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RECORDATION NO. FILED 1425

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RECORDATION NO. FILED 1425

DME:MJJ MAR 30 1990 - 8 50 AM MAR 30 1990 - 8 50 AM March 30, 1990

INTERSTATE COMMERCE COMMISSION INTERSTATE COMMERCE COMMISSION

Office of the Secretary
Recordations Unit
Room 2303
Interstate Commerce Commission
12th and Constitution Avenue, N.W.
Washington, D.C. 20423

G-050A00

16817
RECORDATION NO. FILED 1425

MAR 30 1990 - 8 50 AM

INTERSTATE COMMERCE COMMISSION

Attention: Ms. Mildred Lee

Dear Ms. Lee:

Enclosed are an original and one certified true copy of each of the documents described below, to be recorded pursuant to 49 U.S.C. § 11303.

The first document, Lease Agreement No. 13, dated as of March 30, 1990, is a primary document. The names and address of the parties to such document are as follows:

NEW NO.

The Connecticut National Bank *Ressee*
777 Main Street
Hartford, CT 06115

CSX Transportation, Inc. *Lessee*
100 N. Charles Street
Baltimore, MD 21201

The second document, Indenture and Security Agreement No. 13, dated as of March 30, 1990, is a primary document. The names and addresses of the parties to such document are as follows:

- A

The Connecticut National Bank
777 Main Street
Hartford, CT 06115

(1) Overly [unclear] J. Hayden

Mercantile-Safe Deposit and Trust Company
2 Hopkins Plaza
Baltimore, MD 21203

The third document, Lease and Indenture Supplement No. 1, dated March 30, 1990, is a secondary document. The names and addresses of the parties to such document are as follows:

-B

The Connecticut National Bank
777 Main Street
Hartford, CT 06115

CSX Transportation, Inc.
100 N. Charles Street
Baltimore, MD 21201

Mercantile-Safe Deposit and Trust Company
2 Hopkins Plaza
Baltimore, MD 21203

A description of the equipment covered by each of these documents follows: SD40-2 Locomotives. The identifying marks for this equipment are provided in Appendix A attached hereto.

A filing fee of \$45.00 is enclosed. Please return to the undersigned the original and any extra copies needed by the Commission for recordation.

A short summary of the documents, to appear in the index follows:

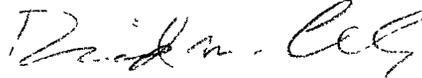
Lease Agreement No. 13 dated as of March 30, 1990, between The Connecticut National Bank, not in its individual capacity but as otherwise expressly provided therein but solely as trustee, as Owner Trustee and CSX Transportation, Inc., as Lessee, covering up to 15 Locomotives identified by the Lessee in Schedule 1.

Indenture and Security Agreement No. 13, dated as of March 30, 1990, between The Connecticut National Bank, not in its individual capacity but as otherwise expressly provided therein but solely as trustee, as Owner Trustee and Mercantile-Safe Deposit and Trust Company, as Indenture Trustee,

covering up to 15 Locomotives identified by the Lessee in Schedule 1.

Lease and Indenture Supplement No. 1, dated March 30, 1990, among The Connecticut National Bank, not in its individual capacity but as otherwise expressly provided therein but solely as trustee, as Owner Trustee, CSX Transportation, Inc., as Lessee, and Mercantile-Safe Deposit and Trust Company, as Indenture Trustee, covering up to 15 Locomotives identified by the Lessee in Schedule 1 thereto.

Very truly yours,



David M. Eisenberg

Enclosures

cc: Marianne Rosenberg, Esq.
Donna M. Mazzaferro, Esq.
Susan J. Scheman, Esq.

