

CRAVATH, SWAINE & MOORE SEP 28 1978 -9 45 AM

ONE CHASE MANHATTAN PLAZA

NEW YORK, N.Y. 10005

212 HANOVER 2-3000

INTERNATIONAL TELETYPE: 620976

TELETYPE: 710-581-0338

TELETYPE: 125547

RECORDATION NO. 9719 Filed 1425

SEP 28 1978 -9 45 AM

INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 9719 Filed 1425

SEP 28 1978 -9 45 AM

INTERSTATE COMMERCE COMMISSION

INTERSTATE COMMERCE COMMISSION

8-271AC51

Date SEP 28 1978

Fee \$ 700

ICC Washington, D.C.

ROSWELL L. GILPATRICK
COUNSEL
CARLYLE E. MAW

L. R. BRESLIN, JR.
GEORGE B. TURNER
JOHN H. MORSE
HAROLD R. MEDINA, JR.
CHARLES R. LINTON

4, PLACE DE LA CONCORDE
75008 PARIS, FRANCE
TELEPHONE: 265-81-54
TELEX: 290530

33 THROGMORTON STREET
LONDON, EC2N 2BR, ENGLAND
TELEPHONE 01-606-1421
TELEX: 8814901

CABLE ADDRESSES
CRAVATH, N.Y.
CRAVATH, PARIS
CRAVATH, LONDON E.C. 2

MAURICE T. MOORE
BRUCE BROMLEY
ALBERT R. CONNELLY
FRANK H. DETWEILER
GEORGE G. TYLER
WILLIAM B. MARSHALL
RALPH L. MCAFEE
ROYALL VICTOR
ALLEN H. MERRILL
HENRY W. DE KOSMIAN
ALLEN F. MAULSBY
STEWART R. BROSS, JR.
HENRY P. RIORDAN
JOHN R. HUPPER
SAMUEL C. BUTLER
WILLIAM J. SCHRENK, JR.
BENJAMIN F. CRANE
FRANCIS F. RANDOLPH, JR.
JOHN F. HUNT
GEORGE J. GILLESPIE, III
RICHARD S. SIMMONS
WAYNE E. CHAPMAN
THOMAS D. BARR
MELVIN L. BEDRICK

GEORGE T. LOWY
ROBERT ROSEMAN
JAMES H. DUFFY
ALAN J. HRUSKA
JOHN E. YOUNG
JAMES M. EDWARDS
DAVID G. ORMSBY
DAVID L. SCHWARTZ
RICHARD J. HIEGEL
FREDERICK A. O. SCHWARZ, JR.
CHRISTINE BESHAR
ROBERT S. RIFKIND
DAVID O. BROWNWOOD
PAUL M. DODYK
RICHARD M. ALLEN
THOMAS R. BROME
ROBERT D. JOFFE
ROBERT F. MULLER
ALLEN FINKELSON
RONALD S. ROLFE
JOSEPH R. SAHID
PAUL C. SAUNDERS
MARTIN L. BENZEL

RECORDATION NO. 9719 Filed 1425

SEP 28 1978 -9 45 AM

INTERSTATE COMMERCE COMMISSION

SEP 28 1978 -9 45 AM

INTERSTATE COMMERCE COMMISSION

Lease and Nashville Railroad Company (No. 2)
Lease Financing Dated as of February 1, 1978
8-7/8% Conditional Sale Indebtedness Due April 20, 1989

[CS&M Ref: 3750-017]

Dear Sir:

Pursuant to Section 20c of the Interstate Commerce Act and the Commission's rules and regulations thereunder, as amended, I enclose herewith on behalf of Louisville and Nashville Railroad Company, for filing and recordation counterparts of the following:

(1) Reconstruction and Conditional Sale Agreement (No. 2) dated as of February 1, 1978, among Mercantile-Safe Deposit and Trust Company, L&N Investment Corporation and The Connecticut Bank and Trust Company;

(2) Transfer Agreement (No. 2) dated as of February 1, 1978, between Mercantile-Safe Deposit and Trust Company and The Connecticut Bank and Trust Company;

(3)(a) Lease of Railroad Equipment (No. 2) dated as of February 1, 1978, between Louisville and Nashville Railroad Company and The Connecticut Bank and Trust Company;

(3)(b) Assignment of Lease and Agreement (No. 2) dated as of February 1, 1978, between Mercantile-Safe Deposit and Trust Company, The Connecticut Bank and

Handwritten signature: C. Swain

SEP 28 1978
RECEIVED
FEDERAL RESERVE BANK
SEP 28 1978
RECEIVED
FEDERAL RESERVE BANK

Trust Company and Louisville and Nashville Railroad Company; and

(4) Hulk Purchase Agreement (No. 2) dated as of February 1, 1978, between The Connecticut Bank and Trust Company and Louisville and Nashville Railroad Company.

