

RECORDATION NO. 18170-A
FILED 1426

John M. McElroy (412) 594-5507

APR 9 1993 3-15 PM

INTERSTATE COMMERCE COMMISSION

April 6, 1993

Secretary of the Interstate
Commerce Commission
Interstate Commerce Commission
Washington, DC 20423

Dear Secretary:

I have enclosed an original and one counterpart of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a Collateral Assignment and Agreement, a secondary document, dated as of March 24, 1993. The primary document to which this is connected is recorded under Recordation No. 18170.

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

Mortgagor: General Electric Company
2901 E. Lake Road
Erie, PA 16531

Mortgagee: PNC Bank, National Association
One PNC Plaza
Pittsburgh, PA 15265

A description of the locomotives covered by the documents follows:

<u>Type</u>	<u>ARR Mechanical Designation</u>	<u>Number of Units</u>
Dash 8-40CW	Locomotives	60

Secretary of the Interstate
Commerce Commission
April 6, 1993
Page 2

Identifying
Mark

and

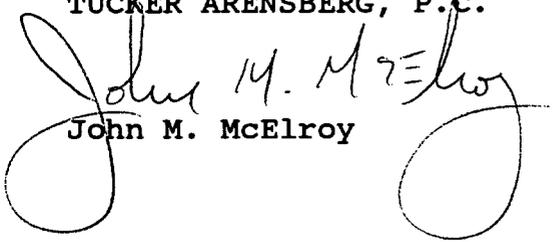
Road
Serial
Numbers

867 to
926 inclusive

A fee of \$16 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to PNC Bank, National Association, c/o John M. McElroy, Esquire, Tucker Arensberg, P.C., 1500 One PPG Place, Pittsburgh, PA 15222

Very truly yours,

TUCKER ARENSBERG, P.C.


John M. McElroy

JMM/jll

Enclosures

APR 7 1993 3:15 PM

COLLATERAL ASSIGNMENT AND AGREEMENT
INTERSTATE COMMERCE COMMISSION

COLLATERAL ASSIGNMENT AND AGREEMENT dated as of March 24, 1993 (referred to herein as this "Assignment") by and between the GENERAL ELECTRIC COMPANY ("Debtor") and PNC BANK, NATIONAL ASSOCIATION ("PNC").

WHEREAS, PNC, as purchaser, has entered into a Receivables Purchase Agreement dated as of March 24, 1993 with Debtor, as seller; and

WHEREAS, certain provisions of the Agreement provide that Debtor shall execute a collateral assignment and agreement in order to provide security for the performance by Debtor of its repurchase obligations under Section 7.2 of the Agreement (the "Repurchase Obligations"); and

WHEREAS, in compliance with the provisions of the Agreement, and in order to provide further security for the Repurchase Obligations and as an inducement to PNC to purchase the accounts receivable pursuant to the Agreement, Debtor has agreed to assign all its right, title and interest in the agreements described on Schedule 1 hereto (collectively referred to herein as the "Assigned Agreements") which Assigned Agreements concern the lease of 12 locomotives specifically identified on Schedule 2 hereto and incorporated herein by reference.

NOW, THEREFORE, to induce, and in consideration for, the agreement of PNC to purchase the accounts receivable, and in consideration of \$1.00 and other good and valuable consideration paid by PNC to Debtor, the receipt and sufficiency whereof are hereby acknowledged, the parties hereto agree as follows:

1. Subject to the provisions of paragraph 10 hereof, Debtor hereby assigns, transfers and sets over unto PNC, as collateral security for the payment and performance of Debtor's Repurchase Obligations pursuant to or under the Agreement, all of Debtor's right, title and interest, powers, privileges, and other benefits under the Assigned Agreements and all amendments thereto, modifications thereof and substitutions therefor, including, without limitation, the immediate right to receive and collect all payments, profits and other sums payable to or receivable by Debtor and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of any default giving rise to a right in favor of Debtor, under any of the Assigned Agreements, and to do any and all other things whatsoever which Debtor is or may become entitled to do under any of the Assigned Agreements. In furtherance of the foregoing assignment, Debtor hereby irrevocably authorizes and empowers PNC in its own name, or in the name of its nominee, or in the name of, or as attorney-in-

fact for, Debtor, to ask, demand, sue for, collect and receive any and all payments to which Debtor is or may become entitled under any of the Assigned Agreements, and to enforce compliance by any party, to any Assigned Agreements by which that party is bound, with all or any of the terms and provisions of such Assigned Agreements.

2. This Assignment is executed only as security for the Repurchase Obligations of Debtor under and pursuant to the Agreement and, therefore, the execution and delivery of this Assignment shall not subject PNC, or transfer or pass to PNC, or in any way affect or modify, the liability of Debtor under any or all of the Assigned Agreements; it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all of the obligations of Debtor to each and every other party under each and every one of the Assigned Agreements shall be and remain enforceable by such other party, its successors and assigns, against, but only against, Debtor or persons other than PNC, its successors and assigns.

