RECORDATION NO. 18132/C FILED 1425

FEB 26 1993 10:30 AM

INTERSTATE COMMERCE COMMISSION

[EXECUTION COPY]

ASSIGNMENT AGREEMENT - GE (CONRAIL 1993-A)

Dated as of February 26, 1993

FOR

THREE GENERAL ELECTRIC DASH 8-40CW

DIESEL ELECTRIC LOCOMOTIVES

CONSOLIDATED RAIL CORPORATION, as Assignor

ELKHART LOCOMOTIVE LEASE CO., LTD., as Assignee

Filed with the Interstate Commerce Commission pursuant to 49 U.S.C. §11303 on February __, 1993, at _____, recordation number _____.

CONTENTS

		PAGE
Section 1.	Definitions	1
Section 2.	Assignment and Sale	2
Section 3.	Performance	5
Section 4.	Payments	7
Section 5.	Further Instruments	8
Section 6.	Representations and Warranties	8
Section 7.	Termination	9
Section 8.	Indemnities	9
Section 9.	Governing Law; Assignment	10
Annex A	Consent, Agreement and Limited Joinder	

THIS ASSIGNMENT AGREEMENT, dated as of February 26, 1993, between CONSOLIDATED RAIL CORPORATION, a corporation organized and existing under the laws of the Commonwealth of Pennsylvania with its principal place of business at 2001 Market Street, Philadelphia, Pennsylvania 19101-1417 (the "Assignor") and ELKHART LOCOMOTIVE LEASE CO., LTD., a corporation organized under the laws of the Cayman Islands with its registered office at Caledonian House, Mary Street, George Town, Grand Cayman, Cayman Islands, British West Indies (the "Assignee").

WITNESSETH:

WHEREAS, pursuant to the Purchase Agreement (as hereinafter defined), the Manufacturer (as hereinafter defined) agreed to manufacture and sell to the Assignor, and the Assignor agreed to purchase from the Manufacturer, a total of 70 General Electric Dash 8-40CW diesel electric locomotives;

WHEREAS, the Assignor, on the terms and conditions hereinafter set forth, is willing to assign to the Assignee certain of the Assignor's rights and interests under the Purchase Agreement, and the Assignee is willing to accept such assignment, as hereinafter set forth, in order to enable the Assignee to purchase the Items of Equipment (as hereinafter defined) from the Manufacturer and to lease the Items of Equipment to the Assignor pursuant to the Lease Agreement (as hereinafter defined); and

WHEREAS, pursuant to the provisions hereof, the Manufacturer is willing to execute and deliver to the Assignee the "Consent, Agreement and Limited Joinder - GE (Conrail 1993-A)" attached hereto as Annex A and made a part hereof;

NOW, THEREFORE, in consideration of the mutual covenants herein contained and intending to be legally bound hereby, the parties hereto agree as follows:

SECTION 1. DEFINITIONS

1.1 For all purposes of this Agreement, the following terms shall have the following meanings:

"Delivery Date" means the date of the initial Lease Supplement for the Items of Equipment, which date shall be the date on which the Items of Equipment are delivered to and accepted by the Assignee under this Agreement and the Purchase Agreement and the Assignee leases the Items of Equipment to the Assignor pursuant to the Lease Agreement.

"Dollars" or "$" means the lawful currency of the United States of America.

"Item of Equipment" means each of the General Electric Dash 8-40CW diesel electric locomotives listed by Lessee's road numbers in the initial Lease Supplement.

"Lease Agreement" means the Lease Agreement (Conrail 1993-A) dated as of February 26, 1993 between the Assignee, as lessor, and the Assignor, as lessee, and all annexes, exhibits, schedules and supplements thereto, all as amended, modified or supplemented from time to time.

"Lease Supplement" means the Lease Supplement (Conrail 1993-A), substantially in the form of Exhibit A to the Lease Agreement, to be entered into between the Assignor and the Assignee for the purpose of leasing the Items of Equipment under and pursuant to the terms of the Lease Agreement, and any amendment to the Lease Supplement.

"Manufacturer" means General Electric Company, a New York corporation, and its successors and assigns.

"Equity Participation Agreement" means the Equity Participation Agreement (Conrail 1993-A) dated as of February 26, 1993 between the Assignor, as Lessee, and the Assignee, as Lessor, and all annexes, exhibits, schedules and supplements thereto, all as amended, modified or supplemented from time to time.

"Purchase Agreement" means the Purchase Agreement, dated January 4, 1993, between the Manufacturer and the Assignor, providing, among other things, for the manufacture and sale by the Manufacturer to the Assignor of a total of 70 General Electric Dash 8-40CW diesel electric locomotives, as such Purchase Agreement has been or may hereafter be amended, modified or supplemented.

"Purchase Price" means $4,532,160.00.

1.2 Except as otherwise provided herein, all other capitalized terms that are defined in Appendix X to the Equity Participation Agreement are used herein with the same meanings.

SECTION 2. ASSIGNMENT AND SALE

2.1 Subject to the terms and conditions of this Agreement, the Assignor does hereby assign, transfer and set over unto the Assignee all of the Assignor's rights and interests in and to the Purchase Agreement with respect to the Items of Equipment, including, without limitation:

(a) the right upon valid tender by the Manufacturer to purchase the Items of Equipment pursuant to the Purchase Agreement (including the right to accept

delivery of the Items of Equipment and the records and other documents relating thereto), the right to take title to the Items of Equipment and the right to be named the "Buyer" in the bill of sale to be delivered by the Manufacturer for the Items of Equipment pursuant to the Purchase Agreement;

(b) all claims for damages in respect of the Items of Equipment arising as a result of any default by the Manufacturer under the Purchase Agreement including, without limitation, all warranty and indemnity provisions contained in the Purchase Agreement, and all claims arising under or in connection with the Purchase Agreement in respect of the Items of Equipment;

(c) any and all rights of the Assignor to compel performance of the terms of the Purchase Agreement in respect of the Items of Equipment;

(d) all rights and remedies that the Assignor may have against the Manufacturer with regard to each Item of Equipment in respect of any warranty under the Purchase Agreement as to title, materials, workmanship, patent infringement or otherwise;

(e) with respect to the Items of Equipment, for so long as the Items of Equipment are owned by the Assignee but not leased to the Assignor, (i) the right to demand, accept and retain all rights in and to all property (other than the Items of Equipment), data and services that the Manufacturer is obligated to provide or does provide pursuant to the Purchase Agreement, and (ii) the right to obtain services pursuant to the Purchase Agreement;

reserving to the Assignor, however:

(i) to the extent the Purchase Agreement is deemed to relate to other property, all of the rights in the Purchase Agreement not related to the Items of Equipment;

(ii) all the rights to, interests in, credits for and repayment of any advance payments made or to be made in respect of the Items of Equipment under the Purchase Agreement and any other payments made or to be made by the Assignor in respect of the Items of Equipment under the Purchase Agreement and amounts credited or to be credited by the Manufacturer under the Purchase Agreement; and

(iii) with respect to the Items of Equipment, so long as the Items of Equipment are leased to the Assignor pursuant to the Lease Agreement, (A) the right to demand, accept and retain all rights in and to all property (other than the Items of Equipment), data and services that the Manufacturer is obligated to provide or does provide pursuant to the Purchase Agreement, and (B) the right to obtain services pursuant to the Purchase Agreement.

