



4445 Commerce St
Evansville, IN 47710

(812) 424-2916
FAX (812) 424-1022

Interstate Commerce Commission
12th & Constitution Avenue, N.W.
Washington, DC 20423
Attn: Mildred Lee, Room 2303

18427
EXHIBIT NO. _____ FILED NO. _____

OCT 4 1993 12:20 PM

INTERSTATE COMMERCE COMMISSION

September 29, 1993

Dear Mildred:

Please accept this letter as a request from Ameri-Lease, Inc. to have our Leases #0555 and #0571 recorded and filed with the Interstate Commerce Commission. Below we list the pertinent information regarding both leases.

LESSOR: Ameri-Lease, Inc.
4445 Commerce Street
Evansville, IN 47710
812-424-2916 (phone)
812-424-1022 (fax)
Contact: Bill Vieth

LESSEE: Indiana Hi-Rail Corp.
R.R. #1
State Road 1 North
Connersville, IN 47331
317-825-0349 (phone)
317-825-0453 (fax)
Contact: Jim Owens

EQUIPMENT:

Lease #0555 - Locomotives #221, 223, 310, 371, 373

Lease #0571 - Locomotives #342, 343, 344, 345, 347

RECEIVED
OFFICE OF THE
SECRETARY
12 15 PM '93
FILING STATION

As per your instructions we have enclosed the original Lease Agreements and Amendments for both leases, notarized copies of both Lease Agreements and Amendments, this transmittal letter and the \$18 per page fee (\$126.00 total). If we can be of any further assistance, please feel free to contact me. Thank you for your time and efforts regarding this filing.

Sincerely,

William G. Vieth
Ameri-Lease, Inc.

ENC: Lease Agreements & Amendments #0555 & #0571 / Originals
Lease Agreements & Amendments #0555 & #0571 / Notarized Copy
Ck # 1034, \$72.00
Ck # 1033, \$54.00

AMERI-LEASE, INC.

Ameri-Lease, Inc.
4445 Commerce Street
Evansville, IN 47710
812-424-2916
Fax: 812-424-1022

0571

Equipment Lease Agreement

18427
OCT 4 1993 - 12:50 PM
INTERSTATE COMMERCE COMMISSION

Name and Address of Lessee

Full Legal Name of Lessee INDIANA HI-RAIL CORPORATION
Street Address S.R. 1 North
City Connersville State IN Zip 47331
County _____ Township _____

Billing Address of Lessee

Name Indiana Hi-Rail Corp. Phone 317-825-0349
Street Address R.R. 1
City Connersville State IN Zip 47331

Equipment Location, If Other Than Address of Lessee

Indiana Hi-Rail Corp.
1601 West Allen Lane
Evansville, IN

Quantity	Item Description	Model Number	Serial Number	Equipment Cost
	*** See attached <u>EXHIBIT A</u> ***			\$ 300,000.00

INITIAL LEASE TERM	MONTHLY PAYMENT	+ APPLICABLE TAXES	= TOTAL MONTHLY PAYMENT	ADVANCE PAYMENT		
				DEPOSIT	First Month's Payment	TOTAL (Attach Check)
36 months	\$ 10,036.09	N/A	\$ 10,036.09	\$ 10,036.09	\$ 10,036.09	\$ 20,072.18

Additional Provisions

Sales Tax Exempt # 351495217-001-6
\$ 1.00 Buyout at end of lease term.

Agreements:

Lessor and Lessee, each intending to be bound by the terms of this Lease Agreement, including those set forth on the reverse side hereof, have caused this Agreement to be executed as of the dates set forth below. (This Lease Agreement contains provisions which are set forth on the reverse side.) and Amendments made to this Lease Agreement.

Lessor: Ameri-Lease, Inc.

William M. Vieth

Signature

Date 10-23-92

Lessee: INDIANA HI-RAIL CORPORATION

VP

Title

James R. Darrow

Signature

Date Oct 23 1992

Treasurer

Title

Guaranty

The undersigned Guarantors (jointly and severally if more than one) unconditionally guarantee the prompt payment when due, whether by acceleration or otherwise, of each monthly Lease payment due and payable under the foregoing Lease Agreement. To enforce the liability of guarantors hereunder, Lessor shall not be required, first to (a) given Guarantors notice of Lessee's default; (b) repossess the equipment or (c) attempt to enforce the liability of Lessee under the Lease Agreement. Lessor may from time to time accept late payments of rent and may extend the terms of this Lease Agreement without defeating or diminishing this continuing guaranty. This is a guarantee of payment and not of collection.

