

ITEL

December 13, 1991

IteI 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

RECORDATION NO. 16265-B FILED 1626

1-350A00DEC 16 1991 -10 25 AM

INTERSTATE COMMERCE COMMISSION

Re: **Schedule No. 3**

Dear Mr. Strickland:

On behalf of IteI Rail Corporation, the above instrument, in three (3) counterparts, is hereby submitted for filing and recording pursuant to 49 U.S.C. Section 11303(a), along with the \$16 recordation fee.

Please record this Schedule under the Lease Agreement dated November 30, 1988, between IteI Rail Corporation and Illinois Central Gulf Railroad, which was filed with the ICC on April 5, 1989, under Recordation No. 16265.

The parties to the aforementioned instrument are listed below:

IteI Rail Corporation (Lessor)
550 California Street
San Francisco, California 94104

Illinois Central Gulf Railroad (Lessee)
Two Illinois Center
233 North Michigan Avenue
Chicago, Illinois 60601-5799

This Schedule adds to the Lease Agreement twenty-eight (28) 48 foot, 100-ton, Plate B, GBSR gondolas bearing reporting marks ICG 29925-941026 (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

DEC 16 1991

Interstate Commerce Commission

Washington, D.C. 20423

12/16/91

OFFICE OF THE SECRETARY

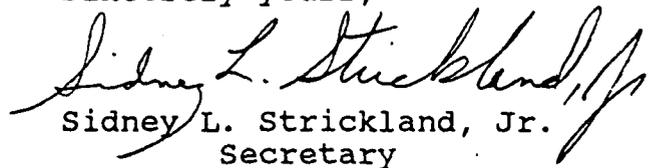
Patricia Schumacker-
Legal Assistant
Itel Rail Corporation
550 California Street
San Francisco, CA. 94104

Dear Sirs:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 12/16/91 at 10:25AM, and assigned recordation number(s).

16265-B and 17120-B.

Sincerely yours,


Sidney L. Strickland, Jr.
Secretary

REGISTRATION NO. 16265-B FILED 1991

DEC 16 1991 10 25 AM

LEASE NO. ICGRDT05B

INTERSTATE COMMERCE COMMISSION SCHEDULE NO. 3 TO MASTER LEASE NO. 2204-00

THIS SCHEDULE NO. 3 ("Schedule") to that certain Lease Agreement (the "Agreement") made as of November 30, 1988, between ITEL RAIL CORPORATION ("Lessor"), as successor in interest to ITEL Railcar Corporation, and ILLINOIS CENTRAL RAILROAD COMPANY ("Lessee"), is made this 12th day of December, 1991.

Lessor and Lessee agree as follows:

1. All terms defined in the Agreement shall have the meanings defined therein when used in Schedule No. 3. "Cars" when used in this Schedule, shall mean only the Cars described in this Schedule. This Schedule No. 3 replaces Schedule No. 3 to Master Lease No. 2204-00 and identified under Lease No. ICGRDT05B which was originally issued on February 9, 1990.
2. Lessor hereby leases the following Cars to Lessee subject to the terms and conditions of the Agreement and this Schedule:

A A R M e c h Design	Description	Numbers	Length	Dimensions Inside Width	Height	No. of Cars
GBSR	100-ton, Plate B, 2011 cubic foot cushioned gondolas	ICG 299525, 299527, 299530-36, 299538-49, 299585-90, 941026	48'	7'4"	7'	28

3. The Cars are currently in Lessee's possession pursuant to the Railroad Car Lease Agreement dated November 3, 1981 ("Evans Lease") between Evans Railcar Leasing Company, Lessor's predecessor in interest, and Illinois Central Gulf Railroad Company, Lessee's predecessor in interest. Effective as of February 16, 1990 (the "Commencement Date"), the terms of this Schedule shall supersede the Evans Lease with respect to each Car. Such terms shall continue to apply from such Commencement Date through February 15, 1993 (the "Term").
4. Lessee shall register each Car in UMLER showing "USLX" in the Owner's Field and shall take whatever action is necessary to facilitate Lessor's, or Lessor's agent's, access to any required information concerning any Car.
5. Lessee shall perform or cause to be performed and shall pay all costs and expenses associated with the maintenance of the Cars described in this Schedule. Subsection 5.B. of the Agreement shall not apply with respect to such Cars.

