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No. 5-045A032
Date FEB 14 1985
Fee $ 10.00
ICC Washington, D. C.

RECORDATION NO. 14378-C Filed 1425

FEB 14 1985 -12 PM

INTERSTATE COMMERCE COMMISSION

February 12, 1985

The Chesapeake and Ohio Railway Company
Amended and Restated Finance Agreement and
Amendment Dated as of January 15, 1985
11.8% CSA Indebtedness due July 15, 1994

Dear Mr. Bayne:

Pursuant to 49 U.S.C. § 11303 and the Commission's rules and regulations thereunder, as amended, I enclose herewith on behalf of The Chesapeake and Ohio Railway Company for filing and recordation counterparts of the following document:

Amended and Restated Finance Agreement and Amendment ("Amendment"), dated as of January 15, 1985, among The Chesapeake and Ohio Railway Company, as Railroad, Mercantile-Safe Deposit and Trust Company, as Agent, and the parties named in Schedule A thereto.

The Amendment amends a Conditional Sale Agreement dated as of July 15, 1984, previously filed and recorded with the Interstate Commerce Commission on July 20, 1984, at 10:25 a.m., Recordation Number 14378.

This is 14378-C

The amendments to the Conditional Sale Agreement are set forth on pages 16 through 18 of the Amendment. The enclosed counterparts are signed and acknowledged by each of the present parties in interest to the Conditional Sale Agreement. The other signature lines which appear in the enclosed counterparts are not relevant for this purpose

Counterpart E H Hansen

since they apply only to the Restated Finance Agreement which is not a document on file with the Commission.

Please file and record the Amendment submitted with this letter and assign it Recordation Number 14378-C.

Enclosed is a check for $10.00 payable to the Interstate Commerce Commission for the recordation fee for the Amendment.

Please stamp all counterparts of the enclosed document with your official recording stamp. You will wish to retain one copy of the instrument and this transmittal letter for your files. It is requested that the remaining counterparts of the document be delivered to the bearer of this letter.

Very truly yours,

Laurance V. Goodrich

Laurance V. Goodrich
as Agent for
The Chesapeake and Ohio
Railway Company

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

14378-C

ICC file copy

RECORDATION NO. 14378-C FILED 1425

FEB 14 1985 -12 05 PM

INTERSTATE COMMERCE COMMISSION

[CS&M Ref. 1696-044]

AMENDED AND RESTATED FINANCE AGREEMENT

AND

AMENDMENT

dated as of January 15, 1985,

Among

THE CHESAPEAKE AND OHIO RAILWAY COMPANY
Railroad,

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY,
Agent,

RAILEASE, INCORPORATED,
Investor,

and

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA,
Permanent Investor,

(Covering 721 Used 100-ton Open Top Hopper Cars)

11.8% Conditional Sale Indebtedness due July 15, 1994

[Amending and restating the Finance Agreement and the six related Conditional Sale Agreements, each dated as of July 15, 1984.]

AMENDED AND RESTATED FINANCE AGREEMENT AND AMENDMENT, dated as of January 15, 1985, among MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, a Maryland corporation ("Agent"), THE CHESAPEAKE AND OHIO RAILWAY COMPANY, a Virginia corporation ("Railroad"), and RAILEASE, INCORPORATED (severally "Investor" and collectively, together with its successors and assigns including the Permanent Investor, "Investors", "each Investor" or "any Investor") and THE PRUDENTIAL INSURANCE COMPANY OF AMERICA (severally "Permanent Investor" and collectively, together with its successors and assigns, "Permanent Investors").

The Railroad has entered into six related conditional sale agreements dated as of July 15, 1984 (individually, each CSA and collectively the "CSA", a composite copy of which is attached hereto as Exhibit A), with each of the vendors named therein ("Vendors") for the purchase from the Vendors of the used railroad equipment referred to in the CSA (all of the equipment listed in Schedule B of each CSA being hereinafter called "Equipment").

The CSA provides, among other things, for the payment by the Railroad to the Vendors of the purchase price of the Equipment (collectively "CSA Indebtedness") plus interest on the unpaid balance thereof in installments.

The Agent has acquired the right, title and interest of each of the Vendors in and to the CSA and the right, title and interest in and to the Equipment covered thereby for a consideration equal to the CSA Indebtedness thereunder and upon other terms and conditions as set forth in six related Agreement and Assignments dated as of July 15, 1984, between the Agent and each of the Vendors (collectively "Assignment", a composite copy of which is attached hereto as Exhibit B).

The CSA and the Assignment were filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on the dates and with the Recordation Numbers shown on Schedule B hereto.

All the Equipment has heretofore been purchased under the CSA, the Vendors have been paid in full for the Equipment and the Railroad and the Agent, through the Assignment, are now the only parties in interest to the CSA.

On the Take Out Date hereinafter defined, the Investor will hold CSA Indebtedness evidenced by a certificate of interest, in the principal amount of $13,405,800, which CSA Indebtedness the Investor intends to sell to the Permanent Investor and which the Permanent Investor intends to purchase from the Investor on the Take Out Date.

The parties hereto desire to amend and restate the original Finance Agreement dated as of July 15, 1984, and to amend the CSA, as herein set forth.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements hereinafter contained, the parties hereto hereby agree as follows:

1. Subject to the terms and conditions hereof, (a) the Permanent Investor will pay to the Agent, in immediately available funds, not later than 11:00 a.m., Baltimore time, on February 14, 1985 ("Take Out Date"), $13,405,800 and (b) the Railroad will pay to the Agent, in immediately available funds, not later than 11:00 a.m. Baltimore time, on the Take Out Date an amount equal to the unpaid interest on the outstanding CSA Indebtedness accrued to the Take Out Date.

The payment to be made hereunder by the Permanent Investor to the Agent shall be wired to Mercantile-Safe Deposit and Trust Company, Baltimore, Maryland, for credit to its Corporate Trust Department Account No. 620081-8 with advice that the deposit is "Re: C&O 1/15/85".

Subject to the terms and conditions hereof, upon payment to the Agent on the Take Out Date of the amount to be paid by the Permanent Investor and by the Railroad pursuant to this Paragraph 1, on the Take Out Date the Agent will pay to the Investor an amount equal to the unpaid CSA Indebtedness held by the Investor plus accrued and unpaid interest thereon at the rate of 14% per annum ; and the Investor, simultaneously with the payment to it of such amount, will surrender its certificate of interest to the Agent for cancellation.

Upon payment to the Agent of the amount required to be paid by the Permanent Investor pursuant to this Paragraph 1 on the Take Out Date, the Agent will execute and deliver to the Permanent Investor (or, upon the written request of the Permanent Investor, to the nominee or

nominees of the Permanent Investor or to the office of the custodian for the Permanent Investor) a certificate or certificates of interest substantially in the form annexed hereto as Schedule C, dated as of the Take Out Date.

Each Investor, against payment to it of all amounts payable under any certificate of interest delivered to it pursuant to this Agreement, will surrender such certificate of interest to the Agent.

The term "business days" as used herein means calendar days, excluding Saturdays, Sundays and any other days on which banking institutions in Cleveland, Ohio, Baltimore, Maryland, or New York, New York, are authorized or obligated to be closed. All interest under this Agreement shall be calculated on the basis of a 360-day year of twelve 30-day months except that interest payable on July 15, 1985, shall be calculated on an actual elapsed day, calendar-year basis. If any date for payment hereunder or under the CSA is not a business day, such payment may be made on the first business day next succeeding such date.

The parties hereto agree that, subject to the payment by the Permanent Investor and by the Railroad of the amounts to be paid pursuant to this Paragraph 1, from and after the Take Out Date (a) the Investor hereby transfers and assigns to the Permanent Investor all its right, title and interest in and to its CSA Indebtedness, (b) the Finance Agreement shall be amended and restated and the CSA shall be amended as set forth herein, and (c) unless the context otherwise requires, the terms "CSA" and "Assignment", as used in this Agreement, the CSA and the Assignment (collectively, "Finance Documents"), shall mean, respectively, the CSA and the Assignment, each as amended hereby, and the term "Finance Agreement" as used in any of the Finance Documents, other than this Agreement, shall mean this Agreement.

All transactions pursuant hereto which shall occur on the Take Out Date shall be deemed for purposes of this Agreement, the CSA and the Assignment to have occurred simultaneously.

2. The Agent will hold the rights under the CSA acquired under the Assignment and the security interest in the Equipment in trust for the benefit of the Investors in

accordance with their respective interests therein as such interests shall from time to time appear, but without priority of one over the other. It is expressly agreed that the obligations of the Agent hereunder as such holder and with respect to the payments to the Investors to be made by the Agent are only those expressly set forth herein.

3. The Railroad represents and warrants to the Investor, the Permanent Investor and the Agent as follows:

(a) It is a corporation duly organized, validly existing and in good standing under the laws of the State of Virginia and is duly qualified to do business in and is in good standing in such other jurisdictions in which its business and activities require such qualification.

(b) It has full corporate power and authority and legal right to carry on its business as now conducted and is duly authorized and empowered to execute and deliver this Agreement and the CSA ("Railroad Documents"), and to fulfill and comply with the terms, conditions and provisions thereof.

(c) The Railroad Documents have been duly authorized, executed and delivered and, assuming due authorization, execution and delivery thereof by the other parties thereto, constitute legal, valid and binding agreements, enforceable against it in accordance with their terms.

(d) There are no actions, suits or proceedings (whether or not purportedly on its behalf) pending or (to its knowledge) threatened against or affecting it or any of its property rights at law or in equity or before any commission or other administrative agency which could materially and adversely affect its condition (financial or otherwise) or its ability to perform its obligations under the Railroad Documents and it is not to its knowledge in default with respect to any order or decree of any court or governmental commission, agency or instrumentality.

(e) It is not a party to any agreement or instrument or subject to any charter or other corporate restriction materially and adversely affecting its business, operations, property, assets or condition (financial or otherwise).

(f) It has not directly or indirectly offered or sold any of the CSA Indebtedness to, solicited offers to buy any of the CSA Indebtedness from, or otherwise approached or negotiated in respect of the purchase or sale or other disposition of any of the CSA Indebtedness with, any person so as to bring the sale of the CSA Indebtedness within the provisions of Section 5 of the Securities Act of 1933. It will not offer any CSA Indebtedness to, or offer to buy any thereof from, or approach or negotiate with any other person in respect thereof, so as to bring the sale of the CSA Indebtedness within the provisions of Section 5 of said Securities Act.

(g) It has furnished to the Investor and each Permanent Investor its audited consolidated balance sheet as of December 31, 1983, and the related consolidated statements of income and retained earnings for the year then ended, and its unaudited consolidated balance sheet as of September 30, 1984, and the related unaudited consolidated statement of income and retained earnings for the nine-month period then ended. Such financial statements are in accordance with its books and records and have been prepared in accordance with generally accepted accounting principles, applied on a consistent basis throughout the periods covered thereby. The financial statements present fairly its financial condition at such dates and the results of its operations and changes in its financial position for such periods. There has not been any material adverse change in its assets, liabilities, business or condition (financial or otherwise) since September 30, 1984.

(h) Neither the execution and delivery of the Railroad Documents nor the consummation of the transactions therein contemplated nor the fulfillment of nor the compliance with the terms and provisions thereof will conflict with or result in a breach of any of the terms, conditions or provisions of (i) its charter or By-laws, (ii) any law or any regulation, order, injunction or decree of any court or governmental instrumentality or (iii) any bond, debenture, note, mortgage, indenture, agreement or other instrument to which it is now a party or by which it or its property may be bound, or constitute (with notice or lapse of time or both) a default thereunder, or result in the creation or imposition of any lien, charge, security interest or other encumbrance of any nature

whatsoever upon any of its property or upon the Equipment pursuant to the terms thereof, except as contemplated by the CSA and the Assignment.

(i) No mortgage, deed of trust, security interest or other lien of any nature whatsoever now in existence which now covers or affects or which may hereafter cover or affect any of its property or interest therein now attaches or hereafter will attach to the Equipment or in any manner affects or will affect adversely the right, title and interest of the Agent therein, except as contemplated by the CSA and the Assignment.

(j) No authorization or approval from any governmental or public body or authority of the United States of America or of any of the states thereof or of the District of Columbia is necessary for the execution, delivery and performance of the Railroad Documents.

(k) It has filed all foreign, Federal, state and local tax returns which are required to be filed and has paid or made provisions for the payment of all taxes which have or may become due pursuant to said returns or pursuant to any assessment received by it, other than taxes which are being contested in good faith and as to which it has established adequate reserves.

(l) It is not entering into the Railroad Documents or any other transaction contemplated thereby directly or indirectly in connection with any arrangement or understanding in any way involving any employee benefit plan (other than a governmental plan) with respect to which it, the Investor, the Permanent Investor or the Agent in its individual capacity is a party in interest, all within the meaning of the Employee Retirement Income Security Act of 1974 ("ERISA").

(m) It is not in default, and no event has occurred which with notice or lapse of time or both would be a default under any of the terms, conditions or provisions of any bond, debenture, note, mortgage, indenture, agreement or other instrument to which it is a party or by which it or its property may be bound, nor of any law or any material regulation, order, injunction or decree of any court or any governmental instrumentality.

(n) The Railroad has good and valid title to all the Equipment free of any lien, charge, security interest or other encumbrances of any nature whatsoever except for the security interest created by the CSA and transferred to the Agent by the Assignment. However, certain other liens appear of record at the Interstate Commerce Commission with respect to two units of Equipment which the Railroad acquired under the CSA entered into with Citicorp Leasing, Inc. The Railroad agrees to remove of record the liens on those two units (and any other liens of record which may be discovered on any other units of the Equipment) no later than June 30, 1985; and if the Railroad for any reason fails to do so or is unable to do so by said date, the Railroad will purchase from the Permanent Investor on July 15, 1985, the CSA Indebtedness with respect to all such units as to which such other liens were not removed, at the unpaid principal amount thereof plus interest accrued to the date of payment without penalty. All the Equipment is in good order, condition and repair, ordinary wear and tear excepted, suitable for use in interchange and has been maintained as required by Article 9 of the CSA. None of the Equipment was put into service prior to May, 1978, and the Equipment has an aggregate depreciated cost of at least $13,405,800.

(o) The Railroad is not in default on any of its financial obligations and neither the Railroad nor any of its predecessor companies has defaulted on any financial obligation within the five years next preceeding the date hereof.

(p) On or before the Take Out Date, this Agreement will have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303, and such filing will protect the Agent's interest in and to the Equipment and no other filing or recording (or giving of notice) with any other Federal, state or local government is necessary in order to protect the interests of the Agent under the CSA in and to the Equipment in the United States of America.

(q) On the Take Out Date the outstanding CSA Indebtedness will be $13,405,800, all of which is, and will then be, owned by the Investor.

4. The Permanent Investor represents to the Railroad, the Agent and the Investor as follows:

(a) The Permanent Investor is acquiring its interest in the aggregate CSA Indebtedness for its own account for investment or for one or more separate accounts maintained by it and not with a view to, or for sale in connection with, the distribution of the same, nor with any present intention of distributing or selling the same; provided, however, that the disposition of its property shall at all times be within its control.

(b) The Permanent Investor is not acquiring its interests in the CSA Indebtedness directly or indirectly with assets drawn from any "separate account", all as defined in ERISA, unless such separate account is exempt from the prohibited transactions rules of ERISA.

(c) The Permanent Investor represents that it has full power and authority to execute and deliver this Agreement and to carry out its terms.

The Permanent Investor hereby agrees that any transfer of all or any part of its interest in the CSA Indebtedness shall be upon the express condition that the transferee thereof shall be bound by the terms of this Agreement. Prior to any such transfer, the Permanent Investor shall notify the Agent in writing thereof; and the Agent shall cause to be promptly prepared and delivered to the Permanent Investor an appropriate agreement, to be entered into among the Permanent Investor, such transferee and the Agent, evidencing such transfer upon the terms hereof.

5. The obligation of the Permanent Investor to make payment to the Agent pursuant to Paragraph 1 hereof and the obligation of the Agent to make payment to the Investor on the Take Out Date pursuant to Paragraph 1 hereof shall be subject to the receipt by the Agent and the Permanent Investor on or prior to the Take Out Date of the funds to be paid to it by the Railroad pursuant to Paragraph 1 hereof and of the following documents, dated on or not more than 10 days prior to the Take Out Date:

(a) A complete and accurate set of all the closing documents (which may be photocopies) delivered

to the Agent at each equipment closing pursuant to Section 4 of the Assignment.

(b) An opinion of Cravath, Swaine & Moore, special counsel for the Permanent Investor and the Agent, to the effect that:

(i) this Agreement, assuming due authorization, execution and delivery by the Permanent Investor, has been duly authorized, executed and delivered and is a legal, valid and binding instrument;

(ii) the CSA has been duly authorized, executed and delivered and is a legal, valid and binding instrument, enforceable in accordance with its terms;

(iii) the Assignment has been duly authorized, executed and delivered and is a legal, valid and binding instrument;

(iv) the Agent is vested with all the rights, titles, interests, powers and privileges of the Vendors purported to be assigned to it by the Assignment and the Agent has a perfected security interest in the units of Equipment;

(v) this Agreement, the CSA and the Assignment have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303, and no other filing or recording (or giving of notice) with any other Federal, state or local government is necessary in order to protect the rights of Agent therein or in the Equipment in any state of the United States of America;

(vi) no authorization or approval from any governmental or public body or authority of the United States of America, or of any of the states thereof or the District of Columbia is, to the knowledge of said counsel, necessary in connection with the execution, delivery and performance of this Agreement, the CSA and the Assignment;

(vii) under the circumstances contemplated by this Agreement it is not necessary to register the CSA, the Assignment or any certificate of interest delivered pursuant hereto under the Securities Act

of 1933, as in effect on the date of such opinion, or to qualify the CSA or any other instrument or agreement contemplated hereby or thereby under the Trust Indenture Act of 1939, as in effect on the date of such opinion;

(viii) the legal opinion referred to in subparagraph (d) of this Paragraph 5 is satisfactory in form and scope to said special counsel and that in their opinion the Permanent Investors, the Agent and they are justified in relying thereon;

and as to such other matters incident to the transactions contemplated by this Agreement as the Permanent Investors may reasonably request.

(c) An opinion of Wilmer, Cutler & Pickering to the effect that their search of the Interstate Commerce Commission files maintained pursuant to 49 U.S.C. § 11303 did not reveal any filing which is inconsistent with the Railroad's representation set forth in the first sentence of Paragraph 3(n) hereof.

(d) An opinion of counsel for the Railroad, to the effect set forth in subparagraphs (a), (b), (c), (d), (e), (f) as to the first sentence, (h), (i), (j), (l), (m), (n) (first two sentences only) and (p) of Paragraph 3 hereof.

(e) A Certificate of an officer of the Railroad to the effect that (i) the Railroad's representations and warranties contained in this Agreement are true on and as of the Take Out Date, with the same effect as though made on such date, (ii) the Railroad is not currently in default nor does a condition exist nor has an event occurred which with the lapse of time and/or the giving of notice would constitute a default under this Agreement or the CSA, (iii) no federal tax liens (including tax liens filed pursuant to Section 6323 of the Internal Revenue Code of 1954, as amended) and, to the best of its knowledge, no other tax liens have been filed and are currently in effect which would adversely affect the security interest of the Assignee in the Equipment, (v) no taxes, assessments or governmental charges or levies are delinquent other than those which are being contested in good faith and which, in the opinion of the management of the Railroad, have been adequately reserved against, and (v) that there has been no material adverse change in the business or

financial condition of the Railroad since September 30, 1984.

In giving the opinions specified in this Paragraph 5, counsel may qualify its opinion to the effect that any agreement is enforceable in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally. In giving the opinion specified in subparagraph (b) of this Paragraph 5, counsel may rely (i) as to the title to the Equipment, on the opinion of counsel for the Railroad, (ii) as to the due authorization, execution and delivery by the Vendors of the CSA and the Assignment, on the opinions of counsel heretofore furnished to the Agent pursuant to Section 4 of the Assignment and (iii) as to any matter governed by the law of any jurisdiction other than the State of New York or the United States, on the opinions of counsel for the Vendor or the Railroad, as to such matter.

The Take Out Date closing hereunder shall take place at the offices of Messrs. Cravath, Swaine & Moore, in New York, New York.

6. The Agent will accept all sums paid to it pursuant to Article 8 of the CSA with respect to Casualty Occurrences (as therein defined). So long as, to the actual knowledge of the Agent, no event of default under the CSA shall have occurred and be continuing, the Agent will apply such sums (a) to the prompt pro rata prepayment of each of the installments of the aggregate CSA Indebtedness remaining unpaid (in proportion to the aggregate principal amount of CSA Indebtedness represented by each such installment), without premium, together with interest accrued on such prepaid CSA Indebtedness from the last date to which such interest was paid to the date of such prepayment, or (b) toward the cost of other railroad equipment, all as provided in said Article 8.

7. The Agent will accept payments made to it by the Railroad pursuant to the CSA and the Assignment on account of the principal of or interest on the CSA Indebtedness thereunder and, so long as, to the actual knowledge of the Agent, no event of default under the CSA shall have occurred and be continuing, will apply such payments promptly to the payment to the Investors, first, of interest payable to them on their respective interests in the installments of CSA Indebtedness, and second, of their

respective interests in the installments of CSA Indebtedness in the order of maturity thereof, until the same shall have been paid in full. If, to the knowledge of the Agent, an event of default under the CSA shall have occurred and be continuing, all moneys held by or coming into the possession of the Agent which, under the provisions of the CSA, are applicable to the payment or prepayment of the CSA Indebtedness or interest thereon (including, without limitation, the net proceeds of any repossession and sale or lease of any unit of the Equipment after deduction of all expenses, including reasonable counsel fees, incurred by the Agent in connection with such repossession and sale or lease and otherwise hereunder in connection with the CSA and the Assignment which shall not theretofore have been reimbursed to the Agent by the Railroad pursuant to the CSA) shall be distributed promptly by the Agent pro rata among the Investors in accordance with their respective interests in the principal and interest on the CSA Indebtedness at the time of such distribution and the Agent shall otherwise take such action as is referred to in Paragraph 8 hereof.

The Railroad agrees to pay all amounts due pursuant to this Agreement and the CSA on or before 11:00 a.m., Baltimore time, on the date due in Federal funds or other immediately available Baltimore funds. All payments to be made by the Agent hereunder shall (subject to timely receipt by the Agent of available funds) be made by check mailed to the Permanent Investors on the date such payment is due or, upon written request of any Permanent Investor or as specified in Schedule A hereto, by bank wire transfer of Federal funds or other immediately available funds by 12:00 noon, Baltimore time, on the date such payment is due to such Permanent Investor at such address as may be specified to the Agent in writing.

8. So long as the Agent shall have no actual knowledge that the Railroad is in default under this Agreement or that an event of default or event which with the lapse of time and/or demand or failure to take action provided for in the CSA could constitute an event of default thereunder shall have occurred and be continuing (any such default, event of default or event being herein called a "Default"), the Agent shall be entitled to use its discretion with respect to exercising or refraining from exercising any rights or taking or refraining from taking any action which may be vested in it, or which it may be entitled to assert or take, under the CSA, except as otherwise specifically provided herein. The Agent shall incur no liability hereunder in acting upon any notice,

certificate, warrant or other paper or instrument believed by it in good faith to be genuine and signed by the proper party or parties, or with respect to anything which it may do or refrain from doing in the exercise of its best judgment, or which may seem to it to be necessary or desirable in the premises, except liability resulting from its willful misconduct or negligence; provided, however, that in case the Agent shall have actual knowledge of the occurrence of a Default, the Agent shall notify the Investors thereof promptly by registered mail and shall take such action and assert such rights under the CSA as shall be agreed upon by Investors holding interests totaling more than 50% of the aggregate CSA Indebtedness then outstanding. In case the Agent is required to take action hereunder, it shall be indemnified by the Investors in proportion to their respective interests in the aggregate CSA Indebtedness then outstanding against any liability or expense, including reasonable counsel fees, in connection with taking such action or asserting such rights. So long as the Railroad or any person controlling, controlled by or under common control with the Railroad shall hold any interest in the CSA Indebtedness, such interest shall be disregarded for purposes of any direction of Investors to the Agent pursuant to this Paragraph 8.

The Agent may consult with legal counsel of its own choice and the Agent shall be under no liability for any action taken or suffered in good faith by it in accordance with the opinion of such counsel, so long as such opinion relates to legal matters.

9. So long as any CSA Indebtedness shall be unpaid, the Railroad will deliver to the Agent and to each Investor, (i) as soon as available, and in any event within 120 days after the end of each fiscal year, copies of its annual report on Form 10-K to the Securities and Exchange Commission ("SEC"), containing the financial statements required by Form 10-K and, as soon as available, copies of any report in Form 8-K to the SEC; (ii) as soon as available, and in any event within 45 days after the end of each of the first three quarterly periods of each such fiscal year, copies of its report on Form 10-Q to the SEC containing the financial statements required by Form 10-Q and, as soon as available, copies of any report on Form 8-K to the SEC; (iii) as soon as practicable, copies of the Annual Report to stockholders of CSX Corporation; (iv) promptly upon the filing of the same, the annual report of CSX Corporation, on Form 10-K under the Securities Exchange Act of 1934; (v) promptly upon the filing of the

same, a copy of each prospectus filed by the Railroad (and, upon request of the Investor, of CSX Corporation) with the Securities and Exchange Commission pursuant to Rule 424(b) of the rules and regulations of such Commission under the Securities Act of 1933; and (vi) with reasonable promptness, such other data as from time to time reasonably may be requested. If at any time the Railroad is not required to file Form 10-K's or Form 10-Q's with the SEC, the Railroad will deliver to each Investor, in lieu thereof, the financial statements which would have been required by the foregoing sentence if the Railroad were then subject to the reporting requirements of the SEC.

