

10583-J
FEB 16 1989 -11 00 AMRELEASE

INTERSTATE COMMERCE COMMISSION

To: Seventeenth HFC Leasing Corporation ("HFC")

CSX Transportation Inc. ("CSX"), as successor by merger to The Chesapeake and Ohio Railway Company ("Chesapeake")

The Connecticut Bank and Trust Company, National Association (successor to The Connecticut Bank and Trust Company ("Connecticut Bank")), as trustee ("CBT")

Dear Sirs,

Pursuant to a certain Purchase and Sale Agreement (the "Purchase Agreement") dated as of December 30, 1988, among HFC, CSX and CBT, for valuable consideration the receipt and sufficiency of which we hereby acknowledge, we, not in our individual capacity but solely as agent pursuant to a certain Participation Agreement, dated as of May 1, 1979, as modified, supplemented or amended from time to time, hereby acknowledge the satisfaction of all debt owed to us pursuant to, and release all our right, title and interest in and to, the following documents (collectively the "Agreements"):

1. Reconstruction and Conditional Sale Agreement (the "RCSA"), dated as of May 1, 1979, among us, Chesapeake and Connecticut Bank, filed with the Interstate Commerce Commission ("ICC") on July 3, 1979, at 12:10 p.m., recordation number 10583;

2. Transfer Agreement, dated as of May 1, 1979, between us and Connecticut Bank, filed with the ICC on July 3, 1979, at 12:10 p.m., recordation number 10583-A;

3. Lease of Railroad Equipment, dated as of May 1, 1979, between Chesapeake and Connecticut Bank, filed with the ICC on July 3, 1979, at 12:10 p.m., recordation number 10583-B;

4. Assignment of Lease and Agreement, dated as of May 1, 1979, between us and Connecticut Bank, filed with the ICC on July 3, 1979, at 12:10 p.m., recordation number 10583-C; and

5. Hulk Purchase Agreement, dated as of May 1, 1979, between Connecticut Bank and Chesapeake, filed with the ICC on July 3, 1979, at 12:10 p.m., recordation number 10583-D.

This Release is provided pursuant to the Purchase Agreement and is given on the condition that all indemnities for our benefit as set forth in the Agreements and the documents related thereto, including but not limited to Articles 12 and 21 of the RCSA, shall survive the execution and delivery of this instrument and the Purchase Agreement. This Release may be executed in any number of counterparts, but all of such counterparts together shall constitute one and the same instrument.

IN WITNESS WHEREOF, we have caused this instrument to be signed by a duly authorized officer this 2nd day of February, 1989.

MERCANTILE-SAFE DEPOSIT AND TRUST
COMPANY, not in its individual
capacity but solely as agent

[Corporate Seal]
Attest:

By St. Atkinson
Authorized Officer

By R. Schreiber
Name: Russell E. Schreiber
Title: Vice President

Agreed and Accepted:

SEVENTEENTH HFC LEASING
CORPORATION

By _____
Name: Stanley Malinowski
Title:

CSX TRANSPORTATION INC., as
successor by merger to The
Chesapeake and Ohio Railway
Company

5. Hulk Purchase Agreement, dated as of May 1, 1979, between Connecticut Bank and Chesapeake, filed with the ICC on July 3, 1979, at 12:10 p.m., recordation number 10583-D.

This Release is provided pursuant to the Purchase Agreement and is given on the condition that all indemnities for our benefit as set forth in the Agreements and the documents related thereto, including but not limited to Articles 12 and 21 of the RCSA, shall survive the execution and delivery of this instrument and the Purchase Agreement. This Release may be executed in any number of counterparts, but all of such counterparts together shall constitute one and the same instrument.

IN WITNESS WHEREOF, we have caused this instrument to be signed by a duly authorized officer this 2nd day of February, 1989.

MERCANTILE-SAFE DEPOSIT AND TRUST
COMPANY, not in its individual
capacity but solely as agent

[Corporate Seal]
Attest:

By _____
Authorized Officer

By _____
Name: Russell E. Schreiber
Title: Vice President

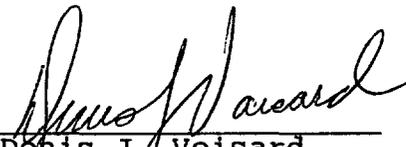
Agreed and Accepted:

SEVENTEENTH HFC LEASING
CORPORATION

By Stanley Malinowski
Name: Stanley Malinowski
Title: VICE-PRESIDENT

CSX TRANSPORTATION INC., as
successor by merger to The
Chesapeake and Ohio Railway
Company

By _____


Name: Denis J. Voisard
Title: Assistant Vice
President and
Treasurer-Equipment
Unit

THE CONNECTICUT BANK AND TRUST
COMPANY, NATIONAL ASSOCIATION,
not in its individual capacity
but solely as trustee

By _____

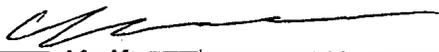
Name:
Title:

By

Name: Denis J. Voisard
Title: Assistant Vice
President and
Treasurer-Equipment
Unit

THE CONNECTICUT BANK AND TRUST
COMPANY, NATIONAL ASSOCIATION,
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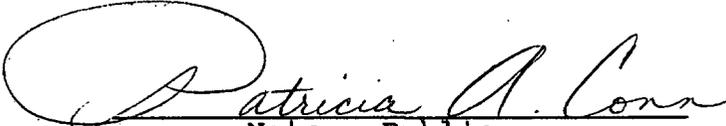
By



Name: **V. Kreuzer**
Title: **ASSISTANT VICE PRESIDENT**

STATE OF MARYLAND)
) ss.:
CITY OF BALTIMORE)

On this 15th day of February, 1989, before me personally appeared Russell E. Schreiber, to me personally known, who, being by me duly sworn, says that he is Vice President of Mercantile-Safe Deposit and Trust Company, that the seal affixed to the Release is the corporate seal of said corporation and that the foregoing Release was duly signed by him on behalf of said corporation. Further, he acknowledged that the execution of the foregoing Release was the free act and deed of said corporation.


Notary Public

[Notarial Seal]

My commission expires: 7-1-90