

# WINCHESTER AND WESTERN RAILROAD COMPANY

Virginia Division  
126 E. PICCADILLY STREET  
P.O. BOX 264  
WINCHESTER, VIRGINIA 22601  
703-662-2600

Corporate Office  
258 ELM STREET  
NEW CANAAN, CONNECTICUT 06840  
203-966-8880

New Jersey Division  
P.O. BOX 1024  
BRIDGETON, NEW JERSEY 08302  
609-451-6400

June 22, 1989

9-181A004 . 16405

RECORDATION NO. \_\_\_\_\_ FILED DATE

Mildred Lee  
Interstate Commerce Commission  
12th and Constitution Avenue, N.W.  
Room 2303  
Washington, D.C. 20423

JUN 30 1989 - 11 20 AM  
INTERSTATE COMMERCE COMMISSION

RE: RECORDATION OF LOCOMOTIVE LEASE AGREEMENT  
BETWEEN WINCHESTER AND WESTERN RAILROAD COMPANY  
AND ST. LAWRENCE & ATLANTIC RAILROAD COMPANY  
96 SOUTH GEORGE STREET, YORK, PENNSYLVANIA 17401  
DATED: MAY 16, 1989

Gentlemen:

I enclose herewith one original and one copy/counterpart of the document described below to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a lease agreement, a primary document dated May 16, 1989.

Names and addresses of the parties to the document are as follows:

Lessor: Winchester and Western Railroad Company  
258 Elm Street  
New Canaan, Connecticut 06840

Lessee: St. Lawrence & Atlantic Railroad Company  
96 South George Street  
York, Pennsylvania 17401

A description of the equipment covered by the document follows:

1. EMD GP9 locomotive, Winchester and Western Railroad Company Road Unit #: 709.

NOTOR GENTLEMEN  
JUN 30 11 08 AM '89

# WINCHESTER AND WESTERN RAILROAD COMPANY

## Virginia Division

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Interstate Commerce Commission  
June 22, 1989  
Page 2

2. EMD GP9 locomotive, Winchester and Western Railroad  
Company Road Unit #: 732.

A fee of thirteen dollars is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to the Winchester and Western Railroad Company, 258 Elm Street, New Canaan, Connecticut 06840 Attn: George J. Kalapos, Jr., Assistant General Counsel.

A short summary of the document to appear in the index follows:

1. Primary document: Locomotive Lease Agreement between Winchester and Western Railroad Company, 258 Elm Street, New Canaan, Connecticut 06840 as Lessor and St. Lawrence & Atlantic Railroad Company, 96 South George Street, York, Pennsylvania 17401, as Lessee dated May 16, 1989 and covering two (2) EMD GP9 locomotives, Winchester and Western Railroad Company Road Unit #'s: 709 and 732, respectively. Term of lease: Three (3) years.

Very truly yours,

WINCHESTER AND WESTERN  
RAILROAD COMPANY



Louis R. Mastandrea  
Vice President-Traffic

LRM:ipg

Enclosure

**Interstate Commerce Commission**

Washington, D.C. 20423

6/30/89

OFFICE OF THE SECRETARY

Louis R. Mastandrea  
Vice President-Traffic  
Winchester & Western Railroad Company  
258 Elm Street  
New Canaan Connecticut 06840

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 **6/30/89**, at **11:20am**, and assigned recordation number(s). **16405**

Sincerely yours,



Noreta R. McGee  
Secretary

Enclosure(s)

LOCOMOTIVE LEASE

RECORDATION NO 16405 FILED 1425  
JUN 20 1989 11:20 PM  
INTERSTATE COMMERCE COMMISSION

THIS AGREEMENT, made as of this May 16, 1989 by and between Winchester and Western Railroad Company, hereinafter called "W&W", and St. Lawrence & Atlantic Railroad Company, hereinafter called "Lessee".

W I T N E S S E T H

WHEREAS, Lessee is desirous of leasing railroad locomotive equipment from the W&W; and

WHEREAS, W&W is desirous of leasing such railroad locomotive equipment to Lessee subject to the hereinafter set forth terms and conditions; and

NOW THEREFORE, the parties hereto, intending to be legally bound, agree as follows:

1. DELIVERY. Subject to their availability as determined, by W&W, W&W hereby leases to Lessee and Lessee hereby leases from W&W the two (2) units of locomotive equipment as set forth on Exhibit A (a copy of which is attached hereto and made a part hereof and which equipment being hereinafter referred to collectively as "Locomotive"), W&W will deliver the Locomotive to Lessee, or intermediate rail carrier, at an agreed upon date. Lessee shall take the Locomotive subject to the terms and provisions of any lease or other financing agreement to which the Locomotive may be subject.

