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INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF LEASE AND AGREEMENT

Dated as of December 15, 1974

between

FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION,
as Trustee

and

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY,
as Agent

ASSIGNMENT OF LEASE AND AGREEMENT dated as of December 15, 1974 by and between FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, not in its individual capacity but solely as Trustee under a Trust Agreement dated as of December 1, 1974, as amended, (hereinafter called the Lessor or the Vendee) and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent (hereinafter called the Vendor).

The Vendee and the Vendor are entering into a Reconstruction and Conditional Sale Agreement dated as of the date hereof (hereinafter called the Security Document), with Louisville and Nashville Railroad Company (hereinafter called the Lessee) and L&N Investment Corporation providing for the sale to the Vendee of the interest of the Vendor in such units of railroad equipment (hereinafter called the Units) described in Schedule A thereto as are delivered to and accepted by the Vendee thereunder.

The Lessor and the Lessee have entered into a Lease of Railroad Equipment dated as of the date hereof (hereinafter called the Lease), providing for the leasing by the Lessor to the Lessee of the Units.

In order to provide security for the obligations of the Lessor under the Security Document and as an inducement to the Vendor to invest in the Conditional Sale Indebtedness (as that term is defined in the Security Document), the Lessor has agreed to assign for security purposes its rights in, to and under the Lease to the Vendor.

NOW, THEREFORE, in consideration of the premises and of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. Subject to the provisions of Paragraph 11 hereof, the Lessor hereby assigns, transfers and sets over unto the Vendor, as collateral security for the payment and performance of the obligations of the Lessor as Vendee under the Security Document, all the Lessor's right, title and interest, powers, privileges, and other benefits under the Lease, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Lessor from the Lessee under or pursuant to the provisions of the Lease whether as rent, casualty payment, indemnity, liquidated damages, or otherwise (such moneys being hereinafter called the Payments), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and

to do any and all other things whatsoever which the Lessor is or may become entitled to do under the Lease. In furtherance of the foregoing assignment, the Lessor hereby irrevocably authorizes and empowers the Vendor in its own name, or in the name of its nominee, or in the name of the Lessor or as its attorney, to ask, demand, sue for, collect and receive any and all sums to which the Lessor is or may become entitled under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof.

The Vendor agrees to accept any Payments made by the Lessee for the account of the Lessor pursuant to Section 2 of the Lease. To the extent received, the Vendor will apply such Payments to satisfy the obligations of the Lessor under the Security Document, and to provide for the payments required to be made by the Vendor pursuant to the last paragraph of paragraph 4 of the Finance Agreement under which the Vendor is acting as agent, and so long as no event of default (or event which, with notice or lapse of time, or both, could constitute an event of default) under the Security Document shall have occurred and be continuing, any balance shall be paid to the Lessor.

2. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Vendor to, or transfer, or pass, or in any way affect or modify the liability of the Lessor under the Lease, it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of the Lessor to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Lessor or persons other than the Vendor.

3. To protect the security afforded by this Assignment the Lessor agrees as follows:

(a) Without the written consent of the Vendor, the Lessor will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Lessee, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into any agreement amending, modifying or terminating the Lease and the Lessor agrees that any amendment, modification or termination thereof without such consent shall be void; provided, however, that the Lessor may amend or supplement the Lease to provide for an increase or decrease of amounts due as rentals under Section 2 thereof

and/or Casualty Values under Section 6 thereof provided that no such decrease shall reduce said amounts below that which are necessary to satisfy the obligations of the Lessor under the Security Document, notwithstanding any limitation of liability of the Lessor contained therein.

(b) Should the Lessor fail to make any payment or to do any act which this Assignment requires the Lessor to make or do, then the Vendor, but without obligation so to do, after first making written demand upon the Lessor and affording the Lessor a reasonable period of time within which to make such payment or do such act, but without releasing the Lessor from any obligation hereunder, may make or do the same in such manner and to such extent as the Vendor may deem necessary to protect the security hereof, including specifically, without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof and the rights or powers of the Vendor, and also the right to perform and discharge each and every obligation, covenant and agreement of the Lessor contained in the Lease; and in exercising any such powers, the Vendor may pay necessary costs and expenses, employ counsel and incur and pay reasonable attorneys' fees, and the Lessor will reimburse the Vendor for such costs, expenses and fees.

