

RECORDATION NO. 11083-A Filed 1425

RECORDATION NO. 11084-A Filed 1425

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11083-A
11084-A

FEB 27 1980 - 11 05 AM

FEB 27 1980 - 11 05 AM

INTERSTATE COMMERCE COMMISSION

INTERSTATE COMMERCE COMMISSION

No. 0-058A030

Interstate Commerce Commission
Washington, D. C.

FEB 27 10 59 AM '80
I.C.C.
FEE COLLECTION DEPT.

Date FEB 27 1980

Fee \$ 20.00

ICC Washington, D. C.

Gentlemen:

Enclosed for recordation under the provisions of 49 U.S.C. 11303 are the original and six counterparts of an Amendment Agreement dated as of January 15, 1980.

A general description of the railroad equipment covered by the enclosed document is set forth in Schedule A attached to this letter and made a part hereof.

The names and addresses of the parties are:

Lessee: Consolidated Rail Corporation
1310 Six Penn Center
Philadelphia, Pennsylvania 19104

Debtor: First National Bank of Louisville
101 South Fifth Street
Louisville, Kentucky 40232

Secured Party: Central Penn National Bank
Five Penn Center Plaza
Philadelphia, Pennsylvania 19103

The enclosed Amendment Agreement provides for the amendment of both an Equipment Lease and a Security Agreement as previously recorded under the provisions of 49 U.S.C. 11303. The Equipment Lease was so recorded on November 26, 1979 at 11:40 A.M. and given Recordation No. 11083. The Security Agreement was, likewise, recorded on November 26, 1979 at 11:40 A.M. and given Recordation No. 11084.

The undersigned is the Lessee mentioned in the enclosed document and has knowledge of the matters set forth therein.

Please return the original and four counterparts of the Amendment Agreement to Larry Elkins, Esq., Chapman and Cutler, 111 West Monroe Street, Chicago, Illinois 60603.

Very truly yours,

CONSOLIDATED RAIL CORPORATION

By [Signature]
Its Vice President & Treasurer

Enclosure

Copy kept - C.T. Kowale

DESCRIPTION OF EQUIPMENT

<u>Number of Items</u>	<u>Description</u>	<u>Manufacturer and Manufacturer's Identification Nos.</u>
13	Backhoes	J. I. Case Co. EF 5617 to 5629
4	H1 Rail Truck Cranes	Stanley H. Smith & Co. CT 1553 to 1556
2	Crawler Cranes	Stanley H. Smith & Co. CC 1052 to 1053
3	Rerailing Cranes	Pettibone Ohio Corp. S 3065 to 3067
4	Switch Tampers	Plasser American Corp. MP 5042 to 5045
3	Ballast Regulators	Plasser American Corp. BR 1297 to 1299
6	Spike Pullers	Rexnord Inc. SP 2115 to 2120
10	Push Trucks	Quaker RR Equipment Sales Corp. PL 1502 to 1511
2	Rotary Dump Trucks	Bankhead Enterprises ET 2004 to 2005
7	Excavators	Stewart Equipment Company EG 3004 to 3010
7	H1 Rail Gears	Bankhead Enterprises EG 3004 to 3010

Interstate Commerce Commission
Washington, D.C. 20423

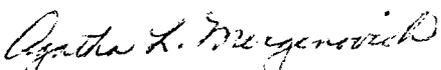
OFFICE OF THE SECRETARY

Larry Elkins, Esq.
Chapman and Cutler
111 West Monroe Street
Chicago, Illinois 60603

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 **2/27/80** at **11:05AM**, and assigned re-
recording number(s). **11083-A, & 11084-A.**

Sincerely yours,


Agatha L. Mergenovich
Secretary

Enclosure(s)

FEB 27 1980 - 11 05 AM

INTERSTATE COMMERCE COMMISSION

AMENDMENT AGREEMENT

Dated as of
January 15, 1980

Re: Consolidated Rail Corporation
Leveraged Lease of Maintenance of Way Equipment
(Conrail No. 79-1)

This Amendment Agreement dated as of January 15, 1980 (the "Amendment Agreement") is among Consolidated Rail Corporation (the "Lessee"), First National Bank of Louisville (the "Lessor") and Central Penn National Bank (the "Note Purchaser" or the "Secured Party" under the Security Agreement referred to below). Reference is made to the Participation Agreement dated as of July 31, 1979 (the "Participation Agreement") among the Lessee, the Lessor and the Note Purchaser; the Equipment Lease (the "Lease") dated as of July 31, 1979 between the Lessor and the Lessee; the Purchase Order Assignment (the "Purchase Order Assignment") dated as of July 31, 1979 between the Lessor and the Lessee; and the Security Agreement dated as of July 31, 1979 (the "Security Agreement") between the Lessor and the Secured Party. The above documents as herein amended are hereinafter collectively referred to as the "Operative Agreements" and all references in any Operative Agreement to any other Operative Agreement shall be deemed to include all amendments thereto, including the amendments set forth in this Amendment Agreement. Except as otherwise provided, the terms herein shall have the same meaning as set forth in the Operative Agreements. The amendments set forth in this Agreement shall be governed by the laws applicable to the Operative Agreement to which such amendments relate.

Pursuant to Section 2.4 of the Participation Agreement, the commitments of the Participants expired on January 3, 1980. As of January 3, 1980 all of the Equipment which was to be leased by the Lessor to the Lessee pursuant to the terms of the Lease, as more fully described on Schedule A to the Lease, had not been delivered and accepted pursuant to the terms of the Operative Agreements. Since the Lessee continues to desire to lease the Equipment which has not been delivered and accepted and since the Lessor and the Note Purchaser continue to desire to fulfill their respective agreements in respect to the leasing of the Equipment as provided in the Operative Agreements, the Lessee, the Lessor and the Note Purchaser do hereby agree to extend the expiration date of the respective commitments of the Participants to April 3, 1980. The Lessee, the

Lessor and the Note Purchaser further agree to such changes in the Operative Agreements (including changes to Fixed Rental and Casualty Value amounts) as shall be necessary to effect this agreement, all as more fully expressed herein. Accordingly, in consideration of the mutual undertakings and agreements of the parties hereto, it is understood and agreed by each of the parties hereto as follows:

I. AMENDMENTS TO THE PARTICIPATION AGREEMENT.

Section 1.1. Investments by Participants. Recital B of the Participation Agreement is amended to read as follows:

"On not more than three Closing Dates with respect to Equipment delivered on or prior to December 31, 1979 and two additional Closing Dates with respect to Equipment delivered after December 31, 1979, the Lessor will provide for payment to the Manufacturers of an amount equal to 100% of the Purchase Price of the Items of Equipment being settled for on such date, will itself advance 41.7792% of such amount and the balance of the Purchase Price of such Items of Equipment will be financed by the issue and sale of the Notes of the Lessor to the Note Purchaser, all subject to the limitations and on the terms and conditions hereinafter set forth."

Section 1.2. Definitions. The definition of Term Lease Commencement Date in Section 1.1 of the Participation Agreement is amended to read as follows:

"'Term Lease Commencement Date' shall mean January 3, 1980 with respect to all Items of Equipment delivered on or prior to December 31, 1979 and April 3, 1980 with respect to all Items of Equipment delivered after December 31, 1979."

Section 1.3. The Closings. The first sentence of Section 2.3 of the Participation Agreement is amended to read as follows:

"The advance of funds by the Lessor pursuant to Section 2.1 hereof will be made, and the Notes will be delivered to the Note Purchaser on not more than three dates, not later than January 3, 1980 for all Items of Equipment delivered on or prior to December 31, 1979 (except that the final such advance may occur during the first calendar quarter of 1980, either separately or concurrently with an advance for Items delivered after December 31, 1979) and on not more than two dates, not later than April 3, 1980 for all Items of Equipment delivered after December 31, 1979 (such dates being hereinafter referred to as the 'Closing Dates')."

Section 1.4. Expiration of Commitments. Section 2.4 of the Participation Agreement is amended to read as follows:

"The several commitments of the Participants hereunder shall expire on April 3, 1980."

II. AMENDMENTS TO PURCHASE ORDER ASSIGNMENT

Section 2.1. Assumption of Purchase of Obligation of Purchaser Continuing Liability of Lessee for Excluded Equipment. The first sentence of the second paragraph of Section 2 of the Purchase Order Assignment is amended to read as follows:

"Notwithstanding the preceding paragraph of this Section 2, the Lessor and the Note Purchaser shall not, severally, or jointly, have any obligation hereunder or under the Participation Agreement to the Manufacturers in respect of Items of Equipment not delivered and accepted on or before April 3, 1980 (the 'Outside Delivery Date') or for Items of Equipment with respect to which payment therefor would cause the Purchase Price for all Equipment to exceed \$3,347,196 (the 'Excluded Equipment')."