2. RENTAL. Lessee shall pay W&W in accordance with the rates set forth on the form attached hereto and made a part hereof and marked Schedule A (Saturday's, Sunday's and Holidays included) within fifteen (15) days of the payment date set forth in Schedule A. Lessee further shall pay W&W for any and all costs incurred by W&W for handling delivery and return to W&W of the Locomotive over other lines, including without limitation freight, haulage or switching charges or expenses. All amounts to be charged to Lessee under this Agreement, except the rental rate set forth in Schedule A, shall include direct labor and material costs together with surcharges, overhead percentages, and equipment rentals in effect at the time any work is performed by W&W.

3. NET LEASE. Lessee's payment obligations hereunder shall, be absolute and unconditional without defense, setoff, counterclaim or recoupment. Except as otherwise expressly provided herein, this Agreement shall not terminate nor shall the respective obligations of the Lessee be affected by reason of any defect in or damage to, or any loss or destruction of, the Locomotive from any cause whatsoever, or as a result of any cause whatsoever, excluding war, riot, insurrection and acts of God.

4. WARRANTIES. The Locomotive is leased "as is". W&W makes no warranty, expressed or implied, regarding the Locomotive. Without limiting the generality of the foregoing, W&W expressly disclaims any implied warranty or merchantability, fitness, use, quality, productivity,

capacity, or adequacy for any purpose intended by Lessee. W&W will in no event be liable for any direct, indirect or consequential damages whatsoever.

5. TITLE. (a) Title to the Locomotive will remain vested in W&W. Lessee shall keep the Locomotive free and clear of all claims, liens and encumbrances and any act of the Lessee purporting to create a claim, lien or encumbrance on the Locomotive shall be void. (b) If W&W shall, in its discretion, deem it necessary to file or record financing statements or other notices of record to protect its right and title to the Locomotive, Lessee shall execute such financing statements or notices or other instruments, and further shall grant and does grant to W&W such security interest in and to the Locomotive as shall be in W&W's opinion necessary to so protects its right, title and interest.

6. CARE AND MAINTENANCE OF LOCOMOTIVE.

(a) Lessee shall (i) use the Locomotive in a proper and careful manner and at Lessee's own risk; (ii) maintain the Locomotive in good operating condition, repair, and appearance and protect the same from deterioration and advise W&W prior to any such maintenance or repair work, except daily or periodic routine servicing, of the nature of all repair and/or maintenance work to be performed in the Locomotive as well as the identity and address of all non-employee maintenance personnel or other organizations performing such work. W&W reserves the right to reasonably disapprove of the performance of maintenance or repair work by

personnel/organization which W&W deems unqualified to perform the same; (iii) return, redeliver or surrender the Locomotive in as good condition as when received, ordinary wear and tear accepted (such condition to be determined exclusively by W&W; (iv) give W&W immediate notice in writing of any loss of or damage to the Locomotive; (v) allow W&W with reasonable notice to enter upon Lessee's property at any time during normal business hours while the Locomotive is in possession of Lessee to examine or inspect it; and (vi) permit W&W to make such repairs as W&W may deem necessary; such repairs to be made at the facility of Lessee or W&W, at W&W's election, with all expenses of any such repairs required as a result of the use thereof by Lessee to be paid by Lessee.

(b) Lessee shall not make any changes in, additions to, or improvements in, nor shall Lessee suffer, or permit any other party to make any changes in, additions to, or improvements in, the Locomotive without the prior, written consent of W&W. The foregoing includes, without limitation, painting, lettering and numbering of the Locomotive.

(c) W&W may require plates or markings to be affixed to or placed on the Locomotive indicating that W&W is the owner thereof.

(d) Lessee's use of the Locomotive shall be confined to normal railroad operations on its property. Personnel furnished by Lessee shall be, and Lessee hereby certifies that they are, fully experienced and qualified to handle, operate, and work upon or about the Locomotive.

Locomotives shall not be operated outside boundaries of the United States of America or used in run-through or pool service with any other railroad without the prior, written consent of W&W.

Locomotives in transportation "Dead in Train" to or from Lessee may move via the Dominion of Canada, Lessee to be wholly responsible for all customs documentation and payment of all customs duties, tariffs, bonds or other charges as may be assessed.

