



# THE FAMILY LINES RAIL SYSTEM

908 W. Broadway · P.O. Box 32290 · Louisville, Kentucky 40232 · Telephone (502) 587-5000

August 31, 1981

LAW DEPARTMENT  
Writer's direct  
telephone line:

RECORDATION NO. 13136-C

No. 1-2457A100

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

SEP 2 1981 12:40 PM

Date SEP 2 1981

INTERSTATE COMMERCE COMMISSION

Fee \$ 10.00

ICC Washington, D. C.

Dear Madam Secretary:

There is transmitted to you herewith for filing and recordation pursuant to 49 U.S.C. Section 11303 duly executed counterparts of a Series 14-B Equipment Trust Agreement Supplement dated as of August 1, 1981 between Mercantile-Safe Deposit and Trust Company, as Trustee, whose address is Two Hopkins Plaza, Baltimore, Maryland 21203, Louisville and Nashville Railroad Company, whose address is 500 Water Street, Jacksonville, Florida 32202, and Seaboard Coast Line Railroad Company, whose address is 500 Water Street, Jacksonville, Florida 32202.

This Series 14-B Supplement supplements and amends that Equipment Trust Agreement, Series 14, dated as of April 15, 1981 between the parties hereto, which was filed and recorded with the Interstate Commerce Commission on June 11, 1981 and assigned Recordation No. 13136.

The equipment covered by this Supplement is as shown on the attached Exhibit B.

This letter of transmittal is signed by an officer of Louisville and Nashville Railroad Company and Seaboard Coast Line Railroad Company who is authorized for the purposes hereof.

Enclosed is a draft in the amount of \$10 payable to the Interstate Commerce Commission to cover the recordation fee for said Supplement.

*C. Augustyn*  
*Johnny Bonds*

Ms. Agatha Mergenovich

-2-

August 31, 1981

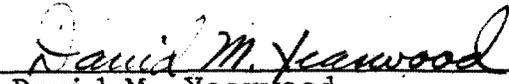
After recordation, please forward the recorded counterparts of said Supplement to:

Mr. Allen H. Harrison, Jr.  
Wilmer, Cutler & Pickering  
1666 K Street, N. W.  
Washington, D. C. 20006.

Respectfully yours,

Louisville and Nashville Railroad Company  
Seaboard Coast Line Railroad Company

By



David M. Yearwood  
General Attorney

SEP 2 1981 - 12 40 PM

INTERSTATE COMMERCE COMMISSION

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LOUISVILLE AND NASHVILLE COMPANY

EQUIPMENT TRUST,

SERIES 14-B

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SERIES 14-B EQUIPMENT TRUST AGREEMENT SUPPLEMENT

Dated as of August 1, 1981

Between

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY,

Trustee,

and

LOUISVILLE AND NASHVILLE RAILROAD COMPANY

and

SEABOARD COAST LINE RAILROAD COMPANY

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Supplementing Equipment Trust Agreement  
dated as of April 15, 1981

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THIS SERIES 14-B EQUIPMENT TRUST AGREEMENT SUPPLEMENT, dated as of August 1, 1981 (hereinafter called "this Series Supplement"), between MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, a Maryland corporation, Trustee (the "Trustee"), LOUISVILLE AND NASHVILLE RAILROAD COMPANY, a Kentucky corporation (the "Company"), and SEABOARD COAST LINE RAILROAD COMPANY, a Virginia corporation ("SCL").

WITNESSETH: THAT

WHEREAS, the Company, SCL and the Trustee have entered into an Equipment Trust Agreement dated as of April 15, 1981 (the "Original Agreement"), providing for the issuance of one or more Series of Trust Certificates; and

WHEREAS, the Company desires to provide for the issuance and sale, pursuant to Section 2.3 of the Original Agreement, as supplemented by this Series Supplement, of a Series of Trust Certificates designated "Louisville and Nashville Railroad Company Equipment Trust Certificates, Series 14-B" (the "Series 14-B Certificates"), in an aggregate principal amount not exceeding \$20,000,000 in order to refund a like principal amount of Louisville and Nashville Railroad Company Equipment Trust Certificates, Series 14-A (the "Series 14-A Certificates") outstanding under the Series 14-A Equipment Trust Agreement Supplement, dated as of April 15, 1981 (the "Series 14-A Supplement"), and the Company proposes to comply with the provisions of Section 4.7 of the Original Agreement in respect thereof; whereupon the Trust Equipment described in Exhibit B hereto shall, as provided in the last paragraph of Section 4.7 of the Original Agreement, without any further act be released from the trust created under the Series 14-A Supplement relating to the Series 14-A Certificates and such Trust Equipment shall thereupon become subject to the trust created under this Series Supplement for the sole benefit of the holders of the Series 14-B Certificates; and

