



One James Center
Richmond, Virginia 23219
Telephone: (804) 782-1593
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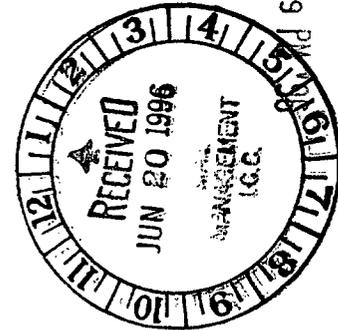
LOUIS G. RECHER
Assistant General Counsel

RECORDED 13171-G

JUN 20 1996 2:22 PM June 18, 1996

RECEIVED
SURFACE TRANSPORTATION
BOARD

JUN 20 2 19 PM



Vernon A. Williams, Secretary
Surface Transportation Board
12th Street and Constitution Avenue, N.W.
Washington, D.C. 20423

Dear Mr. Williams:

On behalf of CSX Transportation, Inc., enclosed for filing and recordation under 49 U.S.C. §11303(a) and the regulations promulgated thereunder are six (6) counterparts of a Supplement to Amended and Restated Participation Agreement and Amendment ("Agreement"), dated as of April 26, 1996, among CSX Transportation, Inc. (f/k/a Seaboard Coast Line Railroad Company) (the "Lessee"), First Security Bank of Utah, N.A., Agent (the "Vendor" or the "Agent"), Transamerica Equipment Leasing Company, Inc., First Security Bank of Idaho, N.A., solely as trustee under a certain Restated Trust Agreement dated as of May 25, 1981 (the "Vendee" or the "Lessor"), and Treasurer of the State of North Carolina (the "Permanent Investor"), which amends that certain Reconstruction and Conditional Sale Agreement dated as of May 25, 1981 (the "RCSA"), among the Agent, the Vendee and the Lessee, and a Lease of Railroad Equipment dated as of May 25, 1981, between the Vendee, as Lessor, and the Lessee (the "Lease").

The RCSA and the Lease were filed with the Interstate Commerce Commission (the "Commission") on July 2, 1981, under Recordation Nos. 13171 and 13171-B. A number of amendments has been filed with the Commission, including an Amended and Restated Participation Agreement filed with the Commission on December 27, 1982, under Recordation No. 13171-F.

The Agreement amends the RCSA and the Lease to eliminate 15 GP-16 diesel electric locomotives bearing Lessee's new road numbers CSXT 1732-1736 and 1809-1818, inclusive, and replaces them with 2 SD40-2 diesel electric locomotives bearing Lessee's new road numbers CSXT 8178 - 8179.

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20427-0001

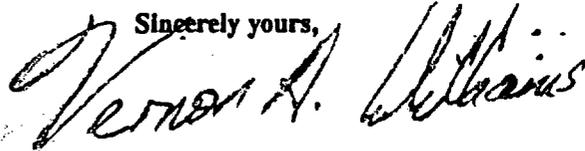
6/20/96

Louis G. Recher
Assistant General Counsel
X CSX Corp.
One James Center
Richmond, VA., 23219

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 6/20/96 at 2:25PM, and assigned recordation number(s) 13171-G.

Sincerely yours,



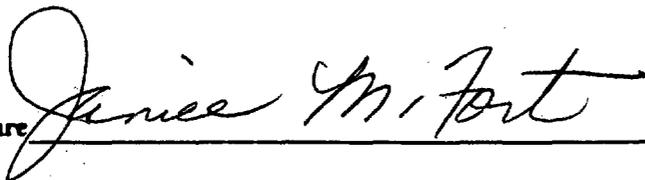
Vernon A. Williams
Secretary

Enclosure(s)

21.00

\$ _____ 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 and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



JUN 20 1996 - 2:25 PM

SUPPLEMENT TO AMENDED AND RESTATED PARTICIPATION AGREEMENT AND AMENDMENT ("this Agreement"), dated as of April 26, 1996, among CSX Transportation, Inc. (f/k/a Seaboard Coast Line Railroad Company) (the "Lessee"), First Security Bank of Utah, N.A., Agent (the "Vendor" or the "Agent"), Transamerica Equipment Leasing Company, Inc., ("Transamerica"), First Security Bank of Idaho, N.A., (as successor trustee to First Security State Bank), solely as trustee under a certain Restated Trust Agreement with the Owners dated as of May 25, 1981 (the "Trust Agreement"), (the "Vendee" or the "Lessor"), and Treasurer of the State of North Carolina (the "Permanent Investor"):

WHEREAS, the parties hereto and Commercial National Bank in Shreveport ("Commercial), have entered into an Amended and Restated Participation Agreement and Amendment dated as of December 1, 1982 (the "Participation Agreement") regarding the leveraged lease financing of certain locomotives as described therein (the "Original Equipment"); and

