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RECORDATION NO. 14424
Filed 1425

SEP 12 1984 12 05 PM

INTERSTATE COMMERCE COMMISSION

4-256A029

September 4, 1984

Mr. James Bayne
U. S. Interstate Commerce Commission
Room 2303
12th Street & Constitution Ave., N.W.
Washington, D.C. 20423

No. 4-256A029
Date SEP 12 1984
Fee \$ 10.00
ICC Washington, D. C.

Re: Stanmar, Inc. & Consolidated Rail Corporation

Dear Sir:

Enclosed please find for recordation two (2) copies, signed and notarized, of a contract agreement entitled "Conditional Sales Agreement", dated June 1, 1984, and executed by J.A. Warner on behalf of Consolidated Rail Corporation, of 6 Penn Center Plaza, Philadelphia, PA 19104, and Lawrence P. Butler on behalf of Stanmar, Inc., of Boston Post Road, Sudbury, MA 01776. Also enclosed please find a check in the amount of \$10.00 as recordation fee.

Pursuant to a telephone conversation with Mildred Lee of the ICC regarding ICC recordation procedures, this office was informed that both copies submitted are stamped, and one copy is returned. Please return said stamped copy to this office.

Very truly yours,

SANTANIELLO, POSNIK, BASILE & GELINAS

J. A. Posnik

JAP/sp

Enclosures

SEP 6 9 36 PM '84
NOTICE MAILING UNIT
ICC

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

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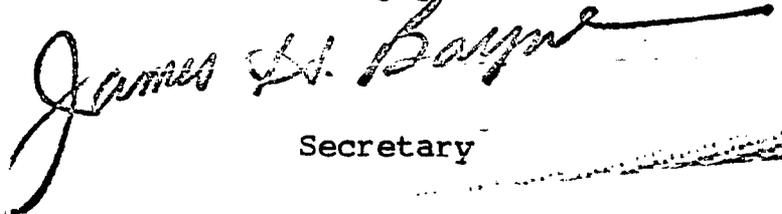
September 12, 1984

Dear

Sir:

The enclosed document (s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 9/12/84 at 12:05PM and assigned re-
recording number (s) . 14424 (check returned)

Sincerely yours,


Secretary

Enclosure (s)

RECORDATION NO. 14424 Filed 1425

SEP 12 1984 12 55 PM

INTERSTATE COMMERCE COMMISSION

CONDITIONAL SALE AGREEMENT

AGREEMENT dated June 1, 1984 between Stanmar Inc., a corporation organized and operating under the laws of Massachusetts (hereinafter "Buyer"); and Consolidated Rail Corporation, a corporation organized and operating under the laws of Pennsylvania (hereinafter "Seller").

WHEREAS, Seller is the owner of certain Equipment described in Schedule A attached (the "Equipment") and is willing to sell the Equipment to Buyer, and

WHEREAS, Buyer is willing to purchase the Equipment for use by its subsidiary company, Cape Cod & Hyannis Railroad, Inc. ("CCHR"), on the terms and conditions set forth herein.

1. Seller hereby sells and Buyer hereby purchases the Equipment on the terms and conditions set forth herein.

2. The purchase price is \$42,200 per unit payable as follows: (i) \$22,500 per unit payable prior to delivery of each unit to buyer; (ii) \$9,850 per unit payable on June 1, 1985; and (iii) \$9,850 per unit on June 1, 1986. Seller shall upon receipt of the final payment due under this Agreement provide Buyer with, and execute, such documents as Buyer may reasonably request to reflect such final payment.

3. Title to the Equipment (including title for the purposes of any tax credits or depreciation available under Federal and/or state tax laws) shall vest in Buyer upon execution of this Agreement. Any payment due on a date which is not a business day, shall be payable on the next succeeding business day. ("Business days" are all days of any month excluding Saturdays, Sundays and Federal holiday.)

4. In addition to any remedies provided in this Agreement, Seller shall have all the rights provided to a secured party under Section 1168 of Title 11 of the United States Code and any successor provisions thereto.

5. As security for its obligation to pay the contract price and its other obligations under this Conditional Sale Agreement, the Buyer hereby grants to the Seller a security interest in the Equipment described in Schedule A attached hereto which it is now buying, together with all attachments and additions, replacements and substitutions pursuant to this Agreement, and proceeds, including amounts payable under any insurance policy required by Paragraph 12(b) of this Conditional Sale Agreement, all hereinafter referred to as "collateral."

