

RECORDATION NO. 7436-J Filed & Recorded

OCT 3 1977-9 45 AM

INTERSTATE COMMERCE COMMISSION

W. E. LEWELLEN
VICE PRESIDENT-FINANCIAL SERVICES



United States Steel Corporation

600 GRANT STREET
PITTSBURGH, PENNSYLVANIA 15230

October 3, 1977

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INTERSTATE COMMERCE COMMISSION

Robert L. Oswald, Secretary
Interstate Commerce Commission
12th & Constitution Avenues, N. W.
Washington, D. C. 20423

RECORDATION NO. 7436-H Filed & Recorded

OCT 3 1977-9 45 AM

INTERSTATE COMMERCE COMMISSION

OCT 3 1977
Date
Washington

Dear Mr. Oswald:

Please find enclosed for filing in your office pursuant to Section 20(c) of the Interstate Commerce Act and Commission Regulations with respect thereto, a duly executed and acknowledged and two certified true copies of:

1. Waivers dated as of September 1, 1977 to a Non-Recourse Purchase and Lease Agreement relating to surface railway rolling stock between Whitkath, Inc., a New York corporation, as the Lessor and the United States Steel Corporation, a Delaware corporation, as the Lessee. By the terms of the Lease, the Lessor will purchase certain surface railway rolling stock to be leased by the Lessee. The aforesaid Non-Recourse Purchase and Lease Agreement was recorded with the Interstate Commerce Commission at 9:35 a.m. on March 21, 1974 at Recordation Number 7436. Amendment Number 1 to said Lease was recorded with the Commission on March 1, 1977.

2. Basic Lease Supplement 020 relating to one hydraulic rerailling system and one rail drill covered by the aforesaid Lease.

3. Trust Indenture Supplement 020 (with respect to one hydraulic rerailling system and one rail drill) to a Trust Indenture relating to surface railway rolling stock between Whitkath and First National City Bank (now Citibank, N. A.), a national banking association with corporate trust offices located in New York,

Joseph W. Doolittle

Robert L. Oswald, Secretary
October 3, 1977
Page 2

New York, as trustee for The Prudential Insurance Company of America, the Travelers Insurance Company and Connecticut General Life Insurance Company, institutional investors who will finance a portion of the purchase price of such surface railway rolling stock by loans to Whitkath which will be secured by the Trust Indenture and evidenced by Whitkath's 8 1/8% non-recourse secured notes to such investors. With certain exceptions, all lease rental payments will be remitted directly to the Trustee to retire the notes of Whitkath. The aforesaid Trust Indenture was recorded with the Interstate Commerce Commission at 9:35 a.m. on March 21, 1974 at Recordation Number 7436-a. Amendment Number 1 to said Indenture was recorded with the Commission on March 1, 1977.

The surface railway rolling stock will be purchased and leased in connection with the development of the Cumberland Mine of the Lessee in Greene County, Pennsylvania and will be utilized to transport coal from such Mine to certain loading facilities of the Lessee on the Monongahela River near Alicia Pennsylvania for further shipment through the Commonwealth of Pennsylvania and the State of Ohio to the Province of Ontario in Canada. Such surface railway rolling stock will include one diesel-electric, standard, railroad locomotive; thirty-one fast dumping 100-ton capacity hopper cars for unit train operation; gas or diesel powered mobile maintenance equipment; and replacement parts therein and surface railway rolling stock substituted therefor. The enclosed Lease and Indenture Supplements cover a hydraulic rerailing system and a rail drill.

Lease rental payments are to be made to the Lessee by Ontario Hydro, a body corporate created and continued by Acts of the Province of Ontario, Canada, as a portion of the purchase price of coal to be recovered from the Lessee's Cumberland Mine. The Lessee has sold and assigned its rights to such lease rental payments to Whitkath in Section 13 of the lease. Whitkath, in turn, has, in the granting clauses of the Trust Indenture, granted a security interest in its rights to certain such lease rental payments and in all of the surface railway rolling stock as well as other rights of Whitkath under the Lease to the Trustee for the benefit of the aforesaid institutional investors. Accordingly, such assignments and security interests are contained in the documents recorded at Recordation Numbers 7436 and 7436-a, as subsequently amended and as modified and supplemented by the documents enclosed

7436-*l*
FILED & RECORDED
OCT 3 1977-9:15 AM
INTERSTATE COMMERCE COMMISSION

September 30, 1977

CERTIFICATE

I, Christine C. Crowley, hereby certify that I have compared the attached two copies of Basic Lease Supplement No. 020, dated as of October 3, 1977, between Whitkath Inc. and United States Steel Corporation, with the original of such document and the attached two copies are true and correct copies of the original document in all respects, including the dates, signature, and acknowledgments.