(e) Notwithstanding anything to the contrary contained herein, if W&W is obligated by agreement or lease to maintain the Locomotive in any fashion whatsoever, Lessee shall be obligated to maintain the Locomotive in the same fashion and manner that W&W is obligated under its agreement or lease, such fashion and manner being set forth on Exhibit A of this Agreement.

7. INSPECTION. Before the Locomotive is delivered, as set forth in Paragraph 1, a joint mechanical inspection (hereinafter the "Initial Inspection") shall take place regarding fuel levels and the mechanical and other condition of the Locomotive prior to leasing by W&W to Lessee. The Initial Inspection shall be conducted by W&W representatives and competent representatives of Lessee and shall be reported on a form attached hereto, made a part hereof and marked "Schedule B". Upon return of any of the Locomotive or upon termination of this Agreement, a second joint inspection (hereinafter the "Final Inspection") shall be conducted by the representatives of W&W and Lessee in order to determine and specify damage to or deterioration in the mechanical or other condition of the Locomotive and to determine fuel levels. The Final Inspection shall also be reported on a Schedule B form. Any and all damage to or deterioration in the condition of the Locomotive observed other than normal wear and tear

during the Final Inspection and all costs of the Initial Inspection and the Final Inspection, shall be the responsibility of and shall be paid by Lessee. Lessee shall also pay W&W at the then current rate per gallon for any deficit in the number of gallons of fuel from the time of the Initial Inspection to the time of the Final Inspection. In the event there is any disagreement regarding the extent or cause of any damage to or deterioration in the condition of the Locomotive, W&W's opinion shall prevail as provided in Paragraph 6(a)(iii) hereof.

8. LOSS OR DESTRUCTION. In the event the Locomotive is lost, stolen, destroyed, irreparably damaged from any cause whatsoever and howsoever arising, worn out beyond the economic limits of repair or requisitioned by condemnation or otherwise by the United States Government, Lessee shall pay to W&W the fair market value of the Locomotive so involved immediately prior to the incidents set forth above in this Paragraph 8, which shall be determined by an appraiser selected by W&W and consented to by Lessee, which consent shall not be withheld unreasonably. Upon payment of such amount, and upon obtaining the consent of W&W, Lessee may dispose of the Locomotive on an "as is" basis and retain for its own account the proceeds of such disposition up to the amount paid W&W pursuant to this Paragraph 8.

9. GOVERNMENT REGULATIONS. Lessee (a) shall not incur any expense which will be chargeable to W&W or create or permit any lien or encumbrance upon the Locomotive; and (b) shall comply with all applicable

laws and regulations of any public authority.

10. TAXES. Lessee shall pay taxes which relate to Lessee's use, operation, possession or rental of the Locomotive and, upon request from W&W, will provide written evidence of such payment.

11. INDEMNIFICATION. Lessee will protect, defend, indemnify and save harmless W&W and its parent corporation, its subsidiaries, and its and their directors, officers, agents and employees, against all claims, liabilities, losses, damages and expenses of every character whatsoever for injury (including death) sustained by the officers, agents and employees of W&W and its subsidiaries, the officers, agents and employees of Lessee, and all other persons whomsoever, and for damage to or loss or destruction of property of any kind by whomsoever owned, including but not limited to employees of the Lessee, caused by, resulting from, arising out of, or occurring in connection with Lessee's use, operation, possession, rental, maintenance, or custody of the Locomotive under this Agreement or incidental to or appertaining thereto. As a result of any such claim, suit or demand of any kind, Lessee will assume at its own expense on behalf of W&W and its subsidiaries, and its and their directors, officers, agents and employees, the defense of any such claim or action at law or in equity which may be brought against said parties and pay on behalf of said parties the amount of any settlement agreed upon or judgement that may be entered, plus all costs and expenses involved as aforementioned.

12. INSURANCE.

(a) Lessee shall at its own cost and expense provide and maintain in effect during the term and any continued term of this Agreement a policy of public liability insurance covering use of Locomotive, including contractual liability assumed by the Lessee under the provisions of this Agreement. Said insurance shall be in limits of not less than \$3,000,000.00 single limit for bodily injury and/or property damage each occurrence and shall be in companies and form acceptable to W&W.

(b) Further, Lessee shall at its own cost and expense provide and maintain in effect during the term and any continued term of this Agreement All Risk of Physical Damage Insurance on the leased Locomotive in the name of Winchester and Western Railroad Company. Said insurance shall be in the amount at least equal to the fair market value of the Locomotive as specified in Paragraph 8 of this Agreement and shall be in companies and form acceptable to W&W.

