

No. 8-074A045
Date MAR 14 1988
Fee \$ 13.00

WILMER, CUTLER & PICKERING
2445 M STREET, N. W.
WASHINGTON, D. C. 20037-1420

ICC Washington, D. C.
EUROPEAN OFFICE
4 CARLTON GARDENS
PALL MALL
LONDON, SW1Y 5AA, ENGLAND
TELEPHONE 011-441-839-4466
TELEX: 8813918 WCPLDN
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INTERNATIONAL TELEX: 440 239 WCPI UI
TELEX: 89-2402 WICRING WSH
TELEPHONE 202 663-6000

14371-B
MAR 14 1988 - 2 30 PM
RECORDATION NO. 14371-B
FILED 14371-B

ALLEN H. HARRISON, JR.
DIRECT LINE (202)
663-6093

March 14, 1988 INTERSTATE COMMERCE COMMISSION

Dear Ms. McGee:

\$13.00 filing fee

On behalf of Home & City Savings Bank (Bank), I submit for filing and recording under 49 U.S.C. Section 11303(a) and the regulations promulgated thereunder, one executed counterpart and one certified true copy of a Release of Collateral and Termination of General Security Agreement (New York) and General Security Agreement (New Jersey) (hereinafer Release) dated March 10, 1988, a secondary document, not previously recorded.

The parties to the enclosed document are:

Home & City Savings Bank - Mortgagee (Party Releasing)
100 State Street
Albany, New York 12201

Delaware Otsego Corporation - Collectively Mortgagee (Debtor)

Delaware Otsego Equipment Corporation
Cooperstown and Charlotte Valley Railway Corporation
Central New York Railroad Corporation
Lackawaxen and Stourbridge Railroad Corporation
Fonda, Johnstown and Gloversville Railroad Company
Fonfulco, Inc.
The New York, Susquehanna and Western Railway Corporation
Susquehanna Properties, Inc.
One Railroad Avenue
Cooperstown, New York 13326

The said document releases the security interest of the Bank in and to all the collateral and security subject to and covered by and under that certain General Security Agreement (New York), filed with the ICC July 13, 1984 under Recordation No. 14371 and terminates and cancels totally the said General Security Agreement (New York). The aforesaid Release should be recorded under the next available letter under Recordation No. 14371, which we believe will be -B.

The equipment covered by the said Release is all the equipment covered by the aforementioned General Security Agreement (New York).

Copy of Release of Collateral and Termination of General Security Agreement

This one is 14371-B

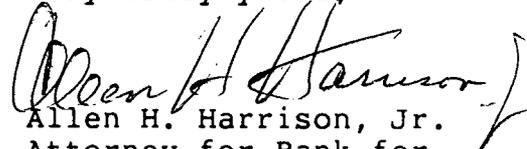
A short summary to appear in the Index is as follows:

"Full Release and Termination of General Security Agreement (New York) under 14371."

Enclosed is our check in the amount of thirteen dollars (\$13) in payment of the filing fee.

Once the filing has been made, please return to bearer the stamped copy of the document not required for filing purposes, together with the fee receipt, the letter from the ICC acknowledging the filing, and the two extra copies of this letter of transmittal.

Very truly yours,


Allen H. Harrison, Jr.
Attorney for Bank for
the purpose of this filing

Honorable Noreta R. McGee
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Enclosures

AHH/iw

BY HAND

RECORDED NO. 1437-LB
FILED 1988

MAR 14 1988-2 22 PM

INTERSTATE COMMERCE COMMISSION

RELEASE OF COLLATERAL AND
TERMINATION OF GENERAL SECURITY AGREEMENT (NEW YORK)
AND GENERAL SECURITY AGREEMENT (NEW JERSEY)

by and between

DELAWARE OTSEGO CORPORATION
DELAWARE OTSEGO EQUIPMENT CORPORATION
COOPERSTOWN AND CHARLOTTE VALLEY RAILWAY CORPORATION
CENTRAL NEW YORK RAILROAD CORPORATION
LACKAWAXEN AND STOURBRIDGE RAILROAD CORPORATION
FONDA, JOHNSTOWN AND GLOVERSVILLE RAILROAD COMPANY
FONFULCO, INC.
THE NEW YORK, SUSQUEHANNA AND WESTERN RAILWAY CORPORATION
SUSQUEHANNA PROPERTIES, INC.

and the

HOME & CITY SAVINGS BANK

Dated: March 10, 1988

Record and return to: Lester A. Sittler, General Counsel
Delaware Otsego Corporation
1 Railroad Avenue
Cooperstown, New York 13326

Prepared by: Lester A. Sittler, Esq.

