

6-353A072

ITEL

RECORDATION NO. *8838-8*

Filed & Recorded **Ite! Rail Corporation**

December 3, 1986

DEC 19 1986 3 1 5 PM

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

DEC 19 1986

INTERSTATE COMMERCE COMMISSION

Hon. Noretta R. McGee, Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Date

Fee \$ *20.00*

ICC Washington, D. C.

Re: Amendment G to the Lease Agreement Dated April 29, 1977 Between SSI Rail Corporation and The Corinth and Counce Railroad Company

Dear Ms. McGee:

On behalf of Ite! Rail Corporation, the above instrument, in four (4) counterparts, is hereby submitted for filing and recording pursuant to 49 U.S.C. Sec. 11303(a), along with a check in the amount of \$20 covering the recordation fees.

Please record this Amendment under the Lease Agreement dated April 29, 1977 between SSI Rail Corporation and The Corinth and Counce Railroad Company, which was filed with the I.C.C. on May 27, 1977 and given Recordation No. 8838, and cross-index same with the Equipment Trust Agreement dated January 1, 1982 between Ite! Rail Corporation and First Security Bank of Utah, N.A., which was filed with the I.C.C. on September 20, 1983 under Recordation No. 14165.

Cross Index

The names and addresses of the parties to the aforementioned instrument are listed as follows:

Ite! Rail Corporation (Lessor)
55 Francisco Street
San Francisco, California 94133

The Corinth and Counce Railroad Company (Lessee)
P.O. Box 128, Highway 57
Counce, Tennessee 38326

This Amendment adds one-hundred (100) 5'6", 70-ton, Plate B boxcars bearing reporting marks CCR 6806 through CCR 6905, as more fully described in Equipment Schedules No. 8 and No. 9 attached thereto.

Please return to the undersigned the stamped counterparts not required for filing purposes, along with the fee receipt and a letter from the I.C.C. acknowledging this filing.

Very truly yours,

[Signature]
Josie Vilvaflares
Legal Assistant

cc: Howard L. Chabner, Esq.
Marianne Ledda

Encl.

DEC 19 3 09 PM '86
MOTOR VEHICLE ACCOUNT

Interstate Commerce Commission

Washington, D.C. 20423

12/22/86

OFFICE OF THE SECRETARY

Josie Villaflores
Itel Rail Corp.
55 Francisco St.
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 12/19/86 at 3:15pm, and assigned re-
recording number(s). 8838-S

Sincerely yours,

Noreta R. McGee
Secretary

Enclosure(s)

11/20/86

THIS INSTRUMENT IS SUBJECT TO A SECURITY INTEREST IN FAVOR OF HELLER FINANCIAL, INC. UNDER THE HELLER FINANCIAL, INC. LOAN AND SECURITY AGREEMENT WITH ITEL RAIL CORPORATION DATED AS OF SEPTEMBER 30, 1986

RECORDATION NO. 8838-8 Filed & Recorded
DEC 19 1986 3-1 5 PM
INTERSTATE COMMERCE COMMISSION

AMENDMENT G

AMENDMENT G (the "Amendment") to that certain Lease Agreement, (the "Agreement") dated as of April 29, 1977, as amended, between SSI RAIL CORP. and THE CORINTH AND COUNCE RAILROAD COMPANY ("Lessee") is made this 25th day of November, 1986, by and between ITEL RAIL CORPORATION, as successor in interest to SSI RAIL CORP. ("Lessor"), and Lessee.

RECITALS:

- A. Lessor and Lessee are parties to the Agreement pursuant to which eight hundred (800) boxcars bearing the reporting marks from within CCR 6000-6805 (N.S.) (the "Boxcars") have been leased to Lessee by Lessor.
- B. Lessor and Lessee desire to add one hundred (100) boxcars bearing the reporting marks CCR 6806-6905 to the Agreement.

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

- 1. All terms defined in the Agreement shall have the meanings defined therein when used in this Amendment.
- 2. Equipment Schedules No. 8 and No. 9 attached hereto, which reference seventy-five (75) boxcars bearing the reporting marks CCR 6806-6880 and twenty-five (25) boxcars bearing the reporting marks 6881-6905 respectively, are added to and made part of the Agreement.
- 3. With respect to the Boxcars on Equipment Schedules No. 8 and No. 9 only, Section 2.A. of the Agreement is 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 Schedules No. 8 and No. 9 shall commence at 12:01 a.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 Schedules No. 8 and No. 9 on August 11, 1994 (the "Initial Term")."
- 4. With respect to the Boxcars set forth on Equipment Schedules No. 8 and No. 9 only, the parties hereby waive the provision that the addition of such Boxcars is not likely to reduce utilization of all Boxcars on lease to Lessee to less than 87.5 per cent in any calendar quarter as set forth in Subsection 3.C. of the Agreement.

ASSIGNED TO FIRST SECURITY BANK
OF ILLINOIS AS TRUSTEE UNDER
A LEASE ASSIGNMENT

5. With respect to the Boxcars set forth on Equipment Schedules No. 8 and No. 9 only, Subsection 3.A. of the Agreement is hereby deleted in its entirety and is 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 a.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 adopted by the AAR Mechanical Division, Operations and Maintenance Department ("Interchange Rules"). If Lessor incurs expenses in having other railroads move Boxcars in accordance with this Section with Lessee's request or 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 an 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 received on Lessee's lines pursuant to this Section."

