



100 North Charles Street
Baltimore, Maryland 21201

JCC
10026-k
FILED 1425

FEB 16 1989 - 11 00 AM
INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 10026-g
FILED 1425

RECORDATION NO. 10026-l
FILED 1425

FEB 16 1989 - 11 00 AM

CSX Equipment

FEB 16 1989 - 11 00 AM INTERSTATE COMMERCE COMMISSION

INTERSTATE COMMERCE COMMISSION

Secretary
Interstate Commerce Commission
Attention: Recordation Unit
12th Street & Constitution Avenue, N.W.
Washington, DC 20423

February 3, 1989

Date 2/16/89
Fee \$ 39

Mrs. Mildred Lee:

ICC Washington, D. C.

On behalf of CSX Transportation, Inc., enclosed for filing and recording under 49 U.S.C. sec, 11303(a) and the regulations promulgated thereunder, is one (1) executed counterpart and two (2) copies thereof of a secondary document, not previously recorded, entitled PURCHASE AND SALE AGREEMENT with a BILL OF SALE and a RELEASE dated as of December 30, 1988.

The parties to the enclosed release are:

Mercantile-Safe Deposit and Trust Company
Two Hopkins Plaza
(as Agent)
P.O.Box 2258
Baltimore, MD 21203

Connell Rice & Sugar Co. Inc. (Connell Leasing Company
Division, "Connell") (as Seller with HFC Leasing, Inc.)
45 Cardinal Drive
Westfield, New Jersey 07092

HFC Leasing, Inc.
(as Seller with Connell)
2700 Sanders Road
Prospect Heights, Il. 60070

The Connecticut Bank and Trust Company, National Association
(successor to the The Connecticut Bank and Trust Company
("Connecticut Bank", as trustee)
Old Constitution Plaza
Harford, Connecticut 06114

CSX Transportation Inc. (as Lessee and Buyer)
Successor by merger to The Chesapeake and Ohio Railway
Company (C&O)
100 North Charles Street
Baltimore, MD 21201

The first enclosed document, entitled PURCHASE AND SALE AGREEMENT, among other things, specifies the desires of the Buyer to purchase and each of the Sellers desires to sell and cause to be sold that certain railroad equipment originally under the Reconstruction and Conditional Sale Agreement, dated as of December 1, 1978, filed with the Interstate Commerce Commission ("ICC") on January 17, 1979 as well as that certain Transfer Agreement, Lease, Assignment of Lease and Agreement and a Hulk Purchase Agreement, all filed with the ICC with Recordation Nos. 10026, 10026-A, 10026-B, 10026-C and 10026-D, respectively.

The second enclosed document, entitled BILL OF SALE specifies the terms of the sale by the Sellers to sell, assign, transfer and set over to Buyer, all right, title and interest in and to the Equipment described in Schedule I of the Bill of Sale from that certain Lease of Railroad Equipment (as modified, supplemented or amended from time to time), dated as of December 1, 1978, filed with the Interstate Commerce Commission ("ICC") on January 17, 1979 and assigned Recordation No. 10026-B.

The third enclosed document, entitled RELEASE, specifies the acknowledgment of the satisfaction of all debt owed to the Agent pursuant to, and release all right, title and interest in and to, that certain railroad equipment originally under the Reconstruction and Conditional Sale Agreement, dated as of December 1, 1978, filed with the Interstate Commerce Commission ("ICC") on January 17, 1979 as well as that certain Transfer Agreement, Lease, Assignment of Lease and Agreement and a Hulk Purchase Agreement, all filed with the ICC with Recordation Nos. 10026, 10026-A, 10026-B, 10026-C and 10026-D, respectively.

The units of equipment covered by the enclosed documents are all units identified in said Agreements. A short summary of the document to appear in the ICC Index is as follows:

"Full and Complete Release"

Enclosed is a check in the amount of \$13.00 in payment of the filing fee.

Once the filing has been made, please return to the undersigned stamped copies of the Instrument of Release not

needed for your files, together with the fee receipt, a copy of the letter from the ICC acknowledging the filing, and an extra copy of this letter of transmittal.

Very truly yours,

A handwritten signature in black ink, appearing to read "R. F. Hochwarth". The signature is written in a cursive style with a large initial "R" and a stylized "H".

Robert F. Hochwarth
Senior Counsel

cc: Mr. D.J. Voisard
Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

2/17/89

OFFICE OF THE SECRETARY

Richardson C. Cole
Treasury Department Bo6E
CSX Transportation ,Inc.
100 North Charles Street
Baltimore,MD. 21201

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 2/16/89 at 11:00am, and assigned recordation number(s). 10026-I 10026-J & 10026-K

Sincerely yours,

Neta L. McEwen

Secretary

Enclosure(s)

10026

RECORDATION NO. 10026-1 FILED 1423

FEB 16 1989 -11 00 AM

INTERSTATE COMMERCE COMMISSION

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (the "Agreement") is made as of the 30th day of December, 1988, by and among CSX TRANSPORTATION INC. (the "Buyer"), a corporation organized under the laws of the Commonwealth of Virginia, as successor by merger to The Chesapeake and Ohio Railway Company ("Chesapeake"), CONNELL RICE & SUGAR CO., INC. (Connell Leasing Company Division) ("Connell"), a corporation organized under the laws of the State of New Jersey, TENTH HFC LEASING CORPORATION ("HFC") a corporation organized under the laws of the State of Delaware (Connell and HFC are collectively hereinafter referred to as the "Sellers" and individually as a "Seller") and THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association (successor to The Connecticut Bank and Trust Company ("Connecticut Bank")), not in its individual capacity but solely as trustee ("CBT") pursuant to a certain Trust Agreement (as hereinafter defined).

