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NEW YORK, N.Y. 10016  
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CABLE ADDRESS: GOODJAY

MAY 12 1978  
Date  
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CG Washington, D

9374 - A  
RECORDATION NO. .... Filed & Recorded

MAY 12 1978 - 1 00 PM  
INTERSTATE COMMERCE COMMISSION  
May 12, 1978

9374  
RECORDATION NO. .... Filed & Recorded

MAY 12 1978 - 1 00 PM

Interstate Commerce Commission  
Washington, D. C.

INTERSTATE COMMERCE COMMISSION

Att: Recordation Section

Re : The Louisiana and North West Railroad Company  
with Southern Iron and Equipment Co. (Citibank, N.A.)

Gentlemen:

Enclosed please find for filing original executed  
Conditional Sale Agreement, and Agreement and Assign-  
ment in the above matter.

Kindly keep one copy and stamp and return to the  
deliverer three copies of each.

Very truly yours,

*Fred H. Krones*  
Fred H. Krones

feb  
enc.

*Copy typed  
of Fred H. Krones*

RECEIVED  
MAY 12 1 01 PM '78  
CERTIFICATION UNIT

RECORDATION NO. 9374 <sup>14</sup> Filed & Recorded

Execution Copy

MAY 12 1978 - 1 00 PM

INTESTATE COMMERCE COMMISSION

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AGREEMENT AND ASSIGNMENT

Dated as of April 17, 1978

Between

SOUTHERN IRON & EQUIPMENT CO.,  
A Division of Evans Transportation Co.

as Vendor

and

CITIBANK, N.A.

as Assignee

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## AGREEMENT AND ASSIGNMENT

AGREEMENT AND ASSIGNMENT dated as of April 17, 1978 between SOUTHERN IRON & EQUIPMENT CO., a Division of Evans Transportation Co. (the "Manufacturer") and CITIBANK, N.A. (the "Assignee").

WHEREAS, the Manufacturer and the LOUISIANA AND NORTH WEST RAILROAD COMPANY, a Louisiana corporation (the "Railroad"), have entered into a Conditional Sale Agreement dated as of April 17, 1978 (the "Conditional Sale Agreement"; terms defined therein used herein as therein defined unless otherwise defined herein), covering the construction, sale and delivery on the conditions therein set forth, by the Manufacturer and the purchase by the Railroad of the Equipment described in Schedule A to the Conditional Sale Agreement.

WHEREAS, the Assignee and the Railroad have entered into a Finance Agreement dated as of April 17, 1978 (the "Finance Agreement") providing for the acquisition from the Manufacturer by the Assignee of the right, title and interest of the Manufacturer under the Conditional Sale Agreement, subject to the conditions set forth below.

NOW, THEREFORE: THIS AGREEMENT AND ASSIGNMENT (the "Assignment"),

### W I T N E S S E T H:

That, in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration paid by the Assignee to the Manufacturer, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained:

**SECTION 1. Assignment by Manufacturer.** The Manufacturer hereby assigns, transfers and sets over unto the Assignee, its successors and assigns:

(a) All the right, security title and interest of the Manufacturer in and to each Unit of Equipment when and as delivered and accepted upon payment by the Assignee to the Manufacturer of the amount required to be paid under Section 5 hereof; and payment by the Railroad of the amount required to be paid under Section 3.2(a) of the Conditional Sale Agreement.

(b) All the right, title and interest of the Manufacturer in and to the Conditional Sale Agreement (except the right to construct and deliver the Units of Equipment pursuant to Sections 1 and 2.1 thereof and the right to receive the payments specified in subparagraph (a) of Section 3.2 thereof and in Section 14.6 thereof and reimbursement for taxes paid or incurred by the Manufacturer and the right to indemnity from the Railroad for claims arising against the Manufacturer as provided in Sections 12.1 and 13 thereof), and in and to any and all amounts which may be or become due or owing to the Manufacturer under the Conditional Sale Agreement on account of the Conditional Sale Indebtedness with respect to the Equipment and interest thereon, and in and to any other sums becoming due from the Railroad under the Conditional Sale Agreement, other than those hereinabove excluded; and

