

#30

# ITEL

## Itel Rail Corporation

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

December 13, 1990

REC 17118  
RECORDATION NO. \_\_\_\_\_ FILED 1990

DEC 14 1990 - 10 25 AM

0-348A014 INTERSTATE COMMERCE COMMISSION

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

REC 17118 / A  
RECORDATION NO. \_\_\_\_\_ FILED 1990

Re: 1) Class II and III Fixed Rate Lease  
2) Schedule No. 1

DEC 14 1990 - 10 25 AM

INTERSTATE COMMERCE COMMISSION

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 \$30 recordation fee.

Please record the Class II and III Fixed Rate Lease dated June 26, 1990, between Itel Rail Corporation and Kankakee, Beaverville and Southern Railroad Company, under a new recordation number.

The parties to the aforementioned instrument are listed below:

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

Kankakee, Beaverville and Southern Railroad Company (Lessee)  
P. O. Box 136  
Beaverville, Illinois 60912

This Lease provides for the leasing of railroad equipment subject to certain terms and conditions contained therein.

Please record Schedule No. 1 under the same recordation number assigned to the Class II and III Fixed Rate Lease.

Hon. Sidney L. Strickland, Jr., Esq.  
December 13, 1990  
Page Two

The parties to the aforementioned instrument are listed below:

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

Kankakee, Beaverville and Southern Railroad Company (Lessee)  
P. O. Box 136  
Beaverville, Illinois 60912

This Schedule adds to the Lease seventy (70) 55'4", 4750 cubic foot, LO covered hoppers bearing reporting marks KBSR 12674-32526 (n.s.).

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  
Legal Assistant

17118/A  
DOCUMENT NO. \_\_\_\_\_ FILED IN

DEC 14 1990 - 10 55 AM

INTERSTATE COMMERCE COMMISSION  
SCHEDULE NO. 1

THIS SCHEDULE NO. 1 to that certain Lease Agreement (the "Agreement") made as of Jan 26, 1990 between ITEL RAIL CORPORATION ("Lessor") and KANKAKEE, BEAVERVILLE AND SOUTHERN RAILROAD COMPANY ("Lessee") is made as of June 26, 1990

Lessor and Lessee agree as follows.

- Capitalized Terms:** All capitalized terms defined in the Agreement shall have the meanings defined therein when used in this Schedule No. 1 except that the term "Cars" as used herein shall only refer to the equipment described in this Schedule unless otherwise indicated.
- Cars Leased:** 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	Length	Width	Inside Height	C.F.C.	No. of Cars
LO	Covered hoppers	KBSR 12674-3252 <i>6th</i> (nonsequential)	55'4"	9'11	N/A	4750	70

- The Cars May be Used to Carry Only the Following Commodities:** Grain
- "Expiration Date":** The date which is two years from the earlier of (i) the date on which the last Car described on this Schedule is marked with Lessee's reporting marks or (ii) 120 days from the date on which the first of the Cars described in this Schedule is physically interchanged onto Lessee's lines. The Expiration Date shall be documented on the Certificate of Delivery Date.
- Record Keeper:** Lessor shall register the Cars in UMLER. All other record keeping described in Section 7.A. of the Agreement shall be performed by Lessee.

Name: Kankakee, Beaverville and Southern Railroad Company  
 Address: P. O. Box 136  
 City: Beaverville  
 State: Illinois 60912

- Party Responsible for Maintenance:** Lessor

1 CC ORIGINAL

7. Average Number of Miles Per Day:        miles
8. Party Responsible for Revenue Bill Movement, if any, to Lessee's Lines Prior to Initial Loading:    Lessor
9. Rent:        Lessee shall pay rent to Lessor for each Car equal to all Revenues earned from such Car prior to its Initial Loading. After the Initial Loading of such Car, Lessee shall pay Lessor

10. Minimum Rent:

(a)        "Minimum Rent" means the dollar amount for any calendar quarter (or applicable portion thereof) which equals the Revenues the Cars on this Schedule would have earned in the aggregate during such quarter (or applicable portion thereof) if such Cars had been on railroad lines other than Eligible Lines for        days during such quarter, with each Car traveling        miles per day and with each Car earning Revenues at the Revenue Rates.

(b)        If Revenues are Less Than Minimum Rent

If, with respect to the Cars on this Schedule during any calendar quarter, Revenues received by Lessor for such Cars are less than the Minimum Rent for such Cars, then Lessor may so notify Lessee. Within 10 days of such notice, Lessee shall either:

(i)        Notify Lessor of intent to pay Lessor the shortfall between the Minimum Rent and the Revenues received by Lessor for such Cars in such calendar quarter and agree to pay the shortfall, if any, between the Minimum Rent and the Revenues received by Lessor for such Cars in each subsequent calendar quarter for the duration of the term. Lessee shall pay Lessor such shortfall not later than 60 days after receiving an invoice.

(ii)        Elect in writing not to pay Lessor such shortfall for such quarter. In such event, Lessor may terminate the lease with respect to all or any of the Cars on this Schedule upon not less than 30 days written notice to Lessee at any time during the Agreement

Each party, pursuant to due corporate authority, has caused this Schedule 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.

ITEL RAIL CORPORATION, Lessor

KANKAKEE, BEAVERVILLE AND SOUTHERN  
RAILROAD COMPANY, Lessee

By: *[Signature]*  
Title: *Vice President Sales*  
Date: *6/26/90*

By: *[Signature]*  
Title: *pres.*  
Date: *6-20-90*

CERTIFICATE OF DELIVERY

EXHIBIT A

RUN DATE : 5/03/90  
RUN TIME : 3:02:37  
REPORT NO.: FMR217

RAIL SHOP STATUS  
Old/New Remark List  
Sorted Alpha by New Car

PAGE: 172  
HALL

Project:

Planned: Scheduled: Assigned: Completed:

NEW Car Number	OLD Car Number	Shop	Shop Name	Shop Arrival Date	Date Remarkd
.....	.....	----	.....	.....	.....
000000					

\*\*\*\*\* E N D O F R E P O R T \*\*\*\*\*

The last day of the [Initial] Term for the above referenced Cars shall be \_\_\_\_\_, 19\_\_.

EXHIBIT B

RUNNING REPAIRS

COVERED HOPPERS

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
	Center Plate Repair (Not
Brake Shoe Keys	Replacement of Center Plate)
Brake Connecting Pin	Cotter Keys
Brake Head Wear Plates	Roller Bearing Adapters
Air Brakes	Outlet Gate Repair (Not
	Gate Replacement)
Hand Brakes	Hatch Cover Repair (Not
	Replacement of Hatch Cover)
Brake Beams and Levers	
Truck Springs	