WHEREAS, pursuant to a Trust Agreement (as modified, supplemented or amended from time to time to the date hereof, the "Trust Agreement"), dated as of December 1, 1978, among the Sellers and Connecticut Bank, the Sellers are the beneficial owners of certain units of reconstructed

railroad equipment held in trust by CBT on the date hereof (the "Units"); and

WHEREAS, HFC holds a 90% interest in the trust ("Trust") created pursuant to the Trust Agreement and Connell holds a 10% interest in the Trust; and

WHEREAS, Connecticut Bank leased said Units (and all other units then subject to the Trust) to Chesapeake ("Lessee"), pursuant to a Lease of Railroad Equipment (as modified, supplemented or amended from time to time to the date hereof, the "Lease"), dated as of December 1, 1978; and

WHEREAS, Mercantile-Safe Deposit and Trust Company ("Mercantile") holds security title to said Units pursuant to a Reconstruction and Conditional Sale Agreement (as modified, supplemented or amended from time to time to the date hereof, the "RCSA"), dated as of December 1, 1978 among Mercantile, Chesapeake and Connecticut Bank, and a Transfer Agreement dated as of December 1, 1978 between Mercantile and Connecticut Bank to secure payment of debt incurred by Seller and to purchase said Units (and the other units subject to the Trust on December 1, 1978), which debt has been paid in full; and

WHEREAS, Mercantile and CBT desire to facilitate the purchase and sale of the Units so that on the Closing Date (as hereinafter defined) such units shall be sold to

Buyer free and clear of the security title held by Mercantile; and

WHEREAS, Buyer desires to purchase and each of the Sellers desires to sell and to cause to be sold the aforesaid Units on the Closing Date;

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Sale of Equipment. Provided that the conditions set forth in Section 3 shall have been satisfied, each of the Sellers agrees with the Buyer and mutually with each other to sell and to cause CBT to sell, and Buyer agrees with each Seller and with CBT to purchase, on February 2, 1989 or such other date as the parties hereto may agree (the "Closing Date") all of the right, title and interest of each of Seller and CBT in and to the Units and the Lease such that the right of Lessee to use and possess (as described in Section 11 of the Lease) such Units shall not be disturbed. The Units of reconstructed railroad equipment held by CBT on the date hereof are described on Exhibit A. Such Units are collectively referred to herein as the "Equipment". The Units are to be sold to Buyer on the Closing Date, except

for those which shall have suffered a Casualty Occurrence (as defined in the Lease).

2. Purchase Price; Closing. The purchase price for the Equipment shall be \$3,404,645.00 (the "Purchase Price"). Provided that the conditions set forth in Section 3 shall have been satisfied, the Purchase Price shall be paid in immediately available United States funds on the Closing Date by wire transfer of \$340,464.50 to the Account of Connell at Morgan Guaranty Trust Company, 23 Wall Street, New York, New York 10015 for credit to Connell Finance Company, Inc. 013-12-227, advise Mr. Thomas Srednicki and of \$3,064,180.50 to the Account of HFC at First National Bank of Chicago, Account No. 54-99011. A closing (the "Closing") shall be held at the offices of White & Case, 1155 Avenue of the Americas, New York, New York beginning at 10 a.m. on the Closing Date. It is the intention of the parties hereto that the Sellers shall retain the benefits and burdens of ownership in respect of the Equipment until the Closing Date, and, accordingly, in the event that any Unit has been the subject of a Casualty Occurrence, the Purchase Price will be reduced on a pro rata basis. At the Closing, the following events shall occur:

(a) CBT shall deliver to the Sellers by wire transfer to Morgan Guaranty Trust Company, 23 Wall

Street, New York, New York 10015 for credit to Connell Finance Company, Inc. 013-12-227, advise Mr. Thomas Srednicki with respect to Connell and to First National Bank of Chicago, Account No. 54-99011 with respect to HFC, pursuant to Section 8 hereof, any amounts it shall have received pursuant to Section 3(b) hereof which it shall not previously have delivered; and

(b) CBT shall deliver to Buyer a Bill of Sale ("Bill of Sale") with respect to the Units to be sold hereunder and the Lease substantially in the form of Exhibit B to this Agreement.

3. Closing Conditions. It shall be a condition of the consummation of the transactions contemplated hereby that, on the Closing Date:

(a) there shall be no default or Event of Default under the Lease;

(b) all amounts payable under the Lease, including rental payments and amounts payable as the result of a Casualty Occurrence, shall have been paid to CBT;

(c) no more than 5% of the Units shall have been the subject of a Casualty Occurrence;

(d) all representations and warranties contained in Sections 5, 6, 7 and 13 hereof shall be true and

correct in all material respects with the same effect as though such representations and warranties had been made on and as of the Closing Date; and

(e) Mercantile shall have executed and delivered a Release (the "Release") of its security title substantially in the form of Exhibit C hereto.

