

PEPPER, HAMILTON & SCHEETZ

ATTORNEYS AT LAW

123 SOUTH BROAD STREET
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215-893-3000

CABLE ADDRESS "PEPFIL PHILADELPHIA"
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1776 F STREET, N.W.
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10 SOUTH MARKET SQUARE
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2049 CENTURY PARK EAST
LOS ANGELES, CA 90067
213-879-0904

100 RENAISSANCE CENTER
DETROIT, MI 48243
313-259-7110

512 HAMILTON STREET
ALLENTOWN, PA 18101
215-434-0104

MAR 2 1981 -10 20 AM

INTERSTATE COMMERCE COMMISSION

JAMES A. OUNSWORTH
215-893-3466

February 25, 1981

Agatha L. Mergenobich, Secretary
Interstate Commerce Commission
12th & Constitution Avenue, N.W.
Washington, D.C. 20423

Dear Ms. Mergenobich:

I am enclosing herewith for filing in your office pursuant to Section 20(c) of the Interstate Commerce Act four counterparts of the following:

Agreement to terminate Finance Agreement and reassign Conditional Sale Agreement, dated as of January 1, 1981 among The Life Insurance Company of Virginia, The Buncher Company and Girard Bank covering 28 XM boxcars for use in interstate commerce.

There is also enclosed a check in the amount of \$10.00 for the recording fees. The names and address of the parties to the transaction are as follows:

- ✓ Agent - Girard Bank, as agent
Three Girard Plaza
Philadelphia, PA 19101
- ✓ Master - The Life Insurance Company
of Virginia
P. O. Box 27601
Richmond, VA 23261
Attention: Bond Division

LOG 1A041
No. MAR 2 1981
Date.....
Fee \$ 10.00
2-H
Washington, D. C.

RECEIVED
FEE OPERATION BR.
I.C.C.
MAR 10 1981

C. Ounsworth

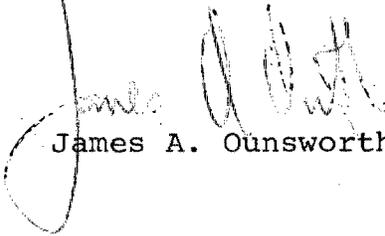
Agatha L. Mergenobich, Secretary
Page Two
February 2 , 1981

Vendee - The Buncher Company
5600 Forward Avenue
Pittsburg, PA 15717
Attention: Secretary-Treasurer

The equipment covered by the Agreement consists of 28 boxcars with A.A.R. Mechanical Designation XM, bearing road numbers NSL-155008 to NAL-155035, inclusive.

Kindly return to the bearer three counterparts of each of the documents.

Very truly yours,



James A. Ounsworth

JAO:cap
Enclosures

PEPPER, HAMILTON & SCHEETZ

ATTORNEYS AT LAW

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DETROIT, MI 48243
313-259-7110

512 HAMILTON STREET
ALLENTOWN, PA 18101
215-434-0104

RECORDATION NO. 9422-E FILED 1425

MAR 2 1981 - 11 20 AM

INTERSTATE COMMERCE COMMISSION

March 9, 1981

Agatha L. Mergenobich, Secretary
Interstate Commerce Commission
12th & Constitution Avenue, N.W.
Washington, DC 20423

Dear Ms. Mergenobich:

This is to clarify a letter which was sent to you several weeks ago concerning a document which we wish to have filed pursuant to section 20(c) of the Interstate Commerce Act. A copy of the letter is attached to this letter.

Please be advised that the reason for the filing of the agreement described in that letter is to provide a record that the Conditional Sale Agreement, dated as of May 1, 1978 between Evans Transportation Company and The Buncher Company, and assigned by the Evans Transportation Company to Girard Bank, as agent, pursuant to an Agreement and Assignment also dated as of May 1, 1978, has now been assigned to The Buncher Company. This second assignment is accomplished by the agreement described in that letter, four counterparts of which were sent to you for recordation. Both the original Conditional Sale Agreement and the Agreement and Assignment were filed with the Interstate Commerce Commission. The Conditional Sale Agreement was filed June 5, 1978; recordation no. 9422. The Agreement and Assignment was filed on the same date, recordation no. 9422-A.