6. Lessee assumes responsibility for and agrees to pay, to hold Lessor and its successors harmless from and to indemnify Lessor and its successors against all taxes, fees, levies, imposts, duties or withholdings of any nature together with penalties, fines or interest thereon imposed, incurred by or assessed against: (i) the Cars, (ii) the lease, sublease or delivery of the Cars, (iii) revenues earned by the Cars, including but not limited to mileage charges and/or car hire revenues, during the Term of the Agreement, except taxes on income imposed on Lessor while Cars are on Lessee's lines. Lessee will comply with all state and local laws requiring filing of ad valorem tax returns associated with the Cars.
7. A. The monthly rental ("Fixed Rent") for each Car shall be _____ per Car per month for each full calendar month ("Month") during the Term. The Fixed Rent for any Car which is not subject to the Agreement for an entire Month shall be prorated at _____ per day. The Fixed Rent shall be due and payable regardless of any claimed abatement, reduction or offset, except as otherwise provided herein.
- B. Lessee shall pay to Lessor the Fixed Rent on the first day of each month during the Term.
8. A. Lessee agrees to defend, indemnify and hold Lessor harmless from any and all claims, liabilities, losses, damages, costs and expenses (including attorneys' fees) caused by, arising out of, or in connection with the Cars, including the use, possession, operation, maintenance and leasing of the Cars (collectively, "Damages"), except for any Damages which arise solely from Lessor's negligence.
- B. Lessor agrees to indemnify and hold Lessee harmless from any Damages which arise solely from Lessor's negligence.
- C. The indemnities and assumptions of liability contained hereinabove shall survive the expiration or termination of the Agreement with respect to the Cars in this Schedule.
9. A. Upon the expiration of the Agreement with respect to the Cars in this Schedule, Lessee shall promptly return such Cars to Lessor pursuant to Section 11 of the Agreement, each Car in no need of Repair Work as defined in Subsection 5.A. of the Agreement, and as follows:
- (i) If some or all of the Cars are to be delivered to Lessor at Lessee's railroad tracks, Lessee shall be responsible for any transportation costs incurred in moving such Cars to Lessee's railroad tracks subsequent to the time of expiration. Lessee shall, at Lessor's option, provide, with respect to any Car described in this Schedule which is either on Lessee's railroad tracks at the time of expiration or is subsequently returned to Lessee's railroad tracks, up to one hundred twenty (120) days free storage for such Car on its railroad tracks from

either the date of expiration or the date such Car is returned to Lessee's railroad subsequent to the time of expiration, whichever is later.

(ii) At the option of Lessor, either Lessee or a contractor mutually chosen by Lessor and Lessee shall, at Lessor's expense, remark the Cars as set forth in Subsection 9.C. of this Schedule. Lessee shall not remove Lessee's railroad marks from any Car without the prior written consent of Lessor. After remarking, Lessee shall, if Lessor so requests, use its best efforts to load the Cars with freight and deliver them to a connecting carrier for shipment. Lessee shall be entitled to per diem and mileage relief on each remarked Car that remains on Lessee's line awaiting to be loaded until the earlier of (a) the time that such Car is interchanged loaded off Lessee's line, or (b) the time that such Car is released empty onto Lessee's line by an on-line shipper.

(iii) If some or all of the Cars are to be delivered to Lessor at a location other than Lessee's tracks, the cost of assembling, delivering, storing, and transporting each such Car to such location shall be borne by Lessor. Lessor shall bear the expense of remarking such Cars.

B. Upon the early termination of the Agreement with respect to the Cars in this Schedule, Lessee shall promptly return such Cars to Lessor pursuant to Section 11 of the Agreement, each Car in no need of Repair Work as defined in Subsection 5.A. of the Agreement, and as follows:

(i) If some or all of the Cars are to be delivered to Lessor at Lessee's railroad tracks, Lessee shall be responsible for any transportation costs incurred in moving such Cars to Lessee's railroad tracks subsequent to the time of expiration. Lessee shall, at Lessor's option, provide, with respect to any Car described in this Schedule which is either on Lessee's railroad tracks at the time of expiration or is subsequently returned to Lessee's railroad tracks, up to one hundred twenty (120) days free storage for such Car on its railroad tracks from either the date of expiration or the date such Car is returned to Lessee's railroad subsequent to the time of expiration, whichever is later.

(ii) At the option of Lessor, either Lessee or a contractor mutually chosen by Lessor and Lessee shall, at Lessor's expense, remark the Cars as set forth in Subsection 9.C. of this Schedule. Lessee shall not remove Lessee's railroad marks from any Car without the prior written consent of Lessor. After remarking, Lessee shall, if Lessor so requests, use its best efforts to load the Cars with freight and deliver them to a connecting carrier for shipment. Lessee shall be entitled to per diem and mileage relief on each remarked Car that remains on Lessee's

line awaiting to be loaded until the earlier of (a) the time that such Car is interchanged, loaded off Lessee's line, or (b) the time that such Car is released empty onto Lessee's line by an on-line shipper.

(iii) If some or all of the Cars are to be delivered to Lessor at a location other than Lessee's tracks, the cost of assembling, delivering, storing, and transporting each such Car to such location shall be borne by Lessee. Lessee shall bear the expense of remarking such Cars.

C. Remarking, with respect to each Car, shall include the following: a) removal of existing mandatory markings and all company logos of Lessee; b) complete cleaning of the area where new marks are to be placed as designated by Lessor; c) application of new mandatory markings; and d) any transportation involved in moving each Car to and from a suitable work area to perform the remarking set forth in this Section.

10. This Schedule No. 3 may be executed by the parties in any number of counterparts and all said counterparts taken together shall be deemed to constitute one and the same instrument.

Each party, pursuant to due corporate authority, has caused this Schedule No. 3 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.

ITEL RAIL CORPORATION

ILLINOIS CENTRAL RAILROAD COMPANY

By: Dwight Hanger

By: [Signature]

Title: Manager Sales Planning

Title: VICE PRESIDENT TRANSPORTATION

Date: December 12, 1991

Date: 11/19/91