

CONDITIONAL SALE AGREEMENT dated as of October 15, 1970, between B. H. HANSEN (hereinafter called "Hansen" or "Vendor", as more particularly set forth in Article 27 hereof), and SEABOARD COAST LINE RAILROAD COMPANY, a Virginia corporation (hereinafter called the "Railroad").

WHEREAS Hansen has agreed to reconstruct and to sell and deliver to the Railroad, and the Railroad has agreed to purchase, the railroad equipment described in Schedule A attached hereto (hereinafter called the "Equipment");

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

1. Construction and Sale. Hansen will construct the Equipment and will sell and deliver it to the Railroad under this Agreement and the Railroad will purchase from Hansen and accept delivery of under this Agreement and pay for the Equipment as hereinafter provided, each unit of which shall be constructed in accordance with the specifications referred to in that certain Railroad Equipment Reconstruction Agreement of even date herewith between the Railroad and Hansen (which specifications are by reference made a part of this Agreement as fully as though expressly set forth herein and are hereinafter called the "Specifications"). The design and quality of equipment and material in each unit of Equipment shall conform to all Department of Transportation and Interstate Commerce Commission requirements and specifications, and all standards recommended by the Association of American Railroads reasonably interpreted by the Railroad as being applicable to railroad equipment of the character of the Equipment as so reconstructed as of the date of this Agreement.

2. Inspection and Delivery. Hansen will deliver the various units of the Equipment to the Railroad at such point or points within the United States of America as shall be specified by the Railroad, freight charges prepaid, in accordance with the delivery schedule set forth in Schedule A hereto.

Hansen's obligation as to time of delivery is subject, however, to delays resulting from acts of God, acts of Government such as embargoes, priorities and allocations, war or war conditions, riot or civil commotion, sabotage, strikes, differences with workmen, accident, fire, flood, explosion, damage to plant, equipment or facilities, or delays in receiving necessary materials or any other cause beyond the reasonable cause of Hansen.

Notwithstanding the preceding provisions of this Article 2, any Equipment not delivered, accepted and settled for hereunder on or before April 30, 1971, shall be excluded from this Agreement and not included in the term "Equipment" as used in this Agreement. In the event of any such exclusion the Railroad and Hansen shall execute (a) an agreement supplemental hereto limiting this Agreement to the Equipment theretofore delivered, accepted and settled for hereunder and (b) if such exclusion resulted from one or more of the causes referred to in the next preceding paragraph, a separate agreement providing for the purchase

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of such excluded Equipment by the Railroad, on the terms herein specified, payment to be made in cash on delivery of such Equipment either directly or by means of a conditional sale, equipment trust or such other appropriate method of financing the purchase as the Railroad and Hansen shall determine.

The Equipment during reconstruction shall be subject to inspection by inspectors or other authorized representatives of the Railroad. When each unit of the Equipment shall be delivered by Hansen to the Railroad at the place of delivery designated as hereinabove provided, and if such inspector or representative finds that such unit conforms to the Specifications applicable thereto, he shall execute and deliver to Hansen a certificate of acceptance (hereinafter called the "Certificate of Acceptance") stating that such unit has been accepted by him on behalf of the Railroad and is marked in accordance with Article 6 hereof. Such Certificate of Acceptance shall be conclusive evidence that the unit of Equipment covered thereby has been delivered to the Railroad and conforms to the Specifications and is acceptable to the Railroad.

On delivery of each of the units of Equipment hereunder, the Railroad will assume with respect thereto the responsibility and risk of loss.

3. Purchase Price and Payment. The Railroad agrees to make payment in cash to Hansen, subject to the conditions hereinafter set forth. Settlement shall be made between the Railroad and Hansen for the cost of the Equipment on not more than three Closing Dates, fixed as hereinafter provided (the Equipment settled for on each Closing Date being hereinafter called a "Group"). The term "Closing Date" with respect to any Group shall mean such date not more than ten business days after receipt by the Railroad of written notice thereof.

The term "business days" as used herein shall mean calendar days, excluding Saturdays, Sundays and holidays.

Upon delivery of each Group, as conclusively evidenced by the delivery of one or more Certificates of Acceptance in respect thereto, such Group shall be invoiced by Hansen to the Railroad and the Railroad agrees to pay the Purchase Price per unit for the Equipment as set forth in Schedule A hereto (which price is hereinafter called the "Purchase Price"), included in such Group as follows:

(a) the sum of \$265.87 per unit for the first 100 units of the Equipment, and \$265.86 per unit for the last 50 units of the Equipment, such payment being known as the Initial Cash Payment.

(b) the balance of \$9,333.33 per unit for the first 100 units of the Equipment, and \$9,333.34 per unit for the last 50 units of the Equipment, shall be paid by the Railroad in 20 consecutive equal semiannual installments (such part of the Purchase Price being known as the Deferred Purchase Price).

Said 20 consecutive equal semiannual installments shall be paid on April 15 and October 15 of each year, commencing April 15, 1971, in each case with interest at the prime rate plus 1/4 per cent per annum on the unpaid balance of the Deferred Purchase Price accruing from the date of payment by the Railroad to Hansen of the Initial Cash Payment of such Group, or in the event of the transfer or assignment of this Agreement or some or all of the rights of Hansen hereunder, as contemplated by Article 16 hereof, from the date of payment by the assignee to Hansen of the balance of the Deferred Purchase Price of such Group, payable semiannually, commencing April 15, 1971, with the aforesaid prime rate applicable to each semiannual payment being determined by the minimum commercial lending rate in effect each day and charged by the majority of the seven largest commercial banks in New York, N. Y.

The Railroad may, at its option, prepay at any time the unpaid balance of the Deferred Purchase Price on such Group, together with unpaid interest accrued on such balance to the date of such payment.

Interest under this Agreement shall be determined on the basis of a 360-day year of twelve 30-day months.

The Railroad shall pay interest upon all amounts remaining unpaid after the same shall become due and payable but prior to the Declaration of Default as referred to in Article 17 hereof at the rate of one per cent per annum above the rate of interest applicable to such unpaid indebtedness pursuant to Article 3 hereof.