4. Allocation of Revenues and Expenses; Events Prior to the Closing Date. All revenues and expenses with respect to the Equipment, other than expenses for which the Lessee is responsible under the Lease, which accrue or are incurred or relate to any point in time prior to the Closing Date shall be for the account of the Sellers. All revenues and expenses with respect to the Equipment which accrue or are incurred or relate to any point in time on or after the Closing Date shall be for the account of Buyer. Each of the Sellers and CBT shall retain all rights to which they are respectively entitled under the Participation Agreement dated as of December 1, 1978, among Chesapeake, Mercantile, the Sellers, HFC Leasing Inc. and Connecticut Bank, as modified, supplemented or amended from time to time to the date hereof, the Trust Agreement, the Lease, the RCSA and the documents related thereto, which, in whole or in part, derive from or relate to any event, circumstance or matter

arising, occurring or existing prior to or coincident with the Closing Date.

5. Representations and Warranties of Sellers.

Each of the Sellers hereby does, and on the Closing Date shall, represent, warrant and declare to and in favor of the other parties hereto that:

(a) The Seller holds beneficial title to its respective interest (as described in Section 1.04 of the Trust Agreement) in the Equipment and the Seller has placed no lien, charge, security interest or other encumbrance on the Equipment or any Unit thereof or the Lease, except for liens in favor of Mercantile;

(b) The Seller is a duly organized and validly existing corporation in good standing under the laws of the jurisdiction of its incorporation;

(c) This Agreement (i) has been properly authorized by all necessary corporate action, (ii) does not require the approval of any third party (other than those approvals which have been obtained prior to the date of this Agreement) and (iii) constitutes the legal, valid and binding obligation of the Seller; and

(d) The Sellers mutually agree with each other to sell, assign and transfer to Buyer all of their

collective right, title and interest in or to the Equipment.

6. Representations and Warranties of Buyer. Buyer hereby does, and on the Closing Date shall, represent, warrant and declare to and in favor of the other parties hereto that:

(a) Buyer is a duly organized and validly existing corporation in good standing under the laws of the jurisdiction of its incorporation;

(b) This Agreement (i) has been properly authorized by all necessary corporate action, and (ii) does not require the approval of any third party (other than those approvals which have been obtained prior to the date of this Agreement), (iii) constitutes the legal, valid and binding obligation of Buyer, (iv) does not constitute a breach of any existing and outstanding contractual or other obligation of Buyer, or violate any provision of law or the charter or by-laws of Buyer, and (v) requires no approval or provision of prior notice to any government, government agency, ministry, bureau or commission, whether domestic or foreign.

(c) Buyer has inspected the Equipment, prepared and delivered Exhibit A, agrees to purchase and accept the Equipment on an "as is, where is" basis, and agrees

that neither of the Sellers has made any representations or warranties as to Exhibit A, the physical condition of the Equipment or any other matter affecting or relating to the Equipment, except as specifically set forth in this Agreement.

7. Representations and Warranties of CBT. CBT hereby does, and on the Closing Date shall, represent, warrant and declare to and in favor of the other parties hereto that:

(a) CBT holds legal title to the Equipment and CBT has placed no lien, charge, security interest or other encumbrance on the Equipment or any Unit thereof or the Lease, except for liens in favor of Mercantile;

(b) CBT, in its individual capacity, is a duly organized and validly existing banking association in good standing under the laws of the United States of America; and

(c) This Agreement (i) has been properly authorized by all necessary corporate action, (ii) does not require the approval of any third party (other than those approvals which have been obtained prior to the date of this Agreement) and (iii) constitutes the legal, valid and binding obligation of CBT.

8. Lease Payments. The parties hereto agree that all amounts payable under the Lease, including rental payments and amounts payable as a result of a Casualty Occurrence, shall be paid to CBT pursuant to Section 3(b) hereof prior to or no later than 11 a.m. New York time on the Closing Date, and CBT shall transfer such amounts to Sellers pursuant to Section 2(a) hereof. To the extent that the foregoing sentence shall limit, qualify or conflict with a provision of the Lease, the Trust Agreement or any document related thereto, the parties hereto agree that such sentence shall control and to the extent necessary to effect the intent of the parties any such provision shall be deemed amended, modified or supplemented.

9. No Warranties. NEITHER CBT NOR THE SELLERS MAKES ANY WARRANTIES, GUARANTEES OR REPRESENTATIONS OF ANY KIND, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, WITH REGARD TO THE EQUIPMENT INCLUDING, BUT NOT LIMITED TO, THE CONDITION OF THE EQUIPMENT, AND BUYER HEREBY WAIVES ALL REMEDIES, WARRANTIES OR LIABILITIES, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE, WITH RESPECT TO THE EQUIPMENT SOLD OR FURNISHED UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO (1) ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, (2) ANY IMPLIED WARRANTY ARISING FROM THE COURSE OF PERFORMANCE, COURSE OF DEALING OR

USAGE OF TRADE, AND (3) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY ARISING FROM EVENTS OCCURRING FROM AND AFTER THE CLOSING DATE FOR LOSS OF OR DAMAGE TO THE EQUIPMENT, FOR ANY LIABILITY OF BUYER TO ANY THIRD PARTY, OR FOR ANY OTHER DIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES.