Section 2.2. Purchase of Equipment; Limitation of Lessor's Liability. Section 4 of the Purchase Order Assignment is amended to read as follows:

"The Lessor agrees, subject to the delivery by the Manufacturers of those Items required pursuant to the Consent and Agreement hereinbelow referred to in Section 7 and the fulfillment of the other conditions set forth in the Participation Agreement, that on each Closing Date designated pursuant to the Participation Agreement, but not later than April 3, 1980, the Lessor will pay to the Manufacturers the Purchase Price (as defined in the Participation Agreement) of each Item of Equipment which is to be settled for on such Closing Date and which has been delivered and accepted in the term of this Assignment and the Lease; provided that the aggregate Purchase Price of such Items of Equipment shall not exceed \$3,347,196."

III. AMENDMENTS TO THE LEASE.

Section 3.1. Rent for Equipment. Section 2.1 of the Lease is amended as follows:

"The Lessee agrees to pay the Lessor the following rent for each Item of Equipment

(a) Interim Rentals. For each Item of Equipment, an amount per day (the

'Interim Rental') equal to 0.0430556% of the Purchase Price thereof in the case of all Items of Equipment delivered on or prior to December 31, 1979, and equal to 0.0444444% of the Purchase Price thereof in the case of any Item of Equipment delivered after December 31, 1979 for the period, if any, from the Closing Date (as defined in the Participation Agreement) for such Item of Equipment to, but not including January 3, 1980 with respect to all Items of Equipment delivered on or prior to December 31, 1979 and April 3, 1980 with respect to all Items of Equipment delivered after December 31, 1979 (such dates with respect to each such Item of Equipment hereinafter referred to as the 'Term Lease Commencement Date'); and

(b) Fixed Rentals. For each Item of Equipment, ²⁸ quarterly installments of Fixed Rental (the 'Fixed Rental') payable in arrears, each in an amount equal to 4.11244% of the Purchase Price thereof for each Item of Equipment delivered and accepted on or prior to December 31, 1979 and each in amount equal to 4.27359% of the Purchase Price thereof for each Item of Equipment delivered and accepted after December 31, 1979."

Section 3.2. Rent Payment Dates. Section 2.2 of the Lease is amended by amending the second sentence thereof as follows:

"The first installment of Fixed Rental for each Item of Equipment shall be due and payable three months following the Term Lease Commencement Date with respect to such Item of Equipment and the balance of said installments shall be payable at three-month intervals, with the final such installment payable seven years following the Term Lease Commencement Date with respect to such Item of Equipment."

Section 3.3. Term of Lease. Section 3 of the Lease is amended as follows:

"The term of this Lease as to each Item of Equipment shall begin on the date of the delivery to an acceptance by the Lessee of such Item of Equipment and, subject to the provisions of Sections 11, 14 and 18 hereof, shall terminate seven years following the Term Lease Commencement Date with respect to such Item of Equipment provided for in Section 2.1(a) hereof."

Section 3.4. Initial Election. Section 18.1 of the Lease is amended as follows:

"Provided that this Lease has not been earlier terminated and no Event of Default or Default shall have occurred and be continuing hereunder, the Lessee may, by written notice delivered to the Lessor on or prior to July 3, 1986, notify the Lessor that the Lessee irrevocably elects to renew and extend the term of this Lease as to all Items of Equipment then leased hereunder, whether delivered on or prior to or after December 31, 1979, or to purchase all such Items of Equipment, all on the basis hereinafter provided. If the Lessee shall so elect to renew and extend this Lease, the renewal term for all Items of Equipment then leased hereunder which were delivered on or prior to December 31, 1979 shall be two years and three months and the renewal term for all other Items of Equipment then leased hereunder shall be two years, so that the renewal term for all such Items of Equipment shall end on April 3, 1989. If the Lessee shall have elected to renew and extend the lease term as above provided, then the Lessee shall have the further right to irrevocably elect by written notice delivered to the Lessor on or prior to October 3, 1988 to either extend and renew the term of this Lease as to all of the Items of Equipment then leased hereunder for an additional two-year term ending April 3, 1991 or to purchase all such Items of Equipment, all on the basis hereinafter provided. If the Lessee shall elect to extend and renew the term of this Lease for such further additional two-year period, then the Lessee may, by written notice delivered to the Lessor on or prior to October 3, 1990, irrevocably elect to purchase on April 3, 1991 all of the Items of Equipment then leased hereunder on the basis hereinafter provided."

Section 3.5. Renewal Options. The first clause of the first sentence of subparagraph (a) of Section 18.3 is amended as follows:

"The Lessee shall have the option to renew and extend this Lease in the manner provided in Section 18.1 hereof;"

Section 3.6. Outside Delivery Date. Schedule A to the Equipment Lease is amended by changing the Outside Delivery Date to April 3, 1980.

Section 3.7. Casualty Value. Schedule C to the Equipment Lease is amended as provided in Schedule A attached to this Amendment Agreement.

IV. AMENDMENTS TO SECURITY AGREEMENT.

Section 4.1. Recital A to the Security Agreement is amended to read as follows:

"A. The Debtor and the Secured Party have entered into a Participation Agreement dated as of July 31, 1979 (the 'Participation Agreement') with Consolidated Rail Corporation, a Pennsylvania corporation (the 'Lessee') providing for the commitment of the Secured Party to purchase on certain dates therein provided not later than April 3, 1980 the Secured Notes (the 'Notes') of the Debtor not exceeding an aggregate principal amount of \$2,000,000. The Notes are to be dated the date of issue, to bear interest from such date at the rate of 1/4 of 1% above Central Penn National Bank's prime short-term commercial rate to its best customers as that rate shall vary from time to time, determined on a quarterly basis, per annum prior to maturity, to be expressed to mature in one installment of interest payable on January 3, 1980 with respect to all Notes issued on or prior to December 31, 1979, and on April 3, 1980 with respect to all Notes issued after December 31, 1979, followed in each case by 28 consecutive quarterly installments including both principal and interest, the principal portion of which is payable in accordance with the schedule set forth in Schedule 1 hereto with the first such installment to be paid three months following the installment of interest only referred to above, and the balance of such installments to be paid at three-month intervals thereafter; and to be otherwise substantially in the form attached hereto as Exhibit A."

Section 4.2. Amortization Schedule. Schedule 1 to the Security Agreement is amended in the form attached hereto as Schedule B.

Section 4.3. Exhibit A to the Security Agreement is amended in the form attached hereto as Schedule C.

This Amendment Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original and in each case such counterpart shall constitute one and the same instrument.

IN WITNESS WHEREOF the parties hereto have caused this Amendment Agreement to be executed and delivered all as of the day first above written.

CONSOLIDATED RAIL CORPORATION

By 
Its **Vice President & Treasurer**

FIRST NATIONAL BANK OF LOUISVILLE

By _____
Its _____

CENTRAL PENN NATIONAL BANK

By _____
Its _____

COMMONWEALTH OF PENNSYLVANIA)
) SS
COUNTY OF PHILADELPHIA)

On this 22 day of February, 1980, before me personally appeared H. W. Brown, to me personally known, who being by me duly sworn, says that he is the Vice President & Treasurer of CONSOLIDATED RAIL CORPORATION, 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.

Alfonso J. DiGregorio
Notary Public

ALFONSO J. DIGREGORIO

Notary Public, Philadelphia, Philadelphia Co.

My Commission Expires August 7, 1980

[NOTARIAL SEAL]

My commission expires:

COMMONWEALTH OF KENTUCKY)
) SS
COUNTY OF JEFFERSON)

On this _____ day of February, 1980, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is a _____ of FIRST NATIONAL BANK OF LOUISVILLE, that one of the seals affixed to the foregoing instrument is the corporate seal of said association, that said instrument was signed and sealed on behalf of said association 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 association.

Notary Public

[NOTARIAL SEAL]

My commission expires:

COMMONWEALTH OF PENNSYLVANIA)
) SS
COUNTY OF PHILADELPHIA)

On this ____ day of February, 1980, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is a _____ of CENTRAL PENN NATIONAL BANK, that one of the seals affixed to the foregoing instrument is the corporate seal of said association, that said instrument was signed and sealed on behalf of said association 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 association.

Notary Public

[NOTARIAL SEAL]

My commission expires:

SCHEDULE OF CASUALTY VALUE

The Casualty Value for an Item of Equipment payable on the Term Lease Commencement Date with respect to such Item or any Fixed Rental payment date with respect to such Item thereafter shall mean an amount equal to the percent of the Purchase Price plus the amount of any Alterations included in gross income by the Lessor pursuant to Section 7 of the Lease of such Item set forth opposite such date in Table I with respect to any Item of Equipment delivered on or prior to December 31, 1979 and in Table II with respect to any Item of Equipment delivered after December 31, 1979 (as the same may in each case be increased pursuant to Annex 1 to this Schedule A):

TABLE I

<u>Term Lease Commencement Date or Number of Fixed Rental Payment Date on which Casualty Value is Paid</u>	<u>Percentage of Purchase Price Payable as Casualty Value</u>
Term Lease Commencement Date	85.6578
1	84.4467
2	83.1363
3	81.7349
4	80.2403
5	78.6661
6	77.0036
7	75.2562
8	73.4220
9	71.5083
10	69.5121
11	67.4336
12	65.2706
13	63.0272
14	60.7079
15	58.3094
16	55.8296
17	53.2686
18	50.6394
19	47.9346
20	45.1522
21	42.2885
22	39.3652
23	36.3706
24	33.2941
25	30.1198
26	26.8957
27	23.6063
28	20.0000

TABLE II

<u>Term Lease Commencement Date or Number of Fixed Rental Payment Date on which Casualty Value is Paid</u>	<u>Percentage of Purchase Price Payable as Casualty Value</u>
Term Lease Commencement Date	84.9014
1	83.9239
2	82.7867
3	81.4860
4	80.0792
5	78.5723
6	76.9718
7	75.2753
8	73.4945
9	71.6246
10	69.6672
11	67.6202
12	65.4888
13	63.2744
14	60.9749
15	58.5883
16	56.1162
17	52.5679
18	50.9377
19	48.2233
20	45.4229
21	42.5539
22	39.6067
23	36.5792
24	33.4625
25	30.2795
26	27.0229
27	23.6905
28	20.0000

ANNEX 1 TO SCHEDULE A
(to Amendment Agreement)

The percentages set forth in Tables I and II to this Schedule A have been computed without regard to recapture of the Investment Credit provided for in Section 38 and related sections of the Internal Revenue Code of 1954, as amended. Consequently, the Casualty Value of any Item of Equipment suffering a Casualty Occurrence on or before the third, fifth or seventh anniversary of the date of delivery and acceptance of such Item shall be increased by the applicable percentage of the Purchase Price set forth below:

<u>Anniversary of</u> <u>Delivery and Acceptance</u>	<u>Percentage of</u> <u>Purchase Price</u>
3	18.5185
5	12.3457
7	6.1728

AMORTIZATION SCHEDULE

(Payments Required Per \$100,000 Principal Amount
of the Secured Notes Issued by Debtor with respect
to notes issued for Equipment delivered on or prior
to December 31, 1979 and with respect to Equipment
delivered thereafter)

<u>Number Installment</u>	<u>Total Principal Payment</u>
1	\$2,417.74
2	2,484.23
3	2,552.54
4	2,622.74
5	2,694.86
6	2,768.97
7	2,845.12
8	2,923.36
9	3,003.75
10	3,086.35
11	3,171.23
12	3,258.44
13	3,348.04
14	3,440.12
15	3,534.72
16	3,631.92
17	3,731.80
18	3,834.43
19	3,939.87
20	4,048.22
21	4,159.55
22	4,273.93
23	4,391.47
24	4,512.23
25	4,636.32
26	4,763.82
27	4,894.82
28	5,029.43

FIRST NATIONAL BANK OF LOUISVILLE

SECURED NOTE

No.

\$

, 19

FOR VALUE RECEIVED, the undersigned, First National Bank of Louisville (the "Company") promises to pay to

or registered assigns,
the principal sum of

DOLLARS (\$)

together with interest from the date hereof until maturity at the rate of one-quarter of one percent above Central Penn National Bank's prime short-term commercial rate to its best customers as that rate shall vary from time to time (computed on an actual elapsed days, 360-day year basis) on the unpaid principal hereof. Such rate to be fixed on the date hereof for the installment of interest only referred to below, to be fixed on January 3, 1980* for the payment of interest due April 3, 1980* and increased or decreased, as the case may be, on each April 3*, July 3*, October 3* and January 3* thereafter for the payment of interest to be paid three months following such date. Payments of principal and interest shall be payable in an installment of all accrued and unpaid interest only payable on January 3, 1980*, followed by installments of principal and interest payable on the dates set forth in the amortization Schedule I attached hereto and made a part hereof and installments of principal payable in the amounts set forth in amortization Schedule I. Interest on the overdue principal and (to the extent legally enforceable on overdue interest shall be payable at a rate one percent above the rate of interest then applicable on this Note (as provided above)) per annum after maturity whether by acceleration or otherwise, until paid. Both the principal hereof and interest hereon are payable to the registered holder hereof in

*With respect to all Items of Equipment delivered after December 31, 1979, all dates will be moved forward by three months, thus January 3 becomes April 3, April 3 becomes July 3 and so forth.

SCHEDULE C
(to Amendment Agreement)

coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts.

This Note is one of the Secured Notes of the Company not exceeding \$2,000,000 in aggregate principal amount (the "Notes") issued under and pursuant to the Participation Agreement dated as of July 31, 1979 among the Company, Consolidated Rail Corporation (the "Lessee"), and Central Penn National Bank (the "Secured Party") and also issued under and equally and ratably with said other Notes secured by that certain Security Agreement dated as of July 31, 1979 (the "Security Agreement") from the Company to the Secured Party. Reference is made to the Security Agreement and all supplements and amendments thereto executed pursuant to the Security Agreement for a description of the collateral, the nature and extent of the security and rights of the Secured Party, the holder or holders of the Notes and of the Company in respect thereof.

The terms and provisions of the Security Agreement and the rights and obligations of the Secured Party and the rights of the holders of the Notes may be changed and modified to the extent permitted by and as provided in the Security Agreement.

This Note is a registered Note and is transferable only by surrender thereof at the principal office of the Debtor, duly endorsed or accompanied by a written instrument of transfer, duly executed by the registered holder of this Note or his attorney duly authorized in writing.

This Note is a non-recourse Note to the maker and anything in this Note to the contrary notwithstanding, neither the Secured Party nor any holder hereof, nor their respective successors or assigns shall have any claim, remedy or right to proceed against the Company in its individual corporate capacity or against any incorporator or any past, present or future subscriber to the capital stock of, or against any past, present or future stockholder, officer, employee or director of the Company for the payment of any deficiency or any other sum owing on account of the indebtedness evidenced by this Note or for the payment of any liability resulting from the breach of any representation, agreement or warranty of any nature whatsoever, or against any source whatsoever other than the collateral under the Security Agreement (the "Collateral"); and the Secured Party and the holder of this Note by its acceptance hereof waive and release any personal liability of the Company in its individual corporate capacity, of any incorporator or any past, present or future subscriber to the capital stock of the Company, or of any past, present or future stockholder, officer, employee or director of the Company for and on account of such indebtedness or such liability; and the Secured Party and the holder of this Note agree to look solely to the Collateral for the payment of said indebtedness or the satisfaction of such liability; provided, however, nothing herein contained shall limit, restrict or impair the rights of the Secured Party to accelerate the maturity of this

Note upon a default thereunder, to bring an action in rem or quasi in rem and obtain a judgment limited to the disposition of the Collateral and any proceeds therefrom or to exercise all rights and remedies provided under the Security Agreement or otherwise realize upon the Collateral; provided, further, that nothing in this paragraph shall be construed to limit in scope or substance those representations and warranties of the Company in its individual capacity set forth in the Participation Agreement or the Security Agreement.

This Note and the Security Agreement are governed by and construed in accordance with the laws of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, the Company has caused this Note to be duly executed.

FIRST NATIONAL BANK OF LOUISVILLE

By _____

NOTICE

THIS NOTE HAS NOT BEEN REGISTERED PURSUANT TO THE SECURITIES ACT OF 1933 OR UNDER THE SECURITIES LAWS OF ANY STATE. THE NOTE MAY NOT BE OFFERED OR SOLD UNLESS IT IS REGISTERED UNDER THE APPLICABLE SECURITIES LAWS OR UNLESS AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE.

ANNEX 1 TO SCHEDULE C
(to Amendment Agreement)

The percentages set forth in Table 1 to this Schedule C have been computed without regard to recapture of the Investment Credit provided for in Section 38 and related sections of the Internal Revenue Code of 1954, as amended. Consequently, the Casualty Value of any Item of Equipment suffering a Casualty Occurrence on or before the third, fifth or seventh anniversary of the date of delivery and acceptance of such Item shall be increased by the applicable percentage of the Purchase Price set forth below:

<u>Anniversary of Delivery and Acceptance</u>	<u>Percentage of Purchase Price</u>
3	18.5185
5	12.3457
7	6.1728

AMENDMENT AGREEMENT

Dated as of
January 15, 1980

Re: Consolidated Rail Corporation
Leveraged Lease of Maintenance of Way Equipment
(Conrail No. 79-1)

This Amendment Agreement dated as of January 15, 1980 (the "Amendment Agreement") is among Consolidated Rail Corporation (the "Lessee"), First National Bank of Louisville (the "Lessor") and Central Penn National Bank (the "Note Purchaser" or the "Secured Party" under the Security Agreement referred to below). Reference is made to the Participation Agreement dated as of July 31, 1979 (the "Participation Agreement") among the Lessee, the Lessor and the Note Purchaser; the Equipment Lease (the "Lease") dated as of July 31, 1979 between the Lessor and the Lessee; the Purchase Order Assignment (the "Purchase Order Assignment") dated as of July 31, 1979 between the Lessor and the Lessee; and the Security Agreement dated as of July 31, 1979 (the "Security Agreement") between the Lessor and the Secured Party. The above documents as herein amended are hereinafter collectively referred to as the "Operative Agreements" and all references in any Operative Agreement to any other Operative Agreement shall be deemed to include all amendments thereto, including the amendments set forth in this Amendment Agreement. Except as otherwise provided, the terms herein shall have the same meaning as set forth in the Operative Agreements. The amendments set forth in this Agreement shall be governed by the laws applicable to the Operative Agreement to which such amendments relate.

Pursuant to Section 2.4 of the Participation Agreement, the commitments of the Participants expired on January 3, 1980. As of January 3, 1980 all of the Equipment which was to be leased by the Lessor to the Lessee pursuant to the terms of the Lease, as more fully described on Schedule A to the Lease, had not been delivered and accepted pursuant to the terms of the Operative Agreements. Since the Lessee continues to desire to lease the Equipment which has not been delivered and accepted and since the Lessor and the Note Purchaser continue to desire to fulfill their respective agreements in respect to the leasing of the Equipment as provided in the Operative Agreements, the Lessee, the Lessor and the Note Purchaser do hereby agree to extend the expiration date of the respective commitments of the Participants to April 3, 1980. The Lessee, the

Lessor and the Note Purchaser further agree to such changes in the Operative Agreements (including changes to Fixed Rental and Casualty Value amounts) as shall be necessary to effect this agreement, all as more fully expressed herein. Accordingly, in consideration of the mutual undertakings and agreements of the parties hereto, it is understood and agreed by each of the parties hereto as follows:

I. AMENDMENTS TO THE PARTICIPATION AGREEMENT.

Section 1.1. Investments by Participants. Recital B of the Participation Agreement is amended to read as follows:

"On not more than three Closing Dates with respect to Equipment delivered on or prior to December 31, 1979 and two additional Closing Dates with respect to Equipment delivered after December 31, 1979, the Lessor will provide for payment to the Manufacturers of an amount equal to 100% of the Purchase Price of the Items of Equipment being settled for on such date, will itself advance 41.7792% of such amount and the balance of the Purchase Price of such Items of Equipment will be financed by the issue and sale of the Notes of the Lessor to the Note Purchaser, all subject to the limitations and on the terms and conditions hereinafter set forth."

Section 1.2. Definitions. The definition of Term Lease Commencement Date in Section 1.1 of the Participation Agreement is amended to read as follows:

"'Term Lease Commencement Date' shall mean January 3, 1980 with respect to all Items of Equipment delivered on or prior to December 31, 1979 and April 3, 1980 with respect to all Items of Equipment delivered after December 31, 1979."

Section 1.3. The Closings. The first sentence of Section 2.3 of the Participation Agreement is amended to read as follows:

"The advance of funds by the Lessor pursuant to Section 2.1 hereof will be made, and the Notes will be delivered to the Note Purchaser on not more than three dates, not later than January 3, 1980 for all Items of Equipment delivered on or prior to December 31, 1979 (except that the final such advance may occur during the first calendar quarter of 1980, either separately or concurrently with an advance for Items delivered after December 31, 1979) and on not more than two dates, not later than April 3, 1980 for all Items of Equipment delivered after December 31, 1979 (such dates being hereinafter referred to as the 'Closing Dates')."

Section 1.4. Expiration of Commitments. Section 2.4 of the Participation Agreement is amended to read as follows:

"The several commitments of the Participants hereunder shall expire on April 3, 1980."

II. AMENDMENTS TO PURCHASE ORDER ASSIGNMENT

Section 2.1. Assumption of Purchase of Obligation of Purchaser Continuing Liability of Lessee for Excluded Equipment. The first sentence of the second paragraph of Section 2 of the Purchase Order Assignment is amended to read as follows:

"Notwithstanding the preceding paragraph of this Section 2, the Lessor and the Note Purchaser shall not, severally, or jointly, have any obligation hereunder or under the Participation Agreement to the Manufacturers in respect of Items of Equipment not delivered and accepted on or before April 3, 1980 (the 'Outside Delivery Date') or for Items of Equipment with respect to which payment therefor would cause the Purchase Price for all Equipment to exceed \$3,347,196 (the 'Excluded Equipment')."

Section 2.2. Purchase of Equipment; Limitation of Lessor's Liability. Section 4 of the Purchase Order Assignment is amended to read as follows:

"The Lessor agrees, subject to the delivery by the Manufacturers of those Items required pursuant to the Consent and Agreement hereinbelow referred to in Section 7 and the fulfillment of the other conditions set forth in the Participation Agreement, that on each Closing Date designated pursuant to the Participation Agreement, but not later than April 3, 1980, the Lessor will pay to the Manufacturers the Purchase Price (as defined in the Participation Agreement) of each Item of Equipment which is to be settled for on such Closing Date and which has been delivered and accepted in the term of this Assignment and the Lease; provided that the aggregate Purchase Price of such Items of Equipment shall not exceed \$3,347,196."

III. AMENDMENTS TO THE LEASE.

Section 3.1. Rent for Equipment. Section 2.1 of the Lease is amended as follows:

"The Lessee agrees to pay the Lessor the following rent for each Item of Equipment

(a) Interim Rentals. For each Item of Equipment, an amount per day (the

'Interim Rental') equal to 0.0430556% of the Purchase Price thereof in the case of all Items of Equipment delivered on or prior to December 31, 1979, and equal to 0.0444444% of the Purchase Price thereof in the case of any Item of Equipment delivered after December 31, 1979 for the period, if any, from the Closing Date (as defined in the Participation Agreement) for such Item of Equipment to, but not including January 3, 1980 with respect to all Items of Equipment delivered on or prior to December 31, 1979 and April 3, 1980 with respect to all Items of Equipment delivered after December 31, 1979 (such dates with respect to each such Item of Equipment hereinafter referred to as the 'Term Lease Commencement Date'); and

(b) Fixed Rentals. For each Item of Equipment, 28 quarterly installments of Fixed Rental (the 'Fixed Rental') payable in arrears, each in an amount equal to 4.11244% of the Purchase Price thereof for each Item of Equipment delivered and accepted on or prior to December 31, 1979 and each in in amount equal to 4.27359% of the Purchase Price thereof for each Item of Equipment delivered and accepted after December 31, 1979."

Section 3.2. Rent Payment Dates. Section 2.2 of the Lease is amended by amending the second sentence thereof as follows:

"The first installment of Fixed Rental for each Item of Equipment shall be due and payable three months following the Term Lease Commencement Date with respect to such Item of Equipment and the balance of said installments shall be payable at three-month intervals, with the final such installment payable seven years following the Term Lease Commencement Date with respect to such Item of Equipment."

Section 3.3. Term of Lease. Section 3 of the Lease is amended as follows:

"The term of this Lease as to each Item of Equipment shall begin on the date of the delivery to an acceptance by the Lessee of such Item of Equipment and, subject to the provisions of Sections 11, 14 and 18 hereof, shall terminate seven years following the Term Lease Commencement Date with respect to such Item of Equipment provided for in Section 2.1(a) hereof."

Section 3.4. Initial Election. Section 18.1 of the Lease is amended as follows:

"Provided that this Lease has not been earlier terminated and no Event of Default or Default shall have occurred and be continuing hereunder, the Lessee may, by written notice delivered to the Lessor on or prior to July 3, 1986, notify the Lessor that the Lessee irrevocably elects to renew and extend the term of this Lease as to all Items of Equipment then leased hereunder, whether delivered on or prior to or after December 31, 1979, or to purchase all such Items of Equipment, all on the basis hereinafter provided. If the Lessee shall so elect to renew and extend this Lease, the renewal term for all Items of Equipment then leased hereunder which were delivered on or prior to December 31, 1979 shall be two years and three months and the renewal term for all other Items of Equipment then leased hereunder shall be two years, so that the renewal term for all such Items of Equipment shall end on April 3, 1989. If the Lessee shall have elected to renew and extend the lease term as above provided, then the Lessee shall have the further right to irrevocably elect by written notice delivered to the Lessor on or prior to October 3, 1988 to either extend and renew the term of this Lease as to all of the Items of Equipment then leased hereunder for an additional two-year term ending April 3, 1991 or to purchase all such Items of Equipment, all on the basis hereinafter provided. If the Lessee shall elect to extend and renew the term of this Lease for such further additional two-year period, then the Lessee may, by written notice delivered to the Lessor on or prior to October 3, 1990, irrevocably elect to purchase on April 3, 1991 all of the Items of Equipment then leased hereunder on the basis hereinafter provided."

