

# ITEL

May 6, 1992

## Istel Rail Corporation

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

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

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MAY 7 1992 -4 03 PM  
INTERSTATE COMMERCE COMMISSION  
17704  
MAY 7 1992 -4 00 PM  
INTERSTATE COMMERCE COMMISSION

Re: 1) Class II and III Railroad Per Diem Lease ("Lease")  
2) Schedule No. 1

Dear Mr. Strickland:

On behalf of Istel Rail Corporation, the above instruments, in three (3) counterparts each, are hereby submitted for filing and recording pursuant to 49 U.S.C. Section 11303(a), along with the \$32 recordation fee.

Please record the Lease dated as of April 16, 1992, between Rex Railways, Inc. and Central Vermont Railway, Inc., under a new recordation number. Please record Schedule No. 1 under the new recordation number assigned to the Lease.

The parties to the aforementioned instrument are listed below:

Rex Railways, Inc. (Lessor)  
550 California Street  
San Francisco, California 94104

Central Vermont Railway, Inc. (Lessee)  
2 Federal Street  
St. Albans, Vermont 05478

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MOTOR OPERATING UNIT

The Lease sets forth terms and conditions by which railcars are leased. Schedule 1 adds to the Lease ninety-seven (97) 50 foot, 70 ton, Plate C, XM boxcars bearing reporting marks CV 600100-600199 (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*

Patricia Schumacker  
Legal Assistant

17794

REGISTRATION NO. \_\_\_\_\_ FRIEDRICHS

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INTERSTATE COMMERCE COMMISSION

**CLASS II AND III RAILROAD FIXED RATE LEASE**

This Lease Agreement ("Agreement") is made as of April 16, 1992, ~~1991~~ between **REX RAILWAYS, INC.**, a New Jersey corporation ("Lessor"), and **CENTRAL VERMONT RAILWAY, INC.**, a Vermont corporation ("Lessee").

**1. SCOPE OF AGREEMENT**

- A. Supersedes and Replaces:** Effective as of September 1, 1991, this Agreement supersedes and replaces the Lease Agreement dated as of March 26, 1979, as amended, between Lessor and Lessee, as assignee of Grand Trunk Western Railroad Company.
- B. Agreement to Lease:** Lessor and Lessee agree to lease the railroad car(s) ("Car(s)") described in the Schedules. "Schedule" means any schedule signed by both Lessor and Lessee. "Agreement" shall include all Schedules.
- C. Schedules Control:** The terms of any Schedule shall control, as to Cars on such Schedule, over any inconsistent terms elsewhere in this Agreement.

**2. TERM AND DELIVERY**

This Agreement shall remain in full force until terminated as to all Cars on all Schedules. The lease term with respect to any Car shall commence on the date such Car is marked with Lessee's reporting marks ("Delivery Date") or on such other date set forth on any Schedule and shall expire on the Expiration Date defined on the applicable Schedule. After the Delivery Date of the final Car on any Schedule, Lessor shall provide Lessee a certificate (the "Certificate") setting forth the Delivery Date and Expiration Date for each Car. Each date on each Certificate shall be deemed accurate, final and binding unless Lessee disputes such date in writing within 14 calendar days of receipt by Lessee of such Certificate.

**3. SPECIFICATIONS, TRANSPORTATION EXPENSES, PRIORITY, REPLACEMENT AND SUBSCRIPTION**

- A. Specifications:** Car specifications and marks shall be as set forth on the applicable Schedule.
- B. Transportation Expenses:** Lessee shall be liable for all expenses and charges for transportation or movement of any Car requested by Lessee after such Car is first interchanged to Lessee's lines.
- C. Replacement:** Lessor may at its expense replace any or all Cars with equipment of similar specification and quality upon not less than 10 days prior written notice.
- D. Subscription:** Lessee shall for the term of this Agreement subscribe to the Association of American Railroads ("AAR") Car Service and Car Hire Agreement.

**4. ACCEPTANCE**

Each Car shall be deemed accepted unless Lessor is otherwise notified in writing within 14 days of such Car's delivery to Lessee.

**5. MOVEMENT TO LESSEE'S LINES**

Each Car shall be moved to Lessee's lines at the earliest time that is consistent with the convenience and economy of the parties.

5. The Cars May Be Used to Carry Only the Following Commodities: Paper Rolls

6. Lease Commencement Date: September 1, 1991

5. Expiration Date: August 31, 1992

6. Party Responsible for Maintenance: Lessee

7. Property Taxpayer: ~~Lessor~~ Lessee

9. Rent:

(a) Rent Commencement Date: September 1, 1991

(b) Lessee shall pay Lessor a fixed rent of \_\_\_\_\_ per month for each Car from the Rent Commencement Date through and including the Expiration Date, subject to Section 16.E. of the Agreement.

(c) Lessee shall pay rent for each Car in advance on the first day of each month during the term. On the first rent payment date for each Car Lessee shall also pay a pro rated amount for the period from the Rent Commencement Date through the end of the month. Lessor shall refund to Lessee a pro rated amount of rent if any Car is returned to Lessor on a day other than the first day of the month.

10. Special Terms:

Section 16F of the Agreement shall not apply with respect to the Cars described in this Schedule. Upon the expiration or other termination of the Agreement with respect to any Car, Lessor shall bear all costs associated with the remarking of such Car.

Each party, pursuant to due corporate authority, has caused this Schedule to be executed by its authorized officer, and each of the undersigned 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.

REX RAILWAYS, INC., Lessor

By: [Signature]  
Title: President

Date: April 29, 1992

CENTRAL VERMONT RAILWAY, INC., Lessee

By: [Signature]  
Title: General Manager

Date: April 16, 1992