

ITEL RAIL

55 Francisco
San Francisco, California 94133
(415) 955-9090
Telex 34234

RECORDATION NO. 8819-X
FILED 1425
JUL 20 1983 .11 45 AM
INTERSTATE COMMERCE COMMISSION

No. **JUL 20 1983**
Date
Fee \$
ICC Washington, D. C.

July 14, 1983

Ms. Agatha Mergenovich, Secretary
Interstate Commerce Commission
Washington, D.C. 20423

RECORDATION NO. 8819-Y
FILED 1425
JUL 20 1983 .11 45 AM
INTERSTATE COMMERCE COMMISSION

Dear Ms. Mergenovich:

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 Corporation for filing and recordation under the Lease Agreement dated April 20, 1977 (the "Lease") between Itel Corporation, Rail Division as lessor ("Itel") and the McCloud River Railroad Company as lessee (the "Lessee"), which was filed on May 11, 1977 at 1:15 p.m. and given recordation No. 8819, four counterparts each of the following two documents:

8819-X Amendment No. 3 dated September 30, 1982 (the "Lease Amendment") to the Lease between Itel and Lessee. *File first*

8819-Y Amendment No. 2 dated September 30, 1982 (the "Sublease Amendment") to the Sublease Agreement dated February 6, 1980 between Lessee and the Seattle North Coast Railroad Company as sublessee. *File second*

The names and addresses of the parties to the aforementioned Lease Amendment and Sublease Amendment are:

1. McCloud River Railroad Company
P.O. Drawer A
McCloud, California 96507
2. Seattle North Coast Railroad Company
2150 North 107th Street
Seattle, Washington 98133
3. Itel Corporation, Rail Division
55 Francisco, 7th Floor
San Francisco, California 94133

RECEIVED
JUL 20 11 37 AM '83
I.C.C.
FEE OPERATION BR.

Open Report for 6 Days 8-25-83

820 for this inc 2 checks

*Not sure what next letters will be but think they may be!
Please check -*

Ms. Agatha Mergenovich, Secretary
July , 1983
Page Two

The equipment covered by these Amendments is one hundred (100) 50 foot, 70-ton general purpose boxcars, A.A.R. mechanical designation XP, bearing reporting marks MR 11000 through MR 11099.

Also enclosed is a check in the amount of \$20.00 for the required recording fees.

Please stamp all counterparts of the enclosed Amendments with your official recording stamp. You will wish to retain one (1) counterpart of each document for your files; it is requested that the remaining three (3) counterparts of each be returned to the bearer of this letter.

Sincerely,



Patricia Salas Pineda
Counsel

PSP:dmm
Enclosures

cc: Michael Walsh, Esq.
Weil, Gotshal & Manges
767 Fifth Avenue
New York, New York 10020

Robert S. Clark, Esq.
Senior Trust Officer
First Security Bank of Utah, N.A.
Corporate Trust Division
79 South Main Street
Salt Lake City, Utah 84125

Doug Drummond
Itel Corporation

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

Patricia Salas Pineda
Counsel
IteI-Rail Division
55 Francisco
San Francisco, California 94133

July 20, 1983

Dear Madam:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 7/20/83 at 11:45AM, and assigned re-
recording number(s). 8819-X, 8819-Y, 9778-M, 10032-F, 10032-G,
& 13818-B

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

L-0372
10/7/82

RECORDATION NO. 8819-X Filed 1428

JUL 20 1983 -!! AMENDMENT NO. 3

INTERSTATE COMMERCE COMMISSION

THIS AMENDMENT NO. 3 (the "Amendment") to that certain Lease Agreement (the "Lease") made as of April 20, 1977 between **ITEL CORPORATION, RAIL DIVISION**, successor in interest to SSI Rail Corp., as lessor ("Lessor") and **MCCLLOUD RIVER RAILROAD COMPANY** as lessee ("Lessee") is made this 30th day of September, 1982 by and between Lessor and Lessee.

