

CRAVATH, SWAINE & MOORE

ONE CHASE MANHATTAN PLAZA

NEW YORK, N. Y. 10005

212 HANOVER 2-3000

TELEX

RCA 233663

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WUI 620976

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Date MAR 02 1979
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ICC Washington

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JAMES H. DUFFY
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JOHN E. YOUNG
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ROBERT F. MULLEN
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33 THROGMORTON STREET
LONDON, EC2N 2BR, ENGLAND
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TELEX: 8814901

CABLE ADDRESSES
CRAVATH, N. Y.
CRAVATH, PARIS
CRAVATH, LONDON E. C. 2

10169

RECORDATION NO. Filed 1425

MAR 2 1979 - 4 00 PM

March 2, 1979

INTERSTATE COMMERCE COMMISSION

Trustees Of The Property
Of Boston and Maine Corporation

Dear Mr. Homme:

Pursuant to 49 U.S.C. § 11303(a) and the Commission's rules and regulations thereunder, enclosed herewith on behalf of the Trustees Of The Property Of Boston and Maine Corporation for filing and recordation are counterparts of the Supplement dated March 1, 1979 ("Supplement"), among ITEL Capital Corporation ("Assignor"), Robert W. Meserve and Benjamin H. Levy, Trustees Of The Property Of Boston and Maine Corporation ("Railroad-Debtor") and MLL Leasing Corp. ("Lessor-Assignee"), supplementing the Equipment Lease ("Lease"), dated February 1, 1979, between the Assignor and the Railroad-Debtor, such Lease being attached to the Supplement.

The addresses of the parties to the Supplement and related Lease are:

- (1) The Railroad- Lessee-Debtor

Robert W. Meserve and Benjamin H. Levy,
Trustees Of The Property Of Boston and
Maine Corporation
150 Causeway Street
Boston, Massachusetts 02114

Lessor-Assignee

MLL Leasing Corp.
165 Broadway
New York, N. Y. 10006

RECEIVED
MAR 2 3 56 PM '79
I.C.C. (2)
FEE OPERATION BR.

C. O. ...
T. Comdora

(3) Assignor

ITEL Capital Corporation
Two Embarcadero Center
San Francisco, California 94111


Please file and record the documents referred to herein and cross index them under the names of the Railroad, Lessor-Assignee and Assignor.

The equipment covered by the Supplement and the related Lease consist of fifty (50) 50 foot 70-ton double door boxcars, AAR Mechanical Designation XM, bearing identifying numbers BM 70,000 to 70,049, both inclusive.

There is also enclosed a check for \$50 payable to the Interstate Commerce Commission, representing the fee for recording the Supplement and related Lease (together constituting one document).

Please stamp all counterparts of the enclosed documents with your official recording stamp. You will wish to retain one copy of the instruments for your files. It is requested that the remaining counterparts be delivered to the bearer of this letter.

Very truly yours,



George S. Balis
As Agent for the Trustees
Of The Property of Boston
and Maine Corporation

H. G. Homme, Jr., Esq.,
Acting Secretary,
Interstate Commerce Commission,
Washington, D.C. 20423.

Encls.

K

Interstate Commerce Commission
Washington, D.C. 20423

3/2/79

OFFICE OF THE SECRETARY

George S. Balis
Cravath, Swaine & Moore
One Chase Manhattan Plaza
New York, N.Y. 10005

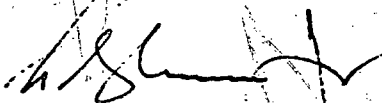
Dear

Sir:

The enclosed document(s) was recorded pursuant to the
provisions of Section 20(c) of the Interstate Commerce Act,
49 U.S.C. 20(c), on 3/2/79 at 4:00pm,
and assigned recordation number(s)

10169

Sincerely Yours,



H.G. Homme, Jr.,
Secretary

Enclosure(s)

SE-30-T
(2/78)

MAR 2 1979-4 00 PM

INTERSTATE COMMERCE COMMISSION

SUPPLEMENT dated March 1, 1979, among ITEL CAPITAL CORPORATION ("ITEL"), ROBERT W. MESERVE AND BENJAMIN H. LACY, TRUSTEES OF THE PROPERTY OF BOSTON AND MAINE CORPORATION (the "B&M") and MLL LEASING CORP. ("MLL"), supplementing the Equipment Lease dated February 1, 1979, between ITEL and B&M (the "Lease").