The names and addresses of the parties to the transaction are as follows:

Agatha L. Mergenobich, Secretary
March 9, 1981
Page Two

Agent - Girard Bank, as agent
Three Girard Plaza
Philadelphia, PA 19101

Investor - The Life Insurance Company
of Virginia
P. O. Box 27601
Richmond, VA 23601
Attn: Bond Division

Vendee - The Buncher Company
5600 Forward Avenue
Pittsburgh, PA 15717
Attn: Secretary-Treasurer

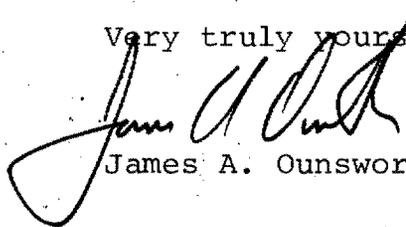
Builder - Evans Transportation Company
2200 E. Devon Avenue
Des Plaines, IL 60018
Attn: Paul R. Leak

The equipment covered by the agreement to be filed, and the aforementioned Conditional Sale Agreement and Agreement and Assignment, consists of 28 boxcars with A.A.R. mechanical designation XM, bearing road numbers NSL-155008 and NSL-155035, inclusive.

Upon recordation, please return three counterparts of the documents which have been delivered to you.

I regret that the first letter which was sent to you was not clear. Please feel free to contact me if there are any further problems with respect to the filing of the agreement forwarded to you by my earlier letter.

Very truly yours,


James A. Ounsworth

JAO/cap
Enclosure

Supple - AGREEMENT + *Assign.*

This Agreement ("Agreement") dated as of January 1, 1981, is among The Life Insurance Company of Virginia ("Investor"), The Buncher Company, a Pennsylvania corporation (the "Vendee") and Girard Bank, a Pennsylvania banking corporation (the "Agent").

RECORDATION NO. 9422-E FILED 1428

MAR 2 1981 - 10 20 AM

BACKGROUND

INTERSTATE COMMERCE COMMISSION

In order to finance 28 XM boxcars (the "Units"), the Investor advanced certain funds to the Agent under a Finance Agreement dated as of May 1, 1978. Pursuant to a Conditional Sale Agreement, dated as of May 1, 1978, the Vendee purchased the Units by paying to Evans Transportation Company (the "Builder") the purchase price thereof, which payment consisted of certain funds advanced by the Vendee and the balance thereof consisted of advances by the Investor. Immediately upon the purchase of the Units, the Vendee leased the Units to Pickens Railroad Company pursuant to a Lease of Railroad Equipment (the "Lease") dated as of May 1, 1978 between Pickens Railroad Company ("Lessee") and the Vendee.

DBB
CRK

AS AMENDED 4-15-80,

Pursuant to a Termination Agreement dated May 12, ¹⁹⁸⁰ ~~1978~~, among the Lessee, the Agent, the Vendee and the Investor, a copy of which is attached hereto as Exhibit A, the Lease was terminated. Subsequently, the Lessee returned the Units to the Vendee.

DBB
CRK

The Vendee and the Investor now desire to terminate the Finance Agreement.

In consideration of these premises, other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Investor, the Agent and the Vendee agree as follows:

1. The Agent hereby assigns, transfers and sets over unto the Investor, its successors and assigns all the interests set forth in section 2 of the Agreement and Assignment, dated as of May 1, 1978 between the Agent and the Builder which had been previously assigned to the Agent by the Builder thereunder.

2. The Finance Agreement is hereby terminated and no further obligations shall exist under such Agreement between the Agent and the Investor.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

GIRARD BANK

Attest: D.F. Arlos

BY

[Signature]

Corporate Seal

THE LIFE INSURANCE COMPANY OF VIRGINIA

Attest: Daniel B. Belore
Ass't Secretary

BY

[Signature]

Corporate Seal

THE BUNCHER COMPANY

Attest: [Signature]

BY

[Signature]

Corporate Seal

STATE OF PENNSYLVANIA :
 :SS
COUNTY OF PHILADELPHIA :

On this 27th day of January, 1981, before me personally appeared JOSEPH P. O'CONNELL, to me personally known, who being by me duly sworn says that he is a VICE PRESIDENT of Girard Bank, that one of the seals affixed to the foregoing instruments 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.

Diane A. Baxter
Notary Public

[NOTARIAL SEAL]

My Commission Expires

COMMONWEALTH OF :
 :SS
COUNTY OF :

DIANE A. BAXTER, NOTARY PUBLIC
PHILADELPHIA, PHILADELPHIA COUNTY
MY COMMISSION EXPIRES AUG. 31, 1981
Member, Pennsylvania Association of Notaries

On this _____ day of _____, 1981, before me personally appeared _____, to me personally known, who, being by me duly sworn says that he is a _____ of The Life Insurance Company of Virginia, 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.

