

ITEL

January 30, 1992

Itel Rail Corporation

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

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

RECORDATION NO. 15823-C FILED 1992

JAN 31 1992 1 55 PM

INTERSTATE COMMERCE COMMISSION

RECEIVED
JAN 31 1992

Re: Schedule No. 3

Dear Mr. Strickland:

On behalf of Itel Rail Corporation, the above instrument, in three (3) counterparts, is hereby submitted for filing and recording pursuant to 49 U.S.C. Section 11303(a), along with the \$16 recordation fee.

Please record Schedule No. 3 under Master Lease No. 2227-00 dated September 1, 1988, between Itel Rail Corporation, as successor in interest to Itel Rail Corporation and Itel Railcar Corporation and Indiana Harbor Belt Railroad Company, which was filed with the ICC on September 15, 1988, under Recordation No. 15823.

The parties to the aforementioned instrument are listed below:

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

Indiana Harbor Belt Railroad Company (Lessee)
2721-161st Street
Indianapolis, Indiana 46323

Schedule No. 3 supercedes and replaces Schedule No. 2, which covers forty-five (45) 5077 cubic foot, 70-ton, Plate B, XM steel boxcars bearing reporting marks IHB 7745-7799.

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 Department

MOTOR OPERATING UNIT
JAN 31 1 50 PM '92

JAN 31 1992 -1 55 PM

SCHEDULE NO. 3
STATE COMMERCE COMMISSION

This Schedule No. 3 to that certain Lease Agreement (the "Agreement") made as of September 1, 1988 between **ITEL RAIL CORPORATION** ("Lessor") and **INDIANA HARBOR BELT RAILROAD COMPANY** ("Lessee") is made as of December 31, 1991.

Lessor and Lessee agree as follows:

1. All capitalized terms defined in the Agreement shall have the meanings defined therein when used in this Schedule No. 3 except that the term "Cars" as used herein shall only refer to the equipment described in this Schedule unless otherwise indicated.
2. Lessor hereby leases the following Cars to Lessee subject to the terms and conditions of the Agreement and this Schedule:

AAR Mech Desig	Description	Reporting Marks and Numbers	Cubic Capacity	Length	Inside Width	Height	No. of Cars
XM	70-ton, Plate B Steel Boxcars	IHB 7746-7749, 7751-7760, 7764, 7766-7771, 7773-7785, 7788-7789, 7791-7799.	5077 c.f.	50'6"	9'6"	10'7"	45

3. Effective January 1, 1992, this Schedule supersedes and replaces Schedule No. 2 to the Agreement with respect to the Cars. The term of the Agreement, with respect to the Cars covered by this Schedule, shall commence on January 1, 1992 and shall continue to and include December 31, 1994 (the "Expiration Date").
4.
 - a. Lessee shall perform the registration and record keeping required for the Cars described in this Schedule, as described in Section 4 of the Agreement. Lessee shall register each Car in UMLER placing the letters designated by Lessor in owner's field in such a manner that Lessor, or its agent, is allowed access to any required information including but not limited to Train 62 Junction Advices and the Train 65, 67, 71 and 80 Advices with regard to each Car. If Lessee fails to register or improperly registers any Car in UMLER, Lessee shall be responsible for an amount equal to the revenues that would have been earned by such Car had it been properly registered in UMLER.
 - b. Lessee shall submit to Lessor a monthly report in complete AAR format for all sums due to Lessee from Lessor for such calendar month with respect to the maintenance of the Cars, including sums due for maintenance performed by third parties and for maintenance performed by Lessee. Lessor shall pay to Lessee all sums due pursuant to this Subsection within 30 days after receipt of such monthly maintenance report and bill.

