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FIRST AMENDMENT TO CONDITIONAL SALE AGREEMENT

THIS FIRST AMENDMENT TO CONDITIONAL SALE AGREEMENT dated as of February 15, 1974 among GENERAL MOTORS CORPORATION (ELECTRO-MOTIVE DIVISION), a Delaware corporation (the "Manufacturer"). EXCHANGE NATIONAL BANK OF CHICAGO, as Trustee under Clinchfield Trust No. 74-1 (the "Vendee") and SEABOARD COAST LINE RAILROAD COMPANY, a Virginia corporation ("Seaboard" and LOUISVILLE & NASHVILLE RAILROAD COMPANY, a Kentucky corporation ("Louisville & Nashville") jointly and severally (said Seaboard and Louisville & Nashville being hereinafter sometimes collectively referred to as the "Guarantors", which Guarantors jointly and severally lease and operate, through the separate organization known as "Clinchfield Railroad Company" and as a separately owned property, the lines of railroad lease from Carolina, Clinchfield and Ohio Railway and Carolina, Clinchfield and Ohio Railway of South Carolina).

W I T N E S S E T H:

WHEREAS, the Manufacturer, the Vendee and the Guarantors have heretofore executed and delivered that certain Conditional Sale Agreement dated as of January 15, 1974 (the "Conditional Sale Agreement") providing, inter alia, for the Manufacturer to construct and to build and deliver to the Vendee and for the Vendee to purchase certain railroad equipment more fully described in Schedule A attached to said Conditional Sale Agreement; and

WHEREAS, the said Conditional Sale Agreement was filed for record in the Office of the Secretary of the Interstate Commerce Commission on February 15, 1974 and has been assigned recordation No. 7401; and

WHEREAS, the Manufacturer, the Vendee and the Guarantors desire to amend the Conditional Sale Agreement as hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt whereof is hereby acknowledged, the Manufacturer, the Trustee and the Guarantor hereby covenant and agree that the Conditional Sale Agreement shall be deemed to be and it is hereby amended as follows:

7401-1

RECORDATION NO. _____

APR 11 1974 3 22 PM

INTERSTATE COMMERCE COMMISSION

1. By amending Section 3.8 of the Conditional Sale Agreement, as executed, to substitute "9.625%" for "9.5%" wherever 9.5% appears therein.

2. By amending Section 6.1 of the Conditional Sale Agreement, as executed, to read in its entirety as follows:

"6.1. In the event that any Item of Equipment shall be or become lost, stolen, destroyed, or, in the opinion of the Guarantors, irreparably damaged, or shall be requisitioned or taken over by any governmental authority under the power of eminent domain or otherwise (each such occurrence, except for any requisition which by its terms does not exceed the period ending July 1, 1989, being hereinafter called a "Casualty Occurrence"), prior to the payment of the indebtedness in respect of the purchase price of such Item, together with interest thereon and all other payments required hereby, the Vendee shall promptly (after it has knowledge of such Casualty Occurrence) and fully inform the Manufacturer in regard thereto. When the aggregate Casualty Payment (as herein defined) of Items of Equipment having suffered a Casualty Occurrence (exclusive of Items of Equipment having suffered a Casualty Occurrence with respect to which a payment shall have been made to the Manufacturer thereof pursuant to this Section) shall exceed \$400,000, the Vendee, on the date of payment of the next succeeding installment of principal and interest on such indebtedness, shall pay to the Manufacturer the Casualty Payment of such Items as of the date of such payment, provided that, notwithstanding the foregoing, the Vendee shall on the last installment payment date of each calendar year pay to the Manufacturer the Casualty Value of any Item or Items of Equipment which have suffered a Casualty Occurrence during such calendar year or any prior year for which no payment has previously been made to the Manufacturer pursuant to this Section 6.1. Each such payment shall be accompanied by notification from the Vendee as to the Casualty Payment."

3. By amending the second sentence of Section 6.2 of the Conditional Sale Agreement, as executed, to read in its entirety as follows:

"The semiannual payments of the indebtedness in respect of the purchase price of the remaining Equipment and interest thereon, becoming due thereafter shall be redetermined on the basis of the amount of such indebtedness remaining unpaid and on the basis of the number of semiannual payments remaining immediately after such application."