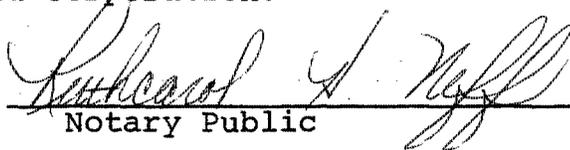
Notary Public

[NOTARIAL SEAL]

My Commission Expires

STATE OF PENNSYLVANIA :
COUNTY OF ALLEGHENY :SS
:

On this 30th day of JANUARY, 1981, before me personally appeared RALPH L. COFFING, to me personally known, who being by me duly sworn says that he is a EXEC. VICE PRESIDENT of The Buncher Company, that one of the seals affixed to the foregoing instruments 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

[NOTARIAL SEAL]

My Commission Expires

RUTH CAROL H. NEFF, Notary Public
PITTSBURGH, ALLEGHENY COUNTY, PA.
MY COMMISSION EXPIRES MAY 14, 1983

EXHIBIT A

LEASE TERMINATION AGREEMENT

This Agreement dated MAY 12, 1980 is among Girard Bank, a Pennsylvania banking corporation (the "Agent"), as agent for The Life Insurance Company of Virginia (the "Investor"), the Investor, The Buncher Company, a Pennsylvania corporation ("Lessor"), and Pickens Railroad Company, a South Carolina corporation ("Lessee").

WHEREAS, Lessor leased to Lessee certain units of railroad equipment described in Schedule I attached hereto (collectively, the "Units", and individually, a "Unit") pursuant to a lease of railroad equipment between Lessor and Lessee, dated as of May 1, 1978;

WHEREAS, certain of the Units are out-of-service due to their not being used or to their requiring repairs (such Units are separately identified in Schedule I and hereinafter called the "Out-of-Service Units");

WHEREAS, certain of the Units are in-service and are presently either on the lines of railroad owned by Lessee or an affiliate thereof (which includes National Railway Utilization Corporation, a South Carolina corporation), or the lines of railroad of other railroad corporations being used in the usual interchange of traffic (such Units are identified separately in Schedule I and are hereinafter called the "In-Service Units");

WHEREAS, Lessee and its parent corporation National Railway Utilization Corporation ("NRUC") have proposed a Plan of debt modification ("The Plan") to their lenders and lessors ("Creditors");

WHEREAS, the parties to this Agreement desire to terminate the Lease subject to the terms and conditions hereinafter set forth;

NOW, THEREFORE in consideration of these premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties hereto agree as follows:

1. Termination of Lease. Upon the execution of this Agreement by Lessee, the Lease shall be terminated and Lessee shall have no further rights in or to the Units and shall have no further obligations with respect to the Units except as provided in this Agreement.

2. Delivery of Units to Lessor.

(a) Forthwith Lessee shall deliver or cause to be delivered the In-Service Units, which on the date of this Agreement are on the lines of railroad of Lessee or an affiliate thereof, and the Out-of-Service Units not in repair status, to Lessor at its facility in Lynchburg, Virginia or such other facility as Lessor may designate in writing delivered to Lessee (the "Facility"). Such delivery shall be made as soon as possible and such cars must be waybilled and delivered to interchange no later than 20 days from the date of this Agreement.

(b) Forthwith Lessee shall deliver or cause to be delivered the In-Service Units other than the Units described in sub-paragraph (a) of this Paragraph 2 as soon as possible regardless of whether other creditors or lessors elect Alternatives 1 or 2 under The Plan.

(c) The Out-of-Service Units will be waybilled from their storage or repair locations to the Facility at the expense of Lessor. The In-Service Units shall be waybilled at the expense of Lessor to the Facility (i) from the lines of Lessee or an affiliate thereof on which they are located on the date of this Agreement or to which they are next returned after use in interchange of traffic; or (ii) from a capture point located by Lessee. Lessee shall use its best efforts to minimize transportation charges to the Lessor by waybilling or capturing In-Service Units at locations east of the Mississippi River where practicable and shall consult with the Lessor concerning the location of all such Units.

