

RECORDATION NO. *10679* FILED *1982*

AUG 27 1982-2 55 PM

LAW OFFICES OF

DECHERT PRICE & RHOADS

INTERSTATE COMMERCE COMMISSION

SUITE 1100

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WASHINGTON, D. C. 20006

(202) 783-0200

ELEVEN BROADWAY
NEW YORK, N. Y. 10004
(212) 425-3510

ONE DENVER PLACE
SUITE 1601
999 18TH STREET
DENVER, CO. 80202
(303) 623-1777

800 NORTH THIRD STREET
HARRISBURG, PA. 17102
(717) 233-7947

August 27, 1982

3400 CENTRE SQUARE WEST
1500 MARKET STREET
PHILADELPHIA, PA. 19102
(215) 972-3400

38 SQUARE DE MEEUS, BTE 1
1040 BRUSSELS, BELGIUM
(02) 511 80 40

52 BEDFORD SQUARE
LONDON WC1B 3EX, ENGLAND
01. 631. 3383

Agatha L. Mergenovich, Secretary
Interstate Commerce Commission
12th and Constitution Ave., N.W.
Washington, D.C. 20423

2-239A038

No. **AUG 27 1982**
Date.....
Fee \$ *10.00*

Dear Secretary Mergenovich:

ICC Washington, D. C.

Pursuant to 49 U.S.C. § 11303 and the Commission's rules and regulations, I enclose for filing and recordation, three (3) copies of the following document:

Loan Termination Agreement dated August 27, 1982, by and between Girard Bank and Lease Financing Corporation.

This document relates to boxcars subject to a Security Agreement dated June 29, 1979, a Participation Agreement dated June 29, 1979, an Amendment to Lease dated July 16, 1979, and an Assignment of Lease dated June 29, 1979, all filed with the Commission on July 27, 1979 at 12:00 p.m. and assigned Recordation Numbers 10679, 10679-A, 10679-B, and 10679-C, respectively.

The names and addresses of the parties to the aforementioned document to be filed are:

Mortgagee: Girard Bank
One Girard Plaza
Philadelphia, PA 19101

Mortgagor: Lease Financing Corporation
Suite 400
Three Radnor Corporate Center
100 Matsonford Road
Radnor, Pennsylvania 19087

The Loan Termination relates to the following boxcars:

Twenty-five (25) 50'6", 70-Ton Plate "C", Rigid Underframe Boxcars with 10'0" Sliding Doors (Type XM) manufactured by Whittaker Corporation

Counter photo - Christine E. Whelan

RECEIVED
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OPERATION BR.

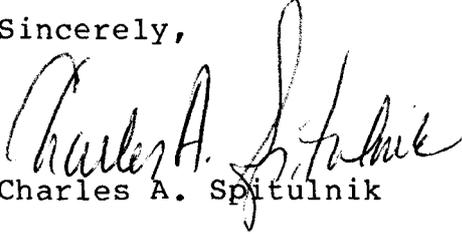
Agatha L. Mergenovich, Secretary
August 27, 1982
Page Two

(Berwick Forge and Fabricating Division), and bearing road numbers NSL 150825 through NSL 150849 (each inclusive).

Please file the Loan Termination Agreement, cross-indexing it under the names of the Mortgagee and Mortgagor. A check is enclosed for \$10.00 as prescribed pursuant to 49 C.F.R. 1116.3(d).

Please stamp all copies of the Loan Termination Agreement and the attached copies of the transmittal letter with your official recording stamp. You will wish to retain one original of the document and the original of the transmittal letter for your file. Please return the duplicate originals of the Loan Termination Agreement and the transmittal letter to the bearer of this letter.

Sincerely,



Charles A. Spitulnik

CAS/kjs
Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

August 27, 1982

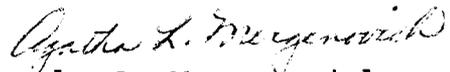
Charles A. Spitulnik
Dechert Price & Rhoads
Suite 1100
1730 Pennsylvania Avenue, N.W.
Washington, D. C. 20006

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 8-27-82 at 2:35 PM, and assigned recordation number(s).

