

ITEL

Itel Rail Corporation

55 Francisco
San Francisco, California 94133
(415) 984-4000
Telex 34234

RECORDATION NO. 9756-P Filed 1425

MAY 28 1985 - 10 52 AM

April 16, 1985

INTERSTATE COMMERCE COMMISSION

5-148A05D

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

No.
Date 1 2 8 1985
Fee \$ 10.00

Dear Mr. Bayne:

ICC Washington, D. C.

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 April 26, 1978 between Itel Corporation, Rail Division as predecessor in interest to Itel Rail Corporation and East Camden and Highland Railroad Company, which was filed with the I.C.C. on October 11, 1978 and given I.C.C. Recordation No. 9756, four counterparts of the following document:

Assignment of Amendment No. 3, Amendment No. 4 and Amendment No. 5 to the April 26, 1978 Lease between Itel Rail and East Camden and Highland Railroad Company.

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

1. Itel Rail Corporation (Assignor)
55 Francisco, 5th Floor
San Francisco, California 94133
2. First Security Bank of Utah, N.A. (Assignee)
Corporate Trust Division
79 South Main Street
Salt Lake City, Utah 84111

MAY 28 10 42 PM '85
MAY 28 10 42 PM '85

The equipment covered by this Assignment is fifty (50) XM, 50'6" 100-ton, plate C boxcars bearing reporting marks GBW 10000-10049.

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

think this will be 9756-P

Arnold Siegel

Charles Taylor

Mr. James H. Bayne, Secretary
April 16, 1985
Page Two

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 to the bearer of this document.

Sincerely,



Denise M. Bottarini
Legal Assistant

DMB/vdv/178

cc: Robert S. Clark
Susan Gorey Deisley
Virginia Hanger

Interstate Commerce Commission
Washington, D.C. 20423

5/28/85

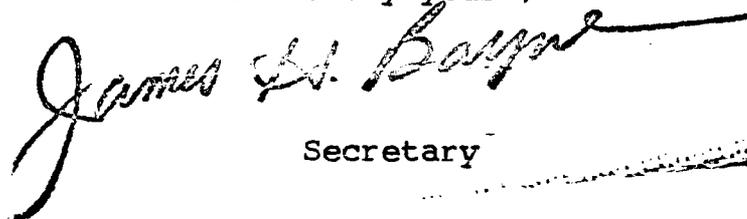
OFFICE OF THE SECRETARY

Denise M. Bottarini
Legal Assist.
Itel Rail Corp.
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 5/28/85 at 10:55am and assigned re-
recording number (s). 9756-P

Sincerely yours,


Secretary

Enclosure(s)

04/04/85

RECORDATION NO. 9756 Filed 14

MAY 28 1985

INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF AMENDMENT NO. 3
AMENDMENT NO. 4 AND AMENDMENT NO. 5
TO THE APRIL 26, 1978 LEASE BETWEEN ITEL RAIL AND
EAST CAMDEN AND HIGHLAND RAILROAD COMPANY

ASSIGNMENT OF AMENDMENT AND AGREEMENT dated as of April 1, 1985 (hereunder called this "Assignment"), by and between ITEL RAIL CORPORATION, a Delaware corporation ("Itel Rail") and FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, a national banking association, incorporated and existing under the laws of the United States of America (the "Trustee").

WHEREAS, Itel Rail has entered into a Consolidated, Amended, and Restated Equipment Trust Agreement, dated January 1, 1982 (the "ETC Modification Agreement"), and pursuant to the ETC Modification Agreement, Itel Rail has certain obligations with respect to the Itel Corporation, Itel Rail Corporation 10% Amended Equipment Trust Certificates 1978 Series 3, due 1994, as set forth in Schedule 2F of the Agreement (the "Amended 1978 Series 3 Trust Certificates"); and

WHEREAS, Itel Rail is the successor in interest to Itel Corporation, Itel Rail Division pursuant to Itel Corporation's Amended Plan of Reorganization which became effective on September 19, 1983; and

WHEREAS, Itel Rail and the EAST CAMDEN AND HIGHLAND RAILROAD COMPANY (hereinafter called the "Lessee") have entered into a Lease (as defined in the ETC Modification Agreement) of Equipment (as defined in the ETC Modification Agreement) dated as of April 26, 1978 (such Lease, together with any amendments and supplements thereto, called the "Lease") providing for the leasing by Itel Rail to the Lessee of certain units of the Trust Equipment (as defined in the ETC Modification Agreement); and

