

No. 8-230A030

Date AUG 17 1988

Fee \$ 13.00

ICC Washington, D. C

WILMER, CUTLER & PICKERING

2445 M STREET, N. W.

WASHINGTON, D. C. 20037-1420

TELEPHONE (202) 663-6000
FACSIMILE (202) 293-0074,
293-5929, 429-4930, 429-9893
TELEX 440239 WCPI U,
892402 WICRNG WSH
ABA NET ABA1354
SOURCE WCPOOI

EUROPEAN OFFICE
4 CARLTON GARDENS
PALL MALL
LONDON SW1Y 5AA, ENGLAND
TELEPHONE 011 (44) 839-4466
FACSIMILE 011 (44) 839-3537
TELEX 8813918 WCP LDN

ALLEN H. HARRISON, JR.
DIRECT LINE (202)
663-6093

RECORDATION NO. 5778

August 17, 1988 AUG 17 1988-8 5 AM

INTERSTATE COMMERCE COMMISSION

Dear Ms. McGee:

\$13.00 filing fee

On behalf of Wilmington Trust Company, I submit for filing and recording under 49 U.S.C. Section 11303(a) and the regulations promulgated thereunder, one (1) executed counter-part and one (1) certified true copy of a primary document, not previously recorded, entitled Lessor Security Agreement dated as of July 1, 1988.

The parties to the enclosed Lessor Security Agreement are:

Wilmington Trust Company - Lessor
(Secured Party)
Rodney Square North
Wilmington, Delaware 19890

CSX Transportation, Inc. - Lessee (Debtor)
100 North Charles Street
Baltimore, Maryland 21201

100 OFFICE OF THE SECRETARY
AUG 17 8 50 AM '88
MOTOR OPERATING UNIT

The said Lessor Security Agreement, among other things, covers the granting by Lessee to Lessor of a security interest in certain subleases of designated 100-ton, open top hopper cars.

The units of equipment covered by the Lessor Security Agreement are those four hundred <sup>Forty one</sup> ~~twenty-seven~~ (441) CSXT 100-ton, open top hopper cars identified in Schedule A thereto, a copy attached hereto.

A short summary of the document to appear in the ICC Index is as follows:

"Covers subleases of 441 CSXT 100-ton, open top hopper cars"

Enclosed is a check in the amount of thirteen dollars (\$13) in payment of the filing fee.

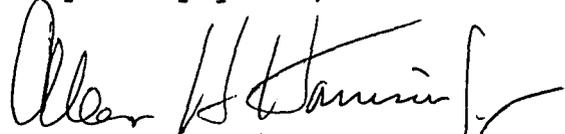
New Number

A. H. Harrison

Handwritten signature

Once the filing has been made, please return to bearer the stamped counterparts of the Lessor Security Agreement not needed for your files, together with the fee receipt, the letter from the ICC acknowledging the filing, and the two extra copies of this transmittal letter.

Very truly yours,



Allen H. Harrison, Jr.  
Attorney for the purpose  
of this filing for  
Wilmington Trust Company

Honorable Noreta R. McGee  
Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

Enclosures

AHH/iw

BY HAND

SCHEDULE A  
TO LESSOR  
SECURITY AGREEMENT

INIT NUMBER	INIT NUMBER	INIT NUMBER	INIT NUMBER
CSXT 804174	CSXT 804300	CSXT 804419	CSXT 804523
CSXT 804178	CSXT 804301	CSXT 804420	CSXT 804529
CSXT 804182	CSXT 804303	CSXT 804421	CSXT 804530
CSXT 804183	CSXT 804304	CSXT 804422	CSXT 804531
CSXT 804184	CSXT 804305	CSXT 804424	CSXT 804532
CSXT 804185	CSXT 804306	CSXT 804428	CSXT 804533
CSXT 804186	CSXT 804307	CSXT 804429	CSXT 804534
CSXT 804190	CSXT 804316	CSXT 804430	CSXT 804535
CSXT 804191	CSXT 804317	CSXT 804431	CSXT 804539
CSXT 804193	CSXT 804318	CSXT 804436	CSXT 804540
CSXT 804196	CSXT 804321	CSXT 804439	CSXT 804541
CSXT 804198	CSXT 804322	CSXT 804440	CSXT 804542
CSXT 804200	CSXT 804328	CSXT 804444	CSXT 804543
CSXT 804201	CSXT 804330	CSXT 804445	CSXT 804545
CSXT 804208	CSXT 804331	CSXT 804446	CSXT 804546
CSXT 804211	CSXT 804332	CSXT 804447	CSXT 804547
CSXT 804215	CSXT 804333	CSXT 804448	CSXT 804548
CSXT 804222	CSXT 804338	CSXT 804449	CSXT 804549
CSXT 804223	CSXT 804342	CSXT 804450	CSXT 804550
CSXT 804225	CSXT 804346	CSXT 804451	CSXT 804551
CSXT 804227	CSXT 804348	CSXT 804452	CSXT 804552
CSXT 804229	CSXT 804351	CSXT 804454	CSXT 804554
CSXT 804231	CSXT 804353	CSXT 804455	CSXT 804556
CSXT 804234	CSXT 804358	CSXT 804457	CSXT 804557
CSXT 804235	CSXT 804360	CSXT 804462	CSXT 804558
CSXT 804236	CSXT 804361	CSXT 804465	CSXT 804561
CSXT 804238	CSXT 804365	CSXT 804466	CSXT 804562
CSXT 804244	CSXT 804366	CSXT 804467	CSXT 804567
CSXT 804246	CSXT 804367	CSXT 804468	CSXT 804576
CSXT 804248	CSXT 804369	CSXT 804469	CSXT 804579
CSXT 804249	CSXT 804371	CSXT 804473	CSXT 804582
CSXT 804251	CSXT 804373	CSXT 804475	CSXT 804584
CSXT 804254	CSXT 804376	CSXT 804476	CSXT 804585
CSXT 804255	CSXT 804380	CSXT 804480	CSXT 804586
CSXT 804259	CSXT 804381	CSXT 804482	CSXT 804587
CSXT 804260	CSXT 804383	CSXT 804483	CSXT 804588
CSXT 804261	CSXT 804384	CSXT 804485	CSXT 804592
CSXT 804262	CSXT 804390	CSXT 804489	CSXT 804593
CSXT 804267	CSXT 804391	CSXT 804493	CSXT 804594
CSXT 804268	CSXT 804392	CSXT 804494	CSXT 804600
CSXT 804270	CSXT 804394	CSXT 804495	CSXT 804602
CSXT 804271	CSXT 804399	CSXT 804499	CSXT 804605
CSXT 804273	CSXT 804401	CSXT 804501	CSXT 804606
CSXT 804279	CSXT 804402	CSXT 804502	CSXT 804607
CSXT 804280	CSXT 804403	CSXT 804503	CSXT 804610
CSXT 804281	CSXT 804406	CSXT 804509	CSXT 804611
CSXT 804282	CSXT 804409	CSXT 804510	CSXT 804615
CSXT 804289	CSXT 804411	CSXT 804513	CSXT 804616
CSXT 804290	CSXT 804412	CSXT 804514	CSXT 804617
CSXT 804291	CSXT 804415	CSXT 804517	CSXT 804619
CSXT 804293	CSXT 804417	CSXT 804518	CSXT 804624
CSXT 804296	CSXT 804418	CSXT 804522	CSXT 804626

SCHEDULE N  
TO LESSOR  
SECURITY AGREEMENT

INIT NUMBER	INIT NUMBER	INIT NUMBER	INIT NUMBER
CSXT 804632	CSXT 804735	CSXT 804844	CSXT 804967
CSXT 804634	CSXT 804736	CSXT 804848	CSXT 804970
CSXT 804635	CSXT 804740	CSXT 804850	CSXT 804972
CSXT 804636	CSXT 804741	CSXT 804853	CSXT 804973
CSXT 804637	CSXT 804743	CSXT 804854	CSXT 804974
CSXT 804638	CSXT 804745	CSXT 804857	CSXT 804975
CSXT 804639	CSXT 804749	CSXT 804861	CSXT 804976
CSXT 804640	CSXT 804752	CSXT 804862	CSXT 804980
CSXT 804642	CSXT 804754	CSXT 804863	CSXT 804981
CSXT 804643	CSXT 804764	CSXT 804864	CSXT 804983
CSXT 804644	CSXT 804769	CSXT 804866	CSXT 804984
CSXT 804649	CSXT 804770	CSXT 804868	CSXT 804985
CSXT 804651	CSXT 804771	CSXT 804869	CSXT 804987
CSXT 804653	CSXT 804772	CSXT 804872	CSXT 804989
CSXT 804657	CSXT 804773	CSXT 804873	CSXT 804992
CSXT 804658	CSXT 804775	CSXT 804875	CSXT 804996
CSXT 804659	CSXT 804776	CSXT 804878	CSXT 804998
CSXT 804661	CSXT 804780	CSXT 804880	CSXT 805000
CSXT 804662	CSXT 804781	CSXT 804883	CSXT 805001
CSXT 804663	CSXT 804783	CSXT 804888	CSXT 805004
CSXT 804667	CSXT 804784	CSXT 804889	CSXT 805008
CSXT 804669	CSXT 804787	CSXT 804893	CSXT 805009
CSXT 804670	CSXT 804789	CSXT 804894	CSXT 805012
CSXT 804672	CSXT 804791	CSXT 804897	CSXT 805013
CSXT 804673	CSXT 804793	CSXT 804900	CSXT 805014
CSXT 804675	CSXT 804794	CSXT 804904	CSXT 805017
CSXT 804676	CSXT 804795	CSXT 804906	CSXT 805019
CSXT 804677	CSXT 804796	CSXT 804907	CSXT 805020
CSXT 804681	CSXT 804797	CSXT 804913	CSXT 805021
CSXT 804682	CSXT 804801	CSXT 804915	CSXT 805022
CSXT 804684	CSXT 804802	CSXT 804916	CSXT 805023
CSXT 804685	CSXT 804803	CSXT 804919	CSXT 805024
CSXT 804690	CSXT 804804	CSXT 804920	CSXT 805030
CSXT 804696	CSXT 804805	CSXT 804922	CSXT 805034
CSXT 804699	CSXT 804806	CSXT 804923	CSXT 805035
CSXT 804701	CSXT 804807	CSXT 804927	CSXT 805036
CSXT 804702	CSXT 804808	CSXT 804929	CSXT 805037
CSXT 804704	CSXT 804810	CSXT 804930	CSXT 805038
CSXT 804708	CSXT 804813	CSXT 804931	CSXT 805039
CSXT 804712	CSXT 804814	CSXT 804933	CSXT 805040
CSXT 804714	CSXT 804815	CSXT 804935	CSXT 805044
CSXT 804718	CSXT 804816	CSXT 804936	CSXT 805048
CSXT 804720	CSXT 804817	CSXT 804942	CSXT 805051
CSXT 804722	CSXT 804819	CSXT 804945	CSXT 805053
CSXT 804723	CSXT 804821	CSXT 804946	CSXT 805054
CSXT 804725	CSXT 804822	CSXT 804949	CSXT 805056
CSXT 804726	CSXT 804827	CSXT 804950	CSXT 805061
CSXT 804727	CSXT 804831	CSXT 804952	CSXT 805062
CSXT 804729	CSXT 804832	CSXT 804955	CSXT 805064
CSXT 804730	CSXT 804837	CSXT 804957	CSXT 805066
CSXT 804732	CSXT 804841	CSXT 804963	CSXT 805067
CSXT 804733	CSXT 804843	CSXT 804966	CSXT 805068

SCHEDULE A  
TO LESSOR  
SECURITY AGREEMENT

INIT NUMBER	INIT NUMBER	INIT NUMBER	INIT NUMBER
CSXT 805069			
CSXT 805070			
CSXT 805071			
CSXT 805072			
CSXT 805075			
CSXT 805076			
CSXT 805078			
CSXT 805081			
CSXT 805086			
CSXT 805087			
CSXT 805088			
CSXT 805091			
CSXT 805092			
CSXT 805093			
CSXT 805094			
CSXT 805097			
CSXT 805098			
CSXT 805100			
CSXT 805101			
CSXT 805102			
CSXT 805103			
CSXT 805105			
CSXT 805108			
CSXT 805109			
CSXT 805110			

1 5778  
REGISTRATION NO. \_\_\_\_\_ FIVE EIGHT

AUG 17 1988 8 51 AM

INTERSTATE COMMERCE COMMISSION

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LESSOR SECURITY AGREEMENT

Dated as of July 1, 1988

Between

WILMINGTON TRUST COMPANY,  
as Owner Trustee,

Lessor,

and

CSX TRANSPORTATION, INC.,  
Lessee

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Railroad Rolling Stock

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LESSOR SECURITY AGREEMENT

THIS LESSOR SECURITY AGREEMENT ("Lessor Security Agreement") is dated as of July 1, 1988, between WILMINGTON TRUST COMPANY, not in its individual capacity but solely as Owner Trustee, a Delaware banking corporation, ("Lessor"), and CSX TRANSPORTATION, INC., a Virginia corporation ("Lessee").

W I T N E S S E T H:

WHEREAS, the defined terms in Exhibit A annexed hereto are hereby incorporated herein;

WHEREAS, concurrently herewith, Lessor and Lessee have entered into the Lease and the Participation Agreement, providing for the purchase by Lessor and the leasing to Lessee of the Units described therein;

WHEREAS, as security for payment and performance of the obligations of Lessee to Lessor under the Lease, the Participation Agreement and this Lessor Security Agreement, it is the intent of Lessee to grant to Lessor and to create a security interest in certain property of Lessee, as hereinafter provided; and

WHEREAS, it is a condition to the participation by Trustor, each Purchaser, Indenture Trustee and Lessor (individually, a "Participant"; and collectively, the "Participants") in the transactions contemplated in the Participation Agreement, including, without limitation, the purchase of the Notes by Purchasers, that Lessee and Lessor execute and deliver to each Participant this Lessor Security Agreement;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements hereinafter contained, the parties hereto agree as follows:

1. Grant of Security Interest. Lessee hereby assigns, transfers and grants to Lessor a security interest in the property described in Paragraph 2 below (collectively and severally, the "Collateral") to secure payment and performance of the obligations of Lessee to Lessor described in Paragraph 3 below (collectively and severally, the "Obligations").

2. Collateral. The Collateral shall consist of each Sublease covering any of the Units in Schedule A hereto together with all of Lessee's estate, right, title, interest, claim and demand in, to and under such Sublease, including, without limitation, the right to receive notices and give consents under such Sublease and the right to receive all rent, damages and other moneys from time to time payable to or receivable by Lessee under such Sublease, including, without limitation, insurance and condemnation proceeds, provided that additional Units may be added to Schedule A from time to time as evidenced by execution by Lessor and Lessee of a Lessor Security Agreement Supplement substantially in the form set forth in Exhibit B and any and all Units described or referred to in such Lessor Security Agreement Supplement shall relate to the security interest herein granted as though specifically described in Schedule A.

3. Obligations. The Obligations of Lessee secured by this Lessor Security Agreement shall consist of any and all debts, obligations and liabilities of Lessee to Lessor arising out of or related to the Lease or any other Operative Agreement, and all amendments or extensions or renewals thereof, whether now existing or hereafter arising, voluntary or involuntary, whether or not jointly owed with others, direct or indirect, absolute or contingent, liquidated or unliquidated, and whether or not from time to time decreased or extinguished and later increased, created or incurred.

4. Covenants of Lessee. In addition to all covenants and agreements of Lessee set forth in the Lease and the Participation Agreement, which are incorporated herein by this reference, Lessee hereby agrees (a) to do all acts that may be necessary to maintain, preserve and protect the Collateral; (b) to mark all copies of such Sublease so as to indicate the interest of Lessor therein and to deliver to Lessor the original execution counterpart of each Sublease, which counterpart may be delivered by Lessor to Indenture Trustee; (c) to pay promptly when due all taxes, assessments, charges and liens (other than Permitted Lessee Liens) now or hereafter imposed upon or affecting any material parts of the Collateral; (d) to procure, execute and deliver from time to time any endorsements, assignments, financing statements and other writings deemed necessary or appropriate by Lessor to perfect, maintain and protect its security interest hereunder and the priority thereof and to deliver to Lessor promptly on receipt by Lessee all proceeds consisting of chattel paper or instruments; (e) to appear in and defend any action or proceeding that may affect its title to or Lessor's interest in the Collateral; (f) to keep separate, accurate and complete records of the Collateral and to provide Lessor with such records and such other reports and information relating to the Collateral as Lessor may reasonably request from time to time; (g) except as approved in writing by Lessor or as expressly permitted herein, not to surrender or lose possession of (other than to Lessor), sell, encumber, lease, rent or otherwise dispose of or transfer (other than in the ordinary course of business) any portion of the Collateral or any right or interest therein, and to keep the Collateral free of all liens, except Permitted Lessee Liens; and (h) to give prompt notice to Lessor of any material default or material failure to perform by any Sublessee of which Lessee has knowledge and promptly to give Lessor copies of any notice of such material default or material failure given by Lessee to such Sublessee.

5. Authorized Action by Lessor.

(a) If Lessee fails to perform any of the covenants or agreements contained in this Lessor Security Agreement or if any action or proceeding is commenced that affects Lessor's interest in the Collateral or any part thereof, then Lessor may, but without obligation to do so and without notice to or demand upon Lessee, make such appearances, pay such costs and take such action as Lessor deems reasonably necessary or appropriate to protect Lessor's interest. Any amounts disbursed by Lessor pursuant to this Paragraph 5(a) shall be part of the Obligations secured by this Lessor Security Agreement and shall bear interest at a per annum rate equal to the Default Rate.

(b) Lessee hereby irrevocably appoints Lessor as its attorney in fact so to do, but Lessor shall not be obligated to incur any and shall incur no liability to Lessee or any third party for failure so to do, any act that Lessee is obligated by this Lessor Security Agreement to do, and to exercise such rights, powers and remedies as Lessee might exercise with respect to the Collateral.

6. Notification; Collateral. Lessee agrees that Lessor may at any time, but shall not be obligated to, notify any person obligated under any contract constituting a part of the Collateral of the assignment of such contract, and Lessee hereby authorizes Lessor to direct any such person in whatever manner Lessor shall deem appropriate or necessary to cause such person to make payment and render performance directly to Lessor; provided, however, that Lessor agrees that it shall not give notice requiring payment or performance directly to Lessor prior to the occurrence of an Event of Default hereunder. Except as otherwise provided in this Lessor Security Agreement, until otherwise notified by Lessor, Lessee shall collect, enforce, and receive delivery, payment and performance of the Collateral and exercise all rights and powers that it would otherwise be entitled to exercise.

7. Default and Remedies. A Default shall be deemed to have occurred under this Lessor Security Agreement upon (a) the failure of Lessee to observe or perform any of its covenants hereunder or under the Participation Agreement and such failure shall continue for fifteen (15) days after Lessee has received notice of such failure from Lessor or (b) the occurrence of an Event of Default under the Lease. Upon the occurrence of any such Default, Lessor, at its option, may declare this Lessor Security Agreement to be in default and may, at any time thereafter, without further notice to Lessee and in addition to all rights and remedies available to Lessor, do any one or more of the following: (a) foreclose or otherwise enforce Lessor's security interest in any manner permitted by law or provided for in this Lessor Security Agreement; (b) sell, lease or otherwise dispose of any Collateral at one or more public or private sales, whether or not such Collateral is present at the place of sale, for cash or credit or future delivery, on such terms and in such manner as Lessor may determine; (c) recover from Lessee all costs and expenses, including without limitation reasonable attorneys' fees, incurred or paid by Lessor in exercising any right, power or remedy provided by this Lessor Security Agreement or by law; and (d) enter onto property where any Collateral is located and take possession thereof with or without judicial process.

8. Cumulative Rights. The rights, powers and remedies of Lessor under this Lessor Security Agreement shall be in addition to all rights, powers and remedies given to Lessor by virtue of any statute or rule of law, the Lease, any of the other Operative Agreements or any other agreement, all of which rights, powers and remedies shall be cumulative and may be exercised successively or concurrently without impairing Lessor's security interest in the Collateral.

9. Waiver. Any forbearance, failure or delay by Lessor in exercising any right, power or remedy shall not preclude the further exercise thereof, and every right, power or remedy of Lessor shall continue in full force and effect until such right, power or remedy is specifically waived in a writing executed by Lessor. Lessee waives any right to require Lessor to proceed against any person or to exhaust any Collateral or to pursue any remedy in Lessor's power.

10. Setoff. Lessee agrees that Lessor may exercise its rights of setoff with respect to the Obligations in the same manner as if the Obligations were unsecured.

11. Binding upon Successors. All rights of Lessor under this Lessor Security Agreement shall inure to the benefit of its successors and permitted assigns, and all obligations of Lessee shall bind its successors and assigns.

12. Severability. If any of the provisions of this Lessor Security Agreement shall be held invalid or unenforceable, this Lessor Security Agreement shall be construed as if not containing those provisions and the rights and obligations of the parties hereto shall be construed and enforced accordingly.

13. References; Headings. The singular includes the plural. The descriptive headings of the several paragraphs of this Lessor Security Agreement are inserted for convenience only and do not constitute a part of this Lessor Security Agreement.

14. Governing Law and Counterparts. The terms of this Lessor Security Agreement and all rights and obligations of the parties hereto shall be governed by and construed in accordance with the laws of the State of New York. Such terms, rights and obligations may not be changed orally, but may be changed only by an agreement in writing signed by the party against whom enforcement of such change is sought. This Lessor Security Agreement may be executed in any number of counterparts and by the parties hereto on separate counterparts, but all of such counterparts shall together constitute a single instrument.

15. Notice. All notices and other communications required under the terms and provisions of this Lessor Security Agreement shall be governed by the notice provisions of the Participation Agreement.

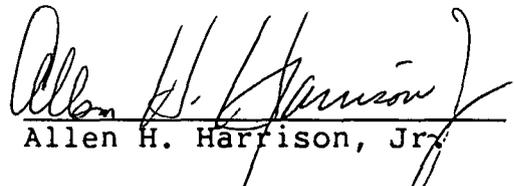
16. Assignment as Collateral. All right, title and interest of Lessor in and to this Lessor Security Agreement and the Collateral has been assigned to and is subject to the lien of Indenture Trustee under the Indenture. The parties hereto recognize and agree that actions permitted or required hereunder to be performed by, or allowed to be performed by, Lessor may, so long as the Indebtedness (as defined in the Indenture) has not been paid or performed, be performed by Indenture Trustee in accordance with the provisions of the Indenture and that all references to Lessor shall include Indenture Trustee. Third-party beneficiary rights shall accrue to Indenture Trustee by virtue of this Paragraph 16.

DISTRICT OF COLUMBIA ) SS.;

CERTIFICATE OF TRUE COPY

I, Allen H. Harrison, Jr., a member of the Bars of the District of Columbia and the Commonwealth of Virginia, do hereby certify that I have compared the attached copy of the document entitled "Lessor Security Agreement", dated as of July 1, 1988, between Wilmington Trust Company, Owner Trustee, Lessor and CSX Transportation, Inc., Lessee, with an executed original counterpart thereof and find the said attached copy to be in all respects a true, correct and complete copy of the aforesaid executed original counterpart.

IN WITNESS WHEREOF, the undersigned has hereto affixed his signature this 16th day of August, 1988.

  
Allen H. Harrison, Jr.

Subscribed and sworn to before me  
this 16th day of August, 1988

  
Notary Public, D.C.

My commission expires:

**My Commission Expires June 30, 1992**

17. Release of Collateral. All of the Collateral shall be released automatically from the security interest granted hereby upon the satisfaction in full of all the Obligations.

18. Contract Enforcement. So long as no Default hereunder shall have occurred and be continuing, Lessee shall have, during the term of the Lease, the full right, power and authority to exercise and enforce, at Lessee's sole expense, all contract rights in which Lessor has a security interest under this Lessor Security Agreement.

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

LESSEE:

CSX TRANSPORTATION, INC.

By



Title:

AVP & TREASURER - EQUIPMENT UNIT

LESSOR:

WILMINGTON TRUST COMPANY, not in its individual capacity but solely as Owner Trustee, Lessor

By

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

17. Release of Collateral. All of the Collateral shall be released automatically from the security interest granted hereby upon the satisfaction in full of all the Obligations.

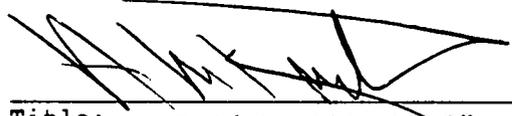
18. Contract Enforcement. So long as no Default hereunder shall have occurred and be continuing, Lessee shall have, during the term of the Lease, the full right, power and authority to exercise and enforce, at Lessee's sole expense, all contract rights in which Lessor has a security interest under this Lessor Security Agreement.

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

LESSEE: CSX TRANSPORTATION, INC.

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

LESSOR: WILMINGTON TRUST COMPANY, not in its individual capacity but solely as Owner Trustee, Lessor

By  \_\_\_\_\_  
Title: ~~Senior~~ Financial Services Officer

State of Maryland )  
City ) ss.  
County of Baltimore )

On this 5<sup>th</sup> day of August, 1988, before me personally appeared W. J. Townsend, known to me or so proven to be, who being by me duly sworn, says that he is the VP & TREASURER - EQUIPMENT UNIT of CSX TRANSPORTATION, INC., that said instrument was signed 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.

H. Marlene Winchell  
Notary Public

My commission expires:

H. MARLENE WINCHELL  
BALTO. CO., MD.  
My Commission Expires July 1, 1990

State of \_\_\_\_\_ )  
County of \_\_\_\_\_ ) ss.

On this \_\_\_\_ day of \_\_\_\_\_, 1988, before me personally appeared \_\_\_\_\_, known to me or so proven to be, who being by me duly sworn, says that he is the \_\_\_\_\_ of WILMINGTON TRUST COMPANY, that said instrument was signed 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

My commission expires:

State of \_\_\_\_\_ )  
 ) ss.  
County of \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, 1988, before me personally appeared \_\_\_\_\_, known to me or so proven to be, who being by me duly sworn, says that he is the \_\_\_\_\_ of CSX TRANSPORTATION, INC., that said instrument was signed 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

My commission expires:

State of Delaware )  
 ) ss.  
County of New Castle )

On this \_\_\_\_ day of \_\_\_\_\_, 1988, before me personally appeared Arden M. Krott, known to me or so proven to be, who being by me duly sworn, says that he is the Senior Financial Services Officer of WILMINGTON TRUST COMPANY, that said instrument was signed 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.

Patricia C. Wallace  
Notary Public

My commission expires: 4/20/91

SCHEDULE A  
TO LESSOR  
SECURITY AGREEMENT

INIT NUMBER

CSXT 804174  
CSXT 804178  
CSXT 804182  
CSXT 804183  
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INIT NUMBER

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CSXT 804418

INIT NUMBER

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CSXT 804518  
CSXT 804522

INIT NUMBER

CSXT 804523  
CSXT 804529  
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CSXT 804617  
CSXT 804619  
CSXT 804624  
CSXT 804626

SCHEDULE A  
TO LESSOR  
SECURITY AGREEMENT

INIT NUMBER	INIT NUMBER	INIT NUMBER	INIT NUMBER
CSXT 804632	CSXT 804735	CSXT 804844	CSXT 804967
CSXT 804634	CSXT 804736	CSXT 804848	CSXT 804970
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CSXT 804636	CSXT 804741	CSXT 804853	CSXT 804973
CSXT 804637	CSXT 804743	CSXT 804854	CSXT 804974
CSXT 804638	CSXT 804745	CSXT 804857	CSXT 804975
CSXT 804639	CSXT 804749	CSXT 804861	CSXT 804976
CSXT 804640	CSXT 804752	CSXT 804862	CSXT 804980
CSXT 804642	CSXT 804754	CSXT 804863	CSXT 804981
CSXT 804643	CSXT 804764	CSXT 804864	CSXT 804983
CSXT 804644	CSXT 804769	CSXT 804866	CSXT 804984
CSXT 804649	CSXT 804770	CSXT 804868	CSXT 804985
CSXT 804651	CSXT 804771	CSXT 804869	CSXT 804987
CSXT 804653	CSXT 804772	CSXT 804872	CSXT 804989
CSXT 804657	CSXT 804773	CSXT 804873	CSXT 804992
CSXT 804658	CSXT 804775	CSXT 804875	CSXT 804996
CSXT 804659	CSXT 804776	CSXT 804878	CSXT 804998
CSXT 804661	CSXT 804780	CSXT 804880	CSXT 805000
CSXT 804662	CSXT 804781	CSXT 804883	CSXT 805001
CSXT 804663	CSXT 804783	CSXT 804888	CSXT 805004
CSXT 804667	CSXT 804784	CSXT 804889	CSXT 805008
CSXT 804669	CSXT 804787	CSXT 804893	CSXT 805009
CSXT 804670	CSXT 804789	CSXT 804894	CSXT 805012
CSXT 804672	CSXT 804791	CSXT 804897	CSXT 805013
CSXT 804673	CSXT 804793	CSXT 804900	CSXT 805014
CSXT 804675	CSXT 804794	CSXT 804904	CSXT 805017
CSXT 804676	CSXT 804795	CSXT 804906	CSXT 805019
CSXT 804677	CSXT 804796	CSXT 804907	CSXT 805020
CSXT 804681	CSXT 804797	CSXT 804913	CSXT 805021
CSXT 804682	CSXT 804801	CSXT 804915	CSXT 805022
CSXT 804684	CSXT 804802	CSXT 804916	CSXT 805023
CSXT 804685	CSXT 804803	CSXT 804919	CSXT 805024
CSXT 804690	CSXT 804804	CSXT 804920	CSXT 805030
CSXT 804696	CSXT 804805	CSXT 804922	CSXT 805034
CSXT 804699	CSXT 804806	CSXT 804923	CSXT 805035
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CSXT 804702	CSXT 804808	CSXT 804929	CSXT 805037
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CSXT 804708	CSXT 804813	CSXT 804931	CSXT 805039
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CSXT 804718	CSXT 804816	CSXT 804936	CSXT 805048
CSXT 804720	CSXT 804817	CSXT 804942	CSXT 805051
CSXT 804722	CSXT 804819	CSXT 804945	CSXT 805053
CSXT 804723	CSXT 804821	CSXT 804946	CSXT 805054
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CSXT 804726	CSXT 804827	CSXT 804950	CSXT 805061
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CSXT 804729	CSXT 804832	CSXT 804955	CSXT 805064
CSXT 804730	CSXT 804837	CSXT 804957	CSXT 805066
CSXT 804732	CSXT 804841	CSXT 804963	CSXT 805067
CSXT 804733	CSXT 804843	CSXT 804966	CSXT 805068

SCHEDULE A  
TO LESSOR  
SECURITY AGREEMENT

INIT NUMBER	INIT NUMBER	INIT NUMBER	INIT NUMBER
CSXT 805069			
CSXT 805070			
CSXT 805071			
CSXT 805072			
CSXT 805075			
CSXT 805076			
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CSXT 805093			
CSXT 805094			
CSXT 805097			
CSXT 805098			
CSXT 805100			
CSXT 805101			
CSXT 805102			
CSXT 805103			
CSXT 805105			
CSXT 805108			
CSXT 805109			
CSXT 805110			

EXHIBIT A  
TO THE LESSOR  
SECURITY AGREEMENT

DEFINITIONS

The terms defined in the Lease, in the Indenture and in the Participation Agreement when used herein shall have the same meanings as so defined unless otherwise defined or the context otherwise requires. Paragraph and Exhibit references are to Paragraphs and Exhibits herein and hereto unless otherwise indicated.

"Collateral" shall have the meaning as defined in Paragraph 2.

"Default" shall mean any of the Defaults described in Paragraph 7.

"Default Rate" shall mean the rate of interest which Lessee is required to pay for nonpayments under Section 19 of the Lease.

"Indebtedness" shall have the meaning as defined in the Granting Clause of the Indenture.

"Indenture" shall mean the Indenture dated as of the date hereof between Lessor and Indenture Trustee.

"Indenture Trustee" shall mean Mercantile-Safe Deposit and Trust Company, a Maryland banking corporation.

"Lease" shall mean the Equipment Lease dated as of the date hereof between Lessor and Lessee.

"Lessee" shall mean CSX Transportation, Inc., a Virginia corporation.

"Lessor" shall mean Owner Trustee.

"Note" or "Notes" shall mean a Secured Note or Notes of Lessor issued under the Indenture.

"Operative Agreement" shall mean each of this Lessor Security Agreement, the Participation Agreement, the Notes, the Indenture, the Trust Agreement, the Lease and the Tax Indemnity.

"Owner Trustee" shall mean Wilmington Trust Company, a Delaware banking corporation, acting not in its individual capacity but solely as owner trustee under the Trust Agreement.

"Participation Agreement" shall mean the Participation Agreement, dated as of the date hereof, among Lessee, Lessor, Purchasers and Indenture Trustee.

"Permitted Lessee Liens" shall mean with respect to the Collateral, (i) the security interest created by this Lessor Security Agreement; (ii) liens for taxes either not yet due or being contested in good faith and by appropriate proceedings diligently conducted so long as such proceedings shall stay the enforcement thereof and the sale or forfeiture of any Unit or any part thereof or interest therein; (iii) undetermined or inchoate materialmen's, mechanics', workmen's, repairmen's or employees' liens or other like liens arising in the ordinary course of business and securing obligations which are not delinquent or which shall have been bonded or the enforcement of which shall have been suspended (but only for the duration of such suspension) and (iv) the rights of a Sublessee and any permitted assignee under a Sublease.

"Purchasers" shall mean UNUM Life Insurance Company and UNUM Pension and Insurance Company.

"Sublease" shall mean any sublease permitted by Section 17 of the Lease which covers the Delivered Units and is entered into between Lessee and a Sublessee for a period in excess of one (1) year, such Sublease being entered into as of the date hereof or hereafter put in place.

"Sublessee" shall mean any party entering into a Sublease with Lessee.

"Trustor" shall mean Columbia Willamette Leasing, Inc., an Oregon corporation.

"Units" shall have the meaning as set forth in the Lease.

EXHIBIT B  
TO THE LESSOR  
SECURITY  
AGREEMENT

LESSOR SECURITY AGREEMENT SUPPLEMENT NO. \_\_

THIS LESSOR SECURITY AGREEMENT SUPPLEMENT, dated \_\_\_\_\_, of WILMINGTON TRUST COMPANY, a Delaware banking corporation, not in its individual capacity but solely as Owner Trustee ("Lessor"), and of CSX TRANSPORTATION, INC., a Virginia corporation ("Lessee"), under the Lessor Security Agreement dated as of July 1, 1988 ("Lessor Security Agreement") between Lessor and Lessee.

W I T N E S S E T H

WHEREAS, capitalized terms herein are used as defined in the Lessor Security Agreement;

WHEREAS, the Lessor Security Agreement provides for the execution and delivery of a supplement substantially in the form of this Supplement No. \_\_, which supplement shall particularly describe the Units relating to any Sublease; and

WHEREAS the Lessor Security Agreement relates to each Sublease covering any of the Units described in the following paragraph and is being filed for recordation with the Interstate Commerce Commission on or promptly after the date of this Supplement No. \_\_.

NOW, THEREFORE, to secure the Obligations, Lessee has assigned, transferred and granted a security interest in the Collateral and does hereby grant, assign and transfer a security interest in and confirm to Lessor, its successors and assigns, each Sublease covering any of the railcars described in Schedule A attached hereto.

TO HAVE AND TO HOLD the aforesaid property to Lessor, its successors and assigns, and for the uses and purposes and subject to the terms and conditions set forth in the Lessor Security Agreement.

This Supplement No. \_\_ shall be construed as supplemental to the Lessor Security Agreement and shall form a part thereof, and the Lessor Security Agreement is hereby incorporated by reference in this Supplement No. \_\_ and is hereby ratified, approved and confirmed.

This Supplement No. \_\_ is being delivered in the State of New York.

This Supplement No. \_\_\_ may be executed by Lessor and Lessee in separate counterparts, each of which when so executed and delivered is an original, but all such counterparts shall together constitute but one and the same supplement.

IN WITNESS WHEREOF, Lessor and Lessee have each caused this Supplement No. \_\_\_ to be duly executed by their respective, duly authorized officers as of the day and year first above written.

LESSOR: WILMINGTON TRUST COMPANY, not in its individual capacity but solely as Owner Trustee

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

LESSEE: CSX TRANSPORTATION, INC.

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

State of \_\_\_\_\_ )  
 ) ss.  
County of \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, 1988, before me personally appeared \_\_\_\_\_, known to me or so proven to be, who being by me duly sworn, says that he is the \_\_\_\_\_ of WILMINGTON TRUST COMPANY, that said instrument was signed 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

My commission expires:

State of \_\_\_\_\_ )  
 ) ss.  
County of \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, 1988, before me personally appeared \_\_\_\_\_, known to me or so proven to be, who being by me duly sworn, says that he is the \_\_\_\_\_ of CSX TRANSPORTATION, INC., that said instrument was signed 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

My commission expires:

SCHEDULE A  
TO THE LESSOR  
SECURITY  
AGREEMENT  
SUPPLEMENT NO. \_

DESCRIPTION OF LEASED EQUIPMENT

Identifying Mark and Numbers