RECORDED NO. **16817** FEB 1990

MAR 30 1990 - 8 50 AM

INTERSTATE COMMERCE COMMISSION

INDENTURE AND SECURITY AGREEMENT NO. 13

Dated as of March 13, 1990

between

THE CONNECTICUT NATIONAL BANK,
not in its individual capacity
but solely as Owner Trustee

and

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY,
as Indenture Trustee

SD40-2 LOCOMOTIVES

FILED WITH THE INTERSTATE COMMERCE COMMISSION
PURSUANT TO 49 U.S.C. § 11303
ON March __, 1990 AT __ .M.
RECORDATION NUMBER _____

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EXHIBIT A - TAX CERTIFICATE

INDENTURE AND SECURITY AGREEMENT NO. 13 dated as of March 13, 1990 between THE CONNECTICUT NATIONAL BANK, a national banking association organized under the laws of the United States, not in its individual capacity but solely as owner trustee (the "Owner Trustee") under the Trust Agreement (as such term and certain other capitalized terms used herein are defined in or by reference in Article I), and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, a Maryland trust company, as indenture trustee (the "Indenture Trustee").

W I T N E S S E T H :

WHEREAS, the Owner Participant and the Owner Trustee have entered into the Trust Agreement pursuant to which, among other things:

(a) the Owner Participant authorizes and directs or will authorize and direct the Owner Trustee to enter into and perform the terms of this Indenture, the Lease, the Participation Agreement and certain other documents and agreements hereinafter referred to; and

(b) the Owner Trustee will hold all of its right, title and interest in and to the Locomotives, the Lease and the Indenture in trust for the benefit of the Owner Participant;

WHEREAS, subject to the terms and conditions of the Participation Agreement, on the Closing Date the Owner Trustee will purchase from the Seller the Locomotives described in the Bill of Sale delivered on the Closing Date;

WHEREAS, on or prior to the Closing Date, the Owner Trustee and the Lessee will enter into the Lease pursuant to which the Owner Trustee will agree to lease to Lessee on the Closing Date the Locomotives purchased by the Owner Trustee on the Closing Date, the lease of such Locomotives to be evidenced by the execution and delivery of a Lease and Indenture Supplement substantially in the form of Exhibit A to the Lease covering such Locomotives;

WHEREAS, to finance part of the cost of the Locomotives to be purchased from time to time the Owner Trustee has duly authorized the creation of an issue of Notes to be designated Series A Notes (herein called the "Series A Notes");

WHEREAS, the Owner Trustee desires to set forth herein the terms and conditions of the Notes and certain of the terms and conditions of additional series of Notes which may be issued hereunder; and

WHEREAS, all acts and things necessary to make this Indenture a valid and legally binding obligation of the Owner Trustee, in accordance with its terms, have been done and performed;

NOW, THEREFORE, THIS INDENTURE WITNESSETH that, in consideration of the premises and other good and valuable consideration the receipt of which is hereby acknowledged and in order to secure the due and punctual payment of the principal of, and premium, if any, and interest on, all Notes at any time issued and Outstanding under this Indenture and of all other amounts payable to or for the benefit of the Holders of the Notes and the Indenture Trustee hereunder and under the Operative Documents and compliance with all the terms of this Indenture and the Notes, and to secure the performance and observance by the Lessee (other than the Lessee's obligations in respect of Excepted Property and Excepted Rights), the Owner Participant and the Owner Trustee of their respective agreements and the conditions applicable to them contained herein or in any other Operative Document (collectively, the "Obligations"), the Owner Trustee hereby grants, assigns, transfers and pledges unto the Indenture Trustee and its successors and assigns forever, and grants to the same a security interest in, for the benefit and security of the Loan Participants, all of the Owner Trustee's estate, right, title and interest in the following described property, whether now owned or hereafter acquired (all such property, other than the Excepted Property and the Excepted Rights referred to below, being herein, when executed and delivered, and all proceeds thereof, called the "Indenture Estate"), to wit:

FIRST

Locomotives

All right, title and interest of the Owner Trustee in and to the Locomotives acquired on the Closing Date and including, without limitation, all additions, alterations or modifications thereto or replacements of any part thereof (including, without limitation, all Replacement Locomotives), whenever made or performed or acquired and all other items of tangible personal property of any kind acquired by

the Owner Trustee in connection with the acquisition of the Locomotives, in each case whether acquired at the time of acquisition of the Locomotives or thereafter acquired pursuant to the Lease or otherwise.

