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RECORDATION NO. 19622-ABC FILED 1425

SEP 29 1995 8 40 AM

INTERSTATE COMMERCE COMMISSION

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OF COUNSEL
URBAN A. LESTER

Counterpart - [Signature]

September 29, 1995

Mr. Vernon A. Williams
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

LICENSING BRANCH

SEP 29 8 35 AM '95

RECEIVED
OFFICE OF THE
SECRETARY

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two (2) copies of a Memorandum of Railroad Equipment Lease, dated as of September 29, 1995, a primary document as defined in the Commission's Rules for the Recordation of Documents under 49 C.F.R. Section 1177 and two (2) copies of each of the following secondary documents related thereto: Security Agreement and Assignment of Lease, Consent and Agreement and Bill of Sale.

The names and addresses of the parties to the enclosed documents are:

Memorandum of Railroad Equipment Lease

Lessor: The First National Bank of Maryland
25 South Charles Street
Baltimore, Maryland 21201

Lessee: Consolidated Rail Corporation
2001 Market Street
Philadelphia, Pennsylvania 19101

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Security Agreement and Assignment of Lease

Debtor: The First National Bank of Maryland
25 South Charles Street
Baltimore, Maryland 21201

Secured Party: First Fidelity Bank, N.A.
123 South Broad Street
Philadelphia, Pennsylvania 19109

Consent and Agreement

Lessee: Consolidated Rail Corporation
2001 Market Street
Philadelphia, Pennsylvania 19101

Bill of Sale

Seller: Consolidated Rail Corporation
2001 Market Street
Philadelphia, Pennsylvania 19101

Purchaser: The First National Bank of Maryland
25 South Charles Street
Baltimore, Maryland 21201

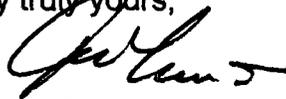
A description of the railroad equipment covered by the enclosed documents is:

56 GP38-2 locomotives bearing CR reporting marks and road numbers as set forth on Exhibit A attached to the Memorandum of Railroad Equipment Lease.

Also enclosed is a check in the amount of \$84.00 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return stamped copies of the enclosed documents to the undersigned.

Very truly yours,



Robert W. Alvord

SEP 29 1995 8 40 AM

CONSENT AND AGREEMENT

PENNSYLVANIA COMMERCE COMMISSION

This Consent and Agreement dated as of September 29, 1995 is executed and delivered by Consolidated Rail Corporation ("Conrail") to and for the benefit of First Fidelity Bank, N.A. ("Lender")

BACKGROUND

Conrail is the Lessee under that certain Railroad Equipment Lease dated as of September 29, 1995 (the "Lease") with The First National Bank of Maryland (the "Lessor"). Conrail has received a copy of the Security Agreement and Assignment of Lease dated as of September 29, 1995 (the "Security Agreement") executed by and between Lessor as Debtor and Lender as Secured Party.

NOW THEREFORE, the undersigned, intending Lender to rely upon this Consent and Agreement and to be binding upon Conrail, hereby agrees as follows:

SECTION 1. Consent. Conrail hereby consents to the Security Agreement in favor of Lender and to the assignment of the Lease and Collateral as provided for therein and agrees that the rights, powers, privileges and other benefits assigned to Lender thereby and all remedies of Lessor under the Lease may be enforced by Lender separate and apart from and without joinder of Lessor. Conrail acknowledges and agrees that Lender by operation of the Security Agreement and the Consent and Agreement has not assumed any obligation to Lessee under the Lease or the Purchase Agreement or under or with respect to any portion of the Collateral, except to respect the quiet enjoyment of Lessee under and subject to the terms of the Lease.

SECTION 2. Gross Rentals. Until such time as Secured Party shall otherwise in writing direct, Conrail hereby agrees to make all payments of Gross Rentals without set off or defense whatsoever (except as allowed by Section 2 of the Lease for Lessor's Portion of Rent upon any interference by Lessor with Conrail's quiet enjoyment of any Unit when no Event of Default shall then exist thereunder), direct to Secured Party to the following account:

First Fidelity Bank, N.A.

