

RECORDATION NO. 13888-2 Filed & Recorded

**ITEL** OCT 1 1986 3-15 PM

September 22, 1986 INTERSTATE COMMERCE COMMISSION

**IteI Rail Corporation**

55 Francisco Street  
San Francisco, California 94133  
(415) 984-4000

Honorable Noreta R. McGee, Secretary  
Interstate Commerce Commission  
Washington, DC 20423

**Re: Amendment No. 3 to the October 14, 1982 Lease Between IteI Corporation, Rail Division, and Hartford and Slocomb Railroad Company**

Dear Ms. McGee:

On behalf of IteI Rail Corporation, the above instrument, in four (4) counterparts, is hereby submitted for filing and recording pursuant to 49 USC §11303(a), along with a check in the amount of \$10 covering the recordation fee.

Please record this Amendment under the Lease Agreement dated October 14, 1982 between IteI Corporation, Rail Division, and Hartford and Slocomb Railroad Company, which was filed with the ICC on December 29, 1982 and given Recordation No. 13888.

*This one is 13888-D*

The names and addresses of the parties to the aforementioned Amendment are listed below:

IteI Rail Corporation (Lessor)  
55 Francisco Street  
San Francisco, California 94133

Hartford and Slocomb Railroad Company (Lessee)  
P.O. Box 2243  
Dothan, Alabama 36301

The Amendment reassigns one hundred and thirteen (113) 60'10", 100-ton, XP boxcars from Illinois Central Gulf Railroad Company ("ICG") lines to the railroad lines of Midsouth Rail Corporation bearing reporting marks from within the series HS 60001-60126, and leaving four (4) cars on the ICG lines bearing reporting marks HS 60127-60130. Equipment Schedule No. 1.A replaces Equipment Schedule No. 1 and certain of the terms of the Lease have been amended.

Once filed, please return to the bearer the stamped counterparts onot required for filing purposes together with the fee receipt and a letter from the ICC acknowledging this filing.

Very truly yours,

*Josie Villaflores*  
Josie Villaflores  
Legal Assistant

6-274A056

No.                       
Date OCT 1 1986  
Fee \$ 10.00  
ICC Washington, D.C.

JV:ps  
Enclosure

cc: Robert S. Clark  
J. Michael Kelly  
Marianne Ledda

MOTOR CARRIER UNIT  
OCT 1 3 08 PM '86  
FEDERAL BUREAU OF INVESTIGATION  
U.S. DEPARTMENT OF JUSTICE

*Countdown Ron Martin*

Interstate Commerce Commission  
Washington, D.C. 20423

10/1/86

OFFICE OF THE SECRETARY

Josie Villaflores  
Legal Assistant  
IteI Rail Corporation  
55 Francisco Street  
San Francisco, Calif. 94133

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 10/1/86 at 3:15pm, and assigned re-  
recording number(s). 13888-D

Sincerely yours,

*Noreta R. McGee*  
Secretary

Enclosure(s)

SE-30  
(7/79)

05/27/86

RECORDATION NO. 15858-12 Filed & Recorded

OCT 1 1986 3-1 5 PM

AMENDMENT NO. 3

INTERSTATE COMMERCE COMMISSION

THIS AMENDMENT NO. 3 (the "Amendment") to that certain Lease Agreement (the "Agreement") made as of October 14, 1982, as amended, between ITEL Corporation, Rail Division and HARTFORD AND SLOCOMB RAILROAD COMPANY as lessee ("Lessee") is made as of this 19th day of September, 1986, by and between ITEL RAIL CORPORATION, as successor in interest to ITEL Corporation, Rail Division ("Lessor"), and Lessee.

R E C I T A L S:

- A. Lessor and Lessee are parties to the Agreement pursuant to which one hundred thirty (130) boxcars bearing the reporting marks HS 60001-60130 and six (6) boxcars bearing the reporting marks HS 60300-60305 have been leased by Lessor to Lessee.
- B. Lessor and Lessee desire to remove from Equipment Schedule No. 1 the boxcars bearing the following reporting marks that were destroyed on the dates noted: HS 60007, July 25, 1983; HS 60010, September 16, 1985; HS 60015, January 13, 1986; HS 60016, September 16, 1985; HS 60039, February 24, 1986; HS 60044, September 16, 1985; HS 60053, October 7, 1985; HS 60064, September 16, 1985; HS 60085, February 24, 1986; HS 60086, October 7, 1985; HS 60110, January 13, 1986; HS 60119, February 6, 1984; HS 60124, September 24, 1985.
- C. Lessor and Lessee have placed the boxcars marked HS 60001-60130 into an assignment pool on the railroad lines of the Illinois Central Gulf Railroad Company ("ICG") pursuant to the Assignment Agreement dated October 20, 1983 ("ICG Assignment Agreement") between Lessee and ICG.
- D. Lessor and Lessee desire to place into another assignment pool on the railroad lines of the Midsouth Rail Corporation ("Midsouth") one hundred thirteen (113) boxcars marked within HS 60001-60126 (the "Midsouth Boxcars") while retaining four (4) boxcars marked within HS 60127-60130 under the ICG Assignment Agreement (the "ICG" Boxcars).
- E. Lessor and Lessee desire to grant to ICG per diem and mileage relief for each Midsouth Boxcar that is on ICG's railroad lines.

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

- 1. All terms defined in the Agreement shall have their defined meaning when used in this Amendment.
- 2. Equipment Schedule No. 1 shall be deleted in its entirety and replaced by Equipment Schedule No.1.A., attached hereto.

3. The word "Revenues" when used in the Agreement shall be deemed to refer to per diem revenues only.
4. The words "130 Cars" in Amendment No. 1 to the Agreement shall be replaced by the words "ICG Boxcars" and shall be deemed to refer only to the boxcars marked HS 60127, HS 60128, HS 60129 and HS 60130.
5. Lessor hereby consents to Lessee entering into an assignment agreement with Midsouth precisely in the form of Exhibit A hereto (the "Midsouth Assignment Agreement"). Upon receiving instructions from Lessor to do so, Lessee shall immediately exercise any termination rights Lessee may have under Exhibit A.
6. With respect to the Midsouth Boxcars only, Subsection 7.A.(i) of the Agreement shall be amended by replacing the words "other railroad companies" with the words "railroad companies other than Lessee, Midsouth, or ICG," only during the term of the Midsouth Assignment Agreement.
7. With respect to the Midsouth Boxcars only, Subsection 1.C. on Equipment Schedule No. 1.A. of the Agreement shall be deleted and replaced by the following only while the Midsouth Assignment Agreement is in force:

"Rent

- 1.C. During any calendar quarter or applicable portion thereof commencing January 1, 1984 through and including the expiration or earlier termination of this Agreement ("Final Period"), Lessee shall pay to Lessor a sum equal to one hundred (100) percent of total Revenues."
8. With respect to the Midsouth Boxcars only, Subsection 2.B. on Equipment Schedule No. 1.A. of the Agreement shall be deleted in its entirety while the Midsouth Assignment Agreement is in force and shall be restored only upon the expiration or early termination of the Midsouth Assignment Agreement.
9. With respect to the ICG Boxcars only, Subsection 7.A.(i) of the Agreement shall be amended by replacing the words "other railroad companies" with the words "railroad companies other than Lessee or ICG" only during the term of the ICG Assignment Agreement.
10. With respect to the ICG Boxcars only, Subsection 1.C. on Equipment Schedule No. 1.A. of the Agreement shall be deleted and replaced by the following only while the ICG Assignment Agreement is in force:

"Rent

- 1.C. During any calendar quarter or applicable portion thereof commencing January 1, 1984 through and including the expiration or earlier termination of this Agreement ("Final Period"), Lessee shall pay to Lessor a sum equal to one hundred (100) percent of total Revenues."

11. With respect to the ICG Boxcars only, Subsection 2.B. on Equipment Schedule No. 1.A. of the Agreement shall be deleted in its entirety while the ICG Assignment Agreement is in force and shall be restored only upon the expiration or early termination of the ICG Assignment Agreement.
12. Nothing herein contained shall (i) be deemed to constitute a waiver or otherwise modify, affect or impair any sums due to Lessor or Lessee with respect to any Car, including the ICG Boxcars and the Midsouth Boxcars, under the terms and conditions of the Agreement or (ii) be deemed to constitute a waiver or otherwise modify, affect or impair the powers, rights, or remedies vested in or available to Lessor or Lessee with respect to any Car under the terms and conditions of the Agreement.
13. Except as expressly modified by this Amendment, all terms and provisions of the Agreement shall remain in full force and effect.
14. This Amendment 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.

ITEL RAIL CORPORATION

HARTFORD AND SLOCOMB  
RAILROAD COMPANY

By:

*D. H. Hayes*

Title:

*President*

Date:

*September 19, 1986*

By:

*C. F. Fuchner IV*

Title:

*President*

Date:

*June 5, 1986*

# Hartford & Slocomb

RAILROAD COMPANY

*A Subsidiary of ITEL Corporation*

## EXHIBIT A

June 5, 1986

Mr. Peter F. Turrell  
Vice President and Chief  
Transportation Officer  
Midsouth Rail Corporation  
P. O. Box 1232  
Jackson, Mississippi 39201

Dear Mr. Turrell:

Please accept this letter as the agreement ("Assignment Agreement") whereby Hartford & Slocomb Railroad Company ("H&S") shall supply the Midsouth Rail Corporation ("Railroad") with one hundred thirteen (113) boxcars bearing reporting marks within HS 60001-60126 (the "Boxcars") and Railroad shall, only upon H&S's instructions, place said Boxcars into an assignment pool on Railroad's railroad lines under Car Service Directive 165.

This Assignment Agreement shall be in effect for three (3) years (the "Term") commencing on the first day of March, 1986 ("Effective Date").

Railroad shall not make any alterations to the Boxcars without the prior approval of H&S. Railroad shall, in connection with the Boxcars, comply with the handling carrier's obligations under AAR Interchange Rules while any Boxcar is in its possession.

If any Boxcar returns to H&S's line as a result of Railroad (i) not filing the assignment pool code properly or (ii) not properly endorsing the waybill for such Boxcar, Railroad shall be responsible for all costs associated with returning such Boxcar to Railroad. H&S shall use its best efforts to prevent any Boxcar from being interchanged onto its lines during the term of the Assignment Agreement, including advising H&S's connecting carrier that the Boxcars have been placed into an assignment pool on Railroad's lines and that the connecting carrier should not return such Boxcars to H&S during the Term.

POST OFFICE BOX 2243

DOTHAN

ALABAMA 36302

(205) 792-2895 - 794-9417 - 793-1398

TELEX 59-3487

# Hartford & Slocomb

RAILROAD COMPANY

A Subsidiary of ITEL Corporation

Mr. Peter F. Turrell  
Page Two  
June 5, 1986

For purposes hereof, the following definitions are provided:

1. "Revenues" shall be the total revenues earned and due from railroad companies other than Railroad or the Illinois Central Gulf Railroad Company, for the use or handling of the Boxcars.
2. The "Utilization Rate" of the Boxcars shall be determined by a fraction, the numerator of which is the aggregate number of days in each calendar quarter that Revenues were earned on the Boxcars, commencing from the Effective Date, and the denominator of which is the aggregate number of days in each calendar quarter that the Boxcars were in an assignment pool on Railroad's lines commencing on the Effective Date.

If, at any time during the Term, the Interstate Commerce Commission abandons or lowers the per diem and mileage revenues in effect upon the full execution of this Assignment Agreement ("Current Car Hire Rates"), H&S and Railroad agree to negotiate a new assignment agreement, provided, however, that if a new assignment agreement cannot be mutually agreed upon, H&S may, at its option and upon not less than thirty (30) days' prior written notice to Railroad, terminate this Assignment Agreement.

Upon the expiration or termination of this Assignment Agreement, Railroad shall remove the pool code from the Boxcars, provide final outbound loads for each Boxcar, and ensure each Boxcar shall be in interchange condition, normal wear and tear excepted.

# Hartford & Slocomb

RAILROAD COMPANY

A Subsidiary of ITEL Corporation

Mr. Peter F. Turrell  
Page Three  
June 5, 1986

Railroad recognizes that the right of H&S and Railroad are subject and subordinate to the rights of any lessor, owner or secured party with respect to the Boxcars, but H&S hereby expressly represents and covenants that it has full authority to enter into this Assignment Agreement.

Please indicate your concurrence to the above terms and conditions by signing both (2) originals and return one (1) original to me.