4. By amending Section 10.2 of the Conditional Sale Agreement, as executed, to read in its entirety as follows:

"10.2. The covenant contained in Section 10.1 hereof will not be deemed breached by reason of liens for taxes, assessments or governmental charges or levies, in each case not due and delinquent, or undetermined or inchoate materialmen's, mechanics', workmen's, repairmen's or other like liens arising in the ordinary course of business and, in each case, not delinquent (such liens being herein called "permitted liens")

5. By amending the first sentence of Section 13.3 of the Conditional Sale Agreement, as executed, to read in its entirety as follows:

"13.3. Upon any such assignment pursuant to Section 13.2 hereof either the assignor or the assignee shall give written notice to the Vendee and the Guarantors, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall, by virtue of such assignment, acquire all of the assigning Manufacturer's right, security title and interest in and to the Equipment, or in and to a portion thereof, as the case may be, subject only to such reservations as may be contained in such assignment."

7. By amending the second sentence of Section 15.2 of the Conditional Sale Agreement, as executed, to read in its entirety as follows:

"During such 30-day period the Vendee shall have the right to cure such default on behalf of the Guarantors; provided that such right to cure a default may be exercised not more than an aggregate total of one time in respect of any default which may be cured by the payment of money to the Manufacturer and for all other defaults which may be cured pursuant to this Section 15.2, such right to cure one or more such defaults shall be limited to an aggregate period of six months from the date of the giving of the notice or notices of such default or defaults by the Manufacturer to the Vendee."

8. By amending the last sentence of Section 16.2 of the Conditional Sale Agreement, as executed, to read in its entirety as follows:

"The Vendee and the Guarantors hereby expressly waive any and all claims against the Manufacturer and its agent or agents for damages of whatever nature in connection with any retaking of any Item of Equipment in any reasonable manner."

Any and all notices, requests, certificates and other instruments executed and delivered after the execution of this Amendment may refer to the "Conditional Sale Agreement dated as of January 15, 1974" without making specific reference to this Amendment, but nevertheless all such references shall be deemed to include this Amendment unless the context shall otherwise require.

This Amendment may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Amendment.

Except to the extent hereby amended and modified, the Conditional Sale Agreement is in all respects ratified, confirmed and approved.

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

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION)

(CORPORATE SEAL)

By Harold Z Smith
Its VICE PRESIDENT

Attest:

W. G. Thomas
Assistant Secretary

EXCHANGE NATIONAL BANK OF CHICAGO
as Trustee under Clinchfield
Trust No. 74-1

(CORPORATE SEAL)

By Michael H. Williams
Its President and Treasurer

Attest:

[Signature]
Assistant Trust Officer

SEABOARD COAST LINE RAILROAD COMPANY

(CORPORATE SEAL)

By Conrad L. Anderson
Its Vice President and Treasurer

Attest:

J. S. Williams
Assistant Secretary

LOUISVILLE & NASHVILLE RAILROAD

(CORPORATE SEAL)

By [Signature]
Its Vice President, Secretary and Treasurer

Attest:

[Signature]
Assistant Secretary

Consented to this 12th day of April, 1974.

THE FIRST PENNSYLVANIA BANKING
AND TRUST COMPANY, Assignee
of the Manufacturer pursuant
to the certain Agreement and
Assignment dated as of
~~January~~ 15, 1974

By *A. Roman*
Its ASSISTANT VICE PRESIDENT

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this 4th day of March, 1974, before me personally appeared MICHAEL D. GOODMAN, to me personally known, who, being by me duly sworn, says that he is a Vice President of Exchange National Bank of Chicago, 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.

Phyllis B. Peyton
Notary Public

(Seal) My Commission Expires Jan. 21, 1975
My Commission Expires: _____

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

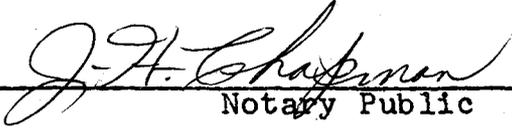
On this 12th day of March, 1974, before me personally appeared HAROLD I. SMITH, to me personally known, who being by me duly sworn, says that he is a Vice President of General Motors Corporation (Electro-Motive Division), that one of the seals affixed to the foregoing instrument is the corporate seal 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.

Zula C. Clair
Notary Public

(Seal) My Commission Expires: JULY 11, 1976

STATE OF VIRGINIA)
) SS
CITY OF RICHMOND)

On this 4th day of MARCH, 1974, before me personally appeared Leonard G. Anderson, to me personally known, who being by me duly sworn, says that he is the 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.



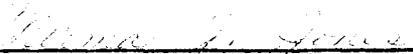
Notary Public

(Seal)

My Commission Expires: ~~DATE~~ 1974

STATE OF KENTUCKY)
) SS
COUNTY OF JEFFERSON)

On this 4th day of March, 1974, before me personally appeared C. Hayden Edwards, to me personally known, who being by me duly sworn, says that he is the Vice President, Secretary and Treasurer of LOUISVILLE & NASHVILLE 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.



Notary Public

(Seal)

My Commission Expires: March 4, 1977