

LAW OFFICES

ROSS & HARDIES

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

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SUSAN G. LICHTENFELD

December 17, 1991

VIA FEDERAL EXPRESS

1-352A019

Mr. Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
12th Street and Constitution Avenue
Washington, D.C. 20423

RECORDATION NO. 17625-A
FILED 145

DEC 18 1991 3:05 PM

INTERSTATE COMMERCE COMMISSION

DEC 18 3 08 PM '91
NOTOR OFFICER UNIT

Dear Mr. Strickland:

Enclosed for filing and recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are one fully executed and acknowledged copy and three photostatic copies of an Assignment of Lease and Agreement ("Assignment"), dated as of December 16, 1991, between IC Leasing Corporation I, as Borrower, and Hitachi Credit America Corp., as Lender, a Secondary Document, as defined in the Commission's Rules for the Recordation of Documents. The Assignment relates to the Railroad Locomotive Lease Agreement, dated as of September 5, 1991, between IC Leasing Corporation I, as lessor, and Illinois Central Railroad Company, as lessee, which was recorded by the Interstate Commerce Commission on December 12, 1991 and assigned recordation number 17625.

The names and address of the parties to the enclosed Assignment are:

- Borrower: IC Leasing Corporation I
1077 East Sahara Avenue
Las Vegas, Nevada 89193
- Lender: Hitachi Credit America Corp.
777 West Putnam Avenue
Greenwich, Connecticut 06830

A description of the railroad equipment covered by the enclosed document is 44 EMD SD40-2 locomotives identified by BN6708 - 6713 and BN6715 - 6752, each inclusive (before repair) and IC 6100 - 6143 (after repair).

Mr. Sidney L. Strickland, Jr.
December 17, 1991
Page 2

Also enclosed is a check in the amount of \$16.00 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return the stamped original and two stamped photostatic copies of the enclosed document and the stamped photostatic copy of this letter to Susan G. Lichtenfeld at Ross & Hardies, 150 North Michigan Avenue, Suite 2500, Chicago, Illinois 60601.

Following is a short summary of the enclosed document:

Secondary Document to be Recorded

Assignment of Lease and Agreement, dated as of December 16, 1991 between IC Leasing Corporation I, as Borrower, and Hitachi Credit America Corp., as Lender.

Primary Document to Which the Assignment Relates

Railroad Locomotive Lease Agreement, dated as of September 5, 1991, between IC Leasing Corporation I, as lessor, and Illinois Central Railroad Company, as lessee, which was recorded by the Interstate Commerce Commission on December 12, 1991 and assigned recordation number 17625.

Very truly yours,


Susan G. Lichtenfeld

SGL/gh
w/encl.

cc: Richard J. Drew
Robert W. Kleinman

Interstate Commerce Commission
Washington, D.C. 20423

12/23/91

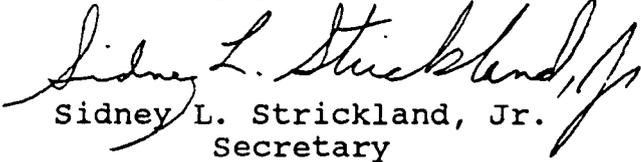
OFFICE OF THE SECRETARY

Susan G. Lichtenfeld
Ross & Hardies
150 North Michigan Avenue
Chicago, Illinois 60606

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 12/18/91 at 3:05pm, and assigned recordation number(s). 17625-A 17625-B, 17625-C

Sincerely yours,


Sidney L. Strickland, Jr.
Secretary

REGISTRATION NO. 17625
DEC 18 1991 - 8 28 PM
INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF LEASE AND AGREEMENT

ASSIGNMENT OF LEASE AND AGREEMENT, dated as of December 16, 1991 (hereinafter called the "Assignment") between IC Leasing Corporation I, a Nevada corporation ("Borrower"), and Hitachi Credit America Corp., a Delaware corporation ("Lender").

