



1100 Shawnee Street
Mount Vernon, Illinois
(P) 618.241.9270

RECORDATION NO. 25966-B
FILED AUGUST 18, 2016 2:44 PM
SURFACE TRANSPORTATION BOARD

August 18, 2016

Chief
Section of Administration
Office of Proceedings
Surface Transportation Board
Washington DC 20423-0001

Re: Partial Termination and Release of Security Interests and Liens

Dear Section Chief,

Enclosed for recordation pursuant to the provisions of 49 USC Section 11301(a) is a copy of the Partial Termination and Release of Security Interests and Liens dated August 17, 2016, a secondary document as defined in the Board's Rules for Recordation of Documents. The enclosed document relates to the Memorandum of Lease evidencing such lease Equipment which was duly filed with the Surface Transportation Board on July 25, 2007 at 11:10 a.m. under primary recordation number 25966-A.

The names and addresses of the parties to the enclosed Locomotive Lease Agreement are as follows:

Lessor: National Railway Equipment Co.
1100 Shawnee Street
Mt. Vernon, IL 62864

Lessee: Tennessee Valley Authority
1101 Market Street
Chattanooga, TN 37402

The enclosed document is for two (2) locomotives bearing road numbers NREX 2924 and NREX 2940 (see Exhibit A) which are terminated in all respects and are no longer covered under the Lease.

A short summary of the document to appear in the index follows: Partial Termination and Release of Security Interests and Liens.

Attached please find a credit card authorization form in the amount of \$43.00 to cover the E-Filing fees for recordation of the attached Locomotive Lease.



1100 Shawnee Street
Mount Vernon, Illinois
(P) 618.241.9270

Please return a date-stamped copy of the Partial Termination and Release of Security Interests and Liens to:

Hal Burgan
National Railway Equipment Co.
P.O. Box 1416
Mt. Vernon, Illinois 62864

Thank you.

Sincerely,

A handwritten signature in black ink, consisting of stylized, cursive letters that appear to read 'HOB'.

Hal Burgan
General Counsel

PARTIAL TERMINATION AND RELEASE OF SECURITY INTERESTS AND LIENS

WHEREAS, THE PRIVATEBANK AND TRUST COMPANY (the “**Agent**”) and NATIONAL RAILWAY EQUIPMENT CO., an Illinois corporation, (the “**Borrower**”), certain subsidiaries of the Borrower (together with the Borrower, the “**Loan Parties**”) and certain Lenders party thereto (the “**Lenders**”) have entered into that certain Loan and Security Agreement dated as of February 22, 2011 (as the same may be amended, restated or otherwise modified from time to time, the “**Loan Agreement**”) pursuant to which the Lenders have agreed to make loans to and issue letters of credit for the account of the Borrower;

WHEREAS, the obligations of the Loan Parties under the Loan Agreement have been secured thereunder and pursuant to (i) that certain Memorandum of Loan and Security Agreement dated as of February 15, 2011, executed by the Loan Parties in favor of the Agent, recorded at the Surface Transportation Board (“**STB**”) on February 17, 2011 under Recordation Number 29654, as amended by that certain Amended Memorandum of Loan and Security Agreement dated as of September 30, 2014 executed by the Loan Parties in favor of Agent, recorded at the STB on September 30, 2014 under Recordation No. 29654-K, and (ii) that certain Collateral Assignment of Locomotive Leases dated as of February 15, 2011, executed by the Loan Parties in favor of Agent, recorded at the STB on February 17, 2011 under Recordation No. 29655, and that certain Amendment No. 1 to Collateral Assignment of Locomotive Leases dated as of June 22, 2012, executed by the Loan Parties in favor of Agent, recorded at the STB on August 31, 2012 under Recordation No. 29655-B;

WHEREAS, Borrower intends to sell a certain locomotives listed on Exhibit A attached hereto (the “**Locomotives**”), which such Locomotives currently constitute Collateral under the Loan Agreement; and

WHEREAS, the Borrower has requested that the Agent release its lien in connection with the Locomotives, and Agent has agreed to release such lien.