4. Taxes. All payments to be made by the Railroad hereunder will be free of expense to the Vendor for collection or other charges and will be free of expense to the Vendor in respect of the amount of any local, state or federal taxes (other than net income, gross receipts [except gross receipts taxes in the nature of and in lieu of sales taxes], excess profits and similar taxes) or license fees hereafter levied or imposed upon, or measured by, this Agreement or any sale, use, payment, shipment, delivery or transfer of title under the terms hereof, all of which expenses, taxes and license fees the Railroad assumes and agrees to pay on demand in addition to the indebtedness in respect of the Purchase Price of the Equipment. The Railroad will also pay promptly all taxes and assessments which may be imposed upon the Equipment delivered to it or for the use or operation thereof by the Railroad or upon the earnings arising therefrom or upon the Vendor solely by reason of its ownership thereof and will keep at all times each unit of the Equipment free and clear of all taxes and assessments which might in any way affect the title of the Vendor or result in a lien upon any unit of the Equipment; provided, however, that the Railroad shall be under no obligation to pay any taxes, assessments, license fees, charges, fines or penalties of any kind so long as it is contesting in good faith and by appropriate legal proceedings such taxes, assessments, license fees, charges, fines or penalties and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor hereunder. If any such expenses,

taxes, assessments, license fees, charges, fines or penalties shall have been charged or levied against the Vendor directly and paid by the Vendor, the Railroad shall reimburse the Vendor on presentation of an invoice therefor and any sums of money so paid by the Vendor shall be secured by and under this Agreement; provided, further, that the Railroad shall not be obligated to reimburse the Vendor for any expense, taxes, assessments, license fees, charges, fines or penalties so paid unless the Vendor shall have been legally liable in respect thereof (as evidenced by an opinion of counsel for the Vendor), or unless the Railroad shall have approved the payment thereof.

5. Title to the Equipment. The Vendor shall and hereby does retain the full legal title to and property in the Equipment delivered to the Railroad hereunder until the Railroad shall have made all of the payments hereunder and shall have kept and performed all its agreements herein contained, notwithstanding the delivery of the Equipment to and the possession and use thereof by the Railroad as herein provided. Any and all additions to the Equipment and any and all replacements of the Equipment and of parts thereof and additions thereto shall constitute accessions to the Equipment and shall be subject to all the terms and conditions of this Agreement and included in the term "Equipment" as used in this Agreement.

When and only when the Vendor shall have been paid the full indebtedness in respect of the Purchase Price of all the Equipment, together with interest and all other payments as herein provided, and all the Railroad's obligations herein contained shall have been performed by the Railroad, absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Railroad without further transfer or action on the part of the Vendor, except that the Vendor, if requested by the Railroad so to do, will execute a bill or bills of sale of the Equipment transferring its title thereto and property therein to the Railroad or upon its order free of all liens and encumbrances created hereby and deliver such bill or bills of sale to the Railroad at its address specified in Article 23 hereof, and will execute and deliver at the same place, for record or for filing in all necessary public offices, such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the title of the Railroad to the Equipment. The Railroad hereby waives and releases any and all rights existing or that may be acquired, in or to the payment of any penalty, forfeit or damages for failure to execute and deliver such bill or bills of sale or to file any certificate of payment in compliance with any law or statute requiring the filing of the same except for failure to execute and deliver such bill or bills of sale or such instrument or instruments within a reasonable time after written demand of the Railroad.

6. Marking of Equipment. The Railroad will cause each unit of the Equipment delivered to it to be kept numbered with its identifying number as set out in Schedule A hereto, and will cause each side of such unit to be kept plainly, distinctly, permanently and conspicuously marked, by a metal plate or otherwise, in letters not less than one inch in height, with the name of the

Vendor followed by the word "Owner" or other appropriate words designated by the Vendor, with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the title of the Vendor to the Equipment and its rights under this Agreement. The Railroad will not place any unit of the Equipment which shall have been delivered to it hereunder in operation or exercise any control or dominion over any such unit unless each side of such unit shall have been so plated or marked and will replace promptly any such plate, or renew any such marking, which may be removed, defaced or destroyed. The Railroad will not change the numbers of any such units except with the consent of the Vendor and in accordance with a statement of new numbers to be substituted therefor, which statement previously shall have been filed with the Vendor by the Railroad and shall promptly be filed and recorded by the Railroad with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act.

Except as above provided, the Railroad will not allow the name of any person, association or corporation to be placed on the Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Railroad may cause the Equipment to be lettered with the name or initials or other insignia customarily used by the Railroad or its affiliates on railroad equipment of the same or a similar type for convenience of identification of the interest of the Railroad therein.

7. Lost, Destroyed or Damaged Equipment. In the event that any unit of the Equipment shall be worn out, lost, destroyed or irreparably damaged or otherwise rendered permanently unfit for use, from any cause whatsoever (hereinafter called a "Casualty Occurrence"), prior to the payment of the full indebtedness in respect of the Purchase Price, together with interest thereon and all other payments required hereby, the Railroad shall promptly after it shall have been determined that such unit has suffered a Casualty Occurrence, fully inform the Vendor in regard thereto. When the total value of units having suffered a Casualty Occurrence (exclusive of units having suffered a Casualty Occurrence with respect to which payment shall have been made to the Vendor pursuant to this Article 7) shall exceed \$150,000, the Railroad shall, within 30 days of such event, pay to the Vendor a sum equal to the aggregate Casualty Value of such units as of the date of such payment and shall file with the Vendor a certificate of a Vice President or the Comptroller or other Chief Accounting Officer of the Railroad setting forth the Casualty Value of each unit of Equipment suffering a Casualty Occurrence.

Any money paid to the Vendor pursuant to the preceding paragraph of this Article 7 shall, so long as none of the events of default specified in Article 17 hereof shall have happened and be continuing, be applied, to prepay indebtedness in respect of the Purchase Price of the Equipment hereunder on the first October 15 next following receipt by the Vendor, to prepay installments of the Purchase Price of the Equipment thereafter falling due in the inverse order of their maturities but without premium, and whether or not such amount shall be

sufficient to prepay one or more entire installments (or portions thereof) of the Purchase Price.

The Casualty Value of each unit of the Equipment suffering a Casualty Occurrence shall be deemed to be the unpaid balance of the Deferred Purchase Price.