(d) In locating and delivering or causing to be delivered each of the Units, Lessee will provide information with respect thereto as may be reasonably requested from time to time by Lessor. Lessee has provided Lessor with the most current information available to it of the location and condition of each of the Units.

3. Certain Costs and Insurance.

(a) In addition to the transportation costs described in Paragraph 2 of this Agreement, Lessor shall satisfy the costs of all repairs and the costs of all storage with respect to the Units incurred on or after April 1, 1980; provided, however, that there shall be no charge for storage for any Units located on any of the lines or other facilities of Lessee or any of its affiliates for the 60 day period from April 1, 1980 or for switching fees for any Units placed in storage prior to April 1, 1980.

(b) Lessee shall satisfy the costs of all switching charges, storage and repairs incurred before April 1, 1980.

(c) Until each of the Units has been delivered to the Facility, Lessee shall maintain, at its sole cost and expense, the insurance which was maintained by it pursuant to the requirements of Section 20 of the Lease. Lessee shall cooperate with Lessor in the processing and collection of any claim and each insurer shall be instructed by Lessee that any proceeds (other than those payable on account of repairs paid directly by Lessee or NRUC) payable thereby shall be payable solely to Lessor.

4. Income From The Units. From April 1, 1980, all income derived from the Units after deducting the management fee of \$3.00 per car per day, movement and storage

charges, repair expenses and reclaims, such net income including, without limitation, any per diem for the use thereof, shall be payable to Lessor. To the extent permitted by applicable laws, rules and regulations, Lessee shall notify and instruct the applicable parties to make such payments with respect to any Unit directly to Lessor.

5. Release of Obligation. Except for the obligations, covenants, representations and warranties of Lessee under this Agreement, Lessor, the Agent and Investor hereby release Lessee and any affiliate thereof from any and all liabilities, claims, suits, demands, judgments and causes of action now existing or hereafter arising as a result of the obligations of Lessee under the Lease in favor of Lessor, the Agent and the Investor to and including the date on which the Lease has been terminated pursuant to Paragraph 1 of this Agreement; provided, however, that this release as in this Paragraph 5 set forth shall be void ab initio without affecting any other rights and obligations of the parties to this Agreement if on or before three hundred and sixty-six (366) days after the date hereof a petition is filed by another than Lessor, Agent or Investor causing Lessee or any affiliate thereof to be a Debtor under the Bankruptcy Code.

6. Representations and Warranties of Lessee.

Lessee represents and warrants that:

(a) Lessee is a corporation duly organized, validly existing and in good standing under the laws of the state of South Carolina.

(b) This Agreement has been duly authorized, executed and delivered by Lessee and, assuming due authorization, execution and delivery by the other parties hereto, constitutes a legal, valid and binding obligation of Lessee enforceable in accordance with its terms.

(c) No Event of Default (as defined in the Lease) other than (1) Lessee's declaration that it would not meet its current debt service obligations and its failure to pay such obligations; (2) the institution of certain litigation by unsecured creditors of Lessee; (3) Lessee's failure to provide certain information as required by Section 8 of the Lease; and (4) breach of the requirement that no more than 10% of the Lessor's cars be outside the United States at any one time, has occurred and is continuing and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute an Event of Default.

(d) Other than in relation to the issuance of any stock pursuant to The Plan, no approval, consent or withholding of objection on the part of any regulatory body, Federal, state or local, is necessary in connection with the execution and delivery by Lessee of this Agreement or compliance by Lessee with any of the provisions hereof.

(e) To the best of its knowledge and belief, the written information furnished by Lessee to the Investor,

the Agent, and the Lessor in connection with the Lease, the Units and this Agreement does not contain any untrue statement of a material fact or omit a material fact necessary to make the statements contained therein or herein not misleading.

7. Miscellaneous.

(a) This Agreement, and the covenants, promises and agreements contained herein, shall be governed in accordance with the laws of the Commonwealth of Pennsylvania.

(b) This Agreement or any portion thereof shall not be assigned by any party hereto without the written consent of the other parties.

(c) This Agreement and The Plan (as modified), the terms of which relating to the Creditors electing Alternative One thereunder (particularly, but not limited to Lessee's obligation to deliver to Agent 150 shares of Lessee's common stock for every boxcar leased by Lessor to Lessee) are incorporated by reference herein, constitutes the entire understanding of the parties relating to the subject matter hereof and supersedes all prior understandings and agreements.

(d) Paragraph headings are for convenience only and do not constitute a part of this Agreement.