Christine C. Crowley

Notary Public

CHRISTINE C. CROWLEY
NOTARY PUBLIC, State of New York
No. 31-4607434
Qualified in New York County
Certificate Filed in New York County
Term Expires March 30, 1979

RECORDATION NO. 7436-2 Filed & Recorded

BASIC LEASE SUPPLEMENT NO. 020.

OCT 3 1977 9 11 AM

This Basic Lease Supplement dated as of October 3, 1977, between Whitkath Inc., a New York corporation ("Lessor"), acting on behalf of itself and the Owner Participants, if any, and United States Steel Corporation, a Delaware corporation ("Lessee").

WITNESSETH:

Whereas, Lessor and Lessee have heretofore entered into two Non-Recourse Purchase and Lease Agreements dated as of October 1, 1973, as amended by Amendment No. 1 thereto dated March 1, 1977, (collectively, the "Lease"), (the terms defined in such Lease being herein used with the same meaning), which Lease provides for the execution and delivery from time to time of Basic Lease Supplements substantially in the form hereof for the purpose of confirming either (i) the initial demise of Designated or Transferred Assets or (ii) the continuation of the demise of Leased Assets previously leased by Lessee from Lessor and the Owner Participants, if any, under Interim Lease Supplements;

Now, Therefore, in consideration of the premises and other good and sufficient consideration, Lessor and Lessee hereby agree as follows:

- 1. The Lessor hereby delivers and leases to Lessee under the above-mentioned Lease, and Lessee hereby accepts and leases from Lessor under such Lease, the Leased Asset or Assets listed on Schedule A annexed hereto; such Leased Assets are among those included in Group VI.b. under Schedule III. to the above-mentioned Lease.
- 2. Lessee shall pay Basic Rent for the Leased Assets hereby demised in the amounts specified on Schedule A annexed hereto at the times and in the manner determined pursuant to the above-mentioned Lease. The schedule of Stipulated Loss Value, Termination Value and Optional Termination Value annexed hereto, if any, supersedes (to the extent specified therein) the values specified in the appropriate Schedule referred to in paragraph 1 above to the above-mentioned Lease. The commencement and expiration dates of the Basic Term for each Leased Asset hereby demised shall be those specified in respect thereto on Schedule A.
- 3. To the extent, if any, that this Basic Lease Supplement constitutes chattel paper (as such term is defined in the Uniform Commercial code as in effect in any applicable jurisdiction) no security interest in this Basic Lease Supplement may be created through the transfer or possession of any counterpart other than the original counterpart, which shall be identified as the counterpart containing the receipt therefor executed by the Trustee on the signature page thereof.
- 4. This Basic Lease Supplement incorporates, and is to be construed in accordance with, the terms of such Lease as if set out in full herein.

In Witness Whereof, Lessor and Lessee have caused this Basic Lease Supplement to be duly executed by the undersigned, hereunto duly authorized, as of the day and year first above written and to be delivered in the State of New York.

Whitkath Inc., Lessor

By *S. Leubitz*

United States Steel Corporation, Lessee

By *Wm. Negosky*



SCHEDULE A TO BASIC LEASE SUPPLEMENT NO. 020

Dated as of: October 3, 1977

Schedule III . Group VIb . Installment as a Percent of Lessor's Cost: 1.590

Expiration Date: April 1, 2004

Item No.	Description of Leased Assets	Retained by Lessor	Pre-Purchase Advance	Purchase Prices	Service Payment	Interest and Commitment Fees	Total Lessor Payments, Advances, Etc.	Basic Rent
20	Hydraulic Re-railing System (1)		-0-	34,922	327	352	35,601	
	Rail Drill (1)		-0-	1,121	10	12	1,143	
	TOTAL		-0-	36,043	337	364	36,744	