W I T N E S S E T H:

WHEREAS, Lessor and Lessee are parties to the Lease pursuant to which five hundred (500) items of railroad equipment described therein (the "Cars"), have been leased by Lessor to Lessee;

WHEREAS, pursuant to the sublease agreement (the "SNCT Sublease") made as of February 6, 1980 between Lessee and Seattle North Coast Railroad Company ("SNCT"), Lessee subleased to SNCT, with the consent of Lessor, one hundred (100) of the Cars which were restencilled from Lessee's reporting marks to SNCT 1000-1099 (the "100 Cars");

WHEREAS, Lessee and SNCT desire for their mutual convenience to change the reporting marks of the 100 Cars from SNCT 1000-1099 to Lessee's reporting marks;

WHEREAS, Lessee and SNCT desire to have the 100 Cars as restencilled with Lessee's reporting marks remain subject to the SNCT Sublease under the same terms and conditions.

NOW, THEREFORE, in consideration of the premises and mutual agreements herein contained, the parties hereto amend the Lease as follows:

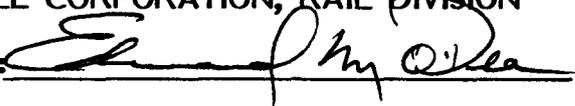
1. All terms defined in the Lease shall have their defined meanings when used in this Amendment.
2. Equipment Schedule No. 5, executed on February 11, 1981, which is attached to and incorporated into the Lease, shall be deleted in its entirety, and Equipment Schedule No. 5.A., attached hereto, shall be substituted therefor.
3. Lessee shall, at its expense, remove SNCT decals from each of the 100 Cars and restencil said 100 Cars with the railroad markings of Lessee set forth in Equipment Schedule No. 5.A. attached hereto in compliance with all applicable regulations. Concurrent with any restencilling, Lessee shall provide Lessor with a Certificate of Restencilling (in the form of Exhibit A attached hereto) specifying the previous and current reporting marks for each of the 100 Cars restencilled pursuant to this Amendment.

ASSIGNED TO FIRST SECURITY BANK
OF UTAH, N.A., TRUSTEE, UNDER
A LEASE ASSIGNMENT DATED
AS OF MAY 31, 1977

LESSOR'S INTEREST ASSIGNED TO
FIRST SECURITY BANK OF
UTAH, N.A., WITH RESPECT TO
CARS NUMBERED MR 11000-11099

4.
 - A. The mechanical designation of the 100 Cars shall be changed and restencilled from "XM" to "XP" at Lessee's expense. In addition, Lessor shall, at its sole expense, modify the 100 Cars structurally so that they qualify for "XP" mechanical designation pursuant to the rules of the Association of American Railroads.
 - B. If, at any later date, Lessor should desire to change the mechanical designation of any of the 100 Cars, Lessor shall be entitled to do so at its expense.
 - C. If, at any later date, Lessee should desire to change the mechanical designation of any of the 100 Cars (subject to the rules of the Association of American Railroads), Lessee shall be entitled to do so at Lessee's expense upon obtaining Lessor's prior written consent.
 - D. Upon any restencilling and redesignation under Paragraphs 4.B. and 4.C. of this Amendment, Lessor shall attach to this Amendment a Certificate of Change, to be made a part hereof, describing both the previous and current mechanical designation of each of the 100 Cars.
5. In accordance with Section 13 of the Lease, Lessor hereby consents to Lessee's placement of the 100 Cars into an assignment pool on the railroad lines of SNCT so as to ensure that SNCT retains control over the 100 Cars and that the 100 Cars as restencilled continue to remain subject to the SNCT Sublease and available for SNCT's use thereunder for shipment of, inter alia, lumber and paper products.
6. Nothing set forth in this Amendment with respect to the Lease represent a waiver by the parties hereto of any rights under the Lease or the Bankruptcy Code and is not an assumption of the Lease under the Bankruptcy Code, and in the event of rejection of the Agreement by order of the Bankruptcy Court under the Bankruptcy Code, Lessee may claim pre-petition damages, if any, with respect to such rejection of the Lease.
7. Except as expressly modified by this Amendment, all terms and provisions of the Lease shall remain in full force and effect.
8. 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.