WHEREAS, Agent has agreed to release its lien in connection with the Locomotives and desires to execute this Release to evidence for the public record the satisfaction and release of all the rights and obligations of the Borrower under the Loan Agreement with respect to the Locomotives, and hereby authorizes the recording of this instrument with the STB.

THEREFORE, for value received, the Agent hereby releases and conveys unto the Borrower without recourse or warranty, all right, title, claim and interest whatsoever the Agent has or may have in the Locomotives listed on Exhibit A. The Agent’s security interest in the Locomotives is hereby terminated, and all of the Agent’s right, title, and interest in and to the Locomotives is null and void. Unless specifically listed on Exhibit A hereto, the security interests and liens in the remaining Collateral pursuant to the Loan Agreement remain in force and effect.

[signature page attached]

IN WITNESS WHEREOF, the Agent has executed or caused this Instrument to be executed as of the date first above written.

THE PRIVATEBANK AND TRUST COMPANY

By: _____
Name: Richard Piza
Its: Managing Director

STATE OF ILLINOIS)
)ss:
COUNTY OF COOK)

August 17, 2016, before me, Michelle Stevens, the undersigned Notary Public, personally appeared Richard Piza personally known to me to be the person who executed the within instrument as Managing Director on behalf of the company therein named, and acknowledged to me that the corporation executed it.

Michelle A Stevens
Notary Public for State of Illinois
My Commission expires 4/21/19



Exhibit A

Locomotives

Unit Number: NREX 2924

Type: GP-50

Unit Number: NREX 2940

Type: GP-50

JUL 25 '07

11-10 AM

MEMORANDUM OF LEASE AGREEMENT**SURFACE TRANSPORTATION BOARD**

THIS MEMORANDUM OF LEASE AGREEMENT is made and entered into as of May 22, 2006, by and between NATIONAL RAILWAY EQUIPMENT CO. ("Lessor"), and TENNESSEE VALLEY AUTHORITY ("Lessee"), with reference to the following:

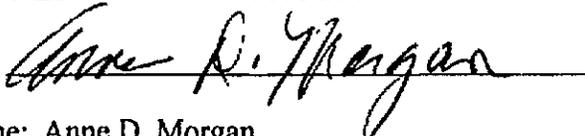
1. Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor, Locomotive model(s) described herein.

Each locomotive is fully-described in a certain Lease Agreement dated as of May 22, 2006, (together with all of the riders, schedules and other attachments thereto, collectively, the "Lease"), each between Lessor and Lessee. A Schedule of the equipment is attached hereto.

2. The Lease shall be effective as of the date hereof and shall be subject to the term specified in the Lease, and any extension of such term to the extent provided for in the Lease.

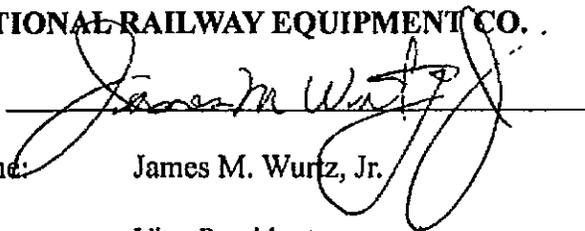
The Memorandum of Lease Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Memorandum of Lease Agreement.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Lease Agreement to be executed as of the date first above written.

LESSEE:**TENNESSEE VALLEY AUTHORITY**By: 

Name: Anne D. Morgan

Title: Procurement Agent

LESSOR:**NATIONAL RAILWAY EQUIPMENT CO.**By: 

Name: James M. Wurtz, Jr.

Title: Vice President

STATE OF Tennessee)

COUNTY OF Hamilton)

SS.

On this 22 day of May, 2006, before me appeared Don Morgan the person who signed this instrument who acknowledged that (s) he is the Agent of this Contract and that, being duly authorized, (s) he signed such instrument as a free act on behalf of said corporation.