WHEREAS, the Company desires to modify, pursuant to the last sentence of Section 9.4 of the Original Agreement, certain provisions of the Original Agreement with respect to the Series 14-B Certificates; and

WHEREAS, it is desired to provide security to the

holders of the Series 14-B Certificates, separate from the security for every other Series of Trust Certificates, for the payment of the principal thereof and dividends thereon, and to evidence the rights of the holders of the Series 14-B Certificates, all as provided herein and in the Original Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and in the Original Agreement, the parties hereto hereby agree as follows:

## ARTICLE I.

### Definitions

All terms used in this Supplement which are defined in the Original Agreement shall, for all purposes of this Series Supplement, have the respective meanings given them in the Original Agreement, unless the context otherwise requires.

## ARTICLE II.

### Series 14-B Trust Certificates

2.1. A Series of Trust Certificates entitled to the benefit and security of the Agreement is hereby authorized pursuant to Section 2.3 of the Original Agreement and shall be designated, to distinguish it from any other Series of Trust Certificates which may be issued from time to time, by the title "Louisville and Nashville Railroad Company Equipment Trust Certificates, Series 14-B". Each of the Series 14-B Certificates shall represent an interest, in the principal amount therein specified, in the trust hereby created under the Agreement, which trust is hereby designated "Louisville and Nashville Railroad Company Equipment Trust, Series 14-B". The Series 14-B Certificates are hereby designated to be "Interim Certificates" pursuant to the terms of the Original Agreement.

The aggregate principal amount of Series 14-B Certificates which shall be executed and delivered by the Trustee shall not exceed \$20,000,000, except as provided in Sections 2.7, 2.8 and 3.2 of the Original Agreement. The Series 14-B Certificates shall be in denominations of not less than \$100,000.

Upon Request and compliance by the Company and SCL with the conditions of Sections 2.3 and 4.7 of the Original Agreement and Article III hereof, the Trustee shall execute and deliver Series 14-B Certificates, bearing the joint and several guaranty of the Company and SCL.

2.2. The Series 14-B Certificates shall become due and payable on September 1, 1995, and shall bear dividends as follows:

(a) Each Series 14-B Certificate shall bear dividends on the unpaid principal amount thereof from the date thereof until September 1, 1995, payable semiannually on March 1 and September 1 in each year, commencing March 1, 1982, at a rate per annum equal at all times to 1% plus the Base Treasury Rate (as hereinafter defined) in effect from time to time, which rate per annum shall change simultaneously with each change in the Base Treasury Rate. Dividends shall be computed on the basis of a 360-day year of 12 30-day months.

(b) The "Base Treasury Rate" shall be the rate equal to the most recent daily quotation of the yield to maturity for actively traded marketable U.S. Treasury fixed interest rate securities, adjusted to constant maturities of 10 years, published in Statistical Release H.15 of the Federal Reserve Board (or in any successor release or publication from time to time issued by the Federal Reserve Board or any other U.S. governmental department, agency or instrumentality that sets forth such yield), subject to the next succeeding sentence. The Base Treasury Rate shall change with each new publication of such quotation in such Statistical Release H.15 (or such other release or publication) and shall remain in effect from and including the date of such publication to, but excluding the date of the next such publication; provided, however, that the Base Treasury Rate in effect on the fourth business day prior to any dividend payment date shall continue in effect to but excluding such dividend payment date notwithstanding any more recent publication of such quotation prior to such dividend payment date.

On or prior to each dividend payment date, the Company will deliver or cause to be delivered to the Trustee a written report of a Government Securities Dealer (as hereinafter defined) setting forth (i) the Base Treasury

Rates in effect during the six calendar months ending on such dividend payment date and (ii) the respective days in such six-month period on which such Base Treasury Rates shall have been in effect, which report shall be accompanied by copies of each Statistical Release H.15 (or other publication or release) used in determining such Base Treasury Rates. Such reports shall be for the convenience of the Trustee and neither the failure of the Company to deliver the same nor the inaccuracy of any of the statements therein shall in any way affect the obligation to make payment of dividends on each Series 14-B Certificate as and when due. As used herein, the term "Government Securities Dealer" shall mean any firm, selected by the Company and satisfactory to the Trustee, which makes primary markets in securities of the United States government and reports daily to the Federal Reserve Bank of New York its position with respect to such securities and borrowings thereon, and shall include Merrill Lynch Government Securities Inc. so long as it shall continue to be such a firm.

The Overdue Interest Rate applicable to the Series 14-B Certificates shall, with respect to the amount of any overdue principal thereof or dividends thereon, be a rate per annum equal to 2% plus the Base Treasury Rate from time to time in effect, to the extent legally enforceable.