13. RETURN OF LOCOMOTIVE. The Locomotive upon redelivery to W&W, either upon recall by W&W or upon termination of this Agreement, shall, in addition to other redelivery obligations set forth in this Agreement, be free and clear of any liens or security interests, encumbrances, and rights of others, other than those which result from claims against W&W which do not arise out of Lessee's failure to perform any of its obligations hereunder.

During the terms of this lease, the Lessee agrees to provide the Lessor with copies of each and every Security and Exchange Commission

("SEC") filing made by its parent corporation, Emons Holding, Inc., within thirty (30) days of Emons' filing of the same with the SEC.

14. DEFAULT. Any of the following shall constitute a default under this Agreement (an "Event of Default"):

(a) Lessee fails to make any payment of rent or other payment within the time specified in Schedule A; or

(b) Lessee uses or permits use of the Locomotive in uses other than as specified in this Agreement; or

(c) Lessee fails to perform or observe any covenant, term or condition of this Agreement to be performed or observed by Lessee and such failure continues unremedied for a period of fifteen (15) days after written notice from W&W to Lessee; or

(d) Lessee shall have made any representation or warranty in this Agreement, or in any document executed by Lessee incident to this Agreement, or in any other manner which is found to have been false in any material respect at the time such representation or warranty was made; or

(e) Lessee attempts to sell, mortgage, sublease, sublicense or assign the Locomotive; or

(f) Any distress, execution or attachment is levied, threatened or attempted on or against the Locomotive; or

(g) Lessee ceases to do business as a going concern or files any petition with respect to its own financial condition under any bankruptcy law or any amendment thereto or under any other insolvency law or laws providing for the relief of debtors; or

(h) A receiver, trustee, conservator or liquidator is appointed for Lessee for all or a substantial part of its assets and such proceeding or appointment is not discharged within sixty (60) days after the commencement thereof, or Lessee shall be adjudicated bankrupt or insolvent or in need of any relief provided to debtors by any court.

15. REMEDIES. (a) Upon the occurrence of an Event of Default, W&W may exercise any one or more of the following remedies:

(i) W&W, upon written notice to Lessee, may cause Lessee to pay to W&W the aggregate amount of any installments of rent, including without limitation late charges thereon, and any other sums which are then accrued and unpaid. In addition, Lessee shall pay interest on the foregoing sums at the rate of twelve (12%) per annum from the date of notice until payment; or

(ii) W&W, upon written notice to Lessee, may terminate this Agreement, whereupon all rights of Lessee to the use of the Locomotive shall absolutely cease and terminate, but Lessee shall remain liable for its obligations hereunder for all matters and events occurring prior to such termination as provided in this Agreement and as provided in Paragraph 14 with respect to an Event of Default; and thereupon Lessee, at its expense, shall promptly return the Locomotive subject to this Agreement to W&W, and W&W, or W&W's agent, shall have the right to enter upon the premises where the Locomotive is located during normal business hours and take immediate possession of and remove same without liability to Lessee, except such as is occasioned by the gross negligence of W&W, its officers,

agents and employees; or

(iii) W&W, without notice to Lessee, may exercise any other right and remedy available to it under applicable law to enforce this Agreement and to recover damages; or

(iv) Lessee shall be liable for all costs, charges and expenses, including without limitation reasonable attorney's fees and disbursements, incurred by W&W by reason of the occurrence of any Event of Default or the exercise of W&W's remedies with respect thereto.

(b) No remedy referred to herein is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to above or otherwise available to W&W at law or in equity. No express or implied waiver by W&W of any default or Event of Default hereunder shall in any way be, or be construed to be, a waiver of any future or subsequent default or Event of Default. The failure or delay of W&W in exercising any rights granted it hereunder upon any occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such contingencies or similar contingencies and any single or partial exercise of any particular right by W&W shall not exhaust the same or constitute a waiver of any other right provided herein.

16. TERM. This Agreement shall take effect as of the date first above written and continue in effect until May 31, 1992 or until terminated by W&W upon twenty-four (24) hours advance written notice in accordance with the provisions of Paragraph 15. Termination of this

Agreement shall not release Lessee from any liability which it may have incurred or any obligations which may have accrued under any provisions of this Agreement, or any amendment or supplement hereto, prior to the effective date of termination.

17. MISCELLANEOUS.

(a) Modification - Neither this Agreement or any part hereof may be modified except by written agreement signed by the duly authorized representatives of the parties.

(b) No Waiver - No omission or delay by W&W at any time to enforce any right or remedy reserved to it, or to require performance of any of the terms of this Agreement, shall be a waiver of any such right or remedy to which W&W is entitled, nor shall it in any way affect the right of W&W to enforce such provisions thereafter.

