th Floor  
San Francisco, California 94133
2. Atlanta and St. Andrews Bay Railway Co. (Lessee)  
P.O. Box 669  
Panama City, Florida 32401

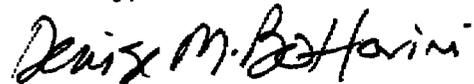
The equipment covered by this Amendment is one hundred (100) 50', Plate C, 70-ton, XM boxcars bearing reporting marks ASAB 8300-8399.

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

Mr. James H. Bayne, Secretary  
August 9, 1985  
Page Two

Please stamp all counterparts of the enclosed Amendment No. 2 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 my attention.

Sincerely,



Denise M. Bottarini  
Senior Legal Assistant

DMB/vdv/104

cc: Howard Chabner  
Ginny Hanger

**Interstate Commerce Commission**  
**Washington, D.C. 20423**

8/27/85

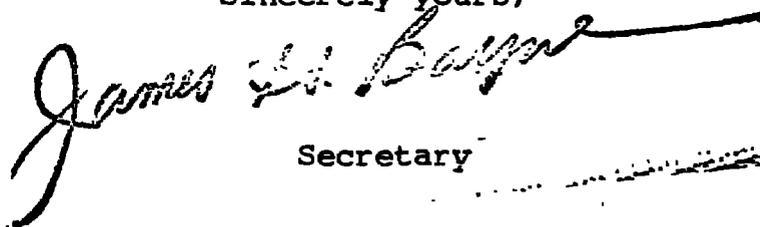
**OFFICE OF THE SECRETARY**

Denise M. Bottarini  
I  
Itel Rail Corporation  
55 Francisco  
San Francisco, Calif. 94133

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 8/27/85 at 10:05am and assigned re-  
recording number(s). 9703-D

Sincerely yours,

  
Secretary

Enclosure(s)

RECORDATION NO. 9713-18  
FILED 1/25

AMENDMENT NO. 2 MAY 27 1984

INTERSTATE COMMERCE COMMISSION

THIS AMENDMENT NO. 2 (the "Amendment") to that certain Lease Agreement (the "Agreement") made as of May 5, 1978, between ITEL Corporation, Rail Division and ATLANTA AND SAINT ANDREWS BAY RAILWAY COMPANY ("Lessee") is made this 24th day of May, 1984, by and between ITEL RAIL CORPORATION, as successor in interest to ITEL Corporation, Rail Division ("Lessor") and Lessee.

**W I T N E S S E T H :**

WHEREAS, Lessor and Lessee are parties to the Agreement, pursuant to which four hundred seventy-eight (478) boxcars (the "Car(s)") have been leased by Lessor to Lessee; and

WHEREAS, Lessor and Lessee mutually desire that Lessee shall lease one hundred (100) additional boxcars from Lessor.

NOW, THEREFORE, in consideration of the mutual premises and agreements made herein, the parties hereto agree to amend the Agreement as follows:

1. All terms defined in the Agreement shall have their defined meanings when used in the Amendment.
2. Equipment Schedule No. 4, attached hereto, which references one hundred (100) boxcars bearing the reporting marks ASAB 8300-8399 (the "Boxcars") is hereby added to and made a part of the Agreement.
3. With respect to the Boxcars on Equipment Schedule No. 4 only, Sections 2.A. and 2.B. of the Agreement are hereby replaced by the following:

"A. This Agreement shall remain in full force until it is terminated as to all of the Boxcars as provided herein. The term of the Agreement with respect to each Boxcar described on Equipment Schedule No. 4 shall commence at 12:01 p.m. on the date and at the location that such Boxcar is remarked pursuant to Subsection 3.A., and shall expire as to all of the Boxcars described on Equipment Schedule No. 4, five (5) years from the date on which the first Boxcar on such Schedule was remarked (the 'Initial Term').

B. If this Agreement has not been terminated early and no unremedied default has occurred pursuant to Section 8, the Agreement shall automatically be extended for not more than five (5) consecutive periods of twelve (12) months each (the 'Extended Term(s)') with respect to all of the Boxcars described on Equipment Schedule No. 4, provided, however, that Lessor or Lessee may terminate this Agreement at the end of the Initial Term or any Extended Term as to all, but not fewer than all, of the Boxcars on Equipment Schedule No. 4 by written notice delivered to the other party not less than twelve (12) months prior to the end of the Initial Term or any Extended Term."