2.3. Series 14-B Certificates issued pursuant to Section 2.3 of the Agreement prior to the first dividend payment date thereof shall be dated as of their date of issue and any Series 14-B Certificates issued in exchange for another Series 14-B Certificate or Certificates prior to such date shall be dated as of the same date as the Series 14-B Certificate or Certificates surrendered in such exchange, and Series 14-B Certificates issued on or subsequent to the first dividend payment date thereof shall be dated as provided in Section 2.7 of the Original Agreement.

2.4. The Series 14-B Certificates and the joint and several guaranty to be endorsed thereon by the Company and SCL as provided in Section 7.2 of the Original Agreement shall be in substantially the forms set forth in Exhibit A hereto.

2.5. The Series 14-B Certificates shall be "Sinking Fund Certificates" as defined in the Original Agreement and shall be subject to redemption through the application of the amounts payable to the Trustee pursuant to Section

5.4(B)(4) of the Original Agreement and the next succeeding sentence and, to the extent specifically provided therein, Section 5.4(B)(3) of the Original Agreement on September 1, 1982, and on each September 1 thereafter to and including September 1, 1994 (each such date being herein called a "redemption date"), at a redemption price of 100% of the principal amount thereof, together with accrued and unpaid dividends to the date fixed for redemption, all pursuant to the provisions set forth in Article III of the Original Agreement and subject to the provisions of the paragraph immediately following Section 5.4(B)(5) of the Original Agreement. As a sinking fund for the Series 14-B Certificates, on or before each redemption date the Company agrees to pay pursuant to Section 5.4(B)(4) of the Agreement an amount sufficient to redeem a principal amount (rounded to the nearest multiple of \$100,000) of Series 14-B Certificates equal to (x) the aggregate principal amount of Series 14-B Certificates outstanding on such redemption date, divided by (y) the difference between 14 and the number of years, if any, elapsed as of such redemption date since September 1, 1982.

2.6. The "Fair Value" of any unit of Equipment which is or is to become Trust Equipment relating to the Series 14-B Certificates shall be the Cost thereof less an amount equal to 1/14th of the Cost thereof per annum for each full 12-month period elapsed from September 1, 1981. The "In-Service Date" with respect to such Equipment shall be January 1, 1981.

2.7. The Series 14-A Certificates to be refunded with the Interim Deposited Cash relating to the Series 14-B Certificates are Series 14-A Certificates in the aggregate principal amount of \$20,000,000 to be surrendered to the Trustee on behalf of the Company pursuant to Section 4.7 of the Agreement and Section 3.1 hereof.

2.8. It is contemplated that the Series 14-B Certificates may be issued to and purchased by L&N Investment Corporation, a wholly owned subsidiary of the Company (the "L&N Subsidiary"), which may from time to time pledge all or any part of the Series 14-B Certificates as security for loans to be made to it by Merrill Lynch Money Markets Inc. ("Merrill Lynch") pursuant to a Supplement dated as of August 1, 1981 (the "Credit Agreement Supplement") among the L&N Subsidiary, the Company, SCL and Merrill Lynch supple-

menting the Reverse Repurchase Credit Agreement dated as of May 1, 1981, between the Company, SCL and Merrill Lynch. The Company covenants to cause the L&N Subsidiary to notify the Trustee in writing or by telex of any pledge of all or any part of the Series 14-B Certificates as security for loans under the Credit Agreement Supplement and of the termination of any such pledge. Notwithstanding any other provision in this Series Supplement, the Original Agreement or the Series 14-B Certificates to the contrary, as long as a Series 14-B Certificate is pledged by the L&N Subsidiary as security for a loan pursuant to the Credit Agreement Supplement, unless and until either of the events referred to in paragraphs (a) and (b) below shall have occurred, (i) all principal of such Series 14-B Certificate payable during the period such pledge is in effect, dividends on such Series 14-B Certificate payable with respect to such period or other amounts payable in respect of such Series 14-B Certificate during or with respect to such period shall be retained by the Trustee for the account of the L&N Subsidiary and remitted forthwith to the L&N Subsidiary or upon its order and (ii) the holder of such pledged Series 14-B Certificate may not make, and the Trustee shall not register, any transfer of such Series 14-B Certificate to any person other than the L&N Subsidiary or Merrill Lynch, provided that Merrill Lynch may repledge any such Series 14-B Certificate as security for any loan ("Repurchase Loan") made to Merrill Lynch by any Repurchase Lender pursuant to a Repurchase Loan Agreement (as such terms are defined in the Credit Agreement Supplement), subject to the foregoing provisions of this sentence. The provisions of the preceding sentence shall apply with respect to each such Series 14-B Certificate pledged by the L&N Subsidiary as security for a loan pursuant to the Credit Agreement Supplement unless and until