10. Indemnities. (a) Buyer shall indemnify and hold each of the Sellers harmless from and against any and all costs, claims, liabilities and causes of action, including but not limited to attorneys' fees and the costs of defense (collectively, the "Claims"), arising from events occurring with respect to Section 5.01 or 6.01 of the Trust Agreement. Upon payment of such indemnity, Buyer shall be subrogated to each Seller's rights against any third parties respecting the Claims. Buyer shall further indemnify and hold each of the Sellers harmless with respect to all costs, expenses and fees (including without limitation legal fees) incurred in connection with the negotiation, documentation and consummation of the transactions hereby contemplated (whether or not consummated).

(b) All indemnities for the benefit of Mercantile and/or CBT set forth in the Lease, the RCSA, the Trust Agreement and the documents related thereto, including but not limited to Articles 12 and 21 of the RCSA, Sections 8 and 22 of the Lease and Section 5.01 of the Trust Agreement

shall survive the execution and delivery of this Agreement and the documents related hereto.

11. Expenses. Within 30 days after February 2, 1989, each of the Sellers, CBT and Mercantile shall submit to Buyer invoices for all reasonable costs, expenses, fees and other amounts (including without limitation reasonable legal fees) owed to or incurred by the Sellers, CBT or Mercantile, respectively, in connection with the negotiation, documentation and consummation of the transactions hereby contemplated (whether or not consummated). Buyer shall pay each such invoice promptly, or if Seller, CBT or Mercantile shall have paid such invoice, Buyer shall promptly reimburse the paying party.

12. Taxes. Buyer will indemnify each of the Sellers, on an after-tax basis, against all taxes, fees, duties and other charges of any nature whatsoever ("Taxes") imposed by any taxing jurisdiction in whole or in part as a result of the transactions contemplated hereby other than (i) United States federal income Taxes, (ii) Taxes on net income imposed by the state (and any political subdivision thereof) where the affected Seller has its principal place of business and (iii) Taxes imposed by any jurisdiction where the jurisdiction to tax is based solely on matters

unrelated to the Equipment, the transactions contemplated by this Agreement and/or the Lease.

13. Assumption of Ownership; Registration. Buyer hereby does, and on the Closing Date shall (i) acknowledge that it has on hand and in its possession the Equipment and (ii) pursuant to the terms hereof, purchase and accept the Equipment on an "as is, where is" basis. Within a reasonable period of time after the Closing Date, Buyer shall cause this Agreement, the Bill of Sale and the Release, any assignments hereof or thereof and any amendments hereto or thereto to be duly filed with the Interstate Commerce Commission, pursuant to Article 17 of the RCSA, and posted against certain documents bearing recordation numbers 10026, 10026-A, 10026-B, 10026-C and 10026-D.

14. Termination of Trust Agreement. The Sellers hereby instruct CBT that the consummation of the transactions hereby contemplated and the payment of all amounts required to be paid to CBT or Sellers hereunder, shall constitute a final disposition of all the property, including all right, title and interest of CBT in and to the Trust Documents (as defined in the Trust Agreement) the Equipment and all money, other property and proceeds constituting the Trust Estate (as defined in the Trust

Agreement), so that upon such consummation and payment, CBT is directed to terminate the Trust, and CBT shall be released from all further liabilities and obligations under the Trust Agreement and the documents related thereto.

15. Further Assurances. Each of the Sellers shall make, do and execute or cause to be made, done and executed all such further acts, deeds and assurances as Buyer or Buyer's counsel may deem appropriate to effectively convey the Equipment and the interests in the Lease to Buyer as aforesaid and according to the intent and meaning of this Agreement. Buyer shall make, do and execute or cause to be made, done and executed all such further acts, deeds and assurances as either Seller or their respective counsel may deem appropriate to effectively convey the Equipment and the interests in the Lease to Buyer as aforesaid and according to the intent and meaning of this Agreement.

16. Records. As soon as practicable after the Closing Date, each Seller will furnish Buyer with copies of those documents in the possession of such Seller, if any, as Buyer may reasonably request and as are reasonably necessary for the administration of the Equipment and the Lease.

17. Survival of Representations and Warranties. The representations and warranties herein contained shall survive the execution of this Agreement by the parties here-

to, shall be deemed made on the date hereof and on the Closing Date, and shall inure to the benefit of any successors or assigns of the parties hereto.

18. Conflict. To the extent that any provision of this Agreement shall limit, qualify or conflict with another provision of any agreement, contract, certificate, instrument or other document, the provisions of this Agreement shall control.

19. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the parties hereto, and their respective successors, administrators and assigns.

20. Severability. Any term, condition or provision of this Agreement which is, or is deemed to be, void, prohibited, or unenforceable in any jurisdiction is, as to such jurisdiction, severable herefrom, and is ineffective to the extent of such avoidance, prohibition and unenforceability without in any way invalidating the remaining terms, conditions and provisions hereof. Any such avoidance, prohibition and unenforceability in any jurisdiction does not invalidate or render unenforceable such term, condition or provision in any other jurisdiction.

21. Entire Agreement. This Agreement contains the entire agreement and understanding among the parties

hereto with respect to the subject matter hereof and supersedes all prior agreements, understandings and representations, oral or written. No modification, limitation or release of any of the terms and conditions hereof shall be made except by mutual agreement to that effect in writing and signed by the parties hereto.