4. The Lessor does hereby constitute the Vendor the Lessor's true and lawful attorney, irrevocably, with full power (in the name of the Lessor, or otherwise), to ask, require, demand, receive, compound and give acquittance for any and all Payments due and to become due under or arising out of the Lease to which the Lessor is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which to the Vendor may deem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all the Lessor's obligations under the Security Document, this Assignment and all rights herein assigned to the Vendor shall terminate, and all estate, right, title and interest of the Vendor in and to the Lease shall revert to the Lessor.

6. If an event of default under the Security Document shall occur and be continuing, the Vendor may declare all sums secured hereby immediately due and payable and may apply all such sums against the amounts due and payable under the Security Document.

7. The Lessor will, from time to time, do and perform any other act and will execute, acknowledge, deliver and file, register, deposit and record (and will refile, re-register, re-record or redeposit whenever required) any and all further instruments required by law or reasonably requested by the Vendor in order to confirm or further assure, the interests of the Vendor hereunder.

8. The Vendor may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due. 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 Vendor hereunder.

9. This Assignment shall be governed by the laws of the State of Utah, but the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

10. The Lessor shall cause copies of all notices received in connection with the Lease and all payments hereunder to be promptly delivered or make to the Vendor at its address set forth in Article 20 of the Security Document, or at such other address as the Vendor shall designate.

11. The Vendor hereby agrees with the Lessor that the Vendor will not, so long as an Event of Default under the Lease or an event of default under the Security Document has not occurred and is not then continuing, exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits assigned and transferred by the Lessor to the Vendor by this Assignment, except as specifically contemplated by the provisions of this Assignment.

12. Each of the representations, undertakings and agreements herein made on the part of the Lessor, are made and intended not as personal representations, undertakings and agreements by the First Security Bank of Utah, National Association or for the purpose or with the intention of binding said Bank personally but are made and intended for the purpose of binding only the Trust Estate as such term is used in the Trust Agreement, and this Agreement is executed and delivered by said Bank not in its own right but solely in the exercise of the powers expressly conferred upon it as trustee under the Trust Agreement; and no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against said Bank or the Beneficiaries as such terms are used in the Security Document

on account of this Assignment or on account of any representation, undertaking or agreement, all such personal liability, if any, being expressly waived and released by the Vendor and by all persons claiming by, through or under the Vendor; provided, however, that the Vendor or any person claiming by, through or under it, making claim hereunder, may look to said Trust Estate for satisfaction of the same. The obligations and liabilities of the Lessor hereunder shall be construed and limited in accordance with the last paragraph of Article 3 of the Security Document.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective corporate names by officers thereunto duly authorized, and their respective corporate seals to be affixed and duly attested, all as of the date first above written.

FIRST SECURITY BANK OF UTAH,
NATIONAL ASSOCIATION, as Trustee

[CORPORATE SEAL]

by *Ralph B. Johnson*
Authorized Officer

Attest:

W. Stan Segmiller
Authorized Officer

MERCANTILE-SAFE DEPOSIT
AND TRUST COMPANY, as Agent

[CORPORATE SEAL]

by *[Signature]*
Assistant Vice President

Attest:

[Signature]
Corporate Trust Officer

STATE OF UTAH)
) ss.:
COUNTY OF SALT LAKE)

On this *15th* day of *April*, 1974 before me personally appeared *Ralph B. Johnson*, to be personally known, who, being by me duly sworn, says that he is an Authorized Officer of FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said association, that said instrument was signed and sealed on behalf of said association 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 association.

Debbie J. Langford

Notary Public

[NOTARIAL SEAL]

My Commission expires

July 22, 1978

STATE OF MARYLAND)
) ss.:
 CITY OF BALTIMORE)

On this *11th* day of *April*, 1975, before me personally appeared *G. J. Johnston*, to me personally known, who, being by me duly sworn, says that he is an Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, that one of the seals 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.

Dorothy E. Schaefer

 Notary Public

DOROTHY E. SCHAEFER
 NOTARY PUBLIC
 My Commission Expires July 2, 1978

[NOTARIAL SEAL]

My Commission expires *7-1-78.*

LESSEE'S CONSENT AND AGREEMENT

The undersigned, a corporation duly incorporated under the laws of the Commonwealth of Kentucky, the Lessee named in the Lease (hereinafter called the Lease) referred to in the foregoing Assignment of Lease and Agreement (hereinafter called the Assignment), hereby (a) acknowledges receipt of a copy of the Assignment and (b) consents to all the terms and conditions of the Assignment.