(a) Merrill Lynch shall have delivered written notice to the Trustee that a Default (as defined in the Credit Agreement Supplement) exists; or

(b) any Repurchase Lender (which shall have been identified as such to the Trustee by written or telex notice from the L&N Subsidiary or Merrill Lynch) shall have delivered written notice to the Trustee that the L&N Subsidiary is in default in the performance of its mandatory prepayment obligation set forth in Section 2(d)(iv) of the Credit Agreement Supplement with respect to any Repurchase Loan which is secured by Merrill Lynch's repledge of such Series 14-B Certificate and the Company and SCL are in default of their joint and

several guarantee of such payment obligation, provided that the delivery of such notice shall not affect the applicability of the provisions set forth in the third sentence of this Section 2.8 to Series 14-B Certificates which are not the subject of such default by the L&N Subsidiary, the Company and SCL.

The Company covenants to cause each Series 14-B Certificate pledged by the L&N Subsidiary issued prior to the occurrence of either of the events referred to in subparagraph (a) or (b) above to bear a restrictive legend substantially in the form set forth in Exhibit A hereto, and, after the occurrence of either such event, any Series 14-B Certificate (or, in the case of the event referred to in subparagraph (b) above, any Series 14-B Certificate issued in exchange or substitution for, or upon the transfer of, the particular Series 14-B Certificate or Certificates relating to the Repurchase Loan which is the subject of the L&N Subsidiary's and the Company's and SCL's default under Section 2(d)(iv) of the Credit Agreement Supplement, and any other Series 14-B Certificate subsequently issued in exchange or substitution for, or upon the transfer of, any such Certificate or Certificates so issued), shall be issued by the Trustee without such restrictive legend.

### ARTICLE III.

#### Delivery of Funds and Surrender of Series 14-A Certificates to the Trustee and Payments to the Company

3.1. Upon Request delivered to the Trustee accompanied by the deposit with the Trustee of \$25,000,000, the Trustee shall on behalf of the Company prepay to Merrill Lynch, pursuant to Section 2(d)(iii) of the Reverse Repurchase Credit Agreement, such principal amount of the Loan (as defined therein) as may be specified in such Request, against the surrender by Merrill Lynch to the Trustee, on behalf of the Company, of such aggregate principal amount of Series 14-A Certificates as may be specified in such Request; it being agreed that such prepayment shall be in an amount at least sufficient so that a minimum of \$20,000,000 principal amount of Series 14-A Certificates will be so delivered to the Trustee. On the date of the sale of the Series 14-B Certificates to the L&N Subsidiary, the Trustee, upon Request delivered to it by the Company, and upon compliance with the

conditions set forth in Sections 2.3 and 4.7 of the Original Agreement, shall execute and deliver to, or on the order of, the L&N Subsidiary Series 14-B Certificates in such principal amounts as may be specified in such Request to refund a like aggregate principal amount of Series 14-A Certificates, which shall thereupon be cancelled by the Trustee, and the Trustee shall pay to, or upon the order of, the Company the Series 14-B Interim Deposited Cash. Immediately thereafter the Trustee shall quitclaim to the Company all the Trustee's right, title and interest in the units of Trust Equipment described in Exhibit B hereto (the "Series 14-B Equipment") other than the Trustee's first security interest therein held for the benefit of the holders of the Series 14-B Certificates, and the Trustee shall deliver to, or upon the order of, the Company the balance of the funds deposited by the Company pursuant to the first sentence of this Section 3.1.

#### ARTICLE IV.

##### Interests in the Trust Equipment

4.1. Upon issuance of the Series 14-B Certificates in the aggregate principal amount of \$20,000,000 as provided in the Article III of this Series Supplement, the Series 14-B Equipment shall be released from the trust created under the Original Agreement relating to the Series 14-A Certificates and the Series 14-B Equipment shall thereupon become subject to the Louisville and Nashville Railroad Company Equipment Trust, Series 14-B, created by this Series Supplement, and the Trustee shall have a first security interest therein to secure all the obligations of the Company and SCL in respect of Louisville and Nashville Railroad Company Equipment Trust, Series 14-B, under the Agreement including, but not limited to, the Company's and SCL's obligations under their joint and several guarantee endorsed on the Series 14-B Certificates. Subject to the aforesaid first security interest of the Trustee, the Company shall hold title to and be the owner of the Series 14-B Equipment.