22. Headings. The section headings in this Agreement are used in this Agreement only for convenience and shall not be used in construing this Agreement nor to limit or affect any of the provisions of this Agreement.

23. Governing Law. THIS AGREEMENT SHALL BE DEEMED TO HAVE BEEN MADE IN THE STATE OF NEW YORK, SHALL BE CONSTRUED IN ACCORDANCE WITH, AND THE RIGHTS AND LIABILITIES OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, THE LAWS OF THE STATE OF NEW YORK AND THIS AGREEMENT SHALL BE DEEMED IN ALL RESPECTS TO BE A CONTRACT OF SUCH STATE OF NEW YORK.

24. Notice. All communications under this Agreement shall be in writing (including telegraphic, telex, telecopied or cable communication) and when mailed, telegraphed, telexed, telecopied, cabled or sent by overnight courier, shall be effective when deposited in the mails, delivered to the telegraph company, cable company or overnight carrier, as the case may be, or sent by telex or telecopier to the address set forth below or such other

address as shall have been provided by written notice to all the parties hereto. The addresses of the parties hereto as of the date hereof are as follows:

CSX Transportation Inc.
100 North Charles Street
Baltimore, MD 21201

Tenth HFC Leasing Corporation
2700 Sanders Road
Prospect Heights, IL 60070

Connell Rice & Sugar Co., Inc.
(Connell Leasing Company Division)
45 Cardinal Drive
Westfield, NJ 07090-1099

The Connecticut Bank and
Trust Company, National Association
One Constitution Plaza
Hartford, CT 06115
Attention: Corporate Trust Department

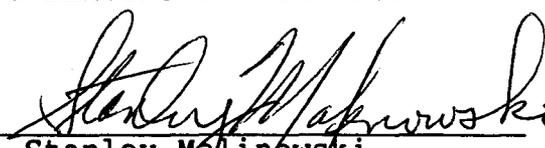
25. Counterparts. This Agreement may be executed in any number of counterparts, but all of such counterparts together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first hereinabove set forth.

SELLERS:

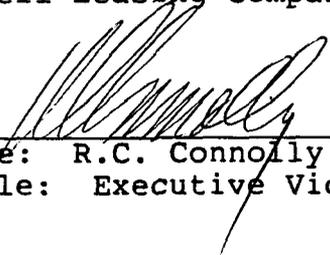
TENTH HFC LEASING CORPORATION

By


Name: Stanley Malinowski

Title: VICE-PRESIDENT

CONNELL RICE & SUGAR CO., INC.
(Connell Leasing Company Division)

By 
Name: R.C. Connolly
Title: Executive Vice President

BUYER:

CSX TRANSPORTATION INC., as
successor by merger to
The Chesapeake and Ohio
Railway Company

By _____
Name: Denis J. Voisard
Title: Assistant Vice President
and Treasurer - Equipment
Unit

THE CONNECTICUT BANK AND TRUST
COMPANY, NATIONAL ASSOCIATION,
not in its individual capacity
but solely as trustee

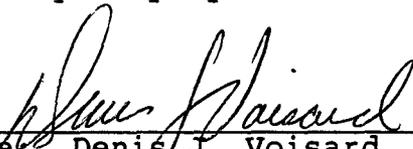
By _____
Name:
Title:

CONNELL RICE & SUGAR CO., INC.
(Connell Leasing Company Division)

By _____
Name: R.C. Connolly
Title: Executive Vice President

BUYER:

CSX TRANSPORTATION INC., as
successor by merger to
The Chesapeake and Ohio
Railway Company

By  _____
Name: Denis J. Voisard
Title: Assistant Vice President
and Treasurer - Equipment
Unit

THE CONNECTICUT BANK AND TRUST
COMPANY, NATIONAL ASSOCIATION,
not in its individual capacity
but solely as trustee

By _____
Name:
Title:

CONNELL RICE & SUGAR CO., INC.
(Connell Leasing Company Division)

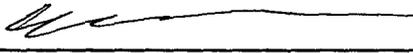
By _____
Name: R.C. Connolly
Title: Executive Vice President

BUYER:

CSX TRANSPORTATION INC., as
successor by merger to
The Chesapeake and Ohio
Railway Company

By _____
Name: Denis J. Voisard
Title: Assistant Vice President
and Treasurer - Equipment
Unit

THE CONNECTICUT BANK AND TRUST
COMPANY, NATIONAL ASSOCIATION,
not in its individual capacity
but solely as trustee

By  _____
Name: V. Kreuzer
Title: ASSISTANT VICE PRESIDENT

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
BO	10013
BO	10023
BO	10036
BO	10061
BO	10075
BO	10087
BO	10140
BO	10208
BO	10247
BO	10268
BO	10269
BO	10275
BO	10278
BO	10292
BO	10339
BO	10341
BO	10343
BO	10351
BO	10355
BO	10379
BO	10392
BO	10471
BO	10493
BO	10510
BO	10537
BO	10587
BO	10597
BO	10659
BO	10673
BO	10822
BO	10883
BO	10890
BO	10935
BO	10977
BO	10985
BO	11076
BO	11086
BO	11107
BO	11108
BO	11120
BO	11138
BO	11205
BO	11288
BO	11323
BO	11347
BO	11349