So long as none of the events of default specified in Article 17 hereof shall have happened and be continuing, any money paid to the Vendor pursuant to this Article 7 shall, if the Railroad shall in writing so direct, be invested, pending its application as hereinabove provided, in (i) such direct obligations of the United States of America or obligations for which the faith of the United States is pledged to provide for the payment of principal and interest, or (ii) open market commercial paper rated prime by a national credit agency, or (iii) in certificates of deposit of commercial banks in the United States of America having capital and surplus aggregating at least \$50,000,000, in each case maturing in not more than one year from the date of such investment (all such investments being hereinafter called "Investments"), as may be specified in such written direction. Any such obligations shall from time to time be sold and the proceeds reinvested in such Investments as the Railroad may in writing direct. Any interest or earned discount received by the Vendor on any Investments shall be held by the Vendor and applied as herein provided. Upon any sale or the maturity of any Investments, the proceeds thereof, plus any interest received by the Vendor thereon, up to the cost (including accrued interest or earned discount) thereof, shall be held by the Vendor for application pursuant to this Article 7, and any excess shall be paid to the Railroad. If such proceeds (plus such interest or earned discount) shall be less than such cost, the Railroad will promptly pay to the Vendor an amount equal to such deficiency. The Railroad will pay all expenses incurred by the Vendor in connection with the purchase and sale of Investments.

The Railroad will pay to the Vendor on the date of such application interest then accrued and unpaid on the indebtedness so prepaid.

If one of the events of default specified in Article 17 hereof shall have happened and be continuing, then so long as such event of default shall continue, all money then held by the Vendor pursuant to this Article 7 shall be applied by the Vendor as if such money were money received upon the sale of Equipment pursuant to Article 18 hereof.

In order to facilitate the sale, or other disposition of any Equipment suffering a Casualty Occurrence, the Vendor shall upon request of the Railroad, after deposit by the Railroad of a sum equal to the Casualty Value of such Equipment, execute and deliver to the Railroad's vendee, assignee or nominee, a bill of sale (without warranties) for such Equipment, and such other documents as may be required to release such Equipment from the terms and scope of this

Conditional Sale Agreement, in such form as may be reasonably requested by the Railroad.

8. Maintenance and Repair. The Railroad will at all times maintain the Equipment in good order and repair at its own expense.

9. No Warranty. Hansen makes no warranty, express or implied, including any warranty as to the material or workmanship incorporated in the Equipment or any implied warranty of merchantability or fitness for a particular purpose.

10. Compliance with Laws and Rules. During the term of this Agreement the Railroad will comply in all respects with all laws of the jurisdictions in which its operations involving the Equipment may extend, with the Interchange Rules of the Association of American Railroads and with all lawful rules of the Department of Transportation and Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Equipment, to the extent that such laws and rules affect the operation or use of the Equipment; and in the event that such laws or rules require the alteration of the Equipment, the Railroad will conform therewith, at its expense, and will maintain the same in proper condition for operation under such laws and rules; provided, however, that the Railroad may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor hereunder.

11. Reports and Inspections. If requested to do so in writing, on or before April 1 in each year, commencing with the year 1971, the Railroad will furnish to the Vendor in such number of counterparts as may reasonably be requested an accurate statement of an authorized officer of the Railroad, (a) showing the amount, description and numbers of all units of the Equipment that may have suffered a Casualty Occurrence during the preceding calendar year (or, in the case of the first such statement, since the date hereof), and such other information regarding the condition and state of repair of the Equipment as the Vendor may reasonably request, and (b) stating that, in the case of all Equipment repaired or repainted during the preceding calendar year (or, in the case of the first such statement, since the date hereof), the plates or other markings required by Article 6 hereof have been preserved or replaced. The Vendor shall have the right, by its agents, to inspect the Equipment and the Railroad's records with respect thereto once in every year.

12. Possession and Use. The Railroad, so long as it shall not be in default under this Agreement, shall be entitled to the possession of the Equipment and the use thereof upon the lines of railroad owned or operated by it either alone or jointly with another and whether under lease or otherwise, and upon the lines of railroad owned or operated by any railroad company

controlled by, or under common control with, the Railroad, or over which the Railroad has trackage rights, and the Equipment may be used also upon connecting and other railroads in the usual interchange of traffic, from and after delivery of the Equipment by Hansen hereunder, but only upon and subject to all the terms and conditions of this Agreement.

13. Prohibition against Liens. The Railroad will pay or satisfy and discharge any and all sums claimed by any party from, through or under the Railroad or its successors or assigns which, if unpaid, might become a lien or a charge upon the Equipment, or any unit thereof, equal or superior to the title of the Vendor thereto, but shall not be required to pay or discharge any such claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings in any reasonable manner and the non-payment thereof does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor hereunder.

14. Railroad's Indemnities. The Railroad agrees to indemnify and save harmless Hansen and/or Vendor from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, including counsel fees, arising out of retention by the Vendor of title to the Equipment or out of the use and operation thereof by the Railroad during the period when title thereto remains in the Vendor or arising out of the transfer of title by the Vendor pursuant to any provisions of this Agreement. This covenant of indemnity shall continue in full force and effect notwithstanding the full payment of the indebtedness in respect of the Purchase Price and the conveyance of the Equipment, as provided in Article 5 hereof, or the termination of this Agreement in any manner whatsoever.

The Railroad will bear the risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of any unit of or all the Equipment.

15. Patent Indemnities. The Railroad will indemnify, protect and hold harmless Hansen and the Vendor 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 Vendor or Hansen because of the use in or about the construction or operation of the Equipment, or any unit thereof, of any article or material, or of any design, which infringes or is claimed to infringe on any patent or other right. Hansen agrees to and hereby does, to the extent legally possible without impairing any claim, right or cause of action hereinafter referred to, transfer, assign, set over and deliver to the Railroad every claim, right and cause of action which Hansen has or hereafter shall have against the seller or sellers of any articles or materials, or of any design, and purchased or otherwise acquired by Hansen for use in or about the construction or operation of the Equipment, or any unit

thereof, on the ground that any such article or material, or any such design, or operation thereof, infringes or is claimed to infringe on any patent or other right, and Hansen further agrees to execute and deliver to the Railroad, or its assigns, all and every such further assurance as may be reasonably requested by the Railroad, or its assigns, more fully to effectuate the assignment, transfer and delivery of every such claim, right and cause of action. The Vendor and/or Hansen will give notice to the Railroad of any claim known to the Vendor and/or Hansen from which liability may be charged against the Railroad hereunder. Said covenant of indemnity shall continue in full force and effect notwithstanding the full payment of all sums due hereunder, the satisfaction and discharge of this Agreement or the termination of this Agreement in any manner.