WHEREAS ITEL and the B&M have entered into the Lease, a copy of which is attached hereto, providing for the leasing by ITEL to B&M of certain railroad equipment specified therein (the "Equipment");

WHEREAS the B&M wishes to designate such Equipment with certain road numbers;

WHEREAS ITEL wishes to assign and transfer to MLL all of its right, title and interest, as lessor, in and to the Lease, and MLL wishes to assume all of ITEL's obligations in and to the Lease;

NOW, THEREFORE, in consideration of the foregoing, the parties hereto hereby agree as follows:

1. ITEL and B&M agree that the Equipment shall bear the B&M road numbers BM70,000 to 70,049, inclusive.

2. ITEL hereby assigns, transfers and sets over to MLL all of its right, title and interest, powers, privileges and other benefits under the Lease, as Lessor, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by Lessor from the B&M under or pursuant to the provisions of the Lease, and MLL hereby assumes any and all duties and obligations of Lessor arising under or pursuant to the Lease.

3. ITEL will, from time to time, execute, acknowledge and deliver any and all further instruments required by law or requested by MLL in order to confirm or further assure the rights of MLL hereunder.

4. MLL may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any payments due or to become due. In the event of any such assignment, any such subsequent

or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to the obligations of MLL hereunder.

5. This Supplement shall be governed by the laws of the State of New York; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303.

6. B&M hereby acknowledges due notice of and consents to the assignment provided for hereunder.

7. This Supplement may be executed in any number of counterparts, all of which together shall constitute a single instrument.

ITEL CAPITAL CORPORATION,

by

Authorized Officer

[Seal]

Attest:

Authorized Officer

ROBERT W. MESERVE AND BENJAMIN H. LACY, TRUSTEES OF THE PROPERTY OF BOSTON AND MAINE CORPORATION,

by

Robert W. Meserve
Robert W. Meserve
AS TRUSTEE, AND NOT INDIVIDUALLY

Witness:

[Signature]

Witness:

[Signature]

by

Benjamin H. Lacy
Benjamin H. Lacy
AS TRUSTEE, AND NOT INDIVIDUALLY

Approved as to form
B & M Corp. Law Dept.

[Signature]

MLL LEASING CORP.,

by

Authorized Officer

[Seal]

Attest:

Authorized Officer

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

On this day of March 1979, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is of ITEL CAPITAL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that such instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

[Notarial Seal]

My Commission expires

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

On this day of March 1979, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is of MLL LEASING CORP., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

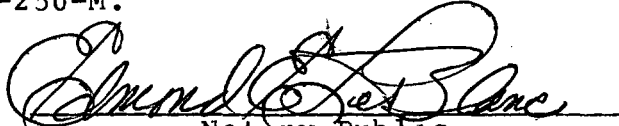
Notary Public

[Notarial Seal]

My Commission expires

STATE OF MASSACHUSETTS,)
COUNTY OF *Suffolk* ,) ss.:

On this *1st* day of March 1979, before me personally appeared ROBERT W. MESERVE, to me personally known, who, being by me duly sworn, says that he is a TRUSTEE OF THE PROPERTY OF THE BOSTON AND MAINE CORPORATION, signer of the foregoing instrument, and he acknowledged the same to be his free act and deed, as such Trustee pursuant to specific orders of the United States District Court for the District of Massachusetts In The Matter of Boston and Maine Corporation, Debtor, Docket No. 70-250-M.

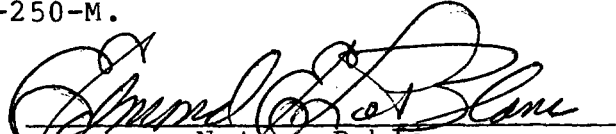

Notary Public

[Notarial Seal]

My Commission expires *June 21, 1979*

STATE OF MASSACHUSETTS,)
COUNTY OF *Suffolk* ,) ss.:

On this *1st* day of March 1979, before me personally appeared BENJAMIN H. LACY, to me personally known, who, being by me duly sworn, says that he is a TRUSTEE OF THE PROPERTY OF THE BOSTON AND MAINE CORPORATION, signer of the foregoing instrument, and he acknowledged the same to be his free act and deed, as such Trustee pursuant to specific orders of the United States District Court for the District of Massachusetts In The Matter of Boston and Maine Corporation, Debtor, Docket No. 70-250-M.


Notary Public

[Notarial Seal]

My Commission expires *June 21, 1979*

SALES REPRESENTATIVE

04	Gerard P. Kelly
NUMBER	NAME

LEASE REFERENCE NUMBER

NUMBER

LEASE BILLING INFORMATION

Robert W. Meserve and Benjamin H. Lacy, Trustees of the Property of Boston and Maine Corporation, Debtor		
NAME		
Iron Horse Park		
ADDRESS		
N. Billerica	MA	01862
CITY	STATE	ZIP
Andrew Jennings	617-667-8100	
CONTACT	TELEPHONE	

EQUIPMENT LOCATION INFORMATION

Iron Horse Park	
NAME	
N. Billerica	
CITY	
Middlesex	
COUNTY	
Massachusetts	01862
STATE	ZIP

EQUIPMENT INFORMATION (USE SCHEDULE 1 IF REQUIRED)