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
BO	11372
BO	11373
BO	11426
BO	11467
BO	11522
BO	11581
BO	11584
BO	11635
BO	11636
BO	11671
BO	11679
BO	11694
BO	11713
BO	11735
BO	11763
BO	11774
BO	11782
BO	11815
BO	11824
BO	11825
BO	11851
BO	11855
BO	11865
BO	11879
BO	11880
BO	11920
BO	11923
BO	11943
BO	11944
BO	11954
BO	11964
BO	11977
BO	11980
BO	12042
BO	12049
BO	12059
BO	12092
BO	12147
BO	12162
BO	12172
BO	12193
BO	12201
BO	12209
BO	12218
BO	12231
BO	12262

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
BO	12282
BO	12283
BO	12285
BO	12287
BO	12324
BO	12339
BO	12345
BO	12361
BO	12374
BO	12381
BO	12390
BO	12395
BO	12423
BO	12425
BO	12428
BO	12430
BO	12435
BO	12443
BO	12459
BO	12460
BO	12464
BO	12474
BO	12507
BO	12514
BO	12518
BO	12533
BO	12534
BO	12539
BO	12541
BO	12565
BO	12570
BO	12573
BO	12574
BO	12629
BO	12636
BO	12638
BO	12644
BO	12674
BO	12698
BO	12707
BO	12718
BO	12730
BO	12734
BO	12735
BO	12740
BO	12751

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
BO	12752
BO	12754
BO	12800
BO	12803
BO	12811
BO	12825
BO	12833
BO	12877
BO	12879
BO	12902
BO	12905
BO	12909
BO	12919
BO	12925
BO	12931
BO	12939
BO	12941
BO	12962
BO	12970
BO	12974
BO	12979
BO	12984
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BO	13109
BO	13112
BO	13116
BO	13132
BO	13143
BO	13147
BO	13159
BO	13182
BO	13189
BO	13194
BO	13218
BO	13270
BO	13275
BO	13282
BO	13287
BO	13288

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
BO	13320
BO	13331
BO	13340
BO	13358
BO	13399
BO	13412
BO	13420
BO	13428
BO	13462
BO	13470
BO	13471
BO	13473
BO	13477
BO	13479
BO	13486
BO	13503
BO	13517
BO	13541
BO	13549
BO	13554
BO	13569
BO	13572
BO	13575
BO	13586
BO	13602
BO	13623
BO	13640
BO	13654
BO	13671
BO	13681
BO	13692
BO	13707
BO	13718
BO	13736
BO	13749
BO	13751
BO	13774
BO	13776
BO	13803
BO	13826
BO	13840
BO	13876
BO	13881
BO	13891
BO	13894
BO	13896

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
BO	13923
BO	13924
BO	13927
BO	13938
BO	13943
BO	13956
BO	13962
BO	13973
BO	13988
BO	13998
BO	13999
BO	14002
BO	14042
BO	14060
BO	14070
BO	14084
BO	14087
BO	14091
BO	14137
BO	14139
BO	14156
BO	14161
BO	14166
BO	14172
BO	14186
BO	14188
BO	14195
BO	14197
BO	14203
BO	14206
BO	14211
BO	14223
BO	14225
BO	14257
BO	14258
BO	14262
BO	14300
BO	14303
BO	14321
BO	14338
BO	14355
BO	14357
BO	14390
BO	14411
BO	14413
BO	14444

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
BO	14451
BO	14453
BO	14468
BO	14485
BO	14486
BO	14491
BO	14496
BO	14503
BO	14505
BO	14522
BO	14540
BO	14565
BO	14566
BO	14568
BO	14580
BO	14583
BO	14596
BO	14610
BO	14631
BO	14642
BO	14679
BO	14693
BO	14706
BO	14707
BO	14710
BO	14729
BO	14735
BO	14737
BO	14758
BO	14763
BO	14773
BO	14791
BO	14802
BO	14810
BO	14825
BO	14854
BO	14865
BO	14869
BO	14876
BO	14893
BO	14900
BO	14914
BO	14937
BO	14953
RO	14954
BO	15000

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
BO	15007
BO	15017
BO	15019
BO	15034
BO	15061
BO	15082
BO	15111
BO	15112
BO	15122
BO	15128
BO	15148
BO	15214
BO	15216
BO	15225
BO	152044
BO	152145
BO	152147
BO	152324
BO	152342
BO	152453
BO	152664
BO	152669
BO	152697
BO	152790
BO	153004
BO	153018
BO	153085
BO	153299
BO	153431
BO	153676
BO	153788
BO	153877
BO	153896
BO	153946
BO	154080
BO	154183
BO	154199
BO	154202
BO	154222
BO	154833
BO	155085
BO	155313
BO	155597
BO	155829
BO	352006
BO	352014

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
BO	352027
BO	352040
BO	352041
BO	352049
BO	352057
BO	352062
BO	352071
BO	352098
BO	352101
BO	352107
BO	352110
BO	352114
BO	352118
BO	352126
BO	352128
BO	352134
BO	352143
BO	352149
BO	352156
BO	352157
BO	352187
BO	352226
BO	352244
BO	352317
BO	352345
BO	352357
BO	352364
BO	352392
BO	352397
BO	352399
BO	352403
BO	352406
BO	352416
BO	352437
BO	352464
BO	352465
BO	352467
BO	352468
BO	352479
BO	355000
BO	355001
BO	355002
BO	355004
BO	355006
BO	355007
BO	355009