2.2 The Assignee hereby accepts the foregoing assignment, subject to the terms hereof.

2.3 Notwithstanding the foregoing, so long as the Assignee has not declared the Lease Agreement to be in default pursuant to Section 15 thereof, and after such declaration if and so long as all Events of Default thereunder have been cured in accordance with the Lease Agreement, the Assignee hereby authorizes the Assignor to exercise to the exclusion of the Assignee, and the Assignor shall exercise in the Assignor's name, all rights and powers of the "Buyer" under the Purchase Agreement including, without limitation, the right to retain any recovery or benefit resulting under the Purchase Agreement in respect of the Items of Equipment, except that;

(a) the Assignor may not exercise any of the rights assigned hereunder referred to in clause (a) of Section 2.1 unless prior to the exercise thereof the Assignee shall have delivered on the Delivery Date to the Manufacturer written notice that the Assignee has released such rights with respect to the Items of Equipment; and

(b) the Assignor shall not enter into any change order or other amendment, modification or supplement to the Purchase Agreement without the prior written consent of the Assignee if such change order, amendment, modification or supplement would:

(i) substitute another diesel locomotive for an Item of Equipment that the Assignee is entitled to purchase under the Purchase Agreement;

(ii) increase the purchase price of the Items of Equipment to an amount in excess of the Purchase Price (without prejudice to the operation of Section 7);

(iii) postpone the Delivery Date beyond February 26, 1993 (without prejudice to the operation of Section 7); or

(iv) except as provided in the Purchase Agreement, result in any rescission, cancellation or termination of the Purchase Agreement.

2.4 Notwithstanding any provision herein to the contrary, the assignment set forth in Section 2.1 (b), (c), (d) and (e) shall terminate with respect to any Item of Equipment, and all such rights and remedies thereunder with respect to such Item of Equipment shall revert to the Assignor, upon the purchase by the Assignor of such Item of Equipment pursuant to Section 9, 10, 15 or 19 of the Lease Agreement.

2.5 It is understood that the execution by the Assignor of this Agreement is subject to the condition that concurrently with the delivery of the Items of Equipment, the Assignee shall lease the Items of Equipment to the Assignor under the Lease Agreement.

SECTION 3. PERFORMANCE

3.1 It is expressly agreed that, anything herein contained to the contrary notwithstanding:

(a) on or prior to the Delivery Date the Assignor shall secure execution by the Manufacturer of the "Consent, Agreement and Limited Joinder" attached as Annex A hereto;

(b) prior to the Delivery Date the Assignor shall perform the obligations to be performed by it with respect to each Item of Equipment under the Purchase Agreement on or before the Delivery Date;

(c) the Assignor shall exercise its rights and perform its obligations under the Purchase Agreement to the extent that such rights and obligations have not been assigned hereunder;

(d) the Assignor will at all times remain liable to the Manufacturer under the Purchase Agreement to perform all the duties and obligations of the "Buyer" thereunder to the same extent as if this Agreement had not been executed;

(e) the exercise by the Assignee of any of the rights assigned or performance of the duties or obligations assumed hereunder will not release the Assignor from any of its duties or obligations to the Manufacturer under the Purchase Agreement, except to the extent that such exercise by the Assignee will constitute performance of such duties and obligations; and

(f) except as provided in Sections 3.5 and 4 below, the Assignee will not have any obligation or liability under the Purchase Agreement (including, in particular but without limitation, any liability under Section 9 of the Purchase Agreement for payment of any taxes referred to therein, the obligation for the payment of which will remain with the Assignor as provided in paragraph (d), above) by reason of, or arising out of or in connection with, this Agreement or be obligated to perform any of the obligations or duties of the Assignor under the Purchase Agreement or to make any payment (other than to pay to the Manufacturer an amount equal to the Purchase Price on the Delivery Date, to the extent and upon the terms and conditions set forth in the Purchase Agreement, this Agreement and the Consent, Agreement and Limited Joinder) or to make any inquiry as to the sufficiency of any payment received by it or to present or file any claim or to take any other action to collect or enforce a claim for any payment assigned hereunder.

3.2 Nothing contained herein will subject the Manufacturer to any liability to which it would not otherwise be subject under the Purchase Agreement or modify in any respect the Manufacturer's contract rights thereunder nor require the Manufacturer to

transfer title to or possession of the Items of Equipment prior to receipt of payment in full of the Purchase Price therefor as provided in the Purchase Agreement; provided, that payment by the Assignee of the Purchase Price will constitute payment in full of the purchase price of the Items of Equipment referred to in Section 2 of the Purchase Agreement as having a "1st Quarter 1993" delivery.

3.3 The Assignor hereby appoints and constitutes, effective upon the occurrence of an Event of Default under the Lease Agreement and so long as such Event of Default is continuing thereunder, the Assignee, and its successors and assigns, the Assignor's true and lawful attorney, irrevocably, with full power (in the name of the Assignor or otherwise) to ask, require, demand, receive, compound and give acquittance for any and all monies and claims for monies due and to become due under or arising out of or in connection with the Purchase Agreement to the extent that the same have been assigned by this Agreement and, for such period as the Assignee may exercise rights with respect thereto under this Agreement, to endorse any checks, drafts, orders or other instruments in connection therewith and to file any claims or take any action or institute (or, if previously commenced, assume control of) any proceedings and to obtain any recovery in connection therewith that the Assignee may deem to be necessary or advisable with respect to such monies and claims for monies.

3.4 (a) Any notice, declaration, instruction, demand, request, consent, approval or other communication (a "communication") to be made under or pursuant to this Agreement will be made only in writing and may be given by airmail, telegram, cable, telecopy or telefax or any other customary means of communication, and any such communication shall be effective when delivered (i) if to the Manufacturer, at General Electric Company, Transportation Systems Business Operations, 2901 East Lake Road, Erie, PA 16531, Attention: General Counsel, Transportation Systems Business Operation, Telecopy/Telefax: 814-875-2724, or at such address as Manufacturer may from time to time designate and the Manufacturer shall be entitled and obligated to treat any such communication made by the Assignee as a communication for all purposes of this Agreement, (ii) if to Assignor, at 2001 Market Street, P.O. Box 41425, Philadelphia, Pennsylvania 19101-1425, Attention: Director-Financing, Telecopy/Telefax: (215) 209-5346, or at such address as Assignor may from time to time designate, and (iii) if to Assignee, c/o Babcock & Brown, Incorporated, Hills Plaza, 2 Harrison Street, San Francisco, California 94105, Attention: General Counsel, Telecopy/Telefax: (415) 267-1500, with a copy to Nomura Babcock & Brown Co., Ltd., at Dai-Ichi Edobashi Building, 1-11-1 Nihonbashi, Chuo-ku, Tokyo 103, Japan, Attention: General Manager, Telecopy/Telefax: 81-3-3281-0215, or at such other address as Assignee may from time to time designate.

