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16667F

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ALLEN H HARRISON, JR  
DIRECT LINE (202)  
663-6093

RECORDATION NO. FILED 1425  
MAY 29 1991 9:15 AM  
INTERSTATE COMMERCE COMMISSION

May 29, 1991

\$15.00 filing fee

Dear Mr. Strickland:

On behalf of Itel Rail Corporation, I submit for filing and recording under 49 U.S.C. § 11303(a) and the regulations promulgated thereunder, executed counterparts of a secondary document, not previously recorded, entitled "Release No. 2, Dated as of May 15, 1991, to Security Agreement Between Itel Rail Corporation and Chemical Bank, as Agent" ("Release 2"), dated as of May 15, 1991.

The parties to the enclosed Release 2 are:

Itel Rail Corporation - Debtor (for indexing purposes, Mortgagor)  
550 California Street  
San Francisco, California 94104

Chemical Bank - as Agent for Lenders (for indexing purposes, Mortgagee)  
277 Park Avenue  
New York, New York 10172

Release 2 covers the release of some four hundred and sixteen (416) railcars from the encumbrance of the Security Agreement dated as of December 21, 1989 and recorded with the Interstate Commerce Commission ("ICC") December 26, 1989 under Recordation No. 16667. Release 2 should be recorded under Recordation No. 16667-F.

The units of equipment covered by Release 2 are those units identified in Schedule A of Release 2, copy attached of said Schedule A.

A short summary of the document to appear in the ICC Index is as follows

"Release of 416 Railcars."

*This one is 16667-F*  
*Allen H. Harrison*

MAY 29 1991 9:15 AM

Enclosed is a check in the amount of fifteen dollars (\$15.00) in payment of the filing fee.

Once the filing has been made, please return to bearer the stamped counterparts of Release 2 not needed for your files, together with the fee receipt, the letter from the ICC acknowledging the filing, and the two extra copies of this letter of transmittal.

Very truly yours,

  
Allen H. Harrison, Jr.  
Attorney for the purpose  
of this filing for  
IteI Rail Corporation

Honorable Sidney L. Strickland, Jr.  
Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

Enclosures

AHH/iw

BY HAND

## SCHEDULE A

### IDENTIFICATION OF EQUIPMENT

<u>Reporting Mark</u>	<u>Description</u>
ITLX 40239; ITLX 40304-40406	one hundred four (104) 4,750 cubic foot covered hoppers; built by Trinity
PLCX 47650-47701	fifty-two (52) 5,581 cubic foot covered hoppers; built by Trinity
ITLX 30208-30281 SFLC 351070-351099	one hundred four (104) 3,000 cubic foot covered hoppers; built by Trinity
SRY 73026; 73035; SRY 73062-73080	twenty-one (21) 73 foot centerbeam flatcars; built by Thrall
ITLX 825000-825028	twenty-nine (29) 25,700 gallon, non-coiled/ insulated tank cars; built by Trinity
ITLX 224936-225001	sixty-six (66) 23,500 gallon, exterior coiled/ insulated tank cars; built by Union Tank Car
ITLX 220789-220828	forty (40) 22,400 gallon, exterior coiled/ insulated tank cars; built by Union Tank Car

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Total: 416 Railcars

Interstate Commerce Commission  
Washington, D.C. 20423

5/29/91

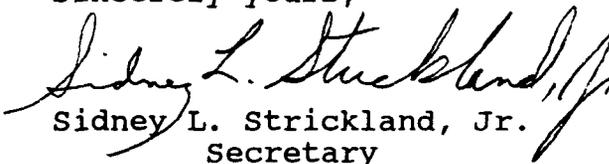
OFFICE OF THE SECRETARY

Allen H. Harrison, Jr.  
Wilmer Cutler & Pickering  
2445 M. Street N.W.  
Washington, D.C. 20037-1420

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 5/29/91 at 9:15am, and assigned recordation number(s). 10667-F

Sincerely yours,

  
Sidney L. Strickland, Jr.  
Secretary

RELEASE NO. 2, DATED AS OF MAY 15, 1991,  
TO THE SECURITY AGREEMENT BETWEEN  
ITEL RAIL CORPORATION AND CHEMICAL BANK, AS AGENT

16667F  
MAY 29 1991 -9 15 AM  
INTERSTATE COMMERCE COMMISSION

**WHEREAS**, Itel Rail Corporation (the "Debtor"), Chemical Bank and certain lenders (collectively, the "Lenders") and Chemical Bank, as agent for the Lenders (the "Agent"), are parties to a Credit Agreement dated as of December 21, 1989, as amended (as amended, the "Credit Agreement"); and

**WHEREAS**, to secure the payment and performance of Debtor's obligations under the Credit Agreement, Debtor and Agent have entered into a Security Agreement, as amended (as amended, the "Security Agreement"), dated as of December 21, 1989, which was filed with the Interstate Commerce Commission pursuant to 49 U.S.C. §11303(a) on December 26, 1989, and given Recordation No. 16667; and