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
BO	355010
BO	355011
BO	355012
BO	355013
BO	355016
BO	355017
BO	355018
BO	355019
BO	355022
BO	355023
BO	355024
BO	355025
BO	355027
BO	355028
BO	355029
BO	355032
BO	355033
BO	355034
BO	355037
BO	355039
BO	355040
BO	355042
BO	355043
BO	355044
BO	355045
BO	355047
BO	355049
BO	355050
BO	355051
BO	355052
BO	355054
BO	355056
BO	355058
BO	355061
BO	355062
BO	355063
BO	355065
BO	355067
BO	355068
BO	355069
BO	355072
BO	355073
BO	355075
BO	355077
BO	355080
CO	19590

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
CO	19591
CO	19613
CO	19649
CO	19658
CO	19706
CO	19841
CO	19899
CO	21001
CO	21008
CO	21009
CO	21013
CO	21015
CO	21016
CO	21017
CO	21028
CO	21029
CO	21032
CO	21034
CO	21039
CO	21042
CO	21044
CO	21046
CO	21049
CO	21052
CO	21054
CO	21060
CO	21062
CO	21063
CO	21066
CO	21074
CO	21079
CO	21081
CO	21083
CO	21087
CO	21090
CO	21093
CO	21098
CO	21099
CO	21102
CO	21106
CO	21111
CO	21112
CO	21115
CO	21120
CO	21122
CO	21124

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
CO	21129
CO	21130
CO	21134
CO	21138
CO	21146
CO	21149
CO	21152
CO	21155
CO	21156
CO	21157
CO	21162
CO	21168
CO	21169
CO	21181
CO	21186
CO	21188
CO	21189
CO	21193
CO	21194
CO	21196
CO	21198
CO	21201
CO	21204
CO	21205
CO	21214
CO	21217
CO	21221
CO	21227
CO	21228
CO	21233
CO	21235
CO	21243
CO	21252
CO	21256
CO	21270
CO	21272
CO	21290
CO	21291
CO	21295
CO	21298
CO	21299
CO	21300
CO	21302
CO	21303
CO	21305
CO	21306

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
CO	21309
CO	21311
CO	21313
CO	21315
CO	21328
CO	21335
CO	21340
CO	21349
CO	21350
CO	21351
CO	21355
CO	21357
CO	21373
CO	21378
CO	21380
CO	21382
CO	21386
CO	21389
CO	21390
CO	21391
CO	21398
CO	21413
CO	21420
CO	21421
CO	21422
CO	21424
CO	21426
CO	21427
CO	21439
CO	21441
CO	21449
CO	21455
CO	21460
CO	21461
CO	21464
CO	21468
CO	21471
CO	21484
CO	21487
CO	21491
CO	21494
CO	21498
CO	22006
CO	22030
CO	22034
CO	22044

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
CO	22050
CO	22104
CO	22161
CO	22177
CO	22181
CO	22187
CO	22201
CO	22215
CO	23035
CO	23062
CO	23089
CO	23101
CO	23117
CO	23133
CO	23136
CO	23147
CO	23201
CO	23209
CO	23216
CO	23246
CO	23262
CO	23302
CO	23308
CO	23312
CO	23317
CO	23321
CO	27758
CO	27784
CO	27801
CO	27807
CO	27819
CO	27824
CO	27825
CO	27857
CO	27862
CO	27870
CO	27874
CO	27891
CO	27901
CO	27910
CO	27913
CO	27917
CO	27928
CO	27929
CO	27933
CO	27946

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
CO	27968
CO	27987
CO	28017
CO	28026
CO	28041
CO	28073
CO	28079
CO	28083
CO	28114
CO	28124
CO	28155
CO	28156
CO	28163
CO	28224
CO	28243
CO	28258
CO	28270
CO	28299
CO	28364
CO	28371
CO	28384
CO	28418
CO	28436
CO	28457
CO	28486
CO	28496
CO	28513
CO	28520
CO	28528
CO	28552
CO	28594
CO	28595
CO	28609
CO	28614
CO	28628
CO	28631
CO	28652
CO	28690
CO	28703
CO	28727
CO	28752
CO	28761
CO	28774
CO	28801
CO	28857
CO	28867

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
CO	28871
CO	28874
CO	28888
CO	28893
CO	28897
CO	28960
CO	28969
CO	28985
CO	28997
CO	32200
CO	32275
CO	32289
CO	32310
CO	32317
CO	32319
CO	32334
CO	32339
CO	32340
CO	32348
CO	32350
CO	32385
CO	32390
CO	85004
CO	85015
CO	85032
CO	85033
CO	85059
CO	85094
CO	85124
CO	85178
CO	85194
CO	85210
CO	85246
CO	85271
CO	85284
CO	85292
CO	85320
CO	85332
CO	85415
CO	85437
CO	85498
CO	85532
CO	85555
CO	85577
CO	85597
CO	85690

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
CO	85692
CO	85725
CO	85792
CO	85825
CO	85841
CO	85851
CO	85883
CO	85908
CO	85975
CO	85984
CO	86120
CO	86168
CO	86260
CO	86267
CO	86284
CO	86402
CO	86413
CO	86465
CO	86483
CO	86516
CO	86518
CO	86545
CO	86581
CO	86591
CO	86600
CO	86613
CO	86646
CO	86648
CO	86654
CO	86699
CO	86772
CO	86776
CO	86777
CO	86781
CO	86792
CO	86823
CO	86895
CO	86900
CO	86921
CO	86947
CO	86951
CO	86968
CO	86976
CO	103097
CO	103293
CO	103333

