1-164A010

ITEL

Itel Rail Corporation
550 California Street
San Francisco, CA 94104
(415) 984-4255

Howard L. Chabner
Assistant General Counsel

June 13, 1991

RECORDATION NO. 16667-G FILED 1425

JUN 13 1991 -11 10 AM

INTERSTATE COMMERCE COMMISSION

$15.00 filing fee

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

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. 3, Dated as of June 3, 1991, to Security Agreement Between Itel Rail Corporation and Chemical Bank, as Agent" ("Release 3").

The parties to the enclosed Release 3 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

JUN 13 11 02 AM '91
MOTOR OFFICE UNIT

This is - 16667-G

Release 3 covers the release of some two hundred and ninety-two (292) 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 3 should be recorded under Recordation No. 16667-G.

The units of equipment covered by Release 3 are those units identified in Schedule A of Release 3; a copy of said Schedule A is attached to this letter.

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

"Release of 292 Railcars."

SCHEDULE A

IDENTIFICATION OF EQUIPMENT

Reporting Mark	Description
ITLX 40407-40499	ninety-three (93) 4,750 cubic foot covered hoppers; built by Trinity
PLCX 47702-47744 PLCX 47803,47804, 47866	forty-six (46) 5,851 cubic foot covered hoppers; built by Trinity
ITLX 30282-30374	ninety-three (93) 3,000 cubic foot covered hoppers; built by Trinity
SRY 73081-73099	nineteen (19) 73 foot centerbeam flatcars; built by Thrall
ITLX 825029-825037	nine (9) 25,700 gallon, non-coiled/ insulated tank cars; built by Trinity
ITLX 225002-225021	twenty (20) 23,500 gallon, exterior coiled/ insulated tank cars; built by Union Tank Car
ITLX 220829-220840	twelve (12) 22,400 gallon, exterior coiled/ insulated tank cars; built by Union Tank Car

Total: 292 Railcars

(hlc/chem2.rls)

Interstate Commerce Commission

Washington, D.C. 20423

6/13/91

OFFICE OF THE SECRETARY

Howard L. Chabner
Itel Rail Corporation

550 California Street
San Francisco, California 94104

Dear Sir:

The enclosed dcoument(s) was recorded pursuant to the provisions of Section 11303 of the Insterstate Commerce Act, 49 U.S.C. 11303, on 6/13/91 at 11:10am, and assigned recordation number(s). 16667-G

Sincerely yours,

Sidney L. Strickland, Jr.

Sidney L. Strickland, Jr.
Secretary

16667-H
RECORDATION NO. FILED 1425
JUN 13 1991 -11 10 AM
INTERSTATE COMMERCE COMMISSION

RELEASE NO. 3, DATED AS OF JUNE 3, 1991,
TO THE SECURITY AGREEMENT BETWEEN
ITEL RAIL CORPORATION AND CHEMICAL BANK, AS AGENT

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, pursuant to Sections 9.02 and 9.04 of the Credit Agreement and Section 2 of the Security Agreement, 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, and pursuant to Release No. 2, dated as of May 15, 1991, which was filed with the Interstate Commerce Commission on May 29, 1991, and given Recordation No. 16667-F,

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 loan agreements, security agreements and related agreements with, and to borrow money from, Pitney Bowes Credit Corporation and Deutsche Credit Corporation, 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 and all rents and income arising therefrom, and any and all any leases or subleases or contracts or contract rights 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 Agent to execute this Release No. 3, Debtor hereby represents and warrants to the Agent as follows: (a) Debtor is entitled to this Release No. 3, subject to receipt of consents from the Requisite Lenders, pursuant to Sections 9.02(d), 9.02(m), 9.04(g) and the last paragraph of Section 9.04 of the Credit Agreement and Section 2 of the Security Agreement; and (b) Immediately prior to and upon giving effect to this Release No. 3 (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 _____

Title Managing Director

Date June 12, 1991

ITEL RAIL CORPORATION

By _____

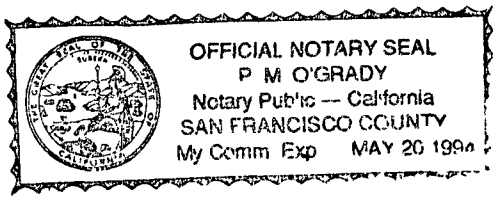
Title V.P. - Finance & Treasurer

Date June 10, 1991

(hlc/chem2.rls)

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

On this 10th day of June, 1991, before me personally appeared Robert C. Kiehnle, 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.



P. M. O'Grady
Notary Public

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

On this 12 day of June, 1991, before me personally appeared ~~G W BRASH, JR~~ JG Weiss, 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.

Dora Lee Edwards
Notary Public

DORA LEE EDWARDS
Notary Public, State of New York
No. 24-4604150
Qualified in Kings County
Commission Expires Dec. 31, 1991

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; and

(E) any and all payments, rents, income, profits, revenues and other monies derived from or arising out of the Equipment.

SCHEDULE A

IDENTIFICATION OF EQUIPMENT

Reporting Mark	Description
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