

RECORDATION NO 17219 FILED 1991

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INTERSTATE COMMERCE COMMISSION

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**ITEL**

February 11, 1991

**Istel Rail Corporation**

550 California Street  
San Francisco, CA 94104 1-042A001  
(415) 984-4200

*\$30.00 Filing Fees*

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

*NEW NUMBER  
+  
- A*

Re: (1) Chattel Mortgage and Security Agreement Dated  
As of January 30, 1991 Between Istel Rail Corporation,  
as Debtor, and NMB Lease NV, as Secured Party (the  
"Security Agreement"); and  
(2) Supplement No. 1 to the Security Agreement  
("Supplement No. 1")

Dear Mr. Strickland:

On behalf of Istel Rail Corporation, the above instruments, in four (4) counterparts each, are hereby submitted for filing and recording pursuant to 49 U.S.C. Section 11303(a), along with the \$30 recordation fee.

Please record the Security Agreement under a new recordation number and Supplement No. 1 under the recordation number assigned to the Security Agreement and the letter designation -A.

The parties to the aforementioned instruments are listed below:

Istel Rail Corporation (Debtor)  
550 California Street  
San Francisco, California 94104

NMB Lease NV (Secured Party)  
Gebouw Nieuw Amsterdam  
Hoekenrode 8  
1102 Amsterdam Zuidoost  
The Netherlands

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MOTOR OPERATING UNIT

The Security Agreement creates a security interest in favor of the Secured Party in the railcar equipment listed on Schedule 1 to Supplement No. 1.

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,

*Howard S. Chabner*  
Howard L. Chabner  
Assistant General Counsel

*AKK [Signature]*  
*Chabner [Signature]*

REGISTRATION NO. 17219  
FILED 1983

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INTERSTATE COMMERCE COMMISSION

CHattel MORTGAGE AND SECURITY AGREEMENT  
SUPPLEMENT NO. 1

CHattel MORTGAGE AND SECURITY AGREEMENT SUPPLEMENT  
NO. 1 (this "Supplement") dated February 11, 1991, by ITEL  
RAIL CORPORATION, a Delaware corporation, as Debtor (the  
"Debtor").

W I T N E S S E T H:

The Chattel Mortgage and Security Agreement dated as of January 30, 1991 (herein called the "Security Agreement") between the Debtor and NMB Lease NV, a company organized under the laws of The Netherlands, as Original Note Purchaser and as Secured Party (the "Secured Party"), provides for the execution and delivery of a Supplement thereto substantially in the form hereof, which shall particularly describe the Equipment, the Assigned Leases and the Nonassigned Lease Payment Rights (such terms and other defined terms in the Security Agreement being herein used with the same meanings) and shall specifically grant a security interest in such Equipment and in such Assigned Leases and Nonassigned Lease Payment Rights;

The Debtor, in consideration of the premises and other good and valuable consideration, receipt whereof is hereby acknowledged, and intending to be legally bound, and in order to secure the payment of all Secured Indebtedness and the performance and observance of all the covenants and conditions contained in the Secured Notes, the Security Agreement and the Note Purchase Agreement, does hereby convey, warrant, mortgage, assign, pledge and grant unto the Secured Party, its successors and assigns, forever, a security interest in, all right, title and interest of the Debtor in: (i) the Equipment described in Schedule 1 hereto; together with (1) all accessories, equipment, parts and appurtenances appertaining or attached to any of the Equipment hereinabove described, whether now owned or hereafter acquired, (2) all substitutions, renewals or replacements of and additions, improvements, accessions and accumulations to any and all of said Equipment, (3) all of the rents, issues, profits, revenues and other income of said Equipment and (4) all proceeds, including but not limited to, all insurance proceeds related thereto; (ii) subject to Sections 1.2(c) of the Security Agreement, each and every lease agreement currently in effect or hereafter entered into by the Debtor as lessor relating to the Equipment which does not constitute a Nonassigned Lease, insofar as such lease agreement and such rights relate to the Equipment (the "Assigned Leases"), including, but not limited to: (1) all payments due and to become due under any Assigned Lease whether as