(c) Except as limited above in subparagraph (b) hereof, all of the Manufacturers's rights, power, privileges and remedies under the Conditional Sale Agreement;

without any recourse, however, against the Manufacturer for or on account of the failure of the Railroad to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the Conditional Sale Agreement; provided, however, that this Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify the obligations of the Manufacturer to construct and deliver the various units of Equipment to be built by it in accordance with the Conditional Sale Agreement or with respect to its warranties and agreements contained in Sections 12.3 and 13 of the Conditional Sale Agreement or relieve the Railroad from its obligations to the Manufacturer under Sections 2, 3.2(a), 7, 12, 13 and 14 of the Conditional Sale Agreement, it being understood and agreed that notwithstanding this Assignment, or any subsequent assignment pursuant to the provisions of Section 14 of the Conditional Sale Agreement, all obligations of the Manufacturer to the Railroad shall be and remain enforceable by the Railroad, its successors and assigns, against and only against the Manufacturer. In furtherance of the foregoing assignment and transfer, the Manufacturer hereby authorizes and empowers the Assignee in the Assignee's own name, or in the name of the Assignee's nominee, or in the name of and as attorney, hereby irrevocably constituted, for the Manufacturer to ask, demand, sue for, collect, receive and enforce any and all sums to

which the Assignee is or may become entitled under this Assignment and compliance by the Railroad with the terms and agreements on their parts to be performed under the Conditional Sale Agreement, but at the expense and liability and for the sole benefit of the Assignee.

SECTION 2. Covenants and Agreements of Manufacturer.

The Manufacturer covenants and agrees that it will deliver the various Units of Equipment to the Railroad, in accordance with the provisions of the Conditional Sale Agreement, and that, notwithstanding this Assignment, it will perform and fully comply with each and all of the covenants and conditions of the Conditional Sale Agreement set forth to be performed and complied with by the Manufacturer. The Manufacturer further covenants and agrees that it will warrant to the Assignee and the Railroad that at the time of delivery of each Unit of Equipment to the Railroad under the Conditional Sale agreement it has legal title to such Unit and good and lawful right to sell such Unit and the title of such Unit was free of all claims, liens and encumbrances of any nature except only the right of the Manufacturer to receive payment of its invoice price therefor and the rights of the Railroad under the Conditional Sale Agreement; and the Manufacturer further covenants and agrees that it will defend the title to such Unit against the demands of all persons whomsoever based on claims originating prior to said delivery of such Unit by the Manufacturer to the Railroad; all subject, however, to the provisions of the Conditional Sale Agreement and the rights of the Railroad thereunder.

The Manufacturer covenants and agrees with the Assignee that in any suit, proceeding or action brought by the Assignee under the Conditional Sale Agreement for any installment of, or interest on, indebtedness in respect of the purchase price of the Equipment or to enforce any provision of the Conditional Sale Agreement, the Manufacturer will indemnify, protect and hold harmless the Assignee from and against all expense, loss or damage suffered by reason of any defense, set-off, counterclaim or recoupment whatsoever of the Railroad arising out of a breach by the Manufacturer of any obligation with respect to the Equipment or the manufacture, construction, delivery or warranty thereof by such Manufacturer, or under Sections 12 and 13 of the Conditional Sale Agreement or by reason of any defense, set-off, counterclaim, delivery or warranty thereof by such manufacturer, or by reason of any defense, set-off, counterclaim or recoupment whatsoever arising by reason of any other

indebtedness or liability at any time owing to the Railroad by the Manufacturer. The Manufacturer's obligation so to indemnify, protect and hold harmless the Assignee is conditional upon (a) the Assignee's timely motion or other appropriate action, on the basis of Section 14.4 of the Conditional Sale Agreement, to strike any defense, set-off, counterclaim or recoupment asserted by the Railroad in any such suit, proceeding or action and (b) if the court or other body having jurisdiction in such suit, proceeding or action denies such motion or other action and accepts such defense, set-off, counterclaim or recoupment as a triable issue in such suit, proceeding or action, the Assignee's prompt notification to the Manufacturer of the asserted defense, set-off, counterclaim or recoupment and the Assignee's giving the Manufacturer the right, at the Manufacturer's expense, to compromise, settle or defend against such defense, set-off, counterclaim or recoupment. Any and all such obligations shall be and remain enforceable by the Railroad against and only against the Manufacturer and shall not be enforceable against the Assignee or any party or parties in whom security title to the Equipment or any Unit thereof or any of the rights of the Manufacturer under the Conditional Sale Agreement shall vest by reason of this Assignment or of successive assignments. The Manufacturer will indemnify, protect and hold harmless the Assignee from and against any and all liability, claims, demands, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the assignee or its assigns because of the use in or about the construction or operation of the Equipment, or any Unit thereof, of any design, article or material which infringes or is claimed to infringe on any patent or other right, except for any designs, articles or materials specified by the Railroad and not manufactured by the Manufacturer. The Assignee will give notice to the Manufacturer of any suit, proceeding or action by or against the Assignee herein described.

The Manufacturer agrees that any amount payable to it by the Railroad, whether pursuant to the Conditional Sale Agreement or otherwise, not hereby assigned to the Assignee, shall not be secured by any lien or charge on any Unit of Equipment.

SECTION 3. Equipment Markings. The Manufacturer will cause to be plainly, distinctly, permanently and conspicuously marked by a plate or stencil in contrasting color on both sides of each Unit of Equipment, at the time of delivery thereof to the Railroad, in letters not less than one inch in height, the following legend:

"Citibank, N.A., Owner"

SECTION 4. Recordation. Upon request of the Assignee, its successors and assigns, the Manufacturer will execute and deliver all instruments which may be necessary or proper in order to discharge of record the Conditional Sale Agreement or any other instrument evidencing any interest of the Manufacturer therein or in the Equipment.

SECTION 5. Conditions Precedent to Payment by Assignee. The Assignee, on or before 11:00 A.M., New York Time, on the Closing Date (the "Closing Date") fixed as provided in Section 3.2 of the Conditional Sale Agreement shall pay to the Manufacturer in immediately available funds (by crediting to the Manufacturer's account at Citizens & Southern National Bank an amount equal to the Conditional Sale Indebtedness required to be paid pursuant to Section 3.2(b) of said Agreement provided that there shall have been delivered to the Assignee the following documents, each dated the Closing Date, in such number of counterparts or copies as may reasonably be requested, in form and substance satisfactory to the Assignee and Messrs. Shearman & Sterling:

(a) Bill or Bills of Sale from the Manufacturer to the Assignee substantially in the form of Exhibit A hereto.

(b) Certificate or Certificates of Acceptance signed by an inspector or other authorized representative of the Railroad substantially in the form of Exhibit B hereto.

(c) Invoice from the Manufacturer to the Railroad and the Assignee for the Units of Equipment accompanied by or having endorsed thereon a certification by the Railroad as to the correctness of the price of such Units as set forth in said invoice;

(d) Opinion of counsel for the Railroad addressed to the Assignee, substantially in the form of Exhibit C hereto.

(e) Opinion of counsel for the Manufacturer, addressed to the Railroad and the Assignee, substantially in the form of Exhibit D hereto.

(f) Opinion of Messrs. Shearman & Sterling, counsel for the Assignee, as to such matters as the Bank may reasonably request.

(g) Certificate of a Vice President of the Railroad substantially in the form of Exhibit E hereto.

(h) Certified copies of the resolutions of the Board of Directors of the Railroad approving the Conditional Sale Agreement and the Finance Agreement.

(i) Certified copies of the resolutions of the Board of Directors of the Manufacturer approving the Conditional Sale Agreement and this Agreement and Assignment.

(j) Certificate of the Secretary or an Assistant Secretary of the Railroad certifying the names and true signatures of the officer of the Railroad authorized to sign the Conditional Sale Agreement and Finance Agreement and the other documents to be delivered by the Railroad.

(k) Certificate of the Secretary or an Assistant Secretary of the Manufacturer certifying the names and true signatures of the officers of the Manufacturer authorized to sign the Conditional Sale Agreement and this Agreement and Assignment and the other documents to be delivered by the Railroad.

(l) Certificate of the Railroad with respect to the designation of an authorized representative to accept the Equipment substantially in the form of Exhibit F hereto.

(m) Such other approvals, opinions or documents as the Bank or Messrs. Shearman & Sterling may reasonably request.