Sincerely,



C. F. Fischer, III  
President

CONCURRENCE BY:

MIDSOUTH RAIL CORPORATION

By: \_\_\_\_\_

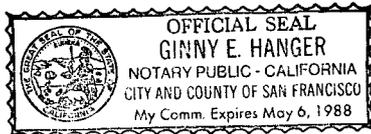
Title: \_\_\_\_\_

Date: \_\_\_\_\_

*E. J. Moynihan*  
RESIDENT & CEO.  
SEPT. 8, 1986

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

On this 19th day of September, 1986, before me personally appeared Desmond P. Hayes, to me personally known, who being by me duly sworn says that such person is President of ITEL Rail Corporation, that the foregoing Amendment No. 3 was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

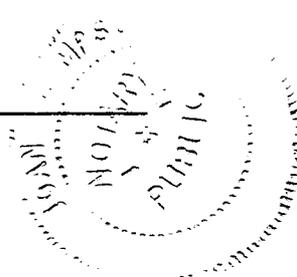


Ginny E. Hanger  
Notary Public

STATE OF Alabama )  
  ) ss:  
COUNTY OF Houston )

On this 5 day of June, 1986, before me personally appeared Lois Fischer etc, to me personally known, who being by me duly sworn says that such person is President of Hartford and Slocomb Railroad Company, that the foregoing Amendment No. 3 was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Jean Thompson  
Notary Public



EQUIPMENT SCHEDULE NO. 1.A.

Itel Rail Corporation, as successor in interest to Itel Corporation, Rail Division, hereby leases the following Cars to Hartford & Slocomb Railroad Company subject to the terms and conditions of that certain Lease Agreement dated as of October 14, 1982.

A.A.R. Mech. Desig.	Description	Numbers	Dimensions			Doors Width	No. of Cars
			Length	Inside Width	Height		
XP	60', 100-Ton General Boxcars With 15" End-of- Car Cushioning	HS 60001-60006; 60008-60009; 60011-60014; 60017-60038; 60040-60043; 60045-60052; 60054-60063; 60065-60084; 60087-60109; 60111-60118; 60120-60123; 60125-60130	60'10"	9'6"	11'0"	12' Sliding	117

Rent

1. A. If, in any calendar quarter or applicable portion thereof during the period commencing as of the Initial Loading through and including December 31, 1982 ("First Period"),

Lessee shall pay to Lessor  
and Lessee shall receive

If, in any calendar quarter or applicable portion thereof during the First Period, Revenues earned are less than the First Period Base Rental,

- B. If, in any calendar quarter or applicable portion thereof during the period commencing January 1, 1983 through and including December 31, 1983 ("Second Period"),

Lessee shall pay to  
Lessor an amount equal to the

Lessee shall receive

If, in any calendar quarter or applicable portion thereof during the Second Period, Revenues earned are less than the Second Period Base Rental, Lessee shall pay to Lessor

EQUIPMENT SCHEDULE NO. 1.A. (continued)

C. If, in any calendar quarter or applicable portion thereof during the period commencing January 1, 1984 through and including the expiration or earlier termination of this Agreement ("Final Period"), Revenues earned

2. A.

B. During the Final Period, Lessor shall receive and retain for its own account

ITEL RAIL CORPORATION

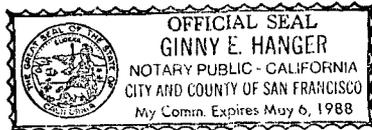
HARTFORD AND SLOCOMB  
RAILROAD COMPANY

By: *AD Hayes*  
Title: *President*  
Date: *September 19, 1986*

By: *G. J. Juska III*  
Title: *President*  
Date: *June 5, 1986*

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

On this 19th day of September, 1986, before me personally appeared Desmond P. Hayes, to me personally known, who being by me duly sworn says that such person is President of Itel Rail Corporation, that the foregoing Equipment Schedule No. 1.A. was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Ginny E. Hanger  
Notary Public

STATE OF Alabama )  
  ) ss:  
COUNTY OF Houston )

On this 5 day of June, 1986, before me personally appeared Co. J. Snicker III, to me personally known, who being by me duly sworn says that such person is President of Hartford and Slocomb Railroad Company, that the foregoing Equipment Schedule No. 1.A. was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Jean Thompson  
Notary Public

A circular notary seal stamp is partially visible on the right side of the page. It contains the text "JEAN THOMPSON", "NOTARY PUBLIC", and "STATE OF ALABAMA" around the perimeter.