6. The words "referenced on Equipment Schedules No. 5.A., No. 6, and No. 7.A." in Subsection 3.D. of the Agreement, as amended by Amendment D dated May 4, 1984 and Amendment F dated August 7, 1986, are replaced by the words "set forth on Equipment Schedules No. 5.A., No. 6, No. 7.A, No. 8 and No. 9."
7. Section 6 as amended by Amendment D dated May 4, 1984, to the Agreement, shall apply likewise to the Boxcars described on Equipment Schedules No. 8 and No. 9, except as modified in this Amendment.

8. With respect to the Boxcars described on Equipment Schedule No. 8 only, Subsection 6.A.(iii), as amended, is replaced by the following:

"(iii.) The 'Base Rental' shall be defined as a sum equal to the Revenues which such Boxcars would have earned in the

Boxcar per day."

9. With respect to the Boxcars described on Equipment Schedule No. 8 only, Subsection 6.C.(ii) is replaced by the following:

"(ii) In the event that the Utilization Rate of the Boxcars, in the aggregate, during any calendar year exceeds

10. With respect to the Boxcars described on Equipment Schedule No. 9 only, Subsection 6.A.(iii), as amended, is replaced by the following:

"(iii) The 'Base Rental' shall be defined as a sum equal to the Revenues which such Boxcars would have earned in the

Schedule No. 9 only, and if such Boxcars in the aggregate

11. The parties recognize that the terms of Subsection 6.F. in Amendment A executed on May 9, 1977 to the Agreement shall not include the Boxcars set forth on Equipment Schedules No. 8 and No. 9.

12. With respect to the Boxcars set forth on Equipment Schedule No. 8 and No. 9 only, a new Subsection 6.H. is added to the Agreement as follows:

"H. In the event that Lessor shall receive Revenues for the use of such Boxcars during any calendar quarter under this Agreement that are lower in amount than what such Boxcars would have earned for the same service using the hourly and mileage car hire rates prescribed for excluded boxcars under the ICC decision in ICC Ex Parte No. 346 (Sub-No.

19) served September 12, 1986, set forth in the Appendix to such decision in paragraph (c) (3) of 49 C.F.R. 1039.14, whether as a result of a bilateral agreement entered into by Lessee or otherwise, Lessor shall have the option to initiate negotiations with Lessee for the purpose of negotiating a new agreement with respect to the Boxcars set forth on Equipment Schedules No. 8 and No. 9. If a new agreement cannot be mutually agreed upon, this Agreement shall remain in effect, provided, however, that Lessor may, at its option and upon not less than thirty (30) days' prior written notice to Lessee, terminate the Agreement with respect to any or all such Boxcars."

13. Except as expressly modified by this Amendment, all terms and provisions of the Agreement shall remain in full force and effect.
14. 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

**THE CORINTH AND COUNCE RAILROAD
COMPANY**

By: *AD Hayes*
Title: President
Date: 11/2/86

By: *[Signature]*
Title: Pres / G.M.
Date: 11-25-86

EQUIPMENT SCHEDULE NO. 8

Itel Rail Corporation hereby leases the following Boxcars to The Corinth and Counce Railroad Company subject to the terms and conditions of that certain Lease Agreement dated as of April 29, 1977.

A.A.R. Mech. Desig.	Description	Numbers	Dimensions			Doors Width	No. of Cars
			Length	Inside Width	Height		
XM	General Purpose 70-Ton Plate B Boxcars	CCR 6806- 6880	50'6"	9'6"	10'8"	10'	75

ITEL RAIL CORPORATION

By: *A. Hayes*

Title: *President*

Date: *11/25/86*

THE CORINTH AND COUNCE RAILROAD COMPANY

By: *[Signature]*

Title: *Pres. / Gen. Mgr.*

Date: *11-25-86*

EQUIPMENT SCHEDULE NO. 9

Itel Rail Corporation hereby leases the following Boxcars to The Corinth and Counce Railroad Company subject to the terms and conditions of that certain Lease Agreement dated as of April 29, 1977.

A.A.R. Mech. Desig.	Description	Numbers	Length	Dimensions Inside Width	Height	Doors Width	No. of Cars
XM	General Purpose 70-Ton Plate C Boxcars	CCR 6881- 6905	50'6"	9'6"	11'1"	10'	25

ITEL RAIL CORPORATION

By: *D. P. Hayes*

Title: *President*

Date: *11/25/86*

THE CORINTH AND COUNCE RAILROAD COMPANY

By: *[Signature]*

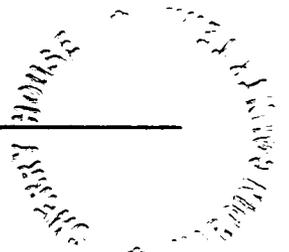
Title: *Pres*

Date: *11-25-86*

STATE OF Tennessee)
) ss:
COUNTY OF Hardin)

On this 25th day of November, 1986, 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 Equipment Schedules No. 8 and No. 9 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.

Sherry House
Notary Public



STATE OF Tennessee)
) ss:
COUNTY OF Hardin)

On this 25th day of November, 1986, before me personally appeared E. W. Rice Jr., to me personally known, who being by me duly sworn says that such person is President & General Manager of The Corinth and Counce Railroad Company, that the foregoing Equipment Schedules No. 8 and No. 9 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.

Sherry House
Notary Public