Section 3.5. Renewal Options. The first clause of the first sentence of subparagraph (a) of Section 18.3 is amended as follows:

"The Lessee shall have the option to renew and extend this Lease in the manner provided in Section 18.1 hereof;"

Section 3.6. Outside Delivery Date. Schedule A to the Equipment Lease is amended by changing the Outside Delivery Date to April 3, 1980.

Section 3.7. Casualty Value. Schedule C to the Equipment Lease is amended as provided in Schedule A attached to this Amendment Agreement.

IV. AMENDMENTS TO SECURITY AGREEMENT.

Section 4.1. Recital A to the Security Agreement is amended to read as follows:

"A. The Debtor and the Secured Party have entered into a Participation Agreement dated as of July 31, 1979 (the 'Participation Agreement') with Consolidated Rail Corporation, a Pennsylvania corporation (the 'Lessee') providing for the commitment of the Secured Party to purchase on certain dates therein provided not later than April 3, 1980 the Secured Notes (the 'Notes') of the Debtor not exceeding an aggregate principal amount of \$2,000,000. The Notes are to be dated the date of issue, to bear interest from such date at the rate of 1/4 of 1% above Central Penn National Bank's prime short-term commercial rate to its best customers as that rate shall vary from time to time, determined on a quarterly basis, per annum prior to maturity, to be expressed to mature in one installment of interest payable on January 3, 1980 with respect to all Notes issued on or prior to December 31, 1979, and on April 3, 1980 with respect to all Notes issued after December 31, 1979, followed in each case by 28 consecutive quarterly installments including both principal and interest, the principal portion of which is payable in accordance with the schedule set forth in Schedule 1 hereto with the first such installment to be paid three months following the installment of interest only referred to above, and the balance of such installments to be paid at three-month intervals thereafter; and to be otherwise substantially in the form attached hereto as Exhibit A."

Section 4.2. Amortization Schedule. Schedule 1 to the Security Agreement is amended in the form attached hereto as Schedule B.

Section 4.3. Exhibit A to the Security Agreement is amended in the form attached hereto as Schedule C.

This Amendment Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original and in each case such counterpart shall constitute one and the same instrument.

IN WITNESS WHEREOF the parties hereto have caused this Amendment Agreement to be executed and delivered all as of the day first above written.

CONSOLIDATED RAIL CORPORATION

By _____
Its _____

FIRST NATIONAL BANK OF LOUISVILLE

By Ronald Ballma
Its LEASING OFFICER

CENTRAL PENN NATIONAL BANK

By _____
Its _____

COMMONWEALTH OF PENNSYLVANIA)
) SS
COUNTY OF PHILADELPHIA)

On this ____ day of February, 1980, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of CONSOLIDATED RAIL CORPORATION, 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:

COMMONWEALTH OF KENTUCKY)
) SS
COUNTY OF JEFFERSON)

On this 22nd day of February, 1980, before me personally appeared Donald B. Zellman, to me personally known, who being by me duly sworn, says that he is a Leasing Officer of FIRST NATIONAL BANK OF LOUISVILLE, that one of the seals affixed to the foregoing instrument is the corporate seal of said association, that said instrument was signed and sealed on behalf of said association 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 association.

Berna M. Stadel
Notary Public

[NOTARIAL SEAL]

My commission expires: 1-18-83

COMMONWEALTH OF PENNSYLVANIA)
) SS
COUNTY OF PHILADELPHIA)

On this ____ day of February, 1980, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is a _____ of CENTRAL PENN NATIONAL BANK, that one of the seals affixed to the foregoing instrument is the corporate seal of said association, that said instrument was signed and sealed on behalf of said association 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 association.

Notary Public

[NOTARIAL SEAL]

My commission expires:

SCHEDULE OF CASUALTY VALUE

The Casualty Value for an Item of Equipment payable on the Term Lease Commencement Date with respect to such Item or any Fixed Rental payment date with respect to such Item thereafter shall mean an amount equal to the percent of the Purchase Price plus the amount of any Alterations included in gross income by the Lessor pursuant to Section 7 of the Lease of such Item set forth opposite such date in Table I with respect to any Item of Equipment delivered on or prior to December 31, 1979 and in Table II with respect to any Item of Equipment delivered after December 31, 1979 (as the same may in each case be increased pursuant to Annex 1 to this Schedule A):

TABLE I

<u>Term Lease Commencement Date or Number of Fixed Rental Payment Date on which Casualty Value is Paid</u>	<u>Percentage of Purchase Price Payable as Casualty Value</u>
Term Lease Commencement Date	85.6578
1	84.4467
2	83.1363
3	81.7349
4	80.2403
5	78.6661
6	77.0036
7	75.2562
8	73.4220
9	71.5083
10	69.5121
11	67.4336
12	65.2706
13	63.0272
14	60.7079
15	58.3094
16	55.8296
17	53.2686
18	50.6394
19	47.9346
20	45.1522
21	42.2885
22	39.3652
23	36.3706
24	33.2941
25	30.1198
26	26.8957
27	23.6063
28	20.0000

TABLE II

<u>Term Lease Commencement Date or Number of Fixed Rental Payment Date on which Casualty Value is Paid</u>	<u>Percentage of Purchase Price Payable as Casualty Value</u>
Term Lease Commencement Date	84.9014
1	83.9239
2	82.7867
3	81.4860
4	80.0792
5	78.5723
6	76.9718
7	75.2753
8	73.4945
9	71.6246
10	69.6672
11	67.6202
12	65.4888
13	63.2744
14	60.9749
15	58.5883
16	56.1162
17	52.5679
18	50.9377
19	48.2233
20	45.4229
21	42.5539
22	39.6067
23	36.5792
24	33.4625
25	30.2795
26	27.0229
27	23.6905
28	20.0000

ANNEX 1 TO SCHEDULE A
(to Amendment Agreement)

The percentages set forth in Tables I and II to this Schedule A have been computed without regard to recapture of the Investment Credit provided for in Section 38 and related sections of the Internal Revenue Code of 1954, as amended. Consequently, the Casualty Value of any Item of Equipment suffering a Casualty Occurrence on or before the third, fifth or seventh anniversary of the date of delivery and acceptance of such Item shall be increased by the applicable percentage of the Purchase Price set forth below:

<u>Anniversary of Delivery and Acceptance</u>	<u>Percentage of Purchase Price</u>
3	18.5185
5	12.3457
7	6.1728

AMORTIZATION SCHEDULE

(Payments Required Per \$100,000 Principal Amount
of the Secured Notes Issued by Debtor with respect
to notes issued for Equipment delivered on or prior
to December 31, 1979 and with respect to Equipment
delivered thereafter)

<u>Number Installment</u>	<u>Total Principal Payment</u>
1	\$2,417.74
2	2,484.23
3	2,552.54
4	2,622.74
5	2,694.86
6	2,768.97
7	2,845.12
8	2,923.36
9	3,003.75
10	3,086.35
11	3,171.23
12	3,258.44
13	3,348.04
14	3,440.12
15	3,534.72
16	3,631.92
17	3,731.80
18	3,834.43
19	3,939.87
20	4,048.22
21	4,159.55
22	4,273.93
23	4,391.47
24	4,512.23
25	4,636.32
26	4,763.82
27	4,894.82
28	5,029.43

FIRST NATIONAL BANK OF LOUISVILLE

SECURED NOTE

No.

\$

, 19

FOR VALUE RECEIVED, the undersigned, First National Bank of Louisville (the "Company") promises to pay to

or registered assigns,
the principal sum of

DOLLARS (\$)

together with interest from the date hereof until maturity at the rate of one-quarter of one percent above Central Penn National Bank's prime short-term commercial rate to its best customers as that rate shall vary from time to time (computed on an actual elapsed days, 360-day year basis) on the unpaid principal hereof. Such rate to be fixed on the date hereof for the installment of interest only referred to below, to be fixed on January 3, 1980* for the payment of interest due April 3, 1980* and increased or decreased, as the case may be, on each April 3*, July 3*, October 3* and January 3* thereafter for the payment of interest to be paid three months following such date. Payments of principal and interest shall be payable in an installment of all accrued and unpaid interest only payable on January 3, 1980*, followed by installments of principal and interest payable on the dates set forth in the amortization Schedule I attached hereto and made a part hereof and installments of principal payable in the amounts set forth in amortization Schedule I. Interest on the overdue principal and (to the extent legally enforceable on overdue interest shall be payable at a rate one percent above the rate of interest then applicable on this Note (as provided above)) per annum after maturity whether by acceleration or otherwise, until paid. Both the principal hereof and interest hereon are payable to the registered holder hereof in

*With respect to all Items of Equipment delivered after December 31, 1979, all dates will be moved forward by three months, thus January 3 becomes April 3, April 3 becomes July 3 and so forth.