WHEREAS, the Lease may also cover the leasing to the Lessee of other Equipment not included as part of the Trust Equipment; and

WHEREAS, in order to provide security for the obligations of Itel Rail under the ETC Modification Agreement, Itel Rail assigned for security purposes its rights to and under the Lease to the Trustee as and only to the extent that the Lease relates to the Trust Equipment by means of an Assignment (as defined in the ETC Modification Agreement) dated as of May 29, 1979; and

WHEREAS, Itel Rail and the Lessee have entered into Amendment No. 3 dated October 21, 1981 to the Lease allowing the Lessee, subject to the terms and conditions contained therein, to enter into a Sublease (as defined in the ETC Modification Agreement) dated October 21, 1981 with the GREEN BAY AND WESTERN RAILROAD COMPANY (such Sublease, together with any amendments and supplements thereto, called the "Sublease") for twenty-five (25) units of Trust Equipment then bearing reporting marks within the series EACH 2351-2500 inclusive. These units of Trust Equipment currently bear reporting marks as set forth in Annex A; and

WHEREAS, Itel Rail and the Lessee have entered into Amendment No. 4 dated April 16, 1982 which allows for an addition to the Sublease of twenty-five (25) units of Trust Equipment then bearing reporting marks from within the series EACH 2351-2500 inclusive. These units of Trust Equipment currently bear reporting marks as set forth on Annex B; and

WHEREAS, Itel Rail and the Lessee have entered into Amendment No. 5 dated November 23, 1982 which extends the term of the Sublease to expire on December 31, 1983 and allows for the Sublease to be automatically extended for not more than ten (10) consecutive periods of twelve (12) months each; and

WHEREAS, in order to provide security for the obligations of Itel Rail under the ETC Modification Agreement, Itel Rail agrees to assign for security purposes its rights to and under Amendment No. 3, Amendment No. 4 and Amendment No. 5 (collectively the "Amendments") to the Trustee as and only to the extent that the Amendments relate to the Trust Equipment;

NOW, THEREFORE, in consideration of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto hereby agree as follows:

1. Itel Rail hereby assigns, transfers, and sets over unto the Trustee, as collateral security for the payment and performance of Itel Rail's obligations under the ETC Modification Agreement with respect to the Amended 1978 Series 3 Trust Certificates, all of Itel Rail's rights, title, and interest, powers, privileges, and other benefits under the Amendments as and only to the extent that the Amendments relate to the Trust Equipment set forth in Annex A and Annex B hereto, including, without limitation, all rights to receive and collect all rentals, profits, and other sums payable to or receivable by Itel Rail from the Lessee under or pursuant to the provisions of the Amendments to the extent that the same are payable in respect of such Trust Equipment, whether as rent, casualty payment, indemnity, liquidated damages or otherwise (such moneys being hereinafter called the "Payments"); provided, however, that until a Default (as defined in the ETC Modification Agreement) or an Event of Default (as defined in the ETC Modification Agreement) shall occur, it is understood that Itel Rail shall be entitled to collect and receive all the Payments and to make all waivers and agreements, to give all notices, consents, and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to apply all Payments to which Itel Rail is entitled to the payment of any and all of Itel Rail's obligations under the ETC Modification Agreement and to retain the balance, if any. In furtherance of the foregoing assignment, but subject to the foregoing provisions of this paragraph, Itel Rail hereby irrevocably authorizes and empowers the Trustee in its own name, in the name of its nominee, or in the name of Itel Rail or as its attorney, to ask, demand, sue for, collect, and receive any and all the Payments to which Itel Rail is or may become entitled under the Amendments, and to enforce compliance by the Lessee with all the terms and provisions thereof. Whenever an Amendment to a Lease covers other Equipment not included as part of the Trust Equipment and the amount of any payment due to Itel Rail under

such Amendment as car hire payments (including both straight and incentive per diem), mileage charges, or other rental revenues is calculated on an aggregate basis for all Equipment leased thereunder, for the purposes of this Assignment an amount equal to the Assigned Fraction (as hereinafter defined) of each such payment shall be deemed to be payable with respect to such Trust Equipment leased under such Amendment. The term "Assigned Fraction" as used herein shall mean a fraction, the numerator of which shall be the number of units of Equipment comprising such Trust Equipment leased under such Amendment and the denominator of which shall be the aggregate number of units of Equipment (including such units of Trust Equipment) at the time leased under such Amendment.