The addresses of the parties to the aforementioned agreements are:

Trustee-Owner-Trustee-Lessor-Vendee-Buyer:

The Connecticut Bank and Trust Company,
One Constitution Plaza,
Hartford, Connecticut 06115.

Builder:

L&N Investment Corporation,
908 West Broadway,
Louisville, Kentucky 40201.

Lessee-Railroad-Seller:

Louisville and Nashville Railroad Company,
908 West Broadway,
Louisville, Kentucky 40201.

Agent-Vendor:

Mercantile-Safe Deposit and Trust Company,
Two Hopkins Plaza,
P. O. Box 2258,
Baltimore, Maryland 21203.

The Hulks covered by the Transfer Agreement (No. 2) and the Hulk Purchase Agreement (No. 2) are listed in Exhibit A attached hereto. The reconstructed railroad equipment covered by the Reconstruction and Conditional Sale Agreement (No. 2) and the Lease (No. 2) are listed in Exhibit B attached hereto. The reconstructed railroad equipment bear the legend "Subject to a Security Agreement filed under the Interstate Commerce Act, Section 20c".

Enclosed is our check for \$200 for the required recordation fee. Please accept for recordation one counter-

part of each of the enclosed agreements, stamp the remaining counterparts with your recordation number and return them to the delivering messenger along with your fee receipt, addressed to the undersigned.

Very truly yours,

Laurance V. Goodrich

Laurance V. Goodrich
As Agent for Louisville and
Nashville Railroad Company

Robert L. Oswald, Esq., Secretary,
Interstate Commerce Commission,
Washington, D. C. 20423

Encls.

39N

BY HAND

See-E
all Nos changed

9719-A
RECORDATION NO.....Filed 1425

SEP 21 1978 9 15 AM

INTERSTATE COMMERCE COMMISSION

TRANSFER AGREEMENT
(No. 2)

As of February 1, 1978

Mercantile-Safe Deposit and
Trust Company, not in its
individual capacity but
solely as Agent,
P. O. Box 2258
Baltimore, Maryland 21203

Attention of Mr. Russell E. Schreiber,
Corporate Trust Officer.

Dear Sirs:

The undersigned proposes to acquire the used rail-
road equipment described in Annex I hereto (hereinafter
called the Hulks) from Louisville and Nashville Railroad
Company (hereinafter called the Railroad) and desires to
have such Hulks reconstructed. The undersigned hereby
agrees with you as follows:

1. In order to cause the Hulks to be reconstructed
and sold to us by you on conditional sale, the under-
signed hereby assigns and transfers to you security
title to the Hulks, without any warranties, including,
but not limited to, warranties as to title, fitness,
merchantability or workmanship.

2. You will hold security title under and pursuant
to the Reconstruction and Conditional Sale Agreement
No. 2 dated as of the date hereof (hereinafter called
the Agreement), among you, L&N Investment Corporation
(hereinafter called the Builder) and us and you will
request that the Hulks be reconstructed, pursuant
thereto in accordance with the specifications referred
to in Schedule A thereto. In accordance with the Agree-
ment the undersigned will cause the Hulks to be
delivered to the Builder on your behalf.

3. Upon completion of the reconstruction, the
reconstructed Hulks will be delivered and conditionally

sold by you to us in accordance with the Agreement.

4. If Hulks are excluded from the Agreement, you shall reassign to us your interest in such Hulks without warranty.

5. It is understood and agreed that this agreement is being entered into solely to permit you to effectuate the foregoing and your interests in the Hulks, in present form or as reconstructed, is a security interest and that we shall at all times be the beneficial owner of the same.

6. It is understood and agreed that this agreement may be executed by you and us in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart; that it shall not be necessary that any counterpart be signed by both of us so long as each of us shall sign at least one counterpart; and that this agreement shall be valid, binding and effective at such time as each of us shall have executed this agreement and you shall have received (or as to which you shall have received attested telegraphic communication confirming execution of) a counterpart executed by the undersigned.

7. It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, warranties, undertakings and agreements herein made on the part of the undersigned, are made and intended not as personal representations, warranties, undertakings and agreements by the undersigned in its individual capacity or for the purpose or with the intention of binding the undersigned personally but are made and intended for the purpose of binding only the Trust Estate as such term is used in a Trust Agreement No. 2 dated as of the date hereof between American Security Bank, N.A., and the undersigned (hereinafter called the Trust Agreement), and this agreement is executed and delivered by the undersigned not in its own right but solely in the exercise of the powers expressly conferred upon it as trustee under the Trust Agreement; and except in the case of gross negligence or wilful misconduct, no personal liability or personal responsi-

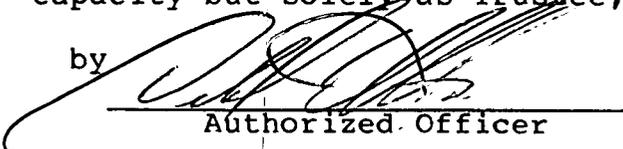
bility is assumed by or shall at any time be asserted or enforceable against the undersigned on account of this agreement or on account of any representation, warranty, undertaking or agreement of the undersigned herein either expressed or implied, all such personal liability, if any, being expressly waived and released by you and by all persons claiming by, through or under you.

If the foregoing is in accordance with your understanding, please sign each of the enclosed counterparts of this agreement in the space provided and return one counterpart to us.

Very truly yours,

THE CONNECTICUT BANK AND TRUST COMPANY, not in its individual capacity but solely as Trustee,

by


Authorized Officer

[SEAL]

Attest:

by


Authorized Officer

ACCEPTED:

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, not in its individual capacity but solely as Agent,

by

Assistant Vice President

Attested:

by

Corporate Trust Officer

STATE OF CONNECTICUT,)
) ss.:
 COUNTY OF HARTFORD,)

On this *18th* day of *July* 1978, before me personally appeared **DONALD E. SMITH**, to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of THE CONNECTICUT BANK AND TRUST COMPANY, that the seal affixed to the foregoing instrument is the corporate seal of said corporation and 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 a free act and deed of said corporation.

Barbara S. Kacich

Notary Public

BARBARA S. KACICH

NOTARY PUBLIC

MY COMMISSION EXPIRES MARCH 31, 1982

[NOTARIAL SEAL]

My commission expires

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

On this day of 1978, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, that the seal affixed to the foregoing instrument is the corporate seal of said corporation and 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 a free act and deed of said corporation.

 Notary Public

[NOTARIAL SEAL]

My commission expires

TRANSFER AGREEMENT

(No. 2)

ANNEX I

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk* Railroad Numbers</u>
115	50-Ton Box Cars	L&N	97109, 97110, 97161, 97195, 97314, 97355, 98115, 98138, 98386, 98389, 98404, 98437, 98446, 98532, 98546, 98569, 108538, 108541, 108605, 108613, 108648, 108685, 108698, 108709, 108726, 108775, 108800, 108801, 108808, 108810, 108812, 108816, 108824, 108829, 108834, 108847, 108849, 108859, 108865, 108873, 108878, 108881, 108882, 108884, 108885, 108886, 108893, 108897, 108902, 108905, 108910, 108918, 108919, 108926, 108927, 108928, 108930, 108934, 108936, 108956, 108962, 108964, 108971, 108972, 108974, 108976, 108978, 108983, 108987, 109000, 109008, 109027, 109034, 109035, 109044, 109046, 109052, 109053, 109065, 109073, 109084, 109090, 109098, 109115, 109117, 109118, 109134, 109141, 109143, 109145, 109155, 109159, 109172, 109173, 109175, 109186, 109188, 109196, 109198, 109205, 109208, 109227, 109228, 109234, 109238, 109240, 109253, 109255, 109275, 109311, 109348, 109365, 109366, 109375, 109389

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk* Railroad Numbers</u>
85	70-Ton Box Cars	L&N	100005, 100076, 100084, 100096, 100102, 100113, 100164, 100165, 100166, 100171, 100216, 100226, 100230, 100272, 100280, 100304, 100327, 100344, 100362, 100373, 100396, 100419, 100429, 100473, 100489, 100518, 100528, 100534, 100579, 100598, 100696, 100700, 100717, 100737, 100739, 100741, 100777, 102000, 102014, 102030, 102032, 102036, 102064, 102067, 102073, 102088, 102094, 102097, 102313, 102317, 102479, 102509, 102607, 102626, 102679, 102689, 102697, 102717, 102718, 102754, 102789, 103111, <u>103143</u> , 103176, 103177, 103183, 103212, 103263, 103273, 103286, 103313, 103319, 103329, 103384, 103409, 103470, 103508, 103519, 103536, 103544, 103584, 103750, 103833, <u>103867</u> , 103884
56	70-Ton Open- Top Hoppers	L&N	153014, 153019, 153199, 153229, 153255, 153277, 153308, 153408, 153427, 153479, 153494, 153537, 153571, 153574, 153581, 153618, 153843, 153892, 154018, 154092, 154120, 154126, 154145, 154215, 154320, 154628, 154688, 154712, 154713, 154827, 154861, 154917, 154940, 154952, 154955, 154968, 154972, 155002, 155030,

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk* Railroad Numbers</u>
			155147, 155266, 155293, 155296, 155404, 155482, 155731, 155811, 155843, 155931, 155973, 156024, 156091, 156092, 156107, 156108, 156123
86	80-Ton Open- Top Hoppers	L&N	180067, 180227, 180436, 180575, 180616, 180617, 180804, 180833, 180914, 182298, 182415, 182439, 182549, 182589, 182827, 182877, 182887, 183048, 183056, 183156, 183344, 183492, 183498, 183614, 183621, 183932, 183985, 184089, 184116, 184143, 184208, 184361, 184533, 184829, 184841, 184850, 184926, 184942, 184953, 185025, 185288, 185356, 185623, 185728, 186223, 186289, 186339, 186364, 186384, 186408, 186411, 186495, 186621, 186736, 186964, 187060, 187193, 187234, 187242, 187404, 187488, 187537, 187746, 187908, 187987, 188211, 188323, 188359, 188444, 188477, 188486, 188619, 188666, 188900, 188947, 189028, 189065, 189155, 189163, 189256, 189257, 189271, 189308, 189327, 189377, 189381
33	100-Ton Open- Top Hoppers	L&N	191007, 191021, 191113, 191129, 191140, 191212, 191221, 191236, 191283, 191292, 191342, 191389, 191409, 191444, 191546, 191594, 191604, 191615,

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk* Railroad Numbers</u>
			191634, 191638, 191640, 191645, 191659, 191667, 191670, 191697, 191724, 191754, 191763, 191772, 191787, 191809, 191886
218	70-Ton Gondola Cars	L&N	26007, 26016, 26017, 26019, 26033, 26040, 26046, 26057, 26062, 26077, 26085, 26087, 26088, 26089, 26090, 26100, 26114, 26134, 26161, 26164, 26179, 26185, 26232, 26234, 26260, 26285, 26288, 26720, 26736, 26740, 39005, 39059, 39070, 39098, <u>39100</u> , 39103, 39105, 39125, 39145, 39146, 39147, 39153, 39155, 39172, 39173, 39193, 39195, 39202, 39226, 39227, 39231, 39233, 39235, 39239, 39242, 39245, 39270, 39279, 39286, 39287, 39290, 39291, 39293, 39301, 39311, 39330, 39331, 39353, 39356, 39372, 39391, 39394, 39395, 39398, 39404, 39405, 39415, 39421, 39425, 39430, 39439, 39455, 39479, <u>39488</u> , 39506, 39510, 39522, 39523, 39566, 39572, 39574, 39626, 39631, 39660, 39672, 39684, 39688, 39708, 39712, 39717, 39773, <u>39780</u> , 39786, 39788, 39805, 39816, 39825, 39850, 39855, 39864, 39872, 39886, 39897, 39913, 39916, 19934, — <u>39960</u> , 39979, 170003, 170016, 170037, 170083, 170125, 170217, 170224, 170232, 170258, 170267, 170270, 170273, 170289, 170291, 170298, 170309, 170333, 170389, 170399, 170413, 170430, 170439, 170457,

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk* Railroad Numbers</u>
			170465, 170484, 170491, 170498, 170501, 170506, 170510, 170522, 170576, 170588, 170589, 170601, 170629, 170637, 170659, <u>170666</u> , 170670, 170673, 170674, 170679, 170692, 170698, 170729, 170732, 170748, 170761, 170768, 170797, 170833, 170834, 170837, 170865, 170878, 170947, 170951, 170977, 171030, 171071, 171076, 171093, 171095, 171105, 171112, 171136, 171202, 171248, 171250, 171256, 171277, 171303, 171358, 171365, 171387, 171389, 171509, 171553, 171558, 171678, 171689, 171703, 171707, 171742, 171804, 171901, 171946, 172042, 172052, 172054, 173078, 173080, 173086, 173087, 173088, 173089, 173091, 173092, 173100
32	100-Ton Gondola Cars	L&N	175012, 175026, 175035, 175041, 175044, 175046, 175057, 175059, 175074, 175089, 175091, 175098, 176007, 176035, 176049, 176077, 176097, 176126, 176179, 176182, 176227, 176279, 176308, 176333, 176396, 176493, 176500, 176662, 176692, 176735, 176766, 176791
80	100-Ton Covered Hopper Cars	L&N	200088, 200159, 200160, 200200, 200212, 200225, 200263, 200309, 200318, 200321, 200342, 200400,

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk* Railroad Numbers</u>
			200404, 200432, 200447, 200465, 200536, 200571, 201003, 201005, 201014, 201019, 201031, 201033, 201036, 201042, 201055, 201064, 201066, 201068, 201070, 201072, 201080, 201081, 201093, 201100, 201112, 201121, 201140, 201167, 201204, 201210, 201218, 201228, 201231, 201264, 201270, 201278, 201295, 201386, 201398, 201433, 201440, 201443, 201449, 201461, 201468, 201485, 201499, 240089, 240197, 240237, 240282, 250027, 250031, 250032, 250034, 250038, 250042, 250052, 250068, 250088, 250093, 250101, 250106, 250108, 250112, 250126, 250129, 250131
4	70-Ton Bulkhead Flat Cars	L&N	22508, 22636, 22643, 22771
4	100-Ton Bulkhead Flat Cars	L&N	22304, 22306, 22932, 22961,
32	50-Ton Flat Cars	MON	7201, 7203, 7206, 7212, 7220, 7221, 7224, 7229, 7231, 7234, 7235, 7236, 7242, 7246, 7247, 7248, 7250, 7607
		L&N	21406, 21414, 22264, 22269, 22273, 22274, 22291, 23902, 23903, 23904, 23906, 23910, 23912, 23914

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk* Railroad Numbers</u>
50	70-Ton Covered Hopper Cars to Ballast Cars	L&N	37859, 37865, 37866, <u>37873</u> , 37880, 37887, 37891, <u>37904</u> , <u>37907</u> , 37912, 37916, 37935, <u>37960</u> , <u>37970</u> , 37980, 37998, 38006, 38035, 38056, 38057, 38067, 38073, 38082, 38098, 38099, <u>38109</u> , 38124, 38138, 38141, <u>38155</u> , 38162, 38228, 38263, <u>38269</u> , 38282, 38285, 38290, 38309, 38324, 38335, 38337, 38342, 38352, 38361, 38387, 38407, 38426, 38434, <u>38445</u> , 38524
33	50-Ton Pulpwood Cars to Welded Rail Cars	L&N	20516, 20542, 20553, 20558, 20574, 20593, 20624, 20633, 20659, 20682, 20693, 20694, 20720, 20726, 20728, 20729, 20740, 20772, 20797, 20798, 20803, 20809, 20817, 20848, 20877, 20906, 20914, 20929, 20941, 20961, 20963, 20966, 20968

828

* Although this Annex I sets forth the description of 828 Hulks, Transfer Agreement No. 2 dated as of the date hereof, between Mercantile-Safe Deposit and Trust Company, as Agent, and The Connecticut Bank and Trust Company, as Trustee, will cover only those Hulks which are delivered to the Trustee for reconstruction into Units of Equipment having an aggregate purchase price not exceeding \$7,000,000 under Reconstruction and Conditional Sale Agreement No. 2, dated as of the date hereof, between Mercantile-Safe Deposit and Trust Company as Agent, L&N Investment Corporation and The Connecticut Bank and Trust Company as Trustee. Following completion of deliveries, this Annex I will be amended to delete from the description those Hulks not covered.

TRANSFER AGREEMENT
(No. 2)

As of February 1, 1978

Mercantile-Safe Deposit and
Trust Company, not in its
individual capacity but
solely as Agent,
P. O. Box 2258
Baltimore, Maryland 21203

Attention of Mr. Russell E. Schreiber,
Corporate Trust Officer.

Dear Sirs:

The undersigned proposes to acquire the used railroad equipment described in Annex I hereto (hereinafter called the Hulks) from Louisville and Nashville Railroad Company (hereinafter called the Railroad) and desires to have such Hulks reconstructed. The undersigned hereby agrees with you as follows:

1. In order to cause the Hulks to be reconstructed and sold to us by you on conditional sale, the undersigned hereby assigns and transfers to you security title to the Hulks, without any warranties, including, but not limited to, warranties as to title, fitness, merchantability or workmanship.

2. You will hold security title under and pursuant to the Reconstruction and Conditional Sale Agreement No. 2 dated as of the date hereof (hereinafter called the Agreement), among you, L&N Investment Corporation (hereinafter called the Builder) and us and you will request that the Hulks be reconstructed, pursuant thereto in accordance with the specifications referred to in Schedule A thereto. In accordance with the Agreement the undersigned will cause the Hulks to be delivered to the Builder on your behalf.

3. Upon completion of the reconstruction, the reconstructed Hulks will be delivered and conditionally

sold by you to us in accordance with the Agreement.

4. If Hulks are excluded from the Agreement, you shall reassign to us your interest in such Hulks without warranty.

5. It is understood and agreed that this agreement is being entered into solely to permit you to effectuate the foregoing and your interests in the Hulks, in present form or as reconstructed, is a security interest and that we shall at all times be the beneficial owner of the same.

6. It is understood and agreed that this agreement may be executed by you and us in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart; that it shall not be necessary that any counterpart be signed by both of us so long as each of us shall sign at least one counterpart; and that this agreement shall be valid, binding and effective at such time as each of us shall have executed this agreement and you shall have received (or as to which you shall have received attested telegraphic communication confirming execution of) a counterpart executed by the undersigned.

7. It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, warranties, undertakings and agreements herein made on the part of the undersigned, are made and intended not as personal representations, warranties, undertakings and agreements by the undersigned in its individual capacity or for the purpose or with the intention of binding the undersigned personally but are made and intended for the purpose of binding only the Trust Estate as such term is used in a Trust Agreement No. 2 dated as of the date hereof between American Security Bank, N.A., and the undersigned (hereinafter called the Trust Agreement), and this agreement is executed and delivered by the undersigned not in its own right but solely in the exercise of the powers expressly conferred upon it as trustee under the Trust Agreement; and except in the case of gross negligence or wilful misconduct, no personal liability or personal responsi-

bility is assumed by or shall at any time be asserted or enforceable against the undersigned on account of this agreement or on account of any representation, warranty, undertaking or agreement of the undersigned herein either expressed or implied, all such personal liability, if any, being expressly waived and released by you and by all persons claiming by, through or under you.

If the foregoing is in accordance with your understanding, please sign each of the enclosed counterparts of this agreement in the space provided and return one counterpart to us.

Very truly yours,

THE CONNECTICUT BANK AND TRUST COMPANY, not in its individual capacity but solely as Trustee,

by

Authorized Officer

[SEAL]

Attest:

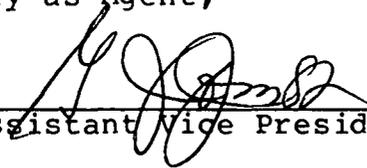
by

Authorized Officer

ACCEPTED:

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, not in its individual capacity but solely as Agent,

by



Assistant Vice President

Attested:

by



Corporate Trust Officer

STATE OF CONNECTICUT,)
) ss.:
 COUNTY OF HARTFORD,)

On this day of 1978, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of THE CONNECTICUT BANK AND TRUST COMPANY, that the seal affixed to the foregoing instrument is the corporate seal of said corporation and 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 a free act and deed of said corporation.

Notary Public

[NOTARIAL SEAL]

My commission expires

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

On this ^{18th} day of *July* 1978, before me personally appeared **G. J. Johnston**, to me personally known, who, being by me duly sworn, says that he is Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, that the seal affixed to the foregoing instrument is the corporate seal of said corporation and 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 a free act and deed of said corporation.

Patricia A. Shilow
 Notary Public

[NOTARIAL SEAL]

My commission expires *7-1-82*

TRANSFER AGREEMENT

(No. 2)

ANNEX I

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk* Railroad Numbers</u>
115	50-Ton Box Cars	L&N	97109, 97110, 97161, 97195, 97314, 97355, 98115, 98138, 98386, 98389, 98404, 98437, 98446, 98532, 98546, 98569, 108538, 108541, 108605, 108613, 108648, 108685, 108698, 108709, 108726, 108775, 108800, 108801, 108808, 108810, 108812, 108816, 108824, 108829, 108834, 108847, 108849, 108859, 108865, 108873, 108878, 108881, 108882, 108884, 108885, 108886, 108893, 108897, 108902, 108905, 108910, 108918, 108919, 108926, 108927, 108928, 108930, 108934, 108936, 108956, 108962, 108964, 108971, 108972, 108974, 108976, 108978, 108983, 108987, 109000, 109008, 109027, 109034, 109035, 109044, 109046, 109052, 109053, 109065, 109073, 109084, 109090, 109098, 109115, 109117, 109118, 109134, 109141, 109143, 109145, 109155, 109159, 109172, 109173, 109175, 109186, 109188, 109196, 109198, 109205, 109208, 109227, 109228, 109234, 109238, 109240, 109253, 109255, 109275, 109311, 109348, 109365, 109366, 109375, 109389

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk* Railroad Numbers</u>
85	70-Ton Box Cars	L&N	100005, 100076, 100084, 100096, 100102, 100113, 100164, 100165, 100166, 100171, 100216, 100226, 100230, 100272, 100280, 100304, 100327, 100344, 100362, 100373, 100396, 100419, 100429, 100473, 100489, 100518, 100528, 100534, 100579, 100598, 100696, 100700, 100717, 100737, 100739, 100741, 100777, 102000, 102014, 102030, 102032, 102036, 102064, 102067, 102073, 102088, 102094, 102097, 102313, 102317, 102479, 102509, 102607, 102626, 102679, 102689, 102697, 102717, 102718, 102754, 102789, 103111, 103143, 103176, 103177, 103183, 103212, 103263, 103273, 103286, 103313, 103319, 103329, 103384, 103409, 103470, 103508, 103519, 103536, 103544, 103584, 103750, 103833, 103867, 103884
56	70-Ton Open- Top Hoppers	L&N	153014, 153019, 153199, 153229, 153255, 153277, 153308, 153408, 153427, 153479, 153494, 153537, 153571, 153574, 153581, 153618, 153843, 153892, 154018, 154092, 154120, 154126, 154145, 154215, 154320, 154628, 154688, 154712, 154713, 154827, 154861, 154917, 154940, 154952, 154955, 154968, 154972, 155002, 155030,

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk* Railroad Numbers</u>
			155147, 155266, 155293, 155296, 155404, 155482, 155731, 155811, 155843, 155931, 155973, 156024, 156091, 156092, 156107, 156108, 156123
86	80-Ton Open- Top Hoppers	L&N	180067, 180227, 180436, 180575, 180616, 180617, 180804, 180833, 180914, 182298, 182415, 182439, 182549, 182589, 182827, 182877, 182887, 183048, 183056, 183156, 183344, 183492, 183498, 183614, 183621, 183932, 183985, 184089, 184116, 184143, 184208, 184361, 184533, 184829, 184841, 184850, 184926, 184942, 184953, 185025, 185288, 185356, 185623, 185728, 186223, 186289, 186339, 186364, 186384, 186408, 186411, 186495, 186621, 186736, 186964, 187060, 187193, 187234, 187242, 187404, 187488, 187537, 187746, 187908, 187987, 188211, 188323, 188359, 188444, 188477, 188486, 188619, 188666, 188900, 188947, 189028, 189065, 189155, 189163, 189256, 189257, 189271, 189308, 189327, 189377, 189381
33	100-Ton Open- Top Hoppers	L&N	191007, 191021, 191113, 191129, 191140, 191212, 191221, 191236, 191283, 191292, 191342, 191389, 191409, 191444, 191546, 191594, 191604, 191615,

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk* Railroad Numbers</u>
			191634, 191638, 191640, 191645, 191659, 191667, 191670, 191697, 191724, 191754, 191763, 191772, 191787, 191809, 191886
218	70-Ton Gondola Cars	L&N	26007, 26016, 26017, 26019, 26033, 26040, 26046, 26057, 26062, 26077, 26085, 26087, 26088, 26089, 26090, 26100, 26114, 26134, 26161, 26164, 26179, 26185, 26232, 26234, 26260, 26285, 26288, 26720, 26736, 26740, 39005, 39059, 39070, 39098, 39100, 39103, 39105, 39125, 39145, 39146, 39147, 39153, 39155, 39172, 39173, 39193, 39195, 39202, 39226, 39227, 39231, 39233, 39235, 39239, 39242, 39245, 39270, 39279, 39286, 39287, 39290, 39291, 39293, 39301, 39311, 39330, 39331, 39353, 39356, 39372, 39391, 39394, 39395, 39398, 39404, 39405, 39415, 39421, 39425, 39430, 39439, 39455, 39479, 39488, 39506, 39510, 39522, 39523, 39566, 39572, 39574, 39626, 39631, 39660, 39672, 39684, 39688, 39708, 39712, 39717, 39773, 39780, 39786, 39788, 39805, 39816, 39825, 39850, 39855, 39864, 39872, 39886, 39897, 39913, 39916, 39934, 39960, 39979, 170003, 170016, 170037, 170083, 170125, 170217, 170224, 170232, 170258, 170267, 170270, 170273, 170289, 170291, 170298, 170309, 170333, 170389, 170399, 170413, 170430, 170439, 170457,

