

NORFOLK SOUTHERN CORPORATION

LAW DEPARTMENT

THREE COMMERCIAL PLACE
NORFOLK, VIRGINIA 23510-9241
757 - 629 - 2634
FACSIMILE - 2607

RECORDATION NO. 19925-A FILED

DEC 29 '98

11-55 AM

WILLIAM A. NOELL, JR.
CORPORATE COUNSEL

December 29, 1998

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

Dear Mr. Williams:

In accordance with 49 U.S.C. §11301, we submit herewith for recording with the Surface Transportation Board original counterparts of the document described below.

This document is a Memorandum of Equipment Replacement, a "secondary document", dated as of May 29, 1998. The primary document to which this is related is the Memorandum of Chattel Mortgage and Security Agreement, filed with you on February 8, 1996, and assigned recordation number 19925.

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

MORTGAGOR: Sable Lease Co., Ltd.
c/o Sanwa Business Credit Co., Ltd.
6-1, Nishi-shinjuku 1-chome
Shinjuku-ku
Tokyo, Japan

MORTGAGEE,
SECURED
PARTY: The Sanwa Bank Limited, New York Branch
55 East 52nd Street
New York, New York 10055

Counterpart to SSB

The equipment covered by the document is as follows:

<u>Number</u> of <u>Units</u>	<u>General</u> <u>Description</u>	<u>AAR</u> <u>Symbol</u>	<u>Norfolk</u> <u>Southern</u> <u>Road Number</u>
-------------------------------------	--------------------------------------	-----------------------------	---

Replacement unit:

1	6-axle diesel- electric locomotive	C-C	9054
---	--	-----	------

Unit replaced:

1	6-axle diesel- electric locomotive	C-C	8917
---	--	-----	------

The recordation fee of \$26.00 is enclosed. After recordation, please return the counterparts not needed by the Board, stamped with the Board's recordation data, to the person hand delivering this letter.

A short summary of the document for use in the index follows:

Memorandum of Equipment Replacement dated as of May 29, 1998, between Sable Lease Co., Ltd., as mortgagor, and The Sanwa Bank Limited, New York Branch, as mortgagee and secured party, replacing one diesel-electric locomotive numbered NS 8917 with one diesel-electric locomotive numbered NS 9054.

Please acknowledge receipt on the enclosed copy of this letter.

Very truly yours,


William A. Noell, Jr.

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20423-0001

OFFICE OF THE SECRETARY

William A. Noell, Jr.
Norfolk Southern Corporation
Three Commercial Place
Norfolk, VA., 23510-9241

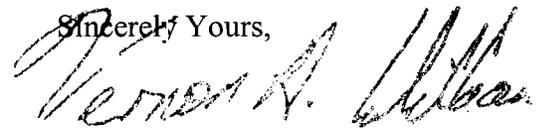
Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of 49 U.S.C. 11301

and 49 CFR 1177.3(c), on 12/29/98 at 11:55AM , and

assigned recordation number(s). 19924-A, 19925-A[✓] and 19926-B.

Sincerely Yours,



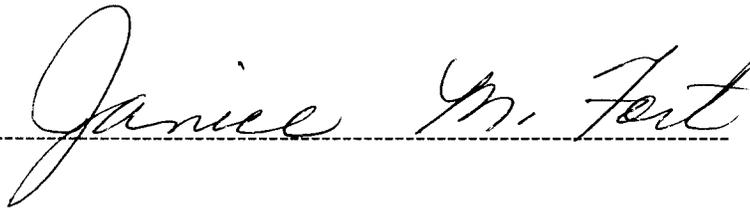
Vernon A. Williams

Enclosure(s) (3)

78.00

\$_____ The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid. In the event of an error or any questions concerning this fee, you will receive a notification after the Surface Transportation Board has an opportunity to examine your document.

Signature



DEC 29 '98

11-55 AM

MEMORANDUM OF EQUIPMENT REPLACEMENT dated as of May 29, 1998, between SABLE LEASE CO., LTD., a corporation organized under the laws of Japan (hereinafter called the **Borrower**), and THE SANWA BANK LIMITED, ATLANTA AGENCY (hereinafter called the **Security Agent**).

WHEREAS the parties hereto are parties to that certain Chattel Mortgage and Security Agreement dated as of January 29, 1996, and supplements thereto (hereinafter called the **Agreement**), covering 41 General Electric model DASH 9-40CW diesel-electric locomotives bearing the road numbers of Norfolk Southern Railway Company 8902 through 8942;

WHEREAS a memorandum of the Agreement has been filed and recorded with the Interstate Commerce Commission pursuant to then section 11303 of Title 49 of the United States Code on February 8, 1996, and assigned recordation number **19925**;

WHEREAS the parties hereto have entered into that certain supplement to the Agreement dated the date hereof, providing for the replacement thereunder of the above-described locomotive numbered 8917 (hereinafter called the **Replaced Locomotive**) with that certain General Electric model DASH 9-40CW diesel-electric locomotive, bearing the road number of Norfolk Southern Railway Company 9054 (hereinafter called the **Replacement Locomotive**).

IN WITNESS WHEREOF, the parties wish to show for the public record the termination of the Agreement with respect to the Replaced Locomotive and the mortgage of and security interest in favor of the Secured Party in the Replacement Locomotive, and accordingly have caused this memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

SABLE LEASE CO., LTD.

By 

Title: Attorney-in-fact

THE SANWA BANK LIMITED, NEW YORK,
as Security Agent

by


Title: Authorized Agent

STATE OF NEW YORK)
) SS.:
CITY OF NEW YORK)

On this 15th day of December, 1998, before me personally appeared Masahito Okubo to me personally known, who, by me being duly sworn, says that he is attorney-in-fact for SABLE LEASE CO., LTD., and that the foregoing 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.

STEPHANIE F. STERN
Notary Public, State of New York
No. 4827836
Qualified in New York County
Term Expires Nov. 30, 1999

.....
Notary Public

My commission expires

STATE OF NEW YORK)
) SS.:
CITY OF NEW YORK)

On this 15th day of December, 1998, before me personally appeared Dominic S. Messico, to me personally known, who, by me being duly sworn, says that he is Vice President of THE SANWA BANK LIMITED, NEW YORK, that the foregoing 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

STEPHANIE F. STERN
Notary Public, State of New York
No. 4827836
Qualified in New York County
Term Expires Nov. 30, 1999