16. Assignments. The Railroad will not sell, assign, transfer or otherwise dispose of its rights under this Agreement or, except as provided in Article 12 hereof, transfer the right to possession of any unit of the Equipment without first obtaining the written consent of the Vendor. An assignment or transfer to a railroad company organized under the laws of the United States of America or any of the States thereof, which shall acquire or lease all or substantially all the lines of railroad of the Railroad and which, by execution of an appropriate instrument satisfactory to the Vendor, shall assume and agree to perform each and all of the obligations and covenants of the Railroad hereunder, shall not be deemed a breach of this covenant; provided that the Railroad shall remain liable for such payment and performance as a principal and not as surety.

All or any of the rights, benefits and advantages of the Vendor under this Agreement, including the right to receive the payments herein provided to be made by the Railroad, may be assigned by the Vendor and reassigned by any assignee at any time or from time to time. No such assignment shall subject any assignee to, or relieve Hansen from, any of the obligations of Hansen to reconstruct and deliver the Equipment in accordance herewith, or relieve the Railroad of its obligations to Hansen under Articles 14 and 15 hereof or any other obligation which, according to its terms and context, is intended to survive an assignment.

Upon any such assignment either the assignor or the assignee shall give written notice to the Railroad, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all of the Vendor's right, title and interest in and to the Equipment, or in and to a portion thereof, as the case may be, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Railroad of the notification of any such assignment, all payments thereafter to be made by the Railroad hereunder shall, to the extent so assigned, be made to the assignee at the address of the assignee specified in the aforesaid notice.

The Railroad recognizes that it is the custom to assign agreements of this character and understands that the assignment of this Agreement, or of some or all of the rights of the Vendor hereunder, is contemplated. The Railroad expressly represents, for the purpose of assurance to any person, firm or corporation considering the acquisition of this Agreement or of all or any of the rights of the Vendor hereunder, and for the purpose of inducing such acquisition, that in the event of such assignment by the Vendor, as hereinbefore provided, the rights of such assignee to the entire unpaid indebtedness in respect of Purchase Price or such part thereof as may be assigned, together with interest thereon, as well as any other rights hereunder which may be so assigned, shall not be subject to any defense, set-off, counterclaim or recoupment whatsoever arising out of any breach of any obligation of Hansen in respect of the Equipment, or the manufacture, construction, delivery or warranty thereof, or in respect of any indemnity herein contained, nor subject to 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 Hansen. Any and all such obligations howsoever arising shall be and remain enforceable by the Railroad against and only against Hansen.

In the event of any such assignment, or successive assignments by the Vendor, of title to the Equipment and of the Vendor's rights hereunder in respect thereof, the Railroad will, whenever requested by such assignee, change the name plates or other marking on each side of each unit of the Equipment, such plates or other marking to bear such words or legend as shall be specified by such assignee, subject to requirements of the laws of the jurisdictions in which the Equipment shall be operated by the Railroad relating to such plates or other marking for use on equipment covered by conditional sale agreements with respect to railroad equipment. The cost of obtaining and attaching any series of such plates or changing any other marking in the event of any assignment of title to not less than all of the Equipment at the time covered by this Conditional Sale Agreement shall be borne by the Railroad, and, in the event of any assignment of title to less than all of such Equipment, such cost shall be borne by the assignee.

In the event of any such assignment prior to the delivery of the Equipment, the Railroad will deliver to the assignee, at least five business days prior to the Closing Date, all documents required by the terms of such assignment (other than any opinion of counsel for the assignee) to be delivered to such assignee in such number of counterparts as may reasonably be requested.

If this Agreement shall have been assigned by Hansen and the assignee shall not make payment to Hansen with respect to units of Equipment as provided in the instrument making such assignment, Hansen will promptly notify the Railroad of such event and if such payment shall not have been previously paid by the assignee, the Railroad will, not later than 90 days after the date such payment was due, pay or cause to be paid to Hansen the aggregate

Purchase Price of such units, together with interest from the date such payment was due to the date of payment by the Railroad at the prime rate of interest of leading New York City banks in effect on the date such payment was due.

17. Defaults. In the event that any one or more of the following events of default shall occur and be continuing, to wit:

(a) The Railroad shall fail to pay in full, when due and payable hereunder, any sum payable by the Railroad as herein provided for indebtedness in respect of the Purchase Price of the Equipment or for interest thereon and such failure shall continue for more than ten days; or

(b) The Railroad shall, for more than 30 days after the Vendor shall have demanded in writing performance thereof, fail or refuse to comply with any covenant, agreement, term or provision of this Agreement, or of any agreement entered into concurrently herewith relating to the financing of the Equipment, on its part to be kept or performed or to make provision satisfactory to the Vendor for such compliance; or

(c) Any proceedings shall be commenced by or against the Railroad for any relief which incudes, or might result in, any modification of the obligations of the Railroad hereunder under any bankruptcy or insolvency law, or law relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions, or extensions, and, unless such proceeding shall within 30 days from the filing or effective date thereof be dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Railroad under this Agreement shall not have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed for the Railroad or for its property in connection with any such proceedings in such manner that such obligations shall have the same status as obligations incurred by such trustee or trustees or receivers, within 30 days after such appointment, if any, or 60 days after such proceedings shall have been commenced, whichever shall be earlier; or

(d) The Railroad shall make or suffer any unauthorized assignment or transfer of this Agreement or any interest herein or any unauthorized transfer of the right to possession of any unit of the Equipment;

then at any time after the occurrence of such an event of default the Vendor may, upon written notice to the Railroad and upon compliance with any legal require-

ments then in force and applicable to such action by the Vendor, declare the entire indebtedness in respect of the Purchase Price of the Equipment, together with the interest thereon then accrued and unpaid, immediately due and payable, without further demand, and thereafter the aggregate of the unpaid balance of such indebtedness and interest shall bear interest from the date of such declaration at the rate of 9% per annum, to the extent legally enforceable, and the Vendor shall thereupon be entitled to recover judgment for the entire unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment so payable, with interest as aforesaid, and to collect such judgment out of any property of the Railroad wherever situated.