The Assignee shall not be obligated to make any of the above mentioned payments at any time while an Event of Default, or any event which with the lapse of time and/or notice provided for in the Conditional Sale Agreement would constitute an Event of Default, shall be existing under the Conditional Sale Agreement. In the event that the Assignee shall not make any such payment, the Assignee shall reassign to the Manufacturer, without recourse to the Assignee, all right, security title and interest of the Assignee in and to the Units of Equipment with respect to which payment has not been made by the Assignee.

It is understood and agreed that the Assignee shall not be required to make any payment with respect to any Units of Equipment excluded from the Conditional Sale Agreement pursuant to Sections 2.3 and 14.6 thereof. The Assignee shall at the request of the Manufacturer or the Railroad execute or join in the execution of such supplemental agreement as may be deemed necessary or appropriate to exclude, or if such Equipment shall have been delivered and accepted, to remove, any such Equipment from the Conditional Sale Agreement and from this Agreement and Assignment.

SECTION 6. Further Assignments. Subject to the terms and provisions of the Finance Agreement, the Assignee may assign in the entirety all of its rights under the Conditional Sale Agreement, including the right to receive any payments due or to become due to it from the Railroad thereunder. In the event of any such assignments each such subsequent or successive assignee shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder.

SECTION 7. Representation of Manufacturer; Further Assurances. The Manufacturer hereby:

(a) represents and warrants to the Assignee, its successors and assigns, that the Conditional Sale Agreement was duly authorized and lawfully executed and delivered by it for a valid consideration, that (assuming due authorization, execution and delivery by the other parties thereto) it is a valid and existing agreement binding upon the Manufacturer and the other parties thereto, and that it is now in force without amendment thereto; and

(b) covenants and agrees that it will from time to time and at all times, at the request of the Assignee or its successors or assigns, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as may be necessary and appropriate to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, security titles and interests hereby assigned and transferred to the Assignee or intended so to be.

SECTION 8. Governing Law. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the State of New York; provided, however, that the parties shall be entitled to all the rights conferred by Section 20c of the Interstate Commerce Act and such additional rights arising out of the filing, recording or depositing of the Conditional Sale Agreement and this Assignment as shall be conferred by the laws of the several jurisdictions in which the Conditional Sale Agreement or this Assignment shall be filed, recorded or deposited.

SECTION 9. Execution in Counterparts. This Assignment may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument, which shall be sufficiently evidenced by any such original counterpart. The Assignee agrees to deliver one of such counterparts, or a certified copy thereof, to the Railroad. Although this Assignment is dated for convenience as of the date first above written, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the Manufacturer and the Assignee have caused these presents to be executed in their respective corporate names by officers or representatives duly authorized, and their respective corporate seals to be affixed and duly

attested, all as of the day, month and year first above written.

SOUTHERN IRON & EQUIPMENT CO.,  
A Division of Evans Transportation Co.

(Corporate Seal)

Attest:

By [Signature]  
Title [Signature], Evans  
Transportation Co.

[Signature]  
Secretary

CITIBANK, N.A.

(Corporate Seal)

Attest:

By [Signature]  
Vice President

[Signature] S.H.O.



STATE OF NEW YORK )  
 ) SS:  
 COUNTY OF NEW YORK )

On this 11<sup>th</sup> day of May, 1978, before me personally appeared Michael S. Prad-hin to me personally known, who being by me duly sworn, says that he is a Vice President of CITIBANK, N.A., (the "Bank") that one of the seals affixed to the foregoing instrument is the corporate seal of the Bank, that said instrument was signed and sealed on behalf of the Bank by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of the Bank.

Lily R. Babst  
 Notary Public

(Seal)

My Commission Expires: March 30, 1979

LILY R. BABST  
 Notary Public, State of New York  
 No. 31-0123140  
 Qualified in New York County  
 Commission Expires March 30, 1979

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

THE LOUISIANA AND NORTH WEST RAILROAD COMPANY here-  
by acknowledges due notice of the assignments made by the  
foregoing Agreement and Assignment and consents to and ac-  
cepts the terms thereof applicable to it this 12<sup>th</sup> day of  
May, 1978.

