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RECORDATION NO. 13590-C FILED 1425
MAR 4 - 1992 -9 50 AM
INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 9454-A FILED 1425
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INTERSTATE COMMERCE COMMISSION

RELEASE AND TERMINATION

THIS RELEASE AND TERMINATION (THE "RELEASE") dated as of July 19, 1990, between BT EQUIPMENT LEASING, INC., a New York corporation ("BT") and REX RAILWAYS, INC., a New Jersey corporation ("Rex Railways").

WHEREAS, Rex Railways purchased certain railcars, which are defined hereinbelow as the LCRC Cars, the HCRC Cars and the MNS Cars, from BT pursuant to a security agreement, chattel mortgage and lease assignments, dated as of December 1, 1977 (the "Security Agreement"), between Rex Railways and BT, which was filed with the ICC pursuant to 49 U.S.C. Section 11303(a) on June 22, 1978, and given Recordation No. 9454; and

WHEREAS, Rex Railways and Lenawee County Railway Company, Inc. ("LCRC") entered into a lease of railroad equipment, dated as of September 23, 1979 (the "LCRC Lease"); and

WHEREAS, pursuant to the LCRC Lease, LCRC leased from Rex Railways thirty (30) boxcars bearing LCRC reporting marks (the "LCRC Cars"); and

WHEREAS, Rex Railways and Hillsdale County Railway Company, Inc. ("HCRC") entered into a lease of railroad equipment, dated as of September 22, 1977 (the "HCRC Lease"), which was filed with the Interstate Commerce Commission ("ICC") pursuant to 49 U.S.C. Section 11303(a) on June 22, 1978, and given Recordation No. 9451; and

WHEREAS, pursuant to the HCRC Lease, HCRC leased from Rex Railways twenty-five (25) boxcars bearing HCRC reporting marks (the "HCRC Cars"); and

WHEREAS, Rex Railways and Minneapolis, Northfield and Southern Railway, Inc. ("MNS") entered into a lease of railroad equipment dated as of March 30, 1978 (the "MNS Lease"); and

WHEREAS, pursuant to the MNS Lease, MNS leased from Rex Railways ninety-five (95) boxcars bearing MNS reporting marks; and

WHEREAS, pursuant to the Security Agreement, Rex Railways assigned to BT all its rights in and to the LCRC Cars, the HCRC Cars and the MNS Cars and all its rights under the LCRC Lease, the HCRC Lease and the MNS Lease; and

WHEREAS, Rex-Noreco, Inc. ("Rex-Noreco") guaranteed the obligations of Rex Railways under the Security Agreement pursuant to a guaranty, dated as of December 1, 1977 (the "Guaranty"), between Rex-Noreco and BT; and

WHEREAS, the LCRC Cars and the HCRC Cars were remarked to the reporting marks of the Kansas City Southern Railroad Company ("KCS") pursuant to a lease agreement, dated as of February 25, 1982 (the "KCS Lease"), between Rex Railways and KCS, which was filed with the ICC pursuant to 49 U.S.C. Section 11303(a) on March 15, 1982, and given Recordation No. 13590; and

WHEREAS, the change in reporting marks of certain railcars, including the change in reporting marks of the LCRC Cars and the HCRC Cars to reporting marks from within the range KCS 160008-160245 and 753009-753297, non-sequential (the LCRC Cars and the HCRC Cars, as remarked, the "KCS Cars"), is identified on Exhibit B to the KCS Lease; and

WHEREAS, the MNS were remarked to the reporting marks of the Wisconsin Central Railroad Company ("WC") pursuant to a sublease agreement, (the "WC Sublease") between MNS and WC; and

WHEREAS, the change in reporting marks of certain railcars, including the change in reporting marks of the MNS Cars to reporting marks within the range WC 49400-49774, non-sequential (the MNS Cars, as remarked, the "WC Cars"), is identified in the WC Sublease; and

WHEREAS, two (2) cars have been destroyed; namely KCS 160156 and WC 49723; and

WHEREAS, Rex Railways has fulfilled all its obligations due BT under the Security Agreement, the Security Agreement has expired by its terms on July 19, 1990, and the Guaranty has been extinguished; and

WHEREAS, pursuant to the terms of the Security Agreement, BT has agreed to release its interests in the KCS Cars and the WC Cars and in the KCS Lease and WC Sublease, to make the termination of the Security Agreement a matter of public record and to make clear upon the public record that the Guaranty has been extinguished.

