

MORGAN, LEWIS & BOCKIUS

PHILADELPHIA
WASHINGTON
LOS ANGELES

COUNSELORS AT LAW

101 PARK AVENUE
NEW YORK, NEW YORK 10178

TELEPHONE: (212) 309-6000

CABLE ADDRESS: MORLEBOCK

TELEX: 64-5371

MIAMI
HARRISBURG
LONDON

RECORDATION NO. 9338-C Filed 1425

OCT 9 1985 12 30 PM

IAN SHRANK
DIAL DIRECT (212) 309-6076

RECORDATION NO. 9337-C Filed 1425

OCT 9 1985 12 30 PM

INTERSTATE COMMERCE COMMISSION

October 7, 1985

Secretary INTERSTATE COMMERCE COMMISSION
Interstate Commerce Commission
12th & Constitution Avenues, N.W.
Washington, D.C.

No. 5-282A075

Date OCT 9 1985

Fee \$ 20.00

ICC Washington, D.C.

Dear Secretary:

On behalf of our client, Connell Finance Company, Inc., I have enclosed an original and one counterpart of the documents described below to be recorded pursuant to 49 USC §11303.

These documents are an Amendment No. 2 to Equipment Lease, a secondary document dated as of July 19, 1985, and an Amendment No. 2 to Security Agreement, a secondary document dated as of July 19, 1985. The enclosed lease amendment is connected with the Equipment Lease, dated as of March 1, 1978, and recorded with the ICC on April 24, 1978 at 11:45 a.m., recordation no. 9337. The enclosed security agreement amendment is connected with the Security Agreement, dated as of March 1, 1978, and recorded with the ICC on April 24, 1978 at 11:45 a.m., recordation no. 9338.

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

Lessor: Connell Finance Company, Inc.
45 Cardinal Drive
Westfield, N.J. 07092

Lessee: Consumers Power Company
212 West Michigan
Jackson, Michigan 49201

ICC OFFICE OF
THE SECRETARY
OCT 9 12 22 PM '85
MOTOR OPERATING UNIT

A description of the equipment covered by the documents follows:

103 rotary dump gondola coal cars, numbered CPOX 1000-1012, CPOX 1014-1019, CPOX 1021-1025, CPOX 1027-1030, CPOX 1032-1039, CPOX 1041-1070, CPOX 1072-1094 and CPOX 1096-1109.

See 9338-C

Kevin A. Capp

MORGAN, LEWIS & BOCKIUS

-2-

A fee of \$20 is enclosed. Please return the original of each document to:

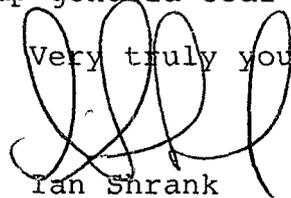
Ian Shrank, Esq.
Morgan, Lewis & Bockius
101 Park Avenue
New York, New York 10178

A short summary of the documents to appear in the index follows:

Lease Amendment: Amendment No. 2 (to Equipment Lease dated as of March 1, 1978), between Connell Finance Company, Inc., as lessor, 45 Cardinal Drive, Westfield, N.J. 07092, and Consumers Power Company, as lessee, 212 West Michigan, Jackson, Michigan 49201, dated as of July 19, 1985 and covering 103 rotary dump gondola coal cars.

Security Agreement Amendment: Amendment No. 2 (to Security Agreement dated as of March 1, 1978), between Connell Finance Company, Inc., as debtor, 45 Cardinal Drive, Westfield, N.J. 07092, and Lutheran Brotherhood, as secured party, and covering 103 rotary dump gondola coal cars.

Very truly yours,



Ian Shrank

IS:dv

cc: Daniel Morash

Interstate Commerce Commission
Washington, D.C. 20423

10/9/85

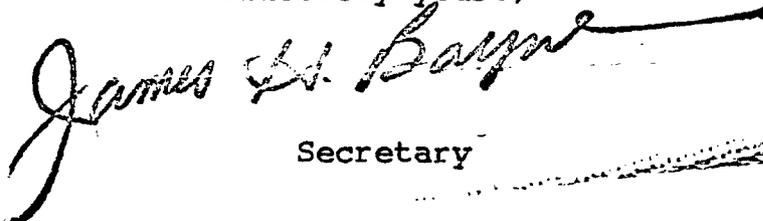
OFFICE OF THE SECRETARY

Ian Shrank
Morgan Lewis & Bockius
101 Park Ave
New York, N.Y. 10178

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 10/9/85 at 12:30pm and assigned re-
recording number (s). 9337-C & 9338-C