10679, D, E and F

Sincerely yours,


Agatha L. Mergenovich
Secretary

Enclosure(s)

REGISTRATION NO. 10679-D
PAGE 1425

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INTERSTATE COMMERCE COMMISSION

LOAN TERMINATION AGREEMENT

THIS LOAN TERMINATION AGREEMENT dated August 27, 1982, is by and between LEASE FINANCING CORPORATION, a Pennsylvania corporation, with its principal place of business at Suite 400, Three Radnor Corporate Center, 100 Matsonford Road, Radnor, Pennsylvania 19087 ("LFC") and GIRARD BANK, a Pennsylvania banking corporation, with offices at One Girard Plaza, Philadelphia, Pennsylvania 19101 ("Girard").

BACKGROUND

A. Girard, LFC, National Railway Utilization Corporation ("NRUC") and Pickens Railroad Company ("Pickens") (NRUC and Pickens both being South Carolina corporations and hereinafter collectively referred to as Lessee) entered into a Participation Agreement dated as of June 29, 1979, whereby it was recognized by the parties that (i) NRUC had assigned its rights and interest under a certain purchase agreement to LFC pursuant to a Purchase Agreement Assignment dated as of June 29, 1979, (ii) Lessee had leased from LFC all of the boxcars which were the subject of such purchase agreement ("Boxcars") pursuant to a Lease Of Railroad Equipment dated as of June 29, 1979 and an Amendment thereto dated as of

July 16, 1979 ("Lease"), (iii) Girard would furnish eighty-percent of the purchase price for the Boxcars by purchasing the non-recourse promissory note ("Note") of LFC in the principal amount of \$794,560, which Note was purchased as of June 29, 1979, and (iv) the Note would be secured by granting a security interest in the Boxcars to Girard, which security interest was granted pursuant to a Security Agreement and Assignment of Lease both dated June 29, 1979.

B. LFC is presently in default under the terms of the Note and has determined that it is not in LFC's interest to cure such default. Accordingly, LFC wishes to convey all of its right, title and interest in and to the Boxcars to Girard pursuant to the terms and conditions set forth herein.

C. With respect to the Lessee, the parties contemplate that Girard shall terminate the rights and obligations of the parties under the Lease. LFC agrees to cooperate in executing such documents as may be necessary, including, but not limited to the Lease Termination Agreement attached hereto as Exhibit "D".

TERMS

NOW, THEREFORE, in consideration of the premises set forth above, and the mutual covenants and agreements

contained herein, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Delivery of Documents. All documents contemplated hereby shall be delivered to Girard's counsel, Dechert Price & Rhoads, 3400 Centre Square West, 1500 Market Street, Philadelphia, PA, to be held in escrow pending the closing hereunder. At such closing, all required documents shall be delivered and dated as of the date thereof.

2. Termination of Agreements. Subject to delivery of the Bill of Sale as set forth in paragraph 3 hereof and delivery of the Boxcars as set forth in paragraph 4 hereof, Girard and LFC hereby terminate their rights and obligations under the Participation Agreement, the Note and the Security Agreement.

3. Conveyance of the Boxcars. LFC shall convey the Boxcars identified on Exhibit "A" attached hereto to Girard on an "AS IS, WHERE IS" basis by executing a Bill of Sale, undated, in the form attached hereto as Exhibit "B". Delivery of the Bill of Sale shall be in accordance with paragraph 1 hereof.

4. Delivery of Boxcars. On the date of closing hereunder, LFC shall direct Lessee to deliver and surrender possession of the Boxcars to Lender or to take whatever other action as Girard shall direct.

5. Release of LFC. Subject to delivery of the Bill of Sale as provided in paragraph 3 hereof, and the terms of this agreement, Girard shall release LFC, its successors and assigns, from all obligations and liabilities arising under the Note and the Security Agreement as of the date of the Bill of Sale, by executing, undated, a Release in the form attached hereto as Exhibit "C". Delivery of the Release shall be in accordance with paragraph 1 hereof.

6. Representations and Warranties of LFC. LFC hereby warrants, represents and covenants that:

- (a) LFC is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania;
- (b) The transactions contemplated hereby have been duly authorized and approved by requisite corporate action;
- (c) LFC has good title to the Boxcars and, to the best of its knowledge, the Boxcars are free and clear of any claims, liens and encumbrances of any kind or nature whatsoever, except for such claims, if any arising from the use, possession, storage and maintenance of the Boxcars by Lessee.