3. To protect the security afforded by this Assignment, Debtor agrees as follows:

- (a) Debtor will faithfully abide by, perform and discharge each and every obligation, covenant, condition, duty and agreement under each of the Assigned Agreements;
- (b) Without the written consent of PNC, Debtor will not:
 - (i) anticipate any revenue due it under any Assigned Agreements;
 - (ii) waive, excuse, condone, forgive or in any manner release or discharge any other party to any Assigned Agreements from the obligations, covenants, conditions, duties and agreements in any such agreement contained, if the consequences of such act would be to materially adversely affect the ability of PNC to collect the accounts receivable; or
 - (iii) amend, modify or otherwise change or terminate (other than in accordance with its terms) any Assigned Agreements, if the consequences of such an act would be to materially adversely affect Debtor's condition, financial or otherwise;

- (c) At Debtor's sole cost and expense, Debtor will appear in and defend any action or proceeding arising under, growing out of or in any manner connected with the obligations, covenants, conditions, duties, agreements or liabilities of Debtor under any of the Assigned Agreements;
- (d) Should Debtor fail to make any payment, do any act or refrain from any act which this Assignment requires Debtor to make, do or refrain from, respectively, then PNC may, but shall have no obligation to (and shall not thereby release Debtor from any obligation hereunder) make, do or prevent the same in such manner and to such extent as PNC may deem necessary or advisable to protect the security provided hereby, which rights of PNC shall specifically include, without limiting PNC's general powers herein granted, the right to appear in and defend any action or proceeding purporting to affect the security hereof and the rights or powers of PNC hereunder, and also the right to perform and discharge each and every one, or any one or more, of the obligations, covenants, conditions, duties and agreements of Debtor contained in any one or more of the Assigned Agreements; and in exercising any such powers, PNC may pay necessary or advisable costs and expenses, employ counsel and incur and pay reasonable attorneys' fees, and Debtor will reimburse PNC for such costs, expenses and fees provided that the recourse of PNC against the Debtor for such payments shall be limited to the collateral granted to PNC by Debtor.

4. Subject to the provisions of paragraph 10 hereof, Debtor does hereby constitute PNC its true and lawful attorney, irrevocably, with full power, to ask, require, demand, receive, compound and give acquittance for each and every payment due or to become due, or any such payment or payments, under or arising out of any of the Assigned Agreements to which Debtor is or may become entitled, to enforce compliance by each or any other party with each or any term or provision of any one or more of the Assigned Agreements, to endorse each and every check or other instrument or order in connection therewith, or any one or more of them, and to file any claim or claims, take any action or

actions or institute any proceeding or proceedings which PNC may deem to be necessary or advisable.

5. Upon the full discharge and satisfaction of each and every one of the Repurchase Obligations under and pursuant to the Agreement, this Assignment and all rights herein assigned to PNC shall terminate, and all estate, right, title and interest of PNC in and to each and every one of the Assigned Agreements shall revert to Debtor.

6. Debtor will, from time to time, do and perform any other act or acts and will execute, acknowledge, deliver and file, register, record and deposit (and will refile, reregister, rerecord, and redeposit whenever required) any and all further instruments required by law or requested by PNC in order to confirm, or further assure, the interest of PNC hereunder.

7. In any event wherein PNC shall convey or assign its rights under or pursuant to the Agreement to any successor or assign, PNC may assign all or any of the rights assigned to it hereby, or arising under any of the Assigned Agreements, including, without limitation, the right to receive any or all payments due or to become due. In the event of any such assignment, any successor or assign of PNC shall enjoy all rights and privileges and be subject to all obligations of PNC hereunder. PNC will give written notice to Debtor of any such assignment.

8. This Assignment shall be governed by, and construed and enforced in accordance with, the laws of the Commonwealth of Pennsylvania, except to the extent controlled by Federal law.

9. Debtor shall cause a copy of each and every notice or communication received from any other party to any Assigned Agreements, notifying Debtor of any default, event of default, breach or other violation, on the part of Debtor under any of the Assigned Agreements, to be promptly delivered to PNC in the manner and at the place provided for in the Agreement for the giving of notices and communications thereunder, or at such other address or in such other manner as PNC shall designate.

10. PNC hereby agrees with Debtor that, so long as both (a) no Event of Repurchase shall exist under Section 7.2 of the Agreement and (b) Debtor shall not be in default of any of its obligations, covenants, agreements or duties hereunder, PNC will not exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits assigned or transferred to PNC by Debtor, under, pursuant to or by this Assignment and that,

subject to the terms of the Agreement, Debtor, so long as (a) no Event of Repurchase shall exist under Section 7.2 of the Agreement and (b) Debtor shall not be in default of any of its obligations, covenants, agreements or duties hereunder, may exercise or enforce, or seek to exercise or enforce, such rights, powers, privileges, authorizations or benefits.

11. All capitalized terms used herein which are defined in the Agreement shall have the meanings therein given to them.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed with intent to be legally bound hereby, all as of the date first above written.

DEBTOR

GENERAL ELECTRIC COMPANY, a
New York corporation

By John M. Colaneri
Name John Colaneri
Title Mgr. Finance

PNC BANK, NATIONAL ASSOCIATION

By Nancy F. Sternbach
Name NANCY F. STERNBACH
Title ASST. VICE PRESIDENT

103491.2
03/03/93:4
000011 - 005189

SCHEDULE 1

To Collateral Assignment and Agreement
Dated March 24, 1993

1. Interim User Agreement dated as of the 26th day of February, 1993, between General Electric Company, and The Atchinson, Topeka and the Santa Fe Railway Company.

SCHEDULE 2

To Collateral Assignment and Agreement (Locomotives)
Dated March 24, 1993

Description of Locomotives (Units):

<u>Type</u>	<u>ARR Mechanical Designation</u>	<u>Number of Units</u>
Dash 8-40 CW	Locomotives	60

Identifying Marks and Road Serial Numbers
867 to 926
(inclusive)