(b) The Manufacturer will not be deemed to have knowledge of, and need not recognize, the occurrence, continuance, or discontinuance of an Event of Default under the Lease Agreement or any Item of Equipment being no longer subject to the Lease Agreement unless the Manufacturer has received from the Assignee written

notice thereof, and in acting in accordance with the terms and conditions of the Purchase Agreement and this Agreement, the Manufacturer may rely conclusively upon any such notice. To the extent that the Assignee asserts any claims or exercises any rights under the Purchase Agreement, the Manufacturer will deal solely and exclusively with the Assignee as the "Buyer" under the Purchase Agreement. Promptly after all Events of Default under the Lease Agreement have been remedied or such Item of Equipment once again becomes subject to the terms of the Lease Agreement, the Assignee shall give written notice of the same to the Manufacturer, with a copy to the Assignor and upon the Manufacturer's receipt of such notice, the Assignor will have all of the rights that it has hereunder and under the Consent, Agreement and Limited Joinder in the absence of notice from the Assignee of an Event of Default.

3.5 Without in any way releasing the Assignor from any of its duties or obligations under the Purchase Agreement, the Assignee confirms for the benefit of the Manufacturer that, insofar as the provisions of the Purchase Agreement relate to the Items of Equipment in exercising any rights under the Purchase Agreement or in making any claim with respect to any Item of Equipment or other goods or services delivered or to be delivered pursuant to the Purchase Agreement, the terms and conditions of the Purchase Agreement, including, without limitation, the assignment provision will apply to and be binding upon the Assignee to the same extent as the Assignor; provided, however, that nothing contained in this Agreement will in any way diminish or limit the provisions of the Assignor's agreement in Section 8 below with respect to any liability of the Assignee.

SECTION 4. PAYMENTS

4.1 Subject to the satisfaction or waiver by the Assignee of the conditions set forth in Section 3 of the Equity Participation Agreement required to be satisfied on or prior to the Delivery Date and further subject to Section 7 hereof, the Assignee agrees to pay on the Delivery Date to the Manufacturer, in consideration for the transfer of all the right, title and interest in and to the Items of Equipment in accordance herewith, the Purchase Price by transfer of the amount thereof to the account specified by the Manufacturer.

4.2 Notwithstanding any other provision herein, in the event that any change in any applicable law, rule or regulation or in the interpretation or administration thereof will make it unlawful for the Assignee to pay or fund the Purchase Price, then the Assignee will forthwith notify the Assignor thereof, and the obligation of this Agreement, including that of the Assignee to pay the Purchase Price pursuant to Section 4.1, will, if such payment has not been made, cease to have any effect and this Agreement will be without further force or effect, except that the Assignor will remain responsible to the Manufacturer under Sections 3.1(d) and (e) of this Agreement and except that such termination will not affect the obligations of the Assignor under the Purchase Agreement.

SECTION 5. FURTHER INSTRUMENTS

The Assignor agrees that at any time and from time to time, upon the written request of the Assignee, the Assignor will promptly and duly execute and deliver any and all such further instruments and documents and take such further action as the Assignee may reasonably request in order to obtain the full benefits of this Agreement and of the rights and powers herein granted.

SECTION 6. REPRESENTATIONS AND WARRANTIES

6.1 The Assignor hereby represents and warrants that:

(a) a true and complete copy of the Purchase Agreement has been furnished to the Assignee;

(b) the Purchase Agreement is in full force and effect and is enforceable in accordance with its terms;

(c) the Assignor is not in default under the Purchase Agreement;

(d) the Purchase Price constitutes full, adequate and fair consideration for the Items of Equipment; and

(e) the Assignor has not assigned, mortgaged, charged, pledged or encumbered the whole or any part of the rights assigned hereby with respect to any or all of the Items of Equipment under the Purchase Agreement to anyone other than the Assignee.

6.2 The Assignor hereby covenants that:

(a) the Assignor shall not assign, mortgage, charge, pledge or encumber, so long as this Agreement remains in effect, the whole or any part of the rights under the Purchase Agreement hereby assigned with respect to any or all of the Items of Equipment to anyone other than the Assignee; and

(b) upon delivery of the Items of Equipment to the Assignee pursuant to the Purchase Agreement and this Agreement, the Assignee will acquire such title to the Items of Equipment as would have been conveyed to the Assignor under the Purchase Agreement but for the execution of this Agreement and the Items of Equipment will be free and clear of all liens arising from the act of the Assignor.

SECTION 7. TERMINATION

7.1 Upon the occurrence of an Event of Default under the Lease Agreement, or if the Items of Equipment have not been delivered by February 26, 1993, the Assignee will have the right to terminate this Agreement by notice given to the Assignor and the Manufacturer.

7.2 If any of the conditions set forth in Section 3 of the Equity Participation Agreement are not satisfied or waived as of the Delivery Date, the Assignee will have the right to terminate this Agreement by notice to the Assignor and the Manufacturer, whereupon the Assignee will have no further obligation to the Assignor or the Manufacturer hereunder.

7.3 If the Assignee fails to perform its obligation to purchase the Items of Equipment on the Delivery Date, the Assignor will have the right to terminate this Agreement by giving written notice thereof to the Assignee and the Manufacturer.

7.4 Upon such termination neither party will have any further rights or obligations hereunder, except that the Assignor will remain responsible to the Manufacturer under Sections 3.1(d) and (e) of this Agreement and the Assignor will remain liable to the Assignee under Section 8 of this Agreement, and that such termination will not affect the obligations of the Assignor under the Purchase Agreement, including, without limitation, the obligation that, as between the Manufacturer and the Assignor, should any termination hereunder cause any delay in delivery of the Items of Equipment, the Assignor will be liable for any costs of such delay under the Purchase Agreement.

SECTION 8. INDEMNITIES

The Assignor hereby undertakes to indemnify and hold harmless the Assignee from all claims, costs, expenses, damages and liabilities of whatever kind and nature imposed on, incurred by or asserted against Assignee in any way relating to or arising out of or in connection with the Purchase Agreement and this Agreement or any action or inaction of the Assignor in connection with the Purchase Agreement and this Agreement unless such claims, costs, expenses, damages and liabilities are attributable to or caused by the willful misconduct or gross negligence of the Assignee.

SECTION 9. GOVERNING LAW; ASSIGNMENT

9.1 This Agreement will be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

9.2 Except as otherwise provided in the Indenture, neither party may assign any of its rights and obligations under this Agreement without the prior written consent of the other and the Manufacturer.

9.3 This Agreement may be executed in any number of counterparts (and each of the parties hereto shall not be required to execute the same counterpart). Each counterpart of this Agreement, including a signature page executed by either party hereto, shall be an original counterpart of this Agreement but all such counterparts together shall constitute one instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

CONSOLIDATED RAIL CORPORATION

By: _____
Name: Thomas J. McGraw
Title: Director-Financing

ELKHART LOCOMOTIVE LEASE CO., LTD.

By: _____
Name: F. Jan Blaustein
Title: President

STATE OF PENNSYLVANIA :
SS
COUNTY OF PENNSYLVANIA :

On this, the 25 day of February, 1993, before me, a notary public, personally appeared Thomas J. McGraw, to me personally known, who being by me duly sworn, says that he is the Director-Financing of Consolidated Rail Corporation, that said instrument was executed on February 25, 1993 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.