Telephone no.: 607-547-2555

THIS AGREEMENT made the 10th day of March, 1988, between DELAWARE OTSEGO CORPORATION; DELAWARE OTSEGO EQUIPMENT CORPORATION; COOPERSTOWN AND CHARLOTTE VALLEY RAILWAY CORPORATION; CENTRAL NEW YORK RAILROAD CORPORATION; LACKAWAXEN AND STOURBRIDGE RAILROAD CORPORATION; FONDA, JOHNSTOWN AND GLOVERSVILLE RAILROAD COMPANY; FONFULCO, INC.; THE NEW YORK, SUSQUEHANNA AND WESTERN RAILWAY CORPORATION; and SUSQUEHANNA PROPERTIES, INC. -- all having a place of business at 1 Railroad Avenue, Cooperstown, New York (all herein jointly and severally called the "Mortgagor") and the HOME & CITY SAVINGS BANK, a banking corporation organized and existing under the laws of the State of New York, with its principal bank office at 100 State Street, Albany, New York 12201 (herein called the "Mortgagee").

W I T N E S S E T H :

WHEREAS, the Mortgagee is the holder of a Note dated July 12, 1984, in the face amount of \$5,000,000 executed by the Mortgagor in favor of the Mortgagee, which sum was disbursed pursuant to the terms of a Term Loan Agreement dated July 12, 1984 between Mortgagor and Mortgagee; and

WHEREAS, the Mortgagee is also the holder of a General Security Agreement (New York) dated July 12, 1984, which, as security for the payment of the aforesaid Note grants to the Mortgagee a security interest in all the collateral and

security described therein; and

WHEREAS, the Mortgagee is also the holder of a General Security Agreement (New Jersey) dated July 12, 1984, which, as security for the payment of the aforesaid Note grants to the Mortgagee a security interest to all the collateral and security described therein; and

WHEREAS, the Mortgagor has satisfied its obligations to the Mortgagee, and the Mortgagor and the Mortgagee desire, therefore, to cancel and terminate the General Security Agreement (New York) dated July 12, 1984 and the General Security Agreement (New Jersey) dated July 12, 1984 and release all the collateral and security described in said agreements.

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements, receipt of which is hereby acknowledged, the Mortgagor and Mortgagee mutually covenant and agree as follows:

A. Effective forthwith, the General Security Agreement (New York) dated July 12, 1984 and the General Security Agreement (New Jersey) dated July 12, 1984 shall be, and hereby are, terminated and cancelled and neither party shall hereafter have any further rights, duties or obligations thereunder.

B. Mortgagee hereby releases its security interest to all the collateral and security described in the General Security Agreement (New York) dated July 12, 1984 and the General Security Agreement (New Jersey) dated July 12, 1984.

C. This Agreement may be recorded by the Mortgagor at its expense in the recording office of the Interstate Commerce Commission where the aforesaid agreements are recorded.

D. This Agreement shall be binding upon and enure to the benefit of Mortgagor, Mortgagee, and their respective successors and assigns.

IN WITNESS WHEREOF, the parties have caused this Instrument to be executed by their duly authorized officers as of the day and year first above written.

ATTEST:


Secretary

DELAWARE OTSEGO CORPORATION
By: 

C. David Soule, Executive Vice President

ATTEST:

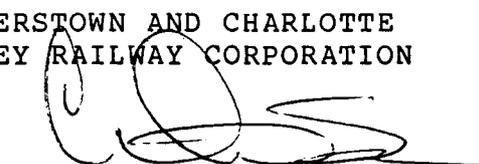

Secretary

DELAWARE OTSEGO EQUIPMENT CORPORATION
By: 

C. David Soule, Executive Vice President

ATTEST:


Secretary

COOPERSTOWN AND CHARLOTTE VALLEY RAILWAY CORPORATION
By: 

C. David Soule, Executive Vice President

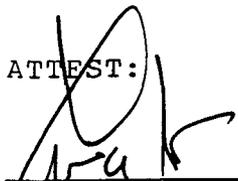
ATTEST:


Secretary

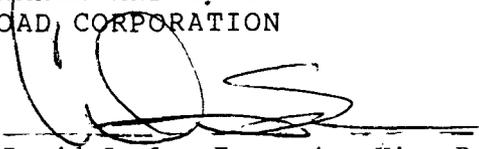
CENTRAL NEW YORK RAILROAD CORPORATION
By: 

C. David Soule, Executive Vice President

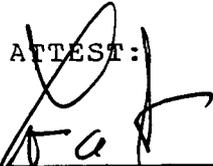
ATTEST:


Secretary

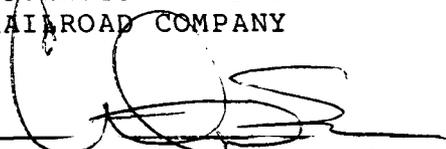
LACKAWAXEN AND STOURBRIDGE
RAILROAD CORPORATION

By: 
C. David Soule, Executive Vice President

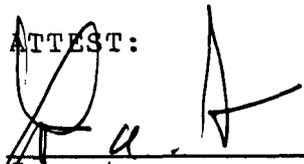
ATTEST:


Secretary

FONDA, JOHNSTOWN AND GLOVERS-
VILLE RAILROAD COMPANY

By: 
C. David Soule, Executive Vice President

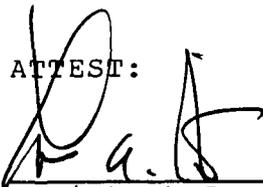
ATTEST:


Secretary

FONFULCO, INC.

