



LOUISVILLE & NASHVILLE RAILROAD COMPANY

908 W. BROADWAY • LOUISVILLE, KENTUCKY 40203 • TELEPHONE (502) 587-5772

LAW DEPARTMENT

October 3, 1978

CHAUNCEY E. BRUMMER
ATTORNEY

Mr. H. G. Homme, Jr.
Secretary
Interstate Commerce Commission
Washington, D. C. 20423

8-2791-50
OCT 6 1978
RECORDATION NO. 9746
OCT 6 1978 11 00 AM
INTERSTATE COMMERCE COMMISSION
ICC Washington, D. C.

Dear Mr. Secretary:

There is transmitted to you herewith for filing and recordation, pursuant to Section 20c of the Interstate Commerce Act, counterparts of a Lease Agreement dated as of September 25, 1978, between Pullman Incorporated (Pullman Standard Division), whose address is 200 South Michigan Avenue, Chicago, Illinois 60604, and Louisville and Nashville Railroad Company, whose address is 908 West Broadway, Louisville, Kentucky 40201.

By this Lease Agreement, Pullman Incorporated (Pullman Standard Division) permits Louisville and Nashville Railroad Company to use cars pending completion of permanent financing. This Lease Agreement will terminate on the earlier of October 31, 1978, or the date of completion of the permanent financing arrangements. There has been no prior recordation of any document relating to the cars covered by said Lease Agreement.

The equipment covered by this Lease Agreement is 100 90-ton box cars bearing L&N Road Numbers 403000 thru 403099, inclusive.

Attached hereto is a draft in the amount of \$50.00, payable to the Treasurer of the United States to cover the cost of recording said Lease Agreement.

This letter of transmittal is signed by an officer of Louisville and Nashville Railroad Company designated for the purpose hereof who has knowledge of the matters set forth herein.

After recordation, kindly return the recorded counterparts to the undersigned.

OCT 6 11 24 AM '78
RECEIVED
C.C. OPERATION BR.

Paul Snyder
Paul Snyder

- 2 -

Respectfully yours,

LOUISVILLE AND NASHVILLE RAILROAD COMPANY

By



Chauncey E. Brummer
Attorney

Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

10/5/78

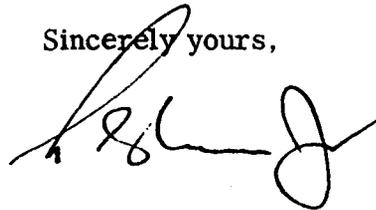
OFFICE OF THE SECRETARY

Chauncey E. Brummer
L&N RR Company
908 West Broadway
Louisville KY.40203

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 20(c) of the Interstate Commerce Act, 49 U.S.C. 20(c), on 10/6/78 at 11:30am , and assigned recordation number(s) 9746

Sincerely yours,



H.G. Homme, Jr.,
Acting Secretary

Enclosure(s)

SE-30-T
(2/78)

LEASE AGREEMENT

OCT 8 1978 11 30 AM
INTERSTATE COMMERCE COMMISSION

THIS AGREEMENT made this 25th day of September, 1978
by and between PULLMAN INCORPORATED (Pullman Standard Division),
(hereinafter called the "Manufacturer"), and LOUISVILLE AND NASHVILLE
RAILROAD COMPANY, (hereinafter called the "Railroad")

WITNESSETH:

The Manufacturer and the Railroad heretofore entered
into a Purchase Agreement consisting of the Railroad's Order dated
February 2, 1978 together with Manufacturer's letter dated April
20, 1978 (Manufacturer's Lot 9995) whereunder the Manufacturer
agreed to construct and deliver to the Railroad and the Railroad
agreed to accept and pay for the following railroad equipment,
(hereinafter called the "Cars"):

100 - 90-Ton 52'6" Box Cars
with E.O.C. Cushion,
numbered L&N 403000-403099 Inclusive.

Purchase Agreement is by reference made a part of this Agreement as
fully as though expressly set forth herein.

Delivery of the Cars is tentatively scheduled to begin on
or about October 9, 1978. However, inasmuch as the Railroad has not as
yet consummated financing arrangements, it is not in position to
accept delivery of and pay for the Cars under the terms of the
Purchase Agreement at this time. The Railroad represents that such
financing arrangements will be consummated, however, on or before
October 31, 1978.

The Railroad (in order that it may use the Cars pending completion of the above financing arrangements) has arranged with the Manufacturer to give it temporary custody and possession of the Cars upon their completion, solely as a lessee of such Cars, and the Manufacturer is willing to do so upon the terms and conditions hereinafter stated.

In consideration of the premises, the Manufacturer hereby leases said Cars to the Railroad for the sum of \$1.00 and other good and valuable consideration, the receipt of which is hereby acknowledged, and the Railroad hereby hires from the Manufacturer the Cars and each of them as of the date each of them is delivered to the Railroad, for the period ending no later than October 31, 1978, said date being the "Termination Date".

After the Railroad's representative finds that each Car upon completion has been built in accordance with the requirements of the Purchase Agreement, he will execute and deliver to the Manufacturer at its plant a certificate of inspection certifying to that effect. Upon delivery of each Car to the delivery point, the Railroad's representative will execute a certificate of acceptance acknowledging the receipt of delivery of each Car under this Agreement. Title to the Cars shall remain in the Manufacturer and the Railroad's right and interest therein is and shall be solely that of possession, custody and use as lessee under this Agreement. Transfer of title shall be effected only at the time of delivery of the bills of sale. The Railroad, without expense to the Manufacturer, will promptly cause this Agreement to be filed

with the Interstate Commerce Commission for recordation under Section 20c of the Interstate Commerce Act. In addition, the Railroad shall do such other acts as may be required by law, or reasonably requested by the Manufacturer, for the protection of the Manufacturer's title to and interest in the Cars.

The Railroad agrees that it will permit no liens of any kind to attach to the Cars; and that it will

(a) indemnify and save harmless the Manufacturer from any and all claims, expenses or liabilities of whatsoever kind; and

(b) pay any and all taxes, fines, charges and penalties that may accrue or be assessed or imposed upon the Cars or the Manufacturer because of its ownership or because of the use, operation, management or handling of the Cars by the Railroad during the term of this Agreement. The Railroad's obligations contained in this paragraph shall survive the termination by mutual agreement or otherwise of this Agreement.

The Railroad will, at its own expense, keep and maintain the Cars in good order and running condition and will at its option repair or replace or promptly pay to Manufacturer the purchase price in cash of those Cars which may be damaged or destroyed by any cause during the term of this Agreement. Upon the expiration or other termination of this Agreement, the Railroad will surrender and deliver up the Cars in good

order and running condition to the Manufacturer free of all charges at the point designated by the Manufacturer.

Prior to the delivery of each Car to the Railroad, it will be numbered with a car number as hereinbefore indicated, and there shall be plainly, distinctly, permanently, and conspicuously placed and fastened upon each side of each Car a metal plate bearing the following or similar legend, or such legend shall be otherwise plainly, distinctly, permanently, and conspicuously marked on each side of each Car, in either case in letters not less than one inch in height:

"Ownership subject to a Security Agreement filed
under the Interstate Commerce Act, Section 20c"

The Railroad hereby agrees to indemnify the Manufacturer against any liability, loss, or expense incurred by it as a result of the placing and fastening of the aforementioned plates or markings on said Cars.

In case, during the continuance of this Agreement, such name plate or mark shall at any time be removed, defaced, or destroyed on any Car, the Railroad shall immediately cause the same to be restored or replaced.

All or any of the rights, benefits or advantages of the Manufacturer (including the right to receive payment of the rental provided for herein) or the right to receive the purchase price of

the Cars as provided in the Purchase Agreement, may be assigned by Manufacturer and reassigned by any assignee at any time or from time to time, provided, however, that no such assignment shall subject any such assignee to any of Manufacturer's guarantees, warranties, indemnities, or any other obligations contained in this Agreement or in the Purchase Agreement relating to the Cars. In the event Manufacturer assigns its right to receive the payments herein and/or under the Purchase Agreement, and the Railroad receives written notice thereof from the Manufacturer, together with a counterpart of such assignment stating the identity and the post office address of the assignee, all payments thereafter to be made by the Railroad under this Agreement shall, to the extent so assigned, be made to the assignee against proper receipt therefor in form satisfactory to the Railroad.

In the event of any assignment of the Manufacturer of its rights to receive any payments under this Agreement or under the Purchase Agreement, the rights of such assignee to such payments as may be assigned together with any other rights hereunder which can be and are so assigned, shall not be subject to any defense, set-off, counterclaim, or recoupment whatsoever arising out of any breach of any obligation of the Manufacturer in respect to the Cars, 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 the Manufacturer. Any and all such obligations, howsoever arising, shall be and remain enforceable by the Railroad, its

successors and assigns only against the Manufacturer and its successors and assigns (other than assignees as such of rights, benefits, or advantages assigned pursuant to this Agreement).

The Railroad agrees with the Manufacturer that the execution by the Manufacturer of this Agreement or the delivery by the Manufacturer to the Railroad of the Cars, as contemplated by this Agreement, shall not relieve the Railroad of its obligations to accept, take, and pay for the Cars in accordance with the terms of the Purchase Agreement, or impair any of the Manufacturer's rights under the Purchase Agreement.

PULLMAN INCORPORATED
(Pullman Standard Division)

ATTEST:

Margaret M. Keenan
Assistant Secretary

BY: E. V. Abney
Vice President

LOUISVILLE AND NASHVILLE
RAILROAD COMPANY

ATTEST:

J. D. Congdon
ATTESTING OFFICER

BY: [Signature]

STATE OF KENTUCKY)
) SS.
COUNTY OF JEFFERSON)

On this 3rd day of October, 1978
before me personally appeared N.H. Steer to
me personally known, who, being by me duly sworn, says that
he is asst. Vice President of the LOUISVILLE AND
NASHVILLE RAILROAD COMPANY, 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.

Shawn W. Bowles
Notary Public

My Commission Expires:

July 26, 1982

(Seal)