The Vendor may at its election waive any such event of default and its consequences and rescind and annul any such declaration by notice to the Railroad in writing to that effect. If at any time after such declaration all sums which shall have become due and payable by the Railroad hereunder (other than indebtedness which shall have become due and payable solely by reason of such declaration) shall be paid by the Railroad (with interest at the rate of 9% to the extent legally enforceable) before any sale or lease of any of the Equipment, and every other default in the observance or performance of any covenant or condition hereof shall be made good or secured to the satisfaction of the Vendor or provision deemed by the Vendor to be adequate shall be made therefor, then, and in every such case, the Vendor shall waive any such event of default and its consequences and rescind and annul any such declaration. Upon any such waiver the respective rights of the parties shall be as they would have been if no such default had existed and no such declaration had been made. Notwithstanding the provisions of this paragraph, it is expressly understood and agreed by the Railroad that time is of the essence of this Agreement and that no such waiver, rescission or annulment shall extend to or affect any other or subsequent default or impair any rights or remedies consequent thereon.

18. Remedies. If the Railroad shall make default as hereinbefore provided, then at any time after the entire indebtedness in respect of Purchase Price shall have been declared immediately due and payable as hereinbefore provided (unless such declaration has been rescinded and annulled as provided in Article 17 hereof), and during the continuance of such default, the Vendor may, upon such further notice, if any, as may be required for compliance with any mandatory requirements of law applicable to the action to be taken by the Vendor, take or cause to be taken by its agent or agents immediate possession of the Equipment, or any unit thereof, without liability to return to the Railroad any sums theretofore paid and free from all claims whatsoever, except as hereinafter in this Article 18 expressly provided, and may remove the same from possession and use of the Railroad and for such purpose may enter upon the Railroad's premises where the Equipment may be located and may use and employ in connection with such removal any supplies, services and aids and any available trackage and other facilities or means of the Railroad, with or without process of law.

In case the Vendor shall rightfully demand possession of the Equipment in pursuance of this Agreement and shall reasonably designate a point or points upon the lines of the Railroad for the delivery of the Equipment to the Vendor, the Railroad shall, at its own expense, forthwith and in the usual manner, cause the Equipment to be moved to such point or points on its lines as shall be designated by the Vendor and shall there deliver the Equipment or cause it to be delivered to the Vendor; and, at the option of the Vendor, the Vendor may keep the Equipment on any of the lines of railroad or premises of the Railroad until the Vendor shall have leased, sold or otherwise disposed of the same, and for such purpose the Railroad agrees to furnish, without charge for rent or storage, the necessary facilities at any point or points selected by the Vendor reasonably convenient to the Railroad. This agreement to deliver the Equipment and to furnish facilities for its storage as hereinbefore provided is of the essence of the agreement between the parties, and, upon application to any court of equity having jurisdiction in the premises, the Vendor shall be entitled to a decree against the Railroad requiring specific performance hereof. The Railroad hereby expressly waives any and all claims against the Vendor and its agent or agents for damages of whatever nature in connection with any retaking of any unit of the Equipment in any reasonable manner.

If the Railroad shall make default as hereinbefore provided, then at any time thereafter during the continuance of such default and after the entire indebtedness in respect of Purchase Price shall have been declared immediately due and payable as hereinbefore provided (unless such declaration has been rescinded and annulled as provided in Article 17 hereof), the Vendor (after retaking possession of the Equipment as hereinbefore in this Article 18 provided) may at its election retain the Equipment as its own and make such disposition thereof as the Vendor shall deem fit (including, if the Vendor so elects, the leasing of the Equipment on such terms as it shall deem fit), and in such event all the Railroad's rights in the Equipment will thereupon terminate and, to the extent not prohibited by any mandatory requirements of law, all payments made by the Railroad may be retained by the Vendor as compensation for the use of the Equipment by the Railroad; provided, however, that, if the Railroad, within 20 days of receipt of notice of the Vendor's election to retain the Equipment for its own use, as hereinafter provided, shall pay or cause to be paid to the Vendor the total unpaid balance of the indebtedness in respect of the Purchase Price of all the Equipment, together with interest thereon accrued and unpaid and all other payments due by the Railroad under this Agreement, then in such event absolute right to the possession of, title to and property in such Equipment shall pass to and vest in the Railroad; or the Vendor, with or without retaking possession thereof, may at its election sell the Equipment, or any unit thereof, free from any and all claims of the Railroad, or of any other party claiming by, through or under the Railroad, at law or in equity, at public or private sale and with or without advertisement as the Vendor may determine, all subject to and in compliance with any mandatory requirements

of law then in force and applicable to such sale; and the proceeds of such sale, less the attorneys' fees and any other expenses incurred by the Vendor in taking possession of, removing, storing and selling the Equipment, shall be credited on the amount due to the Vendor under the provisions of this Agreement. Written notice of the Vendor's election to retain the Equipment for its own use may be given to the Railroad by telegram or registered mail addressed to the Railroad as provided in Article 23 hereof, at any time during a period of 30 days after the entire indebtedness in respect of Purchase Price shall have been declared immediately due and payable as hereinbefore provided; and if no such notice shall have been given, the Vendor shall be deemed to have elected to sell the Equipment in accordance with the provisions of this Article 18.

Any sale hereunder may be held or conducted at such place or places and at such time or times as the Vendor may specify, in one lot and as an entirety or in separate lots, and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Vendor may determine, provided that the Railroad shall be given written notice of such sale not less than ten days prior thereto, by telegram or registered mail addressed to the Railroad as provided in Article 23 hereof. If such sale shall be a private sale, it shall be subject to the right of the Railroad to purchase or provide a purchaser, within ten days after notice of the proposed sale price, at the same price offered by the intending purchaser or a better price. The Vendor may itself bid for and become the purchaser of the Equipment, or any unit thereof, so offered for sale without accountability to the Railroad (except to the extent of surplus money received as hereinafter provided in this Article 18), and in payment of the purchase price therefor the Vendor shall be entitled to have credited on account thereof all sums due to the Vendor from the Railroad hereunder.

Each and every power and remedy hereby specifically given to the Vendor shall be in addition to every other power and remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Vendor. All such powers and remedies shall be cumulative, and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Vendor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder shall impair any such power or remedy or shall be construed to be a waiver of any default or an acquiescence therein.

If, after applying all sums of money realized by the Vendor under the remedies herein provided, there shall remain any amount due to it under the provisions of this Agreement, the Railroad shall pay the amount of such deficiency to the Vendor upon demand, and, if the Railroad shall fail to pay

such deficiency, the Vendor may bring suit therefor and shall be entitled to recover judgment therefor against the Railroad. If, after applying as aforesaid all sums realized by the Vendor, there shall remain a surplus in the possession of the Vendor, such surplus shall be paid to the Railroad.

