

STEPTOE & JOHNSON

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WASHINGTON, D. C. 20036

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DEC 16 1988

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ROBERT J. CORBER
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INTERSTATE COMMERCE COMMISSION
December 16, 1988

DEC 16 1988 10-40 AM
1 6079

RECORDATION NO. Filed 1425

Ms. Noreta R. McGee
Secretary
Interstate Commerce Commission
Room 2215
Washington, D.C. 20423

INTERSTATE COMMERCE COMMISSION

DEC 16 1988 10-40 AM
1 6079-A
RECORDATION NO. Filed 1425

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Dear Ms. McGee:

Enclosed for filing and recordation pursuant to the provisions of 49 U.S.C. §11303 are the original and three (3) copies of the documents hereinafter described. They relate to the railroad equipment identified below.

1. Lease Agreement dated as of July 1, 1985 between Brae Transportation, Inc., lessor, and Indiana Harbor Belt Railroad Company, lessee.

2. Lease Amendment No. 1 dated as of November 18, 1988 between Brae Transportation, Inc., and Indiana Harbor Belt Railroad Company.

The equipment subject to these documents consists of 189 gondola cars bearing the marks as stated in the documents.

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

Lessor: Brae Transportation, Inc.
One Hundred Sixty Spear St.
San Francisco, CA 94105

Lessee: Indiana Harbor Belt Railroad
Company
2721 161st St.
Hammond, Indiana 46325

A fee of \$26.00 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to the person presenting this letter.

A short summary of each document to appear in the index follows:

Robert J. Corber

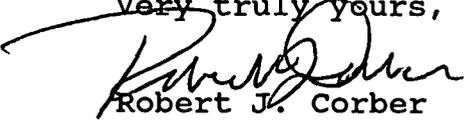
Ms. Noreta McGee
December 16, 1988
Page 2

1. Lease Agreement dated as of July 1, 1985 between Brae Transportation, Inc. and Indiana Harbor Belt Railroad Company covering gondola cars marked as stated in the document.

2. Amendment No. 1 dated November 18, 1988 between Brae Transportation, Inc., and Indiana Harbor Belt Railroad Company covering gondola cars marked as stated in the document.

Since these documents are also related to the Equipment Trust Agreement between BRAE Corporation and The Connecticut Bank and Trust Company, recorded under Recordation No. 11498, it is requested that these documents be cross-indexed under that Recordation Number.

Very truly yours,



Robert J. Corber
Attorney for
BRAE Corporation

Enclosures as stated

AMENDMENT NO. 1

INDIAN STATE COMMERCE COMMISSION
ORIGINAL

DATE: November 18, 1988

DEC 16 1988 10:40 AM
RECORDATION NO. _____ Filed 1426

PARTIES: BRAE Transportation, Inc., 160 Spear Street, Suite 1600, San Francisco, California 94105 ("BRAE"), and Indiana Harbor Belt Railroad Company, 2721-161st Street, Hammond, Indiana 46325 ("Lessee") (the "Parties").

RECITALS

- A. Pursuant to the Lease Agreement dated as of July 1, 1985, (the "Lease Agreement"), BRAE is currently leasing one hundred eighty-nine (189) gondola railcars to Lessee.
- B. BRAE and Lessee now desire to amend Sections 2 and 6.A. of the Lease Agreement.
- C. In consideration of the premises and the mutual covenants contained herein, the Parties agree as follows:

AGREEMENTS

1. Defined Terms. The terms used in this Amendment No. 1 which are defined in the Lease Agreement shall have the same meanings herein as specified therein, except when specifically redefined.

2. Equipment Schedule. The Lease Agreement shall cover those railcars listed and identified in Equipment Schedule No. 2 attached hereto.

3. Amendment to Section 2 of the Lease Agreement. The paragraph contained in Section 2 shall be deleted in its entirety and the following new paragraph shall be substituted therefore:

"Term. This Agreement shall remain in full force until it shall have been terminated as to all of the Cars as provided herein. The lease pursuant to this Agreement with respect to each Car shall commence on July 1, 1985 and shall continue until June 30, 1991."