WHEREAS, the Agent, the Vendee and the Lessee, as a builder, entered into a Reconstruction and Conditional Sale Agreement dated as of May 25, 1981, as amended by the Participation Agreement (as so amended the "RCSA"), under which the Agent sold its security title in the Original Equipment to the Vendee reserving a security interest therein; and

WHEREAS, the Vendee has leased the Original Equipment to the Lessee pursuant to a Lease of Railroad Equipment between the Vendee and the Lessee dated as of May 25, 1981, as amended by the Participation Agreement (as so amended, the "Lease"); and

WHEREAS, the Lessee desires to purchase from the Vendee 15 units of the Original Equipment as described in Schedule A hereto (the "Purchased Equipment"), free and clear of all liens and security interests, including the security interest of the Agent under the RCSA, and the parties hereto wish to substitute replacement equipment under the RCSA and the Lease.

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

Section 1. In consideration of the Lessee's payment to the Agent of the sum of \$952,500, all of which shall promptly be distributed to Transamerica notwithstanding any provision to the contrary contained in the Lease, the Assignment of Lease and Agreement, dated as of May 25, 1981, between Vendee and Vendor, the Trust Agreement, including but not limited to, Section 2.01 of the Trust Agreement, or any other Document (as defined in Section 3), the Lessor shall convey the Original Equipment to the Lessee as is, where is and with all faults, free and clear of all liens and incumbrances arising through the Lessor and the Agent shall release the Purchased Equipment from the lien of the RCSA.

Section 2. As continuing security to the Vendor, the Permanent Investor and the Lessor, the Lessee shall convey to the Vendor those locomotives described in Schedule B hereto (the "Replacement Equipment"). Title to the Replacement Equipment shall be conveyed back to the Lessee at no purchase price at the partial termination of the RCSA and the Lease. Upon acquisition and sale of the Purchased Equipment to the Lessee, the Lessee agrees to continue to make rental payments as required under Section 2 of the Lease representing that portion of the rentals distributable to the Permanent Investor and Commercial. A schedule of such payments is set forth on Schedule D hereto.

Section 3. Effective from and after the date of Transamerica's receipt of the sum of money referred to in Section 1 hereof, Transamerica hereby assigns and delegates to the Lessee, and the Lessee hereby assumes from Transamerica, all of Transamerica's rights, title, interests, obligations, liabilities and duties under the Trust Agreement, the Participation Agreement and the other Documents (as defined in the Participation Agreement except that such term shall not include the Tax Indemnity Agreement, dated as of May 25, 1981, between the Lessee and the Owners (the "Indemnity Agreement"), and the Lessee agrees to become, and does hereby become, a party to the Trust Agreement and the Participation Agreement in the place of Transamerica and agrees to be bound by all of the terms thereof otherwise applicable to the Owners; provided, that (I) Transamerica shall remain liable for the duties, liabilities and obligations of Transamerica arising under the Trust Agreement, the Participation Agreement and the other Documents prior to the effective date of the assignment set forth in this Section 3 and (II) all indemnification and hold harmless covenants made by the Lessee (whether as lessee or builder) in the Documents (including, but not limited to, those set forth in Section 5 of the Lease) for the benefit of the Owners shall continue in full force and effect in accordance with the terms thereof notwithstanding the assignment set forth in this Section 3. The Vendee, the Vendor and the Permanent Investor each hereby consents to the assignment contained in this Section 3 and hereby waives any right it has to receive prior written notice of such assignment. The Lessee, the Vendee, the Vendor and the Permanent Investor each hereby release and hold harmless the Owners from any and all duties, liabilities and obligations arising under the Trust Agreement, the Participation Agreement and/or the other Documents on or after the effective date of the assignment contained in this Section 3. The Lessee and the Owners each acknowledge and agree that the Indemnity Agreement shall continue in full force and effect in accordance with the terms thereof.

Section 4. Schedule A of the RCSA is amended to bear the description and numbers of the Replacement Equipment as set forth in Schedule B hereto and the remaining Original Equipment described in Schedule C hereto.

Section 5. Schedule A of the Lease is amended to read as set forth in Schedule B hereto and the remaining Original Equipment described in Schedule C hereto.

Section 6. Each party hereby waives any default under Paragraph (e) of Article 11 of the RCSA otherwise resulting from the transfer of the Purchased Equipment by the Vendee to the Lessee pursuant to this Agreement.

Section 7. All costs and expenses of each party relating to the documentation and completion of this Agreement and the transactions contemplated in this Agreement, including, but not limited to, all filing, trustee and ICC counsel fees, but not including counsel fees of any party shall be paid by Lessee, who solely shall be obligated therefor.

Section 8. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party shall deliver a counterpart signed by it to the Lessee.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by duly authorized officers or other persons, as of the date first above written.