The Railroad will pay all reasonable expenses, including attorneys' fees, incurred by the Vendor in enforcing its remedies under the terms of this Agreement. In the event that the Vendor shall bring any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Vendor may recover reasonable expenses, including attorneys' fees, and the amount thereof shall be included in such judgment.

The foregoing provisions of this Article 18 are subject in all respects to all mandatory requirements of law at the time in force and applicable thereto.

In the event of assignments of interests hereunder to more than one assignee, each such assignee shall be entitled to exercise all rights of the Vendor hereunder in respect of the Equipment assigned to such assignee, irrespective of any action or failure to act on the part of any other assignee.

19. Applicable State Laws. Any provision of this Agreement prohibited by any applicable law of any jurisdiction shall as to such jurisdiction be ineffective, without modifying the remaining provisions of this Agreement. Where, however, the conflicting provisions of any applicable law of any jurisdiction may be waived, they are hereby waived by the Railroad to the full extent permitted by law, to the end that this Agreement shall be deemed to be a conditional sale and enforced as such.

Except as otherwise provided in this Agreement, the Railroad, to the fullest extent permitted by law, hereby waives all statutory or other legal requirements for any notice of any kind, notice of intention to take possession of or to sell the Equipment, or any unit thereof, and any other requirements as to the time, place and terms of sale thereof, any other requirements with respect to the enforcement of the Vendor's rights hereunder and any and all rights of redemption.

20. Extension Not a Waiver. No delay or omission in the exercise of any power or remedy herein provided or otherwise available to the Vendor shall impair or affect the Vendor's right thereafter to exercise the same. Any extension of time for payment hereunder or other indulgence duly granted to the Railroad shall not otherwise alter or affect the Vendor's rights or the obligations of the Railroad hereunder. The Vendor's acceptance of any payment after it shall have become due hereunder shall not be deemed to alter or affect the obligations of the Railroad or the Vendor's rights hereunder with respect to any subsequent payments or any other default hereunder.

21. Recording. The Railroad will cause this Agreement and any assignments hereof or of any interest herein, and any supplements hereto or thereto, to be filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act; and the Railroad will from time to time do and perform any other act and will execute, acknowledge, deliver, file and record any and all further instruments in such place or places as are required by law or reasonably requested by the Vendor for the purpose of proper protection, to the satisfaction of counsel for the Vendor, of its title to the Equipment and its rights under this Agreement or for the purpose of carrying out the intention of this Agreement; and the Railroad will promptly furnish to the Vendor certificates or other evidence of such filing and recording satisfactory to the Vendor.

22. Payment of Expenses. The Railroad will pay all reasonable costs and expenses of the first assignee of this Agreement and of any party or parties acquiring interests in such first assignment (x) incident to (i) the printing, execution or recording of this Agreement, of such first assignment, of an instrument supplemental or amendatory of this Agreement or such first assignment and of any certificate of payment in full of the indebtedness in respect of the Purchase Price of the Equipment due hereunder, (ii) payments to Hansen by such first assignee, and (iii) the transfer by any party or parties of interests acquired in such first assignment, or (y) otherwise incident to such first assignment, including fees and expenses of counsel, stamp and other taxes, if any, and if the first assignee is an agent, the fees and disbursements of such agent and of any successor agent or agents.

23. Notice. Any notice hereunder to the Railroad shall be deemed to be properly served if delivered or mailed to the Railroad at 3600 West Broad Street, Richmond, Virginia 23230, or at such other address as may have been furnished in writing to the Vendor by the Railroad. Any notice hereunder to Hansen shall be deemed to be properly served if delivered or mailed to Hansen at 3600 West Broad Street, Richmond, Virginia 23230, or at such other address as may have been furnished in writing to the Railroad by Hansen. Any notice hereunder to any assignee of the Vendor or of the Railroad shall be deemed to be properly served if delivered or mailed to such assignee at such address as may have been furnished in writing to the Railroad or the Vendor, as the case may be, by such assignee.

24. Article Headings. All article headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

25. Modification of Agreement. No variation or modification of this Agreement and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of the Vendor and the Railroad.

26. Law Governing. This Agreement shall be construed in accordance with the laws of the State of Florida, provided, however, that the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act and by the recordation provisions of any other act pursuant to which this Agreement is recorded.

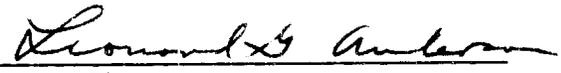
27. Definitions. The term "Vendor", whenever used in this Agreement, means, before any assignment of any of its rights hereunder, B. H. Hansen and, after any such assignment, both any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also any assignor as regards any rights hereunder that are retained and excluded from any assignment; and the term "Hansen", whenever used in this Agreement, means, both before and after any such assignment, B. H. Hansen.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly signed, all as of the date first above written.



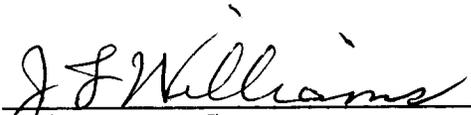
B. H. Hansen

SEABOARD COAST LINE RAILROAD
COMPANY

By 

Treasurer

Attest:



Assistant Secretary

SCHEDULE A

TO CONDITIONAL SALE AGREEMENT

<u>Type</u>	<u>Quantity</u>	<u>Railroad's Road Numbers (Both Inclusive)</u>	<u>Unit Purchase Price</u>	<u>Total Purchase Price</u>	<u>Delivery</u>
55-ton low side Gondola Cars	150	SCL 131950- SCL 132099	\$9,599.20	\$1,439,880	October 1970 - March 1971

THIS AGREEMENT and ASSIGNMENT, dated as of October 15, 1970, between B. H. HANSEN (hereinafter called "Hansen") and THE CITIZENS AND SOUTHERN NATIONAL BANK OF SOUTH CAROLINA, a national banking association (hereinafter called the "Assignee").

