

RECORDATION NO. 9811 Filed 1425

OCT 31 1978.1 05 PM
CRAVATH, SWAINE & MOORE
INTERSTATE COMMERCE COMMISSION
ONE CHASE MANHATTAN PLAZA

MAURICE T. MOORE
BRUCE BROMLEY
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 ROSENMAN

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. MULLEN
ALLEN FINKELSON
RONALD S. ROLFE
JOSEPH R. SAHID
PAUL C. SAUNDERS
MARTIN L. SENZEL
DOUGLAS D. BROADWATER
ALAN C. STEPHENSON

NEW YORK, N.Y. 10005

212 HANOVER 2-3000

TELEX
RCA 233663
WUD 125547
WUI 620976

RECORDATION NO. 9811 A Filed 1425
COUNSEL
ROSSELL L. GILPATRICK
ALBERT R. CONNELLY
FRANK H. DETWEILER
GEORGE G. TYLER

OCT 31 1978.1 05 PM
INTERSTATE COMMERCE COMMISSION
MARLYNE E. MAW
J. R. BRESLIN, JR.
GEORGE B. TURNER
JOHN H. MORSE
ROLD R. MEDINA, JR.
CHARLES R. LINTON

No. 6-324A-218

Date OCT 31 1978
Fee \$ 200.00

RECORDATION NO. 9811 B Filed 1425
4, PLACE DE LA CONCORDE
75008 PARIS, FRANCE
TELEPHONE: 265-81-54
TELEX: 290530

RECORDATION NO. 9811 Filed 1425

OCT 31 1978.1 05 PM
INTERSTATE COMMERCE COMMISSION

ICC Washington, D. C.

OCT 31 1978.1 05 PM
INTERSTATE COMMERCE COMMISSION
THROGMORTON STREET
LONDON, EC2N 2BR, ENGLAND
TELEPHONE 01-606-1421
TELEX: 8814901
CABLE ADDRESSES
CRAVATH, N. Y.
CRAVATH, PARIS
CRAVATH, LONDON E.C. 2

October 31, 1978

RECORDATION NO. 9811 Filed 1425
OCT 31 1978.1 05 PM
INTERSTATE COMMERCE COMMISSION
The Chesapeake and Ohio Railway Company
Lease Financing Dated as of October 1, 1978
9-3/8% Conditional Sale Indebtedness
Due February 15, 1987

Countryman, David W. Keller

RECEIVED
OCT 31 12 58 PM '78
I.C.C.
FEE OPERATION BR.

Dear Sir:
Pursuant to Section 20c of the Interstate Commerce Act, as amended, and the Commission's rules and regulations thereunder, as amended, I enclose herewith on behalf of The Chesapeake and Ohio Railway Company, for filing and recordation, counterparts of the following:

- (1) Reconstruction and Conditional Sale Agreement dated as of October 1, 1978, among Mercantile-Safe Deposit and Trust Company, The Chesapeake & Ohio Railway Company and Connell Rice & Sugar Co., Inc. (Connell Leasing Company Division);
- (2) Transfer Agreement dated as of October 1, 1978, between Mercantile-Safe Deposit and Trust Company and Connell Rice & Sugar Co., Inc. (Connell Leasing Company Division);
- (3) (a) Lease of Railroad Equipment dated as of October 1, 1978, between The Chesapeake and Ohio Railway Company and Connell Rice & Sugar Co., Inc. (Connell Leasing Company Division);

(b) Assignment of Lease and Agreement dated October 1, 1978, between Connell Rice & Sugar Co., Inc. (Connell Leasing Company Division), and Mercantile-Safe Deposit and Trust Company; and

(4) Hulk Purchase Agreement dated as of October 1, 1978, between the Chesapeake and Ohio Railway Company and Connell Rice & Sugar Co., Inc. (Connell Leasing Company Division).