THE LOUISIANA AND NORTH WEST  
RAILROAD COMPANY

(Corporate Seal)

By *John A. Johnson*  
ITS VICE PRESIDENT

Attest:

*Florence Greenman*  
Ass't Secretary

EXHIBIT A

BILL OF SALE

SOUTHERN IRON & EQUIPMENT CO., a Division of Evans Transportation Co. (hereinafter called the Manufacturer), in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration paid by Citibank, N.A. (hereinafter called the Assignee), Assignee under an Agreement and Assignment dated as of April 17, 1978, by and between the Manufacturer and the Assignee, by which the Manufacturer assigned to the Assignee certain rights of the Manufacturer under a Conditional Sale Agreement dated as of April 17, 1978, by and between the Manufacturer and THE LOUISIANA AND NORTH WEST RAILROAD COMPANY (hereinafter called the Railroad), at or before the execution and delivery of these presents, the receipt of which is hereby acknowledged, does hereby grant, bargain, sell, transfer and set over unto the Assignee, its successors and assigns, the security title of the Manufacturer in and to the following units of railroad equipment (hereinafter called the Equipment) which have been delivered by the Manufacturer to the Railroad pursuant to said Conditional Sale Agreement:

<u>Description</u>	<u>Quantity</u>	<u>Railroad Nos.</u>
77-ton 50'6" rigid underframe single sheathed box cars	26	13001 to and including 13026

To have and to hold all and singular the railroad equipment above described to the Assignee, its successors and assigns, for its and their own use and behalf forever.

And the Manufacturer hereby warrants to the Assignee, its successors and assigns, and to the Railroad that at the time of delivery of each of the above-described units of railroad equipment to the Railroad under the above-mentioned Conditional Sale Agreement the Manufacturer had legal title thereto and good and lawful right to sell such unit and the title to such unit was free and clear of all claims, liens and encumbrances of any nature except only the rights of the Railroad under said Conditional Sale Agreement; and the Manufacturer covenants that it will warrant and defend such title against all claims and demands whatsoever.

IN WITNESS WHEREOF, the Manufacturer has caused this instrument to be executed in its name by a duly authorized officer and its corporate seal to be hereunto affixed, duly attested, this \_\_\_\_\_ day of May, 1978.

SOUTHERN IRON & EQUIPMENT CO.,  
a Division of Evans  
Transportation Co.

By \_\_\_\_\_  
Vice President, Evans  
Transportation Co.

Attest:

\_\_\_\_\_  
[Assistant] Secretary

EXHIBIT B

CERTIFICATE OF ACCEPTANCE  
UNDER CONDITIONAL SALE AGREEMENT  
AND AGREEMENT AND ASSIGNMENT

To: Citibank, N.A. and Southern Iron & Equipment  
Co., a Division of Evans Transportation Co.

I, a duly appointed inspector and authorized representative of The Louisiana and North West Railroad Company (the "Company"), do hereby certify that I have inspected, received, approved and accepted delivery on behalf of the Company under the Conditional Sale Agreement dated as of April 17, 1978 between the Company and Southern Iron & Equipment Co., a Division of Evans Transportation Co., of the following units of equipment ("Equipment"):

TYPE OF EQUIPMENT: Twenty-Six (26) 77-ton 50'6" rigid  
underframe single sheathed box  
cars

PLACE ACCEPTED: Homer, Louisiana

DATE ACCEPTED: May \_\_, 1978

NUMBER OF ITEMS: Twenty-Six (26)

NUMBERED: 13001 to and including 13026

I do further certify that the foregoing Equipment is in good order and condition, and conforms to the Specifications applicable thereto, and there is plainly, distinctly, permanently and conspicuously marked in contrasting colors upon each side of each unit of equipment the following legend in letters not less than one inch in height:

"CITIBANK, N.A. OWNER"

May \_\_, 1978

Inspector and Authorized  
Representative of The  
Louisiana and North West  
Railroad Company

EXHIBIT C

[Letterhead of Counsel for the Railroad]

May \_\_, 1978

Citibank, N.A.  
399 Park Avenue  
New York, New York 10043

Dear Sirs:

As Counsel for The Louisiana and North West Railroad Company, a Louisiana corporation (the "Railroad"), I have examined and am familiar with the corporate organization of the Railroad, including its Certificate of Incorporation and By-laws, as amended, the corporate proceedings of the Board of Directors of the Railroad authorizing, among other things, the execution and delivery by the Railroad of a Conditional Sale Agreement dated as of April 17, 1978 (the "Conditional Sale Agreement"; terms defined therein are used herein as therein defined unless otherwise defined herein) between Southern Iron & Equipment Co., a Division of Evans Transportation Co. (the "Manufacturer") and the Railroad; an Agreement and Assignment dated as of April 17, 1978 (the "Agreement and Assignment") between the Manufacturer as assignor and Citibank, N.A. (the "Bank") as assignee, and a Finance Agreement dated as of April 17, 1978 between the Railroad and the Bank.

Based upon the foregoing, and upon an examination of such documents and instruments as I have deemed necessary to enable me to render this opinion, I am of the opinion that:

1. The Railroad is a corporation duly organized and validly existing in good standing under the laws of the State of Louisiana, and has the power and authority to own its properties and to carry on its business as now conducted and is duly qualified to do business as a foreign corporation in all states where the character of its properties or the nature of its activities makes such qualification necessary.

2. The Conditional Sale Agreement and the Finance Agreement have each been duly authorized, executed and delivered and are legal, valid and binding obligations enforceable in accordance with their respective terms.

3. The execution and delivery by the Railroad of the Conditional Sale Agreement and the Finance Agreement and all other documents and agreements contemplated thereby to be executed by the Railroad and the Railroad's performance of the Conditional Sale Agreement and the Finance Agreement do not and will not violate any provision of any law, rule, regulation, order, writ, judgment, injunction, decree, determination, or award presently in effect or of the Charter or By-laws of the Railroad, or result in a breach of or constitute (with due notice or lapse of time, or both) a default under any contractual or legal restriction contained in any indenture, loan or credit agreement, lease, mortgage, security agreement, bond, note, or other instrument of which I have knowledge, after due inquiry with respect thereto, to which the Railroad is a party or by which it or its properties may be bound or affected, or result in the creation or imposition of any superior lien, charge or encumbrance of any nature whatsoever upon any property or assets of the Railroad.

4. The interest created by the Conditional Sale Agreement is a first and prior security interest in the Units of Equipment, the security title to such Units is validly vested in the Assignee and, such Units, at the time of delivery thereof to the Railroad under the Conditional Sale Agreement, were free of all claims, liens and encumbrances except only for the rights of the Railroad under the Conditional Sale Agreement.

5. No approval of the Interstate Commerce Commission or any other governmental authority is necessary for the execution, delivery or performance of the Conditional Sale Agreement, the Finance Agreement or the Agreement and Assignment.

6. The Conditional Sale Agreement and Agreement and Assignment have been duly filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act and no other filing or recordation is necessary for the protection of the rights of the Bank in the United States of America.

7. No marking of the Equipment other than as provided in Section 3 of the Agreement and Assignment is required to protect the rights of the Assignee in and to the Equipment.

8. The opinions expressed in paragraph 2 hereof are subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws now or hereafter in effect, relating to or affecting the enforcement of creditors' rights.

Very truly yours,

EXHIBIT D

[Letterhead of Counsel to the Manufacturer]

May \_\_, 1978

The Louisiana and North West  
Railroad Company  
124-15 28th Avenue  
Flushing, New York 11354

and

Citibank, N.A.  
399 Park Avenue  
New York, New York 10043

Dear Sirs:

As counsel for Southern Iron & Equipment Co., a Division of Evans Transportation Co. (the "Manufacturer"), we have examined and are familiar with (a) the Conditional Sale Agreement (the "Conditional Sale Agreement"; terms defined therein are used herein as therein defined, unless otherwise defined herein) dated as of April 17, 1978 between the Manufacturer and The Louisiana and North West Railroad Company (the "Railroad") providing for the manufacture by the Manufacturer and the acquisition by the Railroad of certain railway equipment (the "Equipment") described therein; (b) the Agreement and Assignment (the "Assignment") dated as of April 17, 1978 between the Manufacturer and Citibank, N.A. (the "Assignee"), pursuant to which the Manufacturer has assigned to the Assignee certain rights under the Conditional Sale Agreement; and (c) the Bill of Sale dated of even date herewith from the Manufacturer to the Assignee of the Equipment described therein; and other records, documents, and papers necessary to enable us to express the following opinion:

1. The Manufacturer is a duly organized and existing corporation in good standing under the laws of the State of Illinois, and has the power and authority

to own its properties and to carry on its business as now conducted and is duly qualified to do business as a foreign corporation in all states where the character of its properties or the nature of its activities makes such qualification necessary;

2. The Conditional Sale Agreement and the Assignment have each been duly authorized, executed and delivered by the Manufacturer, and are legal, valid and binding obligations enforceable in accordance with their respective terms;

3. The Assignee is vested with all the rights, titles, interests, powers, privileges, and remedies, purported to be assigned to the Assignee by the Assignment;

4. The Assignee has a valid and perfected first and prior security interest in the Units of the Equipment as described in the above-mentioned Bill of Sale, and such Units, at the time of delivery thereof to the Railroad under the Conditional Sale Agreement, were free from all claims, liens, security interests and other encumbrances (other than those created by the Conditional Sale Agreement);

5. The opinions expressed in Paragraph 2 hereof are subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws now or hereafter in effect, relating to or affecting the enforcement of creditors' rights.

Very truly yours,

EXHIBIT E  
CERTIFICATE

The undersigned certifies that he is the \_\_\_\_\_ of The Louisiana and North West Railroad Company (the "Railroad"), a Louisiana corporation, and that, as such, he is authorized to execute this Certificate on behalf of the Railroad, and further certifies that:

1. Since December 31, 1977 there has been no adverse change in the affairs or financial condition of the Railroad.

2. No Event of Default, as specified in the Conditional Sale Agreement, dated as of April 17, 1978, between the Railroad and Southern Iron & Equipment Co., a Division of Evans Transportation Co., (the "Conditional Sale Agreement") or any event which with the giving of notice or lapse of time, or both, would constitute such an Event of Default has occurred and is continuing, or would result from the Conditional Sale Agreement or the Finance Agreement, dated as of April 17, 1978, between the Railroad and Citibank, N.A. or the transactions contemplated thereby.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand and affixed the seal of the Railroad this \_\_\_\_\_ day of May, 1978.

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

(Corporate Seal)

EXHIBIT F

DESIGNATION BY RAILROAD OF AUTHORIZED REPRESENTATIVES TO ACCEPT EQUIPMENT UNDER CONDITIONAL SALE AGREEMENT AND AGREEMENT AND ASSIGNMENT

The undersigned officer of The Louisiana and North West Railroad Company (the "Railroad") hereby certifies that the following named persons are representatives of the Railroad duly authorized to execute on its behalf the Certificates of Acceptance referred to in Section 2.4 of the Conditional Sale Agreement dated as of April 17, 1978 (the "Conditional Sale Agreement") between Southern Iron & Equipment Co., a Division of Evans Transportation Co. (the "Manufacturer"), and the Railroad, providing for the sale to the Railroad of the railroad equipment described therein; and that the Manufacturer and any assignee of the Manufacturer pursuant to Section 14.2 of the Conditional Sale Agreement is entitled, until further notice, to rely upon each such Certificate of Acceptance signed by one of such representatives with respect to the correctness of the statements contained therein.

Name

Signature

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

May \_\_, 1978

Very truly yours,

THE LOUISIANA AND NORTH WEST  
RAILROAD COMPANY

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

**Interstate Commerce Commission**  
Washington, D.C. 20423

5/12/78

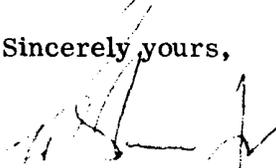
OFFICE OF THE SECRETARY

**Fred H. Krones**  
Goodstein, mehlman & Krones  
21 East Fortieth Street  
New York, N.Y. 10016

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 **5/12/78** at **1:00pm**, and assigned recordation number(s) **9374 & 9374-A**

Sincerely yours,

  
H.G. Homme, Jr.  
Acting Secretary

Enclosure(s)

SE-30-T  
(6/77)