SECOND

Lease; Lease and Indenture Supplement; Bill of Sale; Other Documents

All right, title and interest of the Owner Trustee in, to and under the Lease and each Lease and Indenture Supplement, and any other lease, rental or lease agreement relating to the Locomotives entered into by the Lessee, including, without limitation, all amounts of Interim Rent, Basic Rent, Supplemental Rent, condemnation, requisition and other awards and indemnity and other payments of any kind to which the Owner Trustee is or may be entitled under the Lease or the Participation Agreement (including, without limitation, payments with respect to Stipulated Loss Value, Termination Value and premium on the Notes) and all right, title and interest of the Owner Trustee and the Owner Participant in and to the Bill of Sale and all rights of the Owner Trustee to exercise any election or option or to make any decision or determination or to give or receive any notice, consent, waiver or approval or to take any other action under or in respect of any Operative Document (other than the Tax Indemnification Agreement) or to accept any redelivery of all or a portion of the Locomotives as well as all the rights, powers and remedies on the part of the Owner Trustee, whether arising under any Operative Document or by statute or at law or in equity, or otherwise, arising out of any Event of Default.

It is expressly agreed that anything herein contained to the contrary notwithstanding, the Owner Trustee shall remain liable under the Lease to perform all the obligations assumed by it thereunder, all in accordance with and pursuant to the terms and provisions thereof, and the Indenture Trustee shall have no obligation or liability under the Lease by reason of or arising out of this Indenture, nor shall the Indenture Trustee be required or obligated in any manner to perform or fulfill any obligations of the Owner Trustee under or pursuant to the Lease or, except as herein expressly provided, to make any payment, to make any inquiry as to the nature or sufficiency of any payment received by it, to present or file any claim, or to take any action to collect or enforce the payment of any amounts which may have

been assigned to it or to which it may be entitled at any time or times.

THIRD

Other Property

All other property and assets of whatsoever kind, nature or description, real, personal and mixed, and any interest therein, which may hereafter from time to time be acquired, received or held by the Owner Trustee pursuant to the Lease, each Lease and Indenture Supplement, the Participation Agreement or the Bill of Sale, wherever located and whether or not subject to the lien of this Indenture, or which may be granted, mortgaged, assigned, transferred and pledged to the Indenture Trustee hereunder by any Person and accepted by the Indenture Trustee.

FOURTH

Rent and Proceeds

All right, title and interest, present and future, of the Owner Trustee in and to all proceeds, rent, issues, profits, products, revenues and other income, and in and to all proceeds and payments, from and on account of the property, rights and privileges subjected or required to be subjected to the lien of this Indenture.

FIFTH

Moneys; Documents

All right to restitution from any party to the Lease, each Lease and Indenture Supplement, the Participation Agreement or each Bill of Sale in respect of any determination of invalidity of any thereof; and all moneys and securities now or hereafter paid to or deposited with the Indenture Trustee by or for the account of the Owner Trustee pursuant to any term of this Indenture and held or required to be held by the Indenture Trustee hereunder; and all instruments, documents of title, books and records of the Owner Trustee concerning the Indenture Estate (other than income, tax and other similar financial records relating to the Commitment of the Owner Participant).