By: 
C. David Soule, Executive Vice President

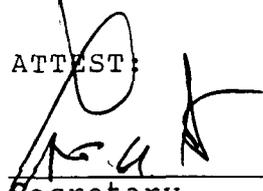
ATTEST:


Assistant Secretary

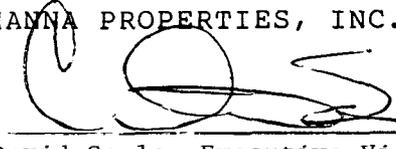
THE NEW YORK, SUSQUEHANNA AND
WESTERN RAILWAY CORPORATION

By: 
C. David Soule, Executive Vice President

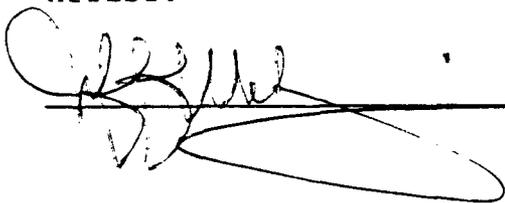
ATTEST:


Secretary

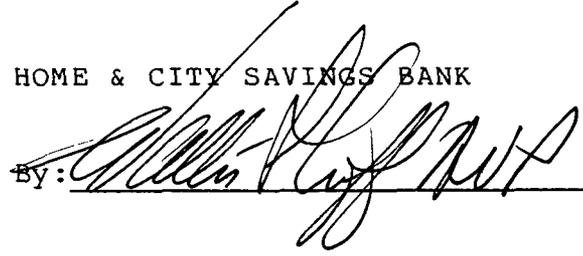
SUSQUEHANNA PROPERTIES, INC.

By: 
C. David Soule, Executive Vice President

ATTEST:


Secretary

HOME & CITY SAVINGS BANK

By: 
Secretary

STATE OF NEW YORK)
) ss.:
COUNTY OF OTSEGO)

On the 10th day of March, 1988, before me personally came C. David Soule, to me known, who being by me duly sworn, did depose and say that he resides at Chestnut Street, Cooperstown, New York; that he is Executive VP of DELAWARE OTSEGO CORPORATION; DELAWARE OTSEGO EQUIPMENT CORPORATION; COOPERSTOWN AND CHARLOTTE VALLEY RAILWAY CORPORATION; CENTRAL NEW YORK RAILROAD CORPORATION; LACKAWAXEN AND STOURBRIDGE RAILROAD CORPORATION; FONDA, JOHNSTOWN AND GLOVERSVILLE RAILROAD COMPANY; FONFULCO, INC.; THE NEW YORK, SUSQUEHANNA AND WESTERN RAILWAY CORPORATION; and SUSQUEHANNA PROPERTIES, INC.; the corporations described in and which executed the above instrument; and that he signed his name thereto by order of the Board of Directors of said corporations.

KATHY S. PERRY
Notary Public, State of New York
No 4765617
Qualified in Otsego County
Commission Expires 4-30-89

Kathy S. Perry
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF ALBANY)

On the 26th day of February, 1988, before me personally came Walter S. Carr, to me known, who being by me duly sworn, did depose and say that he resides at Avoca 11 Park, N.Y., that he is a Assistant Vice President of HOME & CITY SAVINGS BANK, the banking corporation described in and which executed the above instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

Michael J. Kolanach
Notary Public
MICHAEL J. KOLANACH #4604303
Notary Public, State of New York
Residing in Albany County
My Commission Expires 10/31/88

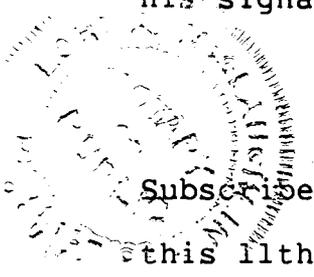
DISTRICT OF COLUMBIA) SS.:

CERTIFICATION OF TRUE COPY

I, Allen H. Harrison, Jr., a member of the Bars of the District of Columbia and the Commonwealth of Virginia, do hereby certify that I have compared the attached copy of the document entitled "Release of Collateral and Termination of General Security Agreement (New York) and General Security Agreement (New Jersey)" between Delaware Otsego Corporation, Delaware Otsego Equipment Corporation, Cooperstown and Charlotte Valley Railway Corporation, Central New York Railroad Corporation, Lackawaxen and Stourbridge Railroad Corporation, Fonda, Johnstown and Gloversville Railroad Company, Fonfulco, Inc., The New York, Susquehanna and Western Railway Corporation, Susquehanna Properties, Inc. and Home & City Savings Bank, dated March 10, 1988, with an executed original counterpart thereof and find the said attached copy to be in all respects a true, correct and complete copy of the aforesaid executed original counterpart.

IN WITNESS WHEREOF, the undersigned has hereto affixed his signature this 11th day of March, 1988.


Allen H. Harrison, Jr.

Subscribed and sworn to before me
this 11th day of March, 1988


Notary Public, D.C.

My commission expires:
My Commission Expires June 30, 1992