The Guarantors acknowledge the execution of this guarantee is a material part of the consideration upon which Lessor relies in consummating this Lease Agreement and that this guarantee is executed as an inducement to the Lessor to consummate the Lease Agreement.

By (Signature) _____ Date _____

By (Signature) _____ Date _____

Sept. 29, 1993

Karen M. Belwood, Notary Public

Karen M. Belwood

KAREN M BELWOOD
NOTARY PUBLIC STATE OF INDIANA
POSEY COUNTY
MY COMMISSION EXP JUNE 30, 1997

Terms and Conditions

1 **Lease Agreement.** Lessor hereby agrees to lease to Lessee, and Lessee hereby agrees to lease from Lessor, the personal property described above upon the terms and conditions set forth herein (such property together with all replacements, repairs and additions incorporated therein or affixed thereto being referred to herein as "Equipment")

2 **Term** The term of this Lease Agreement with respect to the Equipment shall begin on the date it is accepted by Lessee and shall continue for the number of consecutive months shown above from the Date of Acceptance unless earlier terminated as provided herein

3 **Rent.** Rent shall be payable in installments each in the amount of the rent payments set forth above plus any additional applicable sales tax or use tax. Lessee shall pay installments in advance on the date this rent Agreement is executed by Lessee as indicated above. Subsequent installments shall be payable on the first day of each rent payment period shown above beginning after the first rent payment period, provided, however, that Lessor and Lessee may agree to any other payment schedule including irregular payment or balloon payments, in which event they shall be set forth in writing in a supplement to this rent Agreement.

4 **Warranties.** Lessee agrees that it has selected each item of Equipment based upon its own judgment and disclaims any reliance upon any statements or representations made by Lessor. Lessor makes no warranty with respect to the Equipment, express or implied, and Lessor specifically disclaims any warranty of merchantability and of fitness for a particular purpose and any liability for consequential damages arising out of the use of or the inability to use the Equipment. Lessee agrees to make the rent and other payments required hereunder without regard to the condition of the Equipment and to look only to persons other than Lessor such as the manufacturer, vendor or carrier thereof should any item of Equipment for any reason be defective. So long as no Event of Default has occurred and is continuing, Lessor agrees, to the extent they are assignable, to assign to Lessee, without any recourse to Lessor, any warranty received by Lessor. Supplier is not an agent of Lessor, and Lessee shall have no right to rely on statement or representation made by supplier. Lessor assumes no responsibility for the installation, adjusting or servicing of the Equipment.

5 **Security Deposit.** Lessor may apply any security deposit toward any obligation of Lessee hereunder and shall return any unapplied balance to Lessee, without interest, upon satisfaction of Lessee's obligations. The Lessor may commingle the security deposit with its other funds. Lessee shall replenish the Security Deposit if any is used by Lessor to pay any obligation of Lessee.

6 **Title.** Title to the Equipment shall at all times remain in Lessor, and Lessee at its expense shall protect and defend the title of Lessor and keep it free of all claims and liens other than the rights of Lessee hereunder and the claims and liens created by or arising through Lessor. The Equipment shall remain personal property regardless of its attachment to realty. Lessee, if requested by Lessor, shall affix labels to the Equipment identifying it as property of the Lessor.

7 **Laws and Taxes.** Lessee shall comply with all laws and regulations relating to the Equipment and its use and shall promptly pay when due all sales, use, property, excise and other taxes and all license and registration fees now or hereafter imposed by any governmental body or agency upon the Equipment or its use or the rent hereunder excluding, however, any taxes on or measured by Lessor's net income. In the event Lessee fails to pay any such tax, Lessor, at its option, may pay such taxes, and Lessee shall reimburse Lessor for such payments upon the demand of Lessor.

8 **Indemnity.** Lessee hereby indemnifies and agrees to save Lessor harmless from any and all liability and expense arising out of the ordering, ownership, use, contagion, or operation of each item of Equipment during the term of this Lease Agreement, including liability for death or injury to persons, damage to property, strict liability under the laws or judicial decisions of any state or the United States, and legal expenses in defending any claim brought to enforce any such liability or expense.

