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SUSAN G. LICHTENFELD

July 18, 1988

RECORDATION NO. 12317-HH Filed 1425

JUL 19 1988 -2 10 PM

INTERSTATE COMMERCE COMMISSION

Date 7-19-88

Fee $ 13.00

ICC Washington, D. C.

VIA FEDERAL EXPRESS

Ms. Noreta R. McGee
Secretary
Interstate Commerce Commission
12th Street and Constitution Avenue, N.W.
Washington, D.C. 20423

Dear Ms. McGee:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are one original executed copy and three photostatic copies of a Partial Release of Railcar Lien, dated as of May 10, 1988, relating to an Amended and Restated Security Agreement, dated as of October 15, 1980, from The Pittsburgh and Lake Erie Railroad Company to Manufacturers Hanover Trust Company ("MHTC") (the "Security Agreement"), duly recorded and filed with the Interstate Commerce Commission pursuant to 49 U.S.C. §11303 under Recordation Number 12317-B, which Security Agreement is a primary document as defined in the Commission's Rules for the Recordation of Documents.

As set forth in the enclosed Partial Release of Railcar Lien, the Security Agreement was amended pursuant to a First Amendment to the Security Agreement, dated September 1, 1982, between The Pittsburgh and Lake Erie Railroad Company and MHTC ("Amendment"), duly recorded and filed with the Commission pursuant to 49 U.S.C. §11303 under Recordation Number 12317-C, which Amendment is a secondary document as defined in the Commission's Rules for the Recordation of Documents. The Pittsburgh and Lake Erie Railroad Company and MHTC entered into a Security Agreement dated July 1, 1983 ("New Security Agreement"), duly recorded and filed with the Commission pursuant to 49 U.S.C. §11303 under Recordation Number 12317-D, which New Security Agreement is a primary document as defined in the Commission's Rules for the Recordation of Documents. MHTC assigned its rights and interests in and to the Security Agreement, as amended by the Amendment, and to the New Security Agreement, to The Connecticut National Bank, as Security Trustee, pursuant to an Assignment of Loan Agreements and Security Agreements dated as of May 1, 1985

("Assignment"), duly recorded and filed with the Commission pursuant to 49 U.S.C. §11303 on June 6, 1985 under Recordation Number 12317-T, which Assignment is a secondary document as defined in the Commissin's Rules for the Recordation of Documents.

The name and address of the party to the enclosed document is:

The Connecticut National Bank, as security trustee
777 Main Street
Hartford, Connecticut 06115

A description of the railroad equipment covered by the enclosed document is set forth in Appendix A hereto.

Also enclosed is a check in the amount of $13.00 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return the stamped original and two stamped photostatic copies of the enclosed document and the stamped photostatic copy of this letter to Susan G. Lichtenfeld, Esq., Ross & Hardies, 150 North Michigan Avenue, Chicago, Illinois 60601.

Following is a short summary of the enclosed document and primary documents and secondary documents to which it relates:

Document to be Recorded

Partial Release of Railcar Lien from The Connecticut National Bank, as security trustee, dated as of May 10, 1988, releasing lien on the railcars described on Appendix A thereto.

Primary Documents to Which it Relates

Amended and Restated Security Agreement, dated as of October 15, 1980, between The Pittsburgh and Lake Erie Railroad Company and Manufacturers Hanover Trust Company, recorded and filed with the Interstate Commerce Commission pursuant to 49 U.S.C. §11303 under Recordation Number 12317-B.

Security Agreement, dated July 1, 1983, between The Pittsburgh and Lake Erie Railroad Company and Manufacturers Hanover Trust Company, recorded and filed with the Interstate Commerce Commission pursuant to 49 U.S.C. §11303 under Recordation Number 12317-D.

Secondary Documents to Which it Relates

First Amendment to the Amended and Restated Security Agreement, dated September 1, 1982, between The Pittsburgh and Lake Erie Railroad Company and Manufacturers Hanover Trust Company recorded and filed with the Interstate Commerce Commission pursuant to 49 U.S.C. §11303 under Recordation Number 12317-C.

Assignment of Loan Agreements and Security Agreements dated as of May 1, 1985 between Manufacturers Hanover Trust Company and The Connecticut National Bank, as Security Trustee, recorded and filed with the Interstate Commerce Commission on June 6, 1985 under Recordation Number 12317-T.