WHEREAS, Hansen and SEABOARD COAST LINE RAILROAD COMPANY, a Virginia corporation (hereinafter called the "Railroad"), have entered into a Conditional Sale Agreement, dated as of October 15, 1970 (hereinafter called the "Conditional Sale Agreement"), covering the reconstruction, sale and delivery by Hansen and the purchase by the Railroad of the railroad equipment referred to in the Conditional Sale Agreement (hereinafter called the "Equipment");

NOW, THEREFORE, this Agreement and Assignment WITNESSETH that, in consideration of the sum of One Dollar and other good and valuable consideration paid by the Assignee to Hansen, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained:

1. Hansen hereby assigns, transfers and sets over unto the Assignee, its successors and assigns (a) all the right, title and interest of Hansen in and to each unit of the Equipment when and as delivered and accepted and upon payment to Hansen of the amount required to be paid under the first paragraph of Section 6 hereof in respect of such unit, (b) all the right, title and interest of Hansen in and to the Conditional Sale Agreement in respect of the Equipment (except the right to reconstruct and the right to receive the payments specified in the third paragraph of Article 2 thereof and in subparagraph (a) of the third paragraph of Article 3 thereof and in the last paragraph of Article 16 thereof, and reimbursement for taxes paid or incurred by the Builder as provided in Article 4 thereof) and in and to any and all amounts which may be or become due or owing by the Railroad to Hansen, as Vendor, under the Conditional Sale Agreement on account of the Railroad's indebtedness in respect of the purchase price of 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) all of Hansen's rights, powers, privileges and remedies, as Vendor, under the Conditional Sale Agreement (without any recourse, however, against Hansen 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 Agreement and Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify, the liability of Hansen to reconstruct and deliver the Equipment in accordance with the Conditional Sale Agreement, or relieve the Railroad from its obligations to Hansen under Articles 1, 2, 4, 14, 15 and 16 (except that the Assignee shall also be entitled to the benefit of the Railroad's obligations under said Articles) of the Conditional Sale Agreement, it being understood and agreed that, notwithstanding this Agreement and Assignment, or any subsequent assignment

pursuant to the provisions of Article 16 of the Conditional Sale Agreement, all obligations of Hansen to the Railroad in respect of the Equipment shall be and remain enforceable by the Railroad, its successors and assigns, against and only against Hansen. In furtherance of the foregoing assignment and transfer, Hansen 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 Hansen, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Assignee is or may become entitled under this Agreement and Assignment and compliance by the Railroad with the terms and agreements on its part to be performed under the Conditional Sale Agreement, but at the expense and liability and for the sole benefit of the Assignee.

2. Hansen covenants and agrees that he will reconstruct the Equipment in full accordance with the Conditional Sale Agreement and will deliver the same under the Conditional Sale Agreement (but only after filing of the Conditional Sale Agreement and this Agreement and Assignment with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act) to the Railroad in accordance with the provisions of the Conditional Sale Agreement; and that, notwithstanding this Agreement and Assignment, he 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 Hansen. Hansen further covenants and agrees that he will warrant to the Assignee and the Railroad that at the time of delivery of any unit of the Equipment he had legal title to such unit and good and lawful right to sell such unit and the title to such unit was free of all claims, liens and encumbrances of any nature except only the rights of the Railroad under the Conditional Sale Agreement, and Hansen further covenants and agrees that he will defend the title to such unit against the demands of all persons whomsoever based on claims originating prior to the delivery of such unit by Hansen to the Railroad pursuant to the Conditional Sale Agreement, all subject, however, to the provisions of the Conditional Sale Agreement and the rights of the Railroad thereunder.

3. Hansen 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 purchase price or to enforce any provision of the Conditional Sale Agreement, Hansen will save, indemnify and hold harmless the Assignee from and against all expense, including, without limitation, counsel fees, loss or damage suffered by reason of any defense, set-off, counterclaim or recoupment whatsoever of the Railroad arising out of a breach by Hansen of any obligation in respect of the Equipment or the reconstruction, delivery or warranty thereof, 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 Hansen. Any and all such obligations shall be and remain enforceable

by the Railroad against and only against Hansen and shall not be enforceable against the Assignee or any party or parties in whom title to the Equipment or any unit thereof or any of the rights of Hansen under the Conditional Sale Agreement shall vest by reason of this assignment or of successive assignments or transfers. The Assignee will give notice to Hansen of any suit, proceeding or action by the Assignee herein described, and shall promptly move or take other appropriate action, on the basis of Article 16 of the Conditional Sale Agreement, to strike any defense, set-off, counterclaim or recoupment asserted by the Railroad therein, and 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 shall promptly notify Hansen of any such defense, set-off, counterclaim or recoupment asserted by the Railroad and Hansen shall thereafter be given the right by the Assignee, at Hansen's expense, to compromise, settle or defend against such defense, set-off, counterclaim or recoupment.

4. Hansen covenants and agrees that, at the time of delivery of each unit of the Equipment to the Railroad, there will be plainly, distinctly, permanently and conspicuously placed and fastened on each side thereof a metal plate bearing the following legend, or such legend shall be otherwise plainly, distinctly, permanently and conspicuously marked on each side thereof, in either case in letters not less than one inch in height:

THE CITIZENS AND SOUTHERN NATIONAL BANK OF SOUTH
CAROLINA, OWNER

5. Upon request of the Assignee, its successors and assigns, Hansen will execute any and 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 Hansen therein or in the Equipment.

6. The Assignee, on the Closing Date fixed as provided in Article 3 of the Conditional Sale Agreement, shall pay to or upon the order of Hansen an amount equal to that portion of the Purchase Price (as defined in said Article 3) not payable by the Railroad pursuant to subparagraph (a) of the third paragraph of said Article 3, provided that there shall have been delivered to the Assignee, as provided in Article 16 of the Conditional Sale Agreement, at least five business days prior to the Closing Date, the following documents, in form and substance satisfactory to it and to its special counsel hereinafter mentioned:

(a) A bill of sale from Hansen to the Assignee, evidencing the transfer to the Assignee of title to the Equipment and warranting to the Assignee and to the Railroad that at the time of delivery to the Railroad under the Conditional Sale Agreement, Hansen had

legal title to such units and good and lawful right to sell such units and that title to such units was free of all claims, liens, and encumbrances of any nature except only the rights of the Railroad under the Conditional Sale Agreement;

(b) A Certificate of Acceptance with respect to the Equipment as contemplated by Article 2 of the Conditional Sale Agreement;

(c) Duplicate invoice or invoices for the Equipment accompanied by or having endorsed thereon a certification by the Railroad as to the correctness of the price stated therein;

