

# ITEL

February 25, 1992

10872-A  
FEB 1992

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INTERSTATE COMMERCE COMMISSION **Itel 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

2-059A005

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MOTION OPERATING UNIT

**Re: Release and Termination ("Release")**

Dear Mr. Strickland:

On behalf of ITEL Rail Corporation, the above instrument, in four (4) counterparts, is hereby submitted for filing and recording pursuant to 49 U.S.C. Section 11303(a), along with the \$32 recordation fee.

Please record this Release under the Loan and Security Agreement dated as of September 10, 1979, between Rex Railways, Inc. and United Jersey Bank, which was filed with the ICC on September 10, 1979, under Recordation No. 10872.

The parties to the aforementioned instrument are listed below:

Rex Railways, Inc.	(Debtor)
550 California Street	
San Francisco, California 94104	
United Jersey Bank	(Secured Party)
210 Main Street	
Hackensack, New Jersey 07602	

Effective as of March 25, 1989, the Loan and Security Agreement is terminated in its entirety.

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

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RECORDATION NO. 10872 FILED 1992

FEB 28 1992 2:00 PM

INTERSTATE COMMERCE COMMISSION **RELEASE AND TERMINATION**

**THIS RELEASE AND TERMINATION (THE "RELEASE")** dated as of March 25, 1989, between UNITED JERSEY BANK, a New Jersey banking corporation ("United") and REX RAILWAYS, INC., a New Jersey corporation ("Rex Railways").

**WHEREAS**, Pullman Standard Division of Pullman Incorporated, a manufacturer, sold to McDonnell Douglas Finance Corporation ("MDFC"), a corporation, a rail car, reporting marks BM 79050-79099, in which the Pullman Standard Division of Pullman Incorporated was the original owner, Sale dated March 16, 1979; and

**WHEREAS**, Rex Railways purchased the rail car from the Pullman Standard Division of Pullman Incorporated pursuant to a Conditional Sale Agreement, dated as of March 12, 1979, and given Recordation No. 10192-A, and given Recordation No. 10872 - 11303(a)

**WHEREAS**, Rex Railways leased the rail car to Benjamin H. Lacy, Trustees of the Property of Boston, Massachusetts, pursuant to a Lease Agreement, dated as of November 30, 1978, as amended (as amended, the "Lease"), which was filed with the Interstate Commerce Commission ("ICC") pursuant to U.S.C. Section 11303(a) on March 12, 1979, and given Recordation No. 10192-A; and

**WHEREAS**, as collateral security for the payment and performance of its obligations under the CSA, Rex Railways assigned to MDFC its rights under the Lease, pursuant to a Lease Agreement Assignment, dated as of March 9, 1979 (the "MDFC Assignment"), between Rex Railways and MDFC, which was filed with the ICC pursuant to 49 U.S.C. Section 11303(a) on March 12, 1979, and given Recordation No. 10192-C; and

**WHEREAS**, United loaned Rex Railways funds to satisfy fully its obligations under the CSA pursuant to a Loan and Security Agreement, dated as of September 10, 1979 (the "Loan Agreement"), between Rex Railways and United; and

**WHEREAS**, Rex-Noreco, Inc. ("Rex-Noreco") guaranteed the obligations of Rex Railways under the Loan Agreement pursuant to a guarantee (the "Guarantee"), between Rex-Noreco and United; and

**WHEREAS**, in consideration of the satisfaction by United of all Rex Railways' obligations under the CSA, MDFC released its interest in the Cars, the Lease and the MDFC Assignment pursuant to a release, dated as of November 15, 1979 (the "Release"), given by MDFC to United, which was filed with the ICC pursuant to 49 U.S.C. Section 11303(a) on November 16, 1979, and given Recordation No. 10268-I, and cross-indexed as Recordation No. 10192-E; and

**WHEREAS**, as collateral security for the payment and performance of its obligations under the Loan Agreement, Rex Railways assigned to United its rights in and

to the Cars and the Lease pursuant to a Lease Agreement Assignment, dated as of September 10, 1979 (the "Assignment"), between Rex Railways and United, which was filed pursuant to 49 U.S.C. Section 11303(a) on October 10, 1979, and given Recordation No. 10192-D; and

**WHEREAS**, Rex Railways has fulfilled all its obligations due United under the Loan Agreement, the Loan Agreement expired by its terms on March 25, 1989, and the Guarantee has been extinguished; and

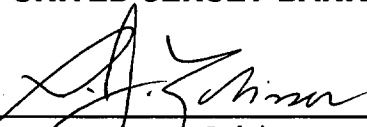
**WHEREAS**, pursuant to the terms of the Loan Agreement and the Assignment, United has agreed to release its interests in the Cars and in the Lease, to make the termination of the Loan Agreement and the Assignment a matter of public record and to make clear upon the public record that the Guarantee has been extinguished.

**NOW, THEREFORE**, pursuant to the premises and the covenants and promises contained in the Loan Agreement and the Assignment, United and Rex Railways agree as follows:


1. Effective as of March 25, 1989, the Loan Agreement and the Assignment are hereby terminated in their entirety, except as to any rights and obligations that may, by their terms, survive expiration or termination.
2. Effective as of March 25, 1989, United fully, completely and irrevocably releases any interest it has or might have in and to the Cars or the Lease.
3. United acknowledges that the Guarantee has been extinguished, effective as of March 25, 1989, and hereby releases Rex-Noreco from all obligations thereunder.
4. United will, at Rex Railways' expense, from time to time, do and perform any other act and will execute and acknowledge any and all further instruments required by law or reasonably requested and prepared by Rex Railways in order to release or convey to Rex Railways any interests which United has or may have in the Cars or the Lease.
5. This Release shall be governed by and construed in accordance with the laws of the State of New Jersey, but the parties shall be entitled to all rights conferred by the laws of the United States permitting filing with the Interstate Commerce Commission.

**IN WITNESS WHEREOF**, the parties have executed and delivered this Release as of the date first above written.

**UNITED JERSEY BANK**

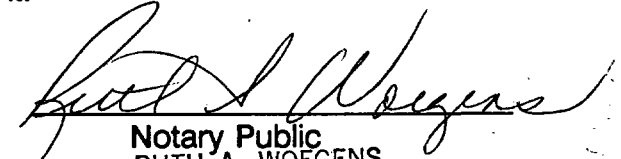
By   
Name: George J. Lobisser  
Title: Vice President

**REX RAILWAYS, INC.**

By   
Name: Jeffrey A. Corbett  
Title: President

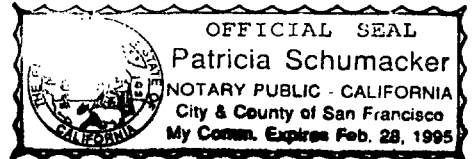
STATE OF NEW JERSEY )  
 ) ss.  
COUNTY OF Bergen )

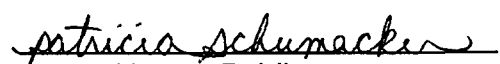
On this 19th day of February, 1992, before me personally appeared George Lobisser personally known to me to be the person who executed the within instrument as Vice President of United Jersey Bank and acknowledged to me that the association executed it.

  
Notary Public  
RUTH A. WOEGENS  
NOTARY PUBLIC OF NEW JERSEY  
MY COMMISSION EXPIRES APRIL 18, 1996

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

On this 18th day of February, 1992, before me personally appeared Jeffrey A. Corbett, personally known to me to be the person who executed the within instrument as President of Rex Railways, Inc. and acknowledged to me that the corporation executed it.



  
Notary Public