QUANTITY	DESCRIPTION (MODEL #, SERIAL #, CATALOG #, ETC)	INVOICE PRICE (INCLUDE SALES TAX, FREIGHT, ETC IF APPLICABLE)
50	50 foot 70 ton double door box cars formerly Denver Rio Grande Railroad Series 63300 through 63499 @ \$19,500 each	\$ 975,000.00
TOTAL COST TO LESSOR		\$ 975,000.00

LEASE/RENTAL INFORMATION

LEASE TERM	PAYMENTS	RENTAL PAYMENTS	RENTAL PAYMENT AS PERCENT OF TOTAL COST	SECURITY DEPOSIT
120 MONTHS	<input checked="" type="checkbox"/> MONTHLY <input type="checkbox"/> OTHER	120 NUMBER	1.561 % MONTHLY .052 % DAILY	\$

IN WITNESS WHEREOF, the parties hereto have each caused this Lease to be duly executed by their respective officers thereunto duly authorized.

ITEL CAPITAL CORPORATION
LESSOR
BY SIGNATURE: *John G. Bannister, Jr.*
JOHN G. BANNISTER, JR.
(PRINTED NAME)
VICE PRES.
TITLE
2-1-79
DATE

Robert W. Meserve and Benjamin H. Lacy, Trustees of the Property of Boston and Maine Corporation, Debtor
LESSEE
BY SIGNATURE: *Robert W. Meserve*
(PRINTED NAME)
One of the Trustees
TITLE
2-1-79
DATE

CONDITIONS OF AGREEMENT

1 Lease of Equipment; Assignment of Purchase Orders. The Lessor agrees to lease to the Lessee and the Lessee agrees to lease from the Lessor the Equipment described above. Upon delivery of each item of Equipment, the Lessee will inspect the same and, if found in good order, execute and deliver to the Lessor a Certificate of Acceptance with respect thereto in the form set forth in Exhibit A. Upon execution and delivery of a Certificate of Acceptance for an item of Equipment, such item, for purposes of this Lease, shall be deemed an Item. The Lessee hereby assigns to the Lessor, with the right to further assign, all of the Lessee's rights under the purchase orders relating to the Equipment, provided, however, that the Lessor authorizes the Lessee to exercise in the name of the Lessor all rights and powers of the Lessor as buyer under the purchase orders. Such assignment shall not transfer to the Lessor any of the Lessee's obligations to the seller other than to pay for an Item.

2 Term; Rent. The term of this Lease for an Item shall begin on the date set forth in the Certificate of Acceptance (the *Acceptance Date*), and, except as otherwise expressly set forth in this Lease, shall end on the last day of the month in which the final Monthly Rent payment is due. The Lessee shall pay to the Lessor as rent for each item the following: (a) on the first day of the month immediately following the month in which the Acceptance Date occurs (the *First Rent Date*), an amount equal to the Monthly Rent set forth above, plus Daily Rent for each day elapsed from and including the Acceptance Date to but excluding the First Rent Date; and (b) on the first day of each month thereafter, until the number of payments of Monthly Rent set forth above shall have been paid, an amount equal to the Monthly Rent. Each date upon which Monthly Rent is pay-

able shall be referred to herein as a *Rent Date*. To the extent not otherwise stated, all other amounts payable hereunder shall be payable on demand. With respect to any amount not paid when due hereunder, the Lessee shall pay to the Lessor a late charge in the amount of 5% of such amount and interest on such overdue amount at the rate of 1-1/2% per month. Such late charge and interest shall only apply if permitted by applicable law, and, if not so permitted, the late charge and interest shall be calculated at the maximum rates permitted by applicable law.

3 Net Lease. The Lessee's obligation to pay all rent and all other amounts payable hereunder shall be absolute and unconditional and shall not be subject to any abatement, reduction, set off, defense, counterclaim or recoupment for any reason whatsoever, it being the express intention of the Lessor and the Lessee that all Monthly Rent and all other payments payable by the Lessee hereunder shall be, and continue to be, payable in all events unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease. **THE LESSOR HEREBY DISCLAIMS ANY REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING WITHOUT LIMITATION, THE DESIGN OR CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, THE QUALITY OF THE MATERIAL OR WORKMANSHIP THEREOF OR ITS CONFORMITY TO THE PROVISIONS AND SPECIFICATIONS OF ANY PURCHASE ORDER OR ORDERS RELATING THERETO, NOR SHALL THE LESSOR BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING STRICT OR ABSOLUTE LIABILITY IN TORT).**

4 Return of Equipment; Liens. Upon the expiration or earlier termination of this Lease with respect to an Item, the Lessee, at its own risk and expense, shall return such Item to the Lessor at the place originally delivered hereunder in the condition in which such Item is required to be maintained pursuant to Section 6 hereof, packaged, crated and otherwise ready for shipment. Each Item, during the term of this Lease and upon redelivery pursuant hereto, shall be free and clear of all mortgages, liens, security interests, charges, encumbrances and claims arising by, through or under the Lessee, and the Lessee will, at its own expense, take such action as may be necessary to discharge the same.