FIRST SECURITY BANK OF UTAH,
N.A., as Agent,

By: Carey Mathis
Authorized Officer

(Corporate Seal)

Attest:

Dain W. Dero
Authorized Officer

CSX TRANSPORTATION, INC.,

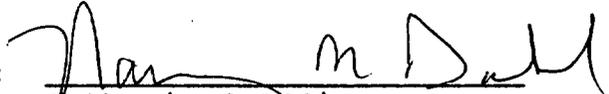
By: [Signature]
Assistant Treasurer

(Corporate Seal)

Attest:

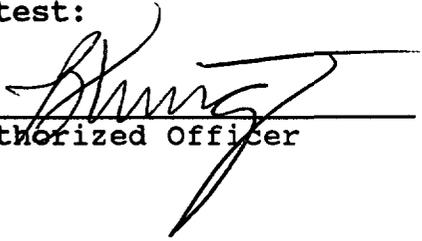
Patricia J. Afton
Corporate Secretary

FIRST SECURITY BANK OF IDAHO,
N.A., (as successor trustee to First
Security State Bank), not in its
individual capacity, but solely as
trustee under the Trust Agreement,

By: 
Authorized Officer

(Corporate Seal)

Attest:


Authorized Officer

Transamerica Leasing Inc.
as successor-by-merger to
TRANSAMERICA EQUIPMENT LEASING COMPANY,
INC.,

By: 
Authorized Officer

(Corporate Seal)

Attest:


Authorized Officer

TREASURER OF THE STATE OF NORTH
CAROLINA,

By: 
Deputy Treasurer

(Corporate Seal)

Attest:

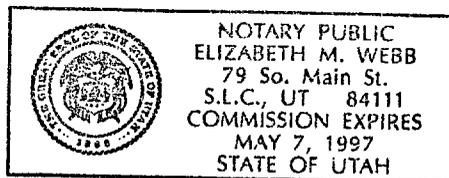

Authorized Officer

STATE OF UTAH,)
) ss.:
COUNTY OF SALT LAKE,)

On this 14th day of May 1996, before me personally appeared Nancy m. Dahl, to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of FIRST SECURITY BANK OF IDAHO, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said bank, and that said instrument was signed and sealed on behalf of said bank 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 bank.

Elizabeth M. Webb
Notary Public

My Commission Expires:

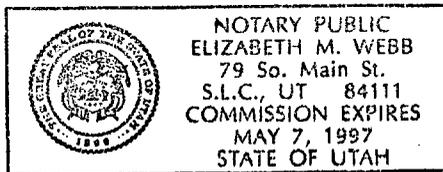


STATE OF UTAH,)
) ss.:
COUNTY OF SALT LAKE,)

On this 14th day of May 1996, before me personally appeared Carl J. Mathis, to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of FIRST SECURITY BANK OF UTAH, N.A., that one of the seals affixed to the foregoing instrument is the seal of said national banking association, that said instrument was signed and sealed on behalf of said national banking association by the authority of its By-laws, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national banking association.

Elizabeth M. Webb
Notary Public

My Commission Expires



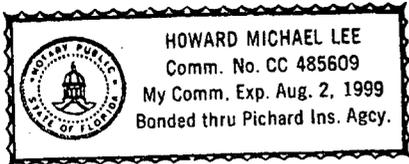
STATE OF FLORIDA,)
) ss.:
COUNTY OF DUVAL,)

On this *8th* day of *May* 1996, before me personally appeared *John C. Eckleston*, to me personally known, who, being by me duly sworn, says that he is an Assistant Treasurer of CSX TRANSPORTATION INC., that one of the seals 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.

Howard Michael Lee

Notary Public

My Commission Expires



Schedule A

<u>Quantity</u>	<u>Mechanical Designation</u>	<u>Description</u>	<u>Lessee's Road Numbers; [Inclusive]</u>
15	GP-16	Diesel Electric Locomotives	CSXT 1732/1736 CSXT 1809/1818

Schedule B

<u>Quantity</u>	<u>Mechanical Designation</u>	<u>Description</u>	<u>Lessee's Road Numbers [Inclusive]</u>
2	SD40-2	Diesel Electric Locomotives	CSXT 8178/8179

Schedule C

<u>Quantity</u>	<u>Mechanical Designation</u>	<u>Description</u>	<u>Lessee's Road Numbers [Inclusive]</u>
5	GP-16	Diesel Electric Locomotives	CSXT 1819/1823

Schedule D

Date	Principal	Interest	Total	Commercial's Equity
8/01/96	\$ 0.00	\$22,076.45	\$ 22,076.45	\$ 0.00
2/01/97	<u>360,431.90</u>	<u>22,076.45</u>	<u>382,508.35</u>	<u>83,278.03</u>
	<u>\$360,431.90</u>	<u>\$44,152.90</u>	<u>\$404,584.80</u>	<u>\$ 83,278.03</u>
	=====	=====	=====	=====