SCHEDULE C
(to Amendment Agreement)

coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts.

This Note is one of the Secured Notes of the Company not exceeding \$2,000,000 in aggregate principal amount (the "Notes") issued under and pursuant to the Participation Agreement dated as of July 31, 1979 among the Company, Consolidated Rail Corporation (the "Lessee"), and Central Penn National Bank (the "Secured Party") and also issued under and equally and ratably with said other Notes secured by that certain Security Agreement dated as of July 31, 1979 (the "Security Agreement") from the Company to the Secured Party. Reference is made to the Security Agreement and all supplements and amendments thereto executed pursuant to the Security Agreement for a description of the collateral, the nature and extent of the security and rights of the Secured Party, the holder or holders of the Notes and of the Company in respect thereof.

The terms and provisions of the Security Agreement and the rights and obligations of the Secured Party and the rights of the holders of the Notes may be changed and modified to the extent permitted by and as provided in the Security Agreement.

This Note is a registered Note and is transferable only by surrender thereof at the principal office of the Debtor, duly endorsed or accompanied by a written instrument of transfer, duly executed by the registered holder of this Note or his attorney duly authorized in writing.

This Note is a non-recourse Note to the maker and anything in this Note to the contrary notwithstanding, neither the Secured Party nor any holder hereof, nor their respective successors or assigns shall have any claim, remedy or right to proceed against the Company in its individual corporate capacity or against any incorporator or any past, present or future subscriber to the capital stock of, or against any past, present or future stockholder, officer, employee or director of the Company for the payment of any deficiency or any other sum owing on account of the indebtedness evidenced by this Note or for the payment of any liability resulting from the breach of any representation, agreement or warranty of any nature whatsoever, or against any source whatsoever other than the collateral under the Security Agreement (the "Collateral"); and the Secured Party and the holder of this Note by its acceptance hereof waive and release any personal liability of the Company in its individual corporate capacity, of any incorporator or any past, present or future subscriber to the capital stock of the Company, or of any past, present or future stockholder, officer, employee or director of the Company for and on account of such indebtedness or such liability; and the Secured Party and the holder of this Note agree to look solely to the Collateral for the payment of said indebtedness or the satisfaction of such liability; provided, however, nothing herein contained shall limit, restrict or impair the rights of the Secured Party to accelerate the maturity of this

Note upon a default thereunder, to bring an action in rem or quasi in rem and obtain a judgment limited to the disposition of the Collateral and any proceeds therefrom or to exercise all rights and remedies provided under the Security Agreement or otherwise realize upon the Collateral; provided, further, that nothing in this paragraph shall be construed to limit in scope or substance those representations and warranties of the Company in its individual capacity set forth in the Participation Agreement or the Security Agreement.

This Note and the Security Agreement are governed by and construed in accordance with the laws of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, the Company has caused this Note to be duly executed.

FIRST NATIONAL BANK OF LOUISVILLE

By _____

NOTICE

THIS NOTE HAS NOT BEEN REGISTERED PURSUANT TO THE SECURITIES ACT OF 1933 OR UNDER THE SECURITIES LAWS OF ANY STATE. THE NOTE MAY NOT BE OFFERED OR SOLD UNLESS IT IS REGISTERED UNDER THE APPLICABLE SECURITIES LAWS OR UNLESS AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE.

ANNEX 1 TO SCHEDULE C
(to Amendment Agreement)

The percentages set forth in Table 1 to this Schedule C have been computed without regard to recapture of the Investment Credit provided for in Section 38 and related sections of the Internal Revenue Code of 1954, as amended. Consequently, the Casualty Value of any Item of Equipment suffering a Casualty Occurrence on or before the third, fifth or seventh anniversary of the date of delivery and acceptance of such Item shall be increased by the applicable percentage of the Purchase Price set forth below:

<u>Anniversary of Delivery and Acceptance</u>	<u>Percentage of Purchase Price</u>
3	18.5185
5	12.3457
7	6.1728

CP

AMENDMENT AGREEMENT

Dated as of
January 15, 1980

Re: Consolidated Rail Corporation
Leveraged Lease of Maintenance of Way Equipment
(Conrail No. 79-1)

This Amendment Agreement dated as of January 15, 1980 (the "Amendment Agreement") is among Consolidated Rail Corporation (the "Lessee"), First National Bank of Louisville (the "Lessor") and Central Penn National Bank (the "Note Purchaser" or the "Secured Party" under the Security Agreement referred to below). Reference is made to the Participation Agreement dated as of July 31, 1979 (the "Participation Agreement") among the Lessee, the Lessor and the Note Purchaser; the Equipment Lease (the "Lease") dated as of July 31, 1979 between the Lessor and the Lessee; the Purchase Order Assignment (the "Purchase Order Assignment") dated as of July 31, 1979 between the Lessor and the Lessee; and the Security Agreement dated as of July 31, 1979 (the "Security Agreement") between the Lessor and the Secured Party. The above documents as herein amended are hereinafter collectively referred to as the "Operative Agreements" and all references in any Operative Agreement to any other Operative Agreement shall be deemed to include all amendments thereto, including the amendments set forth in this Amendment Agreement. Except as otherwise provided, the terms herein shall have the same meaning as set forth in the Operative Agreements. The amendments set forth in this Agreement shall be governed by the laws applicable to the Operative Agreement to which such amendments relate.

Pursuant to Section 2.4 of the Participation Agreement, the commitments of the Participants expired on January 3, 1980. As of January 3, 1980 all of the Equipment which was to be leased by the Lessor to the Lessee pursuant to the terms of the Lease, as more fully described on Schedule A to the Lease, had not been delivered and accepted pursuant to the terms of the Operative Agreements. Since the Lessee continues to desire to lease the Equipment which has not been delivered and accepted and since the Lessor and the Note Purchaser continue to desire to fulfill their respective agreements in respect to the leasing of the Equipment as provided in the Operative Agreements, the Lessee, the Lessor and the Note Purchaser do hereby agree to extend the expiration date of the respective commitments of the Participants to April 3, 1980. The Lessee, the

Lessor and the Note Purchaser further agree to such changes in the Operative Agreements (including changes to Fixed Rental and Casualty Value amounts) as shall be necessary to effect this agreement, all as more fully expressed herein. Accordingly, in consideration of the mutual undertakings and agreements of the parties hereto, it is understood and agreed by each of the parties hereto as follows:

I. AMENDMENTS TO THE PARTICIPATION AGREEMENT.

Section 1.1. Investments by Participants. Recital B of the Participation Agreement is amended to read as follows:

"On not more than three Closing Dates with respect to Equipment delivered on or prior to December 31, 1979 and two additional Closing Dates with respect to Equipment delivered after December 31, 1979, the Lessor will provide for payment to the Manufacturers of an amount equal to 100% of the Purchase Price of the Items of Equipment being settled for on such date, will itself advance 41.7792% of such amount and the balance of the Purchase Price of such Items of Equipment will be financed by the issue and sale of the Notes of the Lessor to the Note Purchaser, all subject to the limitations and on the terms and conditions hereinafter set forth."

Section 1.2. Definitions. The definition of Term Lease Commencement Date in Section 1.1 of the Participation Agreement is amended to read as follows:

"'Term Lease Commencement Date' shall mean January 3, 1980 with respect to all Items of Equipment delivered on or prior to December 31, 1979 and April 3, 1980 with respect to all Items of Equipment delivered after December 31, 1979."

Section 1.3. The Closings. The first sentence of Section 2.3 of the Participation Agreement is amended to read as follows:

"The advance of funds by the Lessor pursuant to Section 2.1 hereof will be made, and the Notes will be delivered to the Note Purchaser on not more than three dates, not later than January 3, 1980 for all Items of Equipment delivered on or prior to December 31, 1979 (except that the final such advance may occur during the first calendar quarter of 1980, either separately or concurrently with an advance for Items delivered after December 31, 1979) and on not more than two dates, not later than April 3, 1980 for all Items of Equipment delivered after December 31, 1979 (such dates being hereinafter referred to as the 'Closing Dates')."

Section 1.4. Expiration of Commitments. Section 2.4 of the Participation Agreement is amended to read as follows:

"The several commitments of the Participants hereunder shall expire on April 3, 1980."