Cristal Samples
Notary Public



[Seal]

My Commission Expires:

My Commission Expires April 22, 2009

STATE OF Illinois)

COUNTY OF Cook)

SS.

On this 1st day of JUNE, 2006, before me appeared James Watz the person who signed this instrument who acknowledged that (s) he is the Vice President of National Packaging Corp and that, being duly authorized, (s) he signed such instrument as a free act on behalf of said corporation.

Robert E. Loewer, Jr.
Notary Public



[Seal]

My Commission Expires:

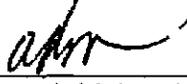


SCHEDULE OF EQUIPMENT

Lessor: NATIONAL RAILWAY EQUIPMENT CO.

Lessee: TENNESSEE VALLEY AUTHORITY

Approved by:



(Lessee to initial each page)

Attached to Bill of Sale dated:

Equipment Located at:

National Railway Equipment Co.'s
remanufacturing facility in Silvis, Illinois

Equipment Schedule No.: See Schedule "A"

Manufacturer and/or Vendor
Name & Invoice Number

Equipment
Description

National Railway Equipment Co.

(1) EMD GP-11 Switcher Locomotive
(3) EMD GP-50 Road/Switcher Locomotive

**SCHEDULE "A"
ADDENDUM I**

Attached to and incorporated into the Lease dated the 1st day of August, 2005 by and between the National Railway Equipment Co. (LESSOR) and Tennessee Valley Authority (LESSEE) is Addendum 1 dated May 22, 2006 inclusive of the addition of three GP50 locomotives and the removal of one GP11 locomotive.

Type and General Description of Locomotive Unit, Marks and Numbers:

UNIT NO.	TYPE	GENERAL DESCRIPTION
NREX 8748	EMD	GP11 General Purpose Locomotive
NREX 8749	EMD	GP11 General Purpose Locomotive

LEASE TERM
4 MONTHS
37 MONTHS

NREX 8748 shall be removed from billable service as of the effective date December 28, 2006. There will be no applicable early termination penalty for this locomotive pursuant to prior mutual consent and agreement between Lessor and Lessee. NREX 8749 shall remain on lease at the Paradise Fossil Fuel Plant.

Type and General Description of Locomotive Unit, Marks and Numbers:

UNIT NO.	TYPE	GENERAL DESCRIPTION
NREX 2940	EMD	GP50 General Purpose Locomotive
NREX 2924	EMD	GP50 General Purpose Locomotive
NREX 2906	EMD	GP50 General Purpose Locomotive

LEASE TERM
36 MONTHS
36 MONTHS
36 MONTHS

COMMENCEMENT DATE: NREX 2940 on February 4, 2006

NREX 2924 on March 15, 2006

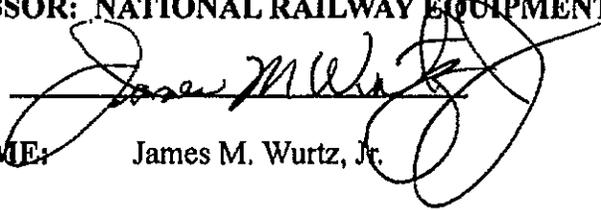
NREX 2906 on April 14, 2006

TERMINATION DATE: NREX 2940 on February 3, 2009

NREX 2924 on March 14, 2009

NREX 2906 on April 13, 2009

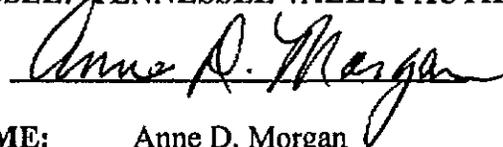
LESSOR: NATIONAL RAILWAY EQUIPMENT CO.

BY: 

NAME: James M. Wurtz, Jr.

TITLE: Vice President

LESSEE: TENNESSEE VALLEY AUTHORITY

BY: 

NAME: Anne D. Morgan

TITLE: Procurement Agent