(c) Applicable Law - This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey.

(d) Severability - If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other provisions hereof shall in no way be affected thereby.

(e) Successors and Assigns - This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto; provided, however, that Lessee shall not assign or transfer this Agreement or any of its rights hereunder, or sublet the Locomotive, without the prior written consent of W&W.

(f) Notices - Any notice, request or other communication to either

party by the other as provided for herein shall be deemed received when (i) personally served on the following addressees, or (ii) sent by certified or registered United States mail, return receipt requested, addressed as follows:

If to W&W:

Winchester and Western Railroad Company

P.O. Box 1024

Bridgeton, New Jersey 08302

Attn: Forrest Van Schwartz, General Manager

If to Lessee:

St. Lawrence & Atlantic Railroad Company

96 South George Street

York, Pennsylvania 17401

Attn: A.P. Smith, President

The above addresses may be changed from time to time in accordance with the provisions of this paragraph.

(g) Paragraph Headings - All paragraph headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

(h) Entire Agreement - This Agreement constitutes the entire agreement between the parties and supersedes all previous agreements and



**SCHEDULE A**

**Winchester and Western Railroad Company**

**Locomotive Equipment and Rental Rate**

**Description of Locomotive Equipment**

Winchester & Western Unit Road Number:	<u>709</u>	<u>732</u>
Locomotive type	GP.9	GP.9
Builder	EMD	EMD
Date built	11/55	11/56
Diesel engine (prime mover)-type	16.567C	16.567C
Diesel engine serial	E56-K40	67K-37008
Main generator-type	D22B	D12B
Main generator-serial	591-28	56K143
Auxiliary generator-type	A7159A5	A7159
Auxiliary generator-serial	84H3307	A2170H52
Engine Governor-serial	448921	448902
Fuel pump-serial	N9268-6	84-01-8-0
Air compressor-serial	757945	756774
Traction motor blower-right	0500E61	No Number
Traction motor blower-left	K2D57	D8918
Traction motor axle #1-type	D77B	D57
Traction motor axle #1-serial	74E9664	74A8989
Traction motor axle #2-type	D77B	D57
Traction motor axle #2-serial	747B12	013340
Traction motor axle #3-type	D77B	D77B
Traction motor axle #3-serial	76B33618	78K1-1172
Traction motor axle #4-type	D77B	D77B
Traction motor axle #4-serial	490623	52A161(new)
Wheel size axle #1	2.25"	2.75"+
Wheel size axle #2	2.25"+	2.50"+
Wheel size axle #3	2.50"	2.75"
Wheel size axle #4	2.25"	2.50"+

**Rental Rate (Per Unit)**

A) For May, 1989: Sixty-eight Dollars (\$68.00) per day, commencing at 12:01 a.m. on day first following delivery by W&W to Consolidated Rail Corporation (Conrail) at Millville, New Jersey for furtherance to Lessee, payable in advance.

B) Six Thousand One Hundred-Twenty Dollars (\$6,120.00), payable in advance, as credit for three (3) monthly lease periods, such credit to be applied to lease payments due for the months of June 1989 and April and May, 1992.

C) Two Thousand Forty Dollars (\$2,040.00) per month, commencing July 1, 1989 and continuing on the 1st day of each susceding calendar month up to and including and payable through March 31, 1992 in accordance with Section 2 of this Agreement.

## SCHEDULE A (CONT.)

### Maintenance Requirements

Air brake tests per FRA rules 229.27 and 229.29

Unit 709: due 368 day test - March 1, 1990 and annual thereafter;  
736 day test - March 1, 1990 and March 1, 1992;  
meter test - November 10, 1989.

Unit 732: due 368 day test - November 20, 1989 and annual thereafter;  
736 day test - November 20, 1989 and November 20, 1991;  
meter test - November 10, 1989.

### General Daily or Trip Inspection

1. Check and fill to proper level, engine oil.
2. Check and fill to proper level, air compressor oil.
3. Check and fill to proper level, governor oil.
4. Check and fill to proper level, engine cooling water.
5. Check cooling water for treatment (Nalco 2200).
6. Check sand supply.
7. Check sander operation.
8. Check emergency fuel cut-out operation.
9. Check and repair all lights.
10. Check couplers for cracks or other defects.
11. Check operation of hand brake.
12. Check fire extinguishers.
13. Check cab heaters.
14. Check windshield wipers.
15. Check horn and bell operation.
16. Test air gauges.
17. Clean dirt collectors.
18. Adjust brakes and replace worn shoes.
19. Check air compressor for proper unloaded operation (cut-in 120psi, cut-out 135psi).
20. Check all grab-irons and hand rails.
21. Check all steps.
22. Clean running boards.
23. Sweep out cab.
24. Check supply of fusees, torpedos and flags.
25. Check fuel level.