4.2. It is contemplated that the Company will sell the Series 14-B Equipment, subject to the Trustee's first security interest therein, to an affiliate of a bank organized under the laws of England (the "Affiliate"), which in turn will lease the Series 14-B Equipment back to the Company (or an assignee of the Company) as contemplated by an Agreement to Acquire and Lease dated June 30, 1981 between the Company and the Affiliate. Notwithstanding any

other provision in this Series Supplement, the Original Agreement or the Series 14-B Certificates, upon compliance with the conditions in Section 4.7 of the Original Agreement with respect to payment of the Series 14-B Interim Deposited Cash to the Company, the Company may sell, subject as aforesaid to the Trustee's first security interest, the Series 14-B Equipment to the Affiliate and lease it back from the Affiliate (and the Company may assign its interest in the lease back from the Affiliate and obtain a lease back of the Series 14-B Equipment from such assignee).

4.3. It is also recognized that the Affiliate, not the Trustee, will be leasing the Series 14-B Equipment to the Company, and, accordingly, general references in the Original Agreement to ownership of and title to the Trust Equipment by or in the Trustee, lease of such Equipment by the Trustee to the Company and rental payments in respect thereof from the Company to the Trustee shall not apply to the Series 14-B Equipment; it being understood that the Trustee's sole interest in respect of the Series 14-B Equipment shall be that of a first security interest and that the payments characterized as "rental payments" in the Original Agreement are payments required to be made in connection with indebtedness incurred in respect of the principal and dividends on the Series 14-B Certificates and in connection with the expenses, taxes, assessments, governmental charges and other payments due under Section 5.4 of the Original Agreement. Notwithstanding that such payments are not characterized as rental payments, the Company will remain obligated to pay in full all amounts due from it to the Trustee under the Original Agreement including without limitation amounts due from it pursuant to Article V and failure to make such payments by the Company in respect of the Series 14-B Certificates shall be treated under the Original Agreement (in particular, Article VI thereof) as if the Company had failed to make a rental payment under any other Series of Trust Certificates.

The first paragraph of Section 5.5 of the Original Agreement as applicable to the Series 14-B Certificates is hereby restated to read in its entirety as follows:

"Subject to the provisions of the last paragraph of Section 4.7 hereof, after all payments due or to become due from the Company hereunder in respect of the Series 14-B Certificates shall have been completed and fully made to the Trustee (1) any moneys relating to the Series 14-B Certificates remaining in the hands of

the Trustee after providing for the payment of the principal of and dividends on all outstanding Series 14-B Certificates and after paying the expenses of the Trustee, including its reasonable compensation, shall be paid to the company and (2) the Trustee shall execute for record in public offices, at the expense of the Company, such instrument or instruments in writing as reasonably requested by the Company or the Affiliate, as the case may be, in order to make clear upon public records the release of the Trustee's first security interest in the Equipment under the laws of any jurisdiction."

## ARTICLE V.

### Rights Upon Acceleration

5.1. Notwithstanding any other provision in this Series Supplement, the Original Agreement or the Series 14-B Certificates, the Trustee will not take any action under the provisions of Section 6.2 of the Original Agreement in respect of the Series 14-B Equipment unless and until (1) the Trustee has declared due and payable (a "Declaration of Acceleration") the entire amounts payable in respect of the Series 14-B Certificates (or any Series of Trust Certificates issued to refund the Series 14-B Certificates, which for the purposes of this Article V shall be deemed to be Series 14-B Certificates) pursuant to Section 6.1 of the Original Agreement, (2) the Trustee has complied with the provisions of the first paragraph of Section 5.2 hereof and (3) the Affiliate does not timely dispatch the notice as provided in the second paragraph of Section 5.2 hereof or, if such notice is so dispatched, the Affiliate fails to make the deposit required by the third paragraph of Section 5.2 hereof within the period provided therein.

5.2. After a Declaration of Acceleration, the Trustee shall give notice thereof to the Affiliate via telex or TWX (with answerback) addressed as set forth in Exhibit C hereto or to such other address as the Affiliate may provide in writing to the Trustee. Any such notice delivered via telex or TWX (with answerback) shall be effective on dispatch thereof.

After dispatch by the Trustee to the Affiliate of notice of a Declaration of Acceleration, the Affiliate will have a period of 30 days to give notice to the Trustee of its intention to purchase all the Series 14-B Certificates by

payment of all amounts due with respect thereto at the time of purchase. Any such notice from the Affiliate shall be given to the Trustee via telex or TWX (with answerback) addressed as set forth in Exhibit C hereto or to such other address as the Trustee may provide in writing to the Affiliate, and shall be effective on dispatch thereof. Upon receipt of a notice from the Affiliate of its election to purchase the Series 14-B Certificates, the Trustee shall give notice of such election to the holders of the Series 14-B Certificates by first class mail, postage prepaid, at their last addresses as they appear on the registry books maintained by the Trustee.