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
CO	103336
CO	103360
CO	103385
CO	103411
CO	103512
CO	103589
CO	103706
CO	103751
CO	103771
CO	103820
CO	103831
CO	103897
CO	103935
CO	103952
CO	103968
CO	110010
CO	110039
CO	110044
CO	110050
CO	110053
CO	110083
CO	110099
CO	110100
CO	110101
CO	110107
CO	110111
CO	110143
CO	110161
CO	110168
CO	110200
CO	110277
CO	110295
CO	110349
CO	110350
CO	110376
CO	110384
CO	110409
CO	110423
CO	110435
CO	110436
CO	110467
CO	110494
CO	110508
CO	110544
CO	110545
CO	110578

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
CO	110605
CO	110657
CO	110668
CO	110709
CO	110717
CO	110727
CO	110755
CO	110774
CO	110824
CO	110826
CO	110840
CO	110854
CO	110874
CO	110895
CO	111007
CO	111073
CO	111178
CO	111286
CO	111341
CO	111348
CO	111441
CO	111474
CO	111484
CO	111507
CO	111536
CO	111864
CO	111875
CO	112043
CO	112066
CO	112133
CO	112317
CO	112411
CO	112765
CO	113601
CO	113772
CO	114154
CO	114660
CO	114956
CO	150020
CO	150088
CO	150113
CO	150114
CO	150222
CO	150231
CO	150243
CO	150276

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
CO	150309
CO	150320
CO	150354
CO	150418
CO	150529
CO	150709
CO	150816
CO	150831
CO	151014
CO	151043
CO	151073
CO	151144
CO	151157
CO	151499
CO	151511
CO	151559
CO	151606
CO	151610
CO	151686
CO	151721
CO	151789
CO	151921
CO	152280
CO	152364
CO	152507
CO	152596
CO	152616
CO	152720
CO	152812
CO	152843
CO	152940
CO	152968
CO	152977
CO	153073
CO	153084
CO	153110
CO	153194
CO	155163
CO	155247
CO	526003
CO	526046
CO	526053
CO	526072
CO	526077
CO	526083
CO	526085

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
CO	526086
CO	526104
CO	526144
CO	526221
CO	526282
CO	526287
CO	526314
CO	526316
CO	526365
CO	526412
CO	526421
CO	526424
CO	526463
CO	526468
CO	526545
CO	526616
CO	526633
CO	526680
CO	526703
CO	526733
CO	526747
CO	526790
CO	526822
CO	526912
CO	526929
CO	526931
CO	526965
WM	70013
WM	70041
WM	70060
WM	70061
WM	70067
WM	70068
WM	70070
WM	70092
WM	70106
WM	70107
WM	70128
WM	70129
WM	70143
WM	70165
WM	70173
WM	70174
WM	70185
WM	70195
WM	70206

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
WM	70213
WM	70232
WM	70243
WM	70244
WM	70252
WM	70261
WM	70264
WM	70270
WM	70277
WM	70288
WM	70295
WM	70301
WM	70302
WM	70304
WM	70322
WM	70338
WM	70357
WM	70361
WM	70364
WM	70366
WM	70368
WM	70369
WM	70375
WM	70380
WM	70388
WM	70400
WM	70430
WM	70443
WM	70448
WM	70464
WM	70466
WM	70470
WM	70474
WM	70480
WM	70481
WM	70489
WM	70528
WM	70538
WM	70539
WM	70541
WM	70555
WM	70559
WM	70562
WM	70571
WM	70607
WM	70611

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
WM	70615
WM	70637
WM	70648
WM	70667
WM	70668
WM	70681
WM	70699
WM	70720
WM	70721
WM	70725
WM	70743
WM	70748
WM	70752
WM	70768
WM	70773
WM	70798
WM	70826
WM	70828
WM	70840
WM	70860
WM	70865
WM	70868
WM	70871
WM	70930
WM	70934
WM	70943
WM	70979
WM	70980
WM	71004
WM	71024
WM	71050
WM	71071
WM	71106
WM	71191
WM	71206
WM	71216
WM	71245
WM	71246
WM	71287
WM	71292
WM	71305
WM	71307
WM	71313
WM	71315
WM	71321
WM	71333

CO LEASE DATED 12/1/78
(LEASE NUMBER 3217)
LISTING OF 1108 REMAINING CARS

INITIAL	NUMBER
WM	71351
WM	71370
WM	71392
WM	71401
WM	71411
WM	71419
WM	71430
WM	71496
WM	72195
WM	72201
WM	72230
WM	72268
WM	80001
WM	80005
WM	80007
WM	80038
WM	80056
WM	80058
WM	80060
WM	80067
WM	80113
WM	80152
WM	80161
WM	80172
WM	80190
WM	80193
WM	80205
WM	80211
WM	80220
WM	80230
WM	80234
WM	80240
WM	80245
WM	80279
WM	80280
WM	80288
WM	80294
WM	80306
WM	80309
WM	80311
WM	80312
WM	80319
WM	80353
WM	80378
WM	80396
WM	80433