**92 Day Locomotive Inspection**  
(W&W will advise due date of 92 day inspection)

**Engine**

1. Replace air and carbody filters, engine and compressor.
2. Replace lube oil filters.
3. Replace primary and secondary fuel filters.
4. Remove lube oil strainers, wash and replace.
5. Remove PVC oil separator, wash and replace.
6. Check exhaust manifold bolts for tightness.
7. Inspect engine for loose bolts and connections.
8. Take lube oil sample - forward sample to CLEVETECH LAB, Cleveland, Ohio for analysis, copy of report must be furnished to W&W for each analysis.

**Electrical - Main Generator**

1. Blow-out main generator with comp. air.
2. Wipe-off all insulators with electrical solvent.
3. Inspect for flashover, risers and brush holders.
4. Inspect brushes for wear and pigtail integrity.
5. Inspect commutator for unusual wear.

**Auxiliary Generator**

1. Blow-out with compressed air.
2. Inspect brushes for wear and pigtail integrity.
3. Inspect commutator for unusual wear.

**Electrical Cabinet**

1. Blow-out with compressed air.
2. Check all resistors for cleanliness and integrity.
3. Check supply of spare fuses.

**Batteries**

1. Wash off top with baking soda and water.
2. Grease all terminals.
3. Check fluid levels.
4. Check charging voltage (72 volts approximately)

### Bottom Inspection

1. Blow-out traction motors with compressed air.
2. Wipe off all insulators with electrical solvent.
3. Inspect brushes for wear and pigtail integrity.
4. Inspect commutator for unusual wear.
5. Wipe all motor leads with solvent.
6. Check gear cases for holes and tightness.
7. Add 2 lbs. crater compound to each gear case.
8. Check nose suspension blocks.
9. Check brake rigging.
10. Check sander pipe alignment.
11. Check hanger bearing oil level (3-4 inches on stick).
12. Inspect draft gear.
13. Check fuel tank and main reservoir for integrity and leaks.
14. Check journal oil to top of filler cap.

### Companion Alternator

1. Blow-out with compressed air.
2. Check brushes for wear and pigtail integrity.
3. Wipe-off insulator with electrical solvent.
4. Check slip rings for unusual wear.

### Fuel Pump

1. Blow-out with compressed air.
2. Inspect brushes for wear and pigtail integrity.
3. Inspect commutator for unusual wear.

### Reverser

1. Inspect contacts.
2. Lubricate with white grease (Lithium).

### Power Contactors

1. Check contacts.
2. Lubricate linkage.



WINCHESTER & WESTERN RAILROAD COMPANY

P. O. Box 1024
BRIDGETON, NEW JERSEY 08302

SCHEDULE B

LOCOMOTIVE INSPECTION REPORT

Location BRIDGETON, N. J. Date INITIAL 15 MAY, 1989 Time 1600

W&W Inspector Wm. Mares Locomotive No. WW 709

Inspectors will check condition of the following, noting any item not satisfactory or questionable. Copy of this report will be furnished to inspectors.

I RUNNING GEAR AND EXTERIOR

- 1. Couplers: Front 'E' Type Survel Good Rear 'E' type Survel good
2. Coupler Levers: Front Good Rear Good
3. Trainline Hoses: Condition? Good How many: 9
4. Trainline Cable: None
5. Headlight: Front Good Rear Good
6. Number Boxes: Good
7. Pilot: Good
8. Handrails: Good
9. Paint Condition: Good Fair X Poor
10. Trucks: Good
11. Axle Alternators: #1 N/A #2 N/A #3 N/A #4 N/A
12. Speed Recorder Drive: Good
13. Wheels: R#1 2 1/4" L#1 2 1/4" R#2 2 5/16" L#2 2 5/16" R#3 2 1/2" L#3 2 1/2" R#4 2 1/4" L#4 2 1/4"
14. Traction Motors: #1 OK #2 OK #3 OK #4 OK
15. Fuel Tank: Condition? Good Amount of Fuel? 1600
16. Fuel Gauges: Good Fuel Capacity: 1600
17. Gear Ratio: 62.15
18. Fuel Shut Off Device: Good Fuel Preheater OK