9 **Assignment.** Without Lessor's prior written consent, Lessee will not sell, assign, sublet, pledge, or otherwise encumber or permit a lien to exist on or against any interest in this Lease Agreement or the Equipment or remove the Equipment from its location referred to above. Lessor may assign its interest in this Lease Agreement and sell or grant a security interest in all or any part of the Equipment without Lessee's consent. Lessee agrees not to assert against any assignee of Lessor any claim or defense Lessee may have against Lessor.

10 **Inspection.** Lessor may inspect the Equipment at any time and from time to time during regular business hours.

11 **Repairs.** Lessee will use the Equipment with due care and for the purpose for which it is intended. Lessee will maintain the Equipment in good repair, condition and working order, and will furnish all parts and services required therefor, all at its expense. All such parts when furnished shall immediately become the property of Lessor and part of the Equipment for all purposes hereof.

12 **Loss or Damage.** In the event any time of Equipment shall become lost, stolen, destroyed, damaged beyond repair or rendered permanently unfit for use for any reason, or in the event of condemnation or seizure of any item of Equipment, Lessee shall promptly pay Lessor (a) the amount of all lease and other amounts then payable by Lessee hereunder with respect to such item due but unpaid at the date of such payment, plus (b) the amount of all unpaid lease payments with respect to such item for the balance of the term of this Lease Agreement not yet due at the time of such payment, plus (c) the agreed upon amount necessary for Lessee to exercise any purchase option to Equipment at the expiration of the term of this Lease Agreement. Upon payment of such amounts to Lessor such item shall become the property of Lessee, Lessor will transfer to Lessee, without recourse or warranty, all of Lessor's right, title and interest therein, the Lease Agreement with respect to such item shall terminate, and the basic lease payments on the remaining items shall be reduced accordingly. Lessee shall pay any sales and use taxes due on such transfer. Any insurance or condemnation proceeds received shall be credited to Lessee's obligation under this paragraph.

13 **Insurance.** Lessee shall obtain and maintain on or with respect to the Equipment at its own expense physical damage insurance insuring against loss or damage to the Equipment in an amount not less than the full replacement value of the Equipment. Lessee shall furnish Lessor with a certificate of insurance evidencing the issuance of a policy or policies to Lessee in at least minimum amounts required herein, naming Lessor as loss payee. Each such policy shall be in such form and with such insurers as may be satisfactory to Lessor, and shall contain a clause requiring the insurer to give to Lessor at least thirty (30) days prior written notice of any alteration in the terms of such policy or the cancellation thereof, and a clause specifying that no action or misrepresentation by Lessee shall invalidate such policy. In the event Lessee fails to procure the property damage insurance as required above prior to the commencement date of the Lease, the Lessor, at its option, without notice to Lessee, may procure the appropriate property damage insurance and bill Lessee for the premium due thereunder. Lessee agrees to pay Lessor for the cost of said insurance premium in the manner set forth in Lessor's billing schedule.

14 **Return of the Equipment.** Upon the expiration or earlier termination of this Lease Agreement, the Lessee will immediately deliver the Equipment to Lessor in the same condition as when delivered to Lessee, ordinary wear and tear excepted, at such location within the continental United States as Lessor shall designate. Lessee shall pay all transportation and other expenses relating to such delivery.

15 **Additional Action.** Lessee will promptly execute and deliver to Lessor such further documents and take such further action as Lessor may request in order to more effectively carry out the intent and purpose of this Lease Agreement, including the execution and delivery of appropriate financing statements to fully protect Lessor's interest hereunder in accordance with the Uniform Commercial Code or other applicable law. Lessee agrees that Lessor may sign and file on behalf of Lessee a financing statement protecting Lessor's interest in the Equipment.

16 **Collection and Late Charges.** If any installment of rent is not paid when due, Lessor may impose, for each month such installment is unpaid, a late charge of up to five percent (5%) of the installment of five dollars (\$5) whichever is greater, but in any event not more than permitted by applicable law. Payments received shall be applied first to delinquent installments and then to current installments. If for any reason a Lessee's check is returned the Lessor for nonpayment, a fifteen dollar (\$15) bad check charge will be imposed.

