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RECORDATION NO. _____ Filed & Recorded

OCT 26 1973 - 10 20 AM

INTERSTATE COMMERCE COMMISSION

LEASE ASSIGNMENT

BETWEEN

**THE FIRST PENNSYLVANIA
BANKING AND TRUST COMPANY,**

Vendee

and

CENTRAL-PENN NATIONAL BANK,

Agent

Filed and recorded with the Interstate Commerce Commission pursuant to
Section 20c of the Interstate Commerce Act on _____, 1973, at
_____ m., recordation number _____

LEASE ASSIGNMENT dated as of October 23, 1973 given by THE FIRST PENNSYLVANIA BANKING AND TRUST COMPANY, as trustee (hereinafter called the Vendee) under a trust agreement dated as of the date hereof (hereinafter called the Trust Agreement) with Pioneer Trust & Savings Bank, as beneficiary (hereinafter called the Trustor) to CENTRAL-PENN NATIONAL BANK, as Agent (hereinafter called the Agent) for THE PENN MUTUAL LIFE INSURANCE COMPANY (said Company, together with its successors and assigns, being hereinafter called the Investor).

WHEREAS, the GENERAL MOTORS CORPORATION (hereinafter called the Builder), the Vendee, and RICHARDSON DILWORTH and ANDREW L. LEWIS, JR., Trustees of the Property of Reading Company (hereinafter called the Debtor) (said Trustees together with their successors in interest being hereinafter called the Trustees or collectively called the Guarantor) have entered into a Conditional Sale Agreement dated as of the date hereof (hereinafter called the Conditional Sale Agreement) covering the construction, sale and delivery, on the conditions therein set forth, by the Builder and the purchase by the Vendee of the *railroad equipment described in Annex A to the Conditional Sale Agreement* (said equipment being hereinafter called the Equipment); and the Vendee is leasing the Equipment to the Trustees pursuant to a Lease of Railroad Equipment dated as of the date hereof (hereinafter called the Lease);

WHEREAS, the Agent is willing to acquire, pursuant to an agreement and assignment dated as of the date hereof (hereinafter called the Assignment), the right, security title and interest of the Builder under the Conditional Sale Agreement in the units of the Equipment, all upon and subject to the terms and conditions of a Finance Agreement (hereinafter called the Finance Agreement) dated the date hereof among the Investor, the Agent and the Guarantor.

NOW THEREFORE THIS LEASE ASSIGNMENT (hereinafter called the Lease Assignment) WITNESSETH:

That in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration paid by the Agent to the Vendee, the receipt of which is hereby acknowledged, the execution and delivery of the Finance Agreement and the Assignment by the Agent, and the mutual covenants herein contained:

SECTION 1: The Vendee hereby assigns transfers, and sets over unto the Agent all the right, security, title, powers, privileges, interests and remedies of the Vendee in and to the Lease.

SECTION 2. Anything herein contained to the contrary notwithstanding, the Vendee shall, so long as there is no existing Event of Default under the Conditional Sale Agreement, be entitled to exercise all of its rights under the Lease to enforce the obligation of the Guarantor to make payments of lease rental under the Lease.

SECTION 3. Anything herein contained to the contrary notwithstanding, the Vendee shall remain fully liable under the Lease to perform all of the obligations assumed by it thereunder, and the Agent, its successors or assigns, shall have no obligation or liability under the Lease by reason of or arising out of this Lease Assignment, nor shall the Agent, its successors or assigns, be required or obligated in any manner to perform or fulfill any obligation of the Vendee under or pursuant to the Lease, or to make any payment, or to make any inquiry as to the nature or sufficiency of any payment received by it, its successors or assigns, or to press or file any claim or to take any other action to collect or enforce the payment of any amounts which may have been assigned to it, its successors or assigns, or to which it, its successors or assigns, may have been entitled at any time or times.

SECTION 4. The rights hereby assigned include, without limitation thereto, the right of the Vendee to perform the Lease at any time or from time to time and the right to receive all monies due and to become due under the Lease; such rights may be further assigned to another person or persons, in connection with the enforcement of the pledge thereof; and the obligations of the Vendee under the Lease may be performed by the Agent or its successors or assigns, without releasing the Vendee therefrom.

SECTION 5. The Vendee does hereby constitute the Agent, its successors or assigns, the Vendee's true and lawful attorney, irrevocably, with full power (in the name of the Vendee or otherwise) to ask, require, demand, receive, compound and give acquittance for any and all moneys and claims for moneys due or to become due under or arising out of the Lease, to draw any checks or other instruments or orders in connection therewith and to file any claims or to take any action or institute any proceedings which to the Agent, its successors or assigns, may seem to be necessary or advisable in the premises, all moneys received pursuant to this Lease Assignment to be applied as hereinafter provided.