contractual obligations, damages or otherwise; (2) all of its claims, rights, powers, or privileges and remedies under any Assigned Lease only to the extent permitted by a lessee under any Assigned Lease; (3) all of its rights under any Assigned Lease to make determinations, to exercise any election (including, but not limited to, election of remedies) or option or to give or receive any notice, consent, waiver or approval together with full power and authority with respect to any Assigned Lease to demand, receive, enforce, collect or give receipt for any of the foregoing rights or any property the subject of any of the Assigned Leases, to enforce or execute any checks, or other instruments or orders, to file any claims and to take any action which (in the opinion of the Secured Party) may be necessary or advisable in connection with any of the foregoing insofar, but only insofar, as such rights relate to the Equipment which is subject to such Assigned Leases, together with all extensions, renewals and replacements of such Assigned Leases (which extensions, renewals or replacements do not constitute Nonassigned Leases), whether now owned or hereafter acquired, and all income, profits and avails therefrom, all rights thereunder and all proceeds thereof; and (iii) subject to Section 1.2(c) of the Security Agreement, (1) all rent or lease payments due or to become due with respect to Equipment under each lease agreement currently in effect or hereafter entered into relating to the Equipment which (i) contains language to the effect that the lessee's rights thereunder are subject and subordinate to the rights and remedies of a lender to Debtor and (ii) has a term of not more than one (1) year or relates to not more than twenty (20) Units insofar as such rights and payments relate to the Equipment (the "Nonassigned Leases").

TO HAVE AND TO HOLD the aforesaid property unto the Secured Party, its successors and assigns forever, upon the terms and conditions set forth in the Security Agreement.

This Supplement shall be construed in connection with and as part of the Security Agreement and all terms, conditions and covenants contained in the Security Agreement, except as herein modified, shall be and remain in full force and effect.

Any and all notices, requests, certificates and other instruments executed and delivered after the execution and delivery of this Supplement may refer to the "Chattel Mortgage and Security Agreement dated as of January 30, 1991" or the "Chattel Mortgage and Security Agreement" without making specific reference to this Supplement, but nevertheless all such references shall be deemed to include this Supplement unless the context shall otherwise require.

Section 1.1. Counterparts. This Supplement may be executed and delivered in any number of counterparts, each of such counterparts constituting an original but all together only one Supplement.

Section 1.2. Governing Law. This Supplement shall be construed in accordance with and governed by the internal laws and decisions (as opposed to conflict of law provisions) of the State of California.

Section 1.3. Headings. Any headings or captions preceding the text of the several sections hereof are intended solely for convenience of reference and shall not constitute a part of this Supplement nor shall they affect its meaning, construction or effect.

IN WITNESS WHEREOF, the Debtor has caused this Supplement to be executed, and the Secured Party in evidence of its acceptance of the trusts hereby created, has caused this Supplement to be executed on its behalf by one of its duly authorized officers.

ITEL RAIL CORPORATION

By Robert Kiehl  
Name: Robert Kiehl  
Title: Vice President - Finance

AS DEBTOR

STATE OF CALIFORNIA        )  
                                      ) SS  
COUNTY OF SAN FRANCISCO )

On this 31st day of January, 31, before me personally appeared Robert Kiehnie, to me personally known, who being by me duly sworn, says that he is a Vice President of ITEL RAIL CORPORATION, that said instrument was signed and sealed on January, 31 on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Jane Wilson  
Notary Public

<u>Quant.</u>	<u>Car Size &amp; Type</u>	<u>Builder</u>	<u>Car Marks</u>
303	4,750 CUBIC FOOT COVERED HOPPERS	TRINITY	ITLX 040000-040238, 040240-040303
152	5851 CUBIC FT. 100 TON COVERED HOOPERS	TRINITY	PLCX 047745-047802, 047805-047865, 047867-047899
303	3,000 CUBIC FT. AGGREGATE CARS COVERED HOPPERS	TRINITY	ITLX 030000-030207 GBW 006000-006074 SFLC 351050-351069
60	73 FT, 100 TON CENTERBEAM FLATCARS	THRALL	SRY 073000-073025 073027-073034, 073036-073061
818			TOTAL COST: