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VERNER, LIIPFERT, BERNHARD, McPHERSON AND HAND

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OF COUNSEL  
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\* ADMITTED IN VIRGINIA

LOUIS F. BESIO  
VICE PRESIDENT FOR  
FINANCE AND ADMINISTRATION

WRITER'S DIRECT DIAL NUMBER

(202) 775-1084

1 5793  
RECORDATION NO. 1 5793  
FILED 1988

10484-A ARMSTRONG STREET  
FAIRFAX, VIRGINIA 22030  
(703) 591-2883

RECORDATION NO. 1 5793-A  
FILED 1988

MOTOR OPERATOR'S USE ONLY  
AUG 31 11 51 AM '88  
100 OFFICE OF  
THE SECRETARY  
OF THE  
INTERSTATE COMMERCE COMMISSION

AUG 31 1988 - II  
INTERSTATE COMMERCE COMMISSION August 31, 1988

RECORDATION NO. 1 5793  
INTERSTATE COMMERCE COMMISSION

BY HAND

AUG 31 1988 - II  
FILED 1988

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

8-244A0488  
Date AUG 31 1988  
Fee \$ 26.00  
ICC Washington, D.C.

ATTN: Ms. Mildred Lee, Room 2303

Dear Secretary McGee:

Enclosed for recordation under the provisions of 49 U.S.C. § 11303(a) and 49 C.F.R. Part 1177 are two counterpart originals of:

- (a) Loan and Security Agreement, dated August 30, 1988, between Railcar, Ltd., Atlanta, Georgia ("Debtor"), and The CIT Group/Equipment Financing, Inc., New York, New York ("Lender");
- (b) Lease Agreement, dated May 3, 1988, between Railcar Management, Inc., Atlanta, Georgia, agent for and on behalf of Railcar, Ltd. ("Lessor"), and Westvaco Corporation, New York, New York ("Lessee");
- (c) Notice and Acknowledgement of Assignment, dated as of August 30, 1988, by and among Railcar Management, Inc., The CIT Group/Equipment Financing, Inc., and Westvaco Corporation;

We request that the Notice and Acknowledgement of Assignment be cross-indexed.

Counterpart - Lucy R. Hand

The names and addresses of the parties to the documents are as follows:

Lender: The CIT Group/Capital Financing, Inc.  
270 Park Avenue  
New York, New York 10017  
Attention: Mr. W. S. Pardey, Senior V.P.

Debtor: Railcar, Ltd.  
Suite 303  
1819 Peachtree Road, N.E.  
Atlanta, Georgia 30309-1847  
Attention: Mr. Wilds L. Pierce, President

Lessor: Railcar Management, Inc.  
Suite 303  
1819 Peachtree Road, N.E.  
Atlanta, Georgia 30309-1847  
Attention: Mr. Wilds L. Pierce, President

Lessee: Westvaco Corporation  
229 Park Avenue  
New York, New York 10171  
Attention: Mr. B. D. Thomas, Senior V.P.

A description of the equipment covered by the documents is as follows: One hundred and fifty (150) 100-ton, 7,000 cubic foot woodchip hopper cars currently marked and numbered WVCX 3000-3149, both inclusive.

A fee of \$39.00 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to:

Fritz R. Kahn, Esquire  
Verner, Liipfert, Bernhard, McPherson & Hand  
Suite 1000  
1660 L Street, N.W.  
Washington, D.C. 20036

A brief summary of the enclosed documents to appear in the index is as follows:

In accordance with the Loan and Security Agreement, dated August 30, 1988 ("Agreement"), between Railcar, Ltd. ("Debtor"), and The CIT Group/Equipment Financing, Inc. ("Lender"), Debtor has borrowed from Lender a portion of the funds for Debtor's purchase of 150 woodchip hopper railroad cars. Additionally, in accordance with the Lease Agreement, dated May 3, 1988, between Railcar Management, Inc. acting as agent for Railcar, Ltd. ("Lessor"), and Westvaco Corporation ("Lessee"), Lessor has leased the cars to Lessee. In accordance with the Notice and Acknowledgement of Assignment, dated August 30, 1988, by and among Railcar Management, Inc., The CIT Group/Equipment Financing, Inc.,

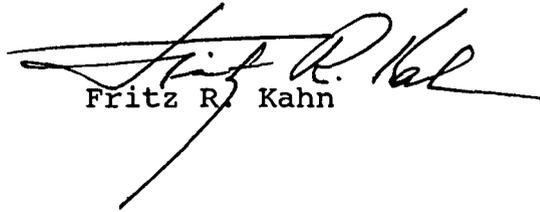
and Westvaco Corporation, Lessor assigns to Lender Lessor's rights and interest in and under the lease.

The undersigned is Interstate Commerce Commission Counsel for the above-described transaction and, as such, has knowledge of the matters set forth herein.

A copy of this letter of transmittal is enclosed for you to stamp to acknowledge your receipt thereof.

If you have any questions or if I may otherwise be of assistance, please do not hesitate to contact me.

Sincerely yours,



Fritz R. Kahn

Enclosures

AUG 31 1988 - 11

INTERSTATE COMMERCE COMMISSION

THIS NOTICE AND ACKNOWLEDGEMENT OF ASSIGNMENT dated as of August 30, 1988 ("Notice and Acknowledgement") among RAILCAR MANAGEMENT, INC., a Georgia corporation, acting as agent for and on behalf of RAILCAR, LTD. ("Lessor"), THE CIT GROUP/EQUIPMENT FINANCING, INC., a New York corporation ("Lender"), and WESTVACO CORPORATION, a Delaware corporation ("Lessee"),

W I T N E S S E T H:

A. Prior to the execution hereof, Lessor and Lessee have executed the Lease Agreement dated as of May 3, 1988 as amended by Lease Amendment No. 1 dated as of August 30, 1988 (the "Lease"), pursuant to which Lessor will lease to Lessee the equipment described in Exhibit A to the Lease (the "Equipment").

B. Concurrently with the execution hereof, Lessor and Lender are executing the Loan and Security Agreement dated as of August 30, 1988 (the "Security Agreement"), pursuant to which Lessor will borrow from Lender a portion of the funds necessary to maintain its investment in the Equipment, transfer to Lender a security interest in the Equipment, and assign to Lender Lessor's rights and interests in and under the Lease to secure Lessor's limited recourse obligation to repay the funds borrowed from Lender.

C. Lessee is willing to consent to such assignment of the Lease.

NOW, THEREFORE, in consideration of the mutual agreements contained in the Lease and the Security Agreement, and intending to be legally bound, the parties hereto agree as follows:

1. Definitions. Capitalized terms used herein but not otherwise defined herein are used with the respective meanings given to such terms in the Lease or the Security Agreement.

2. Consent of Lessee to Assignment as Security to Lender. Lessee hereby acknowledges and consents to the assignment of the Lease by Lessor to Lender under and pursuant to the Security Agreement and agrees for the benefit of Lender as follows:

(a) To make each payment of rental or other sums due under the Lease, including interest thereon for late payment thereof ("Rent") assigned thereby directly to Lender by paying to The CIT Group/Equipment Financing Inc. by one or more checks drawn on any bank or trust company (selected by Lessee and reasonably acceptable to Lender) having a banking

office in New York, New York, made payable to Lender and delivered to Lender at the address indicated in Section 2(h) hereof at least two Business Days before the date such payment is due, so long as any indebtedness of Debtor to Lender secured under the terms of the Security Agreement shall be outstanding and unpaid;

(b) Each installment of rent provided for in Paragraph 6 of the Lease ("Basic Rent") and each payment of casualty loss set forth in Exhibit C to the Lease ("Casualty Loss") payable under the Lease shall be, under any circumstances and in any event, payable in accordance with the terms of the Lease;

(c) Not to seek the recovery of any payment made to Lender pursuant to the Security Agreement and this Notice and Acknowledgement once such payment has been made;

(d) That so long as any indebtedness of Debtor to Lender secured under the terms of the Security Agreement shall be outstanding and unpaid, all rights of Lessor with respect to the Lease and the items of Equipment or any part thereof shall be exercisable by Lender, as assignee and secured party or lienholder, subject to the terms of the Security Agreement;

(e) At the request of the Lender, to execute any financing statements, continuation statements or other documents necessary to create, perfect, protect and preserve the priority security interest acquired, or intended to be acquired, by Lender under the Security Agreement until all obligations of Debtor in connection with the transactions contemplated hereby and thereby shall have been fulfilled;

(f) To execute and deliver such other documents as Lessor or Lender may reasonably request;

(g) That any amendment to, or any waiver, discharge or termination of, any term or provision of the Lease (or any consent of Lessor required thereunder) shall also require the written consent of Lender;

(h) That Lessee will deliver to Lender at 270 Park Avenue, New York, New York, 10017, Attention: General Counsel, a copy of all notices required to be delivered to Lessor under the Lease concurrently with the delivery of such notices to Lessor;

(i) That Lender shall be named as loss payee with respect to any insurance carried by Lessee pursuant to Paragraph 12 of the Lease;

(j) That each of the representations, warranties and indemnities of Lessee set forth in the Lease, and the sixty day grace period established under Section 18 of the Lease, are hereby incorporated by reference herein and are deemed to apply to Lender as well as Lessor as fully and to the extent and with the force and effect as if set forth in full in this Section 2(j); and

(k) For the purpose of applying Paragraph 14 of the Lease to Lender, Lender and its successors, assigns, agents, servants, employees and officers shall each be an indemnified person.

3. No Further Amendments. Except as expressly modified or amended herein, all of the terms, covenants and conditions of the Lease shall remain unamended and in full force and effect.

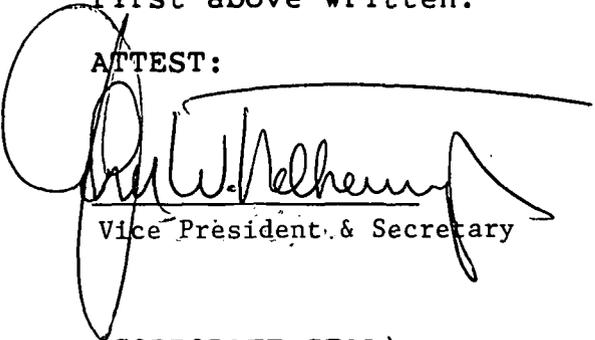
4. Governing Law. This Notice and Acknowledgement shall be governed by and construed in accordance with the laws of the State of New York.

5. Counterparts. This Notice and Acknowledgement may be executed in two or more counterparts, which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Notice and Acknowledgement to be duly executed as of the date first above written.

ATTEST:

WESTVACO CORPORATION

  
Vice President & Secretary

By

  
Name: B. D. Thomas  
Title: Senior Vice President  
Date: August 29, 1988

(CORPORATE SEAL)

ATTEST:

Nadean C. Dumbler  
Secretary

(CORPORATE SEAL)

ATTEST:

\_\_\_\_\_  
Secretary

(CORPORATE SEAL)

RAILCAR, LTD.

By Railcar Management, Inc.  
as Agent for Railcar, Ltd.

By Willy L. Pierce  
Name: Wilds L. Pierce  
Title: President  
Date: AUGUST 30, 1988

THE CIT GROUP/EQUIPMENT  
FINANCING, INC.

By \_\_\_\_\_  
Name:  
Title:  
Date:

ATTEST:

\_\_\_\_\_  
Secretary

(CORPORATE SEAL)

ATTEST:

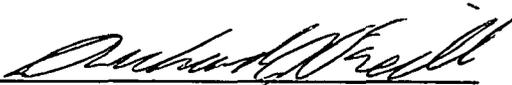
  
\_\_\_\_\_  
Asst. Secretary

(CORPORATE SEAL)

RAILCAR, LTD.  
By Railcar Management, Inc.  
as Agent for Railcar, Ltd.

By \_\_\_\_\_  
Name: Wilds L. Pierce  
Title: President  
Date:

THE CIT GROUP/EQUIPMENT  
FINANCING, INC.

By   
\_\_\_\_\_  
Name: Richard J. O'Neill  
Title: Vice President  
Date: August 29, 1988

STATE OF SOUTH CAROLINA )  
 ) ss.:  
COUNTY OF CHARLESTON )

On this 29th day of August, 1988, before me personally appeared Brantley D. Thomas, Jr., to me personally known, who being by me duly sworn, says that he is a Senior Vice President of WESTVACO CORPORATION, that said instrument was signed on behalf of said corporation by authority of its Bylaws, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(SEAL)

  
Notary Public

My Commission expires:  
December 19, 1989

STATE OF NEW YORK    )  
                                  )    SS  
COUNTY OF NEW YORK   )

On this 30th day of August, 1988, before me personally appeared John W. Hetherington ~~to~~ me personally known, who being by me duly sworn, says that he is the Vice President and Secretary of WESTVACO CORPORATION, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Bylaws.

(SEAL)

Alfred C Knight  
Notary Public

My Commission expires:

ALFRED C. KNIGHT  
NOTARY PUBLIC, State of New York  
No. 31-7314170  
Qualified in New York County  
Commission Expires Feb. 28, 1989

STATE OF GEORGIA        )  
                              ) ss.:  
COUNTY OF FULTON        )

On this 30TH day of AUGUST , 1988, before me personally appeared Wilds L. Pierce and ~~DE~~ NADEAN C. HUMBLE, to me personally known, who being by me duly sworn, say that they are the President and SECRETARY , respectively, of RAILCAR MANAGEMENT, INC., that the seal 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 they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(SEAL)

  
Notary Public

My Commission expires:

Notary Public, Clayton County, Georgia  
My Commission Expires May 30, 1992

STATE OF NEW YORK    )  
                          ) ss.:  
COUNTY OF NEW YORK )

On this 29th day of August, 1988, before me personally appeared Richard J. O'Neill and Leo Sheer, to me personally known, who being by me duly sworn, say that they are a Vice President and an Asst. Secretary, respectively, of THE CIT GROUP/EQUIPMENT FINANCING, INC., that the seal 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 they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(SEAL)

  
\_\_\_\_\_  
Notary Public

PETER W. STURTZ  
NOTARY PUBLIC, State of New York  
No. 31-4658492  
Qualified in New York County  
Commission Expires ~~March 30, 19~~

My Commission expires:

2/28/90