After the Affiliate has given notice of its election to purchase the Series 14-B Certificates as aforesaid, the Affiliate will have an additional period of 30 days within which to deposit with the Trustee immediately available funds in an amount sufficient to purchase either on the date of deposit (if such deposit is made with the Trustee by 11:00 a.m. New York City time on the date of deposit) or on the business day immediately succeeding the date of deposit (if such deposit is made after 11:00 a.m. New York City time on the date of deposit) all the outstanding Series 14-B Certificates at a price of 100% of the principal amount thereof plus accrued dividends thereon plus interest on such principal and accrued dividends at the Overdue Interest Rate applicable to the Series 14-B Certificates from the respective dates upon which such principal and dividends became due and payable to the date of purchase.

The Trustee, as soon as may be after receipt of any such deposit from the Affiliate, shall pay all amounts then due and owing to the respective holders of the Series 14-B Certificates, and upon such payment the holders of the Series 14-B Certificates shall be deemed to have sold all their respective rights, titles and interests in the Series 14-B Certificates to the Affiliate. The Trustee shall then forthwith issue to the Affiliate a new Series 14-B Certificate or new Series 14-B Certificates in principal amount equal to the Series 14-B Certificates so purchased by the Affiliate. Upon request of the Trustee the former holders of the Series 14-B Certificates shall surrender such Certificates to the Trustee.

## ARTICLE VI.

### Miscellaneous

6.1. This Series Supplement supplements the Original Agreement and shall be a part of and subject to all

the terms thereof and, except as supplemented and modified hereby, all the terms and provisions of the Original Agreement are hereby ratified and confirmed and shall continue in full force and effect.

6.2. This Series Supplement has been executed in several counterparts each of which shall be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the Trustee, the Company and SCL 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 date first above written.

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Trustee,

[Corporate Seal]

by

Attest:

  
Assistant  
Vice President

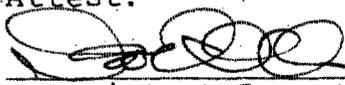
  
Vice President

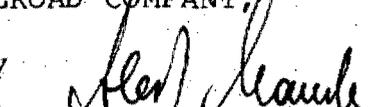
LOUISVILLE AND NASHVILLE RAILROAD COMPANY,

[Corporate Seal]

by

Attest:

  
Assistant Secretary

  
Sr. Vice President - Finance

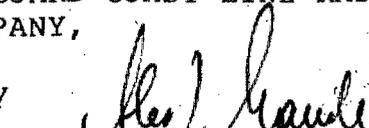
SEABOARD COAST LINE RAILROAD COMPANY,

[Corporate Seal]

by

Attest:

  
Assistant Secretary

  
Sr. Vice President - Finance



STATE OF FLORIDA,            )  
  ) SS.:  
CITY OF JACKSONVILLE,)

On this <sup>31<sup>st</sup></sup> day of August 1981, before me personally appeared Alex J. Mandel, to me personally known, who, being by me duly sworn, says that he is ~~is~~ Vice President 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.

Justin L. Huxell  
Notary Public

[Notarial Seal]

My Commission expires:

NOTARY PUBLIC, STATE OF FLORIDA AT LARGE  
MY COMMISSION EXPIRES AUG. 5, 1984

## [FORM OF SERIES 14-B CERTIFICATE]

\*\*\*\*\*NOTWITHSTANDING ANY TERMS BELOW TO THE CONTRARY, NO PRINCIPAL STATED TO BE DUE DURING ANY PERIOD WHEN THIS CERTIFICATE IS PLEDGED TO MERRILL LYNCH MONEY MARKETS INC., AS PLEDGEE ("MERRILL LYNCH"), OR DIVIDENDS STATED TO BE DUE WITH RESPECT TO ANY SUCH PERIOD OR OTHER AMOUNT STATED TO BE DUE DURING OR WITH RESPECT TO ANY SUCH PERIOD IN RESPECT OF THIS CERTIFICATE SHALL BE PAYABLE TO ANY PLEDGEE OR REPLEDGEE HEREOF UNLESS NOTICE OF DEFAULT IN RESPECT OF THE SUPPLEMENT TO THE REVERSE REPURCHASE CREDIT AGREEMENT REFERRED TO IN SECTION 2.8 OF THE SERIES 14-B EQUIPMENT TRUST AGREEMENT SUPPLEMENT SHALL HAVE BEEN GIVEN TO THE UNDERSIGNED TRUSTEE BY MERRILL LYNCH, OR BY A DIRECT REPLEDGEE OF MERRILL LYNCH WHOSE NAME IS ON RECORD WITH THE TRUSTEE, ALL AS PROVIDED IN SAID SECTION 2.8; AND NO FURTHER DISPOSITION OF THIS CERTIFICATE MAY BE MADE EXCEPT (A) BY MERRILL LYNCH TO SUCH A REPLEDGEE OR (B) BY ANY HOLDER HEREOF SUBSEQUENT TO SUCH GIVING OF NOTICE, ALL IN ACCORDANCE WITH SAID SUPPLEMENT TO THE REVERSE REPURCHASE CREDIT AGREEMENT. THE GIVER OF SUCH NOTICE MAY REQUIRE THE TRUSTEE TO REISSUE THIS CERTIFICATE WITHOUT THIS LEGEND IN ACCORDANCE WITH THE TERMS OF THE AGREEMENT REFERRED TO BELOW.\*\*\*\*\*