Sworn to before me this
25 day of February, 1993

(NOTARIAL SEAL)

Notary Public

My Commission Expires:

Notarial Seal
Jeanne McAteer, Notary Public
Philadelphia, Philadelphia County
My Commission Expires June 10, 1996
Member, Pennsylvania Association of Notaries

STATE OF CALIFORNIA :
SS
COUNTY OF SAN FRANCISCO:

On this, the 25 day of February, 1993, before me, a notary public, personally appeared F. Jan Blaustein, to me personally known, who being by me duly sworn, says that she is the President of Elkhart Locomotive Lease Co., Ltd., that said instrument was executed on February 25, 1993 on behalf of said corporation by authority of its Board of Directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

OFFICIAL SEAL
KATHLEEN ALDERFER
Notary Public-California
SAN FRANCISCO COUNTY
My Comm. Exp. Oct. 17, 1993

(NOTARIAL SEAL)

Sworn to before me this
25 day of February, 1993

Kathleen Alderfer
Notary Public

My Commission Expires: 10. 17. 93

Annex A

CONSENT, AGREEMENT AND LIMITED JOINDER - GE (CONRAIL 1993-A)

THIS CONSENT, AGREEMENT AND LIMITED JOINDER, dated as of February 26, 1993, among GENERAL ELECTRIC COMPANY (the "Manufacturer"), a New York corporation, CONSOLIDATED RAIL CORPORATION, a Pennsylvania corporation (the "Assignor"), and ELKHART LOCOMOTIVE LEASE CO., LTD., a corporation organized under the laws of the Cayman Islands (the "Assignee").

In connection with the Assignment Agreement - GE (Conrail 1993-A) dated as of February 26, 1993 between Assignor and Assignee attached hereto (the "Assignment," capitalized terms used but not defined herein shall have the meanings given to them in the Assignment), the Manufacturer hereby acknowledges notice of and consents to all of the terms of the Assignment Agreement to the extent relating to the assignment by the Assignor of its rights and interests under the Purchase Agreement and hereby confirms to the Assignee that:

(i) all representations, warranties, indemnities and agreements of the Manufacturer under the Purchase Agreement with respect to the Items of Equipment will (subject to the terms and conditions thereof and of the Assignment) inure to the benefit of the Assignee to the same extent as if originally named the "Buyer" therein, except as otherwise provided in Section 2 of the Assignment;

(ii) the Assignee will not be liable for any of the obligations or duties of the Assignor under the Purchase Agreement, nor will the Assignment give rise to any duties or obligations whatsoever on the part of the Assignee owing to the Manufacturer except for the Assignee's agreement in the Assignment to pay the Purchase Price and to the effect that in exercising any right under the Purchase Agreement with respect to any Item of Equipment or making any claims with respect to any Item of Equipment or the goods and services delivered and to be delivered pursuant to the Purchase Agreement, the terms and conditions of such Purchase Agreement relating to such Item of Equipment will apply to, and be binding upon, the Assignee to the same extent as the Assignor;

(iii) the Manufacturer will continue to pay to the Assignor all payments that the Manufacturer may be required to make in respect of each Item of Equipment under the Purchase Agreement unless and until the Manufacturer has received written notice from the Assignee that the Assignee has declared the Lease Agreement to be in default, whereupon the Manufacturer will, until the Assignee notifies the Manufacturer in writing that no Event of Default exists under the Lease Agreement, make any and all payments that Manufacturer may be required thereafter to make in respect of each Item of

Equipment under the Purchase Agreement and the right to receive which has been assigned under the Assignment, directly to the Assignee;

(iv) the Manufacturer agrees promptly to notify the Assignee in writing of any assignment of the Manufacturer's rights and obligations under the Purchase Agreement, or the Manufacturer's title to the Items of Equipment, to a third party in accordance with Section 18 of the Purchase Agreement; and

(v) from and after the delivery of the Items of Equipment and payment in full therefor pursuant to the terms of the Purchase Agreement, the Manufacturer will not assert any lien or claim that arose prior to such delivery or payment against the Items of Equipment or any part thereof.

The Manufacturer hereby represents and warrants that:

(a) the Manufacturer is a corporation duly organized and validly existing in good standing under the laws of the State of New York;

(b) the execution, delivery and performance of the Purchase Agreement and this Consent, Agreement and Limited Joinder have been duly authorized by all necessary corporate action on the part of the Manufacturer, do not require any shareholder approval and do not contravene the Manufacturer's Articles of Incorporation or By-laws or any indenture, credit agreement or other contractual agreement to which the Manufacturer is a party or by which it is bound; and

(c) the Purchase Agreement constitutes a binding obligation of the Manufacturer enforceable against the Manufacturer in accordance with its terms and this Consent, Agreement and Limited Joinder is a binding obligation of the Manufacturer enforceable against the Manufacturer in accordance with its terms.

Any notices, demands, requests, consents, approvals, other communications or payments required under this Consent, Agreement and Limited Joinder shall be given or made in accordance with Section 3.4 of the Assignment.

It is agreed that "Purchase Price" means $4,532,160.00.

It is understood that the execution by the Manufacturer of this Consent, Agreement and Limited Joinder is subject to the condition that concurrently with the delivery of the Items of Equipment to the Assignee on the Delivery Date the Assignee will lease the Items of Equipment to the Assignor under the Lease Agreement.

The Manufacturer joins in the Assignment solely for the purpose of obtaining the benefits of the provisions in the Assignment relating to the Manufacturer, including without limitation Sections 3.1(d) and (e), 3.2, 3.4(b), 3.5, 4.1 and 7.4.

IN WITNESS WHEREOF and intending to be legally bound hereby, the undersigned have executed this Consent, Agreement and Limited Joinder as of the date first written above.

GENERAL ELECTRIC COMPANY

By:_____
Name: Thomas P. Saddlemire
Title: Manager, Transportation
Systems Finance Operation

CONSOLIDATED RAIL CORPORATION

By:_____
Name: Thomas J. McGraw
Title: Director - Financing

ELKHART LOCOMOTIVE LEASE CO., LTD.

By:_____
Name: F. Jan Blaustein
Title: President

CONSOLIDATED RAIL CORPORATION
ELKHART LOCOMOTIVE LEASE CO., LTD.

FINANCING OF THREE GENERAL ELECTRIC DASH 8-40CW
DIESEL ELECTRIC LOCOMOTIVES
AND
FIFTEEN GENERAL MOTORS CORPORATION (ELECTRO-MOTIVE
DIVISION) MODEL SD60M DIESEL ELECTRIC LOCOMOTIVES

The definitions stated herein shall apply equally to both the singular and plural forms of the terms defined.

"Affiliate" of any Person means any other Person directly or indirectly controlling, controlled by or under common control with such Person. For the purposes of this definition, "control" when used with respect to any specified Person means the power to direct, or cause the direction of, the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Agreement," "this Agreement," "hereof," "hereby," or any other like term means, unless the context requires otherwise, the agreement in which such term is used, including all annexes, exhibits, schedules, and supplements thereto, as such agreement may be amended, modified or supplemented from time to time.

"Applicable Laws" means all rules, regulations and orders issued by the ICC, the Department of Transportation and any other government or instrumentality, subdivision or agency thereof having jurisdiction and relating to the registration, operation, maintenance and service of the Items of Equipment.

"Assignment Agreements" means, collectively, the GE Assignment Agreement and the GM Assignment Agreement.