2. This Assignment is executed only as security for the obligations of Itel Rail with respect to the Amended 1978 Series 3 Trust Certificates under the ETC Modification Agreement and, therefore, the execution and delivery of this Assignment shall not subject the Trustee to, or transfer, or pass, or in any way affect or modify, the liability of Itel Rail under the Amendments, it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of Itel Rail to the Lessee shall be and remain enforceable by the Lessee, its successor and assigns, against, and only against Itel Rail or persons other than the Trustee or any holder of Amended 1978 Series 3 Trust Certificates.
3. To protect the security afforded by this Assignment, Itel Rail agrees as follows:
 - (a) Itel Rail will faithfully abide by, perform, and discharge each and every obligation, covenant, and agreement which the Amendments provide is to be performed by Itel Rail;
 - (b) At Itel Rail's sole cost and expense, Itel Rail will appear in and defend every action or proceeding arising under, growing out of, or in any manner connected with the obligations, duties, or liabilities of Rail under the Amendments; and
 - (c) Should Itel Rail fail to make any payment or to do any act which this Assignment requires Itel Rail to make or do, then the Trustee may, but without obligation so to do, after first making written demand upon Itel Rail and affording Itel Rail a reasonable period of time within which to make such payment or do such act, but without releasing Itel Rail from any obligation hereunder, make or do the same in such manner and to such extent as the Trustee may deem necessary to protect the security provided hereby, including specifically, without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof and the rights or powers of the Trustee, and also the right to perform and discharge each and every obligation, covenant, and agreement of Itel

Rail contained in the Amendments, and in exercising any such powers, the Trustee may pay necessary costs and expenses, employ counsel, and incur and pay reasonable attorneys' fees, and Itel Rail will reimburse the Trustee for such costs, expenses and fees.

4. Upon the full discharge and satisfaction of all of Itel Rail's obligations under the ETC Modification Agreement and this Assignment, all rights herein assigned to the Trustee shall terminate, and all estate, right, title, and interest of the Trustee in and to the Amendments shall revert to Itel Rail.
5. Itel Rail will, from time to time, do and perform any other act and will execute, acknowledge, and deliver and file, register, deposit, and record (and will refile, reregister, rerecord, or redeposit whenever required) any and all further instruments required by law or reasonably requested by the Trustee in order to confirm or further assure the interests of the Trustee hereunder.
6. If an Event of Default shall occur and be continuing under the ETC Modification Agreement, the Trustee may assign all or any of the rights assigned to it hereby or arising under the Amendments, including without limitation, the right to receive any Payments due or to become due. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Trustee hereunder. The Trustee will give written notice to Itel Rail and the Lessee of any such assignment.
7. This Assignment shall be governed by the laws of the State of New York, but the parties shall be entitled to all rights conferred by the laws of the United States permitting filing with the Interstate Commerce Commission.

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

ITEL RAIL CORPORATION

By: *AP Hayes*

(Seal)

Attest: *Howard S. Chabon*
Assistant Secretary

FIRST SECURITY BANK OF UTAH,
NATIONAL ASSOCIATION

Val T. O. E.
Authorized Officer

(Seal)

Attest: *Allen M. Rasmussen*
Authorized Officer

STATE OF)
) ss:
COUNTY OF SAN FRANCISCO)

On this 16th day of April, 1985, 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 instrument was signed on behalf of said corporation by authority of its board of directors, and that such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Joseph D. Kenny
Notary Public



STATE OF UTAH)
) ss:
COUNTY OF Salt Lake)

On this 23rd day of May, 1985, before me personally appeared Val T. Orton, to me personally known, who being by me duly sworn says that such person is an authorized officer of First Security Bank of Utah, National Association, a national banking association, that the foregoing instrument was signed on behalf of said national banking association by authority of its board of directors, and that such person acknowledged that the execution of the foregoing instrument was the free act and deed of said national banking association.

David B. Smith
Notary Public

My Commission Expires Oct. 16, 1988

ANNEX A - AMENDMENT NO. 3

<u>No. of Units</u>	<u>Reporting Marks</u>	<u>Trust Equipment Description</u>	<u>AAR Mechanical Designation</u>
25	GBW 10000-10024	50'6" 100-ton PL.C., C-Sgl, 12' Plug Door	XM

ANNEX B - AMENDMENT NO. 4

<u>No. of Units</u>	<u>Reporting Marks</u>	<u>Trust Equipment Description</u>	<u>AAR Mechanical Designation</u>
25	GBW 10025-10049	50'6" 100-ton PL.C., C-Sgl, 12' Plug Door	XM