

# ITEL

May 23, 1991

Hon. Sidney L. Strickland, Jr., Esq.  
Secretary  
Interstate Commerce Commission  
Washington, DC 20423

**Re: Termination Agreement**

Dear Mr. Strickland:

On behalf of Itel Rail Corporation, the above instruments, in three (3) counterparts, is hereby submitted for filing and recording pursuant to 49 U.S.C. Section 11303(a), along with the \$15 recordation fee.

Please record this Termination Agreement under the Equipment Lease Agreement dated March 16, 1976, between Itel Rail Corporation and Sabine River and Northern Railroad Company, which was filed with the ICC on March 26, 1976, under Recordation No. 8246.

The parties to the aforementioned Termination Agreement are listed below:

Itel Rail Corporation (Sublessor)  
550 California Street  
San Francisco, California 94104

Sabine River and Northern Railroad Company (Sublessee)  
Old Highway 87 North  
Orange, Texas 77630

This Termination Agreement terminates the subject Lease in its entirety as of October 1, 1990.

Please return to the undersigned the stamped counterparts not required for filing purposes, together with the ICC fee receipt and acknowledgment letter.

Very truly yours,

*Patricia Schumacker*

Patricia Schumacker  
Legal Assistant

**Itel Rail Corporation**

550 California Street  
San Francisco, CA 94104  
(415) 984-4200

RECORDATION NO. 8246 FILED 1991

MAY 24 1991 -10 -- AM

INTERSTATE COMMERCE COMMISSION  
1-144A008

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MOTOR VEHICLE DIVISION

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INTERSTATE COMMERCE COMMISSION

TERMINATION AGREEMENT

THIS AGREEMENT ("Termination Agreement") to terminate the lease agreement dated as of March 26, 1976, as amended (the "Agreement Dated March 26, 1976"), between ITEL RAIL CORPORATION, ("Lessor"), and SABINE RIVER AND NORTHERN RAILROAD COMPANY ("Lessee"), is made this 14th day of May, ~~1990~~ 1991.

R E C I T A L S:

- A. Lessor and Lessee are parties to the Agreement Dated March 26, 1976 pursuant to which two hundred ninety-two (292) boxcars bearing the reporting marks from within the series SRN 5000-5299 (the "Cars") were leased by Lessor to Lessee.
- B. The Cars bearing the reporting marks SRN 5161, SRN 5177 and SRN 5225 were destroyed on August 4, 1988, December 18, 1987 and October 24, 1986, respectively, and were removed from the Agreement dated March 26, 1976.
- C. The parties desire to terminate the Agreement Dated March 26, 1976 and enter the Cars into a new agreement.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto agree to the following:

- 1. Effective upon the full execution of the lease agreement dated May 2, 1990, between Lessor and Lessee ("Lease Agreement") and Schedule No. 4 dated May 14, 1991 ~~1990~~ to the Lease Agreement, the termination of the Agreement Dated March 26, 1976 shall be deemed to have become effective as of October 1, 1990.
- 2. Any obligations under the Agreement Dated March 26, 1976 with respect to the Cars incurred prior to such termination shall survive the termination of the Agreement Dated March 26, 1976 with respect to such Cars. Any obligations of either party, the terms of which provide that they shall survive termination of the Agreement Dated March 26, 1976, shall survive, including without limitation indemnity obligations.

Each party, pursuant to due corporate authority, has caused this Termination Agreement to be executed by its authorized officer, and each of the undersigned hereto declares pursuant to 28 U.S.C. Section 1746 under penalty of perjury that the foregoing is true and correct and was executed on the date indicated below its signature.

I TEL RAIL CORPORATION

By: *Michael A. Smith*

Title: VP. SALES

Date: 5/14/91

SABINE RIVER AND NORTHERN RAILROAD COMPANY

By: *Jerry M. Gomez*

Title: Exec. P.P.

Date: 5/8/91