"Assignment of Lessor's Interest in Lease and Supplemental Indenture" means the document so titled, which is described in Section 2.11(b)(ii)(x) of the Indenture.

"Bankruptcy Code" shall mean the United States Bankruptcy Reform Act of 1978, as amended from time to time, 11 U.S.C. § 101 et seq.

"Basic Rent" for the Items of Equipment means the rent payable to Lessor for the Items of Equipment pursuant to Section 3(b) of the Lease in the amounts and payable on the dates set forth in Schedule A to the Lease.

"Basic Termination Payment" means, with respect to any termination of the Lease pursuant to Section 9 or 15 of the Lease, the amount computed and payable as provided in Schedule B to the Lease.

"Bills of Sale" means, collectively, the GE Bill of Sale and the GM Bill of Sale.

"Business Day" means any day other than a Saturday, Sunday or a day on which commercial banking institutions are authorized or required by law, regulation or executive order to be closed in New York, New York, Philadelphia, Pennsylvania or Tokyo, Japan or a city in which the Indenture Trustee or the Pass Through Trustee maintains its Corporate Trust Office.

"Casualty Value Termination Payment" means, with respect to any termination of the Lease with respect to one or more Items of Equipment pursuant to Section 10 of the Lease, the amount computed and payable as provided in Schedule C to the Lease.

"Certificates" means, collectively, those 5.71% Pass Through Trust Certificates, Series 1993-A1, and those 6.86% Pass Through Trust Certificates, Series 1993-A2, executed and authenticated by the Pass Through Trustee, pursuant to the terms of the applicable Pass Through Trust Agreement, upon the purchase of the Equipment Notes and any replacement Certificates thereto.

"Certificates of Participation" means, collectively, those 5.71% Series 2A Certificates of Participation and those 6.86% Series 2B Certificates of Participation issued by the Indenture Trustee upon conversion of the Equipment Notes in accordance with provisions of Section 2.11 of the Indenture.

"Change in Law" means any change in, deletion from, or amendment or addition to, Japanese Tax Law occurring on or after the Delivery Date, regardless of whether such change, deletion, amendment or addition has been discussed or proposed prior to the Delivery Date.

"Claims" has the meaning set forth in Section 20(a) of the Lease.

"Closing" shall mean the execution and delivery of the initial Lease Supplement by the parties thereto.

"Closing Date" means the date specified as such in Section 2(b) of the Debt Participation Agreement.

"Code" means the Internal Revenue Code of 1986, as in effect on the date hereof or as hereafter amended.

"Conversion Date" means the date on which the Equipment Notes are converted into Certificates of Participation pursuant to Section 2.11 of the Indenture.

"Corporate Trust Office" means, with respect to the Pass Through Trustee and the Indenture Trustee, the office of such trustee in the city at which at any particular time its corporate trust business shall be principally administered.

"Custodian" means Morgan, Lewis & Bockius, a Pennsylvania general partnership, and its successors and permitted assigns.

"Custodian Agreement" means the Custodian Agreement (Conrail 1993-A), dated as of February 26, 1993, among the Custodian, Lessor and Lessee.

"Debt Participation Agreement" means the Debt Participation Agreement (Conrail 1993-2), dated as of February 26, 1993, among the Indenture Trustee, the Pass Through Trustee, the Lessor and the Lessee, and all annexes, supplements and exhibits thereto, all as amended, modified or supplemented from time to time.

"Deficiency Payment" means the amount set forth in Schedule E to the Lease.

"Delivery Date" means the date of the initial Lease Supplement for the Items of Equipment, which date shall be the date on which the Items of Equipment are delivered to and accepted by Lessor under the Assignment Agreements and the Purchase Agreements and Lessor leases the Items of Equipment to Lessee pursuant to the Lease.

"Discharge and Conversion" has the meaning specified in Section 2.11 of the Indenture.

"Dollar" or "$" means the lawful currency of the United States of America.

"Dollar Account" means the account of Lessor specified as such in the Payment Instruction Letter.

"Equipment Notes" means, collectively, that certain 5.71% Series 2A Equipment Note, and that certain 6.86% Series 2B Equipment Note, each substantially in the forms thereof set forth in Section 2.01 of the Indenture, issued by the Lessor on or prior to the Closing Date and any other such Equipment Notes thereafter issued in exchange therefor or replacement thereof pursuant to Section 2.07 or 2.08 of the Indenture.

"Equity Participation Agreement" means the Equity Participation Agreement (Conrail 1993-A), dated as of February 26, 1993, between the Lessor and the Lessee, and all annexes, supplements and exhibits thereto, all as amended, modified or supplemented from time to time.

"Event of Default" has the meaning set forth in Section 14 of the Lease.

"Event of Loss" with respect to any property means any of the following events with respect to such property: (i) loss of the use of such property due to (x) theft or disappearance, or any other reason not covered elsewhere in this definition, for a period in excess of six months, (y) destruction, or (z) in the opinion of Lessee, damage beyond repair or rendition of such property permanently unfit for normal use for any reason whatsoever; (ii) any damage to such property which results in an insurance settlement with respect to such property on the basis of a total loss; (iii) the condemnation or requisition of title to such property by the Government or any other governmental authority; (iv) as a result of any rule, regulation, order or other action by the ICC, the Department of Transportation or other governmental body of the United States of America or Canada having jurisdiction, the use of such property in the normal course of rail transportation shall have been prohibited for a period of six consecutive months, unless Lessee, prior to the expiration of such six-month period, shall have undertaken and shall be diligently carrying forward all steps which in its judgment are necessary or desirable to permit the normal use of such property by Lessee or, in any event, if such use shall have been prohibited for a period of 12 consecutive months; (v) the operation or location of such property, while under requisition for use by the Government, in any area excluded from coverage by any insurance policy in effect with respect to such property required by the terms of Section 11 of the Lease, if Lessee shall be unable to obtain indemnity in lieu thereof from the Government; or (vi) the confiscation, seizure or requisition of use of such property by the Government or any other governmental authority for a period in excess of 12 consecutive months or for a period continuing beyond the Term.

"Excepted Interests" means (i) any indemnity payments and interest thereon paid or payable to Lessor under the Lease, (ii) proceeds of public liability insurance in respect of the Items of Equipment paid or payable as a result of insurance claims made, or losses suffered by, the Lessor, (iii) proceeds of insurance

maintained in respect of the Items of Equipment by or for the benefit of the Lessor and not required under Section 11 of the Lease, (iv) any Basic Rent, Casualty Value Termination Payments, Special Termination Payments, Purchase Price or Deficiency Payments payable in Yen under the Lease, (v) any amounts paid or payable to the Lessor under the Lease to reimburse the Lessor for expenses incurred by it in exercising its rights under, or performing or complying with any of the obligations of the Lessee under, the Lease (vi) any payments or other amounts which would otherwise constitute part of the Indenture Estate, which have been released from the Lien of the Indenture, (vii) the right to exercise inspection rights pursuant to Section 12 of the Lease, (viii) the right to approve as satisfactory any accountants, engineers, counsel, or other Persons to render services for or issue opinions to the Lessor pursuant to express provisions of the Lease, (ix) the right as Lessor to seek specific performance of the covenants of the Lessee under the Lease relating to the protection, insurance and maintenance of the Items of Equipment and to maintain separate insurance with respect to the Items of Equipment pursuant to Section 11 of the Lease; (x) the right to demand, collect, sue for or otherwise receive and enforce the payment of any Excepted Interests; and (xi) the right to amend, settle or reduce the amount of any claim payable to Lessor as an Excepted Interest.