(d) An opinion of counsel for the Assignee, stating that (i) the Conditional Sale Agreement has been duly authorized, executed and delivered and is a legal, valid and binding instrument enforceable in accordance with its terms, (ii) this Agreement and Assignment has been duly executed and delivered and is a legal, valid and binding instrument, (iii) the Assignee is vested with all the right, title and interest of Hansen in and to the Conditional Sale Agreement purported to be assigned to the Assignee by this Agreement and Assignment, (iv) title to the Equipment is validly vested in the Assignee, free of all claims, liens and encumbrances except only the rights of the Railroad under the Conditional Sale Agreement, (v) no approval of the Interstate Commerce Commission or any other governmental authority is necessary for the execution and delivery of the Conditional Sale Agreement or this Agreement and Assignment, (vi) the Conditional Sale Agreement and this 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 that no other filing or recordation is necessary for the protection of the rights of the Assignee in any State of the United States of America or the District of Columbia, and (vii) registration of the Conditional Sale Agreement or this Agreement and Assignment or of the interests acquired herein is not required under the Securities Act of 1933, as amended, and qualification of an indenture with respect thereto is not required under the Trust Indenture Act of 1939, as amended; and said opinion shall cover such other matters as shall be reasonably requested by the Assignee;

(e) An opinion of counsel for Hansen stating that (i) the Conditional Sale Agreement has been duly executed and delivered by Hansen and is a legal and valid instrument binding upon Hansen

and enforceable against Hansen in accordance with its terms, (ii) this Agreement and Assignment has been duly executed and delivered by Hansen and is a legal and valid instrument binding upon Hansen, (iii) the Assignee is vested with all the right, title and interest of Hansen in and to the Conditional Sale Agreement purported to be assigned to the Assignee by this Agreement and Assignment, (iv) title to the Equipment has been validly vested in the Assignee, and that 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 the rights of the Railroad under the Conditional Sale Agreement and (v) neither the execution and delivery of the Conditional Sale Agreement and this Agreement and Assignment, nor the consummation of the transactions therein and herein contemplated, nor the fulfillment of the terms thereof and hereof will conflict with or result in a breach of any of the terms, conditions or provisions of any law, regulation, order, writ, injunction or decree of any court or governmental instrumentality, domestic or foreign, or of any agreement or instrument to which Hansen is now a party or constitute a default thereunder;

(f) An opinion of counsel for the Railroad covering the matters referred to in subdivisions (i) through (vii) of paragraph (d) of this Section 6, and stating that (i) the Railroad is a duly organized and existing corporation in good standing under the laws of its State of incorporation and has the power and authority to own its properties and to carry on its business as now conducted, (ii) there is no condition, restriction or requirement in the documents constituting the corporate charter of the Railroad relating to or affecting the execution and delivery by the Railroad of the Conditional Sale Agreement or the enforceability thereof in accordance with its terms or requiring any approval of stockholders in respect thereof, and (iii) neither the execution and delivery of the Conditional Sale Agreement and this Agreement and Assignment, nor the consummation of the transactions therein and herein contemplated, nor the fulfillment of the terms thereof and hereof will conflict with or result in a breach of any of the terms, conditions or provisions of any law, regulation, order, writ, injunction or decree of any court or governmental instrumentality, domestic or foreign, or of any agreement or instrument to which the Railroad is now a party or constitute a default thereunder;

(g) A counterpart of a receipt from Hansen acknowledging payment of that portion of the Purchase Price of the Equipment payable pursuant to subparagraph (a) of the third paragraph of Article 3 of the Conditional Sale Agreement.

In giving the opinions specified in subparagraphs (d), (e) and (f) of this Section 6, counsel may qualify any opinion to the effect that any agreement is a valid and binding instrument enforceable in accordance with its terms by a general reference to limitations as to enforceability imposed on bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights generally. In giving an opinion pursuant to subparagraph (d) of the next preceding paragraph, counsel for the Assignee may rely on the opinions of local counsel and of counsel for Hansen and the Railroad referred to in subparagraphs (e) and (f) of the preceding paragraph as to all matters of Virginia law and as to matters of title to the Equipment immediately prior to the time it is subjected to the Conditional Sale Agreement.

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 demand provided for in the Conditional Sale Agreement would constitute an event of default, shall be subsisting under the Conditional Sale Agreement.

It is understood and agreed that the Assignee shall not be required to make any payment in respect of any Equipment excluded from the Conditional Sale Agreement pursuant to Article 2 thereof.

The term "business days" as used herein means calendar days, excluding Saturdays, Sundays and holidays.

7. The Assignee may assign all or any 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 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 all the obligations of the Assignee hereunder.

8. Hansen hereby:

(a) represents and warrants to the Assignee, its successors and assigns, that the Conditional Sale Agreement was duly authorized by him and lawfully executed and delivered by him for a valid consideration, that he has no reason to believe that the Conditional Sale Agreement is not a validly existing agreement, binding upon the parties thereto in accordance with its terms, and that assuming valid authorization, execution and delivery by the Railroad, the Conditional Sale Agreement is, insofar as Hansen is concerned, a valid and existing agreement binding upon Hansen and the Railroad in accordance with its terms and that it is now in force without amendment thereto; and

(b) covenants and agrees that he 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 in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Assignee or intended so to be.

9. This Agreement and Assignment shall be construed in accordance with the laws of the State of Florida, provided, however, that the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act and by the recordation provisions of any other act pursuant to which this Agreement and Assignment is recorded.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly signed, all as of the day, month and year first above written.

B. H. Hansen
B. H. Hansen

THE CITIZENS and SOUTHERN NATIONAL
BANK of SOUTH CAROLINA

By G. R. Jimenez
1st V.P.

[Corporate Seal]

Attest:

[Signature]

STATE OF VIRGINIA)
) ss.
CITY OF RICHMOND)

On this 6TH day of November, 1970, before me personally appeared B. H. HANSEN, to me known to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

[Notarial Seal]

J. H. Chapman
Notary Public

My commission expires July 12, 1974.

STATE OF SOUTH CAROLINA)
) ss.
COUNTY OF CHARLESTON)

On this 10th day of November, 1970, before me personally appeared A. T. Simons, to me personally known, who being by me duly sworn, says that he is a First Vice President of THE CITIZENS and SOUTHERN NATIONAL BANK of SOUTH CAROLINA, 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.

[Notarial Seal]

Rhoda B. Morton
Notary Public Jr SC

My commission expires
4-3-79

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

SEABOARD COAST LINE RAILROAD COMPANY hereby acknowledges due notice of, and consents to, the assignment made by the foregoing Agreement and Assignment dated October 15, 1970.

SEABOARD COAST LINE RAILROAD
COMPANY

By Leonard G. Anderson
Leonard G. Anderson,
Its Treasurer