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RECORDATION NO. 18104
FILED 1425

March 30, 1993

MAR 30 1993 2-18 PM

SUITE 406
1111 NINETEENTH STREET, N. W.
WASHINGTON, D. C. 20036
TELEPHONE: (202) 429-0004
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INTERSTATE COMMERCE COMMISSION

3-089A011

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.

The document is an assignment of lease and agreement dated as of March 30, 1993, 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:

Assignor: IC Leasing Trust II
c/o Wilmington Trust Company
Rodney Square North
Wilmington, Delaware 19890-0001

Assignee: UNUM Life Insurance Company of America
2211 Congress Street
Portland, Maine 04122-0590

(Handwritten signature)

MAR 30 2 08 PM '93
HOLDCR UNIT

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.

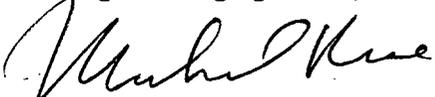
A fee of \$16.00 is enclosed. Please return any extra counterparts, not need by the Commission for recordation to:

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:

Assignment of lease and agreement dated as of March 30, 1993, between IC Leasing Trust II and UNUM Life Insurance Company of America, assigning the equipment lease with Illinois Central Railroad Company recorded with the Interstate Commerce Commission and assigned recordation number 18104.

Very truly yours,


Michael Rice

Enclosure

MAY 30 1993 2:15 PM

ASSIGNMENT OF LEASE AND AGREEMENT INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF LEASE AND AGREEMENT, dated as of March 30, 1993 (hereinafter called the **Assignment**), between IC LEASING TRUST II, a Delaware trust (hereinafter called the **Assignor**), and UNUM LIFE INSURANCE COMPANY OF AMERICA, a Maine corporation (hereinafter called the **Assignee**).

WHEREAS Assignor and Assignee have entered into a Security Agreement and Mortgage dated as of the date hereof (hereinafter called the **Agreement**), pursuant to which Assignor has agreed to issue to Assignee and Assignee has agreed to purchase from Assignor, upon and subject to the terms and conditions thereof, a promissory note in a principal amount not to exceed \$4,454,000 to finance the acquisition by Assignor of seventeen used SD 40-2 locomotives as more fully described in the Agreement (hereinafter called the **Equipment**);

WHEREAS IC Leasing Corporation II and Illinois Central Railroad Company, a Delaware corporation (hereinafter called the **Lessee**), have entered into a Railroad Locomotive Lease Agreement dated as of January 14, 1993, and certain amendments and schedules thereto (hereinafter, including such schedules and as amended to the date hereof, being called the **Lease**) providing for the lease to Lessee of the Equipment;

WHEREAS IC Leasing Corporation II has assigned, transferred, and conveyed all its right, title, and interest in and to the Lease and the Equipment to the Assignor;

WHEREAS, in order to provide further security for the payment of the Indebtedness (as such term is defined in the Agreement) and as an inducement to Assignee to purchase the promissory note contemplated by the Agreement, Assignor has agreed to assign for security purposes certain of its rights in, to and under the Lease to Assignee.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, as well as the mutual covenants herein contained, the parties hereto do hereby agree as follows:

SECTION 1. Assignor hereby assigns, transfers and sets over onto Assignee, its successors and assigns, as collateral security for the payment and performance of the Indebtedness, all of Assignor's right, title and interest as lessor under the Lease, including, but not limited to, the immediate right to receive and collect all rentals and other sums payable to or receivable by Assignor under or pursuant to the provisions of the Lease, whether as rent, casualty payment, termination payment, indemnity, liquidated damages or otherwise (such monies being

hereinafter called the **Payments**); and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease; and to do any and all other things whatsoever which Assignor as lessor is or may become entitled to do under the Lease, including, but not limited to, the right to participate as if Assignee was the lawful and exclusive owner of all rights in and to the Equipment and in and to the Lease in all actions, contests or votes in connection with any bankruptcy proceeding in which Lessee is the debtor, and in such a proceeding, Assignee shall have the exclusive right to consent or withhold its consent to any extension, waiver or modification of any right or time period set forth in Section 1168 of the United States Bankruptcy Code, and otherwise to enforce all rights of lessor under the Lease. In furtherance of the foregoing assignment and transfer, Assignor hereby authorizes and empowers Assignee, in Assignor's own name, or in the name of or as attorney hereby irrevocably constituted for Assignor as lessor, to ask, demand, sue for, collect, receive and enforce any and all sums to which Assignor is or may become entitled under this Assignment and compliance by Lessee with the terms and agreements on their part to be performed under the Lease.