II. AMENDMENTS TO PURCHASE ORDER ASSIGNMENT

Section 2.1. Assumption of Purchase of Obligation of Purchaser Continuing Liability of Lessee for Excluded Equipment. The first sentence of the second paragraph of Section 2 of the Purchase Order Assignment is amended to read as follows:

"Notwithstanding the preceding paragraph of this Section 2, the Lessor and the Note Purchaser shall not, severally, or jointly, have any obligation hereunder or under the Participation Agreement to the Manufacturers in respect of Items of Equipment not delivered and accepted on or before April 3, 1980 (the 'Outside Delivery Date') or for Items of Equipment with respect to which payment therefor would cause the Purchase Price for all Equipment to exceed \$3,347,196 (the 'Excluded Equipment')."

Section 2.2. Purchase of Equipment; Limitation of Lessor's Liability. Section 4 of the Purchase Order Assignment is amended to read as follows:

"The Lessor agrees, subject to the delivery by the Manufacturers of those Items required pursuant to the Consent and Agreement hereinbelow referred to in Section 7 and the fulfillment of the other conditions set forth in the Participation Agreement, that on each Closing Date designated pursuant to the Participation Agreement, but not later than April 3, 1980, the Lessor will pay to the Manufacturers the Purchase Price (as defined in the Participation Agreement) of each Item of Equipment which is to be settled for on such Closing Date and which has been delivered and accepted in the term of this Assignment and the Lease; provided that the aggregate Purchase Price of such Items of Equipment shall not exceed \$3,347,196."

III. AMENDMENTS TO THE LEASE.

Section 3.1. Rent for Equipment. Section 2.1 of the Lease is amended as follows:

"The Lessee agrees to pay the Lessor the following rent for each Item of Equipment

(a) Interim Rentals. For each Item of Equipment, an amount per day (the

'Interim Rental') equal to 0.0430556% of the Purchase Price thereof in the case of all Items of Equipment delivered on or prior to December 31, 1979, and equal to 0.0444444% of the Purchase Price thereof in the case of any Item of Equipment delivered after December 31, 1979 for the period, if any, from the Closing Date (as defined in the Participation Agreement) for such Item of Equipment to, but not including January 3, 1980 with respect to all Items of Equipment delivered on or prior to December 31, 1979 and April 3, 1980 with respect to all Items of Equipment delivered after December 31, 1979 (such dates with respect to each such Item of Equipment hereinafter referred to as the 'Term Lease Commencement Date'); and

(b) Fixed Rentals. For each Item of Equipment, 28 quarterly installments of Fixed Rental (the 'Fixed Rental') payable in arrears, each in an amount equal to 4.11244% of the Purchase Price thereof for each Item of Equipment delivered and accepted on or prior to December 31, 1979 and each in an amount equal to 4.27359% of the Purchase Price thereof for each Item of Equipment delivered and accepted after December 31, 1979."

Section 3.2. Rent Payment Dates. Section 2.2 of the Lease is amended by amending the second sentence thereof as follows:

"The first installment of Fixed Rental for each Item of Equipment shall be due and payable three months following the Term Lease Commencement Date with respect to such Item of Equipment and the balance of said installments shall be payable at three-month intervals, with the final such installment payable seven years following the Term Lease Commencement Date with respect to such Item of Equipment."

Section 3.3. Term of Lease. Section 3 of the Lease is amended as follows:

"The term of this Lease as to each Item of Equipment shall begin on the date of the delivery to an acceptance by the Lessee of such Item of Equipment and, subject to the provisions of Sections 11, 14 and 18 hereof, shall terminate seven years following the Term Lease Commencement Date with respect to such Item of Equipment provided for in Section 2.1(a) hereof."

Section 3.4. Initial Election. Section 18.1 of the Lease is amended as follows:

"Provided that this Lease has not been earlier terminated and no Event of Default or Default shall have occurred and be continuing hereunder, the Lessee may, by written notice delivered to the Lessor on or prior to July 3, 1986, notify the Lessor that the Lessee irrevocably elects to renew and extend the term of this Lease as to all Items of Equipment then leased hereunder, whether delivered on or prior to or after December 31, 1979, or to purchase all such Items of Equipment, all on the basis hereinafter provided. If the Lessee shall so elect to renew and extend this Lease, the renewal term for all Items of Equipment then leased hereunder which were delivered on or prior to December 31, 1979 shall be two years and three months and the renewal term for all other Items of Equipment then leased hereunder shall be two years, so that the renewal term for all such Items of Equipment shall end on April 3, 1989. If the Lessee shall have elected to renew and extend the lease term as above provided, then the Lessee shall have the further right to irrevocably elect by written notice delivered to the Lessor on or prior to October 3, 1988 to either extend and renew the term of this Lease as to all of the Items of Equipment then leased hereunder for an additional two-year term ending April 3, 1991 or to purchase all such Items of Equipment, all on the basis hereinafter provided. If the Lessee shall elect to extend and renew the term of this Lease for such further additional two-year period, then the Lessee may, by written notice delivered to the Lessor on or prior to October 3, 1990, irrevocably elect to purchase on April 3, 1991 all of the Items of Equipment then leased hereunder on the basis hereinafter provided."

Section 3.5. Renewal Options. The first clause of the first sentence of subparagraph (a) of Section 18.3 is amended as follows:

"The Lessee shall have the option to renew and extend this Lease in the manner provided in Section 18.1 hereof;"

Section 3.6. Outside Delivery Date. Schedule A to the Equipment Lease is amended by changing the Outside Delivery Date to April 3, 1980.

Section 3.7. Casualty Value. Schedule C to the Equipment Lease is amended as provided in Schedule A attached to this Amendment Agreement.

IV. AMENDMENTS TO SECURITY AGREEMENT.

Section 4.1. Recital A to the Security Agreement is amended to read as follows:

"A. The Debtor and the Secured Party have entered into a Participation Agreement dated as of July 31, 1979 (the 'Participation Agreement') with Consolidated Rail Corporation, a Pennsylvania corporation (the 'Lessee') providing for the commitment of the Secured Party to purchase on certain dates therein provided not later than April 3, 1980 the Secured Notes (the 'Notes') of the Debtor not exceeding an aggregate principal amount of \$2,000,000. The Notes are to be dated the date of issue, to bear interest from such date at the rate of 1/4 of 1% above Central Penn National Bank's prime short-term commercial rate to its best customers as that rate shall vary from time to time, determined on a quarterly basis, per annum prior to maturity, to be expressed to mature in one installment of interest payable on January 3, 1980 with respect to all Notes issued on or prior to December 31, 1979, and on April 3, 1980 with respect to all Notes issued after December 31, 1979, followed in each case by 28 consecutive quarterly installments including both principal and interest, the principal portion of which is payable in accordance with the schedule set forth in Schedule 1 hereto with the first such installment to be paid three months following the installment of interest only referred to above, and the balance of such installments to be paid at three-month intervals thereafter; and to be otherwise substantially in the form attached hereto as Exhibit A."

Section 4.2. Amortization Schedule. Schedule 1 to the Security Agreement is amended in the form attached hereto as Schedule B.

Section 4.3. Exhibit A to the Security Agreement is amended in the form attached hereto as Schedule C.

This Amendment Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original and in each case such counterpart shall constitute one and the same instrument.

IN WITNESS WHEREOF the parties hereto have caused this
Amendment Agreement to be executed and delivered all as of the day
first above written.

CONSOLIDATED RAIL CORPORATION

By _____
Its _____

FIRST NATIONAL BANK OF LOUISVILLE

By _____
Its _____

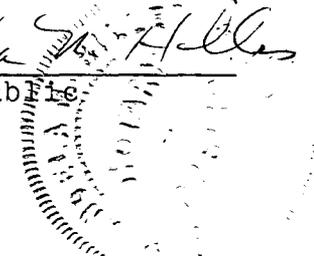
CENTRAL PENN NATIONAL BANK

By Joseph A. McBride
Its VICE PRESIDENT

COMMONWEALTH OF PENNSYLVANIA)
) SS
COUNTY OF PHILADELPHIA)

On this 26th day of February, 1980, before me personally appeared Joseph A. McBride, to me personally known, who being by me duly sworn, says that he is a Vice President of CENTRAL PENN NATIONAL BANK, that one of the seals affixed to the foregoing instrument is the corporate seal of said association, that said instrument was signed and sealed on behalf of said association 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 association.