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk* Railroad Numbers</u>
			170465, 170484, 170491, 170498, 170501, 170506, 170510, 170522, 170576, 170588, 170589, 170601, 170629, 170637, 170659, 170666, 170670, 170673, 170674, 170679, 170692, 170698, 170729, 170732, 170748, 170761, 170768, 170797, 170833, 170834, 170837, 170865, 170878, 170947, 170951, 170977, 171030, 171071, 171076, 171093, 171095, 171105, 171112, 171136, 171202, 171248, 171250, 171256, 171277, 171303, 171358, 171365, 171387, 171389, 171509, 171553, 171558, 171678, 171689, 171703, 171707, 171742, 171804, 171901, 171946, 172042, 172052, 172054, 173078, 173080, 173086, 173087, 173088, 173089, 173091, 173092, 173100
32	100-Ton Gondola Cars	L&N	175012, 175026, 175035, 175041, 175044, 175046, 175057, 175059, 175074, 175089, 175091, 175098, 176007, 176035, 176049, 176077, 176097, 176126, 176179, 176182, 176227, 176279, 176308, 176333, 176396, 176493, 176500, 176662, 176692, 176735, 176766, 176791
80	100-Ton Covered Hopper Cars	L&N	200088, 200159, 200160, 200200, 200212, 200225, 200263, 200309, 200318, 200321, 200342, 200400,

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk* Railroad Numbers</u>
			200404, 200432, 200447, 200465, 200536, 200571, 201003, 201005, 201014, 201019, 201031, 201033, 201036, 201042, 201055, 201064, 201066, 201068, 201070, 201072, 201080, 201081, 201093, 201100, 201112, 201121, 201140, 201167, 201204, 201210, 201218, 201228, 201231, 201264, 201270, 201278, 201295, 201386, 201398, 201433, 201440, 201443, 201449, 201461, 201468, 201485, 201499, 240089, 240197, 240237, 240282, 250027, 250031, 250032, 250034, 250038, 250042, 250052, 250068, 250088, 250093, 250101, 250106, 250108, 250112, 250126, 250129, 250131
4	70-Ton Bulkhead Flat Cars	L&N	22508, 22636, 22643, 22771
4	100-Ton Bulkhead Flat Cars	L&N	22304, 22306, 22932, 22961,
32	50-Ton Flat Cars	MON	7201, 7203, 7206, 7212, 7220, 7221, 7224, 7229, 7231, 7234, 7235, 7236, 7242, 7246, 7247, 7248, 7250, 7607
		L&N	21406, 21414, 22264, 22269, 22273, 22274, 22291, 23902, 23903, 23904, 23906, 23910, 23912, 23914

<u>Quantity*</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Hulk*</u> <u>Railroad Numbers</u>
50	70-Ton Covered Hopper Cars to Ballast Cars	L&N	37859, 37865, 37866, 37873, 37880, 37887, 37891, 37904, 37907, 37912, 37916, 37935, 37960, 37970, 37980, 37998, 38006, 38035, 38056, 38057, 38067, 38073, 38082, 38098, 38099, 38109, 38124, 38138, 38141, 38155, 38162, 38228, 38263, 38269, 38282, 38285, 38290, 38309, 38324, 38335, 38337, 38342, 38352, 38361, 38387, 38407, 38426, 38434, 38445, 38524
33	50-Ton Pulpwood Cars to Welded Rail Cars	L&N	20516, 20542, 20553, 20558, 20574, 20593, 20624, 20633, 20659, 20682, 20693, 20694, 20720, 20726, 20728, 20729, 20740, 20772, 20797, 20798, 20803, 20809, 20817, 20848, 20877, 20906, 20914, 20929, 20941, 20961, 20963, 20966, 20968

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* Although this Annex I sets forth the description of 828 Hulks, Transfer Agreement No. 2 dated as of the date hereof, between Mercantile-Safe Deposit and Trust Company, as Agent, and The Connecticut Bank and Trust Company, as Trustee, will cover only those Hulks which are delivered to the Trustee for reconstruction into Units of Equipment having an aggregate purchase price not exceeding \$7,000,000 under Reconstruction and Conditional Sale Agreement No. 2, dated as of the date hereof, between Mercantile-Safe Deposit and Trust Company as Agent, L&N Investment Corporation and The Connecticut Bank and Trust Company as Trustee. Following completion of deliveries, this Annex I will be amended to delete from the description those Hulks not covered.