SECTION 6. All sums payable to the Vendee under the Lease and assigned hereby, whether as rental payments, indemnities or otherwise, shall be paid by the Guarantor directly to the Agent, its successors or assigns. All sums paid to the Agent, its successors or assigns, by the Guarantor by virtue of this Lease Assignment shall be held or applied by the Agent, its

successors or assigns, in accordance with the applicable provisions of the Finance Agreement and Conditional Sale Agreement.

SECTION 7. The Vendee agrees that at any time and from time to time, upon the written request of the Agent, its successors or assigns, the Vendee will promptly and duly execute and deliver any and all such further instruments and documents as the Agent, its successors or assigns, may deem desirable in obtaining the full benefits of this Lease Assignment and of the rights and powers herein granted.

SECTION 8. The Vendee does hereby warrant and represent that it has not assigned or pledged, and hereby covenants that it will not assign or pledge, so long as this Lease Assignment shall remain in effect, any of its right, title or interest in or to the Lease to anyone other than the Agent, its successors or assigns, and that it will not take or omit to take any action, the taking or omission of which might result in an alteration, amendment, modification or impairment of the Lease or this Lease Assignment, or of any of the rights created by any of such instruments. The Vendee does hereby ratify and confirm the Lease and does warrant and represent that the Lease is in full force and effect and that the Vendee is not in default thereunder.

SECTION 9. The terms of this Lease Assignment and all rights and obligations hereunder shall be governed by the laws of the Commonwealth of Pennsylvania; *provided, however*, that the parties shall be entitled to all the rights conferred by Section 20c of the Interstate Commerce Act, such additional rights arising out of the filing, recording or depositing of the Lease and this Lease Assignment as shall be conferred by the laws of the several jurisdictions in which the Lease or this Lease Assignment shall be filed, recorded or deposited, or in which any unit of the Equipment shall be located, and any rights arising out of the marking on the units of the Equipment.

SECTION 10. This Lease Assignment may be executed in any number of counterparts, but the counterpart delivered to the ICC for recordation and subsequently redelivered to the Agent shall be deemed to be the original counterpart. Although this Lease Assignment is dated as of October 23, 1973, for convenience, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 11. This Lease Assignment shall take effect immediately upon the execution hereof and the powers and authorities granted to the Agent, its successors or assigns, herein, having been given for valuable considera-

tion, are hereby declared to be irrevocable; *provided* that, if all the Conditional Sale Indebtedness (as defined in the Conditional Sale Agreement) and all other sums payable under the Conditional Sale Agreement have been paid or discharged in accordance with the terms thereof, and all other covenants and agreements contained therein shall have been performed, all right, title and interest herein assigned shall revert to the Vendee, and this Lease Assignment shall terminate. In no event shall the Agent permit the reversion to the Vendee of any right, title or interest herein or in the Lease until such time as the Conditional Sale Indebtedness and all other sums payable under the Conditional Sale Agreement have been paid or discharged in accordance with the terms thereof.

IN WITNESS WHEREOF, the Vendee, pursuant to due corporate authority, has caused this instrument to be executed in its corporate name by duly authorized officials, and its corporate seal to be hereunto affixed and duly attested, all as of the date first above written.

THE FIRST PENNSYLVANIA
BANKING AND TRUST
COMPANY, *Vendee*

[CORPORATE SEAL]

ATTEST: *William S. Nelson*
Asst. Secretary

By: *John P. Roman*
Vice President
ASSISTANT VICE PRESIDENT

COMMONWEALTH OF PENNSYLVANIA }
COUNTY OF PHILADELPHIA } ss.:

On this *18th* day of October, 1973, before me personally appeared *Dr. Loman*, to me personally known, who, being by me duly sworn, says that he is a Vice President of THE FIRST PENNSYLVANIA BANKING AND TRUST 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.

Elizabeth J. Sabers
Notary Public

Notary Public, Philadelphia, Philadelphia Co.
My Commission Expires *3/1/76*

[NOTARIAL SEAL]

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

Receipt of a copy of, and due notice of the assignment made by, the foregoing Lease Assignment is hereby acknowledged as of

;

RICHARDSON DILWORTH

Richardson Dilworth

ANDREW L. LEWIS, JR.

Andrew L. Lewis, Jr.

As Trustees of the Property
of Reading Company and
not individually.