5 Taxes. The Lessee agrees to declare, pay, indemnify and hold the Lessor and any assignees thereof harmless from and against all franchise, sales, use, personal property, ad valorem, value added, leasing, leasing use, or other taxes, levies, imposts, duties, charges, or withholdings of any nature, together with any penalties, fines or interest thereon (other than taxes based upon net income). The Lessee further agrees to indemnify and hold the Lessor and any assignees thereof harmless from and against all liabilities, obligations, losses, damages, costs, actions, suits, expenses, disbursements and claims (including claims based upon strict liability or involving latent defects) of any kind or nature whatsoever in any way relating to or arising out of this Lease or the transactions contemplated by this Lease, the rentals, receipts or earnings arising therefrom, or any Item or the manufacture, purchase, acceptance, delivery, lease, possession, use, operation, maintenance, condition, return, storage or disposition thereof.

6 Use, Maintenance and Operation; Equipment Marking; Sublease and Assignment; Inspection. The Lessee agrees that each Item will be used in compliance with all applicable statutes, laws, ordinances and regulations, will at all times be used solely in its business and be and remain solely in the possession and control of the Lessee. No Item shall be removed from the location where delivered hereunder without the Lessor's consent, which consent shall not be unreasonably withheld. Throughout the term of this Lease, the possession, use and maintenance of each Item shall be at the sole risk and expense of the Lessee. The Lessee shall, at its own cost and expense, repair and maintain each Item so as to keep it in as good condition as when delivered to the Lessee hereunder, ordinary wear and tear excepted. The Lessee may not affix or install any accessory, equipment or device on any Item or make any improvement or addition thereto which cannot be removed without causing material damage to such Item. During the term of this Lease, each Item shall be and remain personal property. The Lessee agrees, at its own cost and expense, to cause each Item to be kept numbered with the identification or serial number therefor specified in the Certificate of Acceptance. The Lessee will not, without the Lessor's consent, which consent shall not be unreasonably withheld, sublet or otherwise relinquish possession of any Item or assign any of its rights hereunder or permit any other party to use any Item. The Lessor may sell or assign this Lease for any purpose whatsoever, and the Lessee hereby consents to all such assignments and agrees that any such assignee shall be deemed to be the Lessor hereunder. Upon the request of the Lessor, the Lessee shall confirm to the Lessor the location of each Item and shall, at any reasonable time, make each Item and the Lessee's records pertaining thereto available to the Lessor for inspection.

7 Loss or Destruction. In the event that any Item shall be damaged and cannot be repaired, or shall be destroyed, lost, stolen, or permanently rendered unfit for any reason whatsoever (any such occurrence being referred to as an *Event of Loss*), the Lessee shall promptly notify the Lessor of such Event of Loss and on the Rent Date next following the date of such Event of Loss pay to the Lessor, as the *Casualty Value* of such Item, the greater of 120% of the then remaining amount of Monthly Rent applicable to such Item payable hereunder or 20% of the Total Cost of such Item. Following payment of the *Casualty Value* of an Item which has been damaged, destroyed or permanently rendered unfit, the Lessee shall cause such Item to be disposed of on an *as is*, *where is* basis without recourse, representation or warranty, express or implied. As to each Item so disposed of, the Lessee shall be entitled to retain the proceeds of such sale, up to the *Casualty Value* thereof, plus the Lessee's reasonable disposition costs, and all amounts in excess thereof shall be remitted to the Lessor.

8 Insurance. At its own expense, the Lessee will cause to be earned and maintained casualty insurance with respect to each Item in an amount not less than the *Casualty Value* thereof and public liability insurance in an amount satisfactory to the Lessor. Policies with respect to such insurance shall (a) be with an insurance carrier acceptable to the Lessor, (b) name the Lessor as assured and loss payee, and (c) provide for at least 10 days' prior written notice by the insurance carrier to the Lessor in the event of cancellation, expiration or material modification.

