

Counter parts - K. Bartman

RECORDATION NO. 21303-BC FILED
AUG 20 '98 11-40 AM

ALVORD AND ALVORD
ATTORNEYS AT LAW
918 SIXTEENTH STREET, N.W.
SUITE 200
WASHINGTON, D.C.
20006-2973
(202) 393-2266
FAX (202) 393-2156

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

AUG 20 11 37 AM '98

RECEIVED
SURFACE TRANSPORTATION
BOARD

August 20, 1998

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies each of a Master Lease Schedule No. 002, dated as of August 12, 1998, and a Partial Termination of Lease and Release of Security Interest, dated August 19, 1998, both secondary documents as defined in the Board's Rules for the Recordation of Documents.

The enclosed documents relate to the Master Lease Schedule No. 002 which was previously filed with the Board under Recordation Number 21303-A.

The names and addresses of the parties to the enclosed documents are:

Partial Termination and Release

Secured Party: Heller Financial Leasing, Inc.
500 West Monroe Street
Chicago, Illinois 60661

A description of the railroad equipment covered by the Partial Termination and Release is:

one (1) locomotive MPEX 1505

Mr. Vernon A. Williams
August 20, 1998
Page 2

B → Master Lease Schedule No. 002

Lessor: Heller Financial Leasing, Inc.
500 West Monroe Street
Chicago, Illinois 60661

Lessee: CMC Railroad, Inc.
P.O. Box 247, State Highway 145 South
Dayton, Texas 77535

A description of the railroad equipment covered by the Master Lease Schedule is:

two (2) locomotives MPEX 1504 and MPEX 2001

Also enclosed is a check in the amount of \$52.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed documents to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/bg
Enclosures

REGISTRATION NO. 21303-B FILED

AUG 20 '98

11-40 AM



This is certified to be a true and exact copy of the original.

Margaret E. Gourley

MASTER LEASE SCHEDULE

Name and Address of Lessee:
CMC Railroad, Inc.
P.O. Box 247, State Highway 146 South
Dayton, Texas 77535

Master Lease Agreement No.: 192-0200
Master Lease Agreement Date: March 27, 1998
Master Lease Schedule No.: 002
Master Lease Schedule Date: May 8, 1998

The Equipment described below is hereby leased on the terms and conditions specified herein and in the above-referenced Master Lease Agreement between the Lessee shown above and Heller Financial Leasing, Inc., a Delaware corporation, the terms and conditions of which are incorporated herein by this reference. Capitalized terms used in this Schedule shall have the same meaning as set forth in the above-referenced Master Lease Agreement.

- Items of Equipment.** The Items of Equipment covered by this Schedule are described in the attached Schedule B, which is incorporated herein by this reference, together with all attachments, replacements, parts, substitutions, acquisitions, upgrades, repairs, accessions and accessories incorporated therein and/or affixed thereto (the "Equipment").
- Equipment Cost.** The aggregate Equipment Cost of the Items of Equipment covered by this Schedule shall be deemed to be Two Million One Hundred Twenty Thousand and 00/100 Dollars (\$2,120,000.00). The Equipment Cost of each Item of Equipment covered by this Schedule shall be the purchase price therefor as reflected in the contract or bill of sale, as applicable, by which Lessor acquires the Item.
- Equipment Location.** The location(s) of the Items of Equipment covered by this Schedule shall, at all times during the Term with respect thereto, be as set forth in the attached Schedule B.
- Classification.** The Equipment covered by this Schedule is classified under Section 168(e) of the Internal Revenue Code of 1986, as seven year property.
- Acceptance Date.** The Acceptance Date for the Equipment covered by this Schedule is May 8, 1998.
- Commencement Date.** The Commencement Date for the Equipment covered by this Schedule shall be June 1, 1998.
- Initial Term.** The initial Term for the Equipment covered by this Schedule shall be the period from the Acceptance Date to the Commencement Date, plus One Hundred Twenty (120) month(s), plus one (1) day if rent is payable in arrears.
- Basic Rent.** Basic Rent for the Equipment covered by this Schedule, in the amount of Sixteen Thousand One Hundred Seventy Seven and 01/100 Dollars (\$16,177.01), plus applicable taxes, shall be due in arrears on the first day of each consecutive calendar month during the Term, commencing on June 1, 1998. (The periodic Basic Rent for each Item of Equipment covered by this Schedule shall equal the periodic Basic Rent for all Equipment covered by this Schedule, as specified above, multiplied by a fraction, the numerator of which shall be the Equipment Cost of the Item and the denominator of which shall be the aggregate Equipment Cost as shown above.)

Executed and delivered as of the date above shown as a Schedule to the above-referenced Master Lease Agreement.

"LESSOR"

HELLER FINANCIAL LEASING, INC.

By: *Dominick J. Masciantonio*

Name: Dominick J. Masciantonio
Senior Vice President

Title: _____

"LESSEE"

CMC RAILROAD, INC.

By: *Bill Spalander*

Name: Bill Spalander

Title: PRESIDENT



This is certified to be a true and exact copy of the original.

Margaret E. Gourley

Master Lease Agreement No.: 192-0200
Master Lease Agreement Date: 3/27/98
Master Lease Schedule No.: 002
Master Lease Schedule Date: 5/8/98

Schedule B

This Schedule B shall be deemed incorporated into, and made part of, the Master Lease Schedule referenced above between **Heller Financial Leasing, Inc.** ("Lessor") and **CMC Railroad, Inc.** ("Lessee"), as it may be amended or modified to date.

Description of Equipment:

One (1) Boise Locomotive Company Model MP1500D, 1500 Brake Horsepower Diesel Electric Locomotive; AAR Designation B-B; Industry Designation 0440; Road No. MPEX 1504; Serial No. 20759; and

One (1) Boise Locomotive Company Model MP2000D, 2075 Brake Horsepower Diesel Electric Locomotive; AAR Designation B-B; Industry Designation 0440; Road No. MPEX 2001; Serial No. 30180.

Location of Equipment:

P.O. Box 247, State Highway 146 South
Dayton, Texas 77535
Liberty County

This Schedule B supersedes and replaces, in all respects, any other Schedule B previously attached to the above-referenced Master Lease Schedule.

Executed and Delivered effective as of August 12, 1998

"Lessee"

By: *Bill G. ...*

Name: _____

Title: PRESIDENT