EXCEPTED PROPERTY

There is, however, expressly excepted and excluded from the Indenture Estate the following described property ("Excepted Property"):

A. all amounts of Supplemental Rent, indemnity and other payments which in each case are payable by the Lessee or others to the Owner Participant, or which are payable by the Lessee or others to the Owner Trustee and which by the terms of any other Operative Document are for the sole benefit of the Owner Participant or CNB, in its individual capacity or as Owner Trustee;

B. all indemnity payments pursuant to Section 13 of the Participation Agreement, all payments (including Indemnity Loans) made pursuant to the Tax Indemnification Agreement; all payments of Supplemental Rent with respect to Indemnity Loans pursuant to Section 9(c)(2) of the Lease and the amounts of all increases in Basic Rent, Termination Value or Stipulated Loss Value caused by the occurrence of events giving rise to payments under the Tax Indemnification Agreement payable by the Lessee to the Owner Participant or to the Owner Trustee for the sole benefit of the Owner Participant or CNB, in its individual capacity or as Owner Trustee;

C. that portion of Stipulated Loss Value attributable to Recapture and the income taxes attributable to the receipt by the Owner Participant of Stipulated Loss Value, provided, however, that the amount as of any particular date of such Stipulated Loss Value less such Recapture and income taxes shall be at least sufficient to pay in full the principal of and all accrued interest on the Notes as of such date; and

D. interest at the Overdue Rate in respect of amounts described in clauses A, B and C above.

TO HAVE AND TO HOLD the Indenture Estate unto the Indenture Trustee and its successors and assigns forever in pledge and trust for the benefit and security of the Holders from time to time of all the Notes issued and Outstanding hereunder and for the uses and purposes and subject to the terms and provisions set forth in this Indenture.

IN TRUST NEVERTHELESS, upon the terms and trusts set forth, for the equal and proportionate benefit and security of all Holders of the Notes issued and to be issued

hereunder, without preference, distinction or priority as to lien or otherwise of any Note of any particular series over any other Note of such series or over any Note of any other series, by reason of priority in time of issue, sale or negotiation thereof, or by reason of the purpose of issue, or otherwise howsoever, except as herein otherwise expressly provided.

PROVIDED, HOWEVER, that notwithstanding any other provision of this Indenture, (i) the Owner Trustee shall retain, to the exclusion of the Indenture Trustee, (a) all rights to execute supplements to the Lease in connection with an adjustment of Rent pursuant to Sections 9(e) or (f) of the Lease, and (b) all rights to Excepted Property and the right to commence and maintain an action at law to obtain Excepted Property or damages in respect of the breach of any covenant to pay Excepted Property; (ii) the Owner Trustee, in its individual capacity and as Owner Trustee, and the Owner Participant, as the case may be, shall have the right, but not to the exclusion of the Indenture Trustee, (a) to receive from the Lessee all notices, copies of all documents and all information that the Lessee is permitted or required to furnish to the Owner Trustee or the Owner Participant, as the case may be, pursuant to the Lease or the Participation Agreement, (b) to inspect the Locomotives to the extent provided in Section 6 of the Lease, (c) to retain all rights together with the Indenture Trustee (waiver, consent or approval of both being required except in the case of Section 19 of the Lease referred to below), including the giving of any waiver, consent, approval, amendment or supplement that Sections 5, 8, 10, 13, 17, 19 and (except as otherwise provided in clause (iii) below) 23(a) of the Lease confer upon the Owner Trustee or the Owner Participant, as the case may be, and (d) to provide such insurance as the Lessee shall have failed to maintain; and (iii) so long as no Event of Default (or, in the case of the rights and duties exercisable pursuant to Section 12 of the Lease and, subject to clause (i)(a) above, Section 23(a) of the Lease, no Default) shall have occurred and be continuing, the Owner Trustee or the Owner Participant, as the case may be, shall have the right, to the exclusion of the Indenture Trustee, to exercise its rights and duties under Sections 2, 9(e), 9(f), 9(g), 12 and 21 of the Lease, to execute amendments or supplements to the Lease pursuant to Section 23(a) of the Lease (which shall not have a material adverse effect upon the Holders of the Notes) and to exercise its rights under the Appraisal Procedure (the foregoing being herein collectively called "Excepted Rights").