* Basic Rent Installment for 1/1/78 will be \$572.88

SCHEDULE B TO BASIC LEASE
SUPPLEMENT NO. 020

<u>QUARTERLY PAYMENT DATE</u>	<u>STIPULATED LOSS VALUE</u>	<u>TERMINATION VALUE</u>	<u>OPTIONAL TERMINATION VALUE</u>
10/3/1977	110.4399	107.3688	110.4399
1/1/1978	113.0574	109.9401	113.0574
4/1/1978	114.3025	111.1381	114.3025
7/1/1978	114.9450	111.7330	114.9450
10/1/1978	115.4198	112.1594	115.4198
1/1/1979	115.7220	112.4124	115.7220
4/1/1979	116.1106	112.7511	116.1106
7/1/1979	116.5135	113.1033	116.5135
10/1/1979	116.8172	113.3557	116.8172
1/1/1980	117.0189	113.5052	117.0189
4/1/1980	117.1784	113.6117	117.1784
7/1/1980	117.2262	107.6343	117.2262
10/1/1980	111.2026	107.5276	111.2026
1/1/1981	111.0768	107.3464	111.0768
4/1/1981	110.9405	107.1539	110.9405
7/1/1981	110.7813	106.9375	110.7813
10/1/1981	110.6006	106.6989	110.6006
1/1/1982	110.3984	106.4379	110.3984
4/1/1982	110.1865	106.1663	110.1865
7/1/1982	109.9541	99.3791	109.9541
10/1/1982	103.0585	98.9161	103.0585

SCHEDULE B TO BASIC LEASE
SUPPLEMENT NO. 020
(Continued)

<u>QUARTERLY PAYMENT DATE</u>	<u>STIPULATED LOSS VALUE</u>	<u>TERMINATION VALUE</u>	<u>OPTIONAL TERMINATION VALUE</u>
1/1/1983	102.6271	98.4223	102.6271
4/1/1983	102.1824	97.9142	102.1824
7/1/1983	101.7106	97.3781	101.7106
10/1/1983	101.2115	96.8137	101.2115
1/1/1984	100.6851	96.2209	100.6851
4/1/1984	100.1467	95.6152	100.1467
7/1/1984	99.5847	86.1715	99.5847
10/1/1984	90.1846	85.5155	90.1846
1/1/1985	89.5730	84.8335	89.5730
4/1/1985	88.9509	84.1400	88.9509
7/1/1985	88.3089	83.4255	88.3089
10/1/1985	87.6448	82.6877	87.6448
1/1/1986	86.9582	81.9264	86.9582
4/1/1986	86.2627	81.1550	86.2627
7/1/1986	85.5510	80.3664	85.5510
10/1/1986	84.8197	79.5569	84.8197
1/1/1987	84.0687	78.7265	84.0687
4/1/1987	83.3102	77.8875	83.3102
7/1/1987	82.5393	77.0349	82.5393
10/1/1987	81.7515	76.1641	81.7515
1/1/1988	80.9465	75.2749	80.9465

SCHEDULE B TO BASIC LEASE
 SUPPLEMENT NO. 020
 (Continued)

<u>QUARTERLY PAYMENT DATE</u>	<u>STIPULATED LOSS VALUE</u>	<u>TERMINATION VALUE</u>	<u>OPTIONAL TERMINATION VALUE</u>
4/1/1988	80.1520	74.3949	80.1520
7/1/1988	79.3695	73.5256	79.3695
10/1/1988	78.5791	72.6471	78.5791
1/1/1989	77.7806	71.7592	77.7806
4/1/1989	76.9785	70.8662	76.9785
7/1/1989	76.1754	69.9711	76.1754
10/1/1989	75.3659	69.0680	75.3659
1/1/1990	74.5497	68.1569	74.5497
4/1/1990	73.7262	67.2369	73.7262
7/1/1990	72.8983	66.3112	72.8983
10/1/1990	72.0636	65.3773	72.0636
1/1/1991	71.2220	64.4348	71.2220
4/1/1991	70.3726	63.4831	70.3726
7/1/1991	69.5187	62.5254	69.5187
10/1/1991	68.6577	61.5590	68.6577
1/1/1992	67.7894	60.5837	67.7894
4/1/1992	66.9130	59.5986	66.9130
7/1/1992	66.0319	58.6073	66.0319
10/1/1992	65.1434	57.6068	65.1434
1/1/1993	64.2472	56.5970	64.2472