ABA No: 031-201467

Account #0703249910

Attn: First Fidelity Leasing Group, Inc./Bank 250 Class 57

SECTION 3. Finance Lease. Conrail acknowledges and agrees that the Lease is a "finance lease" under Article 2A of the Uniform Commercial Code as an effect in Pennsylvania. Conrail further agrees that Conrail will remain obligated under the Lease in accordance with its terms

and that it will not take any action to terminate, rescind or void the Lease, notwithstanding any default by Lessor, the existence of any defense, setoff, counterclaim or right of abatement, reduction or recoupment as between Lessor and Conrail, the existence of any other liability or obligation of any kind or character on the part of Lessor to Conrail or to any third person or government authority, or any bankruptcy or other proceedings affecting Lessor or any assignee thereof, or receiver of Lessor, or of any such assignee or by any court in any such proceeding.

SECTION 4. Amendments, Waivers and Consents. Conrail acknowledges and agrees that no amendment, waiver or consent under the Lease shall be effective without the written consent and joinder of Secured Party and any such amendment, waiver or consent shall be without force or effect unless Secured Party is a party thereto.

SECTION 5. Conrail Representations. Conrail represents and warrants Secured Party each of the following:

(1) Conrail has conveyed good and marketable title to the Units to Lessor free and clear of all liens and encumbrances whatsoever except the Lease;

(2) All indemnifications under the Lease that are made by Conrail as Lessee shall extend to Lender as Lessor's assignee;

(3) Conrail will provide direct to Lender all financial and other reports as the times and as required by the Lease;

(4) As of the date hereof, there remain unpaid under the Lease nine (9) installments of Base Rental, each due in the amount and at the time set forth in Schedule A hereto and no such amount has been paid in advance of its due date nor has any security deposit with respect thereto been advanced or paid over by Conrail to Lessor or any other person whatsoever;

(5) All representations and warranties made by Conrail in the Lease are true and correct as of the date hereof and Lender is and shall be entitled to rely upon each such representation as if made hereunder direct to Lender and incorporated herein and set forth at length and no Event of Default or event which with notice and or time would be an Event of Default has occurred or is continuing under the Lease; and

(6) Conrail shall give Secured Party prompt written notice whenever in its opinion Lessor shall have interfered with Conrail's quiet enjoyment of the Units under the Lease.

SECTION 6. Additional Agreements. Conrail understands and agrees that, notwithstanding any provision in the Lease relating to "Lessor's Portion of Rent", whenever Secured Party shall have determined to exercise any remedy under the Lease on the occasion of an Event of Default thereunder, then it shall not be necessary, nor shall Conrail by any motion, answer, cross claim or other pleading whatsoever assert that, name or seek to add Lessor as a party to any such legal action by Secured Party, it being the acknowledged intent of Secured Party and agreement of

Lessee hereunder that Secured Party shall be entitled to initiate and maintain in its own name without any joinder of Lessor all actions necessary or appropriate to protect and enforce its right and interest in the Collateral.

SECTION 7. Miscellaneous. This Consent shall be governed by the laws of the Commonwealth of Pennsylvania and it shall not be necessary for Lender to accept this Consent by joinder or otherwise, the undersigned intending in all respects that Lender shall be entitled to rely upon same in purchasing the Note under the Security Agreement.

IN WITNESS WHEREOF, the Conrail has caused its duly authorized officer to execute this Consent as of the date set forth above.

CONSOLIDATED RAIL CORPORATION

By:  _____

COUNTY OF _____

SS:

STATE OF MARYLAND

On this 28th day of September 1995, before me personally appeared Thomas J. McGraw, to me personally known, who being by me duly sworn, says that he is Director - FINANCING, 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 he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[SEAL]

NOTARIAL SEAL
Suzanne J. Rossomando, Notary Public
City of Philadelphia, Phila. County
My Commission Expires June 28, 1999

Suzanne J. Rossomando
Notary Public

My Commission Expires: _____

COUNTY OF PHILADELPHIA

SS:

COMMONWEALTH OF PENNSYLVANIA

On this ____ day of September 1995, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is _____, 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 he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[SEAL]

Notary Public

My Commission Expires: _____

SCHEDULE A
BASE RENTAL PAYMENTS

<u>Payment Date</u>	<u>Base Rental</u>
September 29, 1996	
March 29, 1997	
September 29, 1997	
March 29, 1998	
September 29, 1998	
March 29, 1999	
September 29, 1999	
March 29, 2000	
September 29, 2000	