

ITEL

December 13, 1990

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

16460-AD
DEC 14 1990 - 10:35 AM
0-348 A 010
INTERSTATE COMMERCE COMMISSION

Re: Amendment No. 1 to Schedule No. 1

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 \$15 recordation fee.

Please record this Amendment under the Master Lease dated July 14, 1989, between IteI Rail Corporation and MidSouth Rail Corporation, which was filed with the ICC on August 2, 1989, under recordation number 16460.

The parties to the aforementioned instrument are listed below:

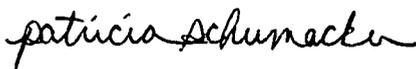
IteI Rail Corporation (Lessor)
550 California Street
San Francisco, California 94104

MidSouth Rail Corporation (Lessee)
111 E. Capitol Street
Jackson, Mississippi 39201

This Amendment amends the rental terms through September 30, 1991, and covers one hundred ninety-one (191) boxcars bearing reporting marks MSRC 4000-4399 (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
Legal Assistant

16460-D
DEC 14 1990 - 11:22 AM

16460-

ICC COPY

INTERSTATE COMMERCE COMMISSION AMENDMENT NO. 1
AMENDMENT NO. 1 (the "Amendment No. 1") to Schedule No. 1 da
(the "Schedule") to the Master Lease Agreement dated Ju
"Agreement") between ITEL RAIL CORPORATION, as lessor ("Lessor") and
RAIL CORPORATION, as lessee ("Lessee") is made this 2 day of October
1990 between Lessor and Lessee.

R E C I T A L S :

- A. Lessor and Lessee are parties to the Schedule pursuant to which Lessor leased to Lessee one hundred ninety-one (191) XM boxcars bearing the reporting marks MSRC 4000-4090, 4300-4349 and 4350-4399 (the "Car(s)").
- B. The parties desire to amend the rental terms for the Cars effective October 1, 1990 continuing through September 30, 1991 (the "Amendment Term"). Commencing October 1, 1991, if the parties have not agreed to a renegotiation of the rental terms stated herein, then this Amendment No. 1 shall be null and void and the Cars shall revert to all the original terms of the Schedule and the Agreement.

NOW, THEREFORE, the parties hereto agree to amend the Schedule as follows:

- 1. All terms defined in the Agreement and Schedule shall have the meanings defined therein when used in this Amendment No. 1.
- 2. Throughout the Amendment Term Section 12 of the Schedule shall be amended as follows:
 - a. Subsections 12.A.(i) and 12.A.(ii) shall be deleted and replaced by the following:
 - "12.A.(i) 'Eligible Lines' is defined as the railroad lines owned and operated by Lessee, SouthRail Corporation and MidLouisiana Rail Corporation as of the date this Schedule was executed by the parties. Any lines purchased by Lessee or added to the Eligible Lines or any Eligible Lines sold by Lessee to another party during the Term, effective on the date of such sale, are deemed to be the lines of another railroad company (a foreign road) for the purposes of determining Revenues (as defined in Subsection 12.A.(vi) hereinbelow)."
 - b. Subsection 12.A.(vii) shall be deleted and replaced by the following:
 - "12.A.(vii) 'Eligible Lines Revenues' is defined as the total mileage revenues calculated at _____ per mile for each mile that each Car travels over the Eligible Lines."
 - c. Subsection 12.B. shall be deleted in its entirety and replaced by the following:

"12.B. Lessee agrees to pay to Lessor
the Cars."

d. Subsection 12.C.(i) shall be deleted and replaced by the following:

"12.C.(i) In the event that as a result of any action or inaction by Lessee, Lessor shall receive or earn for the use of any Cars, Revenues calculated at per diem and mileage car hire rates that are lower in amount than those specified in Subsection 12.A.(iii), Lessee shall pay to Lessor, within ten (10) days of Lessor's request, an amount equal to the difference between the Revenues such Cars would have earned at the Revenue Rates and the amount of per diem and mileage revenues actually received or earned for such Cars."

e. Subsection 12.F. shall be deleted and replaced by the following:

"12.F. Lessor shall at its sole option place any Car(s) in any bilateral agreement that it deems necessary to increase utilization for such Car(s)."

3. Section 6 of the Schedule shall have the following sentence added: "During the Amendment Term all Cars will carry either (a) the XM mechanical designation or (b) the XP mechanical designation which will have the pool code shown as zero (0) in order to facilitate the free running of the Cars."
4. Except as expressly modified by this Amendment No. 1, all terms and provisions of the Schedule and the Agreement shall remain in full force and effect.
5. This Amendment No. 1 may be executed by the parties hereto 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 Agreement 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

MIDSOUTH RAIL CORPORATION

By: Robert Kiehl
Title: Vice President & Treasurer
Date: 10-2-90

By: H. J. Sch...
Title: VP & CTO
Date: 9/24/90