

The New York, Susquehanna and Western Railway Corporation

1 Railroad Avenue  
Cooperstown, NY 13326  
607-547-2555

LESTER A. SITTLER  
GENERAL COUNSEL

1 5647  
RECORDATION NO. 5114 1988

MAY 23 1988 - 12 35 PM

INTERSTATE COMMERCE COMMISSION

March 17, 1988

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RECORDATION NO. 5114 1988

MAY 23 1988 - 12 35 PM

INTERSTATE COMMERCE COMMISSION

Secretary  
Interstate Commerce Commission  
12th & Constitution Ave. NW  
Washington, DC 20423

RE: Documents for Recordation

Dear Secretary:

Enclosed are an original and a fully executed and acknowledged counterpart of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a Release of Collateral and Amendment to Chattel Mortgage, a primary document dated March 10, 1988. The names and addresses of the parties to the documents are as follows:

Mortgagor: The New York, Susquehanna and  
Western Railway Corporation  
1 Railroad Avenue  
Cooperstown, New York 13326

Mortgagee: General Electric Credit Corporation  
2264 Silas Deane Highway  
Rocky Hill, Connecticut 06067

A description of the equipment covered by the document follows:

Equipment Released:

Three (3) used 1971 General Motors locomotives, Model SD-45, serial numbers 37117, 37112, and 37133.

Three (3) used 1971 General Motors locomotives, Model F-45, serial numbers 37180, 37129\*, and 37184.

All of the above include all attachments and accessories now or hereafter attached thereto.

\* So in original. However, this locomotive is a Model SD-45 and should be referred to as such.

Four (4) used 1970 General Motors locomotives, Model SD-45, serial numbers 36364, 36378, 36369, 36375. Includes all attachments and accessories now or hereafter attached thereto.

Equipment substituted as collateral:

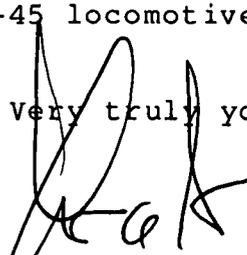
<u>PRESENT ROAD NUMBER</u>	<u>DESCRIPTION</u>	<u>OTHER INFORMATION/ FORMER ROAD NOS.</u>
NYSW 507	1948 Budd Buffet Car	Former Autotrain 594
NYSW 508	48 Seat Dining Car	Former CACV 13
NYSW 510	1929 Pullman Heavy-weight Business Car	Former Rio Grande "Otto Kuhler" #107

A fee of \$10.00 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to the below signed.

A short summary of the document to appear in the index follows:

Release of Collateral and Amendment to Chattel Mortgage between The New York, Susquehanna and Western Railway Corporation, 1 Railroad Avenue, Cooperstown, New York 13326, Mortgagor, and General Electric Credit Corporation, 2264 Silas Deane Highway, Rocky Hill, Connecticut 06067, Mortgagee, dated March 10, 1988 and covering 8 EMD SD-45 locomotives, 2 EMD F-45 locomotives, and 3 cars.

Very truly yours,

  
Lester A. Sittler  
General Counsel

LAS:ksp  
Enc.

- Three (3) used 1971 General Motors locomotives, model F-45, S/N 37180, 37129, 37184.

Release of Collateral and Amendment to Chattel Mortgage:

a) Equipment released:

Three (3) used 1971 General Motors locomotives, model SD-45, serial numbers 37117, 37112, and 37133.

Three (3) used 1971 General Motors locomotives, model F-45, serial numbers 37180, 37129\*, and 37184.

All of the above include all attachments and accessories now or hereafter attached thereto.

\* So in original. However, this locomotive is a model SD-45 and should be referred to as such.

Four (4) used 1970 General Motors locomotives, model SD-45, serial numbers 36364, 36378, 36369, 36375. Includes all attachments and accessories now or hereafter attached thereto.

b) Equipment substituted as collateral:

<u>PRESENT ROAD NUMBER</u>	<u>DESCRIPTION</u>	<u>OTHER INFORMATION FORMER ROAD NOS.</u>
NYSW 507	1948 Budd Buffet Car	Former Autotrain 594
NYSW 508	48 Seat Dining Car	Former CACV 13
NYSW 510	1929 Pullman Heavy-Weight Business Car	Former Rio Grande "Otto Kuhler" #107

A fee of \$26.00 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to the below signed.

