



NORFOLK SOUTHERN

Norfolk Southern Corporation
Law Department
185 Spring Street, S.W.
Atlanta, Georgia 30303-9998

14995

JUL 11 1986 - 1 00 PM

INTERSTATE COMMERCE COMMISSION

David R. Willson
Senior General Attorney
404 529-2352

July 11, 1986
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No.

Date ... JUL 11 1986

Fee \$... 10.00

ICC Washington, D. C.

Mr. James H. Bayne
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

JUL 11 1986 - 1 00 PM

INTERSTATE COMMERCE COMMISSION

Dear Mr. Bayne:

I enclose six original counterparts of the documents described in paragraph (1) hereof for recordation pursuant to Section 11303 of Title 49 of the U.S. Code and return, together with an original counterpart of each of the enclosed documents for retention by the Commission.

In accordance with 49 CFR Part 1177 covering the recordation of documents, I advise you as follows:

- (1) The enclosed documents are an Equipment Trust Agreement (the "Agreement") between Mercantile-Safe Deposit and Trust Company, 2 Hopkins Plaza, Baltimore, Maryland 21203, Trustee-Lessor, and Southern Railway Company, 185 Spring Street, S.W., Atlanta, Georgia 30303, Lessee, dated as of August 1, 1986, and constituting Southern Railway Equipment Trust No. 3 of 1986, together with an Assignment (the "Assignment"), dated as of August 2, 1986, from Southern Railway Company, Assignor, to Georgia Southern and Florida Railway Company, Assignee, 185 Spring Street, S.W., Atlanta, Georgia 30303.
- (2) The enclosed Agreement is a "primary document" and the enclosed Assignment is a "secondary document" under 49 CFR §1177.1. The Assignment is being filed concurrently with the Agreement, the primary document to which it is connected and for which a recordation number has not yet been assigned.
- (3) We request that the enclosed Assignment be cross-indexed to the Agreement.

Phyllis J. Rehan
[Signature]

ICC OFFICE OF
THE SECRETARY
JUL 11 12 53 PM '86
MOTOR OPERATING UNIT

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- (4) The enclosed Agreement concerns the purchase and lease of certain railroad equipment, being:
- 8 SD60 Diesel-Electric Locomotives to bear the Lessee's or Assignee's initials and road numbers GSF-6643—6650, both inclusive, AAR designation C-C, and
 - 25 C39-8 Diesel-Electric Locomotives to bear the Lessee's initials and road numbers SOU-8639—8663, both inclusive, AAR designation C-C.

The enclosed Assignment assigns a portion of the right, title and interest of Southern Railway Company in and to the Agreement and a portion of the equipment covered thereby, as shown below:

| <u>Assignee</u> | <u>Equipment Assigned</u> | <u>Road Numbers</u> |
|---|---|---------------------------------------|
| Georgia Southern and Florida Rail- way Company | 8 SD60 Diesel- Electric Loco- motives | GSF-6643— 6650, both inclusive. |

Each unit will be marked in letters not less than one inch in height with the words:

OWNERSHIP SUBJECT TO A SECURITY
AGREEMENT FILED WITH THE
INTERSTATE COMMERCE COMMISSION.

- (5) The names and addresses of the parties to the enclosed documents are shown in paragraph (1) hereof.
- (6) After recordation, the six original counterparts of each of the enclosed documents not required by the Commission for recordation should be returned to Kathleen Fenton Jessee, Esq., Solicitor, Norfolk Southern Corporation, 8 North Jefferson Street, Roanoke, VA 24042-0041.
- (7) The recordation fee of \$10 is enclosed.

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(8) A short summary of the enclosed documents for index use follows:

The Agreement:

This is an Equipment Trust Agreement dated as of August 1, 1986 between Mercantile-Safe Deposit and Trust Company, Trustee-Lessor, and Southern Railway Company, Lessee, covering 8 Model SD60 diesel-electric locomotives bearing Assignee's road numbers GSF-6643—6650, both inclusive, and 25 C39-8 diesel-electric locomotives bearing Lessee's road numbers SOU-8639—8663, both inclusive.

The Assignment:

This is an Assignment, dated as of August 2, 1986 between Southern Railway Company, Assignor, and Georgia Southern and Florida Railway Company, Assignee, covering 8 SD60 diesel-electric locomotives bearing Assignee's road numbers GSF-6643—6650, both inclusive.

Please acknowledge receipt on the enclosed copy of this letter.

Very truly yours,



David R. Willson

Encl.