9 Events of Default. The term *Event of Default*, wherever used herein, shall mean any of the following events under this Lease: (a) the Lessee shall fail to make any payment of Monthly Rent within 10 days after the same shall become due; (b) the Lessee shall fail to perform or observe any other covenant, condition or agreement to be performed or observed by it under this Lease or any agreement, document or certificate delivered by the Lessee in connection herewith, and such failure shall continue for 15 days after written

notice thereof from the Lessor to the Lessee, (c) any representation or warranty made by the Lessee in this Lease or in any document or certificate furnished by the Lessor in connection herewith shall prove to have been incorrect in any material respect when such representation or warranty was made or given, (d) a petition in bankruptcy or for reorganization or arrangement shall be filed by the Lessee, or the Lessee shall make an assignment for the benefit of creditors or consent to the appointment of a trustee or a receiver; or a trustee or a receiver shall be appointed for the Lessee, or for any Item, or for a substantial part of the Lessee's property without its consent, and any such trustee or receiver shall not be dismissed within a period of 60 days, or bankruptcy, reorganization, or insolvency proceedings shall be instituted against the Lessee and shall not be dismissed within a period of 60 days, or (e) the Lessee shall attempt to remove, sell, transfer, encumber, part with possession, assign or sublet any Item, without the Lessor's consent.

10 Remedies. Upon the occurrence of any Event of Default and so long as the same shall be continuing, the Lessor may, at its option, declare this Lease to be in default by written notice to such effect given to the Lessee, and at any time thereafter, the Lessor may, as the Lessor in its sole discretion, shall elect, (a) proceed by appropriate court action, either at law or in equity, to enforce performance by the Lessee of the applicable covenants of this Lease or to recover damages, including consequential damages, for the breach thereof, and/or (b) by notice in writing terminate this Lease, whereupon all rights of the Lessee to the use of the Equipment shall absolutely cease and terminate and the Lessee shall at its expense promptly return the Equipment to the possession of the Lessor at such place as the Lessor shall designate and in the condition required upon the return thereof pursuant to this Lease and, the Lessor, at its option, may enter upon the premises where the Items are located and take immediate possession of and remove the same by summary proceedings or otherwise. Without further demand, the Lessee shall forthwith pay to the Lessor an amount equal to any unpaid Monthly Rent due and payable for all periods up to and including the Rent Date following the date on which the Lessor has declared this Lease to be in default, plus, as liquidated damages for loss of a bargain and not as a penalty, an amount equal to the *Casualty Value* of the Equipment, computed as of the Rent Date following the date on which the Lessor has declared this Lease to be in default. The Lessee shall be liable for all costs, charges and expenses, including reasonable legal fees and disbursements, incurred by the Lessor by reason of the occurrence of any Event of Default or the exercise of the Lessor's remedies with respect thereto. No remedy referred to herein is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to above or otherwise available to the Lessor of any default or Event of Default hereunder shall in any way be, or be construed to be, a waiver of any future or subsequent default or Event of Default.

11 Lessee Representations. The Lessee represents and warrants that (a) the Lessee is a corporation duly organized and validly existing in good standing under the laws of the jurisdiction of its incorporation, is duly qualified to do business in each jurisdiction where any Item is, or is to be, located, and has full corporate power and authority to hold property under lease and to enter into and perform its obligations under this Lease, (b) the execution, delivery and performance by the Lessee of this Lease have been duly authorized by all necessary corporate action on the part of the Lessee, are not inconsistent with its Certificate of Incorporation or By-Laws, do not violate any law or governmental rule, regulation or order applicable to the Lessee, do not and will not contravene any provision of, or constitute a default under, any indenture, mortgage, contract, or other instrument to which it is bound, and, upon execution and delivery hereof, will constitute a legal, valid and binding agreement of the Lessee, enforceable in accordance with its terms, and (c) no action in respect of or by any state, federal, or other governmental authority or agency is required with respect to the execution, delivery, and performance by the Lessee of the Lease.

12 Notices. All communications and notices provided for herein shall be in writing and shall become effective when deposited in the United States mail, with proper postage for first-class mail prepaid, addressed to the respective addresses set forth above, or such other address as the Lessee or the Lessor may from time to time give the other in writing.

13 Payments. Payments hereunder shall be made payable to "Intel Capital Corporation" and sent to it at 425 Battery Street, San Francisco, California 94111.

14 Miscellaneous. This Lease and all agreements, covenants, representations and warranties in any other certificate or document delivered by the Lessee in connection herewith shall be binding upon and inure to the benefit of the Lessor and its successors and assigns. The terms of this Lease shall not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever except by written instrument signed by the Lessor and the Lessee. All agreements, indemnities, representations and warranties in this Lease or in any document or certificate delivered pursuant hereto or in connection herewith shall survive execution and delivery of this Lease and the expiration or other termination of this Lease. This Lease shall be construed in accordance with, and shall be governed by, the laws of the State of New York.

ASSIGNMENT

The Lessor under the foregoing Lease hereby sells, assigns and conveys all of its right, title and interest in, to and under the foregoing Lease to _____,

c/o _____

and the undersigned Assignee hereby assumes all of the Lessor's obligations and duties thereunder.

INTEL CAPITAL CORPORATION

LESSOR

ASSIGNEE

BY (SIGNATURE)

BY (SIGNATURE)

(PRINTED NAME)

(PRINTED NAME)

TITLE

DATE

TITLE

DATE

Lease Reference No. _____

EQUIPMENT LEASE RIDER

THIS RIDER is hereby incorporated into that certain Equipment Lease (the Lease) between the parties hereto and more particularly identified by the Lease Reference Number set forth above.