(e) Any provision of this Agreement which is unenforceable or prohibited shall be ineffective to the

extent of such unenforceability or prohibition without invalidating the remaining provisions hereof.

(f) Agent, Investor and Lessor shall have all of the rights, powers and privileges granted or made available to any other Lessor electing Alternative One under The Plan relating to the subject matter of The Plan.

*

IN WITNESS WHEREOF, the Agent, Lessor, Lessee and the Investor have executed this Agreement as of the date first above written.

KE
BE
KE
*Notwithstanding any provision hereof to the contrary, Agent has joined in the execution of this Agreement on behalf of Investor for the sole purpose of (i) granting Investor's consent to this Agreement and (ii) releasing NRUC and Lessee pursuant to Paragraph 5 hereof.

GIRARD BANK

By: *NE Daily*

~~THE LIFE INSURANCE COMPANY OF VIRGINIA~~

By: _____

THE BUNCHER COMPANY

By: *[Signature]*

PICKENS RAILROAD COMPANY

By: *[Signature]*

The undersigned hereby guarantees the performance of Lessee under this Agreement pursuant to the same terms and conditions as the performance of Lessee under the Lease to the date hereof had been guaranteed pursuant to the Guaranty Agreement (as defined in the Lease).

NATIONAL RAILWAY UTILIZATION CORPORATION

By: *[Signature]*

28 CARS

5/05

NSL 155008-155035

CAR NUMBER	RR	CITY.....	ST	LE	YR-MO-DA	SPLC#
IN SERVICE						
NSL 155009	NDM			L	80-01-26	000000
NSL 155010	ICG	MCCOMB	MS	L	80-04-21	499740
NSL 155012	MILW	KANSAS CITY	MO	F	80-04-26	566920
NSL 155017	CN	PORT HURON TUNEL	MI	E	80-01-15	315441
NSL 155020	ICG	FULTON	KY	L	80-04-27	299920
NSL 155022	NDM			L	80-02-20	000000
NSL 155024	FCP			L	80-03-31	000000
NSL 155025	CP	STIUCPARS	PC	E	80-04-29	030027
NSL 155030	MKT	ST LOUIS TERRA	MO	L	80-04-25	567522
NSL 155031	NDM			L	80-02-07	000000

10 CARS

CUT OF SERVICE

NSL 155008	FAR	BROWNVILLE JC	ME	F	79-12-17	114827
NSL 155011	BAR	BROWNVILLE JC	ME	E	80-03-13	114807
NSL 155013	BAR	BROWNVILLE JC	ME	E	80-02-05	114807
NSL 155014	CIM	TAYLORVILLE	IL	F	80-04-18	392740
NSL 155015	VAMD	PCCOMOKE	MD	E	80-01-05	238670
NSL 155016	FAR	BROWNVILLE JC	ME	F	80-03-14	114807
NSL 155018	CMID	NEWARK	NY	L	80-04-15	183178
NSL 155019	FAR	BROWNVILLE JC	ME	F	80-03-13	114827
NSL 155021	VAMD	PCCOMOKE	MD	F	80-04-11	238670
NSL 155023	SLAW	NORWOOD	NY	E	80-01-10	170592
NSL 155026	SLAW	NORWOOD	NY	E	79-11-18	170592
NSL 155027	NSL			E	80-01-31	000000
NSL 155028	SLAW	NORWOOD	NY	E	79-11-06	170592
NSL 155029	SLAW	NORWOOD	NY	E	79-11-19	170592
NSL 155032	SLAW	NORWOOD	NY	E	79-11-19	170592
NSL 155033	CIM	TAYLORVILLE	IL	E	80-04-18	392740
NSL 155034	NSL			E	79-10-30	000000
NSL 155035	SLAW	NORWOOD	NY	E	80-01-08	170592

18 CARS

28 CARS IN CONT 0578

Interstate Commerce Commission
Washington, D.C. 20423

3/11/81

OFFICE OF THE SECRETARY

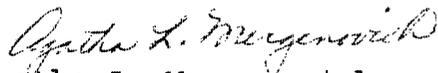
James A. Ounsworth, Atty.
Pepper, Hamilton & Scheeta
1776 F. Street, N.W.
Washington, D.C. 20006

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 **3/2/81** at **10:20am**, and assigned recordation number(s). **9422-E**

Sincerely yours,


Agatha L. Mergenovich
Secretary

Enclosure(s)

SE-30
(7/79)