The Buyer will cause this Agreement, any assignments hereof and any amendments or supplements hereto or thereto, to be filed with the Interstate Commerce Commission

pursuant 49 U.S.C. §11303; and the Buyer will from time do 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 Seller for the purpose of proper protection, to the reasonable satisfaction of counsel for the Seller, of its interest in the Equipment and its rights under this Agreement or for the purpose of carrying out the intention of this Agreement; and the Buyer will promptly furnish to the Seller certificates or other evidence of such filing, registering, depositing and recording reasonably satisfactory to the Seller.

6. Any installment not paid when due shall, at the option of Seller, bear late charges thereon calculated at the highest rate permitted to relevant laws, but in no event more than 18% per annum.

7. Seller is selling the Equipment on an "as is, where is" basis; Seller makes no REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE DESIGN OR CONDITION OF, OR AS TO THE QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN, THE EQUIPMENT DELIVERED HEREUNDER, AND SELLER MAKES NO WARRANTY OF MERCHANTABILITY OR FITNESS OF THE EQUIPMENT FOR ANY PARTICULAR PURPOSE, OR ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED WITH RESPECT TO THE EQUIPMENT except that Seller represents that it has full power and authority to convey good title to the equipment free and

clear of all liens. Buyer will settle all claims, defenses, setoffs and counterclaims it may have of any nature against the manufacturer of the Equipment, including but not limited to defects in the Equipment and the like, directly with the manufacturer of the Equipment and not set up any such claim, defense, setoff or counterclaim against Seller or its assigns.

8. Buyer acknowledges that: Seller is in no way related to or connected with the manufacturer of the Equipment; Seller has no knowledge or information as to the condition or suitability for Buyer's purpose of the collateral; and Seller's decision to sell this Equipment is made in reliance on Buyer's warranties, agreements and covenants herein, including Buyer's express agreement not to assert against Seller any claims, defenses, setoffs or counterclaims it may now or in the future have against the Equipment manufacturer.

9. Buyer warrants and represents: (a) the Buyer is justly indebted to Seller for the full amount of the foregoing indebtedness; (b) that except for the security interest granted hereby the Equipment will be kept free from all liens, claims, security interests and encumbrances not permitted by Paragraph 10 of this Agreement; (c) that all information supplied and statements made by Buyer in any financial, credit or accounting statement, or application for

credit prior to, contemporaneously with or subsequent to the execution of this Agreement with respect to this transaction are and shall be true, correct, valid and genuine; (d) Buyer has full authority to enter into this Agreement and in so doing it is not violating any law or regulation or agreement with third parties, and it has taken all such action as may be necessary or appropriate to make this Agreement binding upon it.

10. Buyer agrees: (a) to defend at Buyer's own cost any action, proceeding or claim affecting the Equipment except for any claim relating to Seller's representation concerning title to the equipment in Paragraph 7 hereto; (b) to pay reasonable attorneys' fees and other expenses incurred by Seller in enforcing its rights after any default by Buyer; (c) to pay promptly all taxes, assessments, license fees and other expenses incurred by Seller in enforcing its rights after any default by Buyer; (c) to pay promptly all taxes, assessments, license fees and other public or private charges when levied or assessed against the Equipment after the effective date of this Agreement which would impair Seller's security interest set forth in Paragraph 5 above unless contested by Buyer in good faith and through appropriate means; (d) to do everything necessary or expedient to preserve or perfect the security interest of Seller; (e) that it will not misuse or cause or permit any other person to misuse, fail to keep in good repair (ordinary wear and tear

excepted), secrete, or without the prior written consent of Seller, and notwithstanding Seller's claim to proceeds, sell, rent, lend, encumber or transfer any of the Equipment, except as provided in Subparagraphs (g) of this Paragraph 10; (f) that Seller, after giving Buyer reasonable notice, may enter upon Buyer's or CCHR's premises at any reasonable time to inspect the Equipment at Seller's expenses; (g) Buyer may not, without the prior written consent of Seller, which consent shall not be unreasonably withheld, lease or permit the use of the Equipment or any units thereof to or by anyone other than CCHR except that units may be used upon lines of railroad owned or operated by the Buyer or CCHR or over lines which the Buyer or user have trackage rights or in the usual interchange of traffic or in through or non-through service, but only upon the subject to all terms and conditions of this Conditional Sale Agreement, provided, however, that CCHR may not lease, or use, or permit the use of the Equipment to or by anyone without the prior written consent of Seller, which consent shall not be unreasonably withheld.