"GE" means General Electric Company, a New York corporation, and its successors and assigns.

"GE Assignment Agreement" means the Assignment Agreement - GE (Conrail 1993-A), dated as of February 26, 1993, between Lessee, as assignor, and Lessor, as assignee, including the GE Consent and Agreement annexed thereto, as such GE Assignment Agreement may hereafter be amended, modified or supplemented.

"GE Bill of Sale" means a full warranty bill of sale executed by GE for all of the GE Items of Equipment.

"GE Consent and Agreement" means the Consent, Agreement and Limited Joinder of GE, dated as of February 26, 1993, annexed to the GE Assignment Agreement, as such GE Consent and Agreement may hereafter be amended, modified or supplemented.

"GE Items of Equipment" means the General Electric Dash 8-40CW diesel electric locomotives (or an improved model of the same Manufacturer) listed by Lessee's road numbers 6150 through 6152 inclusive in the Lease Supplement executed and delivered on the Delivery Date.

"GE Purchase Agreement" means the Purchase Agreement, dated January 4, 1993, between GE and Lessee, providing, among other things, for the

manufacture and sale by GE to Lessee of a total of seventy General Electric Dash 8-40CW diesel electric locomotives, as such GE Purchase Agreement has been or may hereafter be amended, modified or supplemented.

"GM" means General Motors Corporation, a Delaware corporation, and its successors and assigns.

"GM Assignment Agreement" means the Assignment Agreement - GM (Conrail 1993-A), dated as of February 26, 1993, between Lessee, as assignor, and Lessor, as assignee, including the GM Consent and Agreement annexed thereto, as such GM Assignment Agreement may hereafter be amended, modified or supplemented.

"GM Bill of Sale" means a full warranty bill of sale executed by GM for all of the GM Items of Equipment.

"GM Consent and Agreement" means the Consent and Agreement of GM, dated as of February 26, 1993, annexed to the GM Assignment Agreement, as such GM Consent and Agreement may hereafter be amended, modified or supplemented.

"GM Items of Equipment" means the General Motors Corporation (Electro-Motive Division) Model SD60M diesel electric locomotives (or an improved model of the same Manufacturer) listed by Lessee's road numbers 5500 through 5507 inclusive and 5509 through 5515 inclusive in the Lease Supplement executed and delivered on the Delivery Date.

"GM Purchase Agreement" means the Purchase Agreement, dated November 12, 1992, between GM and Lessee, providing, among other things, for the manufacture and sale by GM to Lessee of a total of one hundred five General Motors Corporation (Electro-Motive Division) Model SD60M diesel electric locomotives, as such GM Purchase Agreement has been or may hereafter be amended, modified or supplemented.

"Government" means the government of the United States of America and any instrumentality, subdivision or agency thereof and the government of Canada and any instrumentality, subdivision or agency thereof, except that for the purpose of the indemnity referred to in clause (v) of the definition of "Event of Loss," those instrumentalities, subdivisions and agencies included within the definition of "Government" shall be only those instrumentalities, subdivisions and agencies the obligations of which bear the full faith and credit of the United States of America or Canada.

"ICC" means the Interstate Commerce Commission and any agency or instrumentality of the United States government succeeding to its functions.

"Indemnified Person" means any Person identified as such in Section 20(b) of the Lease.

"Indenture" or "Trust Indenture" means the Trust Indenture and Security Agreement (Conrail 1993-2), dated as of February 26, 1993, among the Lessor, the Lessee and U.S. Trust Company of California, N.A., as Indenture Trustee, and all annexes, supplements and exhibits thereto, all as amended, modified or supplemented from time to time, including supplementation by each Indenture Supplement executed and delivered pursuant thereto.

"Indenture Default" means an Indenture Event of Default or an event which with notice or the lapse of time or both would become an Indenture Event of Default.

"Indenture Estate" has the meaning specified in the Granting Clause of the Indenture.

"Indenture Event of Default" has the meaning specified in Section 4.01 of the Indenture.

"Indenture Supplement" means the Indenture Supplement No. 1, substantially in the form of Exhibit A to the Indenture, to be entered into by and among the Lessor, the Lessee and the Indenture Trustee on the Delivery Date, covering the Items of Equipment referenced therein, any amendment to such Indenture Supplement and any subsequent Indenture Supplement executed and delivered in connection with a Replacement Item of Equipment.

"Indenture Trustee" means U.S. Trust Company of California, N.A., a national banking association, together with any successors, permitted assigns and co-trustees, not in its individual capacity but solely as Indenture Trustee.

"Initial Storage Period" has the meaning set forth in Section 5(d) of the Lease.

"Interest Payment Date" means the last day of a Lease Period.

"Investment Banker" means an independent investment banking institution of national standing appointed by Lessee.

"Item of Equipment" means (i) each of the GE Items of Equipment and the GM Items of Equipment; (ii) any Replacement Item of Equipment which

may from time to time be substituted, pursuant to Section 8(a) or 10(a) of the Lease, for an Item of Equipment leased under the Lease; and (iii) any and all Parts incorporated or installed in or attached to such Item of Equipment and any and all Parts removed from such Item of Equipment so long as title thereto shall remain vested in Lessor in accordance with the terms of Section 8 of the Lease after removal from the Item of Equipment. The term "Items of Equipment" also means, as of any date of determination, all Items of Equipment then leased under the Lease.

"Japanese Tax Law" means the Tax Act and all official interpretations thereof, and published decisions and rulings (tsutatsu) and administrative guidance (gyoseishido) by the National Tax Administration Agency and other relevant government agencies and all judicial precedents and decisions of national or local offices of the National Tax Tribunal applicable thereto.

"Kumiai-in" means any Person who is a party to a Tokumei Kumiai Agreement with Lessor and any transferee of such Person entered on Lessor's Record of Ownership for the purposes of the Operative Documents and the transactions contemplated thereby.

"Lease Agreement" or "Lease" means the Lease Agreement (Conrail 1993-A), relating to the Items of Equipment, dated as of February 26, 1993, between Lessor and Lessee, and all annexes, supplements and exhibits thereto, all as amended, modified or supplemented from time to time. The term "Lease" shall include each Lease Supplement entered into pursuant to the terms of the Lease.

"Lease Default" means a Lease Event of Default or an event which with notice or lapse of time or both would become a Lease Event of Default.

"Lease Event of Default" and "Event of Default" mean an Event of Default under the Lease as specified in Section 14 thereof.

"Lease Expiry Date" means the day immediately preceding the fourteenth anniversary of the Delivery Date; provided, that where any amount is expressed to be payable on the Lease Expiry Date, for such purposes only the Lease Expiry Date means the fourteenth anniversary of the Delivery Date.

"Lease Period" means each of (x) the period commencing on and including the Delivery Date and ending on and including the first Lease Period Date, and (y) each period commencing on and including the day immediately following the prior Lease Period Date (other than the last) and ending on and including the next subsequent Lease Period Date.