(d) To the best of LFC's knowledge, the Boxcars are in compliance with all laws, rules and regulations of any governmental authority exercising any power or jurisdiction with respect to the Boxcars, and no notices have been received and no claims have been filed or are pending with respect thereto.

(e) LFC has no knowledge of any obligations outstanding under the Lease or any other agreements between LFC and Lessee which may result in any obligation or liability on the part of Girard, except with respect to accrued fees and expenses under the Lease, to the extent that Girard is the successor to LFC under the Lease.

(f) To the best of LFC's knowledge, there are no existing claims arising in connection with the Boxcars except those which have been identified to Girard by LFC on or before the date hereof.

7. Termination of Lease. LFC hereby agrees to terminate the Lease with Lessee by executing the Lease Termination Agreement attached hereto as Exhibit "D" and

agrees to promptly execute any documents which may be desirable or necessary in connection therewith.

8. Indemnification; Representation. LFC hereby agrees to indemnify Girard against any claims or liabilities which may be asserted against Girard in connection with the failure of LFC to fulfill any obligations under the Lease or any other obligation of LFC with respect to the Boxcars, other than any claims or liabilities which may arise by reason of LFC's election of Alternative One pursuant to paragraph 1 of the Lease Termination Agreement, and Girard agrees to indemnify LFC solely with respect to such claims or liabilities, if any, arising from such election. LFC hereby warrants and represents that, to the best of its knowledge, the only claims or liabilities which may arise by reason of LFC's election of Alternative One pursuant to paragraph 1 of the Lease Termination Agreement are charges and expenses relating to delivery of the Boxcars to Girard and any storage, maintenance or repair expenses or other charges with respect to the Boxcars assessed by NRUC in accordance with Alternative One of the Plan.

9. Records. Contemporaneously with its execution of this agreement, LFC shall make available to Girard all books, records, certificates, and any other documents or

papers relating to the Boxcars. If notified to do so, LFC shall make copies of any of the foregoing and deliver them to Girard.

10. Additional Documents. LFC shall cooperate in promptly and duly executing any documents which may be required to be filed with any governmental authority in connection with the transactions contemplated hereby.

11. Insurance. LFC hereby assigns all its rights under the insurance policies with respect to the Boxcars to Girard. LFC shall deliver copies of such certificates of insurance in its possession to Girard contemporaneously with the execution of this agreement.

12. Severability. Any provision of this agreement which is prohibited or unenforceable in any jurisdiction shall be, as to such jurisdiction, ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction.

13. Successors and Assigns. This agreement will bind and inure to the benefit of the respective successors and assigns of the parties hereto.

14. Applicable Law. This agreement shall be governed by the laws of the Commonwealth of Pennsylvania.

15. Notices. All notices hereunder shall be in writing and deemed effective upon receipt by the party to whom directed. Notices may be delivered by telegram, telex, United States mail, or by hand delivery to the addresses first above written.

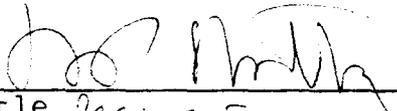
IN WITNESS WHEREOF, the parties hereto have executed this Loan Termination Agreement effective the date first above written.

Attest:



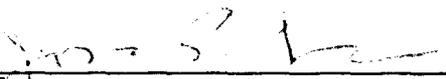
Title Secretary

LEASE FINANCING CORPORATION

By 

Title President

GIRARD BANK

By 

Title VP

ACKNOWLEDGMENTS

COMMONWEALTH OF PENNSYLVANIA:

: ss.

COUNTY OF PHILADELPHIA

:

On this 26th day of August, 1982, before me personally appeared Joseph P. Leska, to me personally known, who, being by me duly sworn, says he is Vice President of GIRARD BANK that the foregoing instrument was signed and sealed on behalf of said banking 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 banking corporation.

[Signature]
Notary Public

Subscribed and sworn to before me this 26th day of August, 1982.

5-29-83
My commission expires:

(SEAL)

COMMONWEALTH OF PENNSYLVANIA:

: ss.

COUNTY OF Delaware-PHILADELPHIA

:

On this 26th day of August, 1982, before me personally appeared Frank P. Seltzer, to me personally known, who, being by me duly sworn, says he is President of LEASE FINANCING CORPORATION, that the foregoing 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.

[Signature]
Notary Public

Subscribed and sworn to before me this 26th day of August, 1982.