Assignee agrees to accept any Payments made by Lessee for the account of Assignor as lessor pursuant to the Lease and to acknowledge receipt of such payments. To the extent received, Assignee will apply such Payments to satisfy the obligations to the extent then due and payable of the Assignor under the Agreement, or under the promissory note issued to Assignee by Assignor pursuant to the terms of the Agreement. To the extent of such obligations, the assignment of Payments hereunder is absolute, unconditional, irrevocable, and without recourse to the Assignor. Any balance of Payments in excess of such obligations shall be paid by Assignee to Assignor within five business days after such Payment is applied to satisfy such obligations of Assignor by bank wire to Assignor of immediately available federal funds at such address as may be specified to Assignee in writing, and such balance shall be retained by Assignor unless an Event of Default, as defined in the Lease, exists or with notice, demand or a lapse of time would exist, in which case such balance shall be retained by Assignee and applied in accordance with the terms of the Agreement. If Assignee applies all or any portion of any Payment to obligations other than the ordinary installment of principal or interest or both to which a Payment relates, it shall promptly notify Assignor of such application, including in such notification a detailed breakdown of the application of funds to such obligations.

SECTION 2. This Assignment is executed only as security and, therefore, the execution and delivery of this

Assignment shall not subject Assignee to, or transfer, or pass, or in any way affect or modify, the liability of Assignor under the Lease, it being understood and agreed that, notwithstanding this Assignment, or any subsequent assignment, all obligations, if any, of Assignee to Lessee shall be and remain enforceable by Lessee only against Assignor or persons other than Assignee.

SECTION 3. To protect the security afforded by this Assignment, Assignor further agrees as follows:

(a) Assignor will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides are to be performed by the lessor thereunder (other than any act or omission in respect of which Lessee has assumed responsibility under the Lease); and, without the express written consent of Assignee, Assignor will not anticipate the rents under the Lease or waive, excuse, condone, forgive, or in any manner release or discharge Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by Lessee, including, but not limited to, the obligation to pay the rentals in the manner and at the times and place specified therein, or enter into any agreement amending, modifying or terminating the Lease; and Assignor agrees that any amendment, modification or termination thereof without such consent shall be void; and

(b) Should Assignor fail to make any payment or to do any act which this Assignment requires Assignor to make or do, then Assignee may (but shall not be obligated), after first making written demand upon the Assignor and affording Assignor a reasonable period of time within which to make such payment or do such act, and without releasing Assignor from any obligation hereunder or under the Lease, make such payment or do such act in such manner and to such extent as Assignee may deem necessary to protect the security hereof, including, but not limited to, the right to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Assignee and also the right to perform and discharge each and every obligation, covenant and agreement of Assignor contained in the Lease. In exercising any such powers, Assignee may pay necessary costs and expenses, employ counsel and incur and pay reasonable attorneys' fees, and Assignor will reimburse the Assignee for such costs, expenses and fees.

SECTION 4. Assignee may assign and reassign all or any of its rights under the Lease, including the right to receive any Payments due or to become due thereunder. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, and upon the giving by Assignee of written notice of such assignment to Assignor and the Lessee, enjoy all the rights and privileges and be subject to all the obligations, if any, of Assignee hereunder.

SECTION 5. Assignor hereby agrees that it will from time to time and at all times, at the request of Assignee or its successors and assigns, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to Assignee or intended so to be, including the execution and acknowledgement of any instrument necessary or appropriate to file, record, register or deposit this Assignment or notice hereof.

SECTION 6. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the State of Illinois, without regard to its conflicts of law doctrine, provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. §11303 and such additional rights arising out of the filing, recording, registering or depositing, if any, of the Agreement, the Lease or this Assignment as shall be conferred by the laws of the several jurisdictions in which the Agreement, the Lease or this Assignment shall be filed, recorded, registered or deposited.

SECTION 7. Assignee hereby agrees with Assignor that Assignee will not, so long as no Event of Default under the Agreement or the Lease, or any event which with notice, demand or lapse of time could constitute an Event of Default under the Agreement or the Lease, has occurred and is continuing, exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits assigned and transferred by Assignor to Assignee by this Assignment, except the right to receive and apply the Payments as provided in Section 1 hereof.