Angela M. Miller
Notary Public



[NOTARIAL SEAL]

My commission expires:

ANGELA M. MILLER
Notary Public, Philadelphia, Pa.
My Commission Expires March 17, 1980

SCHEDULE OF CASUALTY VALUE

The Casualty Value for an Item of Equipment payable on the Term Lease Commencement Date with respect to such Item or any Fixed Rental payment date with respect to such Item thereafter shall mean an amount equal to the percent of the Purchase Price plus the amount of any Alterations included in gross income by the Lessor pursuant to Section 7 of the Lease of such Item set forth opposite such date in Table I with respect to any Item of Equipment delivered on or prior to December 31, 1979 and in Table II with respect to any Item of Equipment delivered after December 31, 1979 (as the same may in each case be increased pursuant to Annex 1 to this Schedule A):

TABLE I

<u>Term Lease Commencement Date or Number of Fixed Rental Payment Date on which Casualty Value is Paid</u>	<u>Percentage of Purchase Price Payable as Casualty Value</u>
Term Lease Commencement Date	85.6578
1	84.4467
2	83.1363
3	81.7349
4	80.2403
5	78.6661
6	77.0036
7	75.2562
8	73.4220
9	71.5083
10	69.5121
11	67.4336
12	65.2706
13	63.0272
14	60.7079
15	58.3094
16	55.8296
17	53.2686
18	50.6394
19	47.9346
20	45.1522
21	42.2885
22	39.3652
23	36.3706
24	33.2941
25	30.1198
26	26.8957
27	23.6063
28	20.0000

TABLE II

<u>Term Lease Commencement Date or Number of Fixed Rental Payment Date on which Casualty Value is Paid</u>	<u>Percentage of Purchase Price Payable as Casualty Value</u>
Term Lease Commencement Date	84.9014
1	83.9239
2	82.7867
3	81.4860
4	80.0792
5	78.5723
6	76.9718
7	75.2753
8	73.4945
9	71.6246
10	69.6672
11	67.6202
12	65.4888
13	63.2744
14	60.9749
15	58.5883
16	56.1162
17	52.5679
18	50.9377
19	48.2233
20	45.4229
21	42.5539
22	39.6067
23	36.5792
24	33.4625
25	30.2795
26	27.0229
27	23.6905
28	20.0000

ANNEX 1 TO SCHEDULE A
(to Amendment Agreement)

The percentages set forth in Tables I and II to this Schedule A have been computed without regard to recapture of the Investment Credit provided for in Section 38 and related sections of the Internal Revenue Code of 1954, as amended. Consequently, the Casualty Value of any Item of Equipment suffering a Casualty Occurrence on or before the third, fifth or seventh anniversary of the date of delivery and acceptance of such Item shall be increased by the applicable percentage of the Purchase Price set forth below:

<u>Anniversary of Delivery and Acceptance</u>	<u>Percentage of Purchase Price</u>
3	18.5185
5	12.3457
7	6.1728

AMORTIZATION SCHEDULE

(Payments Required Per \$100,000 Principal Amount
of the Secured Notes Issued by Debtor with respect
to notes issued for Equipment delivered on or prior
to December 31, 1979 and with respect to Equipment
delivered thereafter)

<u>Number Installment</u>	<u>Total Principal Payment</u>
1	\$2,417.74
2	2,484.23
3	2,552.54
4	2,622.74
5	2,694.86
6	2,768.97
7	2,845.12
8	2,923.36
9	3,003.75
10	3,086.35
11	3,171.23
12	3,258.44
13	3,348.04
14	3,440.12
15	3,534.72
16	3,631.92
17	3,731.80
18	3,834.43
19	3,939.87
20	4,048.22
21	4,159.55
22	4,273.93
23	4,391.47
24	4,512.23
25	4,636.32
26	4,763.82
27	4,894.82
28	5,029.43

FIRST NATIONAL BANK OF LOUISVILLE

SECURED NOTE

No.

\$

, 19

FOR VALUE RECEIVED, the undersigned, First National Bank of Louisville (the "Company") promises to pay to

or registered assigns,
the principal sum of

DOLLARS (\$)

together with interest from the date hereof until maturity at the rate of one-quarter of one percent above Central Penn National Bank's prime short-term commercial rate to its best customers as that rate shall vary from time to time (computed on an actual elapsed days, 360-day year basis) on the unpaid principal hereof. Such rate to be fixed on the date hereof for the installment of interest only referred to below, to be fixed on January 3, 1980* for the payment of interest due April 3, 1980* and increased or decreased, as the case may be, on each April 3*, July 3*, October 3* and January 3* thereafter for the payment of interest to be paid three months following such date. Payments of principal and interest shall be payable in an installment of all accrued and unpaid interest only payable on January 3, 1980*, followed by installments of principal and interest payable on the dates set forth in the amortization Schedule I attached hereto and made a part hereof and installments of principal payable in the amounts set forth in amortization Schedule I. Interest on the overdue principal and (to the extent legally enforceable on overdue interest shall be payable at a rate one percent above the rate of interest then applicable on this Note (as provided above)) per annum after maturity whether by acceleration or otherwise, until paid. Both the principal hereof and interest hereon are payable to the registered holder hereof in

*With respect to all Items of Equipment delivered after December 31, 1979, all dates will be moved forward by three months, thus January 3 becomes April 3, April 3 becomes July 3 and so forth.

SCHEDULE C
(to Amendment Agreement)

coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts.

This Note is one of the Secured Notes of the Company not exceeding \$2,000,000 in aggregate principal amount (the "Notes") issued under and pursuant to the Participation Agreement dated as of July 31, 1979 among the Company, Consolidated Rail Corporation (the "Lessee"), and Central Penn National Bank (the "Secured Party") and also issued under and equally and ratably with said other Notes secured by that certain Security Agreement dated as of July 31, 1979 (the "Security Agreement") from the Company to the Secured Party. Reference is made to the Security Agreement and all supplements and amendments thereto executed pursuant to the Security Agreement for a description of the collateral, the nature and extent of the security and rights of the Secured Party, the holder or holders of the Notes and of the Company in respect thereof.

The terms and provisions of the Security Agreement and the rights and obligations of the Secured Party and the rights of the holders of the Notes may be changed and modified to the extent permitted by and as provided in the Security Agreement.

This Note is a registered Note and is transferable only by surrender thereof at the principal office of the Debtor, duly endorsed or accompanied by a written instrument of transfer, duly executed by the registered holder of this Note or his attorney duly authorized in writing.

This Note is a non-recourse Note to the maker and anything in this Note to the contrary notwithstanding, neither the Secured Party nor any holder hereof, nor their respective successors or assigns shall have any claim, remedy or right to proceed against the Company in its individual corporate capacity or against any incorporator or any past, present or future subscriber to the capital stock of, or against any past, present or future stockholder, officer, employee or director of the Company for the payment of any deficiency or any other sum owing on account of the indebtedness evidenced by this Note or for the payment of any liability resulting from the breach of any representation, agreement or warranty of any nature whatsoever, or against any source whatsoever other than the collateral under the Security Agreement (the "Collateral"); and the Secured Party and the holder of this Note by its acceptance hereof waive and release any personal liability of the Company in its individual corporate capacity, of any incorporator or any past, present or future subscriber to the capital stock of the Company, or of any past, present or future stockholder, officer, employee or director of the Company for and on account of such indebtedness or such liability; and the Secured Party and the holder of this Note agree to look solely to the Collateral for the payment of said indebtedness or the satisfaction of such liability; provided, however, nothing herein contained shall limit, restrict or impair the rights of the Secured Party to accelerate the maturity of this

Note upon a default thereunder, to bring an action in rem or quasi in rem and obtain a judgment limited to the disposition of the Collateral and any proceeds therefrom or to exercise all rights and remedies provided under the Security Agreement or otherwise realize upon the Collateral; provided, further, that nothing in this paragraph shall be construed to limit in scope or substance those representations and warranties of the Company in its individual capacity set forth in the Participation Agreement or the Security Agreement.

This Note and the Security Agreement are governed by and construed in accordance with the laws of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, the Company has caused this Note to be duly executed.

FIRST NATIONAL BANK OF LOUISVILLE

By _____

NOTICE

THIS NOTE HAS NOT BEEN REGISTERED PURSUANT TO THE SECURITIES ACT OF 1933 OR UNDER THE SECURITIES LAWS OF ANY STATE. THE NOTE MAY NOT BE OFFERED OR SOLD UNLESS IT IS REGISTERED UNDER THE APPLICABLE SECURITIES LAWS OR UNLESS AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE.

ANNEX 1 TO SCHEDULE C
(to Amendment Agreement)

The percentages set forth in Table 1 to this Schedule C have been computed without regard to recapture of the Investment Credit provided for in Section 38 and related sections of the Internal Revenue Code of 1954, as amended. Consequently, the Casualty Value of any Item of Equipment suffering a Casualty Occurrence on or before the third, fifth or seventh anniversary of the date of delivery and acceptance of such Item shall be increased by the applicable percentage of the Purchase Price set forth below:

<u>Anniversary of Delivery and Acceptance</u>	<u>Percentage of Purchase Price</u>
3	18.5185
5	12.3457
7	6.1728