4. With respect to the Boxcars on Equipment Schedule No. 4 only, Section 3 of the Agreement is hereby replaced by the following:

**"3. Supply Provisions**

A. Lessee hereby approves the specifications of the Boxcars delivered to it by Lessor. Lessor shall, at Lessor's expense, remark the Boxcars with the railroad markings of Lessee in compliance with all applicable regulations. Each Boxcar shall be deemed delivered and subject to the terms and provisions of this Agreement at 12:01 p.m. on the date and at the location such Boxcar is remarked ('Delivery'). After the Boxcars have been remarked, the Boxcars shall be moved to Lessee's railroad line at no cost to Lessee as soon as is consistent with mutual convenience and economy. Notwithstanding that Lessee may not have immediate physical possession of the Boxcars leased hereunder, Lessee agrees to pay the rent set forth in this Agreement. To move the Boxcars to Lessee's railroad line and to ensure optimal use of the Boxcars after the Initial Loading (as hereinafter defined), Lessor agrees to assist Lessee in monitoring Boxcar movements and, when deemed necessary by Lessee and Lessor, to assist in the issuance of movement orders with respect to such Boxcars to other railroad lines in accordance with Interstate Commerce Commission ('ICC') and Association of American Railroads ('AAR') interchange rules. If Lessor incurs expenses in having other railroads move Boxcars in accordance with this Section with Lessee's approval, except for any expenses incurred in the initial delivery of such Boxcars to Lessee's railroad line pursuant to this Section, Lessee shall reimburse Lessor for such expenses within ten (10) days of receipt of invoice from Lessor. For the purposes hereof, the term 'Initial Loading' as to each Boxcar, shall be the earlier to occur of either (1) the date such Boxcar shall have been loaded off Lessee's railroad line with the first load of freight, or (2) the thirty-first (31st) day after such Boxcar is delivered pursuant to this Section.

B. Lessee shall load the Boxcars leased from Lessor prior to loading any boxcars leased by or assigned to Lessee from other parties subsequent to the date of this Agreement, purchased by Lessee subsequent to the date of this Agreement, or interchanged from other railroads; provided, however, that this shall in no event prevent or prohibit Lessee from fulfilling its obligations to provide transportation and facilities upon reasonable request therefor.

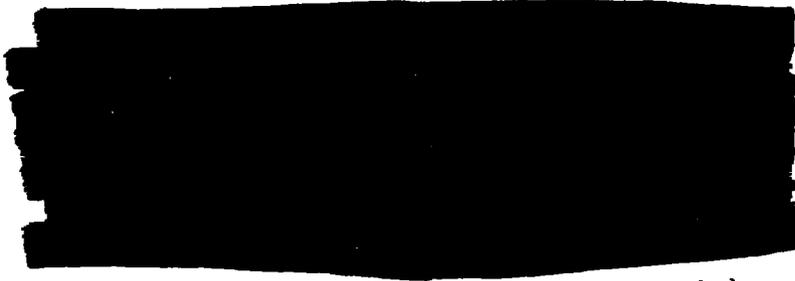
C. Additional boxcars shall be leased from Lessor by Lessee only upon the mutual agreement of the parties. During the term of this Agreement, Lessor may, at its expense, replace any or all of the Boxcars with boxcars of like kind and serviceability upon prior written notice from Lessor to Lessee; provided, however, that any such replacement shall not prevent or prohibit Lessee from fulfilling its obligations to provide transportation and facilities."