It is understood that the Lessee is a railroad in reorganization under Section 77 of the Bankruptcy Act, and that notwithstanding anything herein to the contrary, the following provisions shall apply:

(i) No termination of this agreement by reason of any default shall be final except after delivery of written notice from the Lessor to the Lessee, and the continuance uncured of the default or defaults specified in such notice for 30 days;

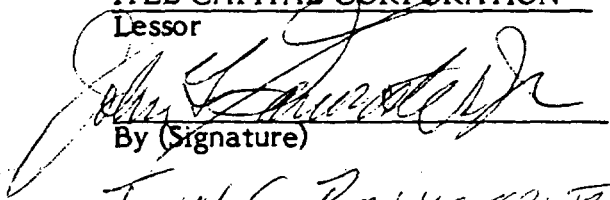
(ii) The Lessee's interest under this agreement shall be deemed assigned to and its obligations assumed by the reorganized debtor issuing from the reorganization proceedings upon approval and implementation of a Plan of Reorganization of the Lessee under Section 77 of the Bankruptcy Act;

(iii) If the reorganization proceedings are dismissed under Section 77 (g) of the Bankruptcy Act or otherwise and liquidation of the Lessee is instituted, the Lessee's interest and obligations, in the absence of the existence of a default, may be assigned with the Lessor's consent which shall not be with-held unreasonably and upon such assignment, the obligations of the Lessee hereunder shall terminate without further liability.

All terms used herein shall have the meanings set forth in the Lease.

ITEL CAPITAL CORPORATION

Lessor



By (Signature)

JOHN G. BANNISTER, JR.
(Printed Name)

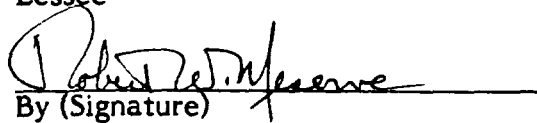
VICE PRES.

Title

2-1-79

Date

ROBERT W. MESERVE AND BENJAMIN H. LACY, TRUSTEES OF THE PROPERTY OF BOSTON AND MAINE CORPORATION, Debtor Lessee



By (Signature)

(Printed Name)

One of the Trustees

Title

2-1-79

Date

EQUIPMENT LEASE RIDER

THIS RIDER is hereby incorporated into that certain Equipment Lease (the Lease) between the parties hereto and more particularly identified by the Lease Reference Number set forth above.

1. Section 4, first sentence. The words "at the place originally delivered hereunder" shall be deleted and the following words are inserted in lieu thereof: "at such location on the lines of the Lessee or such other place as is agreed to by the Lessor and the Lessee".

There shall be added to Section 4 a third sentence which shall read as follows:

"Upon the expiration or earlier termination of this Lease, the Lessee agrees to provide, at no expense to the Lessor, storage for the Equipment for a period not to exceed twelve months and shall make the Equipment available for inspection by representatives of the Lessor or prospective purchasers of the Equipment from the Lessor."

2. Section 6. The first two sentences of Section 6 shall be deleted and there shall be inserted, in lieu thereof, the following:

"The Lessee agrees that each Item shall be used in compliance with all applicable statutes, laws, ordinances and regulations and will at all times be used only on rail lines in the U. S. and Canada."

3. Section 8. Section 8 is deleted in its entirety and there is hereby substituted, in lieu thereof, the following:

"8. Insurance. At its own expense, Lessee will cause to be carried and maintained casualty insurance and public liability insurance in amounts and with carriers as is normally carried by the Lessee on similar equipment owned by the Lessee."

4. Section 10. The following language shall be inserted immediately following the second sentence of Section 10.

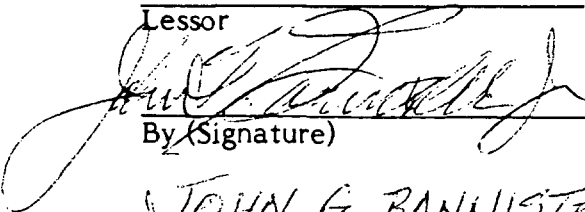
"Lessor shall sell the Equipment at private or public sale, in bulk or in parcels, with or without notice, without having the Equipment present at the place of sale; or Lessor shall lease, otherwise dispose of or keep idle all or part of the Equipment; subject, however, to its obligation to mitigate damages. The proceeds of sale, lease or other disposition, if any, shall be applied (a) to all Lessor's costs, charges and expenses incurred in taking, removing, holding, repairing and selling, leasing or otherwise disposing of the Equipment; then (b) to the extent not previously paid by Lessee, to pay Lessor the Casualty Value for the Equipment and all other sums, including any unpaid rent and any indemnification then remaining unpaid hereon; then (c) to reimburse to Lessee any such sums previously paid by Lessee as liquidated damages; (d) any surplus shall be retained by Lessor. Lessee shall pay any deficiency in (a) and (b) forthwith".