5. Lessor shall perform or cause to be performed and shall pay all costs and expenses associated with the maintenance of the Cars described in this Schedule, except as set forth in Subsection 5.B. of the Agreement. With respect to the Cars listed in this Schedule, Exhibit A attached hereto is hereby added to the Agreement.
6. Lessor shall reimburse Lessee for all federal, state and local property taxes assessed against or levied upon the Cars and paid by Lessee. Lessor may contest such taxes in appropriate proceedings and Lessee will cooperate with Lessor in such contest. Lessor shall not be liable for penalties or interest payable. Lessee shall forward to Lessor upon receipt copies of all correspondence, notifications of proposed assessments and tax bills with respect to such property taxes. Upon Lessor's reasonable request Lessee shall provide Lessor with a draft of Lessee's property tax return before it is filed. Lessee shall be liable for all other taxes or governmental impositions with respect to the Cars.
7.
 - a. Effective on January 1, 1992, Lessee shall pay Lessor a fixed rent of \$ per month for each Car through and including the Expiration Date.
 - b. Lessee shall pay rent for each Car in arrears on the first day of each month during the term. Lessor shall refund to Lessee a prorated amount of rent if any Car is returned to Lessor on a day other than the first day of the month.
 - c. If any Car is damaged but not damaged beyond repair and the repair of such damage is not Lessee's responsibility under this Agreement, and at Lessor's request such Car is moved to a non-railroad shop for repair, rent shall abate as of the date such Car is switched onto the property of such repair shop and shall be reinstated effective as of the fourth day following the date Lessee is notified that such Car has been repaired and is ready for redelivery to Lessee. If such Car is delivered to a railroad shop for repairs and is not released for shipment to Lessee within 5 days after such delivery, rent shall abate as of the sixth day after the date such Car is switched onto the property of such railroad shop and shall be reinstated as of the date such Car is released from such shop.
8. Lessee agrees to defend, indemnify and hold harmless Lessor from any and all claims, losses, damages, liabilities, costs, and expenses (including attorneys' fees) with respect to, caused by, or arising out of the Cars which are occasioned by the fault of Lessee, occur while the Cars are in Lessee's possession, custody or control, or would be the Lessee's responsibility as the "handling carrier" under the Interchange Rules and Car Hire Rules if the Cars were not bearing Lessee's reporting marks. The indemnities contained in this Agreement shall survive the expiration or termination of this Agreement.
9. Upon the expiration or other termination of the Agreement with respect to any Car on this Schedule, Lessee shall return such Car to Lessor, pursuant to Section 12 of the Agreement, at the interchange point on Lessee's lines designated by Lessor (the "Return Location"). Lessee shall bear any transportation costs incurred in moving any Car to the Return Location. If the Return Location is on Lessee's tracks, Lessee shall use best efforts to load such Car with freight and deliver it to a connecting carrier for shipment. Lessee shall, at Lessor's option, provide up

to 120 days free storage on its lines for any Car which is either on Lessee's lines at expiration or other termination or is subsequently returned to Lessee's lines.

Each party, pursuant to due corporate authority, has caused this Schedule to be executed by its authorized officer or other employee, and each of the undersigned declares under penalty of perjury that he or she holds the title indicated below, that the execution of this Schedule was the free act and deed of the corporation, the foregoing is true and correct and that this Schedule was executed on the date indicated below.

ITEL RAIL CORPORATION, Lessor

**INDIANA HARBOR BELT RAILROAD
COMPANY, Lessee**

By: Bonny Hanger

By: C. H. Allen

Title: Manager Sales Planning

Title: C. H. ALLEN
GENERAL MANAGER

Date: January 17, 1992

Date: JAN 27 1992

EXHIBIT A TO SCHEDULE NO. 3

RUNNING REPAIRS

BOXCARS

Angle Cocks	Wheel Assemblies
Air Hose	Yokes
Train Line	Knuckles/Pins
Operating Levers and Brackets	Slack Adjuster
Sill Steps	Couplers
Grab Irons	Draft Gears
Brake Shoes	Coupler Carriers
Brake Shoe Keys	Center Plate Repair (Not Replacement of Center Plate)
Brake Connecting Pin	Cotter Keys
Brake Head Wear Plates	Roller Bearing Adapters
Air Brakes	Air Hose Support
Hand Brakes	Door Hardware (Not Replacement of Door)
Brake Beams and Levers	
Truck Springs	