WHEREAS, Borrower and Lender have entered into a Loan and Security Agreement, dated as of December 6, 1991 (hereinafter called the "Agreement"), pursuant to which Borrower has agreed to borrow from Lender and Lender has agreed to lend to Borrower, upon and subject to the terms and conditions thereof, an aggregate principal amount not to exceed \$11,880,000 to finance the acquisition by Borrower and repair of 44 used SD 40-2 locomotives as more fully described in Exhibit B to the Agreement (hereinafter called the "Equipment"); and

WHEREAS, Borrower and Illinois Central Railroad Company, a Delaware corporation ("Lessee"), have entered into a Railroad Locomotive Lease Agreement dated as of September 5, 1991, as amended to the date hereof (the "Lease") providing for the lease to Lessee of the Equipment; and

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 Lender to make the loans contemplated by the Agreement, Borrower has agreed to assign for security purposes certain of its rights in, to and under the Lease to Borrower.

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. Borrower hereby assigns, transfers and sets over onto Lender, its successors and assigns, as collateral security for the payment and performance of the Indebtedness, all of Borrower'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 others sums payable to or receivable by Borrower 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 Borrower as lessor is or may become entitled to do under the Lease, including, but not limited to, the right to participate as if Lender 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, Lender 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 Bankruptcy Code of 1978, as amended, and otherwise to enforce all rights of lessor under the Lease. In furtherance of the foregoing assignment and transfer, Borrower hereby authorizes and empowers Lender, in Borrower's own name, or in the name of or as attorney hereby irrevocably constituted for Borrower as lessor, to ask, demand, sue for, collect, receive and enforce any and all sums to which Borrower 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.

Lender agrees to accept any Payments made by Lessee for the account of Borrower as lessor pursuant to the Lease and to acknowledge receipt of such payments. To the extent received, Lender will apply such Payments to satisfy the obligations to the extent then due and payable of the Borrower under the Agreement, or under the Credit Notes issued to Lender by Borrower pursuant to the terms of the Agreement, and any balance shall be paid by Lender to Borrower within five (5) business days after such Payment is applied to satisfy such obligations of Borrower by bank wire to Borrower of immediately available federal funds at such address as may be specified to Lender in writing, and such balance shall be retained by Borrower 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 Lender and applied in accordance with the terms of the Agreement. If Lender 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 Borrower 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 Lender to, or transfer, or pass, or in any way affect or modify, the liability of Borrower under the Lease, it being understood and agreed that, notwithstanding this

Assignment, or any subsequent assignment, all obligations, if any, of Lender to Lessee shall be and remain enforceable by Lessee only against Borrower or persons other than Lender.

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

(a) Borrower will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides are to be performed by Borrower (other than any act or omission in respect of which Lessee has assumed responsibility under the Lease); and, without the express written consent of Lender, Borrower 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 Borrower agrees that any amendment, modification or termination thereof without such consent shall be void; and

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

SECTION 4. Lender 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 Lender of written notice of such assignment to Borrower and the Lessee, enjoy all the rights and privileges and be subject to all the obligations, if any, of Lender hereunder.

SECTION 5. Borrower hereby agrees that it will from time to time and at all times, at the request of Lender 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 Lender 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. Lender hereby agrees with Borrower that Lender 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 Borrower to Lender 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 Lender 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 CORPORATION I

By Dale W. Phillips
Title: PRESIDENT

HITACHI CREDIT AMERICA CORP.

By W.H. Berger
Title: SUPV COO

STATE OF CONNECTICUT)
) SS.
COUNTY OF FAIRFIELD)

On this 13 of December, 1991, before me personally
appeared W. H. Besgen to me personally
known, who being by me duly sworn, says that he is the
EVP & COO of HITACHI CREDIT AMERICA CORP. 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.

Lo Ann Della Cagna
Notary Public

(SEAL)

My commission expires:
3/31/94

STATE OF ~~NEVADA~~)
 ILL)
COUNTY OF ~~CLARK~~) SS.
 Cook)

On this 12th of December, 1991, before me personally appeared DALE W. Phillips to me personally known, who being by me duly sworn, says that he is the PRESIDENT of IC LEASING CORPORATION I, 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:

