



# SEABOARD COAST LINE RAILROAD COMPANY

Treasury Department  
P. O. Box 27581  
Richmond, Virginia 23261

9-235A026

LEONARD G. ANDERSON  
VICE PRESIDENT AND TREASURER

August 21, 1979

Date **AUG 2 1979**

Mrs. Agatha L. Mergenovich  
Secretary  
Interstate Commerce Commission  
Washington, D. C. 20423

RECORDATION NO. **10759** Filed 1425

Fee **50.00**

**AUG 22 1979 - 5 05 PM**  
INTERSTATE COMMERCE COMMISSION  
Washington, D. C.

*HLV  
Bragg  
counter part*

Re: Seaboard Coast Line Railroad Equipment Trust, No. 12

Dear Mrs. Mergenovich:

I enclose for filing and recordation under the provisions of 49 U.S.C. §11303 of the Interstate Commerce Act, executed counterparts Nos. 1, 2 and 3 of an agreement dated as of August 16, 1979, described in detail below, constituting Seaboard Coast Line Railroad Equipment Trust, No. 12. Such documents by their terms provide that each counterpart shall be deemed an original and, accordingly, counterpart No. 3 may be treated as an original and the others as counterparts thereof.

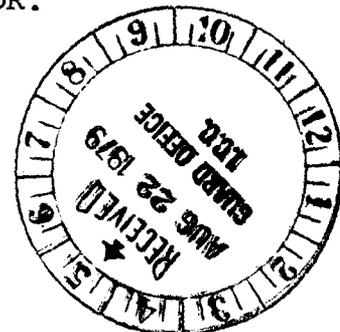
1. Names and addresses of the parties to Equipment Trust, No. 12

- (a) Trustee and Lessor - Mercantile-Safe Deposit and Trust Company, Baltimore, Maryland 21201
- (b) Lessee and Guarantor - Seaboard Coast Line Railroad Company, Richmond, Virginia 23230

2. Description of the equipment covered by Equipment Trust, No. 12

All of the following equipment is marked as follows:

SEABOARD COAST LINE RAILROAD EQUIPMENT TRUST, NO. 12—  
MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, BALTIMORE,  
MARYLAND, TRUSTEE, OWNER, LESSOR.



Mrs. Mergenovich  
Secretary

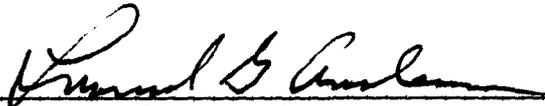
<u>General Description</u>	<u>Type of Equipment</u>	<u>A.A.R. Mechanical Designation</u>	<u>No.</u>	<u>Road Numbers</u>
Diesel- electric locomotives	Model GP-16 1600 H.P.	B-B	15	SCL 4614-4628, inclusive
Diesel- electric locomotives	Model GP-38-2 2000 H.P.	B-B	2	WA 6045 and 6046
Diesel- electric locomotives	Model GP-38-2 2000 H.P.	B-B	4	SCL 6047- 6050, inclu- sive
Diesel- electric locomotives	Model GP-38-2 2000 H.P.	B-B	2	GA 6051 and 6052

3. The original agreement (counterpart No. 3) and counter-  
part No. 2 should be returned to Mr. Woodruff M. Price,  
1000 Connecticut Ave., N.W., Suite 1005, Washington,  
D. C. 20036, acting on my behalf.

Voucher payable to the order of the Interstate Commerce  
Commission in the amount of \$50.00 to cover the recordation fee  
for the agreements is enclosed.

Yours very truly,

SEABOARD COAST LINE RAILROAD COMPANY

BY   
Leonard G. Anderson,  
Vice President and Treasurer

Richmond, Va., August 20, 1979  
105811

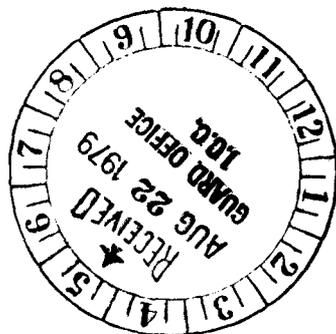
Mr. Woodruff M. Price  
Vice President, SCLI  
Washington, D. C.

Re: Seaboard Coast Line Railroad Equipment  
Trust, No. 12 - \$6,750,000

The enclosed counterparts Nos. 1, 2 and 3 of the above-mentioned equipment trust agreement are to be filed with the Interstate Commerce Commission after the Commission's order has been entered.

The order may be entered this afternoon or tomorrow morning; however, you are not to file the agreements until I notify you by telephone that it is appropriate to do so.

Please return to me by Federal Express counterparts Nos. 2 and 3 of the agreement along with the duplicate filing letter, all properly stamped by the Commission and showing the recordation data.



*James S. Cremins*  
James S. Cremins  
General Solicitor and  
Assistant Secretary

8/22/79

**Interstate Commerce Commission**  
Washington, D.C. 20423

OFFICE OF THE SECRETARY

Leonard G. Anderson  
Seaboard Coast Line Railroad Co.  
P.O.Box 27591  
Richmond Va, 23261

Dear Sir

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 8/22/79 at 5:05pm, and assigned re-  
recording number(s). 10759

Sincerely yours,

*Agatha L. Mergenovich*  
Agatha L. Mergenovich  
Secretary

Enclosure(s)

SE-30  
(7/79)

COUNTERPART NO. 1 OF  
15 COUNTERPARTS.

RECORDATION NO. 10759 Filed 1425

AUG 22 1979 - 5 03 PM

INTERSTATE COMMERCE COMMISSION

*See  
Page 16 for  
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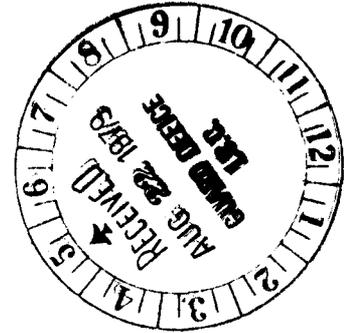
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**SEABOARD COAST LINE RAILROAD**

**EQUIPMENT TRUST,**

No. 12



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*Dated as of August 16, 1979*

BETWEEN

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY,  
*Trustee.*

AND

SEABOARD COAST LINE RAILROAD COMPANY

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**THIS EQUIPMENT TRUST AGREEMENT**, dated as of August 16, 1979, between **MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY**, Baltimore, Maryland, a Maryland corporation, as Trustee ("Trustee"), and **SEABOARD COAST LINE RAILROAD COMPANY**, Richmond, Virginia, a Virginia corporation ("Company");

**WITNESSETH: That**

**WHEREAS**, the Company has contracted or will contract for the construction or for the acquisition of the railroad equipment described herein and the transfer thereof to the Trustee; and

**WHEREAS**, title to such railroad equipment is to be vested in and is to be retained by the Trustee, and such railroad equipment is to be leased to the Company hereunder until title is transferred under the provisions hereof; and

**WHEREAS**, Seaboard Coast Line Railroad Equipment Trust Certificates, No. 12 are to be issued and sold in an aggregate principal amount not exceeding \$6,750,000, and the net proceeds (as hereinafter defined) of such sale together with such other cash, if any, as may be required to be deposited by the Company as hereinafter provided is to constitute a fund equal to the aggregate principal amount of Trust Certificates so issued and sold to be known as Seaboard Coast Line Railroad Equipment Trust, No. 12, to be applied by the Trustee from time to time in part payment of the cost of the Trust Equipment, the remainder of the cost thereof to be paid out of advance rentals to be paid by the Company as provided herein; and

**WHEREAS**, the texts of the Trust Certificates, the dividend warrants to be attached to Trust Certificates with dividend warrants and the guaranty to be endorsed on the Trust Certificates by the Company are to be substantially in the following forms:

[FORM OF FULLY REGISTERED TRUST CERTIFICATE]

\$

No. ....

**SEABOARD COAST LINE RAILROAD****EQUIPMENT TRUST, NO. 12**

Equipment Trust Certificate

Total Authorized Issued \$6,750,000

**MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, Trustee**

Dividends at the Rate of 9¼% Per Annum Payable

February 16 and August 16

Principal hereof payable August 16, 19

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, Baltimore, Maryland, as Trustee under an Equipment Trust Agreement dated as of August 16, 1979, between Mercantile-Safe Deposit and Trust Company, Trustee, and Seaboard Coast Line Railroad Company ("Company"), hereby certifies that \_\_\_\_\_, or registered assigns, is entitled to an interest in the principal amount of \$ \_\_\_\_\_ in Seaboard Coast Line Railroad Equipment Trust, No. 12, payable on August 16, 19 \_\_\_\_\_, upon presentation and surrender of this Certificate to the undersigned at its agency in the Borough of Manhattan, City and State of New York, and to payment, until said last mentioned date, of dividends on said principal amount at the rate of 9¼% per annum from the date hereof, semiannually on February 16 and August 16 in each year by check mailed to the order of such person, or registered assigns, at such person's or assignee's registered address, with interest at the dividend rate on any unpaid principal and on any unpaid dividends to the extent that it shall be legally enforceable, principal, dividends and interest being payable to the registered holder hereof at said agency of the undersigned in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, but payable only out of rentals or other moneys received by the undersigned and applicable to such payment under the provisions of said Agreement.

amount represented by this Certificate may be declared due and payable as provided in said Agreement.

This Certificate shall not be deemed in anywise a promise to pay of the undersigned.

IN WITNESS WHEREOF, Mercantile-Safe Deposit and Trust Company, Trustee, has caused this Certificate to be signed by the facsimile signature of its President or one of its Vice Presidents or Assistant Vice Presidents, and its corporate seal, in facsimile, to be hereunto affixed and to be attested by one of its authorized officers.

Dated as of

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY,  
Trustee,

By .....  
*President*

Attest:

.....  
*Authorized Officer*

[FORM OF GUARANTY FOR FULLY REGISTERED TRUST CERTIFICATE]

SEABOARD COAST LINE RAILROAD COMPANY, for a valuable consideration, hereby unconditionally guarantees to the registered holder of the within Certificate the prompt payment of the principal of said Certificate, and of the dividends thereon specified in said Certificate, with interest at the dividend rate on any unpaid principal and on any unpaid dividends to the extent that it shall be legally enforceable, in accordance with the terms of said Certificate and the Equipment Trust Agreement referred to therein.

SEABOARD COAST LINE RAILROAD COMPANY,

By .....  
*Vice President and Treasurer*

[FORM OF TRUST CERTIFICATE WITH DIVIDEND WARRANTS]

\$1,000

No. ....

**SEABOARD COAST LINE RAILROAD****EQUIPMENT TRUST NO. 12**

Equipment Trust Certificate

Total Authorized Issue \$6,750,000

**MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, Trustee**

Dividends at the Rate of 9¼% Per Annum Payable

February 16 and August 16

Principal hereof payable August 16, 19

**MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, Baltimore, Maryland,** as Trustee under an Equipment Trust Agreement dated as of August 16, 1979, between Mercantile-Safe Deposit and Trust Company, Trustee and Seaboard Coast Line Railroad Company ("Company"), hereby certifies that the bearer, or, if this Certificate is registered as to principal, the registered holder hereof, is entitled to an interest in the principal amount of \$1,000 in Seaboard Coast Line Railroad Equipment Trust, No. 12, payable on August 16, 19 , upon presentation and surrender of this Certificate to the undersigned at its agency in the Borough of Manhattan, City and State of New York, and to payment, until said last mentioned date, of dividends on said principal amount at the rate of 9¼% per annum from August 16, 1979, semiannually on February 16 and August 16 in each year, according to the tenor of the dividend warrants hereto annexed, upon presentation and surrender of such warrants as they severally mature to the undersigned at said agency, with interest at the dividend rate on any unpaid principal and on any unpaid dividends to the extent that it shall be legally enforceable, all in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, but payable only out of rentals or other moneys received by the undersigned and applicable to such payment under the provisions of said Agreement.

the absolute owner of this Certificate or of said warrants, as the case may be, for all purposes, and shall not be affected by any notice to the contrary.

In case of default in the performance or observance of any of the covenants of the Company is said Agreement contained, the principal amount represented by this Certificate may be declared due and payable as provided in said Agreement.

Neither this Certificate nor the dividend warrants attached hereto shall be deemed in anywise a promise to pay of the undersigned.

IN WITNESS WHEREOF, Mercantile-Safe Deposit and Trust Company, Trustee, has caused this Certificate to be signed by the facsimile signature of its President or one of its Vice Presidents or Assistant Vice Presidents, and its corporate seal, in facsimile, to be hereunto affixed and to be attested by one of its authorized officers, and has caused dividend warrants bearing the facsimile signature of its President or one of its Vice Presidents or Assistant Vice Presidents to be attached hereto, as of the 16th day of August, 1979.

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY,  
Trustee,

By .....  
*President*

Attest:

.....  
*Authorized Officer*

[FORM OF DIVIDEND WARRANT]

§ No. ....

Due to the bearer on the 16th day of , 19 , on surrender hereof to the undersigned at its agency in the Borough of Manhattan, City and State of New York, \$46.25 being the semiannual dividend then due on Certificate No. of Seaboard Coast Line Railroad Equipment Trust, No. 12, payable only out of rentals or other

**ARTICLE I.****Definitions.**

For all purposes of this Agreement, unless the context otherwise requires:

*Affiliate* of the Company shall mean any corporation which, directly or indirectly, controls or is controlled by, or is under common control with, the Company. For the purposes of this definition, *control* (including *controlled by* and *under common control with*), as used with respect to any person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person, whether through the ownership of voting securities or by contract or otherwise.

*Company* shall mean Seaboard Coast Line Railroad Company.

*Cost*, when used with respect to Trust Equipment, shall mean the actual cost thereof, and shall include only such items as may properly be included in such cost under the Interstate Commerce Commission's Uniform System of Accounts for Railroad Companies, as in effect at the time in question, or the accounting rules of such other Federal governmental authority having jurisdiction over the accounts of the Company, or to the extent not determined thereby or in case there be no such accounting rules of the Interstate Commerce Commission or other Federal authority in effect at such time, sound accounting practice.

*Deposited Cash* shall mean the aggregate of (a) cash on deposit with the Trustee as provided in the first sentence of Section 2.1 hereof, (b) any advance rentals on deposit with the Trustee pursuant to Section 4.4(A)(1) hereof, (c) any sums restored to Deposited Cash from rentals pursuant to Section 4.4(b)(1) hereof and on deposit with the Trustee and (d) when required or indicated by the context, any Investment Securities purchased by the use of Deposited Cash pursuant to the provisions of Section 7.8 hereof and held by the Trustee.

*Equipment* means standard-gauge railroad equipment other than passenger or work equipment as first put into service as new or rebuilt equipment after the date hereof.

The *Estimated Cost* of any Trust Equipment shall mean the estimated cost thereof specifically set forth herein or in any supplement hereto.

*Trust Equipment* shall mean all Equipment at the time subject to the terms of this Agreement.

*Trustee* shall mean Mercantile-Safe Deposit and Trust Company, and any successor as trustee hereunder.

All references herein to *Articles*, *Sections* and other subdivisions refer to the corresponding Articles, Sections and other subdivisions of this Agreement; and the words *herein*, *hereof*, *hereby*, *hereto*, *hereunder* and words of similar import refer to this Agreement as a whole and not to any particular Article, Section or subdivision hereof.

## ARTICLE II.

### Trust Certificates and Issuance Thereof.

SECTION 2.1. The net proceeds (excluding premium and accrued dividends, if any) of the sale of any of the Trust Certificates shall forthwith upon issuance thereof be deposited in cash with the Trustee. At the same time the Company shall, if necessary, deposit with the Trustee any advance rental payable by the Company to the Trustee under Section 4.4(A)(1) hereof. Thereupon, without waiting for the recording or filing of this Agreement or of any other instrument respecting the Trust Equipment, the Trustee shall issue and deliver, as the Company shall direct by Request, Trust Certificates substantially in the forms set forth herein, and in the aggregate principal amount so sold. Any premium and accrued dividends received upon the sale of the Trust Certificates shall also forthwith be deposited with the Trustee and applied by it on account of the first and any subsequent installments of rental under Section 4.4(B)(3) hereof.

SECTION 2.2. Each of the Trust Certificates shall represent an interest, in the principal amount therein specified, in the trust created hereunder and shall bear dividends on said principal amount at the rate of 9 $\frac{1}{4}$ % per annum, payable semiannually on February 16 and August 16 in each year.

The aggregate principal amount of Trust Certificates which shall be executed and delivered by the Trustee shall not exceed the sum of \$6,750,000, except as provided in Section 2.6 hereof.

The due date of each Trust Certificate shall appear upon its face. The Trust Certificates with dividend warrants shall be in the denomination of \$1,000 each and shall be numbered from 1 consecutively upward. The fully

The fully registered Trust Certificates shall be registered, as to both *principal and dividends, in the name of the holder*; shall be transferable upon presentation and surrender thereof for transfer at the agency of the Trustee in the Borough of Manhattan, City and State of New York, accompanied by appropriate instruments of assignment and transfer, duly executed by the registered holder of the surrendered Trust Certificate or Certificates or by duly authorized attorney, in form satisfactory to the Trustee; and shall be dated as of August 16, 1979, or, if issued after February 15, 1980, as of the dividend payment date next preceding the date of issue, unless issued on a dividend payment date, in which event they shall be dated as of the date of issue and shall entitle the registered holder to dividends from the date thereof.

Trust Certificates in fully registered form and Trust Certificates in bearer form with dividend warrants, whether or not registered as to principal, shall be interchangeable for a like aggregate principal amount of Trust Certificates, in authorized denominations of the same maturity and in any combination of such forms. The Trust Certificates to be exchanged shall be surrendered at said agency of the Trustee in the Borough of Manhattan, City and State of New York. All Trust Certificates with dividend warrants surrendered for exchange shall have attached all unmatured dividend warrants appertaining thereto, and, in case at the time of any such exchange dividends on the Trust Certificates are in default, they shall in addition have attached all matured dividend warrants in default appertaining thereto.

The Trust Certificates with dividend warrants shall be negotiable and shall pass by delivery unless registered as to principal in the manner hereinafter provided. Any of the Trust Certificates with dividend warrants may be registered as to the principal thereof in the name of the holder on the books of the Trustee to be kept at its agency in the Borough of Manhattan, City and State of New York, and such registration shall be noted on the Trust Certificate by the Trustee or its agent on behalf of the Trustee. Thereafter no transfer thereof shall be valid unless made at said agency by the registered holder thereof in person, or by his duly authorized attorney, and similarly noted thereon; but the same may be discharged from registration and transferred to bearer as before. No registration, however, shall affect the dividend warrants, but every such dividend warrant shall continue to be transferable with the same effect as in the case of a negotiable

SECTION 2.6. In case any Trust Certificate, or the dividend warrants, if any, thereto appertaining, shall become mutilated or defaced or be lost, stolen or destroyed, then on the terms herein set forth, and not otherwise, the Trustee, upon Request, shall execute and deliver a new Trust Certificate, and the Company shall execute its guaranty thereon, with all unmatured dividend warrants appertaining thereto, if a Trust Certificate with dividend warrants, of like maturity, tenor and date, and bearing the same serial number as the one mutilated, defaced, lost, stolen or destroyed, in exchange and substitution for, and upon cancellation of, the mutilated or defaced Trust Certificate and dividend warrants, if any, or in lieu of or in substitution for the same if lost, stolen or destroyed, and shall make payment of any matured and unpaid dividend warrants appertaining to the same. The applicant shall furnish to the Trustee and to the Company evidence to their satisfaction of the mutilation, defacement, loss, theft or destruction of the instrument or instruments alleged to have been lost, stolen or destroyed, and of the ownership and authenticity thereof, and also such security and indemnity as may be required by the Trustee and by the Company in their discretion; and shall pay all expenses and charges of such substitution or exchange. All Trust Certificates shall be issued, held and owned upon the express condition that the foregoing provisions are exclusive in respect of the replacement of mutilated, defaced, lost, stolen or destroyed Trust Certificates and dividend warrants, if any, and shall preclude any and all other rights and remedies, any law or statute now existing or hereafter enacted to the contrary notwithstanding.

acquired or constructed and to be sold, assigned, transferred and set over unto the Trustee, to be substituted under the trust, and to that end the Company, upon entering into a contract or contracts for the acquisition or construction of such other Equipment, shall assign to the Trustee all its rights, title and interest under said contract or contracts.

SECTION 3.2. From time to time, when and as any of the Trust Equipment shall have been delivered to the Trustee or its agent, the Trustee upon Request shall (subject, however, to the provisions of Section 3.3 hereof) pay to the seller or manufacturer or sellers or manufacturers of the delivered Trust Equipment out of Deposited Cash an amount which, together with all payments previously made out of Deposited Cash upon deliveries of Trust Equipment, will equal not more than 80% of the aggregate Cost of the Trust Equipment then or theretofore delivered to the Trustee.

SECTION 3.3. The Company covenants that, contemporaneously with any payment by the Trustee pursuant to Section 3.2 hereof, it will pay to the Trustee the advance rental provided in Section 4.4(A)(2) hereof, and thereupon the Trustee upon Request shall pay to the seller or manufacturer or sellers or manufacturers of the delivered Trust Equipment, by the use of such advance rental, the portion of the Cost of the delivered Trust Equipment not paid out of Deposited Cash as provided for in Section 3.2 hereof; the intention being that the Company shall ultimately pay not less than 20% of the final Cost of all the Trust Equipment, and the Trustee and the Company shall at any time if occasion arises adjust their accounts and payments to the end that the Trustee shall pay with Deposited Cash not more than 80% of such final Cost and the Company shall pay as advance rental the remainder, to be not less than 20% of such final Cost.

SECTION 3.4. The Trustee shall not pay out any Deposited Cash against the delivery of any of the Trust Equipment unless and until it shall have received:

- (a) An Officer's Certificate stating that the Trust Equipment described and specified therein by number or numbers has been delivered to, and approved and accepted by, the Company as agent for the Trustee and has been plated or marked in accordance with the provisions of Section 4.6 hereof;

pursuant to the last preceding paragraph, pay to the Trustee, not later than sixty (60) days after the aggregate final Cost of the Trust Equipment shall have been determined, an amount in cash equal to the amount by which the excess of \$8,437,500 over the aggregate final Cost of the Trust Equipment theretofore delivered to the Trustee exceeds the amount of Deposited Cash held by the Trustee (other than Deposited Cash so held pursuant to Section 4.4(B)(3) hereof) at the time of such payment. Any amount so paid, together with any Deposited Cash held by the Trustee at the time of such payment, shall be held and applied as provided in Section 4.7 hereof.

SECTION 3.5. Interest, if any, allowed by the Trustee upon any moneys received by it under the provisions hereof and any interest (in excess of accrued interest paid from Deposited Cash at the time of purchase) or other profit upon any investment of Deposited Cash as permitted by Section 7.8 hereof shall belong to the Company and be paid to it by the Trustee, as long as the Company shall not be known to the Trustee to be in default hereunder.

#### ARTICLE IV.

##### Lease of Trust Equipment to the Company

SECTION 4.1. The Trustee does hereby let and lease to the Company for the term of 15 years from and after August 16, 1979, all the Trust Equipment.

SECTION 4.2. In the event that the Company shall, as provided in Sections 3.1 and 3.4 or Section 4.7 hereof, cause to be acquired or constructed and transferred to the Trustee other Equipment in addition to or in substitution for any of the Equipment herein specifically described, such other Equipment shall be included as part of the Trust Equipment by supplement hereto and shall be subject to all the terms and conditions hereof in all respects as though it had been part of the Trust Equipment herein specifically described.

SECTION 4.3. As and when any Equipment shall from time to time be transferred and delivered to the Company as agent for the Trustee, the same shall, *ipso facto*, and without further instrument of lease or transfer, pass under and become subject to all the terms and provisions hereof.

(B) In addition to such advance rental the Company shall pay to the Trustee, as hereinafter provided, as additional rental for the Trust Equipment, and whether or not at the time any thereof shall have been delivered to the Company, the following:

(1) (a) The necessary and reasonable expenses of the trust hereby created, including compensation and expenses provided for herein; and (b) an amount equal to any expenses incurred or loss of principal (including interest accrued thereupon at time of purchase) in connection with any purchase, sale or redemption by the Trustee of Investment Securities;

(2) Any and all taxes, assessments and governmental charges upon or on account of the income or property of the trust, or of this Agreement, which the Trustee as such may be required to pay;

(3) (a) The amounts of the dividends payable on the Trust Certificates, when and as the same shall become payable; and (b) interest at the dividend rate from the due date upon the amount of any installments of rental payable under this subparagraph (3) and the following subparagraph (4) which shall not be paid when due, to the extent legally enforceable; and

(4) The principal of the Trust Certificates, when and as the same shall become payable, whether upon the stated dates of maturity thereof or otherwise under the provisions thereof or hereof.

Nothing herein or in the Trust Certificates contained shall be deemed to impose on the Trustee or on the Company any obligation to pay to the holder of any Trust Certificate or dividend warrant any tax, assessment or governmental charge required by any present or future law of the United States of America or of any state, county, municipality or other taxing authority thereof to be paid in behalf of, or withheld from the amount payable to, the holder of any Trust Certificate or dividend warrant. The Company shall not be required to pay any tax, assessment or governmental charge so long as it shall in good faith and by appropriate legal proceedings contest the validity thereof, unless in the judgment of the Trustee the rights or interests of the Trustee or of the holders of the Trust Certificates or dividend warrants may be materially endangered thereby.

case, prior to the termination of the lease provided for herein, any of such plates or marks shall at any time be removed, defaced, obliterated or destroyed, the Company shall immediately cause the same to be restored or replaced. The Company shall not change or permit to be changed the numbers of any of the Trust Equipment at any time covered hereby (or any numbers which may have been substituted as herein provided) except in accordance with a statement of new numbers to be substituted therefor which shall previously have been filed with the Trustee by the Company and which shall be filed and recorded as provided in Section 6.4 hereof.

The Trust Equipment may be lettered "Seaboard Coast Line Railroad", "S.C.L." or may be lettered with the name or initials of any Affiliate which is permitted to use the Trust Equipment as herein provided, or in some other appropriate manner, for convenience of identification of the leasehold interest of the Company therein. During the continuance of the lease provided for herein, the Company shall not allow the name of any person, association or corporation to be placed on any of the Trust Equipment as a designation which might be interpreted as a claim of ownership thereof by the Company or by any person, association or corporation other than the Trustee.

SECTION 4.7. The Company agrees that it will maintain and keep all the Trust Equipment in good order and proper repair at its own cost and expense, unless and until worn out, unsuitable for use, not needed or lost or destroyed. The rights and remedies of the Trustee to enforce or to recover any of the rental payments shall not be affected by reason of such wearing out, unsuitableness for use, loss or destruction.

Whenever any of the Trust Equipment shall be withdrawn from use for substantial repairs (other than running repairs), worn out, lost or destroyed or become unsuitable for use, or no longer be needed, the Company shall deliver to the Trustee an Officer's Certificate describing such Trust Equipment and stating the Fair Value thereof and shall either (a) deposit with the Trustee an amount in cash equal to such Fair Value or (b) cause to be transferred to the Trustee additional Equipment (which term, for purposes of Equipment acquired with moneys deposited pursuant to this Section 4.7 hereof only, shall mean any standard-gauge railroad equipment, other than passenger equipment or work equipment, first put into use on or after the date of this Agreement), free from all liens, security interests and other encumbrances (other than those which have been duly subordinated to the

or then withdrawn from use for such repairs, and stating that all the Trust Equipment repainted or repaired since the date of the last preceding statement is plated or marked as required by Section 4.6 hereof. The Trustee, by its agents, shall have the right once in each calendar year, but shall be under no duty, to inspect, at the expense of the Company, the Trust Equipment, and the Company covenants in that event to furnish to the Trustee all reasonable facilities for the making of such inspection.

SECTION 4.8. The Company, so long as it is not in default hereunder, shall be entitled to the possession of the Trust Equipment from and after delivery thereof to the Company, and the use thereof upon the lines of railroad owned or operated by the Company (either alone or jointly with another) or by any Affiliate, or upon lines over which the Company or any Affiliate shall have trackage or other operating rights, and the Company shall also be entitled to permit the use of the Trust Equipment upon connecting and other railroads in the usual interchange of traffic and upon connecting railroads and other railroads over which through service may from time to time be afforded, but only upon and subject to all the terms and conditions of this Agreement.

The Company shall not, without first obtaining the written consent of the Trustee, assign or transfer its rights hereunder, or transfer or sublet the Trust Equipment or any part thereof, except to an Affiliate; and the Company shall not, without such written consent, except as provided in this Section 4.8, part with the possession of, or suffer or allow to pass out of its possession or control, any of the Trust Equipment. An assignment or transfer to a railroad company or other purchaser which shall acquire all or substantially all the lines of railroad of the Company, and which, by execution of an appropriate instrument satisfactory to the Trustee, shall assume and agree to perform each and all of the obligations and covenants of the Company hereunder and under the guaranty endorsed on the Trust Certificates, shall not be deemed a breach of this covenant. The appointment of a receiver or receivers in equity or reorganization or a trustee or trustees in bankruptcy or reorganization for the Company or for its property shall not be deemed an unauthorized assignment if, prior to any action by the Trustee to exercise the remedies herein provided, such receiver or receivers or trustee or trustees shall be discharged or such receiver or receivers or trustee or trustees shall, pursuant to court order or decree, in

**ARTICLE V.****Remedies in Event of Default.**

SECTION 5.1. The Company covenants and agrees that in case

(a) the Company shall default in the payment of any part of the rental payable hereunder (including advance rental) for more than ten (10) days after the same shall have become due and payable, or

(b) the Company shall make or suffer any unauthorized assignment or transfer of its rights hereunder or shall make any unauthorized transfer or sublease of any of the Trust Equipment, or except as herein authorized, shall part with the possession of any of the Trust Equipment, and shall fail or refuse either to cause such assignment or transfer or sublease to be cancelled by agreement of all parties having any interest therein and recover possession of such Trust Equipment within thirty (30) days after the Trustee shall have demanded in writing such cancellation and recovery of possession, or within said thirty (30) days to deposit with the Trustee a sum in cash equal to the Fair Value of the Trust Equipment so assigned or transferred or subleased or the possession of which shall have been parted with otherwise than as herein authorized (any sum so deposited to be returned to the Company upon the cancellation of such assignment, transfer or subleases and the recovery of possession by the Company of such Trust Equipment), or

(c) the Company shall, for more than ninety (90) days after the Trustee shall have demanded in writing performance thereof, fail or refuse to comply with any other of the terms and covenants hereof on its part to be kept and performed, or to make provision satisfactory to the Trustee for such compliance,

then, in any such case (herein sometimes called an Event of Default) the Trustee in its discretion may, and upon the written request of the holders of not less than 25% in principal amount of the then outstanding Trust Certificates shall, by notice in writing delivered to the Company, declare to be due and payable forthwith the entire amount of the rentals (including any unpaid advance rental, but not including rentals required for the payment of dividends accruing after the date of such declaration) payable by the Company as set forth in Section 4.4 hereof and not theretofore paid, whereupon the entire amount of such rentals shall forthwith become and shall be due and payable immediately without further demand, together

taking possession or withdrawal or lease or sale of the Trust Equipment the Company shall cease to have any rights or remedies in respect of the Trust Equipment hereunder, but all such rights or remedies shall be deemed thenceforth to have been waived and surrendered by the Company, and no payments theretofore made by the Company for the rent or use of the Trust Equipment or any of it shall, in case of the happening of any such Event of Default and such taking possession, withdrawal, lease or sale by the Trustee, give to the Company any legal or equitable interest or title in or to the Trust Equipment or any of it or any cause or right of action at law or in equity in respect of the Trust Equipment against the Trustee or the holders of interest hereunder. No such taking possession, withdrawal, lease or sale of the Trust Equipment by the Trustee shall be a bar to the recovery by the Trustee from the Company of rentals then or thereafter due and payable, and the Company shall be and remain liable for the same until such sums shall have been realized as, with the proceeds of the lease or sale of the Trust Equipment shall be sufficient for the discharge and payment in full of all the items mentioned in Section 4.4 hereof (other than dividends or interest not then accrued), whether or not they shall have then matured. The holders of a majority in principal amount of the then outstanding Trust Certificates shall have the right from time to time to direct which of the proceedings above provided for shall be taken for the enforcement of the remedies contained herein.

SECTION 5.3. If in case of the happening of any Event of Default, the Trustee shall exercise any of the powers conferred upon it by Sections 5.1 and 5.2 hereof, all payments made by the Company to the Trustee after such Event of Default, and the proceeds of any judgment collected from the Company by the Trustee and the proceeds of every sale or lease by the Trustee hereunder of any of the Trust Equipment, together with any other sums which may then be held by the Trustee under any of the provisions hereof (other than sums held in trust for the payment of specific Trust Certificates or dividends) shall be applied by the Trustee to the payment in the following order of priority: (a) of all proper charges, expenses or advances made or incurred by the Trustee in accordance with provisions of this Agreement, and (b) of the dividends then due, and of the principal of all the outstanding Trust Certificates whether such Trust Certificates shall have then matured by their terms or not with interest at the dividend rate on overdue dividends and on principal from the last preceding dividend payment date to the extent legally enforceable, all such payments to be in

omission to act against the Company or in respect of the Trust Equipment on the part of the Trustee or on the part of the holder of any Trust Certificate or dividend warrant, no delay or indulgence granted to the Company by the Trustee or by any such holder, shall affect the obligations of the Company hereunder or under the guaranty endorsed on the Trust Certificates. The Company hereby waives presentation and demand in respect of any of the Trust Certificates and dividend warrants and waives notice of presentation, of demand and of any default in the payment of the principal of and dividends upon the Trust Certificates. The Trustee may at any time upon notice in writing to the Company apply to any court of competent jurisdiction for instructions as to the application and distribution of the property held by it.

SECTION 5.6. In case the Trustee shall demand possession of the Trust Equipment pursuant to the provisions hereof, and shall reasonably designate a point or points upon the railroad of the Company or of any Affiliate for the delivery of the Trust Equipment to it, the Company shall at its own expense forthwith and in the usual manner cause the Trust Equipment to be moved to such point or points on such railroad as shall be designated by the Trustee and shall there deliver or cause to be delivered the same to the Trustee, or the Trustee may at its option keep the Trust Equipment on any of the lines of railroad or premises of the Company or of any Affiliate until the Trustee shall have leased, sold or otherwise disposed of the same, and for such purpose the Company agrees to furnish without charge for rent or storage the necessary facilities at any convenient point or points selected by the Trustee. It is hereby expressly covenanted and agreed that the performance of this covenant is of the essence of this Agreement and that, upon application to any court having jurisdiction in the premises, the Trustee shall be entitled to a decree against the Company requiring the specific performance thereof.

SECTION 5.7. The remedies in this Agreement provided in favor of the Trustee and the holders of the Trust Certificates or dividend warrants, or any of them, shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in their favor existing at law or in equity; *provided, however*, that the rights, powers and remedies in this Agreement provided are subject to applicable provisions of any bankruptcy or insolvency laws or laws affecting enforcement of creditors' rights.

obligation or claim which if unpaid might become a lien or charge upon or against any of the Trust Equipment, except upon the leasehold interest of the Company therein; but this provision shall not require the payment of any such debt, tax, charge, assessment, obligation or claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings, unless such contest will in the judgment of the Trustee materially endanger the rights or interests of the Trustee or of the holders of the Trust Certificates.

SECTION 6.4. The Company covenants and agrees to pay the expenses incident to the preparation and execution of the Trust Certificates and dividend warrants to be issued hereunder, or connected with the preparation, execution, recording and filing hereof and of any instruments executed under the provisions hereof with respect to the Trust Equipment. The Company with all convenient speed will cause this Agreement and all supplements hereto to be duly filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. §11303. The Company will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register and record any and all further instruments required by law or reasonably requested by the Trustee for the purposes of proper protection of the title of the Trustee and the rights of the holders of the Trust Certificates and of fully carrying out and effectuating this Agreement and the intent hereof; and the Company will promptly furnish to the Trustee certificates or other evidences of filing and recording pursuant to the last preceding sentence, and of any other such filing, registration and recording, and an Opinion or Opinions of Counsel with respect thereto.

SECTION 6.5. The Company covenants and agrees from time to time to do all such acts and execute all such instruments of further assurance as it shall be reasonably requested by the Trustee to do or execute for the purpose of fully carrying out and effectuating this Agreement and the intent hereof.

SECTION 6.6. The Company covenants that it will make payment of the rentals on account of the Trust Equipment as provided in this Agreement notwithstanding that any of the Trust Certificates and dividend warrants shall have been acquired by the Company or shall not have been presented for payment.

of the then outstanding Trust Certificates and unless indemnified to its satisfaction against expense and liability with respect thereto, and unless also furnished with proof satisfactory to it as to the ownership of the Trust Certificates in respect of which any such request may be made; but this provision, in the absence of such request, shall not affect any discretion herein given to the Trustee to determine whether it shall take action in respect of any default hereunder or what action it shall take.

SECTION 7.6. No holder of any Trust Certificate or dividend warrant shall have any right to institute any suit, action or proceeding for the execution and enforcement of the trust hereby created unless, after the aforesaid request in writing by the holders of not less than 25% in principal amount of the then outstanding Trust Certificates shall have been made to the Trustee, and after indemnity satisfactory to it shall have been provided, and after ninety (90) days shall have elapsed after receipt by the Trustee of such request, it shall decline, fail or neglect to institute any proceedings pursuant thereto. Neither the provisions of this Section 7.6 nor the provisions of Section 7.5 hereof shall affect or limit in any way the obligations of the Company under its guaranty hereinabove provided or the rights of the holders of Trust Certificates or dividend warrants to institute suit for the enforcement of payments due under said guaranty in respect of the Trust Certificates or dividend warrants.

SECTION 7.7. The Trustee may for all purposes conclusively assume that the Company is not in default under the terms hereof until notified in writing to the contrary by the holders of at least 10% in principal amount of the then outstanding Trust Certificates, which notice shall distinctly specify the Event of Default desired to be brought to the attention of the Trustee. As to any fact or matter the manner of determining which is not specifically prescribed herein, the Trustee may for all purposes rely upon an Officer's Certificate as to such fact or matter. The Trustee shall not incur any liability to anyone in relying conclusively on, and in acting upon, any notice, consent, order, certificate, warrant, opinion or other paper or instrument believed by it to be genuine or authentic and to be signed by the proper party or parties.

SECTION 7.8. Any money at any time paid to or held by the Trustee hereunder until paid out by the Trustee as herein provided may be carried by the Trustee on deposit with itself, without liability for interest thereon save as may be agreed upon between the Trustee and the Company.

or validity of this Agreement or of the Trust Certificates and dividend warrants (except for its own execution thereof), or for the guaranty by the Company, or for any mistake of fact or law.

The Trustee shall be entitled to receive payment of all of its expenses and disbursements hereunder, including reasonable counsel fees, and to receive reasonable compensation for all services rendered by it in the execution of the trust hereby created, all of which shall be paid by the Company.

The Trustee in its individual capacity may own, hold and dispose of Trust Certificates and dividend warrants with the same rights which it would have if it were not Trustee.

Any moneys at any time held by the Trustee hereunder shall, until paid out or invested by the Trustee as herein provided, be held by it in trust as herein provided for the benefit of the holders of the Trust Certificates and dividend warrants.

SECTION 7.10. If at any time the Trustee or any successor to it in the trust hereby created shall desire to divest itself of title to the Trust Equipment and to terminate its duties and obligations and rights hereunder and under the Trust Certificates, it shall so notify the Company in writing, and the Company shall thereupon designate in writing to the Trustee a national bank or a trust company, qualified as below specified, to serve until a successor is appointed by the holders of Trust Certificates as hereinafter provided, to which may be assigned the entire right, title and interest of the Trustee or such successor in the Trust Equipment, and in which may be vested the rights, powers, duties and obligations of the Trustee hereunder and under the Trust Certificates. Upon the transfer and delivery of all moneys, any Investment Securities in which any of said moneys may then be invested and Trust Equipment held by the retiring trustee, and the execution by the retiring trustee of such instruments of transfer as may be reasonably requested by the successor trustee and upon acceptance by the successor trustee of the assignment and of the trust, the retiring trustee shall be relieved and discharged of all the title, rights, powers, duties and obligations of the trust hereunder and under the Trust Certificates, and the same shall become vested in such successor trustee and every provision hereof applicable to the retiring trustee shall apply to such successor trustee with like effect as if such successor trustee had been originally named herein in the

**ARTICLE VIII.****Miscellaneous.**

SECTION 8.1. Any request or other instrument provided by this Agreement to be signed or executed by holders of Trust Certificates may be in any number of concurrent instruments of similar tenor, and may be executed by such holders in person or by an agent or attorney appointed by an instrument in writing. Proof of the execution of any such request or other instrument, or of a writing appointing any such agent or attorney, or of the holding by any person of Trust Certificates, shall be sufficient for any purpose hereof and shall be conclusive in favor of the Trustee with regard to any action taken by the Trustee under such request or other instrument if made in the following manner, *viz.*:

(a) The fact and date of the execution by any person of any such request or of any other instrument in writing may be proved by the affidavit of a witness to such execution, or by the certificate of any notary public or of any other officer authorized to take acknowledgments of deeds to be recorded in the state where the acknowledgment may be taken, certifying that the person signing such request or other instrument acknowledged to him the execution thereof. Where such execution is by an officer of a corporation or association or a member of a partnership on behalf of such corporation, association or partnership, such certificate or affidavit shall also constitute sufficient proof of his authority.

(b) The amount and serial numbers of Trust Certificates with dividend warrants not registered as to principal held by any person executing any such request or other instrument as a holder of Trust Certificates, and the date of his holding the same, may be proved by a certificate executed by any trust company, bank or other depository, wheresoever situated, whose certificate shall be deemed by the Trustee to be satisfactory, showing that at the date therein mentioned such person had on deposit with or exhibited to such depository the Trust Certificates numbered and described in such certificate. The Trustee may presume the continuance of any such holding unless and until it shall receive proof satisfactory to it to the contrary.

IN WITNESS WHEREOF, the Trustee and the Company have caused these presents to be signed in their respective corporate names by their respective officers thereunto duly authorized and their corporate seals, duly attested, to be hereunto affixed as of the month, day and year first above written.

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY,  
Trustee

(CORPORATE SEAL)

By

  
G. A. JOHNSTON  
Vice President

Attest:

  
R. E. SCHREIBER  
Assistant Vice President

SEABOARD COAST LINE RAILROAD COMPANY,

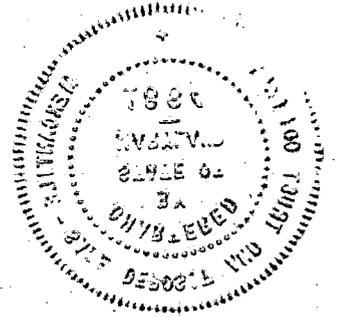
(CORPORATE SEAL)

By

  
LEONARD G. ANDERSON  
Vice President and Treasurer

Attest:

  
JAMES S. CREMINS  
Assistant Secretary



STATE OF MARYLAND }  
CITY OF BALTIMORE } SS.:

On this 17<sup>th</sup> day of August, 1979, before me personally appeared G. J. JOHNSTON, to me personally known, who, being by me duly sworn, says that he is a 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.

*Florence H Gilbert*

F. H. GILBERT  
~~PATRICIA A. SHILOW~~  
Notary Public, State of Maryland  
Term Expires July 1, 1982



[NOTARIAL SEAL]

STATE OF VIRGINIA }  
CITY OF RICHMOND } SS.:

On this \_\_\_\_\_ day of August, 1979, before me personally appeared LEONARD G. ANDERSON, to me personally known, who, being by me duly sworn, says that he is Vice President and Treasurer of SEABOARD COAST LINE RAILROAD 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.

*C. W. Whitehurst, Jr.*

C. W. WHITEHURST, JR.  
Notary Public  
My Commission Expires February 15, 1983



[NOTARIAL SEAL]