NOW, THEREFORE, pursuant to the premises and the covenants and promises contained in the Security Agreement, BT and Rex Railways agree as follows:

1. Effective as of July 19, 1990, the Security Agreement is hereby terminated in its entirety, except as to any rights and obligations that may, by their terms, survive expiration or termination.

2. Effective as of July 19, 1990, BT fully, completely and irrevocably releases any interest it has or might have in and to any and all collateral described or listed in the Security Agreement, including the KCS Cars and the WC Cars identified on Schedule 1 attached hereto, and the KCS Lease and WC Sublease.

3. BT acknowledges that the Guaranty has been extinguished, effective as of July 19, 1990, and hereby releases Rex-Noreco from all obligations thereunder.

4. BT will, at Rex Railways' expense, from time to time, do and perform any other act and will execute and acknowledge any and all further instruments required by law or reasonably requested and prepared by Rex Railways in order to release or convey to Rex Railways any interests which BT has or may have in the KCS Cars or the WC Cars or the KCS Lease or the WC Sublease.

5. This Release shall be governed by and construed in accordance with the laws of the State of New York, but the parties shall be entitled to all rights conferred by the laws of the United States permitting filing with the Interstate Commerce Commission.

IN WITNESS WHEREOF, the parties have executed and delivered this Release as of the date first above written.

BT EQUIPMENT LEASING, INC.

By_____
Name: ANTHONY TULLI
Title: TREASURER

REX RAILWAYS, INC.

By_____
Name: Jeffrey A. Corbett
Title: President

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On this 28 day of February, 1992, before me personally appeared Anthony [illegible] personally known to me to be the person who executed the within instrument as Treasurer of BT Equipment Leasing, Inc. and acknowledged to me that the association executed it.

Notary Public
TINA C. SPAR
NOTARY PUBLIC, State of New York
No. 4830119
Qualified in Kings County
Certificate Filed in New York County
Commission Expires December 31, 1993

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN FRANCISCO)

On this 18th day of February, 1992, before me personally appeared Jeffrey A. Corbett, personally known to me to be the person who executed the within instrument as President of Rex Railways, Inc. and acknowledged to me that the corporation executed it.

OFFICIAL SEAL
Patricia Schumacker
NOTARY PUBLIC CALIFORNIA
City & County of San Francisco
My Comm. Expires Feb. 28, 1995

Notary Public

SCHEDULE 1

(A) the boxcars listed on Exhibit A attached hereto, together with all accessories, parts, appurtenances, repairs, replacements, substitutions, attachments, modifications, renewals, additions, improvements, upgrades and accessions and accumulations thereto (the "Cars"); and

(B) all right, title and interest of BT in any lease, sublease, bailment or other contract or contract right, and all claims, rights, powers, privileges and remedies thereunder, whether presently existing or hereafter arising, as and to the extent such relate to the Cars (as and to the extent the foregoing relate to the Cars, the "Subleases").

EXHIBIT A

DESCRIPTION OF EQUIPMENT

Reporting Mark	Description of Equipment
KCS 160008	50 foot, 70-ton, general purpose boxcars
KCS 160016	
KCS 160024	
KCS 160032	
KCS 160041	
KCS 160059	
KCS 160067	
KCS 160075	
KCS 160083	
KCS 160091	
KCS 160105	
KCS 160113	
KCS 160121	
KCS 160130	
KCS 160148	
KCS 160164	
KCS 160172	
KCS 160181	
KCS 160199	
KCS 160202	
KCS 160211	
KCS 160229	
KCS 160237	
KCS 160245	
KCS 753009	
KCS 753017	
KCS 753025	
KCS 753033	
KCS 753041	
KCS 753051	
KCS 753068	
KCS 753076	
KCS 753084	
KCS 753092	
KCS 753106	
KCS 753114	
KCS 753122	

EXHIBIT A CONTINUED

Reporting Mark	Description of Equipment
KCS 753131	
KCS 753149	
KCS 753157	
KCS 753165	
KCS 753173	
KCS 753181	
KCS 753190	
KCS 753203	
KCS 753211	
KCS 753220	
KCS 753238	
KCS 753246	
KCS 753254	
KCS 753262	
KCS 753271	
KCS 753289	
KCS 753297	
WC 49400-49419	
WC 49700-49722	
WC 49724-49774	
	TOTAL: 148 Railcars