Sincerely yours,


Secretary

Enclosure(s)

RECORDATION NO. 9337-C Filed 1425

OCT 9 1985 :12 :00 PM

INTERSTATE COMMERCE COMMISSION

AMENDMENT NO. 2

Effective July 19, 1985

to

EQUIPMENT LEASE

Dated as of March 1, 1978

Between

CONNELL LEASING COMPANY,
A DIVISION OF CONNELL RICE & SUGAR CO., INC.
Lessor

and

CONSUMERS POWER COMPANY,
Lessee

(Consumers Power No. 78-1)
(110 Rotary Dump Gondola Cars)
(103 Cars remaining)

Amendment No. 2, effective July 19, 1985, to Equipment Lease dated as of March 1, 1978 (the "Lease") between Connell Leasing Company, a division of Connell Rice & Sugar Co., Inc. (the "Lessor"), and Consumers Power Company (the Lessee").

WHEREAS, the Lessor and the Lessee entered into the Lease (the terms defined in the Lease being used herein with the same meanings), which Lease was filed and recorded with the Interstate Commerce Commission on April 24, 1978 at 11:45 a.m., Recordation No. 9337 and which Lease has been amended by Amendment No. 1, effective January 3, 1985, which Amendment was filed with the Interstate Commerce Commission on January 15, 1985 at 10:50 a.m., Recordation No. 9337-B; and

WHEREAS, the Lessee and the Lessor have agreed to amend the Lease as provided herein.

NOW THEREFORE, in consideration of the premises and the mutual covenants of the parties hereto and for other good and valuable consideration, the receipt and adequacy of which are hereby mutually acknowledged, the Lessor and the Lessee do hereby agree as follows:

1. Lessor agrees to deliver to Lessee prior to December 31, 1985 a certificate stating the total cost (the "Total Cost") incurred by Lessor to coat the Equipment as contemplated by said Amendment No. 1, the Interim Rent due for the Equipment and a revised schedule of Casualty Values for the Equipment, all of which shall be binding on the Lessee absent manifest error. Lessor agrees to calculate such Rent and Values in the same manner as originally calculated except for taking into account Lessor's payment of the Total Cost.

2. Section 2.1(b) of the Lease is hereby amended by deleting the seventh through eleventh lines thereof and inserting "of installments 16 through 30, an additional amount equal to the Total Cost (as defined in Amendment No. 2 to this Lease dated July 19, 1985) divided by 100,000; and multiplied by .231457% of the Purchase Price of such Item of Equipment and (2) followed by ten semiannual installments (installments 31 through 40), each in an amount equal to the sum of (x) 4.076039% of the Purchase Price of such Item of Equipment plus (y) the product of Total Cost divided by 100,000 multiplied by .231457% of the Purchase Price of such Item (the rental payable".

3. The Lessee agrees to pay to the Lessor on January 3, 1986 as interim rent for the Equipment an amount (in addition to the amounts payable pursuant to Section 2.1(b) of the Lease) equal to 12% per annum (calculated on the basis of a 360 day year of 12 30-day months) on each portion of the Total Cost paid by

Lessor to Lessee pursuant to said Amendment No. 1 from and including the date such portion is paid by Lessor to but excluding January 3, 1986.

IN WITNESS WHEREOF, the parties hereto do hereby execute and deliver this Amendment No. 2.

CONNELL LEASING COMPANY, A
DIVISION OF CONNELL RICE &
SUGAR CO., INC.

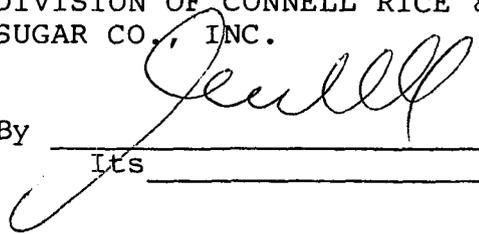
[CORPORATE SEAL]

ATTEST:



Secretary

By



Its _____

[CORPORATE SEAL]

ATTEST:

Assistant Secretary

CONSUMERS POWER COMPANY

By

Its _____