4. Amendment to Section 6.A. of the Lease Agreement. Effective January 1, 1989, the figure "\$350.00" in Section 6.A. of the Lease Agreement shall be deleted wherever it appears and the following fixed rental shall be substituted therefore:

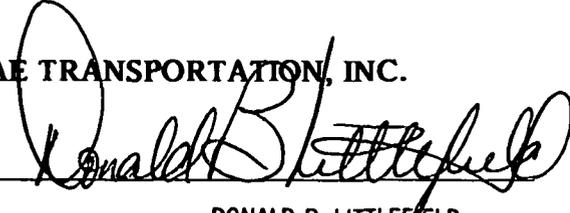
"375.00"

5. Limitation. Except as amended herein, the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 1 as of the 28th day of November, 1988.

BRAE TRANSPORTATION, INC.

By



Printed Name DONALD B. LITTLEFIELD

Title PRESIDENT - RAIL DIVISION

Date November 28, 1988

INDIANA HARBOR BELT RAILROAD COMPANY

By



Printed Name C.H. ALLEN

Title GENERAL MANAGER

Date NOV 21 1988

EQUIPMENT SCHEDULE NO. 2

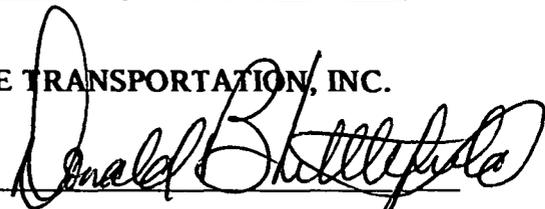
BRAE Transportation, Inc. ("BRAE") hereby leases the following railcars to Indiana Harbor Belt Railroad Company ("Lessee"), pursuant to that certain Lease Agreement dated as of July 1, 1985, as amended (the "Lease Agreement").

<u>Number of Cars</u>	<u>Description</u>	<u>Designation</u>	<u>Car Numbers</u>	<u>BRAE Code</u>	
189	52'6", 100-ton, 2494 cu.ft. Gondola Railcars	GB	IHB 300-302,304-306 309,311,313-316 319-323,325-327 329-332,334,336 337-345,347-351 353,355,357-361 363-368,371-375 377,378,382,384 385,387,389-391 393,395,396,398 399,402,403-422 424-443,445-447 450-455,457-460 462-468,470,471 476,478,481,482 484-498,501-503 505-509,511,513 514,517,518-521 524-529,531-534 539,540,542-545 547-549	6 6 8 6 14 7 11 4 5 4 22 23 10 9 4 18 7 6 10 6 3	(320)
				<u>189</u> Total	

BRAE and Lessee hereby agree that this Equipment Schedule No. 2 shall supersede Equipment Schedule No. 1 and such Equipment Schedule No. 1 shall become null and void as of the date hereof.

BRAE and Lessee hereby incorporate by reference all of the terms, conditions and provisions of the Lease Agreement in this Schedule.

IN WITNESS WHEREOF, the Parties hereto have executed this Schedule as of the 28th day of November, 1988.

BRAE TRANSPORTATION, INC.
 By 
 Printed Name DONALD B. LITTLEFIELD
 Title PRESIDENT - RAIL DIVISION

INDIANA HARBOR BELT RAILROAD COMPANY
 By 
 Printed Name C.H. ALLEN
 Title GENERAL MANAGER

STATE OF INDIANA
COUNTY OF LAKE

)
) ss.
)

On this 21st day of November, 1988, before me personally appeared C.H. Allen, to me personally known, who being by me duly sworn, did depose and say that such person is General Manager of Indiana Harbor Belt Railroad Company, and that the foregoing Amendment No. 1, and Equipment Schedule No. 2 were signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instruments was the free act and deed of such corporation.



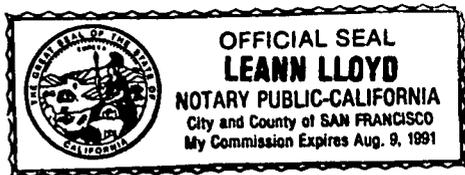
Notary Public Diane R. Pender
Resident Lake County, Indiana
Commission expires 9/19/90

[seal]

STATE OF CALIFORNIA)
COUNTY OF SAN FRANCISCO)

) ss.
)

On this 28th day of November, 1988, before me personally appeared DONALD B. LITTLEFIELD, to me personally known, who being by me duly sworn says that such person is PRESIDENT - RAIL DIVISION of BRAE Transportation, Inc., and that the foregoing Amendment No. 1, and Equipment Schedule No. 2 were signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instruments was the free act and deed of such corporation.



[seal]



Notary Public