5. The Lessor and the Lessee agree that this Lease shall be of no force and effect and the Lessor shall be under no obligation to advance funds for payment of an Item unless and until this Lease obligation shall have been expressly approved by the court having jurisdiction over the Lessee's reorganization and the Lessee furnishes the Lessor with appropriate evidence, satisfactory to the Lessor, that the obligations of the Lessee ~~shall constitute a first priority claim with respect to the Lessee's reorganization or bankruptcy.~~ UNDER THE LEASE WILL CONSTITUTE A COST OF ADMINISTRATION ENTITLED TO PRIORITY WITH ALL OTHER COSTS OF ADMINISTRATION.

All terms used herein shall have the meanings set forth in the Lease.

ITEL CAPITAL CORPORATION

Lessor


By (Signature)

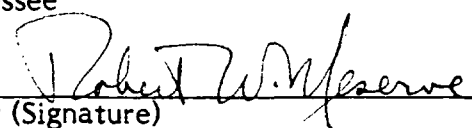
JOHN G. BANNISTER, JR.
(Printed Name)

VICE PRES.
Title

2-1-79
Date

ROBERT W. MESERVE AND BENJAMIN H. LACY, TRUSTEES OF THE PROPERTY OF BOSTON AND MAINE CORPORATION, DEBTOR

Lessee


By (Signature)

(Printed Name)

One of the Trustees
Title

2-1-79
Date



425 BATTERY STREET
SAN FRANCISCO, CALIFORNIA 94111 415/955-9179

**VOLUNTARY TERMINATION RIDER TO
EQUIPMENT LEASE**

SALES REPRESENTATIVE

04	Gerard P. Kelly
NUMBER	NAME

LEASE REFERENCE NUMBER

NUMBER

THIS RIDER is hereby incorporated into that certain Equipment Lease (the Lease) between the parties hereto and more particularly identified by the Lease Reference Number set forth above.

So long as no Event of Default shall have occurred and be continuing under the Lease, at any time on or after the twelfth Monthly Rent payment date for an Item, and upon no less than 90 days prior written notice to the Lessor, the Lessee shall have the right to terminate the Lease with respect to any Item if such Item has become economically obsolete or surplus to the Lessee's needs, such termination to be effective on the first Monthly Rent payment date following the expiration of the 90-day notice period (the Termination Date).

During the period from the giving of such notice until the Termination Date, the Lessee shall use its best efforts to obtain bids for the cash purchase of the Item. The Lessee shall certify in writing the highest bid received and the name and address of the party submitting such bid.

On the Termination Date, the Lessor shall sell the Item, without recourse or warranty against receipt in cash of the full amount of the purchase price, to the purchaser submitting the highest bid and shall transfer to such purchaser all the Lessor's right, title and interest in and to the Item.

The Lessor shall retain the full amount of such sale proceeds and, in addition, the Lessee shall pay to the Lessor on the Termination Date (i) all reasonable expenses incurred by the Lessor in selling the Item, and (ii) the amount, if any, by which the applicable Termination Value (as defined below) exceeds such sale proceeds.

Upon compliance by the Lessee with all the requirements set forth above, the Lessee's obligation to pay rent for such Item accruing after the Termination Date shall cease.

Termination Value, as used herein, shall mean an amount equal to the Total Cost of the Item multiplied by the percentage set forth opposite the applicable Termination Date.

All terms used herein shall have the meanings set forth in the Lease.

ITEL CAPITAL CORPORATION

LESSOR

[Handwritten Signature]

BY (SIGNATURE)

JOHN G. BANNISTER, JR.

(PRINTED NAME)

VICE PRES.

TITLE

2-1-79

DATE

**Robert W. Meserve and Benjamin H. Lacy,
Trustees of the Property of Boston and**

LESSEE

Maine Corporation, Debtor

BY (SIGNATURE)

[Handwritten Signature]

(PRINTED NAME)

One of the Trustees

TITLE

2-1-79

DATE

Double Door Boxcars
Termination Values

<u>End of Month*</u>	<u>% of \$19,500</u>
12	98.99
24	96.53
36	90.87
48	83.90
60	73.54
72	64.13
84	53.93
96	42.27
108	28.76
120	20.00

* In determining the Termination Values for the termination dates not set forth in the above table, the applicable percentage shall be calculated as follows:

(a) determine for a particular termination date the difference in the percentage for the end of the month as shown above for the month next preceding the actual termination date and the percentage for the end of the month as shown above for the month next succeeding the actual termination date, and

(b) the percentage for the end of the month as shown above for the month next preceding the actual termination date shall be reduced by the appropriate amount of the difference calculated under (a) above which amount will be computed on a monthly pro rata basis.