Within 120 days of the end of each fiscal year of the Railroad, the Railroad will deliver to the Agent and to each Investor a certificate of the President or Vice President and Treasurer or an Assistant Treasurer of the Railroad stating that the signatories have reviewed the relevant terms of the CSA and the Assignment and have made, or caused to be made under their supervision, a review of the transactions or conditions of the Railroad and its consolidated subsidiaries from the beginning of the accounting period covered by the income statements being delivered separately or therewith to the date of the certificate and that such review has not disclosed the existence during such period of any Default or if any such Default existed or exists, specifying the nature and period of existence thereof and what action the Railroad has taken or proposed to take with respect thereto.

Whenever any of the Investors shall have any concern about the affairs, finances and accounts of the Railroad, it will permit the Agent and any representatives of the Investors to discuss the affairs, finances and accounts of the Railroad with its officers and employees, all at such reasonable times and as often as reasonably may be requested.

10. The Agent will promptly mail or deliver one counterpart or copy of all notices, reports, statements or documents received by it from the Railroad pursuant to this Agreement, the CSA or the Assignment to each Investor.

11. All notices, instructions, directions and approvals to be delivered hereunder to the Agent by any Investor shall be in writing signed by an officer, assistant officer, manager or assistant manager of such Investor or another person thereunto duly authorized by such Investor,

and the Agent may rely on any notice, instruction, direction or approval so signed.

12. The Agent represents and warrants that it has all necessary corporate authority to enter into this Agreement and the Assignment and to execute and deliver the certificates of interest. The Agent makes no representation and assumes no responsibility with respect to (i) the validity of the CSA or the Assignment or any certificate of interest (except with respect to its own execution thereof) or any of the matters covered thereby or (ii) the value of or the title to the Equipment.

13. In the event of any dispute with respect to the delivery or ownership or right to possession of funds or documents at any time held by the Agent hereunder, or with respect to title to any unit of the Equipment, the Agent is hereby authorized and directed to retain, without liability to anyone, all or any of such funds or documents and title to such unit of the Equipment until such dispute shall have been settled either by agreement of the Investors or by final order, decree or judgment of a court of competent jurisdiction.

14. All documents and funds deliverable hereunder to the Permanent Investor shall be delivered or mailed to it at its address set forth in Schedule A hereto, or as it may otherwise specify.

All documents deliverable hereunder to the Agent shall be delivered to it at its address at P.O. Box 2258 (Two Hopkins Plaza, if by hand), Baltimore, Maryland 21203, Attention of Corporate Trust Department, or as the Agent may otherwise specify.

All documents and funds deliverable hereunder to the Railroad shall be delivered to it at its address at 100 North Charles Street, Baltimore, Maryland 21201, Attention of Treasurer-303.

15. The Agent shall be entitled to terminate its duties and responsibilities hereunder by giving written notice to the Investors that it desires to terminate such duties and responsibilities on a date (at least 30 days subsequent to the giving of such notice) stated in said notice; it being understood and agreed that the Agent shall also give such notice if it is directed to do so by Investors holding interests totaling more than 50% of the aggregate CSA Indebtedness then outstanding. If, prior to

the date stated in said notice, Investors holding interests totaling more than 50% of the aggregate CSA Indebtedness then outstanding shall have requested in writing that the Agent assign to a person or institution designated by such Investors all right, title and interest of the Agent under the CSA and the Assignment and in and to the Equipment, the Agent shall comply with such request. In the event that such request is not received by the Agent on or before the date designated in said notice, the Agent shall be entitled to appoint a successor to act hereunder and to assign to such successor, subject to the provisions of this Agreement, all such right, title and interest of the Agent. Upon such assignment by the Agent to a person or institution designated by such Investors or, in the absence of such designation, to a successor appointed by the Agent, the Agent shall be thereafter relieved of all duties and responsibilities hereunder. Any successor appointed hereunder shall be a bank or trust company located in Baltimore, Maryland, or in New York, New York, having capital and surplus aggregating at least $50,000,000.

Any corporation resulting from any merger or consolidation to which the Agent or any successor to it shall be a party, or any corporation in any manner succeeding to all or substantially all the corporate trust business of the Agent or any successor Agent, provided such corporation shall be a bank or a trust company doing business in New York, New York, or in Baltimore, Maryland, having a capital and surplus aggregating at least $50,000,000, shall be the successor agent hereunder without the execution or filing of any paper or further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

16. The Railroad and the Agent, as assignee of the Vendors under the Assignment, agree that, subject to the payment of the amount to be paid by the Permanent Investor and by the Railroad pursuant to Paragraph 1 hereof, the CSA shall be amended as follows:

(a) The interest rate shown on the cover of the CSA is changed from "14%" to "11.8%".

(b) There shall be added at the end of Article 1 of each CSA an additional sentence reading as follows:

"The Railroad is concurrently herewith entering into five other Conditional Sale Agreements dated as of July 15, 1984 (the "Other CSAs") providing

for the conditional sale to the Railroad of additional 100-ton open top hopper cars (the aggregate number of hoppers cars covered by this Agreement and the Other CSAs being 721)"

(c) The fourth and fifth paragraphs of Article 4 of the CSA are deleted and the following is substituted therefor:

"The Railroad hereby acknowledges itself to be indebted to the Vendor under this Agreement and the Vendors under the Other CSAs in the aggregate amount of, and hereby promises to pay to the Vendors at such place as the Vendors or their assignee shall designate, the remainder of the aggregate Purchase Price of the Equipment ($13,405,800, as of December 15, 1985, hereinafter called the "CSA Indebtedness") in ten (10) equal annual installments as hereinafter provided."

"The installments of the CSA Indebtedness payable pursuant to the fourth paragraph of this Article 4 shall be payable annually, in immediately available funds, on July 15 in each year commencing on July 15, 1985, to and including July 15, 1994. The unpaid portion of the CSA Indebtedness shall bear interest from the respective dates on which such indebtedness was incurred at the rate of 11.8% per annum. Such interest shall be payable to the extent accrued, in immediately available funds, on January 15 and July 15 in each year, commencing July 15, 1985."

(d) the seventh paragraph of Article 4 of the CSA is deleted and the following is substituted therefor:

"All interest under this Agreement shall be calculated on the basis of a 360-day year of twelve 30-day months, except that interest payable on July 15, 1985, shall be calculated on an actual elapsed day, calendar-year basis."

(e) In the eighth paragraph of Article 4 of the CSA, the figure "15%" is changed to "12.8%".

(f) There shall be added at the end of the last sentence of the first paragraph of Article 8 of each CSA the following:

"; provided, however, the Railroad agrees that the aggregate Casualty Values (as defined herein and

in the Other CSAs) in respect of which the Railroad has not made payment under this Agreement and the Other CSAs shall at no time exceed $500,000.

(g) The second sentence of the first paragraph of Article 14 of each CSA is amended to read as follows:

"The Railroad likewise will indemnify, protect and hold harmless the Vendor from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Vendor because of the use in or about the construction, renovation, repair or operation of any of the Equipment of any article or material or of any design, system, process, formula or combination which infringes or is claimed to infringe on any patent or other right."

(h) The fourth sentence of the first paragraph of Article 14 of each CSA is amended to read as follows:

"The Vendor will give notice to the Railroad of any claim known to the Vendor from which liability may be charged against the Railroad hereunder."

(i) The word "or" shall be added at the end of clause (e) in the first paragraph of Article 16 of each CSA and there shall be added after clause (e) the following:

"(f) an event of default shall occur and be continuing under any of the Other CSAs;"

17. The Railroad will pay or cause to be paid (i) the reasonable fees and disbursements of Cravath, Swaine & Moore, as special counsel for the Permanent Investor and the Agent, and the cost of producing and reproducing this Agreement, the CSA and the Assignment, (ii) the reasonable fees and disbursements of Wilmer, Cutler & Pickering, (iii) the fee payable to the placing agent in connection with the placement of the CSA Indebtedness with the Permanent Investors, (iv) the reasonable fees, costs and disbursements of the Agent, (v) the costs of filing and recording this Agreement and any amendments or supplements thereto with the Interstate Commerce Commission, and (vi) the costs of producing and reproducing any amendments or

supplements and the reasonable fees and disbursements of Cravath, Swaine & Moore in connection therewith. The Investor, the Permanent Investor and the Agent shall have no liability for any of the aforesaid fees, costs, disbursements and expenses.

18. The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the State of New York; provided, however, that the parties shall be entitled to all rights conferred by applicable Federal law and such additional rights arising out of the filing or recording hereof.

19. This Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as at least one counterpart shall be signed by each party hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their officers or other persons thereunto duly authorized, as of the date first above written.

[Seal]
Attest:

Corporate Trust Officer

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

by _____
Vice President

[Seal]
Attest:

Corporate Secretary

THE CHESAPEAKE AND OHIO RAILWAY COMPANY,

by _____
Senior Vice President

supplements and the reasonable fees and disbursements of Cravath, Swaine & Moore in connection therewith. The Investor, the Permanent Investor and the Agent shall have no liability for any of the aforesaid fees, costs, disbursements and expenses.

18. The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the State of New York; provided, however, that the parties shall be entitled to all rights conferred by applicable Federal law and such additional rights arising out of the filing or recording hereof.

19. This Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as at least one counterpart shall be signed by each party hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their officers or other persons thereunto duly authorized, as of the date first above written.

[Seal]
Attest:

Corporate Trust Officer

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

by

Vice President

[Seal]
Attest:

Corporate Secretary

THE CHESAPEAKE AND OHIO RAILWAY COMPANY,

by

Senior Vice President

INVESTOR:

RAILEASE, INCORPORATED,

by _____
Senior Vice President

PERMANENT INVESTOR:

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA,

by _____
Vice President

STATE OF OHIO)
) ss:
COUNTY OF CUYAHOGA)

On this 11th day of February , 1985, before me personally appeared P. R. Goodwin , to me personally known, who, being by me duly sworn, says that he is Senior Vice President of THE CHESAPEAKE AND OHIO RAILWAY 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.

Notary Public

[Notarial Seal]

LOUIS RECHER, Attorney
NOTARY PUBLIC - STATE OF OHIO
My commission has no expiration date.
Section 147.03 R. C.

My Commission has

STATE OF MARYLAND)
) ss:
CITY OF BALTIMORE)

On this day of February , 1985, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST 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.

Notary Public

[Notarial Seal]

My Commission expires

STATE OF OHIO)
) ss:
COUNTY OF CUYAHOGA)

On this day of February , 1985, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is Senior Vice President of THE CHESAPEAKE AND OHIO RAILWAY 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.

Notary Public

[Notarial Seal]

My Commission has

STATE OF MARYLAND)
) ss:
CITY OF BALTIMORE)

On this 11th day of February , 1985, before me personally appeared R. E. Schreiber , to me personally known, who, being by me duly sworn, says that he is a Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST 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.

Notary Public

[Notarial Seal]

My Commission expires 7/1/86

INVESTOR:

RAILEASE, INCORPORATED,

by

_____

Senior Vice President

PERMANENT INVESTOR:

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA,

by

_____

Vice President

supplements and the reasonable fees and disbursements of Cravath, Swaine & Moore in connection therewith. The Investor, the Permanent Investor and the Agent shall have no liability for any of the aforesaid fees, costs, disbursements and expenses.

18. The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the State of New York; provided, however, that the parties shall be entitled to all rights conferred by applicable Federal law and such additional rights arising out of the filing or recording hereof.

19. This Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as at least one counterpart shall be signed by each party hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their officers or other persons thereunto duly authorized, as of the date first above written.

[Seal]
Attest:

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

by

_____
Corporate Trust Officer

_____
Vice President

[Seal]
Attest:

THE CHESAPEAKE AND OHIO RAILWAY COMPANY,

by

_____
Corporate Secretary

_____
Senior Vice President

INVESTOR:

RAILEASE, INCORPORATED,

by

_____

Senior Vice President

PERMANENT INVESTOR:

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA,

by

_____

Vice President

STATE OF OHIO)
) ss:
COUNTY OF CUYAHOGA)

On this day of February , 1985, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is Senior Vice President of THE CHESAPEAKE AND OHIO RAILWAY 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.

Notary Public

[Notarial Seal]

My Commission has

STATE OF MARYLAND)
) ss:
CITY OF BALTIMORE)

On this day of February , 1985, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST 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.

Notary Public

[Notarial Seal]

My Commission expires

Name and Address of Investor	CSA Indebtedness Held
Railease, Incorporated P. O. Box 6419 Cleveland, Ohio 44101	$13,405,800

Name and Address of Permanent Investor	Commitment
The Prudential Insurance Company of America Prudential Plaza Newark, New Jersey 07101	$13,405,800

Attention of Senior Vice President in Charge of the Capital Markets Group

Payments by bank wire credit in immediately available funds to its Account No. 050-52-557 in Morgan Guaranty Trust Company of New York, 23 Wall Street, New York, N.Y. 10005.

In the case of all other communications, the first address set forth above.

	ICC Recording Information
Conditional Sale Agreement dated as of July, 15, 1984, between Citicorp Leasing, Inc. and The Chesapeake and Ohio Railway Company ("Railroad").	July 25, 1984 11:05 a.m. #14385
Agreement and Assignment dated as of July 15, 1984, between Citicorp Leasing, Inc. and Mercantile-Safe Deposit and Trust Company ("Agent").	#14385-A
Conditional Sale Agreement dated as of July 15, 1984, between Dollar Savings Bank and the Railroad.	July 13, 1984 9:25 a.m. #14366
Agreement and Assignment dated as of July 15, 1984, between Dollar Savings Bank and the Agent.	#14366-A
Conditional Sale Agreement dated as of July 15, 1984, between Life Insurance Company of Virginia and the Railroad.	July 13, 1984 9:25 a.m. #14367
Agreement and Assignment dated as of July 15, 1984, between Life Insurance Company of Virginia and the Agent.	#14367-A

Conditional Sale Agreement dated as of July 15, 1984, between Mellon Bank (East) N.A., as Agent for Paul Revere Life Insurance Company, Paul Revere Protective Life Insurance Company, Paul Revere Variable Annuity Insurance Company, and AVCO Corporation Retirement Income Trust and the Railroad.	July 20, 1984 10:25 a.m. #14378
Agreement and Assignment dated as of July 15, 1984, between Mellon Bank (East) N.A., as Agent for Paul Revere Life Insurance Company, Paul Revere Protective Life Insurance Company, Paul Revere Variable Annuity Insurance Company and AVCO Corporation Retirement Income Trust and the Agent.	#14378-A
Conditional Sale Agreement dated as of July 15, 1984, between Pension Investment Committee of Continental Financial Services Company, as Fiduciary for the Continental Group, Inc. Master Pension Trust and the Railroad.	July 13, 1984 9:25 a.m #14368
Agreement and Assignment date as of July 15, 1984, between Pension Investment Committee of Continental Financial Services Company, as Fiduciary for the Continental Group, Inc. Master Pension Trust and the Agent.	#14368-A
Conditional Sale Agreement dated as of July 15, 1984, between Pittsburgh National Bank and Railroad.	Sept. 25, 1984 11:40 a.m. #14432
Agreement and Assignment dated as of July 15, 1984, between Pittsburgh National Bank and the Agent.	#14432-A

CERTIFICATE OF INTEREST

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY ("Agent") hereby acknowledges receipt from

("Permanent Investor") of

Dollars ($), such sum having been paid by the Permanent Investor under and pursuant to the terms and conditions of an Amended and Restated Finance Agreement and Amendment dated as of January 15, 1985 ("Finance Agreement"), among the Agent, THE CHESAPEAKE AND OHIO RAILWAY COMPANY ("Railroad"), Railease, Incorporated and the Permanent Investor. By reason of such payment the Permanent Investor has an interest in a principal amount equal to such sum in the CSA Indebtedness (as defined in the CSA hereinafter mentioned) and in and to (i) the six related Conditional Sale Agreements dated as of July 15, 1984, as amended, ("CSA"), between the Railroad and each of the Vendors listed in Schedule B to the Finance Agreement ("Vendors"), (ii) the related Agreement and Assignment dated as of July 15, 1984, as amended, between the Vendors and the Agent, (iii) the right, title and interest of the Agent in and to the railroad Equipment covered by the CSA and (iv) all cash and other property from time to time held by the Agent under the Finance Agreement, except to the extent that installments of such principal amount shall have been paid.

Under the terms of the CSA and the Finance Agreement, subject to the rights of prepayment contained therein in the event of a Casualty Occurrence (as defined therein), (i) such principal amount is repayable in 10 consecutive equal annual installments on July 15 in each year commencing July 15, 1985, to and including July 15, 1994, (ii) such principal amount bears interest, payable semiannually on January 15 and July 15 in each year, commencing July 15, 1985, on the unpaid portion thereof from time to time outstanding from the date of this certificate until the same shall have become due and payable, at the rate of 11.8% per annum, and (iii) all such principal and interest remaining unpaid after the same shall have become due and payable bears interest, to the extent legally enforceable, at the rate of 12.8% per annum. All payments received by the Agent

in accordance with the terms of the Finance Agreement and the CSA shall be disbursed by the Agent in accordance with the terms and conditions of the Finance Agreement.

Dated:

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent under the Finance Agreement,

By _____
Authorized Officer

INQUIRY SHOULD BE MADE OF THE AGENT IF CERTIFICATION AS TO BALANCE DUE HEREUNDER IS REQUIRED

EXHIBIT A
to
Finance Agreement

NOTE: The six CSA's were prepared from the same basic form with some use of variable pages. The attached composite copy of the six CSA's shows all variable pages (in sequence) and all common pages.

EXECUTED IN
OF WHICH THIS IS

RECORDATION NO. 14368
INTERSTATE COMMERCE COMMISSION

CONDITIONAL SALE AGREEMENT

Dated as of July 15, 1984

between

PENSION INVESTMENT COMMITTEE
OF CONTINENTAL FINANCIAL SERVICES COMPANY,
AS FIDUCIARY FOR THE CONTINENTAL GROUP, INC.
MASTER PENSION TRUST

and

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

14% Conditional Sale Indebtedness due July 15, 1994

EXECUTED IN ..... PER CENTRAL
OF WHICH THIS IS NO. ...

14385
RECORDATION NO. ..... Filed 1425

JUL 25 1984 11 05 AM

INTERSTATE COMMERCE COMMISSION

CONDITIONAL SALE AGREEMENT

Dated as of July 15, 1984

between

CITICORP LEASING, INC.

and

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

14% Conditional Sale Indebtedness due July 15, 1994

EXECUTED IN [illegible] COUNTERPARTS

OF WHICH THIS IS NO. [illegible]

14366

RECORDATION NO. [illegible] FILED 1425

JUL 19 9 [illegible] AM

INTERSTATE COMMERCE COMMISSION

CONDITIONAL SALE AGREEMENT

Dated as of July 15, 1984

between

DOLLAR SAVINGS BANK

and

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

14% Conditional Sale Indebtedness due July 15, 1994

EXECUTED IN 4 COUNTERPARTS
OF WHICH THIS IS NO. 4

14378

INTERSTATE COMMERCE COMMISSION

CONDITIONAL SALE AGREEMENT

Dated as of July 15, 1984

between

MELLON BANK (EAST) N.A.
GIRARD BANK, AS AGENT
FOR PAUL REVERE LIFE INSURANCE COMPANY,
PAUL REVERE PROTECTIVE LIFE INSURANCE COMPANY
PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY,
AND AVCO CORPORATION RETIREMENT INCOME TRUST

and

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

14% Conditional Sale Indebtedness due July 15, 1994

EXECUTED IN ...

OF WHICH THIS IS NO. 2

14432

RECORDATION NO. ..... Filed 1425

SEP 25 1984 - 1 22 AM

INTERSTATE COMMERCE COMMISSION

CONDITIONAL SALE AGREEMENT

Dated as of July 15, 1984

between

PITTSBURGH NATIONAL BANK

and

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

14% Conditional Sale Indebtedness due July 15, 1994

EXECUTED IN ...
OF WHICH THIS IS ...

14367
RECORDATION NO. ... FILED
... 9 22 AM
INTERSTATE COMMERCE COMMISSION

CONDITIONAL SALE AGREEMENT

Dated as of July 15, 1984

between

LIFE INSURANCE COMPANY OF VIRGINIA

and

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

14% Conditional Sale Indebtedness due July 15, 1994

CONDITIONAL SALE AGREEMENT

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SCHEDULE A—Miscellaneous
SCHEDULE B—Specification

CONDITIONAL SALE AGREEMENT dated as of July 15, 1984, between PENSION INVESTMENT COMMITTEE OF CONTINENTAL FINANCIAL SERVICES COMPANY, AS FIDUCIARY FOR THE CONTINENTAL GROUP, INC. MASTER PENSION TRUST, (the "Vendor"), and THE CHESAPEAKE AND OHIO RAILWAY COMPANY, a Virginia corporation (the "Railroad").

The Vendor has agreed to sell and deliver to the Railroad, and the Railroad has agreed to purchase, the equipment described in Schedule B hereto (the "Equipment");

In consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

ARTICLE 1. Certain Definitions. The term "Vendor", whenever used in this Agreement, means, both before and after any assignment of any of its rights hereunder, the corporation listed in Item 1 of Schedule A hereto and any successor or successors for the time being to its respective properties and businesses, and, after any such assignment, both any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also any assignor as regards any rights hereunder that are retained or excluded from any assignment. The Railroad has entered into a Finance Agreement dated as of the date hereof (the "Finance Agreement"), among the Railroad, Mercantile-Safe Deposit and Trust Company, as Agent, and the party named in Schedule A thereto (the "Investor").

ARTICLE 2. Sale. Pursuant to this Agreement, the Vendor will sell and deliver the units of Equipment to the Railroad, and the Railroad will purchase from the Vendor and accept delivery of and pay for (as hereinafter provided), such Equipment, each unit of which shall be in good order and repair. The design, quality and component parts of each unit of the Equipment shall conform, on the date of delivery thereof to the Railroad, to all regulatory requirements and specifications reasonably interpreted as being applicable to equipment of the character of such units of the Equipment.

ARTICLE 3. Inspection and Delivery. The Vendor will deliver the units of Equipment to the Railroad at the place or places specified in Schedule B hereto (or if Schedule B does not specify a place or places, at the place or places designated from time to time by the Railroad), in accordance with the delivery schedule set forth in Schedule B hereto; provided, however, that the Vendor shall not be obligated to deliver any unit of Equipment hereunder at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 hereof or if any event of default (as described in Article 16 hereof), or event which with the lapse of time and/or demand could constitute such an event of default, shall have occurred and be continuing.

The Vendor's obligation as to time of delivery is subject, however, to delays resulting from causes beyond the Vendor's reasonable control, including but not limited to acts of God, acts of government such as embargoes, priorities and allocations, war or war conditions, riot or civil commotion, sabotage, strikes, differences with workmen, accidents, fire, flood, explosion, damage to plant, equipment or facilities, delays in receiving necessary materials or delays of carriers or subcontractors.

CONDITIONAL SALE AGREEMENT dated as of July 15, 1984, between CITICORP LEASING, INC., a Delaware corporation (the "Vendor"), and THE CHESAPEAKE AND OHIO RAILWAY COMPANY, a Virginia corporation (the "Railroad").

The Vendor has agreed to sell and deliver to the Railroad, and the Railroad has agreed to purchase, the equipment described in Schedule B hereto (the "Equipment");

In consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

ARTICLE 1. Certain Definitions. The term "Vendor", whenever used in this Agreement, means, both before and after any assignment of any of its rights hereunder, the corporation listed in Item 1 of Schedule A hereto and any successor or successors for the time being to its respective properties and businesses, and, after any such assignment, both any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also any assignor as regards any rights hereunder that are retained or excluded from any assignment. The Railroad has entered into a Finance Agreement dated as of the date hereof (the "Finance Agreement"), among the Railroad, Mercantile-Safe Deposit and Trust Company, as Agent, and the party named in Schedule A thereto (the "Investor").

ARTICLE 2. Sale. Pursuant to this Agreement, the Vendor will sell and deliver the units of Equipment to the Railroad, and the Railroad will purchase from the Vendor and accept delivery of and pay for (as hereinafter provided), such Equipment, each unit of which shall be in good order and repair.

ARTICLE 3. Inspection and Delivery. The Vendor will deliver the units of Equipment to the Railroad at the place or places specified in Schedule B hereto (or if Schedule B does not specify a place or places, at the place or places designated from time to time by the Railroad), in accordance with the delivery schedule set forth in Schedule B hereto; provided, however, that the Vendor shall not be obligated to deliver any unit of Equipment hereunder at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 hereof or if any event of default (as described in Article 16 hereof), or event which with the lapse of time and/or demand could constitute such an event of default, shall have occurred and be continuing.

The Vendor's obligation as to time of delivery is subject, however, to delays resulting from causes beyond the Vendor's reasonable control, including but not limited to acts of God, acts of government such as embargoes, priorities and allocations, war or war conditions, riot or civil commotion, sabotage, strikes, differences with workmen, accidents, fire, flood, explosion, damage to plant, equipment or facilities, delays in receiving necessary materials or delays of carriers or subcontractors.

CONDITIONAL SALE AGREEMENT dated as of July 15, 1984, between DOLLAR SAVINGS BANK, a Pennsylvania corporation (the "Vendor"), and THE CHESAPEAKE AND OHIO RAILWAY COMPANY, a Virginia corporation (the "Railroad").

The Vendor has agreed to sell and deliver to the Railroad, and the Railroad has agreed to purchase, the equipment described in Schedule B hereto (the "Equipment");

In consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

ARTICLE 1. Certain Definitions. The term "Vendor", whenever used in this Agreement, means, both before and after any assignment of any of its rights hereunder, the corporation listed in Item 1 of Schedule A hereto and any successor or successors for the time being to its respective properties and businesses, and, after any such assignment, both any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also any assignor as regards any rights hereunder that are retained or excluded from any assignment. The Railroad has entered into a Finance Agreement dated as of the date hereof (the "Finance Agreement"), among the Railroad, Mercantile-Safe Deposit and Trust Company, as Agent, and the party named in Schedule A thereto (the "Investor").

ARTICLE 2. Sale. Pursuant to this Agreement, the Vendor will sell and deliver the units of Equipment to the Railroad, and the Railroad will purchase from the Vendor and accept delivery of and pay for (as hereinafter provided), such Equipment, each unit of which shall be in good order and repair.

ARTICLE 3. Inspection and Delivery. The Vendor will deliver the units of Equipment to the Railroad at the place or places specified in Schedule B hereto (or if Schedule B does not specify a place or places, at the place or places designated from time to time by the Railroad), in accordance with the delivery schedule set forth in Schedule B hereto; provided, however, that the Vendor shall not be obligated to deliver any unit of Equipment hereunder at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 hereof or if any event of default (as described in Article 16 hereof), or event which with the lapse of time and/or demand could constitute such an event of default, shall have occurred and be continuing.

The Vendor's obligation as to time of delivery is subject, however, to delays resulting from causes beyond the Vendor's reasonable control, including but not limited to acts of God, acts of government such as embargoes, priorities and allocations, war or war conditions, riot or civil commotion, sabotage, strikes, differences with workmen, accidents, fire, flood, explosion, damage to plant, equipment or facilities, delays in receiving necessary materials or delays of carriers or subcontractors.

CONDITIONAL SALE AGREEMENT dated as of July 15, 1984, between GIRARD BANK, AS AGENT FOR PAUL REVERE LIFE INSURANCE COMPANY, PAUL REVERE PROTECTIVE LIFE INSURANCE COMPANY, PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY, AND AVCO CORPORATION RETIREMENT INCOME TRUST, a Pennsylvania corporation (the "Vendor"), and THE CHESAPEAKE AND OHIO RAILWAY COMPANY, a Virginia corporation (the "Railroad").

The Vendor has agreed to sell and deliver to the Railroad, and the Railroad has agreed to purchase, the equipment described in Schedule B hereto (the "Equipment");

In consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

ARTICLE 1. Certain Definitions. The term "Vendor", whenever used in this Agreement, means, both before and after any assignment of any of its rights hereunder, the corporation listed in Item 1 of Schedule A hereto and any successor or successors for the time being to its respective properties and businesses, and, after any such assignment, both any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also any assignor as regards any rights hereunder that are retained or excluded from any assignment. The Railroad has entered into a Finance Agreement dated as of the date hereof (the "Finance Agreement"), among the Railroad, Mercantile-Safe Deposit and Trust Company, as Agent, and the party named in Schedule A thereto (the "Investor").

ARTICLE 2. Sale. Pursuant to this Agreement, the Vendor will sell and deliver the units of Equipment to the Railroad, and the Railroad will purchase from the Vendor and accept delivery of and pay for (as hereinafter provided), such Equipment, each unit of which shall be in good order and repair.

ARTICLE 3. Inspection and Delivery. The Vendor will deliver the units of Equipment to the Railroad at the place or places specified in Schedule B hereto (or if Schedule B does not specify a place or places, at the place or places designated from time to time by the Railroad), in accordance with the delivery schedule set forth in Schedule B hereto; provided, however, that the Vendor shall not be obligated to deliver any unit of Equipment hereunder at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 hereof or if any event of default (as described in Article 16 hereof), or event which with the lapse of time and/or demand could constitute such an event of default, shall have occurred and be continuing.

The Vendor's obligation as to time of delivery is subject, however, to delays resulting from causes beyond the Vendor's reasonable control, including but not limited to acts of God, acts of government such as embargoes, priorities and allocations, war or war conditions, riot or civil commotion, sabotage, strikes, differences with workmen, accidents, fire, flood, explosion, damage to plant, equipment or facilities, delays in receiving necessary materials or delays of carriers or subcontractors.

CONDITIONAL SALE AGREEMENT dated as of July 15, 1984, between PITTSBURGH NATIONAL BANK, a national banking association (the "Vendor"), and THE CHESAPEAKE AND OHIO RAILWAY COMPANY, a Virginia corporation (the "Railroad").

The Vendor has agreed to sell and deliver to the Railroad, and the Railroad has agreed to purchase, the equipment described in Schedule B hereto (the "Equipment");

In consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

ARTICLE 1. Certain Definitions. The term "Vendor", whenever used in this Agreement, means, both before and after any assignment of any of its rights hereunder, the national banking association listed in Item 1 of Schedule A hereto and any successor or successors for the time being to its respective properties and businesses, and, after any such assignment, both any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also any assignor as regards any rights hereunder that are retained or excluded from any assignment. The Railroad has entered into a Finance Agreement dated as of the date hereof (the "Finance Agreement"), among the Railroad, Mercantile-Safe Deposit and Trust Company, as Agent, and the party named in Schedule A thereto (the "Investor").

ARTICLE 2. Sale. Pursuant to this Agreement, the Vendor will sell and deliver the units of Equipment to the Railroad, and the Railroad will purchase from the Vendor and accept delivery of and pay for (as hereinafter provided), such Equipment, each unit of which shall be in good order and repair. The design, quality and component parts of each unit of the Equipment shall conform, on the date of delivery thereof to the Railroad, to all regulatory requirements and specifications reasonably interpreted as being applicable to equipment of the character of such units of the Equipment.

ARTICLE 3. Inspection and Delivery. The Vendor will deliver the units of Equipment to the Railroad at the place or places specified in Schedule B hereto (or if Schedule B does not specify a place or places, at the place or places designated from time to time by the Railroad), in accordance with the delivery schedule set forth in Schedule B hereto; provided, however, that the Vendor shall not be obligated to deliver any unit of Equipment hereunder at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 hereof or if any event of default (as described in Article 16 hereof), or event which with the lapse of time and/or demand could constitute such an event of default, shall have occurred and be continuing.

The Vendor's obligation as to time of delivery is subject, however, to delays resulting from causes beyond the Vendor's reasonable control, including but not limited to acts of God, acts of government such as embargoes, priorities and allocations, war or war conditions, riot or civil commotion, sabotage, strikes, differences with workmen, accidents, fire, flood, explosion, damage to plant, equipment or facilities, delays in receiving necessary materials or delays of carriers or subcontractors.

CONDITIONAL SALE AGREEMENT dated as of July 15, 1984, between LIFE INSURANCE COMPANY OF VIRGINIA, a Virginia corporation (the "Vendor"), and THE CHESAPEAKE AND OHIO RAILWAY COMPANY, a Virginia corporation (the "Railroad").

The Vendor has agreed to sell and deliver to the Railroad, and the Railroad has agreed to purchase, the equipment described in Schedule B hereto (the "Equipment");

In consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

ARTICLE 1. Certain Definitions. The term "Vendor", whenever used in this Agreement, means, both before and after any assignment of any of its rights hereunder, the corporation listed in Item 1 of Schedule A hereto and any successor or successors for the time being to its respective properties and businesses, and, after any such assignment, both any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also any assignor as regards any rights hereunder that are retained or excluded from any assignment. The Railroad has entered into a Finance Agreement dated as of the date hereof (the "Finance Agreement"), among the Railroad, Mercantile-Safe Deposit and Trust Company, as Agent, and the party named in Schedule A thereto (the "Investor").

ARTICLE 2. Sale. Pursuant to this Agreement, the Vendor will sell and deliver the units of Equipment to the Railroad, and the Railroad will purchase from the Vendor and accept delivery of and pay for (as hereinafter provided), such Equipment, each unit of which shall be in good order and repair. The design, quality and component parts of each unit of the Equipment shall conform, on the date of delivery thereof to the Railroad, to all regulatory requirements and specifications reasonably interpreted as being applicable to equipment of the character of such units of the Equipment.

ARTICLE 3. Inspection and Delivery. The Vendor will deliver the units of Equipment to the Railroad at the place or places specified in Schedule B hereto (or if Schedule B does not specify a place or places, at the place or places designated from time to time by the Railroad), in accordance with the delivery schedule set forth in Schedule B hereto; provided, however, that the Vendor shall not be obligated to deliver any unit of Equipment hereunder at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 hereof or if any event of default (as described in Article 16 hereof), or event which with the lapse of time and/or demand could constitute such an event of default, shall have occurred and be continuing.

The Vendor's obligation as to time of delivery is subject, however, to delays resulting from causes beyond the Vendor's reasonable control, including but not limited to acts of God, acts of government such as embargoes, priorities and allocations, war or war conditions, riot or civil commotion, sabotage, strikes, differences with workmen, accidents, fire, flood, explosion, damage to plant, equipment or facilities, delays in receiving necessary materials or delays of carriers or subcontractors.

Notwithstanding the preceding provisions of this Article 3, any Equipment not delivered, accepted and settled for pursuant to Article 4 hereof on or before the Cut-Off Date (as defined in Article 4 hereof) shall be excluded herefrom. If any unit or units of Equipment shall be excluded from this Agreement pursuant to the immediately preceding sentence, the Vendor and the Railroad shall execute an agreement supplemental hereto limiting this Agreement to the units of Equipment not so excluded herefrom. If the Vendor's failure to deliver Equipment so excluded from this Agreement resulted from one or more of the causes set forth in the immediately preceding paragraph, the Railroad shall nevertheless be obligated to accept such Equipment and pay the full purchase price therefor, determined as provided in this Agreement, if and when such Equipment shall be completed and delivered by the Vendor, such payment to be in cash on the delivery of such Equipment, either directly or, in case the Railroad shall arrange therefor, by means of a conditional sale agreement or such other appropriate method of financing as the Railroad shall determine and as shall be reasonably acceptable to the Vendor.

During renovation, if any, the Equipment shall be subject to inspection and approval by the authorized inspectors of the Railroad, and the Vendor shall grant to such authorized inspectors reasonable access to its plant. The Vendor agrees to inspect all materials used in any such renovation of the Equipment in accordance with the standard quality control practices of the Vendor. Upon readiness of each unit or of a number of units of the Equipment, such unit or units shall be presented to an inspector of the Railroad for inspection at the place specified for delivery of such unit or units, and if each such unit is in good order and repair, such inspector or an authorized representative of the Railroad shall execute and deliver to the Vendor a certificate of acceptance (the "Certificate of Acceptance") stating that such unit or units have been inspected and accepted on behalf of the Railroad and are, or will be, marked in accordance with Article 7 hereof; provided, however, that the Vendor shall not thereby be relieved of its warranty referred to in Article 14 hereof. Units of the Equipment found by an inspector of the Railroad not to be in good order and repair shall be returned to the Vendor at the Vendor's sole expense.

On delivery of each such unit hereunder at the place specified for delivery, the Railroad will assume the responsibility and risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of such unit.

ARTICLE 4. Purchase Price and Payment. The base price or prices per unit of the Equipment are set forth in Schedule B hereto. Such base price or prices are subject to such increase or decrease as is agreed to by the Vendor and the Railroad. The term "Purchase Price" as used herein shall mean the base price or prices as so increased or decreased, including without limitation any increase pursuant to the presentation of a supplemental invoice as hereinafter provided.

If the aggregate Purchase Price shall exceed $361,000.00 plus the amount by which the investment of the Investor is increased pursuant to Paragraph 1 of the Finance Agreement (such amount as so increased being

Notwithstanding the preceding provisions of this Article 3, any Equipment not delivered, accepted and settled for pursuant to Article 4 hereof on or before the Cut-Off Date (as defined in Article 4 hereof) shall be excluded herefrom. If any unit or units of Equipment shall be excluded from this Agreement pursuant to the immediately preceding sentence, the Vendor and the Railroad shall execute an agreement supplemental hereto limiting this Agreement to the units of Equipment not so excluded herefrom. If the Vendor's failure to deliver Equipment so excluded from this Agreement resulted from one or more of the causes set forth in the immediately preceding paragraph, the Railroad shall nevertheless be obligated to accept such Equipment and pay the full purchase price therefor, determined as provided in this Agreement, if and when such Equipment shall be completed and delivered by the Vendor, such payment to be in cash on the delivery of such Equipment, either directly or, in case the Railroad shall arrange therefor, by means of a conditional sale agreement or such other appropriate method of financing as the Railroad shall determine and as shall be reasonably acceptable to the Vendor.

During renovation, if any, the Equipment shall be subject to inspection and approval by the authorized inspectors of the Railroad, and the Vendor shall grant to such authorized inspectors reasonable access to its plant. The Vendor agrees to inspect all materials used in any such renovation of the Equipment in accordance with the standard quality control practices of the Vendor. Upon readiness of each unit or of a number of units of the Equipment, such unit or units shall be presented to an inspector of the Railroad for inspection at the place specified for delivery of such unit or units, and if each such unit is in good order and repair, such inspector or an authorized representative of the Railroad shall execute and deliver to the Vendor a certificate of acceptance (the "Certificate of Acceptance") stating that such unit or units have been inspected and accepted on behalf of the Railroad and are, or will be, marked in accordance with Article 7 hereof. Units of the Equipment found by an inspector of the Railroad not to be in good order and repair shall be returned to the Vendor at the Vendor's sole expense.

On delivery of each such unit hereunder at the place specified for delivery, the Railroad will assume the responsibility and risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of such unit.

ARTICLE 4. Purchase Price and Payment. The base price or prices per unit of the Equipment are set forth in Schedule B hereto. Such base price or prices are subject to such increase or decrease as is agreed to by the Vendor and the Railroad. The term "Purchase Price" as used herein shall mean the base price or prices as so increased or decreased, including without limitation any increase pursuant to the presentation of a supplemental invoice as hereinafter provided.

If the aggregate Purchase Price shall exceed $1,196,800.00 plus the amount by which the investment of the Investor is increased pursuant to Paragraph 1 of the Finance Agreement (such amount as so increased being

Notwithstanding the preceding provisions of this Article 3, any Equipment not delivered, accepted and settled for pursuant to Article 4 hereof on or before the Cut-Off Date (as defined in Article 4 hereof) shall be excluded herefrom. If any unit or units of Equipment shall be excluded from this Agreement pursuant to the immediately preceding sentence, the Vendor and the Railroad shall execute an agreement supplemental hereto limiting this Agreement to the units of Equipment not so excluded herefrom. If the Vendor's failure to deliver Equipment so excluded from this Agreement resulted from one or more of the causes set forth in the immediately preceding paragraph, the Railroad shall nevertheless be obligated to accept such Equipment and pay the full purchase price therefor, determined as provided in this Agreement, if and when such Equipment shall be completed and delivered by the Vendor, such payment to be in cash on the delivery of such Equipment, either directly or, in case the Railroad shall arrange therefor, by means of a conditional sale agreement or such other appropriate method of financing as the Railroad shall determine and as shall be reasonably acceptable to the Vendor.

During renovation, if any, the Equipment shall be subject to inspection and approval by the authorized inspectors of the Railroad, and the Vendor shall grant to such authorized inspectors reasonable access to its plant. The Vendor agrees to inspect all materials used in any such renovation of the Equipment in accordance with the standard quality control practices of the Vendor. Upon readiness of each unit or of a number of units of the Equipment, such unit or units shall be presented to an inspector of the Railroad for inspection at the place specified for delivery of such unit or units, and if each such unit is in good order and repair, such inspector or an authorized representative of the Railroad shall execute and deliver to the Vendor a certificate of acceptance (the "Certificate of Acceptance") stating that such unit or units have been inspected and accepted on behalf of the Railroad and are, or will be, marked in accordance with Article 7 hereof; provided, however, that the Vendor shall not thereby be relieved of its warranty referred to in Article 14 hereof. Units of the Equipment found by an inspector of the Railroad not to be in good order and repair shall be returned to the Vendor at the Vendor's sole expense.

On delivery of each such unit hereunder at the place specified for delivery, the Railroad will assume the responsibility and risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of such unit.

ARTICLE 4. Purchase Price and Payment. The base price or prices per unit of the Equipment are set forth in Schedule B hereto. Such base price or prices are subject to such increase or decrease as is agreed to by the Vendor and the Railroad. The term "Purchase Price" as used herein shall mean the base price or prices as so increased or decreased, including without limitation any increase pursuant to the presentation of a supplemental invoice as hereinafter provided.

If the aggregate Purchase Price shall exceed $1,782,000.00 plus the amount by which the investment of the Investor is increased pursuant to Paragraph 1 of the Finance Agreement (such amount as so increased being

Notwithstanding the preceding provisions of this Article 3, any Equipment not delivered, accepted and settled for pursuant to Article 4 hereof on or before the Cut-Off Date (as defined in Article 4 hereof) shall be excluded herefrom. If any unit or units of Equipment shall be excluded from this Agreement pursuant to the immediately preceding sentence, the Vendor and the Railroad shall execute an agreement supplemental hereto limiting this Agreement to the units of Equipment not so excluded herefrom. If the Vendor's failure to deliver Equipment so excluded from this Agreement resulted from one or more of the causes set forth in the immediately preceding paragraph, the Railroad shall nevertheless be obligated to accept such Equipment and pay the full purchase price therefor, determined as provided in this Agreement, if and when such Equipment shall be completed and delivered by the Vendor, such payment to be in cash on the delivery of such Equipment, either directly or, in case the Railroad shall arrange therefor, by means of a conditional sale agreement or such other appropriate method of financing as the Railroad shall determine and as shall be reasonably acceptable to the Vendor.

During renovation, if any, the Equipment shall be subject to inspection and approval by the authorized inspectors of the Railroad, and the Vendor shall grant to such authorized inspectors reasonable access to its plant. The Vendor agrees to inspect all materials used in any such renovation of the Equipment in accordance with the standard quality control practices of the Vendor. Upon readiness of each unit or of a number of units of the Equipment, such unit or units shall be presented to an inspector of the Railroad for inspection at the place specified for delivery of such unit or units, and if each such unit is in good order and repair, such inspector or an authorized representative of the Railroad shall execute and deliver to the Vendor a certificate of acceptance (the "Certificate of Acceptance") stating that such unit or units have been inspected and accepted on behalf of the Railroad and are, or will be, marked in accordance with Article 7 hereof; provided, however, that the Vendor shall not thereby be relieved of its warranty referred to in Article 14 hereof. Units of the Equipment found by an inspector of the Railroad not to be in good order and repair shall be returned to the Vendor at the Vendor's sole expense.

On delivery of each such unit hereunder at the place specified for delivery, the Railroad will assume the responsibility and risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of such unit.

ARTICLE 4. Purchase Price and Payment. The base price or prices per unit of the Equipment are set forth in Schedule B hereto. Such base price or prices are subject to such increase or decrease as is agreed to by the Vendor and the Railroad. The term "Purchase Price" as used herein shall mean the base price or prices as so increased or decreased, including without limitation any increase pursuant to the presentation of a supplemental invoice as hereinafter provided.

If the aggregate Purchase Price shall exceed $3,990,000.00 plus the amount by which the investment of the Investor is increased pursuant to Paragraph 1 of the Finance Agreement (such amount as so increased being

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Notwithstanding the preceding provisions of this Article 3, any Equipment not delivered, accepted and settled for pursuant to Article 4 hereof on or before the Cut-Off Date (as defined in Article 4 hereof) shall be excluded herefrom. If any unit or units of Equipment shall be excluded from this Agreement pursuant to the immediately preceding sentence, the Vendor and the Railroad shall execute an agreement supplemental hereto limiting this Agreement to the units of Equipment not so excluded herefrom. If the Vendor's failure to deliver Equipment so excluded from this Agreement resulted from one or more of the causes set forth in the immediately preceding paragraph, the Railroad shall nevertheless be obligated to accept such Equipment and pay the full purchase price therefor, determined as provided in this Agreement, if and when such Equipment shall be completed and delivered by the Vendor, such payment to be in cash on the delivery of such Equipment, either directly or, in case the Railroad shall arrange therefor, by means of a conditional sale agreement or such other appropriate method of financing as the Railroad shall determine and as shall be reasonably acceptable to the Vendor.

During renovation, if any, the Equipment shall be subject to inspection and approval by the authorized inspectors of the Railroad, and the Vendor shall grant to such authorized inspectors reasonable access to its plant. The Vendor agrees to inspect all materials used in any such renovation of the Equipment in accordance with the standard quality control practices of the Vendor. Upon readiness of each unit or of a number of units of the Equipment, such unit or units shall be presented to an inspector of the Railroad for inspection at the place specified for delivery of such unit or units, and if each such unit is in good order and repair, such inspector or an authorized representative of the Railroad shall execute and deliver to the Vendor a certificate of acceptance (the "Certificate of Acceptance") stating that such unit or units have been inspected and accepted on behalf of the Railroad and are, or will be, marked in accordance with Article 7 hereof; provided, however, that the Vendor shall not thereby be relieved of its warranty referred to in Article 14 hereof. Units of the Equipment found by an inspector of the Railroad not to be in good order and repair shall be returned to the Vendor at the Vendor's sole expense.

On delivery of each such unit hereunder at the place specified for delivery, the Railroad will assume the responsibility and risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of such unit.

ARTICLE 4. Purchase Price and Payment. The base price or prices per unit of the Equipment are set forth in Schedule B hereto. Such base price or prices are subject to such increase or decrease as is agreed to by the Vendor and the Railroad. The term "Purchase Price" as used herein shall mean the base price or prices as so increased or decreased, including without limitation any increase pursuant to the presentation of a supplemental invoice as hereinafter provided.

If the aggregate Purchase Price shall exceed $5,446,400 plus the amount by which the investment of the Investor is increased pursuant to Paragraph 1 of the Finance Agreement (such amount as so increased being

Notwithstanding the preceding provisions of this Article 3, any Equipment not delivered, accepted and settled for pursuant to Article 4 hereof on or before the Cut-Off Date (as defined in Article 4 hereof) shall be excluded herefrom. If any unit or units of Equipment shall be excluded from this Agreement pursuant to the immediately preceding sentence, the Vendor and the Railroad shall execute an agreement supplemental hereto limiting this Agreement to the units of Equipment not so excluded herefrom. If the Vendor's failure to deliver Equipment so excluded from this Agreement resulted from one or more of the causes set forth in the immediately preceding paragraph, the Railroad shall nevertheless be obligated to accept such Equipment and pay the full purchase price therefor, determined as provided in this Agreement, if and when such Equipment shall be completed and delivered by the Vendor, such payment to be in cash on the delivery of such Equipment, either directly or, in case the Railroad shall arrange therefor, by means of a conditional sale agreement or such other appropriate method of financing as the Railroad shall determine and as shall be reasonably acceptable to the Vendor.

During renovation, if any, the Equipment shall be subject to inspection and approval by the authorized inspectors of the Railroad, and the Vendor shall grant to such authorized inspectors reasonable access to its plant. The Vendor agrees to inspect all materials used in any such renovation of the Equipment in accordance with the standard quality control practices of the Vendor. Upon readiness of each unit or of a number of units of the Equipment, such unit or units shall be presented to an inspector of the Railroad for inspection at the place specified for delivery of such unit or units, and if each such unit is in good order and repair, such inspector or an authorized representative of the Railroad shall execute and deliver to the Vendor a certificate of acceptance (the "Certificate of Acceptance") stating that such unit or units have been inspected and accepted on behalf of the Railroad and are, or will be, marked in accordance with Article 7 hereof; provided, however, that the Vendor shall not thereby be relieved of its warranty referred to in Article 14 hereof. Units of the Equipment found by an inspector of the Railroad not to be in good order and repair shall be returned to the Vendor at the Vendor's sole expense.

On delivery of each such unit hereunder at the place specified for delivery, the Railroad will assume the responsibility and risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of such unit.

ARTICLE 4. Purchase Price and Payment. The base price or prices per unit of the Equipment are set forth in Schedule B hereto. Such base price or prices are subject to such increase or decrease as is agreed to by the Vendor and the Railroad. The term "Purchase Price" as used herein shall mean the base price or prices as so increased or decreased, including without limitation any increase pursuant to the presentation of a supplemental invoice as hereinafter provided.

If the aggregate Purchase Price shall exceed $741,000.00 plus the amount by which the investment of the Investor is increased pursuant to Paragraph 1 of the Finance Agreement (such amount as so increased being

hereinafter called the "Maximum CSA Indebtedness"), the Vendor (and any assignee of the Vendor) and the Railroad, unless waived by the Railroad, will enter into an agreement excluding from this Agreement such unit or units of Equipment then proposed to be settled for and specified by the Railroad, as will, after giving effect to such exclusion, reduce the aggregate Purchase Price of the Equipment under this Agreement to not more than the Maximum CSA Indebtedness, and the Railroad agrees to purchase any such unit or units so excluded from this Agreement from the Vendor for cash on the date such unit or units would otherwise have been settled for under this Agreement either directly, or by means of a conditional sale, equipment trust or other appropriate method of financing as the Railroad shall determine and shall be reasonably acceptable to the Vendor.

For the purpose of making settlement, the Equipment shall be divided into such number of groups of units of the Equipment, delivered to and accepted by the Railroad (each such group being hereinafter called a "Group"), as the Vendor and the Railroad may agree to.

The Railroad hereby acknowledges itself to be indebted to the Vendor in the amount of, and hereby agrees to pay in cash to the Vendor at such place as the Vendor may designate, the Purchase Price of the Equipment, as follows:

(a) on each Closing Date (as hereinafter defined) the amount, if any, by which (x) the Purchase Price of all units of the Equipment for which settlement has theretofore and is then being made, as stated in the invoice or invoices presented (including the supplemental invoice or invoices hereinafter provided for) in respect of such Closing Date (said invoiced prices being hereinafter called the "Invoiced Purchase Prices"), exceeds (y) the sum of the Maximum CSA Indebtedness and any amount or amounts previously paid or payable with respect to the Invoiced Purchase Prices pursuant to this subparagraph (a); and

(b) in ten (10) consecutive equal annual installments, as hereinafter provided, an amount equal to the aggregate of the Invoiced Purchase Prices for all the Equipment less the amount paid or payable with respect thereto pursuant to subparagraph (a) of this paragraph (the aggregate of said installments being hereinafter called the "CSA Indebtedness").

In the event that on any Closing Date the final Purchase Price of any Group has not been finally determined, the invoice presented may be for an estimated Purchase Price (as evidenced by the words "Interim Invoice" written on the face of such invoice, subject to adjustment upon determination of the final Purchase Price, and a supplemental invoice may be presented by the Vendor at least 10 days prior to any subsequent Closing Date for settlement on such subsequent Closing Date for any increase in the Purchase Price; it being agreed by the Vendor that any prior preliminary invoice or invoices presented by the Vendor shall be in amount not in excess of the final Purchase Price of such Group. One final supplemental invoice (the "Final

Supplemental Invoice") may be presented by the Vendor after the last Closing Date on which a Certificate or Certificates of Acceptance are presented for the last Group of Equipment provided by the Vendor; provided, however, that the Final Supplemental Invoice may only be presented prior to the date set forth in Item 2 of Schedule A hereto (the "Cut-Off Date") and the notation "Final Supplemental Invoice" shall appear on the face thereof.

The installments of the CSA Indebtedness shall be payable annually on July 15 in each year commencing on July 15, 1985, to and including July 15, 1994. The unpaid portion of the CSA Indebtedness shall bear interest from the respective Closing Dates on which such CSA Indebtedness was incurred at the rate of 14% per annum, and such interest shall be payable, to the extent accrued, on January 15 and July 15 in each year, commencing January 15, 1985.

The term "Closing Date" with respect to any Group of the Equipment shall mean such date (on or after July 1, 1984, and prior to October 15, 1984, the "Cut-Off Date"), not more than ten business days following presentation by the Vendor to the Railroad of the invoice and the Certificate or Certificates of Acceptance for such Group, as shall be fixed by the Railroad by written notice delivered to the Vendor at least five business days prior to the Closing Date designated therein, except that the aggregate of the Invoiced Purchase Prices of all Equipment settled for pursuant to this Agreement on any Closing Date shall not exceed the amount then on deposit with the Vendor pursuant to the Finance Agreement. The term "business days" as used herein means calendar days, excluding Saturdays, Sundays and any other day on which banking institutions in Baltimore, Maryland, Cleveland, Ohio, or New York, New York, are authorized or obligated to remain closed.

All interest under this Agreement shall be calculated on the basis of a 360-day year of twelve 30-day months, except that interest payable on January 15, 1985, shall be calculated on an actual elapsed, 366-day year, basis.

The Railroad will pay, to the extent legally enforceable, interest at the rate of 15% per annum upon all amounts remaining unpaid after the same shall have become due and payable pursuant to the terms hereof, anything herein to the contrary notwithstanding.

All payments provided for in this Agreement shall be made 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. Except as provided in Article 8 hereof, the Railroad shall not have the privilege of prepaying any installment of its indebtedness hereunder prior to the date it becomes due.

In the event the Vendor, pursuant to Article 15 hereof, assigns the right to receive the payments herein provided to be made by the Railroad, the assignee thereof may request the Railroad to make and the Railroad shall make such payments to it at such address as shall be supplied to the Railroad by the assignee.

ARTICLE 5. Taxes. All payments to be made by the Railroad hereunder will be free of expense to the Vendor for collection or other charges and will be free of expense to the Vendor with respect to the amount of any local, state, federal or foreign taxes (other than net income, gross receipts (except gross receipts taxes in the nature of or in lieu of sales or use taxes), excess profits and similar taxes) or license fees, assessments, charges, fines or penalties hereafter levied or imposed upon or in connection with or measured by, this Agreement or any sale, use, payment, shipment, delivery or transfer of title under the terms hereof (all such expenses, taxes, license fees, assessments, charges, fines and penalties being hereinafter called "Impositions"), all of which Impositions the Railroad assumes and agrees to pay on demand. The Railroad will also pay promptly all Impositions which may be imposed upon the Equipment delivered to it or for the use or operation thereof or upon the earnings arising therefrom or upon the Vendor solely by reason of its interest therein and will keep at all times all and every part of the Equipment free and clear of all Impositions which might in any way affect the security interest of the Vendor or result in a lien upon any part of the Equipment; provided, however, that the Railroad shall be under no obligation to pay any Impositions of any kind so long as it is contesting in good faith and by appropriate legal proceedings such Impositions and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the interest or rights of the Vendor in or to the Equipment or otherwise under this Agreement. If any such Impositions shall have been charged or levied against the Vendor directly and paid by the Vendor, the Railroad shall reimburse the Vendor upon presentation of an invoice therefor, and any amounts so paid by the Vendor shall be secured by and under this Agreement; provided, however, that the Railroad shall not be obligated to reimburse the Vendor for any Impositions so paid unless the Vendor shall have been legally liable with respect thereto (as evidenced by an opinion of counsel for the Vendor) or unless the Railroad shall have approved the payment thereof.

ARTICLE 6. Security Interest in the Equipment. The Vendor shall and hereby does retain a security interest in the Equipment until the Railroad shall have made all its payments under this Agreement and shall have kept and performed all its agreements herein contained, notwithstanding the delivery of the Equipment to and the possession and use thereof by the Railroad as provided in this Agreement. Any and all additions to the Equipment (other than such additions not required for the normal use of the Equipment, any portion of the cost of which was paid by the Railroad, as are readily removable without causing damage to the Equipment) and any and all replacements of the Equipment and of parts thereof and additions thereto shall constitute accessions to the Equipment and shall be subject to all the terms and conditions of this Agreement and included in the term "Equipment" as used in this Agreement.

Except as otherwise specifically provided in Article 8 hereof, when and only when the full indebtedness in respect of the Purchase Price of the Equipment, together with interest and all other payments as herein provided, shall have been paid, and all the Railroad's obligations herein contained shall have been performed by the Railroad, absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Railroad without further transfer or action on the part of the Vendor. However, the

Vendor, if so requested by the Railroad at that time, will (a) execute a bill or bills of sale for the Equipment transferring and releasing its interest therein to the Railroad, or upon its order, free of all claims, liens, security interests and other encumbrances created or retained hereby and deliver such bill or bills of sale to the Railroad at its address referred to in Article 21 hereof, (b) execute and deliver at the same place, for filing, recording or depositing in all necessary public offices, such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the release of the security interest of the Vendor in the Equipment and (c) pay to the Railroad any money paid to the Vendor pursuant to Article 8 hereof and not theretofore applied as therein provided. The Railroad hereby waives and releases any and all rights, existing or that may be acquired, in or to the payment of any penalty, forfeit or damages for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file any certificate of payment in compliance with any law or statute requiring the filing of the same, except for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file such certificate within a reasonable time after written demand by the Railroad.

ARTICLE 7. Marking of Equipment. The Railroad will cause each unit of the Equipment to be kept numbered with its identifying number as set forth in Schedule B hereto, or in the case of Equipment not there listed such identifying number as shall be set forth in any amendment or supplement hereto extending this Agreement to cover such Equipment, and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each unit, in letters not less than one inch in height, the words "OWNERSHIP SUBJECT TO A SECURITY AGREEMENT FILED WITH THE INTERSTATE COMMERCE COMMISSION", or other appropriate markings approved by the Vendor, with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Vendor's title to and property in the Equipment and its rights under this Agreement. The Railroad will cause such markings to be placed on each Unit of Equipment on or prior to the date of acceptance hereunder, or if that is not feasible within a reasonable time thereafter, and will replace promptly any such markings which may be removed, defaced, obliterated or destroyed. The Railroad will not change the number of any unit of the Equipment except in accordance with a statement of new number or numbers to be substituted therefor, which statement previously shall have been filed with the Vendor by the Railroad and filed, recorded and deposited by the Railroad in all public offices where this Agreement or a financing statement in respect hereof shall have been filed, recorded and deposited.

Except as provided in the immediately preceding paragraph, the Railroad will not allow the name of any person, association or corporation to be placed on any unit of the Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Railroad may cause the Equipment to be lettered with the names or initials or other insignia of the Railroad or its affiliates.

ARTICLE 8. Casualty Occurrences; Insurance. In the event that any unit of the Equipment shall be worn out, lost, stolen, destroyed, irreparably damaged or otherwise rendered permanently unfit for use from any cause

whatsoever, or taken or requisitioned by condemnation or otherwise (any such occurrence being hereinafter called a "Casualty Occurrence"), the Railroad shall promptly and fully inform the Vendor in regard thereto (but no later than 30 days after it has knowledge of such Casualty Occurrence). When the aggregate Casualty Value (as defined herein) of all units of the Equipment having suffered a Casualty Occurrence (exclusive of units having suffered a Casualty Occurrence with respect to which a payment shall have been made to the Vendor pursuant to this Article 8) hereunder shall exceed $200,000 (or such lesser amount as the Railroad may elect), the Railroad, within 30 days after it has knowledge of such event, shall promptly pay to the Vendor a sum equal to the aggregate Casualty Value of such units of the Equipment as of the date of such payment and shall file with the Vendor a certificate of an officer of the Railroad setting forth the Casualty Value of each unit of the Equipment suffering a Casualty Occurrence.

So long as no event of default shall have occurred and be continuing, any money paid to the Vendor pursuant to the preceding paragraph of this Article 8 shall be used, as the Railroad shall direct in a written instrument filed with the Vendor within 30 days but not less than 10 days prior to the due date of the next annual installment of CSA Indebtedness in whole or in part, to prepay installments of CSA Indebtedness or, toward the cost of a unit or units of new equipment of the same type as the Equipment or new standard gauge railroad rolling stock (other than passenger or work equipment or cabooses) to replace units suffering a Casualty Occurrence; and in the event that no direction is so received by the Vendor, such moneys shall be applied by the Vendor to the prepayment of the CSA Indebtedness as aforesaid. In case any money is applied pursuant to this Article 8 to prepay CSA Indebtedness, it shall be so applied to reduce each installment of CSA Indebtedness thereafter falling due pro rata.

The Casualty Value of each unit of the Equipment (other than a replacement unit) shall be deemed to be that amount which bears the same ratio to the original Purchase Price thereof (less, in the event that the Railroad shall have made any payment or payments under the provisions of subparagraph (a) of the third paragraph of Article 4 hereof, an amount which bears the same ratio to the aggregate of all such payments as the original Purchase Price of such unit bears to the original aggregate Purchase Price of all the Equipment) as the unpaid CSA Indebtedness (without giving effect to any prepayments then or theretofore made pursuant to this Article 8) as of the date payment is made with respect to such Casualty Occurrence bears to the original CSA Indebtedness. The Casualty Value of each replacement unit shall be deemed to be that amount which bears the same ratio to the portion of the cost thereof paid by the Vendor as the unpaid CSA Indebtedness (without giving effect to any prepayments then or theretofore made pursuant to this Article 8) as of the date payment is made with respect to such Casualty Occurrence bears to the unpaid CSA Indebtedness (without giving effect to any such prepayments) as of the date of acquisition by the Vendor of such replacement unit.

The Railroad will cause any replacement unit or units to be marked as provided in Article 7 hereof. Any and all such replacements of Equipment shall constitute accessions to the Equipment and shall be subject to all appropriate terms and conditions of this Agreement as though part of the

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The Railroad will cause any replacement unit or units to be marked as provided in Article 7 hereof. Any and all such replacements of Equipment shall constitute accessions to the Equipment and shall be subject to all appropriate terms and conditions of this Agreement as though part of the

original Equipment delivered hereunder and shall be included in the term "Equipment" as used in this Agreement; provided, however, that nothing herein shall result in the Vendor's having any liability or obligation with respect to any replacement unit or units not sold by it. Title to all such replacement units shall be free and clear of all liens and encumbrances except the liens permitted by the second paragraph of Article 12 hereof and shall be taken initially and shall remain in the name of the Vendor subject to the provisions hereof, and the Railroad shall execute, acknowledge, deliver, file, record or deposit all such documents and do any and all such acts as may be necessary to cause such replacement units to come under and be subject to this Agreement. All such replacement units shall be guaranteed and warranted in like manner as is customary at the time for similar equipment.

Whenever the Railroad shall file with the Vendor a written direction to apply amounts toward the cost of any replacement unit or units, the Railroad shall file therewith:

(1) a certificate of an officer of the Railroad certifying that such replacement unit is new equipment of the same type as the Equipment or is new standard gauge railroad rolling stock (other than work or passenger equipment or cabooses) and has been marked as required by the provisions of Article 7 hereof and certifying the cost of such replacement unit; and

(2) an opinion of counsel for the Railroad that the Vendor has a valid and perfected first security interest in such replacement unit, free and clear from all claims, liens, security interests and other encumbrances except the rights of the Railroad under this Agreement, and that such unit has come under and become subject to this Agreement and all necessary filings and recordings have been made to perfect the interests of the Vendor therein.

So long as no event of default shall have occurred and be continuing, any money paid to the Vendor pursuant to this Article 8 shall, if the Railroad shall in writing so direct, be invested and reinvested (whether through outright purchase or repurchase agreements), pending its application as hereinabove provided, in such of the following as may be specified in such written direction: (i) direct obligations of the United States of America or obligations for which the faith of the United States is pledged to provide for the payment of principal and interest, (ii) open market commercial paper rated within the highest two grades by Standard & Poor's Corporation or by NCO/Moody's Commercial Paper Division of Moody's Investors Service, Inc., or the successor of either of them, or (iii) certificates of deposit of domestic commercial banks in the United States of America having a capital and surplus aggregating at least $500,000,000, in each case maturing in not more than one year from the date of such investment (such investments being hereinafter called "Investments"). Any such obligations shall from time to time be sold and the proceeds reinvested in such Investments as the Railroad may in writing direct. Any interest received by the Vendor on any Investments shall be held by the Vendor and applied as hereinafter provided. Upon any sale or the maturity of any Investments, the proceeds thereof, plus

any interest received by the Vendor thereon, up to the cost (including accrued interest) thereof, shall be held by the Vendor for application pursuant to this Article 8, and any excess shall be paid to the Railroad. If such proceeds (plus such interest) shall be less than such cost, the Railroad will promptly pay to the Vendor an amount equal to such deficiency. The Railroad will pay all expenses incurred by the Vendor in connection with the purchase and sale of Investments.

If any unit of the Equipment is removed for repairs other than running repairs or becomes unsuitable or not necessary for continued use by the Railroad in the Railroad's business or operations, such occurrence shall, upon the election of the Railroad evidenced by written notice to the Vendor, constitute a Casualty Occurrence subject to the provisions of this Article 8; provided, however, that the Railroad shall direct any money paid to the Vendor in respect thereof to be applied only toward the cost of replacement equipment and not to prepay any installment of CSA Indebtedness.

If one or more events of default shall have occurred and be continuing, all money held by the Vendor pursuant to this Article 8 (including, for this purpose, Investments) shall be applied by the Vendor as if such money were money received upon the sale of Equipment pursuant to Article 17 hereof.

In order to facilitate the sale or other disposition of any Equipment suffering a Casualty Occurrence, the Vendor shall, upon request of the Railroad, after payment by the Railroad of a sum equal to the Casualty Value of such Equipment, execute and deliver to the Railroad or the Railroad's vendee, assignee or nominee, a bill of sale (without warranties) for such Equipment, and such other documents as may be required to release such Equipment from the terms and scope of this Agreement, in such form as may be reasonably requested by the Railroad.

The Railroad will at all times prior to the payment of the full indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon and all other payments required hereby, at its own expense, cause to be carried and maintained insurance in respect of the Equipment at the time subject hereto in amounts and against risks customarily insured against by railroad companies on similar equipment, and in any event in amounts and against risks comparable to those insured against by the Railroad on similar equipment owned by it.

ARTICLE 9. Maintenance; Compliance with Laws and Rules. The Railroad will at all times maintain the Equipment or cause the Equipment to be maintained in good order and repair at its own expense.

During the term of this Agreement, the Railroad will at all times comply in all respects with all laws of the jurisdictions in which its operations involving the Equipment may extend and with all lawful rules of any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Equipment, to the extent that such laws and rules affect the title, operation or use of the Equipment, and in the event that such laws or rules require any alteration, replacement or addition of any part on any unit of the Equipment, the Railroad will conform therewith, at its own

expense; provided, however, that the Railroad may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the reasonable opinion of the Vendor, adversely affect the property or rights of the Vendor under this Agreement.

ARTICLE 10. Reports and Inspections. On or before November 1 in each year, commencing with the year 1985, the Railroad shall furnish to the Vendor an accurate statement signed by an officer of the Railroad (a) setting forth as of the preceding June 30 the amount, description and numbers of all units of the Equipment that have suffered a Casualty Occurrence during the preceding 12 months (or since the date of this Agreement in the case of the first such statement) or that have been withdrawn from use pending repairs (other than running repairs) and such other information regarding the condition and state of repair of the Equipment as the Vendor may reasonably request and (b) stating that, in the case of all Equipment repaired or repainted during the period covered by such statement, the numbers and markings required by Article 7 hereof have been preserved or replaced. The Vendor shall have the right, by its agents, to inspect the Equipment and the Railroad's records with respect thereto at such reasonable times as the Vendor may request during the term of this Agreement.

ARTICLE 11. Possession and Use; Classification. The Railroad, so long as an event of default shall not have occurred under this Agreement and be continuing, shall be entitled to the possession of the Equipment and the use thereof upon the lines of railroad owned or operated by it either alone or jointly with others and whether under lease or otherwise, or upon the lines of railroad owned or operated by any railroad company controlled by, or under common control with, the Railroad, or over which it has trackage rights, or upon connecting and other carriers in the usual interchange of traffic or pursuant to run-through agreements, from and after delivery of the Equipment by the Vendor to the Railroad, but only upon and subject to all the terms and conditions of this Agreement.

The Railroad represents, warrants and agrees that the Equipment is rolling stock equipment or accessories used on such equipment as specified in § 1168 of the Federal Bankruptcy Code.

ARTICLE 12. Prohibition Against Liens. The Railroad will pay or discharge any and all sums claimed by any party from, through or under the Railroad or its successors or assigns which, if unpaid, might become a lien, charge or security interest on or in the Equipment, or any unit thereof; provided, however, that the Railroad shall be under no obligation to pay or discharge any such claim so long as it is contesting in good faith and by appropriate legal proceedings such claim and the nonpayment thereof does not, in the reasonable opinion of the Vendor, adversely affect the property or rights of the Vendor in or to the Equipment or otherwise under this Agreement. Any amounts paid by the Vendor in discharge of such liens, charges or security interests upon the Equipment shall be secured by and under this Agreement until reimbursement thereof shall have been made by the Railroad to the Vendor, which reimbursement shall be so made within ten (10) days after the Railroad receives written notice from the Vendor of any amounts so paid by the Vendor along with reasonable evidence of such payment and of the necessity therefor.

expense; provided, however, that the Railroad may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the reasonable opinion of the Vendor, adversely affect the property or rights of the Vendor under this Agreement.

ARTICLE 10. Reports and Inspections. On or before November 1 in each year, commencing with the year 1985, the Railroad shall furnish to the Vendor an accurate statement signed by an officer of the Railroad (a) setting forth as of the preceding June 30 the amount, description and numbers of all units of the Equipment that have suffered a Casualty Occurrence during the preceding 12 months (or since the date of this Agreement in the case of the first such statement) or that have been withdrawn from use pending repairs (other than running repairs) and such other information regarding the condition and state of repair of the Equipment as the Vendor may reasonably request and (b) stating that, in the case of all Equipment repaired or repainted during the period covered by such statement, the numbers and markings required by Article 7 hereof have been preserved or replaced. The Vendor shall have the right, by its agents, to inspect the Equipment and the Railroad's records with respect thereto at such reasonable times as the Vendor may request during the term of this Agreement.

ARTICLE 11. Possession and Use; Classification. The Railroad, so long as an event of default shall not have occurred under this Agreement and be continuing, shall be entitled to the possession of the Equipment and the use thereof upon the lines of railroad owned or operated by it either alone or jointly with others and whether under lease or otherwise, or upon the lines of railroad owned or operated by any railroad company controlled by, or under common control with, the Railroad, or over which it has trackage rights, or upon connecting and other carriers in the usual interchange of traffic or pursuant to run-through agreements, from and after delivery of the Equipment by the Vendor to the Railroad, but only upon and subject to all the terms and conditions of this Agreement.

The Railroad represents, warrants and agrees that the Equipment is rolling stock equipment or accessories used on such equipment as specified in § 1168 of the Federal Bankruptcy Code.

ARTICLE 12. Prohibition Against Liens. The Railroad will pay or discharge any and all sums claimed by any party from, through or under the Railroad or its successors or assigns which, if unpaid, might become a lien, charge or security interest on or in the Equipment, or any unit thereof; provided, however, that the Railroad shall be under no obligation to pay or discharge any such claim so long as it is contesting in good faith and by appropriate legal proceedings such claim and the nonpayment thereof does not, in the reasonable opinion of the Vendor, adversely affect the property or rights of the Vendor in or to the Equipment or otherwise under this Agreement. Any amounts paid by the Vendor in discharge of liens, charges or security interests upon the Equipment shall be secured by and under this Agreement.

This covenant will not be deemed breached by reason of liens for taxes, assessments or governmental charges or levies, in each case not due and

delinquent, or undetermined or inchoate materialmen's, mechanics', workmen's, repairmen's or other like liens arising in the ordinary course of business and, in each case, not delinquent.

ARTICLE 13. Railroad's Indemnities. The Railroad agrees to indemnify, protect and hold harmless the Vendor from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, and expenses in connection therewith, including counsel fees, arising out of retention by the Vendor of a security interest in the Equipment, the use and operation thereof by the Railroad during the period when said security interest remains in the Vendor or the transfer of said security interest in the Equipment by the Vendor pursuant to any of the provisions of this Agreement except, however, any losses, damages, injuries, liabilities, claims and demands whatsoever arising out of any tort, breach of warranty or failure to perform any covenant hereunder by the Vendor. This covenant of indemnity shall continue in full force and effect notwithstanding the full payment of all sums due under this Agreement, or the satisfaction, discharge or termination of this Agreement in any manner whatsoever.

ARTICLE 14. Patent Claims; Vendor's Representation; and Vendor's Warranty. The Vendor hereby assigns to the Railroad any and all rights which the Vendor may or does possess to proceed by way of legal action against the original manufacturer of the Equipment (and/or the seller thereof if different from the manufacturer), for indemnity or otherwise, resulting from any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Railroad, its assigns or the users of the Equipment because of the use in or about the construction, renovation, repair or operation of any of such Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Railroad likewise will indemnify, protect and hold harmless the Vendor from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Vendor because of the use in or about the construction, renovation, repair or operation of any of the Equipment of any article or material specified by the Railroad and not manufactured by the builder of such Equipment or of any design, system, process, formula or combination specified by the Railroad and not developed or purported to be developed by such builder which infringes or is claimed to infringe on any patent or other right. The Vendor further agrees to execute and deliver to the Railroad or the users of the Equipment all and every such further assurance as may be reasonably requested by the Railroad more fully to effectuate the assignment and delivery of every such claim, right and cause of action. The Vendor will give notice to the Railroad of any claim known to the Vendor from which liability may be charged against the Railroad hereunder and the Railroad will give notice to the Vendor of any claim known to the Railroad from which liability may be charged against the Vendor hereunder. Such covenants shall continue in full force and effect notwithstanding the full payment of all sums due under this Agreement, or the satisfaction, discharge or termination of this Agreement in any manner whatsoever.

This covenant will not be deemed breached by reason of liens for taxes, assessments or governmental charges or levies, in each case not due and delinquent, or undetermined or inchoate materialmen's, mechanics', workmen's, repairmen's or other like liens arising in the ordinary course of business and, in each case, not delinquent.

ARTICLE 13. Railroad's Indemnities. The Railroad agrees to indemnify, protect and hold harmless the Vendor from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, and expenses in connection therewith, including counsel fees, arising out of retention by the Vendor of a security interest in the Equipment, the use and operation thereof by the Railroad during the period when said security interest remains in the Vendor or any transferee of said security interest, or the transfer of said security interest in the Equipment by the Vendor pursuant to any of the provisions of this Agreement except, however, any losses, damages, injuries, liabilities, claims and demands whatsoever arising out of any negligence or willful misconduct by the Vendor. This covenant of indemnity shall continue in full force and effect notwithstanding the full payment of all sums due under this Agreement, or the satisfaction, discharge or termination of this Agreement in any manner whatsoever.

ARTICLE 14. Patent Claims; Vendor's Representation; and Vendor's Warranty. The Vendor hereby assigns to the Railroad any and all rights which the Vendor may or does possess to proceed by way of legal action against the original manufacturer of the Equipment (and/or the seller thereof if different from the manufacturer), for indemnity or otherwise, resulting from any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Railroad, its assigns or the users of the Equipment because of the use in or about the construction, renovation, repair or operation of any of such Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Railroad likewise will indemnify, protect and hold harmless the Vendor from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Vendor because of the use in or about the construction, renovation, repair or operation of any of the Equipment of any article or material specified by the Railroad and not manufactured by the builder of such Equipment or of any design, system, process, formula or combination specified by the Railroad and not developed or purported to be developed by such builder which infringes or is claimed to infringe on any patent or other right. The Vendor further agrees to execute and deliver to the Railroad or the users of the Equipment all and every such further assurance as may be reasonably requested by the Railroad more fully to effectuate the assignment and delivery of every such claim, right and cause of action. The Vendor will give notice to the Railroad of any claim known to the Vendor from which liability may be charged against the Railroad hereunder and the Railroad will give notice to the Vendor of any claim known to the Railroad from which liability may be charged against the Vendor hereunder. Such covenants shall continue in full force and effect notwithstanding the full payment of all sums due under this Agreement, or the satisfaction, discharge or termination of this Agreement in any manner whatsoever.

The Vendor represents that it is not entering into this Agreement, or entering into any asignment of this Agreement, directly or indirectly in connection with any arrangement or understanding in any way involving any employee benefit plan (other than a governmental plan) with respect to which C&O is a party in interest, all within the meaning of the Employee Retirement Income Security Act of 1974.

The Vendor's warranty of material and workmanship is set forth in Schedule A hereto.

ARTICLE 15. Assignments. The Railroad will not sell, assign, transfer or otherwise dispose of its rights under this Agreement or, except as provided in Article 11 hereof, transfer the right to possession of any unit of the Equipment without first obtaining the written consent of the Vendor. A sale, assignment, transfer or disposition to a railroad company organized under the laws of the United States of America or any of the states thereof which shall acquire all or substantially all the lines of railroad of the Railroad, and which, by execution of an appropriate instrument satisfactory to the Vendor, shall assume and agree to perform each of, and all, the obligations and covenants of the Railroad under this Agreement, shall not be deemed a breach of this covenant.

All or any of the rights, benefits and advantages of the Vendor under this Agreement, including the right to receive the payments herein provided to be made by the Railroad, may be assigned by the Vendor and reassigned by any assignee at any time or from time to time. No such assignment shall subject any assignee to, or relieve the Vendor from, any of the obligations of the Vendor to deliver the Equipment in accordance with this Agreement or to respond to its warranties and indemnities contained or referred to in Article 14 hereof and Schedule A hereto or relieve the Railroad of any of its obligations to the Vendor under Articles 2, 3, 4, 5, 13 and 14 hereof and this Article 15 or of any other obligation which, according to its terms or context, is intended to survive an assignment.

Upon any such assignment either the assignor or the assignee shall give written notice to the Railroad, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all the assignor's right, title and interest in and to the Equipment and this Agreement, or in and to a portion thereof, as the case may be, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Railroad of the notification of any such assignment, all payments thereafter to be made by the Railroad under this Agreement shall,

The Vendor represents that it is not entering into this Agreement, or entering into any asignment of this Agreement, directly or indirectly in connection with any arrangement or understanding in any way involving any employee benefit plan (other than a governmental plan) with respect to which it is a party in interest, all within the meaning of the Employee Retirement Income Security Act of 1974.

The Vendor's warranty ~~of material and workmanship~~ is set forth in Schedule A hereto.

ARTICLE 15. Assignments. The Railroad will not sell, assign, transfer or otherwise dispose of its rights under this Agreement or, except as provided in Article 11 hereof, transfer the right to possession of any unit of the Equipment without first obtaining the written consent of the Vendor. A sale, assignment, transfer or disposition to a railroad company organized under the laws of the United States of America or any of the states thereof which shall acquire all or substantially all the lines of railroad of the Railroad, and which, by execution of an appropriate instrument satisfactory to the Vendor, shall assume and agree to perform each of, and all, the obligations and covenants of the Railroad under this Agreement, shall not be deemed a breach of this covenant.

All or any of the rights, benefits and advantages of the Vendor under this Agreement, including the right to receive the payments herein provided to be made by the Railroad, may be assigned by the Vendor and reassigned by any assignee at any time or from time to time. No such assignment shall subject any assignee to, or relieve the Vendor from, any of the obligations of the Vendor to deliver the Equipment in accordance with this Agreement or to respond to its warranties and indemnities contained or referred to in Article 14 hereof and Schedule A hereto or relieve the Railroad of any of its obligations to the Vendor under Articles 2, 3, 4, 5, 13 and 14 hereof and this Article 15 or of any other obligation which, according to its terms or context, is intended to survive an assignment.

Upon any such assignment either the assignor or the assignee shall give written notice to the Railroad, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all the assignor's right, title and interest in and to the Equipment and this Agreement, or in and to a portion thereof, as the case may be, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Railroad of the notification of any such assignment, all payments thereafter to be made by the Railroad under this Agreement shall,

The Vendor represents that it is not entering into this Agreement, or entering into any assignment of this Agreement, directly or indirectly in connection with any arrangement or understanding in any way involving any employee benefit plan (other than a governmental plan) with respect to which it is a party in interest, all within the meaning of the Employee Retirement Income Security Act of 1974.

The Vendor's warranty of material and workmanship is set forth in Schedule A hereto.

ARTICLE 15. Assignments. The Railroad will not sell, assign, transfer or otherwise dispose of its rights under this Agreement or, except as provided in Article 11 hereof, transfer the right to possession of any unit of the Equipment without first obtaining the written consent of the Vendor. A sale, assignment, transfer or disposition to a railroad company organized under the laws of the United States of America or any of the states thereof which shall acquire all or substantially all the lines of railroad of the Railroad, and which, by execution of an appropriate instrument satisfactory to the Vendor, shall assume and agree to perform each of, and all, the obligations and covenants of the Railroad under this Agreement, shall not be deemed a breach of this covenant.

All or any of the rights, benefits and advantages of the Vendor under this Agreement, including the right to receive the payments herein provided to be made by the Railroad, may be assigned by the Vendor and reassigned by any assignee at any time or from time to time. No such assignment shall subject any assignee to, or relieve the Vendor from, any of the obligations of the Vendor to deliver the Equipment in accordance with this Agreement or to respond to its warranties and indemnities contained or referred to in Article 14 hereof and Schedule A hereto or relieve the Railroad of any of its obligations to the Vendor under Articles 2, 3, 4, 5, 13 and 14 hereof and this Article 15 or of any other obligation which, according to its terms or context, is intended to survive an assignment.

Upon any such assignment either the assignor or the assignee shall give written notice to the Railroad, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all the assignor's right, title and interest in and to the Equipment and this Agreement, or in and to a portion thereof, as the case may be, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Railroad of the notification of any such assignment, all payments thereafter to be made by the Railroad under this Agreement shall,

The Vendor represents that it is not entering into this Agreement, or entering into any assignment of this Agreement, directly or indirectly in connection with any arrangement or understanding in any way involving any employee benefit plan (other than a governmental plan) with respect to which the Railroad it is a party in interest, all within the meaning of the Employee Retirement Income Security Act of 1974.

The Vendor's warranty of material and workmanship is set forth in Schedule A hereto.

ARTICLE 15. Assignments. The Railroad will not sell, assign, transfer or otherwise dispose of its rights under this Agreement or, except as provided in Article 11 hereof, transfer the right to possession of any unit of the Equipment without first obtaining the written consent of the Vendor. A sale, assignment, transfer or disposition to a railroad company organized under the laws of the United States of America or any of the states thereof which shall acquire all or substantially all the lines of railroad of the Railroad, and which, by execution of an appropriate instrument satisfactory to the Vendor, shall assume and agree to perform each of, and all, the obligations and covenants of the Railroad under this Agreement, shall not be deemed a breach of this covenant.

All or any of the rights, benefits and advantages of the Vendor under this Agreement, including the right to receive the payments herein provided to be made by the Railroad, may be assigned by the Vendor and reassigned by any assignee at any time or from time to time. No such assignment shall subject any assignee to, or relieve the Vendor from, any of the obligations of the Vendor to deliver the Equipment in accordance with this Agreement or to respond to its warranties and indemnities contained or referred to in Article 14 hereof and Schedule A hereto or relieve the Railroad of any of its obligations to the Vendor under Articles 2, 3, 4, 5, 13 and 14 hereof and this Article 15 or of any other obligation which, according to its terms or context, is intended to survive an assignment.

Upon any such assignment either the assignor or the assignee shall give written notice to the Railroad, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all the assignor's right, title and interest in and to the Equipment and this Agreement, or in and to a portion thereof, as the case may be, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Railroad of the notification of any such assignment, all payments thereafter to be made by the Railroad under this Agreement shall,

Mellon

The Vendor represents that it is not entering into this Agreement, or entering into any assignment of this Agreement, directly or indirectly in connection with any arrangement or understanding in any way involving any employee benefit plan (other than a governmental plan) with respect to which it is a party in interest, all within the meaning of the Employee Retirement Income Security Act of 1974.

The Vendor's warranty of material and workmanship is set forth in Schedule A hereto.

ARTICLE 15. Assignments. The Railroad will not sell, assign, transfer or otherwise dispose of its rights under this Agreement or, except as provided in Article 11 hereof, transfer the right to possession of any unit of the Equipment without first obtaining the written consent of the Vendor. A sale, assignment, transfer or disposition to a railroad company organized under the laws of the United States of America or any of the states thereof which shall acquire all or substantially all the lines of railroad of the Railroad, and which, by execution of an appropriate instrument satisfactory to the Vendor, shall assume and agree to perform each of, and all, the obligations and covenants of the Railroad under this Agreement, shall not be deemed a breach of this covenant.

All or any of the rights, benefits and advantages of the Vendor under this Agreement, including the right to receive the payments herein provided to be made by the Railroad, may be assigned by the Vendor and reassigned by any assignee at any time or from time to time. No such assignment shall subject any assignee to, or relieve the Vendor from, any of the obligations of the Vendor to deliver the Equipment in accordance with this Agreement or to respond to its warranties and indemnities contained or referred to in Article 14 hereof and Schedule A hereto or relieve the Railroad of any of its obligations to the Vendor under Articles 2, 3, 4, 5, 13 and 14 hereof and this Article 15 or of any other obligation which, according to its terms or context, is intended to survive an assignment.

Upon any such assignment either the assignor or the assignee shall give written notice to the Railroad, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all the assignor's right, title and interest in and to the Equipment and this Agreement, or in and to a portion thereof, as the case may be, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Railroad of the notification of any such assignment, all payments thereafter to be made by the Railroad under this Agreement shall,

Pittsburgh

The Vendor represents that it is not entering into this Agreement, or entering into any asignment of this Agreement, directly or indirectly in connection with any arrangement or understanding in any way involving any employee benefit plan (other than a governmental plan) with respect to which it is a party in interest, all within the meaning of the Employee Retirement Income Security Act of 1974.

The Vendor's warranty of material and workmanship is set forth in Schedule A hereto.

ARTICLE 15. Assignments. The Railroad will not sell, assign, transfer or otherwise dispose of its rights under this Agreement or, except as provided in Article 11 hereof, transfer the right to possession of any unit of the Equipment without first obtaining the written consent of the Vendor. A sale, assignment, transfer or disposition to a railroad company organized under the laws of the United States of America or any of the states thereof which shall acquire all or substantially all the lines of railroad of the Railroad, and which, by execution of an appropriate instrument satisfactory to the Vendor, shall assume and agree to perform each of, and all, the obligations and covenants of the Railroad under this Agreement, shall not be deemed a breach of this covenant.

All or any of the rights, benefits and advantages of the Vendor under this Agreement, including the right to receive the payments herein provided to be made by the Railroad, may be assigned by the Vendor and reassigned by any assignee at any time or from time to time. No such assignment shall subject any assignee to, or relieve the Vendor from, any of the obligations of the Vendor to deliver the Equipment in accordance with this Agreement or to respond to its warranties and indemnities contained or referred to in Article 14 hereof and Schedule A hereto or relieve the Railroad of any of its obligations to the Vendor under Articles 2, 3, 4, 5, 13 and 14 hereof and this Article 15 or of any other obligation which, according to its terms or context, is intended to survive an assignment.

Upon any such assignment either the assignor or the assignee shall give written notice to the Railroad, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all the assignor's right, title and interest in and to the Equipment and this Agreement, or in and to a portion thereof, as the case may be, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Railroad of the notification of any such assignment, all payments thereafter to be made by the Railroad under this Agreement shall,

to the extent so assigned, be made to the assignee in such manner as it may direct.

The Railroad recognizes that it is the custom of railroad equipment vendors to assign conditional sale agreements and understands that the assignment of this Agreement, or of some of or all the rights of the Vendor hereunder, is contemplated. The Railroad expressly represents, for the purpose of assurance to any person, firm or corporation considering the acquisition of this Agreement or of all or any of the rights of the Vendor hereunder and for the purposes of inducing such acquisition, that in the event of such assignment by the Vendor as hereinbefore provided, the rights of such assignee to the entire unpaid indebtedness in respect of the Purchase Price or such part thereof as may be assigned, together with interest thereon, as well as any other rights hereunder which may be so assigned, shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever arising out of any breach of any obligation of the Vendor with respect to the Equipment or the manufacture, construction, delivery or warranty thereof, or with respect to any indemnity herein contained, nor subject to any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by the Vendor. Any and all such obligations, howsoever arising, shall be and remain enforceable by the Railroad against and only against the Vendor.

The Railroad will (a) in connection with each settlement for the Equipment subsequent to such assignment, deliver to the assignee, at least five business days prior to the Closing Date for the Group fixed in the notice by the Railroad, all documents required by the terms of such assignment to be delivered to such assignee in connection with such settlement, in such number of counterparts or copies as may reasonably be requested, and (b) furnish to such assignee such number of counterparts of any other certificate or paper required by the Vendor as may reasonably be requested.

If this Agreement shall have been assigned by the Vendor and if the assignee shall not make payment to a Vendor with respect to units of the Equipment as provided in the instrument making such assignment, the Vendor will promptly notify the Railroad of such event and, if such amount shall not have been previously paid by such assignee, the Railroad will, not later than 90 days after the date such payment was due, pay or cause to be paid to the Vendor the aggregate unpaid Purchase Price of such units of the Equipment, together with interest from the day such payment was due to the date of payment by the Railroad at the highest prime rate of interest charged by any of the four New York City banks having the largest total assets in effect on the date such payment was due.

ARTICLE 16. Defaults. In the event that any one or more of the following events of default shall occur and be continuing, to wit:

(a) the Railroad shall fail to pay in full any indebtedness in respect of the Purchase Price of the Equipment or any other sum payable by the Railroad as provided in this Agreement within five days after the date due; or

(b) the Railroad shall, for more than 30 days after the Vendor shall have demanded in writing performance thereof, fail or refuse to comply with any covenant, agreement, term or provision of this Agreement or of any agreement entered into concurrently herewith relating to the financing of the Equipment on its part to be kept or performed or to make provision satisfactory to the Vendor for such compliance; or

(c) a petition for reorganization under Title 11 of the United States Code, as now constituted or as hereafter amended, shall be filed by or against the Railroad and, unless such petition shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Railroad under this Agreement shall not have been (and shall not continue to have been) duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees appointed (whether or not subject to ratification) in such proceedings in such manner that such obligations shall have the same status as obligations incurred by such trustee or trustees, within 60 days after the commencement of such proceedings; or

(d) any other proceedings shall be commenced by or against the Railroad for any relief under any bankruptcy or insolvency law, or law relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustment of the indebtedness payable hereunder), and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Railroad under this Agreement shall not have been (and shall not continue to have been) duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed (whether or not subject to ratification) for the Railroad or for its property in connection with any such proceedings in such manner that such obligations shall have the same status as obligations incurred by such trustee or trustees or receiver or receivers, within 60 days after such proceedings shall have been commenced; or

(e) the Railroad shall make or suffer any unauthorized assignment or transfer of this Agreement or any interest herein or any unauthorized transfer of the right to possession of any unit of the Equipment;

then at any time after the occurrence of such an event of default the Vendor may, upon written notice to the Railroad and upon compliance with any mandatory legal requirements then in force and applicable to such action by the Vendor, declare (hereinafter called a "Declaration of Default") the entire

indebtedness in respect of the Purchase Price of the Equipment, together with the interest thereon then accrued and unpaid, immediately due and payable, without further demand, and thereafter the aggregate of the unpaid balance of such indebtedness and interest shall bear interest from the date of such Declaration of Default at the rate per annum specified in Article 4 hereof as being applicable to amounts remaining unpaid after becoming due and payable, to the extent legally enforceable. The Vendor shall thereupon be entitled to recover judgment for the entire unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment so payable, with interest as aforesaid, and to collect such judgment out of any property of the Railroad wherever situated. The Railroad shall promptly notify the Vendor of any event which has come to its attention which constitutes, or which with the giving of notice and/or lapse of time could constitute, an event of default under this Agreement.

The Vendor may at its election waive any such event of default and its consequences and rescind and annul any Declaration of Default by notice to the Railroad in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such event of default had occurred and no Declaration of Default had been made. Notwithstanding the provisions of this paragraph, it is agreed that time is of the essence of this Agreement and no such waiver, rescission or annulment shall extend to or affect any other or subsequent default or impair any rights or remedies consequent thereon.

ARTICLE 17. Remedies. At any time during the continuance of a Declaration of Default, the Vendor may, subject to compliance with any mandatory legal requirements then in force and applicable to the action to be taken by the Vendor, take or cause to be taken by its agent or agents immediate possession of the Equipment, or one or more of the units thereof, without liability to return to the Railroad any sums theretofore paid and free from all claims whatsoever, except as hereinafter in this Article 17 expressly provided, and may remove the same from possession and use of the Railroad or any other person and for such purpose may enter upon the Railroad's premises or any other premises where the Equipment may be located, without judicial process of this case be done without breach of the peace, and may use and employ in connection with such removal any supplies, services and aids and any available trackage and other facilities or means of the Railroad; provided, however, that the Equipment shall at all times be kept in good repair.

In case the Vendor shall demand possession of the Equipment pursuant to this Agreement and shall reasonably designate a point or points upon the premises of the Railroad for the delivery of the Equipment to the Vendor, the Railroad shall, at its own expense, forthwith and in the usual manner (including, but not by way of limitation, giving prompt telegraphic and written notice to the Association of American Railroads and all railroads to which any part of the Equipment has been interchanged to return the Equipment so interchanged), cause (a) the Equipment to be moved to such point or points on its lines as shall be designated by the Vendor and shall there deliver the Equipment or cause it to be delivered to the Vendor and (b) the Equipment to be moved to such interchange point or points of the

Railroad as shall be designated by the Vendor upon any sale, lease or other disposal of all or any part of the Equipment by the Vendor. At the option of the Vendor, the Vendor may keep the Equipment on any of the lines or premises of the Railroad until the Vendor shall have leased, sold or otherwise disposed of the same, and for such purpose the Railroad agrees to furnish, without charge for rent or storage, the necessary facilities at any point or points selected by the Vendor reasonably convenient to the Railroad and, to permit inspection of the Equipment by the Vendor, the Vendor's representatives and prospective purchasers and users. This agreement to deliver the Equipment and furnish facilities as hereinbefore provided is of the essence of the agreement between the parties, and, upon application to any court of equity having jurisdiction in the premises, the Vendor shall be entitled to a decree against the Railroad requiring specific performance hereof. The Railroad hereby expressly waives any and all claims against the Vendor and its agent or agents for damages of whatever nature in connection with any retaking of any unit of the Equipment in any reasonable manner.

At any time during the continuance of a Declaration of Default, the Vendor (after retaking possession of the Equipment as hereinbefore in this Article 17 provided) may at its election and upon such notice as is hereinafter set forth retain the Equipment in satisfaction of the entire indebtedness in respect of the Purchase Price of the Equipment and make such disposition thereof as the Vendor shall deem fit. Written notice of the Vendor's election to retain the Equipment shall be given to the Railroad by telegram or registered mail, addressed as provided in Article 21 hereof, and to any other persons to whom the law may require notice, within 30 days after such Declaration of Default. In the event that the Vendor should elect to retain the Equipment and no objection is made thereto within the 30-day period described in the second proviso below, all the Railroad's rights in the Equipment shall thereupon terminate and all payments made by the Railroad may be retained by the Vendor as compensation for the use of the Equipment by the Railroad; provided, however, that if the Railroad, before the expiration of the 30-day period described in the proviso below, should pay or cause to be paid to the Vendor the total unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon accrued and unpaid and all other payments due under this Agreement as well as expenses of the Vendor in retaking possession of, removing and storing the Equipment and the Vendor's reasonable attorneys' fees, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Railroad; provided, further, that if the Railroad or any other persons notified under the terms of this paragraph object in writing to the Vendor within 30 days from the receipt of notice of the Vendor's election to retain the Equipment, then the Vendor may not so retain the Equipment, but shall sell, lease or otherwise dispose of it or continue to hold it pending sale, lease or other disposition as hereinafter provided or as may otherwise be permitted by law. If the Vendor shall have given no notice to retain as hereinabove provided or notice of intention to dispose of the Equipment in any other manner, it shall be deemed to have elected to sell the Equipment in accordance with the provisions of this Article 17.

At any time during the continuance of a Declaration of Default, the Vendor, with or without retaking possession thereof, at its election and upon reasonable notice to the Railroad and to any other persons to whom the law may require notice of the time and place, may sell the Equipment, or any unit thereof, free from any and all claims of the Railroad or any other party claiming from, through or under the Railroad, at law or in equity, at public or private sale and with or without advertisement as the Vendor may determine; provided, however, that if, prior to such sale and prior to the making of a contract for such sale, the Railroad should tender full payment of the total unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon accrued and unpaid and all other payments due under this Agreement as well as expenses of the Vendor in retaking possession of, removing, storing, holding and preparing the Equipment for, and otherwise arranging for, the sale and the Vendor's reasonable attorneys' fees, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Railroad. The proceeds of such sale, less the attorneys' fees and any other expenses incurred by the Vendor in retaking possession of, removing, storing, holding, preparing for sale and selling the Equipment, shall be credited on the amount due to the Vendor under the provisions of this Agreement.

Any sale hereunder may be held or conducted at such place or places and at such time or times as the Vendor may specify, in one lot and as an entirety or in separate lots and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Vendor may determine. The Vendor or the Railroad may bid for and become the purchaser of the Equipment, or any unit thereof, so offered for sale. The Railroad shall be given written notice of such sale not less than ten days prior thereto, by telegram or registered mail addressed to the Railroad as provided in Article 21 hereof. If such sale shall be a private sale (which shall be deemed to mean only a sale where an advertisement for bids has not been published in a newspaper of general circulation or a sale where less than 40 prospective bidders have been solicited in writing to submit bids), it shall be subject to the right of the Railroad to purchase or provide a purchaser, within ten days after notice of the proposed sale price, at the same price offered by the intending purchaser or a better price. In the event that the Vendor shall be the purchaser of the Equipment, it shall not be accountable to the Railroad (except to the extent of surplus money received as hereinafter provided in this Article 17), and in payment of the purchase price therefor the Vendor shall be entitled to have credited on account thereof all or any part of the sums due to the Vendor from the Railroad hereunder.

Each and every power and remedy hereby specifically given to the Vendor shall be in addition to every other power and remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Vendor. All such powers and remedies shall be cumulative, and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Vendor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder shall impair any such power or remedy or shall be construed to be a

waiver of any default or an acquiescence therein. Any extension of time for payment hereunder or other indulgence duly granted to the Railroad shall not otherwise alter or affect the Vendor's rights or the Railroad's obligations hereunder. The Vendor's acceptance of any payment after it shall have become due hereunder shall not be deemed to alter or affect the Railroad's obligations or the Vendor's rights hereunder with respect to any subsequent payments or default therein.

If, after applying all sums of money realized by the Vendor under the remedies herein provided, there shall remain any amount due to it under the provisions of this Agreement, the Railroad shall pay the amount of such deficiency to the Vendor upon demand, together with interest from the date of such demand to the date of payment by the Railroad at the rate per annum specified in Article 4 hereof applicable to amounts remaining unpaid after becoming due and payable. If the Railroad shall fail to pay such deficiency, the Vendor may bring suit therefor and shall be entitled to recover a judgment therefor against the Railroad. If, after applying as aforesaid all sums realized by the Vendor, there shall remain a surplus in the possession of the Vendor, such surplus shall be paid to the Railroad.

The Railroad will pay all reasonable expenses, including attorneys' fees, incurred by the Vendor in enforcing its remedies under the terms of this Agreement. In the event that the Vendor shall bring any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Vendor may recover reasonable expenses, including attorneys' fees, and the amount thereof shall be included in such judgment.

The foregoing provisions of this Article 17 are subject in all respects to all mandatory legal requirements at the time in force and applicable thereto.

ARTICLE 18. Applicable State Laws. Any provision of this Agreement prohibited by any applicable law of any jurisdiction shall as to such jurisdiction be ineffective, without modifying the remaining provisions of this Agreement. Where, however, the conflicting provisions of any such applicable law may be waived, they are hereby waived by the Railroad to the full extent permitted by law, it being the intention of the parties hereto that this Agreement shall be deemed to be a conditional sale and enforced as such.

Except as otherwise provided in this Agreement, the Railroad, to the full extent permitted by law, hereby waives all statutory or other legal requirements for any notice of any kind, notice of intention to take possession of or to sell or lease the Equipment or any unit thereof, and any other requirements as to the time, place and terms of the sale or lease thereof, any other requirements with respect to the enforcement of the Vendor's rights under this Agreement and any and all rights of redemption.

ARTICLE 19. Recording. The Railroad will cause this Agreement, any assignments hereof and any amendments or supplements hereto or thereto to be filed with the Interstate Commerce Commission in accordance with 49 U.S.C. 11303. The Railroad will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, deposit and record any and all further instruments required by law or reasonably requested by

the Vendor for the purpose of proper protection, to the satisfaction of counsel for the Vendor, of its interest in the Equipment and its rights under this Agreement or for the purpose of carrying out the intention of this Agreement. The Railroad will furnish to the Vendor certificates or other evidence of such filing, registering, depositing and recording reasonably satisfactory to the Vendor.

ARTICLE 20. Payment of Expenses. The Railroad will pay all reasonable costs and expenses incident to this Agreement and the first assignment of this Agreement (including the fees and expenses of an agent, if the first assignee is an agent), and any instrument supplemental or related hereto or thereto, including any fees and expenses of counsel for the first assignee of this Agreement and for any party acquiring interests in such first assignment, and all reasonable costs and expenses in connection with the transfer by any party of interests acquired in such first assignment, but excluding all fees and expenses of any other counsel for such parties.

ARTICLE 21. Notice. Any notice hereunder to any of the parties designated below shall be deemed to be properly served if delivered or mailed to it at the following specified addresses:

(a) to the Railroad, at Room 1800, 100 North Charles Street, Baltimore, Maryland 21201, Attention of Treasurer - 303,

(b) to the Vendor, at its address specified in Item 1 of Schedule A hereto, and

(c) to any assignee of the Vendor or of the Railroad, at such address as may have been furnished in writing to each of the other parties hereto by such assignee,

or at such other address as may have been furnished in writing by such party to the other parties to this Agreement.

ARTICLE 22. Article Headings; Effect and Modification of Agreement. All article headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

This Agreement, including the Schedules hereto, exclusively states the rights of the Vendor and the Railroad with respect to the Equipment and supersedes all other agreements, oral or written, with respect to the Equipment. No variation or modification of this Agreement and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of the Vendor and the Railroad.

ARTICLE 23. Law Governing. The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the State of Ohio; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. 11303 and such additional rights arising out of the filing, recording or deposit hereof, if any, and of any assignment hereof as shall be conferred by the laws of the several jurisdictions in which this Agreement or any assignment hereof shall be filed, recorded or deposited.

ARTICLE 24. Execution. This Agreement may be executed in any number of counterparts, such counterparts together constituting but one and the same contract, but the counterpart delivered to the Agent pursuant to the Assignment (as defined in the Finance Agreement) shall be deemed to be the original and all other counterparts shall be deemed to be duplicates thereof. Although this Agreement is dated, for convenience, as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by their officers or other persons, thereunto duly authorized, and their respective corporate seals to be hereunto affixed, duly attested, all as of the date first above written.

(Corporate Seal)

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

Attest:

By: _____
Senior Vice President

_____
Corporate Secretary

(Corporate Seal)

INVESTMENT
PENSION ~~TRUST~~ COMMITTEE
OF CONTINENTAL FINANCIAL SERVICES COMPANY, AS FIDUCIARY FOR THE CONTINENTAL GROUP, INC. MASTER PENSION TRUST

Attest:

By: _____
(Title) Member

_____
(Title)

ARTICLE 24. Execution. This Agreement may be executed in any number of counterparts, such counterparts together constituting but one and the same contract, but the counterpart delivered to the Agent pursuant to the Assignment (as defined in the Finance Agreement) shall be deemed to be the original and all other counterparts shall be deemed to be duplicates thereof. Although this Agreement is dated, for convenience, as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by their officers or other persons, thereunto duly authorized, and their respective corporate seals to be hereunto affixed, duly attested, all as of the date first above written.

(Corporate Seal)

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

Attest:

By: _____

Corporate Secretary

Senior Vice President

(Corporate Seal)

CITICORP LEASING, INC.

Attest:

Shawna R Conover

By: _____

(Title)

Asst Secty

(Title)

ARTICLE 24. Execution. This Agreement may be executed in any number of counterparts, such counterparts together constituting but one and the same contract, but the counterpart delivered to the Agent pursuant to the Assignment (as defined in the Finance Agreement) shall be deemed to be the original and all other counterparts shall be deemed to be duplicates thereof. Although this Agreement is dated, for convenience, as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

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(Corporate Seal)

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

Attest:

Corporate Secretary

By: Senior Vice President

(Corporate Seal)

DOLLAR SAVINGS BANK

Attest:

(Title)
Corporate Secretary

By: (Title)
Vice President-Credit

ARTICLE 24. Execution. This Agreement may be executed in any number of counterparts, such counterparts together constituting but one and the same contract, but the counterpart delivered to the Agent pursuant to the Assignment (as defined in the Finance Agreement) shall be deemed to be the original and all other counterparts shall be deemed to be duplicates thereof. Although this Agreement is dated, for convenience, as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

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(Corporate Seal)

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

Attest:

By: _____
Senior Vice President

_____
Corporate Secretary

(Corporate Seal)

~~GIRARD BANK~~, AS AGENT FOR PAUL REVERE LIFE INSURANCE COMPANY, PAUL REVERE PROTECTIVE LIFE INSURANCE COMPANY, PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY, AND AVCO CORPORATION RETIREMENT INCOME TRUST

Attest:

By: _____
(Title)
G. F. ARLETH
CORPORATE TRUST OFFICER

_____
(Title)
C. H. DOUGHERTY
ASSISTANT SECRETARY

MELLON BANK (EAST) N.A.

ARTICLE 24. Execution. This Agreement may be executed in any number of counterparts, such counterparts together constituting but one and the same contract, but the counterpart delivered to the Agent pursuant to the Assignment (as defined in the Finance Agreement) shall be deemed to be the original and all other counterparts shall be deemed to be duplicates thereof. Although this Agreement is dated, for convenience, as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by their officers or other persons, thereunto duly authorized, and their respective corporate seals to be hereunto affixed, duly attested, all as of the date first above written.

(Corporate Seal)

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

Attest:

Asst. ~~Corporate~~ Secretary

By: _____
Senior Vice President

(Corporate Seal)

PITTSBURGH NATIONAL BANK

Attest:

(Title) J. G. Routh
Assistant Vice President

By: _____
Vice President

Pittsburgh

ARTICLE 24. Execution. This Agreement may be executed in any number of counterparts, such counterparts together constituting but one and the same contract, but the counterpart delivered to the Agent pursuant to the Assignment (as defined in the Finance Agreement) shall be deemed to be the original and all other counterparts shall be deemed to be duplicates thereof. Although this Agreement is dated, for convenience, as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by their officers or other persons, thereunto duly authorized, and their respective corporate seals to be hereunto affixed, duly attested, all as of the date first above written.

(Corporate Seal)

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

Attest:

By: _____
Senior Vice President

_____
Corporate Secretary

(Corporate Seal)

LIFE INSURANCE COMPANY OF VIRGINIA

Attest:

By: Daniel B Belcore
Assistant Vice-President

_____
Assistant Secretary

STATE OF OHIO)
) ss.:
COUNTY OF CUYAHOGA)

On this 5th day of July, 1984, before me personally appeared R. W. Dennen to me personally known who, being by me duly sworn, says that he is Senior Vice President of THE CHESAPEAKE AND OHIO RAILWAY 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.

LOUIS RECHER, Attorney
Notary Public - State of Ohio
My Commission has no expiration date
section 147.03 R. C.

(NOTARIAL SEAL)

STATE OF VIRGINIA)
) ss.:
COUNTY OF HENRICO)

On this 6th day of July, 1984, before me personally appeared Robert P. Martin Jr., to me personally known who, being by me duly sworn, says that he is a member of the PENSION INVESTMENT COMMITTEE OF CONTINENTAL FINANCIAL SERVICES COMPANY, AS FIDUCIARY FOR THE CONTINENTAL GROUP, INC. MASTER PENSION TRUST.

Notary Public

My Commission Expires: November 26, 1987

(NOTARIAL SEAL)

STATE OF OHIO)
) ss.:
COUNTY OF CUYAHOGA)

On this ___ day of ___, 1984, before me personally appeared _____ to me personally known who, being by me duly sworn, says that he is Senior Vice President of THE CHESAPEAKE AND OHIO RAILWAY 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.

_____
LOUIS RECHER, Attorney
Notary Public - State of Ohio
My Commission has no expiration date
section 147.03 R. C.

(NOTARIAL SEAL)

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

On this 20th day of July, 1984, before me personally appeared Thomas O'Shea, to me personally known who, being by me duly sworn, says that he is Vice-President of CITICORP LEASING, INC., 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.

Kenneth F. Fagan
Notary Public

My Commission Expires: 3/30/85

(NOTARIAL SEAL)

KENNETH F. FAGAN
Notary Public, State of New York
No. 31-4635365
Qualified in New York County 85
Commission Expires March 30, 19.....

STATE OF OHIO)
) ss.:
COUNTY OF CUYAHOGA)

On this 11th day of July, 1984, before me personally appeared R. W. Dennen to me personally known who, being by me duly sworn, says that he is Senior Vice President of THE CHESAPEAKE AND OHIO RAILWAY 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.

LOUIS RECHER, Attorney
Notary Public - State of Ohio
My Commission has no expiration date
section 147.03 R. C.

(NOTARIAL SEAL)

STATE OF PENNSYLVANIA)
) ss.:
COUNTY OF ALLEGHENY)

On this ____ day of _____, 1984, before me personally appeared Robert Tommasone, to me personally known who, being by me duly sworn, says that he is Vice Presidenof DOLLAR SAVINGS BANK, 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.

Notary Public

My Commission Expires:

(NOTARIAL SEAL)

STATE OF OHIO)
) ss.:
COUNTY OF CUYAHOGA)

On this 6th day of July, 1984, before me personally appeared R. W. Daum to me personally known who, being by me duly sworn, says that he is Senior Vice President of THE CHESAPEAKE AND OHIO RAILWAY 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.

LOUIS RECHER, Attorney
Notary Public - State of Ohio
My Commission has no expiration date
section 147.03 R. C.

(NOTARIAL SEAL)

STATE OF PENNSYLVANIA)
) ss.:
COUNTY OF PHILADELPHIA)

MELLON BANK (EAST) N.A.

On this [illegible] day of [illegible], 1984, before me personally appeared G. F. ARLETH, to me personally known who, being by me duly sworn, says that he is CORPORATE TRUST of ~~GIRARD BANK~~, AS AGENT FOR PAUL REVERE LIFE INSURANCE COMPANY, PAUL REVERE PROTECTIVE LIFE INSURANCE COMPANY, PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY, AND AVCO CORPORATION RETIREMENT INCOME TRUST, 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.

Notary Public

My Commission Expires: DEC 21 1987

(NOTARIAL SEAL)

STATE OF OHIO)
) ss.:
COUNTY OF CUYAHOGA)

On this 31st day of Aug., 1984, before me personally appeared P.R. Goodwin to me personally known who, being by me duly sworn, says that he is Senior Vice President of THE CHESAPEAKE AND OHIO RAILWAY 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.

Louis Recher
LOUIS RECHER, Attorney
Notary Public - State of Ohio
My Commission has no expiration date
section 147.03 R. C.

(NOTARIAL SEAL)

STATE OF PENNSYLVANIA)
) ss.:
COUNTY OF ALLEGHENY)

On this 4th day of Sept., 1984, before me personally appeared [illegible] to me personally known who, being by me duly sworn, says that he is [illegible] of PITTSBURGH NATIONAL BANK, 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.

Dorothy A. Leavitt
Notary Public

My Commission has no expiration date

(NOTARIAL SEAL)

Pittsburgh

STATE OF OHIO)
) ss.:
COUNTY OF CUYAHOGA)

On this 5th day of July, 1984, before me personally appeared R. W. Donnan to me personally known who, being by me duly sworn, says that he is Senior Vice President of THE CHESAPEAKE AND OHIO RAILWAY 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.

LOUIS RECHER, Attorney
Notary Public - State of Ohio
My Commission has no expiration date
section 147.03 R. C.

(NOTARIAL SEAL)

STATE OF VIRGINIA)
) ss.:
COUNTY OF HENRICO)

On this 6th day of July, 1984, before me personally appeared [illegible], to me personally known who, being by me duly sworn, says that he is [illegible] of LIFE INSURANCE COMPANY OF VIRGINIA, 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.

Notary Public

My Commission Expires: My Commission Expires November 20, 19

(NOTARIAL SEAL)

SCHEDULE A TO CSA

Item 1: Pension Investment Committee
of Continental Financial Services Company,
as Fiduciary for The Continental Group, Inc.
Master Pension Trust
c/o Continental Financial Services Company
6600 West Broad Street
Richmond, Virginia 23230

Item 2: January 15, 1985

Item 3: The Vendor warrants that the Equipment will be delivered in accordance with the standards and requirements set forth in Article 2 of the Conditional Sale Agreement to which this Schedule A is attached (the "CSA").

THE FOREGOING WARRANTY OF THE VENDOR IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND OF ALL OTHER OBLIGATIONS OR LIABILITIES ON THE PART OF THE VENDOR, EXCEPT FOR ITS OBLIGATIONS UNDER ARTICLES 2, 3, 4, AND 14 OF THE CSA AND THE VENDOR NEITHER ASSUMES NOR AUTHORIZES ANY PERSON TO ASSUME FOR IT ANY OTHER LIABILITY IN CONNECTION WITH THE CONSTRUCTION, RENOVATION, REPAIR, OPERATION AND DELIVERY OF THE EQUIPMENT, EXCEPT AS AFORESAID.

The Vendor further agrees with the Railroad that neither the inspection as provided in Article 3 of the CSA, nor any examination, nor the acceptance of any units of Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 3.

SCHEDULE A TO CSA

Item 1: Citicorp Leasing, Inc.
450 Mamaroneck Avenue
Harrison, New York 10528
Attn.: EF/L Credit Manager

Item 2: January 15, 1985

Item 3: The Vendor warrants that the Equipment will be delivered in accordance with the standards and requirements set forth in Article 2 of the Conditional Sale Agreement to which this Schedule A is attached (the "CSA").

THE FOREGOING WARRANTY OF THE VENDOR IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND OF ALL OTHER OBLIGATIONS OR LIABILITIES ON THE PART OF THE VENDOR, EXCEPT FOR ITS OBLIGATIONS UNDER ARTICLES 2 AND 14 OF THE CSA AND THE VENDOR NEITHER ASSUMES NOR AUTHORIZES ANY PERSON TO ASSUME FOR IT ANY OTHER LIABILITY IN CONNECTION WITH THE CONSTRUCTION, RENOVATION, REPAIR, OPERATION AND DELIVERY OF THE EQUIPMENT, EXCEPT AS AFORESAID.

The Vendor further agrees with the Railroad that neither the inspection as provided in Article 3 of the CSA, nor any examination, nor the acceptance of any units of Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 3.

SCHEDULE A TO CSA

Item 1: Dollar Savings Bank
535 Southfield Street
Pittsburgh, Pennsylvania 15222

Item 2: January 15, 1985

Item 3: The Vendor warrants that the Equipment will be delivered in accordance with the standards and requirements set forth in Article 2 of the Conditional Sale Agreement to which this Schedule A is attached (the "CSA").

THE FOREGOING WARRANTY OF THE VENDOR IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND OF ALL OTHER OBLIGATIONS OR LIABILITIES ON THE PART OF THE VENDOR, EXCEPT FOR ITS OBLIGATIONS UNDER ARTICLES 2, 3, 4, AND 14 OF THE CSA AND THE VENDOR NEITHER ASSUMES NOR AUTHORIZES ANY PERSON TO ASSUME FOR IT ANY OTHER LIABILITY IN CONNECTION WITH THE CONSTRUCTION, RENOVATION, REPAIR, OPERATION AND DELIVERY OF THE EQUIPMENT, EXCEPT AS AFORESAID.

The Vendor further agrees with the Railroad that neither the inspection as provided in Article 3 of the CSA, nor any examination, nor the acceptance of any units of Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 3.

SCHEDULE A TO CSA

Item 1: Girard Bank, as Agent for
Paul Revere Life Insurance Company,
Paul Revere Protective Life Insurance Company,
Paul Revere Variable Annuity Insurance Company,
and Avco Corporation Retirement Income Trust
3 Girard Plaza
3rd Floor
Philadelphia, Pennsylvania 19101

Item 2: January 15, 1985

Item 3: The Vendor warrants that the Equipment will be delivered in accordance with the standards and requirements set forth in Article 2 of the Conditional Sale Agreement to which this Schedule A is attached (the "CSA").

THE FOREGOING WARRANTY OF THE VENDOR IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND OF ALL OTHER OBLIGATIONS OR LIABILITIES ON THE PART OF THE VENDOR, EXCEPT FOR ITS OBLIGATIONS UNDER ARTICLES 2, 3, 4, AND 14 OF THE CSA AND THE VENDOR NEITHER ASSUMES NOR AUTHORIZES ANY PERSON TO ASSUME FOR IT ANY OTHER LIABILITY IN CONNECTION WITH THE CONSTRUCTION, RENOVATION, REPAIR, OPERATION AND DELIVERY OF THE EQUIPMENT, EXCEPT AS AFORESAID.

The Vendor further agrees with the Railroad that neither the inspection as provided in Article 3 of the CSA, nor any examination, nor the acceptance of any units of Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 3.

SCHEDULE A TO CSA

Item 1: Pittsburgh National Bank
Pittsburgh, Pennsylvania 15265

Item 2: January 15, 1985

Item 3: The Vendor warrants that the Equipment will be delivered in accordance with the standards and requirements set forth in Article 2 of the Conditional Sale Agreement to which this Schedule A is attached (the "CSA").

THE FOREGOING WARRANTY OF THE VENDOR IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND OF ALL OTHER OBLIGATIONS OR LIABILITIES ON THE PART OF THE VENDOR, EXCEPT FOR ITS OBLIGATIONS UNDER ARTICLES 2, 3, 4, AND 14 OF THE CSA AND THE VENDOR NEITHER ASSUMES NOR AUTHORIZES ANY PERSON TO ASSUME FOR IT ANY OTHER LIABILITY IN CONNECTION WITH THE CONSTRUCTION, RENOVATION, REPAIR, OPERATION AND DELIVERY OF THE EQUIPMENT, EXCEPT AS AFORESAID.

The Vendor further agrees with the Railroad that neither the inspection as provided in Article 3 of the CSA, nor any examination, nor the acceptance of any units of Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 3.

Pittsburgh

SCHEDULE A TO CSA

Item 1: Life Insurance Company of Virginia
c/o Continental Financial Services Company
6600 West Broad Street
Richmond, Virginia 23230

Item 2: January 15, 1985

Item 3: The Vendor warrants that the Equipment will be delivered in accordance with the standards and requirements set forth in Article 2 of the Conditional Sale Agreement to which this Schedule A is attached (the "CSA").

THE FOREGOING WARRANTY OF THE VENDOR IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND OF ALL OTHER OBLIGATIONS OR LIABILITIES ON THE PART OF THE VENDOR, EXCEPT FOR ITS OBLIGATIONS UNDER ARTICLES 2, 3, 4, AND 14 OF THE CSA AND THE VENDOR NEITHER ASSUMES NOR AUTHORIZES ANY PERSON TO ASSUME FOR IT ANY OTHER LIABILITY IN CONNECTION WITH THE CONSTRUCTION, RENOVATION, REPAIR, OPERATION AND DELIVERY OF THE EQUIPMENT, EXCEPT AS AFORESAID.

The Vendor further agrees with the Railroad that neither the inspection as provided in Article 3 of the CSA, nor any examination, nor the acceptance of any units of Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 3.

SCHEDULE B
to the
Conditional Sale Agreement

Units of Equipment

Equipment Type	Quantity	Unit Base Price	Total Base Price	Place and Estimated Time of Delivery	Present Railroad ID Numbers (Inclusive)*
100-ton open top hopper cars	19 (maximum)	$19,000.00	$361,000.00	Hagerstown, Md. and Chicago, Ill.; May-July, 1984	Tradewater Railway Company 7382, 7404 Upper Merion & Plymouth Railroad Company 7375-7377, 7385, 7388-7390, 7393, 7405, 7407, 7410, 7413, 7417, 7418, 7421-7423

*These numbers, in the sequence they appear above, will be changed to The Chesapeake and Ohio Railway Company consecutive Road Numbers 190301 to 190319, inclusive.

SCHEDULE B
to the
Conditional Sale Agreement

Units of Equipment

Equipment Type	Quantity	Unit Base Price	Total Base Price	Place and Estimated Time of Delivery	Present Railroad ID Numbers (Inclusive)*
100-ton open top hopper cars	64 (maximum)	$18,700.00	$1,196,800.00	Hagerstown, Md. and Chicago, Ill.; May-July, 1984	Upper Merion & Plymouth Railroad Company 6022, 6168, 6175, 6184, 6193, 6197, 6201, 6202, 6205, 6208, 6209, 6211-6214, 6221-6223, 6229, 6230, 6236, 6237, 6240, 6241, 6244, 6246, 6249, 6252-6257, 6259, 6260, 6263-6267, 6269-6271, 6273-6276, 6278-6281, 6293, 6294, 6297, 6551, 6587 Wisconsin & Southern Railroad Company 6083, 6087, 6099, 6103, 6111, 6114, 6119, 6174

*These numbers, in the sequence they appear above, will be changed to The Chesapeake and Ohio Railway Company consecutive Road Numbers 191810 to 191873, inclusive.

SCHEDULE B
to the
Conditional Sale Agreement

Units of Equipment

Equipment Type	Quantity	Unit Base Price	Total Base Price	Place and Estimated Time of Delivery	Present Railroad ID Numbers (Inclusive)*
100-ton open top hopper cars	99 (maximum)	$18,000.00	$1,782,000.00	Hagerstown, Md. and Chicago, Ill.; May-July, 1984	Upper Merion & Plymouth Railroad Company X6720, 6724, 6731, 6733, 6736, 6738, 6745, 6756, 6759, 6762, 6767-6770, 6772, 6784, 6787, 6788, 6796, 6801, 6803, 6804, 6810, 6812, 6818 6723, 6729, 6732, 6734, 6744, 6748, 6751, 6754, 6757, 6760, 6761, 6778, 6780, 6783, 6786, 6790, 6793-6795, 6802, 6808, 6811, 6814, 6815, 6817, 6819, 6721, 6725-6728, 6730, 6737, 6739-6743, 6746, 6747, 6749, 6750, 6752, 6753, 6758, 6765, 6766, 6771, 6773-6776, 6779, 6781, 6785, 6789, 6797-6800, 6805, 6809, 6813, 6816 Panther Valley Railroad Corporation 6201-6210

*These numbers, in the sequence they appear above, will be changed to The Chesapeake and Ohio Railway Company consecutive Road Numbers 190163 to 190261, inclusive.

Dollar

SCHEDULE B
to the
Conditional Sale Agreement

Units of Equipment

Equipment Type	Quantity	Unit Base Price	Total Base Price	Place and Estimated Time of Delivery	Present Railroad ID Numbers (Inclusive)*
100-ton open top hopper cars	210 (maximum)	$19,000.00	$3,990,000.00	Hagerstown, Md. and Chicago, Ill.; May-July, 1984	Little Rock and Western Railway Corporation 6001-6199 Tradewater Railway Company 6059, 6069, 6073, 6183, 6194 Upper Merion & Plymouth Railroad Company 6013, 6020, 6006, 6182, 6295, 6296

*These numbers, in the sequence they appear above, will be changed to The Chesapeake and Ohio Railway Company consecutive Road Numbers 191600 to 191809, inclusive.

SCHEDULE B
to the
Conditional Sale Agreement

Units of Equipment

Equipment Type	Quantity	Unit Base Price	Total Base Price	Place and Estimated Time of Delivery	Present Railroad ID Numbers (Inclusive)*
100-ton open top hopper cars	290 (maximum)	$18,400.00 (for cars delivered and accepted prior to Sept. 1, 1984) $18,200.00 (for cars delivered and accepted after Aug. 31, 1984)	$5,335,000.00	Youngstown, OH and Demmler Transfer, PA.; August-September, 1984	The Pittsburgh and Lake Erie Railroad Company 80,000-80,006, inclusive 80,008-80,019, inclusive 80,021-80,062, inclusive 80,064-80,130, inclusive 80,132-80,160, inclusive 80,162-80,223, inclusive 80,225-80,246, inclusive 80,248-80,274, inclusive 80,276-80,277, inclusive 80,279-80,298, inclusive

Pittsburgh
C-23

*These numbers, in the sequence they appear above, will be changed to The Chesapeake and Ohio Railway Company consecutive Road Numbers 191000 to 191289, inclusive.

SCHEDULE B
to the
Conditional Sale Agreement

Units of Equipment

Equipment Type	Quantity	Unit Base Price	Total Base Price	Place and Estimated Time of Delivery	Present Railroad ID Numbers (Inclusive)*
100-ton open top hopper cars	39 (maximum)	$19,000.00	$741,000.00	Hagerstown, Md. and Chicago, Ill.; May-July, 1984	Tradewater Railway Company 7280, 7307, 7334, 7372. Upper Merion & Plymouth Railroad Company 7275, 7277, 7282, 7286, 7294, 7301, 7304, 7309, 7312, 7314-7317, 7319, 7321-7323, 7325, 7326, 7328, 7330, 7331, 7333, 7343-7345, 7348, 7349, 7352, 7356, 7359, 7361, 7365, 7366, 7374

*These numbers, in the sequence they appear above, will be changed to The Chesapeake and Ohio Railway Company consecutive Road Numbers 190262 to 190300, inclusive.

EXHIBIT B
to
Finance Agreement

NOTE: The six Assignment's were prepared from the same basic form with some use of variable pages. The attached composite copy of the six Assignment's shows all variable pages (in sequence) and all common pages.

EXECUTED IN ... OF WHICH THIS IS NO. ...

14368A

RECORDATION NO. ... FILED ... 9 22 AM

INTERSTATE COMMERCE COMMISSION

AGREEMENT AND ASSIGNMENT

Dated as of July 15, 1984

Between

PENSION INVESTMENT COMMITTEE
OF CONTINENTAL FINANCIAL SERVICES COMPANY,
AS FIDUCIARY FOR THE CONTINENTAL GROUP, INC.
MASTER PENSION TRUST

and

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY

14385

EXECUTED IN [illegible] COUNTERPARTS
OF WHICH THIS IS NO. [illegible]

AGREEMENT AND ASSIGNMENT

Dated as of July 15, 1984

Between

CITICORP LEASING, INC.

and

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY

EXECUTED IN [illegible] COUNTERPARTS
OF WHICH THIS IS NO. 1

14366
RECORDATION NO. [illegible]

JUL 19 1984 -9 25 AM

INTERSTATE COMMERCE COMMISSION

AGREEMENT AND ASSIGNMENT

Dated as of July 15, 1984

Between

DOLLAR SAVINGS BANK

and

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY

EXECUTED IN 4 COUNTERPARTS

OF WHICH THIS IS NO. 4

14316-A

INTERSTATE COMMERCE COMMISSION

AGREEMENT AND ASSIGNMENT

Dated as of July 15, 1984

Between

MELLON BANK (EAST) N.A.

GIRARD BANK
AS AGENT FOR PAUL REVERE LIFE INSURANCE COMPANY, PAUL REVERE PROTECTIVE LIFE INSURANCE COMPANY, PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY, AND AVCO CORPORATION RETIREMENT INCOME TRUST

and

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY

EXECUTED IN 4 COUNTERPARTS
OF WHICH THIS IS NO. 2

14432-A

RECORDATION NO. Filed 1425

SEP 25 1984 11 20 AM

INTERSTATE COMMERCE COMMISSION

AGREEMENT AND ASSIGNMENT

Dated as of July 15, 1984

Between

PITTSBURGH NATIONAL BANK

and

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY

EXECUTED IN ...
OF WHICH THIS IS NO. ...

14367-A

RECORDATION NO. ... FILED 1425

JUL 18 '84 9 25 AM

INTERSTATE COMMERCE COMMISSION

AGREEMENT AND ASSIGNMENT

Dated as of July 15, 1984

Between

LIFE INSURANCE COMPANY OF VIRGINIA

and

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY

AGREEMENT AND ASSIGNMENT

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AGREEMENT AND ASSIGNMENT, dated as of July 15, 1984, between PENSION INVESTMENT COMMITTEE OF CONTINENTAL FINANCIAL SERVICES COMPANY, AS FIDUCIARY FOR THE CONTINENTAL GROUP, INC. MASTER PENSION TRUST (the "Vendor") and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, acting as Agent under a Finance Agreement dated as of the date hereof (the "Finance Agreement") (said Agent, so acting, together with its successors and assigns, being hereinafter called the "Assignee").

The Vendor and The Chesapeake and Ohio Railway Company (the "Railroad") have entered into Conditional Sale Agreement dated as of the date hereof (the "CSA"), covering the sale and delivery, on the conditions therein set forth, by the Vendor and the purchase by the Railroad of the railroad equipment described in Schedule B to the CSA (said equipment being hereinafter called the "Equipment");

In consideration of the mutual covenants herein contained:

SECTION 1. The Vendor hereby assigns, transfers and sets over unto the Assignee:

(a) all the right, title and interest of the Vendor in and to each unit of Equipment when and as severally delivered to and accepted by the Railroad, subject to payment by the Assignee to the Vendor of the amount required to be paid under Section 4 hereof;

(b) all the right, title and interest of the Vendor in and to the CSA (except the right to deliver the Equipment and the right to receive the payments specified in the third paragraph of Article 3 thereof, in subparagraph (a) of the third paragraph of Article 4 thereof, and in the last paragraph of Article 15 thereof and reimbursements for taxes paid or incurred by the Vendor as provided in Article 5 thereof), and in and to any and all amounts which may be or become due or owing by the Railroad to the Vendor under the CSA in respect of the Purchase Price (as defined in the CSA) of the Equipment and interest thereon, and in and to any other sums becoming due from the Railroad under the CSA, other than those hereinabove excluded; and

(c) except as limited by subparagraph (b) hereof, all of the Vendor's rights, powers, privileges and remedies under the CSA;

without any recourse against the Vendor for or on account of the failure of the Railroad to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA; provided, however, that this Assignment shall not subject the Assignee to, or transfer, or pass, or in any

AGREEMENT AND ASSIGNMENT, dated as of July 15, 1984, between CITICORP LEASING, INC. (the "Vendor") and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, acting as Agent under a Finance Agreement dated as of the date hereof (the "Finance Agreement") (said Agent, so acting, together with its successors and assigns, being hereinafter called the "Assignee").

The Vendor and The Chesapeake and Ohio Railway Company (the "Railroad") have entered into Conditional Sale Agreement dated as of the date hereof (the "CSA"), covering the sale and delivery, on the conditions therein set forth, by the Vendor and the purchase by the Railroad of the railroad equipment described in Schedule B to the CSA (said equipment being hereinafter called the "Equipment");

In consideration of the mutual covenants herein contained:

SECTION 1. The Vendor, subject to payment by the Assignee to the Vendor of the total aggregate amount required to be paid under Section 4 hereof, hereby assigns, transfers and sets over unto the Assignee:

(a) all the right, title and interest of the Vendor in and to each unit of Equipment when and as severally delivered to and accepted by the Railroad;

(b) all the right, title and interest of the Vendor in and to the CSA (except the right to deliver the Equipment and the right to receive the payments specified in the third paragraph of Article 3 thereof, in subparagraph (a) of the third paragraph of Article 4 thereof, and in the last paragraph of Article 15 thereof and reimbursements for taxes paid or incurred by the Vendor as provided in Article 5 thereof), and in and to any and all amounts which may be or become due or owing by the Railroad to the Vendor under the CSA in respect of the Purchase Price (as defined in the CSA) of the Equipment and interest thereon, and in and to any other sums becoming due from the Railroad under the CSA, other than those hereinabove excluded; and

(c) except as limited by subparagraph (b) hereof, all of the Vendor's rights, powers, privileges and remedies under the CSA;

without any recourse against the Vendor for or on account of the failure of the Railroad to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA; provided, however, that this Assignment shall not subject the Assignee to, or transfer, or pass, or in any

AGREEMENT AND ASSIGNMENT, dated as of July 15, 1984, between DOLLAR SAVINGS BANK (the "Vendor") and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, acting as Agent under a Finance Agreement dated as of the date hereof (the "Finance Agreement") (said Agent, so acting, together with its successors and assigns, being hereinafter called the "Assignee").

The Vendor and The Chesapeake and Ohio Railway Company (the "Railroad") have entered into Conditional Sale Agreement dated as of the date hereof (the "CSA"), covering the sale and delivery, on the conditions therein set forth, by the Vendor and the purchase by the Railroad of the railroad equipment described in Schedule B to the CSA (said equipment being hereinafter called the "Equipment");

In consideration of the mutual covenants herein contained:

SECTION 1. The Vendor hereby assigns, transfers and sets over unto the Assignee:

> (a) all the right, title and interest of the Vendor in and to each unit of Equipment when and as severally delivered to and accepted by the Railroad, subject to payment by the Assignee to the Vendor of the amount required to be paid under Section 4 hereof;
>
> (b) all the right, title and interest of the Vendor in and to the CSA (except the right to deliver the Equipment and the right to receive the payments specified in the third paragraph of Article 3 thereof, in subparagraph (a) of the third paragraph of Article 4 thereof, and in the last paragraph of Article 15 thereof and reimbursements for taxes paid or incurred by the Vendor as provided in Article 5 thereof), and in and to any and all amounts which may be or become due or owing by the Railroad to the Vendor under the CSA in respect of the Purchase Price (as defined in the CSA) of the Equipment and interest thereon, and in and to any other sums becoming due from the Railroad under the CSA, other than those hereinabove excluded; and
>
> (c) except as limited by subparagraph (b) hereof, all of the Vendor's rights, powers, privileges and remedies under the CSA;

without any recourse against the Vendor for or on account of the failure of the Railroad to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA; provided, however, that this Assignment shall not subject the Assignee to, or transfer, or pass, or in any

AGREEMENT AND ASSIGNMENT, dated as of July 15, 1984, between GIRARD BANK AS AGENT FOR PAUL REVERE LIFE INSURANCE COMPANY, PAUL REVERE PROTECTIVE LIFE INSURANCE COMPANY, PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY, AND AVCO CORPORATION RETIREMENT INCOME TRUST (the "Vendor") and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, acting as Agent under a Finance Agreement dated as of the date hereof (the "Finance Agreement") (said Agent, so acting, together with its successors and assigns, being hereinafter called the "Assignee").

The Vendor and The Chesapeake and Ohio Railway Company (the "Railroad") have entered into Conditional Sale Agreement dated as of the date hereof (the "CSA"), covering the sale and delivery, on the conditions therein set forth, by the Vendor and the purchase by the Railroad of the railroad equipment described in Schedule B to the CSA (said equipment being hereinafter called the "Equipment");

In consideration of the mutual covenants herein contained:

SECTION 1. The Vendor hereby assigns, transfers and sets over unto the Assignee:

(a) all the right, title and interest of the Vendor in and to each unit of Equipment when and as severally delivered to and accepted by the Railroad, subject to payment by the Assignee to the Vendor of the amount required to be paid under Section 4 hereof;

(b) all the right, title and interest of the Vendor in and to the CSA (except the right to deliver the Equipment and the right to receive the payments specified in the third paragraph of Article 3 thereof, in subparagraph (a) of the third paragraph of Article 4 thereof, and in the last paragraph of Article 15 thereof and reimbursements for taxes paid or incurred by the Vendor as provided in Article 5 thereof), and in and to any and all amounts which may be or become due or owing by the Railroad to the Vendor under the CSA in respect of the Purchase Price (as defined in the CSA) of the Equipment and interest thereon, and in and to any other sums becoming due from the Railroad under the CSA, other than those hereinabove excluded; and

(c) except as limited by subparagraph (b) hereof, all of the Vendor's rights, powers, privileges and remedies under the CSA;

without any recourse against the Vendor for or on account of the failure of the Railroad to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA; provided, however, that this Assignment shall not subject the Assignee to, or transfer, or pass, or in any

AGREEMENT AND ASSIGNMENT, dated as of July 15, 1984, between PITTSBURGH NATIONAL BANK (the "Vendor") and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, acting as Agent under a Finance Agreement dated as of the date hereof (the "Finance Agreement") (said Agent, so acting, together with its successors and assigns, being hereinafter called the "Assignee").

The Vendor and The Chesapeake and Ohio Railway Company (the "Railroad") have entered into Conditional Sale Agreement dated as of the date hereof (the "CSA"), covering the sale and delivery, on the conditions therein set forth, by the Vendor and the purchase by the Railroad of the railroad equipment described in Schedule B to the CSA (said equipment being hereinafter called the "Equipment");

In consideration of the mutual covenants herein contained:

SECTION 1. The Vendor hereby assigns, transfers and sets over unto the Assignee:

(a) all the right, title and interest of the Vendor in and to each unit of Equipment when and as severally delivered to and accepted by the Railroad, subject to payment by the Assignee to the Vendor of the amount required to be paid under Section 4 hereof;

(b) all the right, title and interest of the Vendor in and to the CSA (except the right to deliver the Equipment and the right to receive the payments specified in the third paragraph of Article 3 thereof, in subparagraph (a) of the third paragraph of Article 4 thereof, and in the last paragraph of Article 15 thereof and reimbursements for taxes paid or incurred by the Vendor as provided in Article 5 thereof), and in and to any and all amounts which may be or become due or owing by the Railroad to the Vendor under the CSA in respect of the Purchase Price (as defined in the CSA) of the Equipment and interest thereon, and in and to any other sums becoming due from the Railroad under the CSA, other than those hereinabove excluded; and

(c) except as limited by subparagraph (b) hereof, all of the Vendor's rights, powers, privileges and remedies under the CSA;

without any recourse against the Vendor for or on account of the failure of the Railroad to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA; provided, however, that this Assignment shall not subject the Assignee to, or transfer, or pass, or in any

AGREEMENT AND ASSIGNMENT, dated as of July 15, 1984, between LIFE INSURANCE COMPANY OF VIRGINIA (the "Vendor") and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, acting as Agent under a Finance Agreement dated as of the date hereof (the "Finance Agreement") (said Agent, so acting, together with its successors and assigns, being hereinafter called the "Assignee").

The Vendor and The Chesapeake and Ohio Railway Company (the "Railroad") have entered into Conditional Sale Agreement dated as of the date hereof (the "CSA"), covering the sale and delivery, on the conditions therein set forth, by the Vendor and the purchase by the Railroad of the railroad equipment described in Schedule B to the CSA (said equipment being hereinafter called the "Equipment");

In consideration of the mutual covenants herein contained:

SECTION 1. The Vendor hereby assigns, transfers and sets over unto the Assignee:

(a) all the right, title and interest of the Vendor in and to each unit of Equipment when and as severally delivered to and accepted by the Railroad, subject to payment by the Assignee to the Vendor of the amount required to be paid under Section 4 hereof;

(b) all the right, title and interest of the Vendor in and to the CSA (except the right to deliver the Equipment and the right to receive the payments specified in the third paragraph of Article 3 thereof, in subparagraph (a) of the third paragraph of Article 4 thereof, and in the last paragraph of Article 15 thereof and reimbursements for taxes paid or incurred by the Vendor as provided in Article 5 thereof), and in and to any and all amounts which may be or become due or owing by the Railroad to the Vendor under the CSA in respect of the Purchase Price (as defined in the CSA) of the Equipment and interest thereon, and in and to any other sums becoming due from the Railroad under the CSA, other than those hereinabove excluded; and

(c) except as limited by subparagraph (b) hereof, all of the Vendor's rights, powers, privileges and remedies under the CSA;

without any recourse against the Vendor for or on account of the failure of the Railroad to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA; provided, however, that this Assignment shall not subject the Assignee to, or transfer, or pass, or in any

way affect or modify, the liability of the Vendor to deliver the Equipment in accordance with the CSA or with respect to its obligations contained or referred to in Article 14 of the CSA, or relieve the Railroad from its obligations to the Vendor contained or referred to in Articles 2, 3, 4, 5, 13, 14 and 15 of the CSA, it being agreed that, notwithstanding this Assignment, or any subsequent assignment pursuant to the provisions of Article 15 of the CSA, all obligations of the Vendor to the Railroad with respect to the Equipment shall be and remain enforceable by the Railroad, its successors and assigns, against and only against the Vendor. In furtherance of the foregoing assignment and transfer, the Vendor hereby authorizes and empowers the Assignee, in the Assignee's own name or in the name of the Assignee's nominee, or in the name of and as attorney hereby irrevocably constituted for the Vendor, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Assignee is or may become entitled under this Assignment and to ask, demand, sue for and enforce compliance by the Railroad with the terms and agreements on its part to be performed under the CSA, but at the expense and liability and for the sole benefit of the Assignee.

SECTION 2. The Vendor agrees that it shall deliver the Equipment to the Railroad in full accordance with the provisions of the CSA; and that, notwithstanding this Assignment, it will perform and fully comply with each of and all the covenants and conditions of the CSA set forth to be performed and complied with by the Vendor. The Vendor further agrees that it will warrant to the Assignee and the Railroad that at the time of delivery of each unit of the Equipment under the CSA it had legal title to such unit and good and lawful right to sell such unit and that title to such unit was free of all claims, liens, security interests and other encumbrances (other than those created by the CSA); and the Vendor further agrees that it will defend the title to each unit of its Equipment against the demands of all persons whomsoever based on claims originating prior to the delivery of such unit by the Vendor under the CSA; all subject, however, to the provisions of the CSA and the rights of the Railroad thereunder. The Vendor will not deliver any of its Equipment to the Railroad under the CSA until the filings referred to in Article 19 of the CSA have been effected (the Vendor and its counsel being entitled to rely on advice from special counsel for the Assignee, or on advice from counsel to the Railroad, that such filings have been effected).

SECTION 3. The Vendor agrees with the Assignee that in any suit, proceeding or action brought by the Assignee under the CSA for any installment of, or interest on, indebtedness in respect of the Purchase Price of the Equipment or to enforce any provision of the CSA, the Vendor will indemnify, protect and hold harmless the Assignee from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever of the Railroad arising out of a breach by the Vendor of any obligation with respect to the Equipment or the delivery or warranty thereof, or by reason of any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by the Vendor. The Vendor's

way affect or modify, the liability of the Vendor to deliver the Equipment in accordance with the CSA or with respect to its obligations contained or referred to in Article 14 of the CSA, or relieve the Railroad from its obligations to the Vendor contained or referred to in Articles 2, 3, 4, 5, 13, 14 and 15 of the CSA, it being agreed that, notwithstanding this Assignment, or any subsequent assignment pursuant to the provisions of Article 15 of the CSA, all obligations of the Vendor to the Railroad (which obligations will be fulfilled and terminate as of the first Closing Date as defined in the CSA) with respect to the Equipment shall be and remain enforceable by the Railroad, its successors and assigns, against and only against the Vendor. In furtherance of the foregoing assignment and transfer, the Vendor hereby authorizes and empowers the Assignee, in the Assignee's own name or in the name of the Assignee's nominee, or in the name of and as attorney hereby irrevocably constituted for the Vendor, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Assignee is or may become entitled under this Assignment and to ask, demand, sue for and enforce compliance by the Railroad with the terms and agreements on its part to be performed under the CSA, but at the expense and liability and for the sole benefit of the Assignee.

SECTION 2. The Vendor agrees that it shall deliver the Equipment to the Railroad in full accordance with the provisions of the CSA; and that, notwithstanding this Assignment, it will perform and fully comply with each of and all the covenants and conditions of the CSA set forth to be performed and complied with by the Vendor. The Vendor further agrees that it will warrant to the Assignee and the Railroad that at the time of delivery of each unit of the Equipment under the CSA it had legal title to such unit and good and lawful right to sell such unit and that title to such unit was free of all claims, liens, security interests and other encumbrances (other than those created by the CSA); and the Vendor further agrees that it will defend the title to each unit of its Equipment against the demands of all persons whomsoever based on claims originating prior to the delivery of such unit by the Vendor under the CSA; all subject, however, to the provisions of the CSA and the rights of the Railroad thereunder. The Vendor will not deliver any of its Equipment to the Railroad under the CSA until the filings referred to in Article 19 of the CSA have been effected (the Vendor and its counsel being entitled to rely on advice from special counsel for the Assignee, or on advice from counsel to the Railroad, that such filings have been effected).

SECTION 3. [This Section intentionally left blank.]

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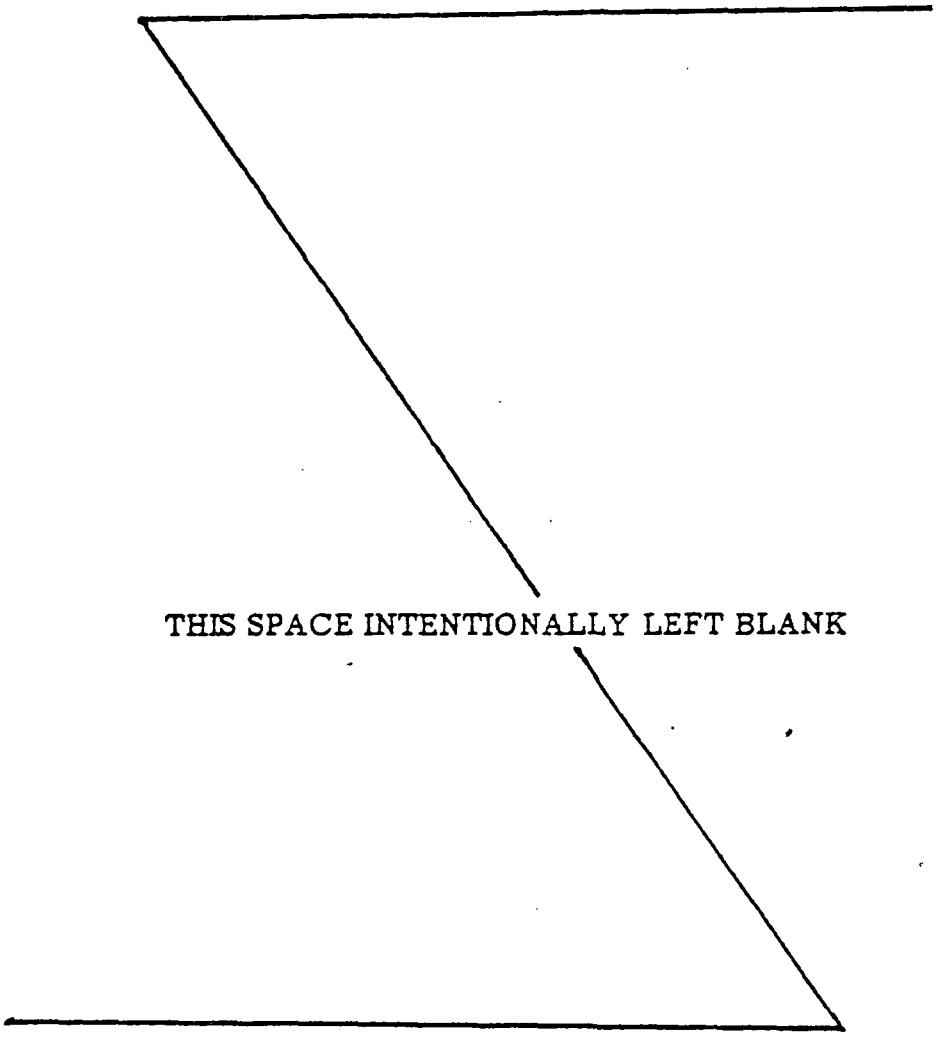
obligation so to indemnify, protect and hold harmless is conditional upon (a) the Assignee's timely motion or other appropriate action, on the basis of Article 15 of the CSA, to strike any defense, setoff, counterclaim or recoupment asserted by the Railroad in any such suit, proceeding or action and (b) if the court or other body having jurisdiction in such suit, proceeding or action denies such motion or other action and accepts such defense, setoff, counterclaim or recoupment as a triable issue in such suit, proceeding or action, the Assignee's prompt notification to the Vendor of the asserted defense, setoff, counterclaim or recoupment and the Assignee's giving the Vendor the right, at the Vendor's expense, to compromise, settle or defend against such defense, setoff, counterclaim or recoupment.

Except in cases of articles or materials specified by the Railroad and not manufactured by the Vendor and in cases of designs, systems, processes, formulae or combinations specified by the Railroad and not developed or purported to be developed by the Vendor, the Vendor agrees, except as otherwise specifically provided in the CSA, to indemnify, protect and hold harmless the Assignee from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Assignee or its assigns because of the use in or about the construction, renovation, repair or operation of any of the Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Assignee will give prompt notice to the Vendor of any such liability or claim actually known to the Assignee and will give the Vendor the right, at the Vendor's expense, to compromise, settle or defend against such claim. The Vendor agrees that any amounts payable to it by the Railroad with respect to the Equipment, with the exception of amounts payable pursuant to subparagraph (a) of the third paragraph of Article 4 of the CSA (other than amounts owing under supplemental invoices as therein provided), whether pursuant to the CSA or otherwise, not hereby assigned to the Assignee, shall not be secured by any lien, charge or security interest upon the Equipment or any unit thereof.

SECTION 4. The Assignee, on each Closing Date fixed as provided in Article 4 of the CSA with respect to a Group (as defined in said Article 4) of the Equipment, shall pay to the Vendor an amount equal to the portion of the Purchase Price of the Equipment as shown on the invoice therefor then being settled for which, under the terms of said Article 4, is payable in installments, provided that there shall have been delivered to the Assignee, at least five business days (as defined in said Article 4) prior to such Closing Date, the following documents, in form and substance satisfactory to it and to its special counsel hereinafter mentioned, in such number of counterparts as may be reasonably requested by said special counsel:

(a) a bill of sale from the Vendor to the Assignee transferring to the Assignee a security interest in the units of the Equipment in such Group, warranting to the Assignee and to the Railroad that at the time of



SECTION 4. The Assignee, on each Closing Date fixed as provided in Article 4 of the CSA with respect to a Group (as defined in said Article 4) of the Equipment, shall pay to the Vendor a total aggregate amount equal to the portion of the Purchase Price of the Equipment as shown on the invoice therefor then being settled for which, under the terms of said Article 4, is payable in installments (but which shall be paid hereunder in a lump sum), provided that there shall have been delivered to the Assignee, at least five business days (as defined in said Article 4) prior to such Closing Date, the following documents, in form and substance satisfactory to it and to its special counsel hereinafter mentioned, in such number of counterparts as may be reasonably requested by said special counsel:

(a) a bill of sale from the Vendor to the Assignee transferring to the Assignee a security interest in the units of the Equipment in such Group, warranting to the Assignee and to the Railroad that at the time of

delivery of such units under the CSA the Vendor had legal title to such units and good and lawful right to sell such units and that such units and that title to such units were free of all claims, liens, security interests and other encumbrances (other than those created by the CSA), and covenanting to defend the title to such units against the demands of all persons whomsoever based on claims originating prior to the delivery of such units by the Vendor under the CSA;

(b) a Certificate or Certificates of Acceptance with respect to the units of the Equipment in such Group as contemplated by Article 3 of the CSA;

(c) an invoice of the Vendor for the units of the Equipment in such Group and any supplemental invoice for which settlement is then being made, in each case accompanied by or having endorsed thereon a certification by the Railroad as to the correctness of the prices stated therein;

(d) an opinion of counsel for the Assignee and the Investor named in the Finance Agreement, dated as of such Closing Date, stating that (i) the Finance Agreement, assuming due authorization, execution and delivery by such Investor and Assignee, has been duly authorized, executed and delivered and is a legal, valid and binding instrument, (ii) the CSA has been duly authorized, executed and delivered by the Railroad and the Vendor and is a legal, valid and binding instrument, enforceable against the Railroad and the Vendor in accordance with its terms, (iii) this Assignment has been duly authorized, executed and delivered by the Vendor and, assuming due authorization, execution and delivery thereof by the Assignee, is a legal, valid and binding instrument enforceable against the Vendor in accordance with its terms, (iv) the Assignee is vested with all the rights, titles, interests, powers and privileges purported to be assigned to it by this Assignment, (v) the Assignee has a valid and perfected security interest in the units of the Equipment in such Group, such units, at the time of delivery thereof to the Railroad under the CSA, were free from all claims, liens, security interests and other encum-

brances (other than those created by the CSA) and the Assignee is entitled to the benefits of 11 U.S.C. §1168 in the event of a filing of a petition for the reorganization of the Railroad under Title 11 of the United States Code, (vi) no approval of the Interstate Commerce Commission or any other governmental authority is necessary for the valid execution and delivery of the Finance Agreement, the CSA or this Assignment, (vii) the CSA and this Assignment have been filed with the Interstate Commerce Commission pursuant to 49 U.S.C. 11303, and no other filing or recordation is necessary for the protection of the rights of the Assignee in any state of the United States of America or in the District of Columbia and (viii) registration of the CSA, this Assignment or any certificates of interest delivered pursuant to the Finance Agreement is not required under the Securities Act of 1933, as amended, and qualification of an indenture with respect thereto is not required under the Trust Indenture Act of 1939, as amended; and such opinion shall also cover such other matters as may reasonably be requested by the Assignee or any such Investor;

(e) an opinion of counsel for the Railroad, dated as of such Closing Date, to the effect set forth in clauses (i), (ii), (v), (vi) and (vii) of subparagraph (d) above (said counsel, in rendering such opinion, being permitted to assume due authorization, execution and delivery of the Finance Agreement and the CSA by parties thereto other than the Railroad), and stating that the Railroad is a duly organized and existing corporation in good standing under the laws of its jurisdiction of incorporation and has the power and authority to own its properties and to carry on its business as now conducted;

(f) an opinion of counsel for the Vendor dated as of such Closing Date, to the effect set forth in clauses (iii), (iv) and (v) of subparagraph (d) above in respect of the Equipment and stating that (i) the Vendor is a duly organized and existing corporation in good standing under the laws of its jurisdiction of incorporation and has the power and authority to own its properties and to carry on its business as now conducted; and (ii) the CSA has been duly authorized, executed and delivered by the Vendor and is a legal, valid instrument binding upon the Vendor and enforceable against the Vendor in accordance with its terms;

(g) a certificate of an officer of the Railroad,

brances (other than those created by the CSA) and the Assignee is entitled to the benefits of 11 U.S.C. §1168 in the event of a filing of a petition for the reorganization of the Railroad under Title 11 of the United States Code, (vi) no approval of the Interstate Commerce Commission or any other governmental authority is necessary for the valid execution and delivery of the Finance Agreement, the CSA or this Assignment, (vii) the CSA and this Assignment have been filed with the Interstate Commerce Commission pursuant to 49 U.S.C. 11303, and no other filing or recordation is necessary for the protection of the rights of the Assignee in any state of the United States of America or in the District of Columbia and (viii) registration of the CSA, this Assignment or any certificates of interest delivered pursuant to the Finance Agreement is not required under the Securities Act of 1933, as amended, and qualification of an indenture with respect thereto is not required under the Trust Indenture Act of 1939, as amended; and such opinion shall also cover such other matters as may reasonably be requested by the Assignee or any such Investor;

(e) an opinion of counsel for the Railroad, dated as of such Closing Date, to the effect set forth in clauses (i), (ii), (v), (vi) and (vii) of subparagraph (d) above (said counsel, in rendering such opinion, being permitted to assume due authorization, execution and delivery of the Finance Agreement and the CSA by parties thereto other than the Railroad), and stating that the Railroad is a duly organized and existing corporation in good standing under the laws of its jurisdiction of incorporation and has the power and authority to own its properties and to carry on its business as now conducted;

(f) an opinion of counsel for the Vendor dated as of such Closing Date, to the effect set forth in clauses (iii), (iv) *~~and (v)~~ of subparagraph (d) above in respect of the Equipment and stating that (i) the Vendor is a duly organized and existing corporation in good standing under the laws of its jurisdiction of incorporation and has the power and authority to own its properties and to carry on its business as now conducted; and (ii) the CSA has been duly authorized, executed and delivered by the Vendor and is a legal, valid instrument binding upon the Vendor and enforceable against the Vendor in accordance with its terms;

(g) a certificate of an officer of the Railroad,

* The opinion required by subsection (iv) shall be subject to payment by the Assignee to the Vendor of the total aggregate amount to be paid under Section 4 of this Agreement.

dated as of such Closing Date, to the effect that (i) no event of default, or event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default, shall have occurred and is then continuing, (ii) no federal tax liens (including tax liens filed pursuant to Section 6323 of the Internal Revenue Code of 1954, as amended) and, to the best of his knowledge and belief, no other tax liens have been filed and are currently in effect which would adversely affect the security interest of the Assignee in the Equipment and (iii) no taxes, assessments or governmental charges or levies are delinquent which would adversely affect the security interest of the Assignee in the Equipment;

(h) a release or releases from the Vendor in recordable form discharging and terminating all claims, liens, security interests and other encumbrances, if any, in the units of the Equipment in such Group and in any of the materials used in the construction thereof; and

(i) a receipt from the Vendor for any payment (other than the payment being made by the Assignee pursuant to the first paragraph of this Section 4) required to be made on such Closing Date to the Vendor with respect to the Equipment, unless such payment is made by the Assignee with funds furnished to it for that purpose by the Railroad;

provided, however, that with respect to Equipment for which a final Supplemental Invoice (as defined in the CSA) is submitted by the Vendor as permitted by Article 4 of the CSA, the only documents which must be delivered to the Assignee are those required by subparagraphs (c) and (i) of this Section 4.

In giving the opinions specified in subparagraphs (d), (e) and (f) of the first paragraph of this Section 4, counsel may qualify any opinion to the effect that any agreement is a legal, valid and binding instrument enforceable in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally. In giving the opinion specified in said subparagraphs (d) and (e), counsel may rely on the opinion of counsel for the Vendor as to authorization, execution and delivery by the Vendor of the documents executed by the Vendor and as to title to the Equipment at the time of delivery thereof under the CSA; in giving the opinion specified in said subparagraph (d), counsel may rely on the opinion of counsel for the Railroad as to the matters referred to in clause (vii) of subparagraph (d) above and as to any matter governed by the

law of any jurisdiction other than Ohio or the United States of America, on the opinion of counsel for the Vendor or the opinion of counsel for the Railroad; and in giving the opinion specified in said subparagraph (e), counsel may rely on the bill of sale and opinion of counsel for the Vendor as to claims, liens, security interests and other encumbrances arising from, through or under the Vendor, except as to claims, liens, security interests and other encumbrances held by or running to the Railroad.

The obligation of the Assignee hereunder to make any payment provided for in this Section 4 is hereby expressly conditioned upon the Assignee's having on deposit, pursuant to the terms of the Finance Agreement, sufficient funds available thereunder to make such payment. The Assignee shall not be obligated to make payment at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 of the CSA or if an event of default, or any event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default, shall have occurred and be continuing under the CSA. In the event that the Assignee shall not make payment for any Group of the Equipment, the Assignee shall reassign to the Vendor, without recourse to the Assignee, all right, title and interest of the Assignee in and to the units of the Equipment with respect to which payment has not been made by the Assignee.

SECTION 5. The Assignee may assign all or any of its rights under the CSA, including the right to receive any payments due or to become due to it from the Railroad thereunder. In the event of any such assignment any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder.

SECTION 6. The Vendor hereby:

(a) represents and warrants to the Assignee that the CSA was duly authorized by it and lawfully executed and delivered by it for a valid consideration, that, assuming due authorization, execution and delivery by the Railroad, the CSA is, insofar as the Vendor is concerned, a valid and existing agreement binding upon it and the Railroad in accordance with its terms and that it is now in force without amendment thereto;

(b) agrees that it will from time to time and at all times, at the request of the Assignee, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as may be necessary or appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Assignee or intended so to be; and

law of any jurisdiction other than Ohio or the United States of America, on the opinion of counsel for the Vendor or the opinion of counsel for the Railroad; and in giving the opinion specified in said subparagraph (e), counsel may rely on the bill of sale and opinion of counsel for the Vendor as to claims, liens, security interests and other encumbrances arising from, through or under the Vendor, except as to claims, liens, security interests and other encumbrances held by or running to the Railroad.

The obligation of the Assignee hereunder to make any payment provided for in this Section 4 is hereby expressly conditioned upon the Assignee's having on deposit, pursuant to the terms of the Finance Agreement, sufficient funds available thereunder to make such payment. The Assignee shall not be obligated to make payment at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 of the CSA or if an event of default, or any event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default, shall have occurred and be continuing under the CSA. In the event that the Assignee shall not make payment for any Group of the Equipment, the Assignee shall reassign to the Vendor, without recourse to the Assignee, all right, title and interest of the Assignee in and to the units of the Equipment with respect to which payment has not been made by the Assignee.

SECTION 5. The Assignee may assign all or any of its rights under the CSA, including the right to receive any payments due or to become due to it from the Railroad thereunder. In the event of any such assignment any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder.

SECTION 6. The Vendor hereby:

(a) represents and warrants to the Assignee that the CSA was duly authorized by it and lawfully executed and delivered by it for a valid consideration, that, assuming due authorization, execution and delivery by the Railroad, the CSA is, insofar as the Vendor is concerned, a valid and existing agreement binding upon it in accordance with its terms and that it is now in force without amendment thereto;

(b) agrees that it will from time to time and at all times, at the request of the Assignee, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as may be necessary or appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Assignee or intended so to be; and

(c) agrees that, upon request of the Assignee, it will execute any and all instruments which may be necessary or proper in order to discharge of record the CSA or any other instrument evidencing any interest of the Vendor therein or in the Equipment; and

(d) represents and warrants that at the time of delivery of each unit of Equipment by the Vendor to the Railroad under the CSA, each unit of Equipment was free and clear from all claims, liens, security interests and other encumbrances of any nature (other than those created by the CSA and other than the rights of the Assignee under this Assignment) arising from, through or under the Vendor.

SECTION 7. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the State of Ohio; provided, however, that the parties shall be entitled to all the rights conferred as provided in Article 23 of the CSA.

SECTION 8. The Assignee agrees to deliver an executed counterpart of this Assignment to the Railroad, which delivery shall constitute due notice of the assignment hereby made. Although this Assignment is dated for convenience as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 9. This Assignment may be executed in any number of counterparts, such counterparts together constituting but one and the same contract, but the counterpart delivered to the Assignee shall be deemed to be the original and all other counterparts shall be deemed to be duplicates thereof.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officers, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

(Corporate Seal)

Attest:

PENSION INVESTMENT COMMITTEE OF CONTINENTAL FINANCIAL SERVICES COMPANY, AS FIDUCIARY FOR THE CONTINENTAL GROUP, INC. MASTER PENSION TRUST

_____
(Title)

by: Robert O. Martin Jr.
Member (Title)

(c) agrees that, upon request of the Assignee, it will execute any and all instruments which may be necessary or proper in order to discharge of record the CSA or any other instrument evidencing any interest of the Vendor therein or in the Equipment; and

(d) represents and warrants that at the time of delivery of each unit of Equipment by the Vendor to the Railroad under the CSA, each unit of Equipment was free and clear from all claims, liens, security interests and other encumbrances of any nature (other than those created by the CSA and other than the rights of the Assignee under this Assignment) arising from, through or under the Vendor.

SECTION 7. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the State of Ohio; provided, however, that the parties shall be entitled to all the rights conferred as provided in Article 23 of the CSA.

SECTION 8. The Assignee agrees to deliver an executed counterpart of this Assignment to the Railroad, which delivery shall constitute due notice of the assignment hereby made. Although this Assignment is dated for convenience as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 9. This Assignment may be executed in any number of counterparts, such counterparts together constituting but one and the same contract, but the counterpart delivered to the Assignee shall be deemed to be the original and all other counterparts shall be deemed to be duplicates thereof.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officers, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

(Corporate Seal)

Attest:

CITICORP LEASING, INC.,

Shanak Conroy
(Title)
Asst Secty.

by: _____
(Title)

(c) agrees that, upon request of the Assignee, it will execute any and all instruments which may be necessary or proper in order to discharge of record the CSA or any other instrument evidencing any interest of the Vendor therein or in the Equipment; and

(d) represents and warrants that at the time of delivery of each unit of Equipment by the Vendor to the Railroad under the CSA, each unit of Equipment was free and clear from all claims, liens, security interests and other encumbrances of any nature (other than those created by the CSA and other than the rights of the Assignee under this Assignment) arising from, through or under the Vendor.

SECTION 7. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the State of Ohio; provided, however, that the parties shall be entitled to all the rights conferred as provided in Article 23 of the CSA.

SECTION 8. The Assignee agrees to deliver an executed counterpart of this Assignment to the Railroad, which delivery shall constitute due notice of the assignment hereby made. Although this Assignment is dated for convenience as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 9. This Assignment may be executed in any number of counterparts, such counterparts together constituting but one and the same contract, but the counterpart delivered to the Assignee shall be deemed to be the original and all other counterparts shall be deemed to be duplicates thereof.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officers, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

(Corporate Seal)

Attest:

DOLLAR SAVINGS BANK,

_____
(Title)
Corporate Secretary

by: _____
(Title)
Vice President-Credit

(c) agrees that, upon request of the Assignee, it will execute any and all instruments which may be necessary or proper in order to discharge of record the CSA or any other instrument evidencing any interest of the Vendor therein or in the Equipment; and

(d) represents and warrants that at the time of delivery of each unit of Equipment by the Vendor to the Railroad under the CSA, each unit of Equipment was free and clear from all claims, liens, security interests and other encumbrances of any nature (other than those created by the CSA and other than the rights of the Assignee under this Assignment) arising from, through or under the Vendor.

SECTION 7. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the State of Ohio; provided, however, that the parties shall be entitled to all the rights conferred as provided in Article 23 of the CSA.

SECTION 8. The Assignee agrees to deliver an executed counterpart of this Assignment to the Railroad, which delivery shall constitute due notice of the assignment hereby made. Although this Assignment is dated for convenience as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 9. This Assignment may be executed in any number of counterparts, such counterparts together constituting but one and the same contract, but the counterpart delivered to the Assignee shall be deemed to be the original and all other counterparts shall be deemed to be duplicates thereof.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officers, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

(Corporate Seal)

MELLON BANK (EAST) N.A.

~~GIRARD BANK~~ AS AGENT FOR
PAUL REVERE LIFE INSURANCE
COMPANY, PAUL REVERE PRO-
TECTIVE LIFE INSURANCE COM-
PANY, PAUL REVERE VARIABLE
ANNUITY INSURANCE COMPANY,
AND AVCO CORPORATION RETIRE-
MENT INCOME TRUST,

Attest:

by: G. F. ARLETH
CORPORATE TRUST OFFICER

(Title) (Title)

C.H. DOUGHERTY
ASSISTANT SECRETARY

Mellon
AA-8

(c) agrees that, upon request of the Assignee, it will execute any and all instruments which may be necessary or proper in order to discharge of record the CSA or any other instrument evidencing any interest of the Vendor therein or in the Equipment; and

(d) represents and warrants that at the time of delivery of each unit of Equipment by the Vendor to the Railroad under the CSA, each unit of Equipment was free and clear from all claims, liens, security interests and other encumbrances of any nature (other than those created by the CSA and other than the rights of the Assignee under this Assignment) arising from, through or under the Vendor.

SECTION 7. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the State of Ohio; provided, however, that the parties shall be entitled to all the rights conferred as provided in Article 23 of the CSA.

SECTION 8. The Assignee agrees to deliver an executed counterpart of this Assignment to the Railroad, which delivery shall constitute due notice of the assignment hereby made. Although this Assignment is dated for convenience as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 9. This Assignment may be executed in any number of counterparts, such counterparts together constituting but one and the same contract, but the counterpart delivered to the Assignee shall be deemed to be the original and all other counterparts shall be deemed to be duplicates thereof.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officers, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

(Corporate Seal)

Attest:

PITTSBURGH NATIONAL BANK

(Title) J. G. Routh
Assistant Vice President

by: _____
Vice President

(c) agrees that, upon request of the Assignee, it will execute any and all instruments which may be necessary or proper in order to discharge of record the CSA or any other instrument evidencing any interest of the Vendor therein or in the Equipment; and

(d) represents and warrants that at the time of delivery of each unit of Equipment by the Vendor to the Railroad under the CSA, each unit of Equipment was free and clear from all claims, liens, security interests and other encumbrances of any nature (other than those created by the CSA and other than the rights of the Assignee under this Assignment) arising from, through or under the Vendor.

SECTION 7. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the State of Ohio; provided, however, that the parties shall be entitled to all the rights conferred as provided in Article 23 of the CSA.

SECTION 8. The Assignee agrees to deliver an executed counterpart of this Assignment to the Railroad, which delivery shall constitute due notice of the assignment hereby made. Although this Assignment is dated for convenience as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 9. This Assignment may be executed in any number of counterparts, such counterparts together constituting but one and the same contract, but the counterpart delivered to the Assignee shall be deemed to be the original and all other counterparts shall be deemed to be duplicates thereof.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officers, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

(Corporate Seal)

Attest:

LIFE INSURANCE COMPANY OF VIRGINIA,

Assistant Secretary

by: Daniel B. Belcher
Assistant Vice President

(Corporate Seal)

Attest:

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

by: _____
Vice President

_____
Corporate Trust Officer

(Corporate Seal)

Attest:

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

by: _____

_____
Corporate Trust Officer

Vice President

Citicorp

(Corporate Seal)

Attest:

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

by: _____

Corporate Trust Officer

Vice President

(Corporate Seal)

Attest:

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

by: _____

Corporate Trust Officer

Vice President

(Corporate Seal)

Attest:

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

by: _____

Corporate Trust Officer

Vice President

Pittsburgh

(Corporate Seal)

Attest:

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

by: _____

Corporate Trust Officer

Vice-President

STATE OF VIRGINIA)
) ss.:
COUNTY OF HENRICO)

On this _____ day of _____, 1984, before me personally appeared _____, to me personally known who, being by me duly sworn, says that he is a member of the PENSION INVESTMENT COMMITTEE OF CONTINENTAL FINANCIAL SERVICES COMPANY, AS FIDUCIARY FOR THE CONTINENTAL GROUP, INC. MASTER PENSION TRUST.

_____
Notary Public
(NOTARIAL SEAL) My Commission Expires:

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

On this _____ day of _____, 1984, before me personally appeared R. 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 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.

_____
Notary Public
(NOTARIAL SEAL) My Commission Expires:

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

On this 20th day of July, 1984, before me personally appeared Thomas O'Shea, to me personally known who, being by me duly sworn, says that he is Vice President of Citicorp Leasing, Inc. 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.

Kenneth F. Fagan
Notary Public
My Commission Expires: 3/30/85

(NOTARIAL SEAL)

KENNETH F. FAGAN
Notary Public, State of New York
No. 31-4633363
Qualified in New York County
Commission Expires March 30, 1985

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

On this _____ day of _____, 1984, before me personally appeared R. 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 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.

_____
Notary Public
My Commission Expires:

(NOTARIAL SEAL)

STATE OF PENNSYLVANIA)
) ss.:
COUNTY OF ALLEGHENY)

On this _____ day of _____, 1984, before me personally appeared Robert Tommasone, to me personally known who, being by me duly sworn, says that he is Vice President of DOLLAR SAVINGS BANK, 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.

_____
Notary Public
(NOTARIAL SEAL) My Commission Expires:

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

On this _____ day of _____, 1984, before me personally appeared R. 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 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.

_____
Notary Public
(NOTARIAL SEAL) My Commission Expires:

STATE OF PENNSYLVANIA)
) ss.:
COUNTY OF PHILADELPHIA)

On this _____ day of 1984, before me personally appeared _____, to me personally known who, being by me duly sworn, says that he is CORPORATE TRUST OFFICER of ~~GIRARD BANK~~ AS AGENT FOR PAUL REVERE LIFE INSURANCE COMPANY, PAUL REVERE PROTECTIVE LIFE INSURANCE COMPANY, PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY, AND AVCO CORPORATION RETIREMENT INCOME TRUST, 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.

_____
Notary Public

(NOTARIAL SEAL) My Commission Expires: DEC 2 1 1987

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

On this 16TH day of JULY, 1984, before me personally appeared R. 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 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.

Lisa L Shandelik
Notary Public

(NOTARIAL SEAL) My Commission Expires: July 1, 1986

STATE OF PENNSYLVANIA)
) ss.:
COUNTY OF ALLEGHENY)

On this 4th day of September, 1984, before me personally appeared F. J. DERAMO, to me personally known who, being by me duly sworn, says that he is a VICE PRESIDENT of PITTSBURGH NATIONAL BANK, 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.

Dorothy A. Liggett
Notary Public

(NOTARIAL SEAL)

My Commission Expires:

DOROTHY A. LIGGETT, NOTARY PUBLIC
PITTSBURGH, ALLEGHENY COUNTY
MY COMMISSION EXPIRES JUNE 9, 1986
Member, Pennsylvania Association of Notaries

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

On this 20th day of SEPTEMBER, 1984, before me personally appeared R. 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 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.

Patricia A. Conn
Notary Public

(NOTARIAL SEAL)

My Commission Expires: 7-1-86

Pittsburgh

STATE OF VIRGINIA)
) ss.:
COUNTY OF HENRICO)

On this _____ day of _____, 1984, before me personally appeared _____, to me personally known who, being by me duly sworn, says that he is Assistant Vice President of Life Insurance Company of Virginia, 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.

_____
Notary Public
(NOTARIAL SEAL) My Commission Expires:

My Commission Expires November 20, 1987

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

On this _____ day of _____, 1984, before me personally appeared R. 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 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.

_____
Notary Public
(NOTARIAL SEAL) My Commission Expires:

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

THE CHESAPEAKE AND OHIO RAILWAY COMPANY hereby acknowledges due notice of and consents to the assignment made by the foregoing Agreement and Assignment as of July 15, 1984.

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

By _____
Senior Vice President

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

THE CHESAPEAKE AND OHIO RAILWAY COMPANY hereby acknowledges due notice of and consents to the assignment made by the foregoing Agreement and Assignment as of July 15, 1984.

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

By _____
Senior Vice President

Citicorp
AA-11

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

THE CHESAPEAKE AND OHIO RAILWAY COMPANY hereby acknowledges due notice of and consents to the assignment made by the foregoing Agreement and Assignment as of July 15, 1984.

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

By _____
Senior Vice President

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

THE CHESAPEAKE AND OHIO RAILWAY COMPANY hereby acknowledges due notice of and consents to the assignment made by the foregoing Agreement and Assignment as of July 15, 1984.

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

By _____
Senior Vice President

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

THE CHESAPEAKE AND OHIO RAILWAY COMPANY hereby acknowledges due notice of and consents to the assignment made by the foregoing Agreement and Assignment as of July 15, 1984.

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

By P Woodwin
Senior Vice President
App'd. VR

Pittsburgh
AA-11

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

THE CHESAPEAKE AND OHIO RAILWAY COMPANY hereby acknowledges due notice of and consents to the assignment made by the foregoing Agreement and Assignment as of July 15, 1984.

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

By _____
Senior Vice President

Virginia

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 "Amended and Restated Finance Agreement and Amendment" 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 13th day of February, 1985.

Allen H. Harrison, Jr.

Subscribed and sworn to
before me this 13th day
of February, 1985.

Notary Public, D.C.

My commission expires: May 31, 1989