A short summary of the documents to appear in the index follows:

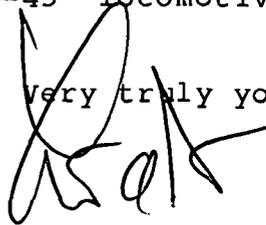
- Collateral Mortgage between The New York, Susquehanna and Western Railway Corporation, 1 Railroad Avenue, Cooperstown, New York 13326 and General Electric Credit Corporation, 2264

Silas Deane Highway, Rocky Hill, Connecticut 06067, dated February 20, 1986 and covering four EMD SD-45 locomotives.

- Collateral Mortgage between The New York, Susquehanna and Western Railway Corporation, 1 Railroad Avenue, Cooperstown, New York 13326 and General Electric Credit Corporation, 2264 Silas Deane Highway, Rocky Hill, Connecticut 06067, dated November 20, 1986 covering three EMD SD-45 locomotives and three EMD F-45 locomotives.

- Release of Collateral and Amendment to Chattel Mortgage between The New York, Susquehanna and Western Railway Corporation, 1 Railroad Avenue, Cooperstown, New York 13326, Mortgagor, and General Electric Credit Corporation, 2264 Silas Deane Highway, Rocky Hill, Connecticut, 06067, Mortgagee, dated March 10, 1988 and covering eight EMD SD-45 locomotives, two EMD F-45 locomotives, and three cars.

Very truly yours,



Lester A. Sittler  
General Counsel

LAS/NRF:ksp  
Enc.

The New York, Susquehanna and Western Railway Corporation

1 Railroad Avenue  
Cooperstown, NY 13326  
607-547-2555

June 9, 1988

Mildred Lee  
Interstate Commerce Commission  
12th & Constitution Ave. NW  
Washington, DC 20423

Dear Ms. Lee:

Pursuant to our telephone conversation on June 2, 1988, please find enclosed a copy of the February 20, 1986 Chattel Mortgage and the November 20, 1986 Chattel Mortgage between The New York, Susquehanna and Western Railway Corporation and General Electric Credit Corporation.

Thank you for all your assistance in this matter.

Sincerely,



Nathan R. Fenno  
Attorney

NRF:ksp  
Enc.

MAY 23 1988 - 12 22 PM

CHATEL MORTGAGE

**INTERSTATE COMMERCE COMMISSION**

This CHATEL MORTGAGE, made and entered into this 20th day of November, by and between (if corporation, add state incorporated) The New York, Susquehanna and Western Railway Corporation (a New Jersey Corporation) whose chief place of business is (use appropriate address required by statute) One Railroad Avenue City of Cooperstown, County of Otsego, State of New York hereinafter referred to as Mortgagor, and General Electric Credit Corporation, 2264 Silas Deane Highway, Rocky Hill, Connecticut 06067, hereinafter referred to as Mortgagee:

KNOW ALL MEN BY THESE PRESENTS:

1. That to secure payment of the indebtedness in the sum of Two Hundred Twenty-Seven Thousand Eight Hundred Eighty-Four and 52/100 Dollars (\$ 227,884.52 ) which is hereby admitted and is acknowledged and evidenced by a note of even date which Mortgagor agrees to pay in installments, as therein provided, and with interest, if any, as therein provided before maturity and to secure any and all obligations of the Mortgagor to the Mortgagee now existing and hereafter arising, this Mortgage is given. If any installment is not paid within ten (10) days after due date, Mortgagor agrees to pay a late charge of five cents (5¢) per dollar on, and in addition to the amount of said installment, but not exceeding the maximum lawful charges.

2. Mortgagor hereby acknowledges the receipt of value from the Mortgagee which constitutes the purchase price, and is being used by the Mortgagor to purchase the property described immediately below and/or in the Schedule referred to immediately below and attached hereto, and that the Mortgagor hereby grants, assigns, transfers, pledges, conveys and mortgages to Mortgagee the following property and all present and future attachments, accessions, additions thereto, substitutions, accessories and equipment therefor and replacements thereof, all of which are hereinafter called the "Chattels."