No. RSF

\$

LOUISVILLE AND NASHVILLE RAILROAD COMPANY  
EQUIPMENT TRUST, SERIES 14-B

Equipment Trust Certificate

Total Authorized Series \$20,000,000

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, Trustee

Dividends at a Rate Per Annum Hereinafter Prescribed  
Payable March 1 and September 1

Principal hereof payable September 1, 1995

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY,  
Baltimore, Maryland, as Trustee under an Equipment Trust  
Agreement dated as of April 15, 1981, between Mercantile-  
Safe Deposit and Trust Company, Trustee, Louisville and  
Nashville Railroad Company ("Company") and Seaboard

Coast Line Railroad Company ("SCL"), as supplemented by the Series 14-B Equipment Trust Agreement Supplement dated as of August 1, 1981 (said Agreement, as so supplemented, being hereinafter called the "Agreement"), hereby certifies that

or registered assigns, is entitled to an interest in the principal amount of

Dollars (\$) in Louisville and Nashville Railroad Company Equipment Trust, Series 14-B, payable on September 1, 1995, upon presentation and surrender of this Certificate to the undersigned at its agency in the Borough of Manhattan, the City and State of New York, and to payment of dividends on said principal amount and of interest on any overdue principal or dividends as hereinafter provided; principal, dividends and interest being payable to the registered holder hereof either, at the option of the undersigned, at said agency of the undersigned or by check mailed to the order of such person, or registered assigns, at such person's or assignee's registered address, 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 moneys received by the undersigned and applicable to such payment under the provisions of the Agreement.

This Certificate shall bear dividends on the unpaid principal amount hereof from the date hereof until September 1, 1995, payable semiannually on March 1 and September 1, in each year, at a rate per annum equal at all times to 1% plus the Base Treasury Rate (as hereinafter defined) in effect from time to time, which rate per annum shall change simultaneously with each change in the Base Treasury Rate. The "Base Treasury Rate" shall be the rate equal to the most recent daily quotation of the yield to maturity for actively traded marketable U.S. Treasury fixed interest rate securities, adjusted to constant maturities of 10 years, published in Statistical Release H.15 of the Federal Reserve Board (or any successor release or publication from time to time issued by the Federal Reserve Board or any other U.S. governmental department, agency or instrumentality that sets forth such yield), subject to the next succeeding sentence. The Base Treasury Rate shall change with each new publication of such quotation in such Statistical Release H.15 (or such other release or publication) and shall remain in effect from and including the date of such publication to but excluding the

date of the next such publication; provided, however, that the Base Treasury Rate in effect on the fourth business day prior to any dividend payment date shall continue in effect to but excluding such dividend payment date notwithstanding any more recent publication of such quotation prior to such dividend payment date.

This Certificate shall bear interest on the amount of any overdue principal hereof or dividends hereon at a rate per annum equal to 2% plus the Base Treasury Rate from time to time in effect, to the extent legally enforceable.

This Certificate is one of a Series of Trust Certificates designated "Louisville and Nashville Railroad Company Equipment Trust Certificates, Series 14-B" (hereinafter called the "Series 14-B Certificates") in an aggregate principal amount not exceeding \$20,000,000, which will mature on September 1, 1995, unless theretofore called for sinking fund redemption, all issued or to be issued under and subject to the terms of the Agreement, under which the undersigned has a first security interest in certain railroad equipment (or cash or obligations defined in the Agreement as "Investment Securities" in lieu thereof, as provided in the Agreement), which security interest is held by the undersigned in trust for the benefit of the holders of the interests represented by the Series 14-B Certificates, to which Agreement (a copy of which is on file at the office of the undersigned in the City of Baltimore, State of Maryland) reference is made for a full statement of the rights and obligations of the Company and SCL, the duties and immunities of the undersigned and the rights of the registered holder hereof thereunder.

The Series 14-B Certificates are issued as fully registered Certificates in denominations of not less than \$100,000. The several denominations of fully registered Series 14-B Certificates are interchangeable upon presentation thereof at said agency of the undersigned, but only in the manner, subject to the limitations and upon payment of the charges, provided in the Agreement.