II CAB INTERIOR

- 1. Cab Interior: Excellent
2. Windshield: FRA Approved Are they FRA Approved? yes
3. Windshield Wipers: Good How Many Missing? none
4. Side Windows: FRA 223 Approved Are they FRA Approved? yes
5. Cab Seat: Engineer none Fireman none How Many? FH none
6. Whistle:
7. Bell: Good
8. Alertor: N/A
9. Control Stand: Good
10. Air Gauges: Good, NO Broken Glass
11. Load Meter: Good
12. Sander Operation: Good
13. Speed Recorder: Good
14. Radio: Romoved? yes Hand Set: Removed? yes
15. Air Conditioner: Condition N/A

WW 709

- 16. Cab Heater: GOOD (Water Type)
- 17. Water Cooler: Type -AIR- Condition Good
- 18. Fire Extinguishers: Cab CO2, 2
- 19. Tools: AIR LINE WRENCH
- 20. Toilet: Type CHEMICAL Condition NEVER USED
- 21. Removed RCE Console Unit N/A.
- 22. Cab Doors: Condition GOOD Window FRA Approved YES (223)

III ENGINE AND CARBODY

- 1. Carbody Exterior FAIR
- 2. Main Generator D22B Serial # 591-28
- 3. Auxiliary Generator 10KW Exciter \_\_\_\_\_
- 4. Engine Model 5G7C Serial # E56-K40  
Gen. Condition GOOD
- 5. Water Temperature Gauges GOOD
- 6. Lube Oil Level FULL
- 7. Dynamic Brake Grids NONE D.B. Fan \_\_\_\_\_
- 8. Governor PG TYPE SN/448921
- 9. Oil Gauges GOOD
- 10. Water Level GOOD W/WATER TREATMENT.
- 11. Radiators GOOD
- 12. Air Compressor Condition GOOD WBO
- 13. Handbrake GOOD
- 14. Carbody Interior GOOD
- 15. Fire Extinguisher: Engine Room CO2
- 16. Cooling Fans: GOOD

Maintenance Point BRIDGETON, N.J.  
 Type Last Inspection 92 DAY  
 Location Last Inspection BRIDGETON, N.J.  
 Date Last Inspection 2-27-89  
 Annual Date 11-20-87 Air Date 11-20-88

ENGINE

1. P. Assy. 1 ✓ 2 ✓ 3 ✓ 4 ✓ 5 ✓ 6 ✓ 7 ✓ 8 ✓  
 9 ✓ 10 ✓ 11 ✓ 12 ✓ 13 ✓ 14 ✓ 15 ✓ 16 ✓

Grade: Good Fair Poor

- 2. Crankcase GOOD
- 3. Top Deck OK.
- 4. Water Pump: GOOD GOOD
- 5. Exhaust Manifold: GOOD (SPARK ARRESTER TYPE)
- 6. With Engine Running X Hunting \_\_\_\_\_ Noisy Gears \_\_\_\_\_ Acc. End OK  
Gen. End OK
- 7. If Engine Load Boxed Attach L. Box Sheet

Signature/Title W&W Inspector William Moore

Signature/Title St.L&A Inspector Albert L. [Signature]



# WINCHESTER & WESTERN RAILROAD COMPANY

P. O. Box 1024  
BRIDGETON, NEW JERSEY 08302

## SCHEDULE B

### LOCOMOTIVE INSPECTION REPORT

Location BRIDGETON, N. J. Date INITIAL 15 MAY, 1989 Time 1600

W&W Inspector W. MANES Locomotive No. WW 732

Inspectors will check condition of the following, noting any item not satisfactory or questionable. Copy of this report will be furnished to inspectors.

- I RUNNING GEAR AND EXTERIOR
- Couplers: Front Good Rear 2-25,88 (New)
  - Coupler Levers: Front Good Rear Good
  - Trainline Hoses: Condition? Good How many: 7
  - Trainline Cable: yes - Poly
  - Headlight: Front Good Rear \_\_\_\_\_
  - Number Boxes: OK
  - Pilot: Good
  - Handrails: Good
  - Paint Condition: Good X Fair \_\_\_\_\_ Poor \_\_\_\_\_
  - Trucks: Good
  - Axle Alternators: #1 N/A #2 N/A #3 N/A  
#4 N/A
  - Speed Recorder Drive: Good
  - Wheels: R#1 2 1/2" L#1 2 1/2"  
R#2 2 1/2" L#2 2 1/2"  
R#3 2 1/2" L#3 2 1/2"  
R#4 2 1/2" L#4 2 1/2"
  - Traction Motors: #1 OK (Rebuilt) #2 OK (Rebuilt) #3 OK (Rebuilt)  
#4 OK (New)
  - Fuel Tank: Condition? good Amount of Fuel? 1600 gal
  - Fuel Gauges: yes - good Fuel Capacity: 1600 gal
  - Gear Ratio: 62.15
  - Fuel Shut Off Device: yes - FRA Fuel Preheater yes - good