	(Full Description)	(Location)
(Use this para. #2 for purchase money loans)	See Schedule "A" Attached Hereto and Made a Part Hereof.	One Railroad Avenue Cooperstown (Otsego) New York 13326-1194

3. Mortgagor hereby grants, assigns, transfers, pledges, conveys and mortgages to Mortgagee, its successors and assigns, the property described immediately below and/or in the Schedule referred to immediately below and attached hereto, and all present and future attachments, accessions and additions thereto, substitutions, accessories and equipment therefor and replacements thereof all of which are hereinafter called the "Chattels."

	(Full Description)	(Location)
(Use this para. #3 for capital loans)		

4. To have and to hold all the Chattels unto Mortgagee and Mortgagee's sole use forever. In case of failure of Mortgagor to comply with any provision of this mortgage, Mortgagee shall have the right, but shall not be obligated, to effect such compliance in whole or in part and all moneys spent by, and expenses of, Mortgagee shall be paid by Mortgagor to Mortgagee forthwith and shall bear interest at the rate of 1/30th of 1% per day but not to exceed the maximum permissible contract rate of interest if not so paid. The Mortgagee's effecting such compliance shall not be a waiver of the Mortgagor's default. All such moneys spent by, and expenses of, Mortgagee and any other obligation assumed or incurred by Mortgagee in effecting such compliance, shall constitute so much additional indebtedness and be secured by this Mortgage. Chattels shall, until all of the indebtedness and obligations secured hereby be paid, be kept at the above locations, to be reported to Mortgagee monthly and not be removed from any of said locations without Mortgagee's prior written consent. Chattels shall not become part of any freehold and shall remain personal property at all times.

If this sentence is completed, the Chattels are affixed or to be affixed to

\_\_\_\_\_  
(Number and Street, City or Town, County, State)  
(If so affixed, the record owner of the real estate is \_\_\_\_\_,  
the record lessee of the real estate is \_\_\_\_\_ (New York only):  
The block number is \_\_\_\_\_, the lot number is \_\_\_\_\_, the  
section number is \_\_\_\_\_).

5. Mortgagor warrants that all Chattels are and will be in good condition and repair, that Mortgagor is the sole and lawful owner and is in possession of the Chattels described herein, and has the sole right and lawful authority to make this Mortgage; said Chattels and every part thereof are free and clear of all liens and encumbrances of every kind, nature and description. Except for this Mortgage, Mortgagor warrants that all the Chattels will remain free and clear of all liens and encumbrances of every kind, nature and description and that the Mortgagor shall remain the sole and lawful owner and in possession of the Chattels. Mortgagor will warrant and defend the Chattels against all claims by all persons. Mortgagor, at its own cost and expense, will keep the Chattels in a good state of repair, will not waste or destroy the same or any part thereof and will not be negligent in the care and use thereof.

6. If Mortgagor breaches any of the terms hereof or of said note or of any other obligations of Mortgagor to Mortgagee, or if Mortgagor becomes insolvent or ceases to do business as a going concern, or if the Chattels or any part of them be lost, secreted, abused, seized, illegally used, misused or destroyed, or if a default is declared on any job contracted by Mortgagor, or if a surety takes over performance of such a job or extends financial assistance to Mortgagor, or if Mortgagor or any partner of Mortgagor dies, or the controlling voting or non-voting interest in Mortgagor is changed by reason of sale, gift, bequeath or any other disposition without Mortgagee's prior written consent, or if a petition in bankruptcy or for arrangement or reorganization be filed by or against Mortgagor, or if Mortgagor makes an assignment for the benefit of creditors, or property of Mortgagor be attached or a receiver be appointed for Mortgagor or any of Mortgagor's property or whenever Mortgagee may deem the indebtedness or Chattels insecure, the indebtedness herein described and all other debts then owing by Mortgagor to Mortgagee shall at the option of Mortgagee upon 10 days' notice to Mortgagor and in the event Mortgagor has failed to cure the default named in Mortgagee's notice, accelerate and become due and payable forthwith, and Mortgagor hereby authorizes Mortgagee to enter with or without legal process any premises where the Chattels may be and take possession thereof. Mortgagor will upon default at request of Mortgagee assemble the Chattels and make the Chattels available to the Mortgagee, in whole or in part as requested, at such place or places designated