This Certificate is transferable by the registered holder hereof in person or by duly authorized attorney on the books of the undersigned upon surrender at said agency of the undersigned accompanied by a written instrument of transfer, duly executed by the registered holder in person or by such attorney, in form satisfactory to the undersigned, and thereupon a new Series 14-B Certificate or Certificates

in authorized denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor. Prior to the due presentment for registration of transfer, the undersigned and the Company may deem and treat the registered holder of this Certificate as the absolute owner for the purpose of receiving payment of principal and dividends and for all other purposes and shall not be affected by any notice to the contrary.

As a sinking fund for the Series 14-B Certificates, the Agreement provides for the payment by the Company to the Trustee, on or before September 1 in each year, commencing September 1, 1982, and continuing to and including September 1, 1994 (each such date being hereinafter called a "redemption date"), of amounts sufficient to redeem a principal amount of the Series 14-B Certificates equal to (x) the aggregate principal amount of Series 14-B Certificates outstanding on such redemption date, divided by (y) the difference between 14 and the number of years, if any, elapsed as of such redemption date since September 1, 1982. As more fully provided in the Agreement, the Series 14-B Certificates are subject to redemption through the application of such payments on each redemption date at 100% of the principal amount thereof, together with accrued and unpaid dividends to the date fixed for redemption. Notice of such redemption shall be given, as provided in the Agreement, not less than 30 days nor more than 60 days prior to the redemption date. The Agreement further provides that the Company may, at its option, credit against any such payment Series 14-B Certificates not theretofore credited or redeemed, such credit to be in an amount equal to 100% of the principal amount of such Certificates, plus accrued dividends thereon.

In case of the happening of an Event of Default (as defined in the Agreement) relating to the Series 14-B Certificates, the principal amount represented by this Certificate may be declared due and payable as provided in the Agreement. After any such declaration, the Affiliate (as defined in the Agreement) will have a period of up to 60 days within which to purchase all the Series 14-B Certificates at a price of 100% of the principal amount thereof plus accrued dividends thereon plus interest on overdue principal and accrued dividends at the rate hereinabove provided. During such period of up to 60 days the Trustee shall not be permitted to take any action in respect of the aforementioned railroad equipment, all as more fully set forth in the Agreement. Upon such payment being made by the Affiliate and distributed by the Trustee to the holders of the Series 14-B Certificates, this Certificate shall no longer be deemed outstanding for any purpose.

This Certificate shall not be deemed in anywise a promise to pay of the undersigned, except out of moneys received by the Trustee and applicable to such payment under the provisions of the Agreement.

This Certificate shall not be entitled to any right or benefit under the Agreement or be valid or obligatory for any purpose unless signed in the name and on behalf of the Trustee by the manual or facsimile signature of its President or any one of its Vice Presidents and attested by the manual signature of one of its Authorized Officers.

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

Dated as of

MERCANTILE-SAFE DEPOSIT AND  
TRUST COMPANY, Trustee,

by

\_\_\_\_\_  
Vice President

Attest:

\_\_\_\_\_  
Authorized Officer

[FORM OF GUARANTY FOR SERIES 14-B CERTIFICATE]

LOUISVILLE AND NASHVILLE RAILROAD COMPANY and SEABOARD COAST LINE RAILROAD COMPANY, each for a valuable consideration, hereby jointly and severally unconditionally guarantee 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 rate provided in said Certificate on any overdue principal or dividends to the extent that it shall be legally enforceable, in accordance with the terms of said Certificate and the Equipment Trust Agreement and the Series 14-B Equipment Trust Agreement Supplement referred to in said Certificate.

LOUISVILLE AND NASHVILLE  
RAILROAD COMPANY,

by

\_\_\_\_\_  
Vice President

SEABOARD COAST LINE RAILROAD  
COMPANY,

by

\_\_\_\_\_  
Vice President

## [Equipment Trust, No. 14-B]

<u>Quantity</u>	<u>Type</u>	AAR <u>Mechanical Designation</u>	<u>L&amp;N Road Nos. (both inclusive)</u>
100	100-ton 4,750 cu. ft. covered hopper cars	LO	242600-242699
489	100-ton coal hopper cars	HT	551621-552109

Addresses for Notices  
Pursuant to Section 5.2

1. The Affiliate

Lloyds International Leasing Limited  
40-66 Queen Victoria Street  
London EC4P 4EL,  
ENGLAND

Telex No. 888421/2 LBI G

2. The Trustee

Mercantile-Safe Deposit and Trust Company  
2 Hopkins Plaza  
Baltimore, Maryland 21203

TWX No. 7102341083 MERCANTILE BAL  
Attention: Corporate Trust Department