5. With respect to the Boxcars on Equipment Schedule No. 4 only, Section 6.A. of the Agreement is hereby replaced by the following:

"A.(i) Definitions

- (a) 'Revenues' shall be the total revenues earned and due from other railroad companies for the use or handling of the Boxcars, including but not limited to, per diem and mileage. Lessee shall use best efforts and employ available options to collect all revenues due on a timely basis.
- (b) The 'Utilization Rate' of the Boxcars shall be determined by a fraction, the numerator of which is the aggregate number of days in each calendar year that Revenues were earned on the Boxcars commencing from the Initial Loading, and the denominator of which is the aggregate number of days in each calendar year that the Boxcars are on lease to Lessee, commencing from the Initial Loading.
- (c)
- (ii) Lessor shall receive all Revenues earned by each Boxcar prior to its Initial Loading. Each Boxcar delivered pursuant to Subsection 3.A. shall become subject to the rental calculation under Subsection 6.A.(iii) upon the Initial Loading of such Boxcar.
- (iii) Lessee agrees to pay the following rent to Lessor for the use of the Boxcars:

(b)



(iv)



- 6. With respect to the Boxcars on Equipment Schedule No. 4 only, the words "87.5 percent" in Section 6.C. of the Agreement shall be replaced by the words "eighty percent (80%)" each time they appear.
- 7. With respect to the Boxcars on Equipment Schedule No. 4 only, the words "ten (10) days free storage" in Section 9 of the Agreement shall be replaced by the words "thirty (30) days free storage" each time they appear.
- 8. Except as expressly modified by this Amendment, all terms and provisions of the Agreement shall remain in full force and effect.
- 9. This Amendment may be executed by the parties hereto in any number of counterparts and all said counterparts taken together shall be deemed to constitute one and the same instrument.

**ITEL RAIL CORPORATION**

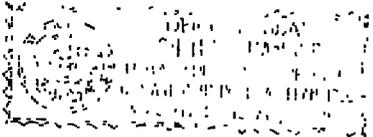
**ATLANTA AND SAINT ANDREWS BAY RAILWAY COMPANY**

Name: *J. H. Hayes*  
 Title: *President*  
 Date: *August 2, 1985*

Name: *Clifford*  
 Title: *President*  
 Date: *March 18, 1985*

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

On this 2nd day of August, 198~~4~~<sup>5</sup>, 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 Rail Corporation, that the foregoing Amendment No. 2 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.



Benny Elmer  
Notary Public

STATE OF Florida )  
 ) ss:  
COUNTY OF Bay )

On this 18th day of March, 198~~4~~<sup>5</sup>, before me personally appeared D.V. Hooks, to me personally known, who being by me duly sworn says that such person is President of Atlanta and Saint Andrews Bay Railway Company, that the foregoing Amendment No. 2 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.

Janice Peek  
Notary Public

MY COMMISSION EXPIRES FEB. 3, 1988

EQUIPMENT SCHEDULE NO. 4

Itel Rail Corporation hereby leases the following Cars to Atlanta and Saint Andrews Bay Railway Company subject to the terms and conditions of that certain Lease Agreement dated as of May 5, 1978.

A.A.R. Mech. Desig.	Description	Numbers	Length	Dimensions Inside Width	Height	Doors Width	No. of Cars
XM	50', Plate C Boxcar, 70-Ton	ASAB 8300- 8399	50'6"	9'6"	11'1"	10'	100

ITEL RAIL CORPORATION

By: *W. Hayes*

Title: *President*

Date: *August 2, 1985*

ATLANTA AND SAINT ANDREWS BAY  
RAILWAY COMPANY

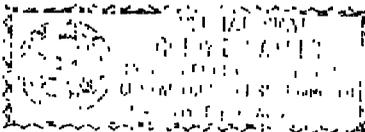
By: *W. Long*

Title: *President*

Date: *March 18, 1985*

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

On this 2nd day of August, 198~~4~~<sup>5</sup>, before me personally appeared Desmond P. Hayes, to me personally known, who being by me duly sworn says that such person is President of IteI Rail Corporation, that the foregoing Equipment Schedule No. 4 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.



Garry E. Ringer  
Notary Public

STATE OF Florida )  
 ) ss:  
COUNTY OF Bay )

On this 18<sup>th</sup> day of March, 198~~0~~<sup>5</sup>, before me personally appeared A. V. Hooks, to me personally known, who being by me duly sworn says that such person is President of Atlanta and Saint Andrews Bay Railway Company, that the foregoing Equipment Schedule No. 4 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.

Janice Peck  
Notary Public

MY COMMISSION EXPIRES FEB 3, 1986