SECTION 8. This Assignment may be executed in any number of counterparts, but the counterpart delivered to Assignee shall be deemed to be the original counterpart.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this Assignment to be signed in their respective corporate names by duly authorized officers as of the date first above written.

IC LEASING TRUST II,
Assignor

By Wilmington Trust Company, not in its individual capacity but solely as trustee under the Trust Agreement referred to herein

By: 
Title: Senior Financial Services Officer

UNUM LIFE INSURANCE COMPANY OF AMERICA
Assignee

By: _____
Title: _____

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this Assignment to be signed in their respective corporate names by duly authorized officers as of the date first above written.

IC LEASING TRUST II,
Assignor

By Wilmington Trust Company, not in its individual capacity but solely as trustee under the Trust Agreement referred to herein

By: _____
Title: _____

UNUM LIFE INSURANCE COMPANY OF
AMERICA
Assignee

By: *Charles E. [Signature]* 
Title: Second Vice President

STATE OF DELAWARE)
)
COUNTY OF) SS:

On this 29th day of March, 1993, before me personally appeared _____ to me personally known, who being by me duly sworn, says that she is the _____ of Wilmington Trust Company, the trustee for IC Leasing Trust II, that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

(SEAL)

My commission expires:

STATE OF MAINE)
)
COUNTY OF CUMBERLAND) SS.

On this 29th day of March, 1993, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is a _____ of UNUM Life Insurance Company of America, that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

(SEAL)

My commission expires:

STATE OF DELAWARE)
) SS:
COUNTY OF)

On this 29th day of March, 1993, before me personally appeared _____, to me personally known, who being by me duly sworn, says that she is a _____ of Wilmington Trust Company, the trustee for IC Leasing Trust II, that said instrument was signed on behalf of said company by authority of its Board of Directors; and acknowledged that the execution of the foregoing instrument was the free act and deed of said company.

Notary Public

(SEAL)
My commission expires:

STATE OF MAINE)
) SS.
COUNTY OF CUMBERLAND)

On this 29th day of March, 1993, before me personally appeared Charles E. Prinn III, to me personally known, who being by me duly sworn, says that he is a Second Vice President of UNUM Life Insurance Company of America, that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Roxanne M. McGreevy

Notary Public

(SEAL)
My commission expires:

ROXANNE M. MCGREEVY
NOTARY PUBLIC, MAINE
MY COMMISSION EXPIRES MARCH 5, 1999

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT AND AGREEMENT

The undersigned, Illinois Central Railroad Company, a Delaware corporation (hereinafter called the Lessee), the lessee named in the Lease (hereinafter called the Lease) referred to in the foregoing Assignment of Lease and Agreement (hereinafter called the Lease Assignment), hereby, as of the 30th day of March, 1993, as an inducement for UNUM Life Insurance Company of America (hereinafter called the Assignee) to enter into the Lease Assignment and the transaction contemplated by the Security Agreement and Mortgage specified in the Lease Assignment to finance the acquisition of the locomotives covered by the Lease, (a) acknowledges receipt of a copy of the Lease Assignment, (b) consents to all the terms and conditions of the Lease Assignment, and (c) agrees that so long as the Lease Assignment is effective:

(1) it will pay all rentals, casualty payments, termination payments, liquidated damages, indemnities and other monies provided for in the Lease due and to become due under the Lease directly to the Assignee, by bank wire transfer of immediately available federal funds, providing sufficient information to identify the source and application of each payment, to:

Mellon Bank
Pittsburgh, Pennsylvania
ABA No. 043000261
for the account of
UNUM Life Insurance Company of American
Account No. 117-4176

or at such other address as may be furnished in writing to the Lessee by Assignee;

(2) Assignee shall be entitled to the benefits of, and to receive and enforce performance of, all the covenants to be performed by the Lessee under the Lease as though Assignee were named therein as the lessor; provided, that Assignee shall not enforce such benefits and rights under the Lease unless an Event of Default (as defined in the Agreement) shall have occurred and be continuing;

(3) Assignee shall not, by virtue of the Lease Assignment, be or become subject to any liability or obligation under the Lease or otherwise; and

(4) the Lease shall not, without the prior written consent of Assignee, be terminated (except as expressly permitted by the terms thereof) or modified nor shall any action be taken or omitted by the Lessee the taking or omission of which might result in an alteration or impairment of the Lease or the Lease Assignment or this Acknowledgment or of any of the rights created by any thereof.