17 **Default.** Each of the following events shall constitute an "Event of Default" hereunder: (a) Lessee shall fail to pay when due any installment of basic rent, (b) Lessee shall fail to observe or perform any other agreement to be observed or performed by Lessee hereunder and the continuance thereof for ten (10) calendar days following written notice thereof by Lessor to Lessee, (c) Lessee or any other guarantor of this Lease Agreement or any partner of Lessee if Lessee is a partnership shall cease doing business as a going concern or make an assignment for the benefit of creditors, (d) Lessee or any guarantor of this Lease Agreement or any partner of Lessee if Lessee is a partnership shall voluntarily file, or have filed against it involuntary a petition for liquidation, reorganization, adjustment of debt, or similar relief under the federal Bankruptcy Codes or any other present or future federal or state bankruptcy or insolvency law, or a trustee, receiver, or liquidator shall be appointed of it or of all or a substantial part of its assets, (e) any partner of Lessee, shall die, if Lessee is a partnership, (f) breach representation or warranty made by the Lessee or any guarantor of this Lease Agreement, (g) levy, seizure of attachment of the Equipment, (h) an event of default shall occur under any other obligation Lessee owes to Lessor, (i) dissolution or termination of the existence of Lessee.

18 **Remedies.** Lessor and Lessee agree that Lessor's damages suffered by reason of an Event of Default ("Lessor's Loss") as of any date shall be the sum of the following: (a) the amount of all rent and other amounts then payable by Lessee hereunder then due but unpaid at such date, plus (b) the amount of all unpaid rent for the balance of the term of this Lease Agreement to become due after such date, plus (c) if Lessee desires to retain the Equipment, the amount of any purchase option necessary for Lessee to acquire ownership of the Equipment.

Upon the occurrence of an Event of Default and at the any time thereafter, Lessor may exercise any one or more of the remedies listed below as Lessor in its sole discretion may lawfully elect, provided however, that upon the occurrence of an Event of Default specified in paragraph 17(d), an amount equal to Lessor's Loss as of the date of such occurrence shall automatically be and become immediately due and payable without notice or demand of any kind.

(a) Lessor may, by written notice to Lessee, terminate this Lease Agreement and declare an amount equal to Lessor's Loss as of the date of such notice to be immediately due and payable, and the same shall thereupon be and become immediately due and payable without further notice or demand, and all rights of Lessee to use the Equipment shall terminate but Lessee shall be and remain liable as provided in this paragraph 18. Lessee shall at its expense promptly deliver the Equipment to Lessor at a location or locations within the continental United States designated by Lessor. Lessor may also enter upon the premises where the Equipment is located and take immediate possession of and remove the same with or without instituting legal proceedings.

(b) Lessor may proceed by appropriate court action to enforce performance by Lessee of the applicable covenants of this Lease Agreement or to recover, for breach of this Lease Agreement, Lessor's Loss as of the date Lessor's Loss is declared due and payable hereunder, provided, however, that upon recovery of Lessor's Loss from Lessee in any such action without having to repossess and dispose the Equipment, Lessor shall transfer the Equipment to Lessee at its then location upon payment of any additional amount due under clauses (d) and (e) below.

(c) In the event Lessor repossesses the Equipment, Lessor shall either retain the Equipment in full satisfaction of Lessee's obligation hereunder or sell or lease each item of Equipment in such manner and upon such terms as Lessor may in its sole discretion determine. The proceeds of such sale or lease shall be applied to reimburse Lessor for Lessor's Loss and any additional amount due under clauses (d) and (e) below. Lessor shall be entitled to any surplus and Lessee shall remain liable for any deficiency. For purposes of this subparagraph, the proceeds of any leases of all or any part of the Equipment by Lessor shall be the amount reasonable assigned by Lessor as the cost of such Equipment in determining the rent under such lease.

(d) Lessor may recover interest on the unpaid balance of Lessor's Loss from the date it becomes payable until full paid at the rate of twelve percent (12%) per annum.

(e) Lessor may exercise any other right or remedy available to it by law, or by agreement, and may in any event recover legal fees and other expenses incurred by reason of an Event of Default or the exercise of any remedy hereunder, including expenses of repossession, repair, storage, transportation, and disposition of the Equipment.

No remedy given in this paragraph is intended to be exclusive, and each shall be cumulative but only to the extent necessary to permit Lessor to recover amounts for which Lessee is liable hereunder. No express or implied waiver by Lessor of any Event of Default shall constitute a waiver of any other Event of Default.