As an inducement to the Investors (as defined in the Reconstruction and Conditional Sale Agreement) to invest in the Conditional Sale Indebtedness (as that term is defined in the Reconstruction and Conditional Sale Agreement) (hereinafter called the Security Document) dated as of December 15, 1974, among L&N Investment Corporation, First Security Bank of Utah, National Association, as trustee (hereinafter called the Lessor), and Louisville and Nashville Railroad Company (a copy of which Security Document has been delivered to the undersigned) pursuant to which the Lessor is partially financing the purchase of the units of railroad equipment (hereinafter called the Units) being leased by the Lessor to the undersigned pursuant to the Lease, and in consideration of other good and valuable consideration, the undersigned:

(1) represents and warrants to Mercantile-Safe Deposit and Trust Company (hereinafter called the Vendor), acting as agent for the Investors in the Conditional Sale Indebtedness, that the rentals and other obligations under the Lease have been calculated so as to provide for the due and punctual payment of the principal of, and interest on, the Conditional Sale Indebtedness and the due and punctual performance of all other obligations of the Lessor under the Security Document (except the obligations of the Lessor under subparagraph (a) of the third paragraph of Article 3 thereof) without reference to any limitation of liability contained in the last paragraph of Article 3 or Article 21 thereof;

(2) agrees, subject to the terms and conditions of the Assignment, to pay all rentals, casualty payments, liquidated damages, indemnities and other moneys provided for in the Lease (which moneys are hereinafter called the Payments) due and to become due under the Lease in respect of the Units leased thereunder, directly to the Vendor to be applied as provided in the Security Document, at P.O. Box 2258, Two Hopkins Plaza, Baltimore, Maryland 21203, attention of Corporate Trust Department (or at such other address as may be furnished in writing to the undersigned by the Vendor).

(3) agrees, subject to the terms and conditions of the Assignment, that the Vendor shall be entitled to the benefits of, and to receive and enforce performance of, all the covenants to be performed by the undersigned under the Lease as though the Vendor were named therein as the Lessor;

(4) agrees that the Payments shall not be subject to any right of setoff or counterclaim or other defense which the undersigned might have against the Lessor or otherwise, and the payment thereof to the Vendor shall be final and shall not be subject to, and the undersigned hereby agrees to indemnify the Vendor against, any liens, charges or claims of any nature whatsoever (other than liens, charges or claims created or incurred by the Vendor not arising out of the transactions contemplated by the Security Document, the Lease or the Assignment) resulting from a breach by the undersigned of its obligations under the Lease, prior to or pari passu with the right of the Vendor to apply such Payments as provided in the Assignment;

(5) agrees that any rights acquired by the undersigned, by subrogation or otherwise, against the Lessor under the Security Document or with respect to any of the Units by reason of any payments made by the undersigned pursuant hereto may not be exercised until the Vendor has been paid all sums payable to it under the Security Document;

(6) agrees that the Vendor shall not, by virtue of the Assignment or this Consent and Agreement, be or become subject to any liability or obligation under the Lease or otherwise;

(7) agrees that the Lease shall not, without the prior written consent of the Vendor, be amended, terminated or modified, or any action be taken or omitted by the undersigned, the taking or omission of which might result in an alteration or impairment of the obligations of the Lessee under the Lease which are intended to satisfy the obligations of the Lessor under the Security Document, the obligations of the Lessor under the Assignment or the obligations of the Lessee under this Consent and Agreement or of any of the rights created by any thereof; and

(8) will (i) execute, deliver and/or furnish all notices, certificates, communications, instruments, agreements, legal opinions and other documents and papers required to be executed, delivered and/or furnished by it (or its counsel) pursuant to the provisions of the Security Document

and (ii) do all such acts and execute and deliver all such further assurances required to be done and/or executed and delivered by it pursuant to the provisions of any thereof.

This Consent and Agreement may be executed in several counterparts, each of which when so executed shall be deemed an original, and such counterparts together shall constitute one and the same instrument.

This Consent and Agreement, when accepted by the Vendor by signing the acceptance at the foot hereof, shall be deemed to be a contract under the laws of the Commonwealth of Kentucky and, for all purposes, shall be construed in accordance with the laws of said State.

Dated as of December 15, 1974

LOUISVILLE AND NASHVILLE RAILROAD COMPANY,

by *[Signature]*
Asst. Vice President,

[CORPORATE SEAL]

Attest: *[Signature]*
ATTESTING OFFICER

Accepted as of December 15, 1974

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

by *[Signature]*
Assistant Vice President

[CORPORATE SEAL]

Attest: *[Signature]*
Corporate Trust Officer