by the Mortgagee as are reasonably convenient to both Mortgagor and Mortgagee. Mortgagee may foreclose this Mortgage in any manner provided by law. To the extent not forbidden by law, Mortgagee may sell the Chattels at private or public sale, in bulk or in parcels, with or without notice, without having the Chattels present at the place of sale, and Mortgagee may bid and purchase; or Mortgagee may lease or otherwise dispose of all or part of the Chattels. The proceeds of sale, lease or other disposition shall first be applied to all costs and charges and expenses incurred in taking, removing, holding, repairing and selling the Chattels and a reasonable sum as attorneys' fees; then, to pay all sums remaining unpaid hereon; then, to any other indebtedness and obligations of Mortgagor to Mortgagee whether or not liquidated, contingent, due, primary, direct, as endorser, indemnitor, guarantor or surety, or otherwise; then, to the expense of paying or settling liens and claims against the Chattels; then, any surplus shall belong to Mortgagor. Mortgagor agrees to pay any deficiency forthwith. Interest after acceleration shall be at the rate of 1/30th of 1% per day but not to exceed the maximum permissible contract rate of interest. All remedies herein are cumulative and any or all thereof may be exercised in lieu of or in addition to, any remedies at law, in equity, or under statute. Mortgagor waives demand of performance and notice of sale or other disposition. Mortgagor waives the statutory method of foreclosure. Mortgagor waives place of sale and manner and place of advertising in the event of foreclosure.

7. Until any default, Mortgagor shall remain in possession of the Chattels. Mortgagor shall not sell, rent, lend, mortgage, encumber or transfer any of the Chattels. Mortgagor shall pay promptly when due all taxes, license fees, assessments and public and private charges levied or assessed on any of the Chattels or on the use thereof or on this Mortgage or note. The Chattels shall at all times be at Mortgagor's risk, and Mortgagor shall keep them insured against loss or damage by fire and extended coverage perils, theft, burglary, and for any or all of Chattels which are vehicles, by collision, and also, where requested by Mortgagee, against other risks, for the full insurable value thereof in companies, in amounts and under policies acceptable to Mortgagee, with loss payable to Mortgagee and Mortgagor as their interests may appear and Mortgagor shall, if Mortgagee so requires, deliver to Mortgagee policies or certificates of insurance evidencing such coverage. Each policy shall provide for ten (10) days written notice to Mortgagee of the cancellation or material modification thereof. Mortgagor hereby waives all exemptions. Waiver of any default shall not be deemed a waiver of any other or subsequent defaults. Mortgagee may correct patent errors herein and fill in blanks. All notices from Mortgagee to Mortgagor shall be sufficiently given if mailed or delivered to Mortgagor at Mortgagor's address shown above.

8. This Mortgage shall be binding, jointly and severally, upon all parties described as the "Mortgagor" and its respective heirs, representatives, successors and assigns, and shall inure to the benefit of "Mortgagee", its successors and assigns. If any provisions of this Mortgage are in conflict with any statute, rule or law applicable then such provisions shall be deemed null and void to the extent that they may conflict therewith, but without invalidating any other provisions hereof. This Mortgage cannot be changed or terminated orally. Mortgagee is hereby granted power to sign the Mortgagor's name and on behalf of the Mortgagor to execute and file applications for title, transfers of title, financing statements, notices of lien and other documents pertaining to any or all of the Chattels. Mortgagor waives all homestead and other property exemption laws. In the event this Mortgage and any note given in connection herewith are placed in the hands of an attorney for collection of money due or to become due or to obtain performance of any provision hereof, Mortgagor agrees to pay reasonable attorneys' fees. Reasonable attorneys' fees shall be the actual attorney's fees incurred by Mortgagee. Mortgagor agrees to furnish in a form