May 28 1984
My commission expires:

(SEAL)

ANNA MARY O'HORA, Notary Public
Radnor Twp., Delaware Co.
My Commission Expires May 28 1984

EXHIBIT "A"

SCHEDULE OF BOXCARS

<u>BUILDER</u>	<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>ROAD NUMBER</u>
Whittaker Corporation (Berwick Forge & Fabricating Division)	50' 6", 70-Ton, Plate "C", Rigid Underframe Boxcars with 10' 0" Sliding Doors (Type XM)	25	NSL 150825 Through NSL 150849

Exhibit "B"

BILL OF SALE

Date: August , 1982

KNOW ALL MEN BY THESE PRESENTS:

In consideration of the sum of \$1.00 and other good and valuable consideration, receipt of which is hereby acknowledged, LEASE FINANCING CORPORATION, a Pennsylvania Corporation ("LFC") does hereby sell, transfer and assign to GIRARD BANK, a Pennsylvania banking corporation ("Girard"), its successors and assigns, all its right, title and interest in and to the railroad boxcars (the "Boxcars") described on the Schedule attached hereto as Exhibit "A", "AS IS, WHERE IS."

LFC hereby warrants to Girard, its successors and assigns, that, as of the date hereof, LFC has good and lawful title to the Boxcars, that, to the best of LFC's knowledge, the Boxcars are free and clear of all claims, liens and encumbrances of any nature whatsoever except for such claims if any, arising from the use, possession, storage and maintenance of the Boxcars by Lessee.

IN WITNESS WHEREOF, Lease Financing Corporation has executed this Bill of Sale on the date first above written.

ATTEST:

LEASE FINANCING CORPORATION

By: _____
Title

Exhibit "C"

RELEASE

Date: _____

WHEREAS, GIRARD BANK, a Pennsylvania banking corporation ("Girard") is the holder of a non-recourse Note (the "Note") dated June 29, 1979 executed by LEASE FINANCING CORPORATION, a Pennsylvania corporation ("LFC") to finance the purchase of certain boxcars (the "Boxcars"); and

WHEREAS, the Note was secured by granting a security interest in the Boxcars to Girard pursuant to a Security Agreement dated as of June 29, 1979; and

WHEREAS, Girard and LFC have entered into a Loan Termination Agreement (the "Agreement") dated as of August __, 1982 whereby the Boxcars shall be conveyed to Girard upon the terms and conditions set forth therein.

NOW, THEREFORE, in consideration of the conveyance of the Boxcars to Girard, Girard hereby releases LFC from any and all obligations and liabilities with respect to the Note and Security Agreement arising under the Note and Security Agreement on or after the date hereof.

IN WITNESS WHEREOF, the undersigned has executed this Release as of the date first above written.

GIRARD BANK

By: _____
Title

EXHIBIT "D"

LEASE TERMINATION AGREEMENT

THIS LEASE TERMINATION AGREEMENT ("Agreement") dated as of August __, 1982 is by and between LEASE FINANCING CORPORATION, a Pennsylvania corporation with offices at Three Radnor Corporate Center, 100 Matsonford Road, Radnor, Pennsylvania 19067 ("Lessor") and National Railway Utilization Corporation ("NRUC") and Pickens Railroad Company, both South Carolina Corporations (collectively referred to herein as "Lessee").

BACKGROUND

Lessor is the owner of certain railroad boxcars (the "Boxcars") as more fully described on Exhibit "A" attached hereto. Lessor financed its acquisition of the Boxcars by executing a note (the "Note") in favor of Girard Bank, a Pennsylvania banking corporation ("Lender") pursuant to a certain Participation Agreement dated as of June 29, 1979 and granted to Lender a security interest in the Boxcars pursuant to a Security Agreement of even date therewith.

B. Lessee and Lessor entered into a Lease of Railroad Equipment dated as of June 29, 1979 and an Amendment thereto dated as of July 16, 1979 ("Lease"). Such Lease was assigned to Lender pursuant to an Assignment of Lease between Lessor and Lender dated as of June 29, 1979.

C. Lessor has agreed to convey the Boxcars to Lender pursuant to a Loan Termination Agreement of even date herewith, a copy of which is attached hereto as Exhibit "B". In conjunction with conveyance of the Boxcars to Lender, Lessor and Lessee have agreed to terminate the Lease pursuant to the terms and conditions set forth herein.