**WHEREAS**, pursuant to the Security Agreement, Debtor has granted to Agent a security interest in certain Collateral (as defined in the Credit Agreement), including certain railcars and other property that may be acquired by Debtor after the date of the Security Agreement; and

**WHEREAS**, Sections 9.02 and 9.04 of the Credit Agreement permit Debtor, under certain circumstances, to incur Indebtedness (as defined in the Credit Agreement) and to grant liens in certain property of the Debtor to secure such Indebtedness and Agent has agreed, in such event, to release its security interest in such property; and

**WHEREAS**, pursuant to Release No. 1 dated as of January 24, 1991, which was filed with the Interstate Commerce Commission on January 30, 1991, and given Recordation No. 16667-D, Agent has released its security interest in certain railcars and other Collateral in connection with the financing by Debtor of the same; and

**WHEREAS**, Debtor intends to enter into a Loan and Note Purchase Agreement, a Security Agreement and related agreements with, and to borrow money from, Yasuda Trust and Banking Company, Limited (all such agreements and documents collectively, the "Yasuda Agreement"), to finance the acquisition of the railcars identified on Schedule 1 attached hereto (the "Equipment"); and

**WHEREAS**, Debtor and Agent wish for Agent, pursuant to the Credit Agreement and the Security Agreement, to release its security interest in and to the Equipment, any lease or sublease or contract or contract right relating thereto and any and all additions, substitutions, accessions and proceeds thereto or thereof and proceeds of proceeds.

**NOW, THEREFORE**, pursuant to the premises and the covenants and promises contained in the Credit Agreement and in the Security Agreement, the parties agree as follows:

1. All capitalized terms used herein shall have the meanings assigned to them in the Security Agreement, unless otherwise stated.
2. To induce the Agent to execute this Release No. 2, the Debtor hereby represents and warrants to the Agent as follows: (a) The Debtor is entitled to this Release No. 2 (without consent of the Requisite Lenders) pursuant to Sections 9.02(d), 9.02(m), 9.04(g), the last paragraph of Section 9.04, and Section 13.07 of the Credit Agreement and Section 2 of the Security Agreement; and (b) Immediately prior to and upon giving effect to this Release No. 2 (i) no Default or Event of Default shall exist under the Credit Agreement and (ii) no "event of default" shall exist under and as defined in the Security Agreement.

3. Agent hereby fully, completely and irrevocably releases any security interest or lien it has or might have in the property listed on Schedule 1 attached hereto. The Equipment listed on Schedule 1 hereto shall be deemed to be added to Schedule 4 of the Security Agreement.
  
4. Except as expressly modified hereby, the Security Agreement remains in full force and effect.

**CHEMICAL BANK, AS AGENT**

By

C. C. Ward  
Title Managing Director

Date May 24, 1991

**ITEL RAIL CORPORATION**

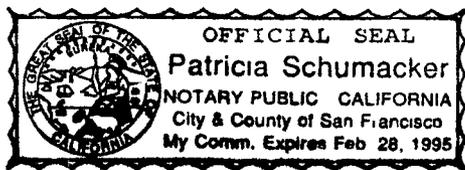
By

Robert Keenan  
Title Vice President and Treasurer

Date May 23, 1991

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

On this 23<sup>rd</sup> day of May, 1991, before me personally appeared Robert C. Kiehle, personally known to me to be the person who executed the within instrument as Vice President and Treasurer of Itel Rail Corporation, and acknowledged to me that the corporation executed it.



Patricia Schumacker  
Notary Public

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

On this 24 day of MAY, 1991, before me personally appeared C.C. WARDELL personally known to me to be the person who executed the within instrument as MANAGING DIRECTOR of Chemical Bank, and acknowledged to me that the corporation executed it.

Frances Passik  
Notary Public

FRANCES PASSIK  
Notary Public, State of New York  
No. 246:PA4783321  
Qualified in Kings County  
Certificate filed in New York County  
Commission Expires 9/30/91

## SCHEDULE 1

- (A) the railcars listed on Schedule A attached hereto, together with all accessories, parts, appurtenances, repairs, replacements, substitutions, attachments, modifications, renewals, additions, improvements, upgrades and accessions and accumulations thereto (the "Equipment"); and
- (B) all right, title and interest of the Debtor 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 Equipment (as and to the extent the foregoing relate to the Equipment, collectively, the "Leases"); and
- (C) any and all proceeds of the Equipment or the Leases, including without limitation any and all proceeds of insurance, indemnity, warranty or guaranty payable with respect to the Equipment; any and all payments (in any form whatsoever) made or due and payable in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any of the Equipment by any governmental body, authority, bureau or agency; and all payments, rents, issues, profits, revenues and other monies due and to become due under, and all claims for damages arising out of the breach of, any Lease, as and to the extent such Lease relates to the Equipment; and
- (D) any and all property and interests in property, now owned or hereafter acquired, all accessions and additions thereto, substitutions therefor, and replacements and products thereof, cash, and all other cash and non-cash proceeds, solely to the extent the foregoing are derived from the Equipment.

**SCHEDULE A**

**IDENTIFICATION OF EQUIPMENT**

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