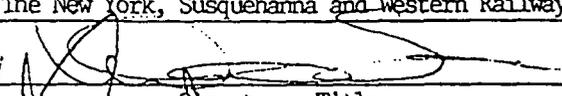
satisfactory to Mortgagee its annual financial statements and such interim statements as Mortgagee may require. Any and all Financial Statements submitted and to be submitted to Mortgagee have and will have been prepared on a basis of generally accepted accounting principles, and are and will be complete and correct and fairly present Mortgagor's financial condition as at the date thereof. Mortgagee may at any reasonable time examine the books and records of the Mortgagor and make copies thereof. Time is of the essence hereof. Mortgagor agrees to obtain and furnish to Mortgagee real estate, landlord and mortgagee waivers upon request of, and in form satisfactory to, Mortgagee. This Mortgage and any note given in connection herewith may be assigned without notice to the Mortgagor and when so assigned shall be free from any defense, counterclaim or cross-complaint against any assignee.

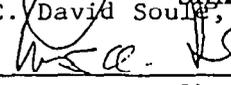
9. If Mortgagor is a corporation, this Mortgage is executed pursuant to authority of its Board of Directors and with the consent of its stockholders. Mortgagor shall, if certificate of title be required or permitted by law, obtain such certificate showing the lien hereof with respect to the Chattels and deliver same to Mortgagee. Mortgagor shall in any event do everything necessary or expedient to preserve or perfect the lien hereof. Mortgagor acknowledges receipt of a true copy, and waives acceptance hereof.

IN WITNESS WHEREOF, Mortgagor has executed and sealed this Chattel Mortgage on the day and year first above written.

CORPORATE MORTGAGOR

Name of Corporation The New York, Susquehanna and Western Railway Corporation

By   
Signature, Title  
C. David Soule, Executive Vice President

ATTEST:   
Signature, Title  
Lester A. Sittler, Assistant Secretary

TAXPAYER IDENTIFICATION NUMBER 16-1148726

CORPORATE SEAL

SCHEDULE 'A'

This Schedule is to be attached to and become part of a UCC-1 Financing Statement dated \_\_\_\_\_, 19\_\_\_\_.

<u>Quantity</u>	<u>Description of Equipment</u>
Three (3)	Used 1971 General Motors Locomotives, Mdl. SD-45, S/N 37117, 37122 and 37133.
Three (3)	Used 1971 General Motors Locomotives, Mdl. F-45, S/N 37180, <u>37129</u> and 37184.
Fifteen (15)	New Portable Radios, Mdl. SYN-2100, S/N 11866, 11868, 11881, 11882, 12057, 12058, 12059, 12060, 12061, 12062, 12063, 12064, 11884, <u>22639</u> , <u>22640</u> .
Ten (10)	New Midland Mobile Radios, Mdl. 70-480B, S/N 248796, 248797, 248798, 248799, 248800, 248816, 248817, 248818, 248819, 248820.
One (1)	Used 1984 Dodge Pickup, Mdl. D-100, S/N 1B7FD14H4ES284572.
One (1)	Used 1979 Ford Geometry Car, Mdl. LN700, S/N N71CVEH0975.
One (1)	New 1987 Dodge 4-Door Diplomat Police Car, S/N 1B3BG2647HX735914
Two (2)	New Model STU6621 Telemetry Devices, including power cables, antennae and attachments.
Two (2)	New Model RDU6624 Telemetry Devices, including power cables, antennae and attachments.
Twelve (12)	New Color Terminals, Mdl. WYSEWY350.

All of the above include all attachments and accessories now or hereafter attached thereto.

This Schedule is hereby verified correct and undersigned Mortgagor acknowledges receipt of a copy.

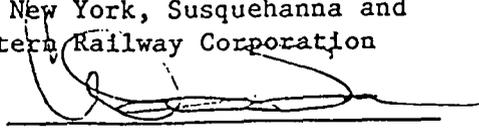
Mortgagee:  
General Electric Credit Corporation

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Mortgagor:  
The New York, Susquehanna and  
Western Railway Corporation

By:  \_\_\_\_\_

C. David Soule  
Title: Executive Vice President

Date: November 20, 1986