- II CAB INTERIOR
- Cab Interior: Excellent Shape
  - Windshield: Fra Approved Are they FRA Approved? yes
  - Windshield Wipers: OK How Many Missing? none
  - Side Windows: FRA 223 Approved Are they FRA Approved? yes
  - Cab Seat: Engineer 1 Fireman 2 How Many? 3 only
  - Whistle: OK
  - Bell: OK
  - Alertor: N/A
  - Control Stand: Good
  - Air Gauges: Good
  - Load Meter: Good
  - Sander Operation: Good
  - Speed Recorder: OK
  - Radio: Removed? yes Hand Set: Removed? yes
  - Air Conditioner: Condition None

W/W 732

- 16. Cab Heater: Good Shape Electric type
- 17. Water Cooler: Type Air Condition good
- 18. Fire Extinguishers: Cab None
- 19. Tools: None
- 20. Toilet: Type Chemical Condition good
- 21. Removed RCE Console Unit \_\_\_\_\_
- 22. Cab Doors: Condition good Window FRA Approved yes

III ENGINE AND CARBODY

- 1. Carbody Exterior Excellent Shape
- 2. Main Generator Good Serial # 57KH3
- 3. Auxiliary Generator Good Exciter A2170452
- 4. Engine Model 567K Serial # 6700K3705
- Gen. Condition Good
- 5. Water Temperature Gauges yes No Broken Glass
- 6. Lube Oil Level Full
- 7. Dynamic Brake Grids V/A D.B. Fan V/A
- 8. Governor Good
- 9. Oil Gauges Good
- 10. Water Level OK with water Treatment
- 11. Radiators OK no leaks
- 12. Air Compressor Condition good
- 13. Handbrake OK
- 14. Carbody Interior Very good Shape
- 15. Fire Extinguisher: Engine Room yes CO<sub>2</sub> type
- 16. Cooling Fans: OK

Maintenance Point Bridgeton NJ  
 Type Last Inspection 92 Day 3/1/89  
 Location Last Inspection Bridgeton Jct 3-1-89  
 Date Last Inspection \_\_\_\_\_  
 Bi-Annual Date 3-1-89 -363 Air Date \_\_\_\_\_

ENGINE

- |             |          |          |          |          |          |          |          |          |
|-------------|----------|----------|----------|----------|----------|----------|----------|----------|
| 1. P. Assy. | 1        | 2        | 3        | 4        | 5        | 6        | 7        | 8        |
|             | <u>✓</u> |
|             | 9        | 10       | 11       | 12       | 13       | 14       | 15       | 16       |
|             |          | <u>✓</u> |

Grade: Good Good Fair Poor

- 2. Crankcase Good
- 3. Top Deck Good
- 4. Water Pump: OK
- 5. Exhaust Manifold: OK (Spark Arrestor type)
- 6. With Engine Running X Hunting \_\_\_\_\_ Noisy Gears \_\_\_\_\_ Acc. End \_\_\_\_\_  
Gen. End \_\_\_\_\_
- 7. If Engine Load Boxed Attach L. Box Sheet V/A

Signature/Title W&W Inspector William Mages  
 Signature/Title St.L&A Inspector Robert Ventral

RECORDATION NO 16405 FILED 7/23

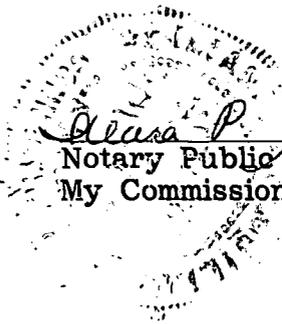
JUN 30 1989 - 11 20 AM

NOTARIAL ACKNOWLEDGMENT

INTERSTATE COMMERCE COMMISSION

This is to certify that the foregoing Locomotive Lease is a true and exact copy of the Locomotive Lease dated as of May 16, 1989 between the Winchester and Western Railroad Company and St. Lawrence & Atlantic Railroad Company.

In witness whereof, I hereunto set my hand.



*Alana P. Huller*  
\_\_\_\_\_  
Notary Public

My Commission Expires: March 31, 1993