14995 X

.....FILED 1425

Executed in 8 counterparts of which this is Counterpart No. 1

JUL 11 1986 - 1 00 PM

INTERSTATE COMMERCE COMMISSION

ASSIGNMENT from SOUTHERN RAILWAY COMPANY ("Southern") to GEORGIA SOUTHERN and FLORIDA RAILWAY COMPANY (the "Assignee")

W I T N E S S E T H :

THAT

WHEREAS, MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Trustee (the "Trustee"), and Southern entered into an Equipment Trust Agreement dated as of August 1, 1986 constituting Southern Railway Equipment Trust No. 3 of 1986 (the "Agreement"), concerning the acquisition of railroad equipment therein described (the "Equipment") and the issuance and sale of Equipment Trust Certificates (the "Certificates") for the purpose of financing approximately 80% of the cost of the Equipment; the principal of and interest on the Certificates, together with cash sufficient to pay the remainder of the cost of the Equipment, and all expenses in connection therewith, to be paid from rentals provided for in the Agreement; and whereby the Equipment was leased to the Company as that term is defined in the Agreement for a term beginning February 1, 1986 and ending August 1, 2001; and

WHEREAS, Southern proposes to assume obligation and liability in respect of \$27,225,000 principal amount of the Certificates pursuant to the terms of the Agreement by endorsing on each of the Certificates its unconditional guaranty of the prompt payment, when due, of the principal thereof and the interest thereon, all for the purpose of obtaining for itself, its successors and assigns, the possession and use of and ultimately the title to the Equipment; and

WHEREAS, the Assignee, an "Affiliate" of Southern as that term is defined in the Agreement, desires to acquire from Southern, and Southern is willing to assign to the Assignee, all of the right, title and interest of Southern in and to the Agreement insofar as they relate to that portion of the Equipment hereinafter described, but no further and without releasing Southern from any of its obligations thereunder;

NOW, THEREFORE, it is agreed:

(1) In consideration of the covenants of the Assignee in Paragraph (2) hereof, Southern hereby assigns and transfers to the Assignee, its successors and assigns, all of the right, title and interest of Southern in and to the Agreement, and all rights and benefits thereunder, insofar as they relate to the following described railroad equipment (the "Assigned Equipment") which is a portion of the Equipment:

| <u>Number of Units</u> | <u>Description of Equipment</u> | <u>Road Numbers (both inclusive)</u> |
|----------------------------|-------------------------------------|--|
| 8 | SD60 Diesel-Electric Locomotives | GSF-6643—6650 |

but no further; the rights and benefits of Southern assigned and transferred to the Assignee hereby shall include, but not by way of limitation, the right to the possession and use of and ultimately obtaining the title to the Assigned Equipment, and Southern hereby covenants and agrees that it will do and perform such further acts as may be necessary to effectuate the intent of this Assignment; provided, however, that this Assignment is subject to the Agreement and shall in no way modify or release the obligations of Southern thereunder, and provided further that the Assignee shall not acquire by this Assignment any right, title or interest in the Agreement with respect to any of the Equipment constructed and acquired by the Trustee thereunder except the Assigned Equipment.

(2) The Assignee hereby accepts said transfer and assignment and assumes and hereby agrees to perform all of the covenants and obligations of Southern under the Agreement insofar as they relate to the Assigned Equipment, in accordance with the provisions thereof.

(3) Nothing in this Assignment contained shall relieve Southern of any of its obligations under the Agreement.

(4) Notwithstanding any other provisions of this instrument the obligation and liability assumed by the Assignee hereby shall be enforceable only by Southern and such obligation and liability shall not be enforceable by the Trustee under the Agreement or by the holders of any of the Certificates.

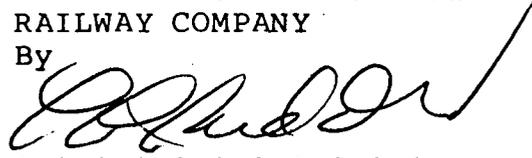
(5) This Assignment shall inure to the benefit of and shall be binding upon the successors and assigns of the parties hereto.

(6) This Assignment may be executed in any number of counterparts, each of which shall be deemed to be an original.

IN WITNESS WHEREOF, the parties hereto have caused this assignment to be executed and their respective corporate seals to be hereunto affixed and attested by their respective officers thereunto duly authorized, as of this 2nd day of August, 1986.

SOUTHERN RAILWAY COMPANY, and
GEORGIA SOUTHERN and FLORIDA
RAILWAY COMPANY

By



Vice President of each of the
above companies

L.S.
ATTEST:



Assistant Secretary

STATE OF GEORGIA] ss:
COUNTY OF FULTON]

On this 9th day of July, 1986, before me personally appeared P. R. Rudder, to me personally known, who, being by me duly sworn, says that he is a Vice President of SOUTHERN RAILWAY COMPANY and of GEORGIA SOUTHERN and FLORIDA RAILWAY COMPANY, that the corporate seal of each of said corporations is affixed to the foregoing instrument, that said instrument was signed and sealed on behalf of each of said corporations by authority of its respective Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of each of said corporations.

Barbara C. Borden
Notary Public

My Commission Expires: 2/28/88