TERMS

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained herein, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Termination of Lease. Lessor hereby elects Alternative One under NRUC Status Report and Proposed Plan dated March 31, 1980 as amended June 6, 1980 (the "Plan"). Contemporaneously with the closing ("Closing") of the conveyance of the Boxcars to Lender pursuant to the Loan Termination Agreement, the Lease shall be terminated. Lessee shall have no further responsibility for rent or any other obligations under the Lease or with respect to the Boxcars except as expressly provided herein.

2. Delivery of Boxcars. Lessee agrees to surrender possession of the Boxcars to Lender in accordance with

instructions to be provided by Lender on or before the Closing. On the Closing date, Lender shall take possession of those Boxcars which are in storage at their storage locations. Contemporaneously with the execution of this Agreement, Lessee shall provide Lender with a list of such locations. With respect to those Boxcars which are in service, Lender shall notify Lessee on or before the Closing of its desired destination and Lessee shall forthwith arrange for such Boxcars to be waybilled collect to such destination for acceptance by Lender.

3. Payment of Fees to Lender. Lessee acknowledges that it is holding certain fees relating to the Boxcars for the account of Lender. Contemporaneously with the execution hereof, Lessee will provide Lender with an accounting of such fees and any expenses relating thereto. At the Closing, Lessee shall deliver payment to Lender in the full amount of such fees less any such expenses.

4. Issuance of Common Stock of NRUC to Lender. Lessor acknowledges, and Lessee agrees, that NRUC shall issue in favor of Lender immediately upon approval of the Interstate Commerce Commission (which approval shall be sought by NRUC forthwith at NRUC's sole cost and expense), and under no circumstance later than 180 days from the date of this Agreement, 5,625 shares of NRUC's common stock.

5. Additional documents. Lessee shall cooperate with Lessor and Lender in promptly and duly executing any documents which may be required to be filed with any governmental authority in connection with the transactions contemplated hereby and under the Loan Termination Agreement or pursuant to the conveyance of the Boxcars to Lender by Lessor.

6. Release of Lessee. Lessor hereby releases Lessee, its subsidiaries and affiliates, agents, employees, representatives, directors, administrators, successors and assigns from all claims and obligations, suits, demands, penalties, interest and causes of action now existing or hereafter arising (collectively referred to as "Claims") under the Lease except (i) such obligations expressly set forth herein, (ii) delivery of the Boxcars to Lender in "interchange condition," (iii) maintenance of all insurance on the Boxcars required under the Lease until the Boxcars are delivered to Lender as provided herein, (iv) any Claims with respect to those Boxcars not delivered to Lender as provided herein, and (v) such claims and obligations with respect to payments of any net car hire revenue to Lender which may be collected after the date of this Agreement.

7. Representation of Lessee.
Lessee hereby represents and warrants that there are no

outstanding claims, encumbrances, liens or liabilities of any nature whatsoever arising from, under or in connection with the Lease or the Boxcars or which may arise in connection with LFC's election of Alternative One under the Plan pursuant to paragraph 1 hereof other than such claims, encumbrances, liens or liabilities as may be properly offset against Car Hire Revenues in accordance with the Plan, and, further, that other than such claims, encumbrances, liens or liabilities as may be properly offset against Car Hire Revenues in accordance with the Plan, Lessee represents and warrants that no claims, emcumbrances, liens or liabilities arising from, under, or in connection with the Lease or the Boxcars or LFC's election of Alternative One of the Plan shall exist as of the date of Closing except that Lessee makes no warranty or representation concerning any claim, encumbrance, lien or liability imposed by or through Lessor.

8. Successors and Assigns. This Agreement shall bind and inure to the benefit of the respective successors and assigns of the parties hereto.

9. Survival. All warranties, representations and covenants of Lessee herein shall survive the date of execution of this Agreement and the closing specified herein. All statements regarding indemnification shall constitute warranties and representations of Lessee.

10. Applicable Law. The provisions of this Agreement shall be governed by the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the parties hereto have
executed this Agreement as of the date first above written.

ATTEST: LEASE FINANCING CORPORATION

By: _____

ATTEST: PICKENS RAILROAD COMPANY

By: _____

ATTEST: NATIONAL RAILWAY UTILIZATION
CORPORATION

By: _____

Agreed to:
GIRARD BANK

By _____