"Lease Period Date" means each of the Lease Period Dates listed on Schedule A to the Lease.

"Lease Supplement" means the Lease Supplement No. 1 (Conrail 1993-A), substantially in the form of Exhibit A to the Lease, to be entered into between Lessor and Lessee on the Delivery Date for the purpose of leasing the Items of Equipment under and pursuant to the terms of the Lease, any amendment to the Lease Supplement and any subsequent Lease Supplement executed and delivered in connection with a Replacement Item of Equipment.

"Lessee" means Consolidated Rail Corporation, a Pennsylvania corporation, and its successors and permitted assigns.

"Lessee's Record of Ownership" means the Lessee's record of ownership required to be kept by the Lessee pursuant to Section 13(c) of the Lease.

"Lessor" means Elkhart Locomotive Lease Co., Ltd., a corporation organized under the laws of the Cayman Islands, and its successors and permitted assigns.

"Lessor's Cost" means, for each GE Item of Equipment, an amount equal to $1,510,720, and for each GM Item of Equipment, an amount equal to $1,425,881.

"Lessor's Event of Default" shall have the meaning set forth in Section 22(b) of the Lease Agreement.

"Lessor's Liens", with respect to any Operative Document, means any Liens on or relating to or affecting any Item of Equipment or any Part arising as a result of (i) claims against or affecting Lessor or any Kumiai-in, other than claims arising solely from Lessor's participation in the transactions contemplated by the Lease, the Equity Participation Agreement, the Debt Participation Agreement, or any other Operative Document; (ii) acts or omissions of Lessor or any Kumiai-in not expressly permitted under the terms of the Lease, the Equity Participation Agreement, the Debt Participation Agreement, or any other Operative Document; (iii) Taxes imposed against Lessor or any Kumiai-in which are not indemnified against by Lessee pursuant to the Equity Participation Agreement; or (iv) claims against Lessor or any Kumiai-in arising out of the voluntary transfer (other than pursuant to Sections 9, 10, 15 or 19 of the Lease) by Lessor (without the consent of Lessee) of its interest in any Item of Equipment or the Lease or by such Kumiai-in of its interest in the Tokumei Kumiai Agreement to which it is a party or any right to receive payment thereunder or any interest in the business of the Tokumei Kumiai contemplated thereunder.

"Lessor's Record of Ownership" means the Lessor's record of ownership required to be kept by the Lessor pursuant to the Custodian Agreement.

"Lien" means any mortgage, pledge, lien, charge, encumbrance, lease, assignment, exercise of rights, security interest or claim.

"Make-Whole Amount" means, with respect to the principal amount of any Equipment Note to be prepaid on any prepayment date, the amount which the Investment Banker determines as of the third Business Day prior to such prepayment date to equal the product obtained by multiplying (a) the excess, if any, of (i) the sum of the present values of all the remaining scheduled payments of principal and interest from the prepayment date to maturity of such Equipment Note, discounted semi-annually on each December 31 and June 30 at a rate equal to the Treasury Rate (as defined in Appendix A to the Trust Indenture), based on a 360-day year of twelve 30-day months, over (ii) the aggregate unpaid principal amount of such Equipment Note plus any accrued but unpaid interest thereon by (b) a fraction the numerator of which shall be the principal amount of such Equipment Note to be prepaid on such prepayment date and the denominator of which shall be the aggregate unpaid principal amount of such Equipment Note; provided that the aggregate unpaid principal amount of such Equipment Note for the purposes of clauses (a)(ii) and (b) of this definition shall be determined after deducting the principal installment, if any, due on such prepayment date.

"Manufacturer" means, as the context requires, GE with respect to any GE Item of Equipment (or any Replacement Item of Equipment provided by GE), and GM with respect to any GM Item of Equipment (or any Replacement Item of Equipment provided by GM).

"Manufacturers" means GE and GM.

"Monthly Date", with respect to Schedules B and D to the Lease, means each date set forth in any such Schedule.

"National Tax Administration Agency" means the "National Tax Administration Agency" (Kokuzeicho) of Japan and includes any national tax administration regional bureau (Kokuzeikyoku) and national tax local office (Zeimusho) and any successor agencies.

"NBB" means Nomura Babcock & Brown Co., Ltd., a corporation organized under the laws of Japan, and its successors and permitted assigns.

"NBB Guaranty" means the Guaranty Agreement (Conrail 1993-A), dated as of February 26, 1993, between NBB and Lessee, and all annexes,

supplements and exhibits thereto, all as amended, modified or supplemented from time to time.

"Offering Circular" means the Offering Circular (Consolidated Rail Corporation 1993-A Pass Through Trusts), dated February 19, 1993, relating to the offering of the Certificates.

"Officer's Certificate" means, with respect to any entity, a certificate signed by any Person authorized by or pursuant to the organizational documents, by-laws or any board resolution (in the case of a corporation), partnership agreement (in the case of a partnership), or trust agreement (in the case of a trust) to execute, deliver and take all actions on behalf of such entity in respect of any of the Operative Documents.

"Operative Document" means each of the Equity Participation Agreement, the Debt Participation Agreement, the Lease, each Lease Supplement, the NBB Guaranty, the Indenture, each Indenture Supplement, the Pass Through Trust Agreements, the Assignment Agreements, the Custodian Agreement, the Pledge Agreement, and the Bills of Sale.

"Opinion of Counsel" means an opinion in writing signed by legal counsel, who may be (a) the senior attorney employed by the Lessee, or (b) such other counsel designated by the Lessee, whether or not such counsel is an employee of the Lessee, and who shall be acceptable to the Trustee.

"Overdue Rate" means (i) with respect to payments required to be made in U.S. Dollars or, if no currency is specified with respect to a payment, payments in fact made in U.S. Dollars, 7.86% per annum, and (ii) with respect to payments required to be made in Yen or, if no currency is specified with respect to a payment, payments in fact made in Yen, the greater of (a) 6.28% (computed on the basis of a 360-day year of twelve 30 day months) and (b) 1% over the rate specified by the main office in Tokyo of The Sakura Bank, Limited as the rate which that bank applies to its loans in Yen with a term less than one year to its prime customers in Japan (computed on the basis of actual days and a 365-day year).

"Parts" means all appliances, parts, instruments, appurtenances, accessories, furnishings and other equipment of whatever nature that at any time of determination are incorporated or installed in or attached to an Item of Equipment or the ownership of and title to which remains vested in Lessor in accordance with Section 8 of the Lease after removal therefrom.

"Pass Through Trust" means each of the two Consolidated Rail Corporation 1993-A Pass Through Trusts created pursuant to the Pass Through Trust Agreements.

"Pass Through Trust Agreement" means each of the two separate Pass Through Trust Agreements, dated as of February 26, 1993, between the Pass Through Trustee and the Lessee, and all annexes, supplements and exhibits thereto, all as amended, modified or supplemented from time to time.

"Pass Through Trustee" means U.S. Trust Company of California, N.A., a national banking association, not in its individual capacity but solely as Pass Through Trustee under each of the Pass Through Trust Agreements, and each other person which may from time to time be acting as successor trustee under any such Pass Through Trust Agreement.

"Payment Instruction Letter" means any letter so titled which is delivered by the Lessor to the Lessee and acknowledged by the Indenture Trustee.