11. In the event that any unit of the Equipment during the term of this Agreement shall become lost; stolen; destroyed; permanently rendered unfit for use; or taken or requisitioned by condemnation or otherwise by the United States Government for a period which shall exceed the then remaining term of this Agreement, or by any other government or governmental entity resulting in the loss of possession by

the Buyer for a period of 90 consecutive days (such occurrences being hereinafter called "Casualty Occurrences"), Buyer shall so notify Seller. On the payment date next following the date of such Event of Loss, Buyer shall pay to Seller the remaining unpaid purchase price for such unit of Equipment, determined as of such payment date, together with any unpaid amount due on or prior to such date, whereupon Buyer's obligation to pay further amounts for such unit of the Equipment shall cease, but Buyer's obligation to pay for all other units of the Equipment shall remain unchanged.

12. (a) Subject to the limitations set forth in Paragraph 11 of this Agreement, all risk of loss of, damage to or destruction of the collateral shall at all times be on Buyer except for loss, damage or destruction resulting from a negligent act or omission of Seller, its officers, employees, agents, representatives, assignees, and/or successors.

(b) Buyer shall, at its own expense, during the term of this Conditional Sale Agreement, insure the Equipment against (i) physical loss or damage for an amount that shall in no event be less than the remaining unpaid purchase price; and (ii) general public liability for death or bodily injury and damage to property of others, in an amount of not less than \$10,000,000 for death or bodily injury and \$500,000 for property damage. Seller shall not withhold consent from any reasonable changes in the insurance coverage or deductibles

provided for by this Subparagraph (b). All policies with respect to such insurance shall provide that the Seller shall be named as additional insured or loss payee. Buyer shall have the right to insure the Equipment, for its own account, for the amount by which its fair market value exceeds the coverage required hereunder.

(c) All insurance policies required hereunder shall (i) be issued by insurance carriers of recognized responsibility, (ii) cover the interests of Buyer and Seller and protect Buyer and Seller in respect of risks arising out of the condition, maintenance, use, ownership and operation of the Equipment, (iii) provide that the insurance carrier give at least 30 days' prior notice in the event of cancellation or material alteration in coverage.

(d) The proceeds of any physical damage insurance received by Seller or any assignee of Seller shall be paid to Buyer: (i) in the case of a Casualty Occurrence with respect to any unit of the Equipment upon payment by Buyer as specified in Paragraph 11, or (ii) upon the loss, damage or destruction of any unit of the Equipment which does not constitute a Casualty Occurrence, upon the receipt from Buyer of a certificate to the effect that such unit of the Equipment has been repaired and restored (which certificate shall be accompanied by satisfactory evidence of such repair and restoration), provided that so long as any default by Buyer

or Event of Default shall be continuing hereunder, Seller shall be entitled to apply such proceeds against Buyer's liability hereunder. Buyer shall furnish Seller with certificates or other evidence of compliance with this Paragraph 12 as may reasonably be requested.

13. The following are the Events of Default under this Agreement which will allow Seller to take such action under this Paragraph and under Paragraph 14 as it deems necessary:

(a) Any of Buyer's obligations to Seller under this Agreement is not paid within ten business days after such payment date; provided that Seller has notified Buyer that such payment has not been received,

(b) Buyer breaches any warranty or provision hereof, or of any other instrument or agreement delivered by Buyer to Seller in connection with this transaction,

(c) Buyer ceases to do business as a going concern,

(d) Any proceeding shall be commenced by or against Buyer for any relief which includes, or might result in, any modification of the obligations of Buyer hereunder, under any bankruptcy or insolvency laws, or laws relating to

the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than laws which do not permit any readjustments of the obligations of Buyer hereunder), and, unless such proceeding 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 Buyer 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 Buyer or for the property of Buyer in connection with any such proceedings in such manner that such obligations shall have the same status as expenses of administration and obligations incurred by such a trustee or trustees or receiver or receivers, within thirty (30) days after such appointment, if any, or sixty (60) days after such proceedings shall have been commenced, whichever shall be later.

If Buyer shall be in default hereunder, all amounts then owing by Buyer to Seller under this Agreement shall, if Seller shall so elect, become immediately due and payable. This acceleration of all indebtedness, if elected by Seller, shall be subject to all applicable laws, including laws as to rebates and refunds of unearned charges.

14. So long as any obligations are owed by Buyer to Seller under this Agreement, Seller shall have all the rights and remedies provided by this Agreement and provided a secured party under applicable law. Buyer agrees that upon Buyer's default Seller by itself or its agent, may upon notice to Buyer enter into any premises or upon any land (including access roads and rights of way) owned, leased or otherwise under the actual control of Buyer or any agent of Buyer where the collateral may be or where Seller believes the collateral may be, and using reasonable force with respect to the collateral and any property connected to the collateral, disassemble, render unusable, disconnect and separate all collateral from any other property and/or repossess and remove all or any item of the collateral, provided that such self-help may be accomplished without any breach of the peace and without any damage to the property of Buyer. Buyer will not hinder or delay Seller or its agent in any way. Seller may require Buyer to assemble the collateral and return it to Seller at a place on the railroad lines of Buyer to be designated by Seller which is reasonably convenient to both parties. The security interest, granted hereby shall continue effective irrespective of any retaking and redelivery of the collateral to Buyer until all amounts secured thereby are fully paid in money.

Unless Buyer otherwise agrees in writing after default, Seller will give Buyer reasonable notice of the time and place of any public sale of the collateral or reasonable notice of the time after which any private sale or other intended disposition thereof is to be made. Unless otherwise provided by law, the requirement of reasonable notice shall be met if such notice is mailed by registered mail, postage prepaid, to the address of Buyer shown herein at least fifteen business days before the time of the sale or disposition. Expenses of retaking, holding, preparing for sale, selling and the like shall include reasonable attorneys' fees and other reasonable legal expenses. Buyer understands that Seller's rights are cumulative and not alternative and that Buyer will remain fully liable for any deficiency remaining after disposition of the Equipment.

15. Any waiver by Seller in a particular instance or of a particular default shall not be a waiver of other defaults or the same kind of default of another time. No modification or change in this Agreement shall be binding against either party unless in writing and signed by the party against whom such modification or changes is sought to be enforced.

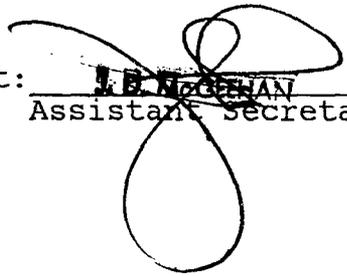
16. The nondiscrimination clauses attached hereto as Appendix A are incorporated herein by reference and form a part hereof.

17. Any provisions hereof contrary to, prohibited by, or invalid under applicable laws or regulations shall be inapplicable and deemed omitted herefrom, but shall not invalidate the remaining provisions hereof. Buyer acknowledges receipt of a true copy and waives acceptance hereof.

18. The address of the Buyer is Boston Post Road, Sudburg, Massachusetts. The address of the Seller is Room 1310, Six Penn Center Plaza, Philadelphia, Pennsylvania 19104, Attention: Assistant Treasurer-Financing.

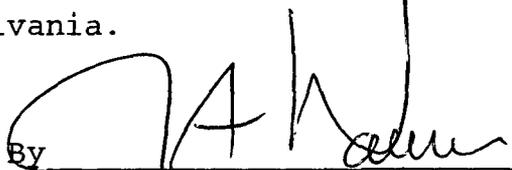
19. Buyer and Seller agree that this Agreement and the rights of the parties hereunder shall be governed by the laws of the Commonwealth of Pennsylvania.

(Corporate Seal)

Attest: 
J.E. McEwan
Assistant Secretary

(Corporate Seal)

Attest: 

BY 

Title Asst Treasurer

CONSOLIDATED RAIL CORPORATION

BY 
Lawrence P. Smith

Title Vice President

STANMAR, INCORPORATED

COMMONWEALTH OF PENNSYLVANIA :
: SS
COUNTY OF PHILADELPHIA :

On this 26th day of June, 1984, before me personally appeared J A Warner, to me personally known, who being by me duly sworn, says that he is Assistant Treasurer of Consolidated Rail Corporation, and that said instrument was signed by him 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.

Alfonso J. Di Gregorio
NOTARY PUBLIC

ALFONSO J. DIGREGORIO
Notary Public, Philadelphia, Philadelphia Co.
My Commission Expires September 24, 1984

STATE OF

Vermont :

: SS

COUNTY of

Famolle :

On this 29th day of June, 1954, before me personally appeared Laurence P. Bona, to me personally known, who being by me duly sworn, says that he is VICE PRESIDENT OF
Stamman, Inc., and that said instrument was signed by him 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.

Antonia Masolea
 NOTARY PUBLIC



Schedule A

(2) GP Locomotives

Conrail
Unit Numbers

7271
7280

Cape Code & Hyannis
Railroad Unit Numbers