The Owner Trustee does hereby constitute the Indenture Trustee the true and lawful attorney of the Owner Trustee, irrevocably, with full power (in the name of the Owner Trustee or otherwise) to ask, require, demand, receive, settle, compromise, compound and give acquittance for any and all moneys and claims for moneys due and to become due under or arising out of any of the Indenture Estate, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which the Indenture Trustee may deem to be necessary or advisable in the premises.

The Owner Trustee agrees that at any time and from time to time, upon the written request of the Indenture Trustee, it will promptly and duly execute and deliver any and all such further instruments and documents as the Indenture Trustee may reasonably deem desirable in obtaining the full benefits of the foregoing clauses FIRST through FIFTH and of the rights and powers herein granted.

The Owner Trustee does hereby warrant and represent that, except as otherwise contemplated by this Indenture, it has not assigned or pledged, and hereby covenants that it will not assign or pledge, so long as this Indenture shall remain in effect, any of its right, title or interest hereby assigned or pledged to anyone other than the Indenture Trustee, and that it will not, except as provided in this Indenture, enter into any agreement amending or supplementing the Lease, accept any payment (other than a payment constituting Excepted Property) from the Lessee, or settle or compromise any claim (other than a claim with respect to Excepted Property) against the Lessee arising under the Lease.

The Owner Trustee does hereby ratify and confirm the Lease and does hereby agree that it will not, except as provided in this Indenture, take or omit to take any action, the taking or omission of which might result in an alteration or impairment of the Lease or this Indenture.

IT IS HEREBY COVENANTED AND AGREED that the terms and conditions upon which the Notes are issued, authenticated, delivered and accepted by all Persons who shall from time to time be or become the Holders thereof, and the terms and conditions upon which the property herein pledged is to be held and disposed of, which said terms and conditions the Indenture Trustee hereby accepts and agrees to discharge, are as follows:

ARTICLE I

Definitions and Other Provisions of General Application

SECTION 101. Definitions. The following terms shall have the following meanings for all purposes of this Indenture:

(a) unless otherwise expressly provided, all references herein to Sections or other subdivisions refer to the corresponding Sections and other subdivisions of this Indenture;

(b) the terms "hereof," "herein," "hereby," "hereto," "hereunder," "hereinafter," and "herewith" refer to this Indenture; and

(c) except as otherwise defined herein, the capitalized terms used herein shall have the respective meanings specified in Schedule X hereto.

SECTION 102. Acts of Holders. (a) Any request, demand, direction, consent, notice, waiver or other action provided by this Indenture to be given or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by an agent duly appointed in writing; and, except as otherwise provided herein, such action shall become effective when such instrument or instruments are delivered to the Indenture Trustee. Such written instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Holders signing such instrument or instruments. Proof of the execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Indenture Trustee or of the Owner Trustee if made in the manner provided in this Section 102.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer authorized by law to take acknowledgements of deeds, certifying that the Person signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by an officer of a corporation or a member of a partnership, on behalf of such corporation or partnership, such certificate

or affidavit shall also constitute sufficient proof of his authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner which the Indenture Trustee deems sufficient.

(c) The ownership of Notes shall be proved exclusively by the Note Register.

(d) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of any Note shall bind the Holder of every Note issued upon the registration of transfer thereof, or in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Indenture Trustee or the Owner Trustee in reliance thereon, whether or not notation of such action is made upon such Note.

SECTION 103. Notices, Etc. to Indenture Trustee and Owner Trustee. Any request, demand, authorization, direction, notice, consent, waiver or Act of Holders or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with,

(1) the Indenture Trustee by any Holder or by the Owner Trustee shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing to or with the Indenture Trustee at 2 Hopkins Plaza, Baltimore, Maryland 21201 (if by air express or hand) or P.O. Box 528, Baltimore, Maryland 21203 (if by mail), Attention: Corporate Trust Department, or

(2) the Owner Trustee by any Holder or by the Indenture Trustee shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing to or with the Owner Trustee at 777 Main Street, Hartford, Connecticut 06115, Attention: Corporate Trust Administration, with a copy to the Owner Participant at 120 South Sixth Street, Minneapolis, Minnesota 55402, Attention: Ronald A. Larson, Senior Vice President, Commercial Leasing, CSX Trust No. 13.

or to either of the above parties at any other address subsequently furnished in writing by such party to the other party and to each Holder.