Very truly yours,

Susan Lichtenfeld

Susan G. Lichtenfeld

SGL:tk
Enclosure

cc: Gordon E. Neuenschwander
G. Edward Yurcon
Donald W. LaPorte
Robert W. Kleinman
Michael Hopkins
Jim Williams
Maryann Dollman

APPENDIX A

Two SW-1500 Diesel Electric Locomotives

PLE 1546
PLE 1547

SGL-9-f
LARRY/TLK
LOCOM. #14147

RECORDATION NO. 12317-H4

PARTIAL RELEASE OF RAILCAR LIEN

JUL 19 1988 -2 10 PM

INTERSTATE COMMERCE COMMISSION

KNOW ALL MEN BY THESE PRESENTS THAT:

WHEREAS, THE PITTSBURGH AND LAKE ERIE RAILROAD COMPANY, a Delaware corporation (the "Railroad"), has heretofore executed and delivered an Amended and Restated Security Agreement dated October 15, 1980 (the "Initial Security Agreement") to Manufacturers Hanover Trust Company ("MHTC"), which document was duly recorded and filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 and assigned Recordation Number 12317-B; and

WHEREAS, the Initial Security Agreement was amended pursuant to a First Amendment to the Amended and Restated Security Agreement, dated September 1, 1982 between the Railroad and MHTC, which document was duly recorded and filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 and assigned Recordation Number 12317-C;

WHEREAS, the Railroad and MHTC entered into a Security Agreement dated July 1, 1983 ("New Security Agreement"), which document was duly recorded and filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 1103 and assigned Recordation Number 12317-D;

WHEREAS, MHTC assigned all of its rights and interests in and to the Initial Security Agreement, supplemented as set forth above, and the New Security Agreement (collectively the "Security Agreement"), to THE CONNECTICUT NATIONAL BANK, a national banking association, as security trustee (the "Security Trustee") under the Master Agreement Regarding the Restructuring of Obligations of The Pittsburgh and Lake Erie Railroad Company dated as of May 1, 1985, as amended and supplemented (the "Master Agreement"), pursuant to an Assignment of Loan Agreements and Security Agreements dated as of May 1, 1985, which document was duly recorded and filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on June 6, 1985 and assigned Recordation Number 12317-T; and

WHEREAS, the Railroad has requested the Security Trustee to release from the lien of the Security Agreement certain property hereinafter particularly described and has complied with all conditions of the Security Agreement and the Master Agreement precedent to such release.

NOW, THEREFORE, the Security Trustee, for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, receipt whereof is hereby acknowledged, and pursuant to authority granted to the Security Trustee under the

Master Agreement, does hereby RELEASE, REMISE, CONVEY AND QUIT CLAIM unto the Railroad, its successors and assigns, all of the right, title, lien, interest, claim or demand whatsoever which the Security Trustee has or may have acquired under, through or by virtue of the Security Agreement in and to the property described in Appendix A hereto.

THIS INSTRUMENT is executed upon the express condition that nothing herein contained shall be construed to release from the lien of the Security Agreement, or to impair said lien upon any property subject thereto, except the property hereinabove specifically described.

IN WITNESS WHEREOF, the Security Trustee has caused this instrument to be duly executed and delivered by its duly authorized officer as of the 10th day of May, 1988.

THE CONNECTICUT NATIONAL BANK,
as Security Trustee

By: P M Conde

Title: Trust Officer

STATE OF CONNECTICUT)
) SS
COUNTY OF HARTFORD)

On this 10th day of May, 1988, before me, the subscriber, Susan C. Trabburne, a Notary Public, duly commissioned, qualified and acting, within and for said County and State, appeared in person the within named Patricia A. Wagner to me personally known, who stated and acknowledged that she is a Trust Officer of The Connecticut National Bank, a national banking association, and duly authorized by authority of the board of directors or the by-laws of said association in his capacity as such officer to execute and acknowledge the foregoing instrument for and in the name and on behalf of said association and further stated and acknowledged that he has so signed, executed and delivered the foregoing instrument as the free and voluntary act and deed of said association, for the consideration, uses and purposes therein mentioned and set forth and desired that the same might be recorded as such.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 10th day of May, 1988.

Susan C. Trabburne
Notary Public

My commission expires: March 31, 1990

APPENDIX A

Two SW-1500 Diesel Electric Locomotives

PLE 1546
PLE 1547