

RECORDED 18367-C

DEC 13 1996 11:15 AM

ALVORD AND ALVORD
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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

December 12, 1996

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

DEC 13 11 15 AM '96

RECEIVED
SURFACE TRANSPORTATION
BOARD

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of a Full Release and Termination of Security Interest in Railroad Car Lease Agreement and Memorandum of Lease Thereof, dated as of November 8, 1996, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Lease previously filed with the Commission under Recordation Number 18367.

The name and address of the party to the enclosed document are:

Secured Party: FINOVA Capital Corporation
(formerly Greyhound Financial Corporation)
1850 N. Central Avenue
Phoenix, Arizona 85004

A description of the railroad equipment covered by the enclosed document is:

fifty-nine (59) open top hopper railcars bearing IC and ICG reporting marks and road numbers as set forth in the Memorandum of Lease previously filed herein.

Qw...

Counterpart -

Mr. Vernon A. Williams
December 12, 1996
Page 2

Also enclosed is a check in the amount of \$22.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "R. Alvord", written in a cursive style.

Robert W. Alvord

RWA/bg
Enclosures

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20423-0001

Ribert W. Alvord
Alvord and Alvord
918 Sixteenth Street, NW
Suite 200
Washington, DC. 20006-2973

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 12-13-96 at 11:20 AM, and assigned recordation number(s): 18311-C and 18367-C.

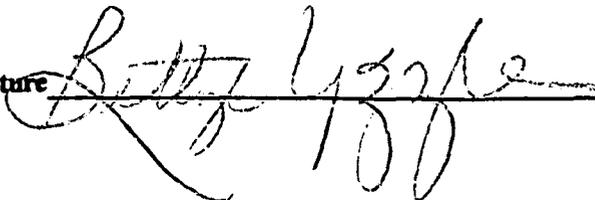
Sincerely yours,

Vernon A. Williams
Secretary

Enclosure(s)

\$ 44.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature


100

DEC 13 1996 -11 20 AM

**FULL RELEASE AND TERMINATION
OF SECURITY INTEREST IN
RAILROAD CAR LEASE AGREEMENT
AND MEMORANDUM OF LEASE THEREOF**

THIS FULL RELEASE AND TERMINATION OF SECURITY INTEREST is made as of November 8, 1996 by FINOVA CAPITAL CORPORATION, formerly known as Greyhound Financial Corporation, with its principal office at 1850 N. Central Avenue, Phoenix, Arizona, 85004 ("Assignee/Releasing Party") for the benefit of PAC RAIL II ("Assignor").

WITNESSETH:

WHEREAS, Pac Rail entered into that certain Railroad Car Lease Agreement with Illinois Central Railroad Company, a Memorandum of Lease thereof having been filed and recorded with the Interstate Commerce Commission ("ICC") (hereinafter together ("Lease")); and

WHEREAS, Pac Rail did assign the aforesaid Lease to PAC RAIL II and did file and record with the ICC an Assignment of Lease, and

WHEREAS, as a part of a Loan and Security Agreement and related documents, between the Assignor ("Borrower") and the Assignee ("Lender"), the Assignor assigned a security interest in, among others, the instant Lease under and through that certain Collateral Assignment of Leases document filed and recorded with the ICC, and

WHEREAS, the obligations secured by the Collateral Assignment of Leases document AS TO THE INSTANT Lease have been satisfied and discharged and the parties thereto wish to release of record the instant lien and encumbrance.

NOW, THEREFORE, for good and valuable consideration, the sufficiency and receipt of which is acknowledged, and intending to be legally bound, FINOVA CAPITAL CORPORATION, formerly known as Greyhound Financial Corporation, does hereby release and terminate *in toto* the security interest created by the aforesaid Collateral Assignment of Leases document ONLY in and to the instant Lease and fully releases and discharges all the collateral ONLY as described and covered in and by the said instant Lease.

FINOVA CAPITAL CORPORATION, formerly known as Greyhound Financial Corporation, agrees to execute any and all documents reasonably requested by PAC RAIL II to facilitate this Release.

IN WITNESS WHEREOF, FINOVA CAPITAL CORPORATION, formerly known as Greyhound Financial Corporation, has duly executed this FULL RELEASE AND TERMINATION OF SECURITY INTEREST as of the date first hereinabove written.

FINOVA CAPITAL CORPORATION
(formerly known as Greyhound Financial Corporation)

By: Sandra K. m' Donough
Name: Sandra K. m' Donough
Title: Vice President

STATE OF CALIFORNIA *Arizona*

COUNTY OF *Maricopa*

On *December 11, 1996* before me, the undersigned notary public,
personally appeared SANDRA K. McDONOUGH,

- personally known to me
- proved to me on the basis of satisfactory evidence

to be the person whose name is subscribed to the within instrument and
acknowledged to me that she executed the same in her authorized capacity, and that
by her signature on the instrument the person, or the entity upon behalf of which
the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature *Maria C. Hubert*

My Commission Expires Nov. 6, 199