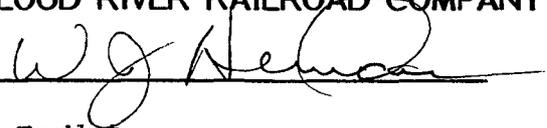
ITEL CORPORATION, RAIL DIVISION

By: 

Title: President

Date: June 3, 1983

MC CLOUD RIVER RAILROAD COMPANY

By: 

Title: President

Date: OCT 12 1982

L-0372

EXHIBIT A

CERTIFICATE OF RESTENCILLING

<u>Previous Boxcar Marks</u>	<u>Current Boxcar Marks</u>	<u>Date of Restencilling</u>	<u>Previous Boxcar Marks</u>	<u>Current Boxcar Marks</u>	<u>Date of Restencilling</u>
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McCloud River Railroad Company
Authorized Representative

EQUIPMENT SCHEDULE NO. 5.A.

Itel Corporation, Rail Division hereby leases the following Cars to McCloud River Railroad Company subject to the terms and conditions of that certain Lease Agreement dated as of April 20, 1977.

A.A.R. Mech. Desig.	Description	Numbers	Length	Dimensions Inside Width	Height	Doors Width	No. of Cars
XP	70-Ton General Purpose Boxcars	MR 11000- 11099	50'6"	9'6"	10'7"	8' Double Sliding	100

ITEL CORPORATION, RAIL DIVISION

BY: 

TITLE: President

DATE: June 3, 1983

MCLOUD RIVER RAILROAD COMPANY

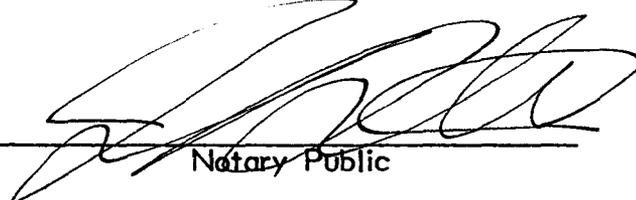
BY: 

TITLE: President

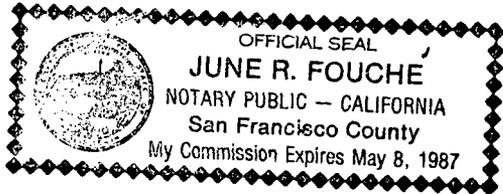
DATE: OCT 12 1982

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

On this 7 day of June, 1982, before me personally appeared Edward M. O'Dea, to me personally known, who being by me duly sworn says that such person is President of Itel Corporation, Rail Division, that the foregoing Amendment No. 3 and Equipment Schedule No. 5.A. were 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.

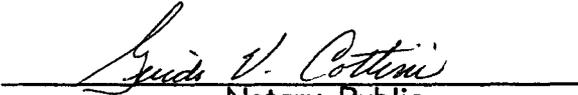


Notary Public

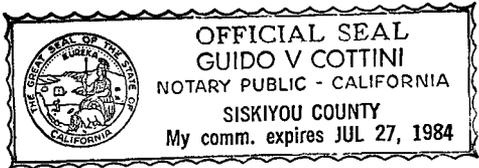


STATE OF CALIFORNIA)
)
COUNTY OF SISKIYOU) ss:

On this 12th day of October, 1982, before me personally appeared W.J. Herndon, to me personally known, who being by me duly sworn says that such person is President of McCloud River Railroad Company, that the foregoing Amendment No. 3 and Equipment Schedule No. 5.A. were 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.



Notary Public



P. O. Box 116, McCloud, CA 96057