Lessee represents and warrants that:

(a) Lessee is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, and has duly qualified and is authorized to do business and is in good standing as a foreign corporation in each jurisdiction where the character of its property and the nature of its activities (including the leasing of locomotives under the Lease) make such qualification necessary.

(b) Lessee has the corporate power and authority to own or lease its properties and operate its business as now conducted, and to execute, deliver and perform its obligations under the Lease and this agreement.

(c) The Lease and this agreement have been duly authorized, executed and delivered by the Lessee and are the legal, valid and binding obligations of the Lessee, enforceable against the Lessee in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors' rights generally and by general equitable principles regardless of whether considered in a proceeding in equity or in law.

(d) No approval of any federal or other governmental authority is necessary to be obtained by the Lessee for the execution, delivery and performance by the Lessee of the Lease or this agreement or for the consummation of the transactions contemplated thereby, including without limitation the use and maintenance of the locomotives being leased by the Lessee under the Lease.

(e) Neither the execution, delivery or performance by the Lessee of the Lease and this agreement nor compliance with the terms and provisions thereof, conflicts or will conflict or will result in a breach or violation of any of the terms, conditions or provisions of any federal law, governmental rule or regulations presently in effect having applicability to the Lessee, or the Articles of Incorporation or Bylaws of the Lessee, or any order, writ, injunction or decree of any court or governmental authority which is presently in effect having applicability to the Lessee or by which it or any of its properties are bound, or of any indenture or mortgage or any contract or other agreement or instrument to which the Lessee is a party or by which it or any of its properties are bound, or constitute or will constitute a default thereunder.

(f) There are no actions, suits or proceedings pending or, to the best knowledge of the Lessee, threatened against or affecting the Lessee, at law or in equity, before or by any federal, state, municipal or other governmental court, department, commission, board or other agency, domestic or foreign, that in the aggregate may be deemed material in the light of the business and assets of the Lessee, or that may cause any material adverse change either in the business or property of the Lessee or in its ability to fully perform its obligations under the Lease and this agreement.

(g) the balance sheet and the related statement of income and statement of changes in financial position of the Lessee, or the consolidated group of which the Lessee is a member, heretofore delivered to the Assignee, have been prepared in accordance with generally accepted accounting principles and fully and fairly present the financial position of the Lessee or such consolidated group, as the case may be, on and as of the date thereof, and the results of its operations for the period or periods covered thereby; since the date of such balance sheet and statement, there has not been any material adverse change in the financial condition or results of operations of the Lessee or such consolidated group; and

(h) the Lease is in full force and effect, has not been amended, modified or supplemented, and there is no default under the Lease, or the occurrence of any event that, but for the lapse of time or the giving of notice, or both, would constitute such a default.

Lessee further agrees to provide to Assignee, at 2211 Congress Street, Portland, Maine 04122, Attention: Bond Investment Division, not later than 120 days after the end of each of Lessee's fiscal years, the audited financial statements of Lessee, and not later than 45 days after the end of each fiscal quarter of Lessee, or such later period of time as such statements are reasonably available, the quarterly financial statements of Lessee.

Lessee further agrees that the Assignee shall have the right of inspection pursuant to section 8 of the Lease, and shall be entitled to visit the financial officers of the Lessee at reasonable times and discuss the business affairs of the Lessee.

Lessor and Lessee agree that upon the occurrence of an Event of Default under the Lease, the measure of damages recoverable under the provisions of Section 18 B.(i) of the Lease shall in no event be less than an amount equal to the excess, if

any, of the Casualty Value of each Unit (as such terms are defined in the Lease) at the time subject to the Lease as of the rent payment date on, or immediately preceding, the date of termination of the Lease over the amount Lessor reasonably estimates to be the fair market value thereof at such time.

This Acknowledgment of Notice of Assignment and Agreement, when accepted by Assignee by entering into the Security Agreement and Mortgage specified in the Lease Assignment, shall be deemed to be a contract under the laws of the State of Illinois and for all purposes, shall be construed in accordance with the laws of said State, without regard to its conflicts of law doctrine.

ILLINOIS CENTRAL RAILROAD
COMPANY

By Dale W. Phillips
Vice President