SECTION 104. Notices to Holders; Waiver. Where this Indenture provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise

herein expressly provided) if in writing and mailed, postage prepaid, by certified or registered mail, return receipt requested, to each Holder affected by such event at his address as it appears in the Note Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice. In any case where notice to Holders is given by mail, neither the failure to mail such a notice to any particular Holder nor any defect in any notice so mailed to any particular Holder shall affect the sufficiency of such notice with respect to other Holders. Where this Indenture or any other Operative Document provides for notice to the Indenture Trustee of any event or delivery of documents to the Indenture Trustee, the Indenture Trustee shall, promptly upon receipt of such notice or documents, deliver the same to the Holders of the Notes, unless previously provided to Holders by any other party.

Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person or Persons entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Indenture Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. The Indenture Trustee shall furnish the Owner Trustee, on request, with the names and addresses of all the Holders of the Notes.

SECTION 105. Effect of Headings and Table of Contents. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 106. Successors and Assigns. All covenants and agreements in this Indenture by the Indenture Trustee and the Owner Trustee shall bind and, to the extent permitted hereby, shall inure to the benefit of and be enforceable by their respective successors and assigns, whether or not so expressed.

SECTION 107. Severability Clause. If any term or provision hereof or the application thereof to any circumstance shall, in any jurisdiction and to any extent, be invalid or unenforceable, such term or provision shall be ineffective as to such jurisdiction to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining terms and provisions hereof or the application of such term or provision to cir-

cumstances other than those as to which it is held invalid or unenforceable. To the extent permitted by applicable law the parties hereto hereby waive any provision of law which renders any term or provision hereof invalid or unenforceable in any respect.

SECTION 108. Benefits of Indenture. Nothing in this Indenture or in the Notes, express or implied, shall give to any Person, other than the parties hereto and the Owner Participant and their successors and assigns hereunder, the Holders, and the Lessee any benefit or any legal or equitable right, remedy or claim under this Indenture or any Note.

SECTION 109. Indenture and Notes; Non-Recourse Obligations. The principal amount of and premium, if any, and interest on the Notes shall be payable only out of and to the extent that there are sufficient proceeds from the Indenture Estate. By its acceptance of a Note, any Holder thereof agrees that (i) neither the Owner Trustee (or any successor thereto) in its individual capacity nor the Owner Participant nor any other Person shall have any personal liability whatsoever for any amounts payable under the Notes, or, except as otherwise set forth in this Section 109, for any claim based thereon or otherwise in respect thereof or based on or in respect of this Indenture, and (ii), except to the extent otherwise contemplated under the Operative Documents and so long as no Indenture Event of Default shall have occurred and be continuing, it will not enter into, or cause the Indenture Trustee to enter into, any arrangement which would constitute cross collateralization or credit enhancement of the Notes within the meaning of Temp. Treas. Reg. sec. 1.861-10T(b), it being expressly understood that the Notes and, except as otherwise set forth in this Section 109, all other obligations of the Owner Trustee and the Owner Participant under this Indenture are solely nonrecourse obligations and that, except as otherwise set forth in this Section 109, all such obligations of the Owner Trustee and the Owner Participant are and are to be by acceptance of a Note by any Holder thereof expressly waived and released as a condition of, and as consideration for, the execution of this Indenture and the issuance of the Notes; provided, however, that nothing herein shall be deemed to (i) prevent recourse to and the enforcement against the Indenture Estate for performance of covenants of the Owner Trustee contained in the Notes or in this Indenture or for all liabilities, obligations and undertakings contained in this Indenture or in the Notes or be deemed to excuse the Owner Trustee for liability for its own gross negligence or