"Permitted Liens" means any Lien of the type described in clauses (a) through (g) of Section 6 of the Lease.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, or government or any agency, instrumentality or political subdivision thereof.

"Pledge Agreement" means the Pledge and Assignment Agreement (Conrail 1993-A), dated as of February 26, 1993, between CRR Investments, Inc. and the Lessor, and all annexes, supplements and exhibits thereto, all as amended, modified or supplemented from time to time.

"Potential Event of Default" means any occurrence or event which, with the passage of time or the giving of notice or both, would become an Event of Default.

"Purchase Agreements" means, collectively, the GE Purchase Agreement and the GM Purchase Agreement.

"Purchase Price" shall mean the amount set forth in Schedule E of the Lease.

"Rent" means Basic Rent and Supplemental Rent.

"Rent Payment Date" or "Payment Date" means each December 31 and June 30 of each year occurring during the Lease Term, and February 26, 2007, provided that if any such date shall not be a Business Day, then "Rent Payment Date" or "Payment Date" shall mean the next succeeding Business Day.

"Replacement Item of Equipment" means, as the context requires, either (i) a General Electric Dash 8-40CW diesel electric locomotive (or an improved model of the same Manufacturer), which shall have been leased pursuant to clause (i) of Section 10(a) of the Lease to replace an Item of Equipment manufactured by GE, together with all Parts relating thereto, or (ii) a General Motors Corporation (Electro-Motive Division) Model SD60M diesel electric locomotive (or an improved model of the same Manufacturer), which shall have been leased pursuant to clause (i) of Section 10(a) of the Lease to replace an Item of Equipment manufactured by GM, together with all Parts relating thereto.

"Scheduled Payment" means, with respect to a Distribution Date, any payment (other than a Special Payment) of principal and interest on an Equipment Note, due from Lessor, which Payment represents the payment of principal at the stated maturity of such Equipment Note, or the payment of regularly scheduled interest accrued on such Equipment Note.

"Secured Obligations" means, collectively, the obligations from time to time of the Lessor under and in respect of the principal of and interest on the Equipment Notes heretofore or hereafter issued under the Indenture and all other amounts from time to time due and payable by the Lessor under the Indenture or by the Lessor under the Debt Participation Agreement.

"Selling Costs" means all reasonable costs and expenses incurred by Lessor in connection with a sale or attempted sale of the Items of Equipment, pursuant to Section 15 or 19 of the Lease, including the costs and expenses of any agent retained by Lessor in connection with such sale.

"Special Termination Payment" means, with respect to any termination of the Lease with respect to all of the Items of Equipment pursuant to Section 9 or 15 thereof or any termination of the Lease with respect to one or more Items of Equipment pursuant to Section 10 thereof, the amount computed and payable as provided in Schedule D to the Lease.

"Specified Exchange Rate" means the exchange rate of U.S. $1.00 equals 117.16 (Yen).

"Statement" means a Statement in the form of Exhibit D to the Equity Participation Agreement.

"Supplemental Rent" means all amounts, liabilities and obligations (other than Basic Rent) which Lessee assumes or agrees to pay under the Lease or the Participation Agreement to Lessor or others, including, without limitation, Casualty Value Termination Payments, Basic Termination Payments, Special Termination Payments, Purchase Price or Deficiency Payment, as the case may be, and payment of indemnities (including, without limitation, under Section 11 of the Equity Participation Agreement).

"Tax Act" means the Corporation Tax Law of Japan (Law No. 34 of 1965, as amended) and the regulations implemented thereunder, the provisions of the Income Tax Law of Japan (Law No. 33 of 1965, as amended) concerning withholding tax and the regulations implemented thereunder, the Consumption Tax Act of Japan (Law No. 108 of 1988) and the regulations implemented thereunder, the provisions of the Local Tax Law of Japan (Law No. 276 of 1950, as amended) concerning corporate enterprise tax and inhabitants tax and the regulations implemented thereunder, the Special Taxation Measures Law of Japan (Law No. 26 of 1957, as amended), and treaties, laws and regulations which affect the application and interpretation of, or amend, supplement, or replace, any provision of the Corporation Tax Law of Japan, the Consumption Tax Law of Japan, the Income Tax Law of Japan, the Local Tax Law of Japan, or the Special Taxation Measures Law or any regulation implemented thereunder.

"Tax Indemnitee" means Lessor and each Kumiai-in and each of their respective Affiliates, shareholders, directors, officers, employees, servants, agents, successors and permitted assigns.

"Tax Ruling" means any tax ruling, tax assessment, notice, instruction, explanation or any other determination by the Japanese tax authorities given to Lessor or any Kumiai-in in writing.

"Taxes" means all license, registration and filing fees and all taxes, withholdings, assessments, levies, imposts, duties or charges of any nature whatsoever, together with any penalties, fines or interest thereon or other additions thereto imposed, withheld, levied or assessed by any country or any taxing authority or governmental subdivision thereof or therein or by any international authority.

"Term" means the term for which the Items of Equipment are leased as provided in Section 3(a) of the Lease and Section 4 of the initial Lease Supplement relating to the Items of Equipment.

"Termination Date" means the date specified as such in Section 9 or 15 of the Lease with respect to all of the Items of Equipment, or the date specified as such in Section 10 of the Lease with respect to one or more Items of Equipment, each of which dates shall be a Business Day; provided, that only for purposes of

determining the date on which the Basic Termination Payment and Special Termination Payment is payable pursuant to Section 15(d) of the Lease, the Termination Date shall be the 10th day after the declaration referred to in such Section 15(d).

"Tokumei Kumiai" means the tokumei kumiai, as such term is described in the Japanese Commercial Code (including, without limitation, Articles 535 through 542 thereof), created pursuant to the Tokumei Kumiai Agreements.

"Tokumei Kumiai Agreement" means each of the separate agreements entered into or to be entered into by Lessor, in its capacity as proprietor and manager of the investment made by its investors (or Kumiai-in) substantially the same, in form and substance, as the form of the Tokumei Kumiai Agreement attached as Exhibit E to the Equity Participation Agreement and containing the covenants described in Section 8 of the Equity Participation Agreement.

"Treaty" means the Convention between the United States of America and Japan for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, as in effect on the Delivery Date.

"U.S. Dollars" or "U.S. $" means lawful money of the United States of America.

"United States Taxes" means any Taxes imposed, withheld, levied or assessed by any federal, state or local government or taxing authority of or in the United States of America.

"Yen" (¥) means lawful money of Japan.

"Yen Account" means the account of Lessor, Yen Savings Account No. 200-8132199, with The Sakura Bank, Ltd. Tokyo Main Office.

CERTIFICATE OF NOTARY PUBLIC

COMMONWEALTH OF PENNSYLVANIA:
SS
COUNTY OF PHILADELPHIA :

I am a notary public in the Commonwealth of Pennsylvania and I have compared the attached copy with the original and have found the copy to be complete and identical in all respects to the original.

(NOTARIAL SEAL)

Jeanne McAteer
Notary Public

My Commission Expires:

Notarial Seal
Jeanne McAteer, Notary Public
Philadelphia, Philadelphia County
My Commission Expires June 10, 1996
Member, Pennsylvania Association of Notaries