19 **Notices.** Any written notice hereunder to Lessee shall be deemed to have been given when delivered personally or deposited in the United State Mails, postage prepaid, addressed to Lessee at its address set forth above or at such other address as may be last known to Lessor.

20 **Net Lease Agreement and Unconditional Obligation.** This Lease Agreement is a completely net Agreement and Lessee's obligation to pay the rent and amounts payable to Lessee under paragraphs 12 and 18 is unconditional and not subject to any abatement, reduction, setoff or defense of any kind.

21 **Survival of Indemnities.** Lessee's obligation under paragraphs 7 and 8 shall survive termination of this Lease Agreement.

22 **Consent to Indiana Law, Jurisdiction and Venue.** This Lease Agreement shall be deemed fully executed and performed in the State of Indiana and shall be governed by and construed in accordance with the laws thereof. In any action, proceeding, or appeal on any matter related to or arising out of this Lease Agreement, the Lessor, Lessee and any guarantor shall be subject to the personal jurisdiction of the State of Indiana, including any state or federal court sitting therein, and all court rules thereof and shall accept venue in any federal or state court in Indiana.



AMERI-LEASE, INC.

4445 Commerce St
Evansville, IN 47710

(812) 424-2916
FAX (812) 424-1022

EQUIPMENT LEASE AGREEMENT

Terms and Conditions - Amendments

The following changes are executed to the "Terms and Conditions" section of the Equipment Lease Agreement # 0571. This section is located on the reverse side of the Equipment Lease Agreement. The changes are as follows:

Section #12 - Loss or Damage

Delete subsection (b) in its entirety and replace with the following statement: "(b) the present value of the amount of all the unpaid lease payments with respect to such item for the balance of the term of this Lease Agreement not yet due at the time of such payment," plus...

Section #18 - Remedies

In the first paragraph delete subsection (b) in its entirety and replace with the following statement: "(b) the present value of the amount of all unpaid rent for the balance of the term of this Lease Agreement to become after such date," plus...

Section #18 - Remedies

Add to the end of the second paragraph the following statement: "The Lessor will grant the Lessee a seven (7) day 'grace' period to cure the Event of Default. This period will begin after notice thereof from Lessor".

AMERI-LEASE, INC.

INDIANA HI-RAIL CORPORATION

By: William M. Veith

By: [Signature]

Dated: 10-23-92

Dated: Oct 23, 1992

~~Sept 29, 1993~~

Karen M. Belwood, Notary Public

Karen M. Belwood

KAREN M BELWOOD
NOTARY PUBLIC STATE OF INDIANA
POSEY COUNTY
MY COMMISSION EXP JUNE 30, 1997





AMERI-LEASE, INC.

4445 Commerce St.
Evansville, IN 47710

(812) 424-2916
FAX (812) 424-1022

EXHIBIT A

UNIT # 342

Model: GP-7U
Heritage: ATSF 2006
Rebuilt: Cleburn 1981
Engine: 567 BC
Air: 6 BL
Horsepower: 1500
Main Generator: D-22
Traction Motors: 4 X D67

UNIT # 343

Model: GP-7U
Heritage: ATSF 2223
Rebuilt: Cleburn 1981
Engine: 567 BC
Air: 26-C
Horsepower: 1500
Main Generator: D-22
Traction Motors: 4 X D67

UNIT # 344

Model: GP-7U
Heritage: ATSF 2225
Rebuilt: Cleburn 1981
Engine: 567 BC
Air: 26-C
Horsepower: 1500
Main Generator: D-22
Traction Motors: 4 X D67

UNIT # 345

Model: GP-7U
Heritage: ATSF 2226
Rebuilt: Cleburn 1981
Engine: 567 BC
Air: 26-C
Horsepower: 1500
Main Generator: D-32
Traction Motors: 4 X D67

UNIT # 347

Model: GP-7U
Heritage: ATSF 2203
Rebuilt: Cleburn 1981
Engine: 567 BC
Air: 26-C
Horsepower: 1500
Main Generator: D-22
Traction Motors: 4 X D67

Sept. 29, 1993

Karen M. Belwood, Notary Public

Karen M. Belwood

KAREN M BELWOOD
NOTARY PUBLIC STATE OF INDIANA
POSEY COUNTY
MY COMMISSION EXP JUNE 30, 1997

