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RECORDATION NO. 18104-B FILED 1425

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March 30, 1993

INTERSTATE COMMERCE COMMISSION

SUITE 406
1111 NINETEENTH STREET, N. W.
WASHINGTON, D. C. 20036
TELEPHONE: (202) 429-0004
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3-089A012

Interstate Commerce Commission
Washington, D.C.
Attention of Secretary

Dear Sirs:

We enclose counterparts of the document described below, to be recorded pursuant to section 11303 of Title 49 of the United States Code.

This document is schedule 3 to a railroad locomotive lease agreement, a secondary document.

The primary document to which this is related has been recorded under recordation number 18104.

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

Lessor: IC Leasing Corporation II
c/o Illinois Central Railroad Company
455 North Cityfront Plaza Drive
Chicago, Illinois 60611

Lessee: Illinois Central Railroad Company
455 North Cityfront Plaza Drive
Chicago, Illinois 60611

MAR 30 2 29 PM '93

C. Downey Rice & Isabel Barzun

REPORT, MCMURRAY, HEWITT, MAYNARD & KRISTOL

NEW YORK OFFICE

NEW YORK, N.Y. 10017

MEMORANDUM FOR THE BOARD

RE: [Illegible text]

[Illegible text]

A description of the equipment covered by the documents follows:

Seventeen General Motors model SD40-2 locomotives, bearing the marks BN and the numbers 6753 through 6759, 6761 through 6764, 6766, 6768 through 6772, to be renumbered IC6144 through IC6160.

A fee of \$16.00 is enclosed. Please return any extra counterparts, not need by the Commission for recordation to:

James E. Magee, Esq.
Reboul, MacMurray, Hewitt,
Maynard & Kristol
1111 19th Street, N.W.
Suite 406
Washington, D.C. 20036

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

Schedule 3 to railroad locomotive lease agreement between IC Leasing Corporation II and Illinois Central Railroad Company, recorded with the Interstate Commerce Commission under recordation number 18104.

Very, truly yours,



Michael Rice

Enclosure

MAR 30 1993 2-15 PM

SCHEDULE 3

INTERSTATE COMMERCE COMMISSION

IC Leasing Corporation II ("ICL") hereby leases the following locomotives to Illinois Central Railroad ("Lessee") pursuant to that certain Railroad Locomotive Lease Agreement dated as of January 14, 1993 between ICL and Lessee (the "Master Lease"). This Schedule is executed pursuant to the terms of the Master Lease and is hereby made a part thereof. The terms of the Master Lease, except to the extent inconsistent herewith, are incorporated herein by reference.

- (1) Number of Units: Seventeen (17)
- (2) Description: EMD SD40-2 locomotives
- (3) Unit Marks and Numbers: BN 6753-6759, 6761-6764, 6766, 6768-6772 (before acquisition); IC 6144 - 6160 (after acquisition)
- (4) Delivery Point: As mutually agreed by ICL and Lessee
- (5) Basic Lease Term: Period commencing on March 1, 1993 and ending on September 30, 2000.
- (6) Per Unit Basic Rental: Rent shall be paid at the rate of \$4,050 per month for each Unit subject to the Master Lease for the Basic Lease Term, with such rent to be payable monthly, in arrears, commencing with the installment due March 31, 1993. ICL hereby agrees to pay for improvements made to the Units by or for the account of Lessee during the first 24 months of the Basic Lease Term in an amount not to exceed \$850,000 in the aggregate (representing an average of \$50,000 per Unit) and the Per Unit Basic Rental Rate set forth herein assumes that such improvements will be paid for by ICL; provided, however, that in the event ICL fails to make such improvements, Lessee's sole remedy shall be a claim for damages equal to the amount which would have been spent to make such improvements in an action brought against ICL for breach of this provision, and in no event shall Lessee be entitled (i) to set off any such claim against any obligation to pay rent or to make any other payment hereunder, or (ii) to any abatement of rent hereunder.
- (7) Basic Casualty Value of Units: See Attachment A to this Schedule 3.

IN WITNESS WHEREOF, the parties have executed this Schedule as of the 29th day of March, 1993.

IC LEASING CORPORATION II

By: Douglas A. Koman

Title: Treasurer

Date: March 29, 1993

ILLINOIS CENTRAL RAILROAD COMPANY

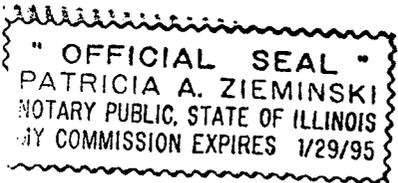
By: Dale W. Phillips

Title: VP & CFO

Date: March 29, 1993

STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

On this 29th day of March, 1993, before me personally appeared DA KOMAN, to me personally known, who being duly sworn, did depose and say that such person is TREASURER of IC Leasing Corporation II and that the foregoing Schedule No. 3 was 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 such corporation.

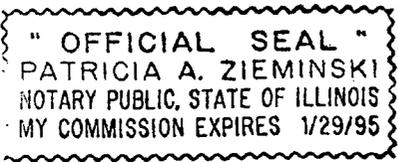


[seal]

Patricia A. Zieminski
Notary Public

STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

On this 29th day of March, 1993, before me personally appeared D W. PHILLIPS, to me personally known, who being duly sworn, did depose and say that such person is VICE PRESIDENT of Illinois Central Railroad Company and that the foregoing Schedule No. 3 was 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 such corporation.



[seal]

Patricia A. Zieminski
Notary Public

OFFICIAL SEAL
PATRICIA A. SIEMINSKI
CLERK OF THE CIRCUIT COURT OF JUDICIAL DISTRICT NO. 1
STATE OF ILLINOIS

OFFICIAL SEAL
PATRICIA A. SIEMINSKI
CLERK OF THE CIRCUIT COURT OF JUDICIAL DISTRICT NO. 1
STATE OF ILLINOIS

ATTACHMENT A

Casualty Value of Units:

<u>Date</u>	<u>Value</u>
01-Mar-93	\$ 318,677
01-Jun-93	\$ 317,998
01-Sep-93	\$ 316,558
01-Dec-93	\$ 314,384
01-Mar-94	\$ 311,858
01-Jun-94	\$ 309,087
01-Sep-94	\$ 305,827
01-Dec-94	\$ 302,132
01-Mar-95	\$ 297,976
01-Jun-95	\$ 293,548
01-Sep-95	\$ 288,658
01-Dec-95	\$ 283,334
01-Mar-96	\$ 277,574
01-Jun-96	\$ 271,488
01-Sep-96	\$ 265,050
01-Dec-96	\$ 258,313
01-Mar-97	\$ 251,494
01-Jun-97	\$ 244,512
01-Sep-97	\$ 237,422
01-Dec-97	\$ 230,195
01-Mar-98	\$ 222,833
01-Jun-98	\$ 215,335
01-Sep-98	\$ 207,702
01-Dec-98	\$ 199,932
01-Mar-99	\$ 191,999
01-Jun-99	\$ 183,904
01-Sep-99	\$ 175,672
01-Dec-99	\$ 167,278
01-Mar-2000	\$ 158,720
01-Jun-2000	\$ 150,000