The addresses of parties to the aforementioned agreements are:

Owner-Lessor-Vendee-Buyer

Connell Rice & Sugar Co., Inc. *Vendee*
(Connell Leasing Company Division)
45 Cardinal Drive
Westfield, New Jersey 07902

Builder

The Chesapeake & Ohio Railway Company *Builder*
2 North Charles Street
Baltimore, Maryland 21201

Lessee-Railroad-Seller

The Chesapeake & Ohio Railway Company
2 North Charles Street
Baltimore, Maryland 21201

Agent-Vendor

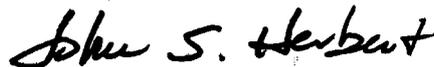
Vendee to Connell Rice & Sugar Co. Inc.
Mercantile-Safe Deposit and Trust Company
Two Hopkins Plaza
P.O. Box 2258
Baltimore, Maryland 21203

Please file and record the documents referred to in this letter, and cross-index them under the names of the Owner-Lessor-Vendee-Buyer, the Builder, the Lessor-Railroad-Seller and the Agent-Vendor.

The equipment covered by the Hulk Purchase Agreement is listed in Exhibit A attached hereto. The equipment covered by the Reconstruction and Conditional Sale Agreement, the Transfer Agreement and the Lease is listed in Exhibit B attached hereto. Each unit of reconstructed railroad equipment bears the legend "Subject to a Security Agreement filed with the Interstate Commerce Commission".

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



John S. Herbert
As Agent for The Chesapeake
and Ohio Railway Company

H. G. Homme, Esq., Acting Secretary,
Interstate Commerce Commission,
Washington, D.C. 20423

Encls.

4

BY HAND

RECORDATION NO. 9811 Filed 1425

EXECUTED IN 9 COUNTERPARTS

OF WHICH THIS IS NO. 9

OCT 31 1978 - 1 05 PM

INTERSTATE COMMERCE COMMISSION
HULK PURCHASE AGREEMENT

The Chesapeake and Ohio Railway Company

As of October 1, 1978

Connell Rice & Sugar Co., Inc.
(Connell Leasing Company Division)
45 Cardinal Drive
Westfield, New Jersey 07902
Attention of Grover Connell, President

Gentlemen:

The Chesapeake and Ohio Railway Company, a corporation organized under the laws of the Commonwealth of Virginia (the "Seller"), owns the railroad equipment described in Exhibit A hereto (collectively, the "Hulks" and individually a "Hulk"). The Seller desires to sell the Hulks and Connell Rice & Sugar Co., Inc. (Connell Leasing Company Division) (the "Buyer"), desires to purchase the Hulks for the Purchase Price set forth in Exhibit A (the "Purchase Price").

The Seller will, from time to time, prior to delivery thereof to the Builder for reconstruction, as provided in the Reconstruction and Conditional Sale Agreement (the "RCSA") dated as of the date hereof among the Buyer, Mercantile-Safe Deposit and Trust Company, not in its individual capacity but solely as agent (the "Agent") under a Participation Agreement (the "Participation Agreement") dated as of the date hereof, and The Chesapeake and Ohio Railway Company, in its capacity as builder (the "Builder"), deliver to the Buyer a Bill or Bills of Sale transferring title to a group or groups of Hulks and warranting that at the date of such Bill or Bills of Sale the Seller had legal title to such Hulks and good and lawful right to sell the same and that title to such Hulks transferred to the Buyer by such Bill or Bills of Sale was free of all claims, liens, security interests, security titles and other encumbrances of any nature whatsoever. On or after the date of such Bill or Bills of Sale, the Seller will deliver the Hulks in such group or groups to an authorized representative of the Buyer at such point or points within the United States of America as shall be specified by the Seller. The sale and delivery of the Hulks pursuant to this Agreement shall commence as

soon as practicable and shall be completed on or before such date as shall permit the completion of reconstruction of each Hulk by February 15, 1979.

Notwithstanding anything to the contrary contained herein, the Buyer shall have no obligation to accept any Hulk which is delivered hereunder after (i) any event of default as defined in Article 14 of the RCSA or any event (including the commencement of any proceeding or the filing of any petition of the nature specified in subparagraphs (c) and (d) of Article 14 thereof) which, with lapse of time, failure to take affirmative action and/or demand, could constitute an event of default thereunder shall have occurred or (ii) the Buyer shall have delivered written notice to the Seller that any of the conditions contained in Paragraph 7 of the Participation Agreement have not been met or waived.

The Buyer at the times hereafter specified will pay to the Seller the Purchase Price of each Hulk in each group subject to all the terms and conditions of this Agreement, including without limitation the receipt by the Buyer of (a) the Bill or Bills of Sale with respect thereto specified in the second and fifth paragraphs hereof, (b) a Certificate or Certificates of Acceptance signed by the Buyer's authorized representative stating that the Hulks in such group have been delivered to and accepted on behalf of the Buyer, and (c) a written opinion of counsel for the Seller dated the date of such Bill or Bills of Sale, addressed to the Buyer and stating that such Bill or Bills of Sale are valid and effective to transfer and upon delivery will transfer the Seller's title to such Hulks to the Buyer, and that on such date title to such Hulks was free of all claims, liens, security interests and other encumbrances of the Seller or anyone claiming through the Seller.

Each such Bill of Sale shall contain the following information with respect to each type of Hulk included in the group of Hulks covered thereby: quantity, description, the Seller's identifying numbers and place of delivery. Subject only to the conditions set forth in this Agreement and in Paragraph 7 of the Participation Agreement, the Buyer will pay the Purchase Price of each Hulk delivered and accepted as aforesaid to the Seller either on (i) the Closing Date relating to such Hulk fixed as provided in the RCSA or (ii) February 15, 1979, whichever is earlier.

The Buyer may assign and/or transfer any or all of

its rights under this Agreement and/or any or all of its rights to possession of any of the Hulks. Any such assignment or transfer may be made by the Buyer without the assignee or transferee assuming any of the obligations of the Buyer hereunder. The Buyer and the Seller acknowledge that such assignment or transfer is contemplated. All of the rights of the Buyer hereunder shall inure to the benefit of the Buyer's assigns.

Notwithstanding the delivery of any Bill or Bills of Sale hereunder, the Seller agrees that all responsibility with respect to any Hulk covered by such Bill or Bills of Sale, its use and operation and risk of loss thereof, shall remain with the Seller until such Hulk is delivered to and accepted by the authorized representative of the Buyer, as provided above, and the Seller agrees to indemnify and hold the Buyer harmless from any claim made against the Buyer solely by reason of the transfer of title to the Hulks or with respect to the validity of such title, free from all claims, liens, security interests, security title or encumbrances of any nature other than those of the Buyer at the time of such delivery and acceptance. Upon such delivery and acceptance, all responsibility and risk of loss with respect to such Hulk shall pass to the Buyer.

In the event that any Hulk is not so delivered to the Buyer after the date of any Bill or Bills of Sale with respect thereto the Buyer will assign to the Seller, without warranty of any kind, whatever right, title and interest the Buyer may then have in such Hulk and such Hulk shall thereafter be excluded from the provisions of this Agreement.

The Seller hereby represents and warrants to the Buyer, its successors and assigns, that this Agreement was duly authorized by it and lawfully executed and delivered for a valid consideration.

Without limitation as to any other rights or actions which the Buyer may enforce against the Seller due to a breach by the Seller of its obligation set forth in the preceding sentence, in the event any such obligation has not been satisfied prior to payment for any Hulk by the Buyer, the Seller hereby agrees that the Buyer may, in lieu of making payments for any Hulks then to be made to the Seller hereunder, pay all or any portion of such payments to one or more holders of obligations secured by such encumbrances to the extent necessary to satisfy such obligations in full and to remove such encumbrances.

This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio.

This Agreement may be executed 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.

If the foregoing arrangement concerning sale of the Hulks is satisfactory to the Buyer, please confirm by signing each of the enclosed counterparts of this letter and delivering same to the Agent for acknowledgment and return to Seller of all except one executed counterpart, and giving the telegraphic confirmation of execution to the Agent.

Very truly yours,

THE CHESAPEAKE AND OHIO RAILWAY COMPANY,

[Corporate Seal]

by

L.C. Foyt

Assistant Vice-President and Treasurer

Attest:

Thomas J. Hurady
Assistant Secretary

APPROVED AS TO FORM
C. C. Kimball

GENERAL ATTORNEY
10/30/78

Accepted as of the date first set forth above:

CONNELL RICE & SUGAR CO., INC.
(Connell Leasing Company Division),

[Corporate Seal]

by

J. J. Jull
President

Attest:

M. J. ...
Secretary

Receipt of the executed counterparts of the foregoing is hereby acknowledged as of this 1st day of October 1978.

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY,
as Agent,

by

[Signature]
Assistant Vice President

STATE OF OHIO,)
) ss.:
COUNTY OF CUYAHOGA,)

On this 30TH day of October 1978, before me personally appeared L. C. ROIG, JR., to me personally known, who, being by me duly sworn, says that he is Assistant Vice-President and Treasurer of THE CHESAPEAKE AND OHIO RAILWAY COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that such instrument was this day 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.

Clara Masuga
Notary Public

[Notarial Seal]

CLARA MASUGA, Notary Public
My Commission Expires State of Ohio - Cuyahoga County
My Commission Expires April 21, 1979

STATE OF NEW JERSEY,)
) ss.
COUNTY OF UNION,)

On this 27th day of October 1978, before me personally appeared Grover Connell, to me personally known, who, being by me duly sworn, says that he is President of CONNELL RICE & SUGAR CO., INC. (Connell Leasing Company Division), 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.

Natalie P. Junesmann
Notary Public

[Notarial Seal]

My Commission Expires
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 28, 1982



Hulk Purchase Agreement

EXHIBIT A

<u>Quantity</u>	<u>Description</u>	<u>Railroad Road Numbers*</u>	<u>Unit Hulk Purchase Price</u>	<u>Total Purchase Price</u>
40	50' 50-ton Box Cars	A	\$4,000	\$ 160,000
23	50' 50-ton Box Cars	B	4,000	92,000
18	50' 50-ton Box Cars	C	2,000	36,000
30	50' 50-ton Box Cars	D	3,000	90,000
30	50' 50-ton Box Cars	E	3,000	90,000
200	52'6" 70-ton Gondola Cars	F	4,000	800,000
207	70-ton Open Top Hoppers	G	4,000	828,000
155	70-ton Open Top Hoppers	H	4,000	620,000
<u>703</u>				<u>\$2,716,000</u>

* Each letter in the column below will be deemed to refer to the Railroad Road Numbers appearing opposite such letter as it appears elsewhere in this Exhibit A.

EXHIBIT A
(Continued)

Railroad Road Numbers

A.

C&O

22002	22047	22111	22157
22004	22049	22113	22193
22008	22060	22114	22194
22017	22069	22128	22199
22021	22077	22132	22209
22025	22078	22137	22212
22032	22087	22141	22230
22033	22093	22143	22242
22038	22094	22150	22243
22041	22108	22156	22249

B.

C&O

27818	27958	28059	28700
27836	27963	28063	28797
27839	27975	28153	28809
27851	27982	28192	28824
27898	27983	28312	28846
27957	28043	28689	

C.

C&O

27831	28020	28501	28766
27885	28021	28530	28779
27926	28067	28568	28954
27954	28247	28669	
27996	28420	28692	

D.

	<u>C&O</u>		
19754	19787	19880	19950
19759	19789	19903	19952
19761	19792	19909	19953
19764	19804	19914	19961
19768	19824	19919	19977
19769	19839	19931	19979
19772	19842	19943	
19784	19858	19944	

See E

E.

	<u>B&O</u>		
288016	288156	288363	288554
288061	288217	288384	288606
288066	288228	288399	288633
288072	288230	288414	288645
288123	288276	288470	288668
288127	288300	288497	288684
288138	288323	288526	
288151	288361	288529	

F.

B&O*See E*

352000	352144	352259	352363
352005	352147	352260	352365
352010	352151	352263	352369
352011	352153	352264	352370
352012	352154	352265	352372
352015	352161	352267	352373
352016	352165	352271	352375
352018	352167	352274	352378
352019	352169	352278	352382
352020	352171	352279	352383
352022	352176	352280	352387
352024	352177	352281	352388
352025	352178	352283	352390
352026	352179	352285	352391
352030	352180	352287	352395
352032	352182	352291	352396
352033	352188	352292	352398
352038	352190	352293	352400
352039	352192	352294	352401
352042	352193	352295	352402
352043	352194	352296	352408
352045	352195	352297	352409
352051	352198	352299	352411
352061	352201	352300	352415
352072	352202	352301	352418
352075	352203	352302	352422
352076	352208	352303	352424
352077	352209	352304	352425
352078	352210	352306	352431
352080	352211	352308	352433
352081	352212	352310	352434
352082	352213	352312	352435
352085	352216	352319	352438
352086	352221	352321	352439
352089	352224	352323	352442
352091	352231	352324	352444
352094	352234	352325	352445
352095	352235	352327	352447
352099	352238	352328	352456
352100	352239	352329	352457
352102	352240	352330	352462
352104	352246	352331	352466
352113	352247	352332	352469
352117	352248	352334	352474
352121	352250	352340	352475
352125	352251	352344	352476
352132	352252	352346	352494
352135	352253	352347	352496
352136	352254	352358	352497
352139	352255	352361	352499

G.

WM

71232	80028	80142	80318
71235	80030	80146	80323
71244	80032	80148	80334
71276	80034	80151	80345
71277	80037	80179	80348
71311	80040	80181	80354
71314	80053	80185	80368
71359	80055	80187	80370
71391	80071	80195	80372
71397	80073	80208	80379
71404	80078	80210	80391
71443	80080	80214	80397
71445	80082	80219	80412
71447	80096	80221	80435
71477	80099	80225	80456
80004	80119	80242	80482
80010	80128	80246	80483
80011	80131	80249	80489
80014	80134	80260	80491
80022	80140	80266	80497
80024	80141	80307	80498

B&O

10043	11311	12347	13518	14497
10059	11346	12363	13542	14509
10066	11393	12371	13555	14538
10084	11396	12526	13565	14559
10136	11448	12528	13679	14561
10155	11459	12535	13683	14570
10159	11471	12608	13771	14612
10180	11492	12662	13781	14636
10234	11495	12682	13785	14741
10315	11553	12685	13797	14753
10348	11570	12717	13939	14801
10378	11663	12841	13995	14804
10386	11677	12882	14029	14838
10407	11693	12895	14054	14841
10428	11847	12953	14107	14975
10432	11910	12990	14187	14976
10439	12025	13052	14193	14988
10543	12027	13076	14209	15090
10652	12045	13293	14241	15093
10722	12124	13302	14271	15118
10928	12131	13361	14328	15138
10932	12149	13457	14349	15158
10945	12234	13476	14378	15217
11075	12326	13501	14410	
11219	12330	13508	14466	

H.

C&O

103009	103348	103655	103967
103011	103351	103657	103974
103012	103359	103684	103975
103017	103362	103709	103993
103021	103368	103711	
103034	103382	103718	
103049	103395	103721	
103057	103410	103730	
103066	103417	103790	
103068	103419	103793	
103079	103437	103814	
103114	103451	103823	
103158	103466	103838	
103167	103485	103845	
103196	103487	103847	
103201	103489	103882	
103206	103504	103883	
103213	103515	103892	
103240	103525	103895	
103243	103530	103908	
103251	103557	103909	
103258	103565	103910	
103269	103567	103922	
103286	103584	103948	
103308	103591	103957	
103315	103609	103964	
103325	103635	103966	
150006	150396	150666	151053
150060	150406	150688	151066
150063	150412	150703	151093
150071	150457	150707	151096
150116	150464	150712	151159
150134	150483	150723	151176
150188	150498	150733	151209
150192	150500	150761	151227
150210	150517	150800	151243
150216	150525	150820	151266
150235	150531	150826	151271
150282	See E — 150534	150829	151313
See F — 150325	150542	150838	151367
See E — 150340	150549	150846	151368
150346	150586	150941	151403
150350	150657	150966	151451
150363	150659	150989	
150372	150662	150999	