425 BATTERY STREET
SAN FRANCISCO, CALIFORNIA 94111 415/955-9179

**PURCHASE OPTION RIDER TO
EQUIPMENT LEASE**

SALES REPRESENTATIVE

04 Gerard P. Kelly
NUMBER NAME

LEASE REFERENCE NUMBER

NUMBER _____

THIS RIDER is hereby incorporated into that certain Equipment Lease (the Lease) between the parties hereto and more particularly identified by the Lease Reference Number set forth above.

Provided that the Lease has not been terminated and provided that no Event of Default has occurred and is continuing under the Lease, the Lessee shall have the option to purchase the Equipment at the end of the term of the Lease for a purchase price equal to the Fair Market Value thereof, determined as of the end of such term. Not less than 120 days prior to the end of the term of the Lease, the Lessee may indicate, by written notification to the Lessor, the Lessee's interest in exercising the Lessee's purchase option described above and setting forth, in such written notification, the Lessee's estimate of the Fair Market Value of the Equipment as of the end of such term. If, on or before a date 90 days prior to the end of the term of the Lease, the Lessor and the Lessee are unable to agree upon a determination of the Fair Market Value of the Equipment, such Fair Market Value shall be determined in accordance with appraisal procedures of the American Arbitration Association. After a determination of the Fair Market Value has been made in accordance with the procedure described above, the Lessee may exercise its option to purchase the Equipment for the Fair Market Value thereof by delivering written notification of such exercise to the Lessor not less than 30 days prior to the end of the term of the Lease.

At the end of the term of the Lease, if the Lessee has elected to purchase the Equipment, and no Event of Default has occurred and is continuing under the Lease, the Lessee shall purchase from the Lessor and the Lessor shall sell to the Lessee, without recourse or warranty, the Equipment for a cash consideration equal to the fair market value thereof. Upon payment of such purchase price, the Lessor shall, upon request of the Lessee, execute and deliver to the Lessee, or to the Lessee's assignee or nominee, a bill of sale (without representations or warranties except that the Equipment is free and clear of all claims, liens, security interests and other encumbrances by or in favor of any person claiming by, through or under the Lessor) for the Equipment.

All terms used herein shall have the meanings set forth in the Lease.

ITEL CAPITAL CORPORATION
LESSOR
[Signature]
BY (SIGNATURE)
JOHN G. BANNISTER, JR.
(PRINTED NAME)
VICE PRES.
TITLE
2-1-79
DATE

Robert W. Meserve and Benjamin H. Lacy,
Trustees of the Property of Boston and
LESSEE
Maine Corporation, Debtor
[Signature]
BY (SIGNATURE)
(PRINTED NAME)
One of the Trustees
TITLE
2-1-79
DATE

EXHIBIT A

CERTIFICATE OF ACCEPTANCE

MLL Leasing Corp.
One Liberty Plaza
New York, New York 10002

Attention:

Gentlemen:

1. The undersigned officer of the Boston and Maine Corporation is your authorized representative designated under that certain Rehabilitation Agreement dated as of March 1, 1979 (the "Agreement"), between you and Itel Corporation, Equipment Management Division, ("Itel"). As such authorized representative, the undersigned hereby represents and certifies to you as follows:

(a) that the cars described on Schedule I hereto have been duly delivered in good order by Itel under the Agreement, have been duly inspected and accepted on the respective dates shown on Schedule I hereto by the undersigned as your authorized representative and conform in all respects to the requirements and specifications of the Agreement; and

(b) that each such car was at its delivery properly marked on each side thereof with the legend provided in the Lease between you and the Boston and Maine Corporation hereinafter referred to.

2. The undersigned Boston and Maine Corporation (the "Lessee"), is the Lessee under the certain Equipment, Lease, Lease Reference Number _____ (the "Lease"), between you as the Lessor and the Lessee. As such Lessee, we hereby request you to pay the attached invoices for the rehabilitation and delivery of the cars described below. We hereby represent and certify to you that the cars described below have been delivered to us, as Lessee under the Lease, on the date indicated on Schedule I hereto, and have been duly inspected and are hereby accepted by us for lease under the Lease.

3. This Certificate of Acceptance shall be and become a part of the Lease, and the cars described below are hereby declared to be Equipment leased by us thereunder. The Lease was filed and recorded with the Interstate Commerce Commission on _____, 1979, at _____ a.m. with Recordation No. _____.

Officer and authorized representative, as
aforesaid, and signing as to the matters
in paragraph 1 above dated: _____,
1979

BOSTON AND MAINE CORPORATION,
Lessee, and signing as to the matters in
paragraphs 2 and 3 above.

By _____

Its

Dated: _____

, 1979