SCHEDULE B TO BASIC LEASE
 SUPPLEMENT NO. 020
 (Continued)

<u>QUARTERLY PAYMENT DATE</u>	<u>STIPULATED LOSS VALUE</u>	<u>TERMINATION VALUE</u>	<u>OPTIONAL TERMINATION VALUE</u>
4/1/1993	63.3425	55.5769	63.3425
7/1/1993	62.4330	54.5504	62.4330
10/1/1993	61.5156	53.5142	61.5156
1/1/1994	60.5902	52.4681	60.5902
4/1/1994	59.6557	51.4112	59.6557
7/1/1994	58.7164	50.3476	58.7164
10/1/1994	57.7688	49.2738	57.7688
1/1/1995	56.8127	48.1897	56.8127
4/1/1995	55.8470	47.0940	55.8470
7/1/1995	54.8764	45.9914	54.8764
10/1/1995	53.8970	44.8781	53.8970
1/1/1996	52.9087	43.7539	52.9087
4/1/1996	51.9104	42.6175	51.9104
7/1/1996	50.9068	41.4739	50.9068
10/1/1996	49.8941	40.3190	49.8941
1/1/1997	48.8720	39.1525	48.8720
4/1/1997	47.8392	37.9732	47.8392
7/1/1997	46.8011	36.7864	46.8011
10/1/1997	45.7534	35.5876	45.7534
1/1/1998	44.6956	34.3766	44.6956
4/1/1998	43.6266	33.1521	43.6266

SCHEDULE B TO BASIC LEASE
 SUPPLEMENT NO. 020
 (Continued)

<u>QUARTERLY PAYMENT DATE</u>	<u>STIPULATED LOSS VALUE</u>	<u>TERMINATION VALUE</u>	<u>OPTIONAL TERMINATION VALUE</u>
7/1/1998	42.5521	31.9197	42.5521
10/1/1998	41.4674	30.6747	41.4674
1/1/1999	40.3722	29.4168	40.3722
4/1/1999	39.2651	28.1445	39.2651
7/1/1999	38.1523	26.8641	38.1523
10/1/1999	37.0287	25.5703	37.0287
1/1/2000	35.8939	24.2628	35.8939
4/1/2000	34.7466	22.9401	34.7466
7/1/2000	33.5934	21.6089	33.5934
10/1/2000	32.4287	20.2636	32.4287
1/1/2001	31.2523	18.9038	31.2523
4/1/2001	30.0625	17.5278	30.0625
7/1/2001	28.8666	16.1430	28.8666
10/1/2001	27.6586	14.7432	27.6586
1/1/2002	26.4382	13.3280	26.4382
4/1/2002	25.2036	11.8958	25.2036
7/1/2002	23.9626	10.4542	23.9626
10/1/2002	22.7088	8.9968	22.7088
1/1/2003	21.4418	7.5231	21.4418
4/1/2003	20.1791	6.0506	20.1791

SCHEDULE B TO BASIC LEASE
SUPPLEMENT NO. 020
(Continued)

<u>QUARTERLY PAYMENT DATE</u>	<u>STIPULATED LOSS VALUE</u>	<u>TERMINATION VALUE</u>	<u>OPTIONAL TERMINATION VALUE</u>
7/1/2003	18.9248	4.5832	18.9248
10/1/2003	17.6438	3.0861	17.6438
1/1/2004	16.3357	1.5585	16.3357
4/1/2004	15.0000	0.0000	15.0000

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

On this 30th day of September, 1977, before me personally appeared, **F.A. Jubitz**, to me personally known, who being by me duly sworn, says that he is the **Vice President** of WHITKATH INC., a New York corporation, that the seal 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.

Joan P. Flannery

JOAN P. FLANNERY
Notary Public, State of New York
No. 21-022875
Qualified in New York County
Commission Expires March 30, 1978

[SEAL]

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

On this 30th day of September, 1977, before me personally appeared, **Wm. Nagosky** to me personally known, who being by me duly sworn, says that he is the **Authorized Lessee Rep.** of UNITED STATES STEEL CORPORATION, a Delaware corporation, that the seal 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.

Veronica C. Miller

VERONICA C. MILLER
Notary Public, State of New York
No. 30-4501950
Qualified in Nassau County
Certificate Filed in New York County
Commission Expires March 30, 1977

[SEAL]