



Norfolk Southern Corporation
Law Department
Three Commercial Place
Norfolk, Virginia 23510-2191

J. Gary Lane
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Writer's Direct Dial Number
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16875

RECORDATION PD _____ FILED 1425

May 22, 1990

MAY 23 1990 - 1 35 PM

INTERSTATE COMMERCE COMMISSION

Ms. Noreta McGee
Secretary
Interstate Commerce Commission
12th and Constitution Avenue, N.W.
Washington, D. C. 20423

Dear Ms. McGee:

In accordance with 49 U.S.C. § 11303 and the Commission's Rules, I submit herewith for recording with the Commission three (3) counterparts of the document described below. I request that two (2) of the counterparts be returned to the undersigned.

(1) This document is an Equipment Lease Agreement dated as of May 17, 1990, between Norfolk Southern Corporation (as agent for Norfolk and Western Railway Company and Southern Railway Company) and Wheeling & Lake Erie Railway Company (formerly Wheeling Acquisition Corporation).

(2) This document is a "primary document" under 49 C.F.R. § 1177.1.

(3) The railroad equipment covered by the document is generally described as follows:

<u>Number of Units</u>	<u>General Description</u>	<u>AAR Symbol</u>	<u>Identity Marks</u>
44	GP-35 Diesel Electric Locomotives	B-B	From SOU 2645-2703 and CG 2705-2715
9	SD-45 Diesel Electric Locomotives	C-C	NW 1765-1770 (inclusive), NW 1784, NW 1800, SOU 3161
2	RP-E6 Locomotive Slugs	C-C	NW 9950, NW 9951
29	DF Boxcars	XL	From NW 160427-164115

Victoria K. Buntson
(Signature)

10	Cabooses	NE	From NW 518514-518693, and from NW 557528-557587
122	Covered Hopper Cars	LO	From NW 172000-172791
365	70-ton Gondola Cars	GB	From SOU 291006-291295, SOU 314009-314299, SOU 328010-328594, and SOU 60009-61494
800	Open Top Hopper Cars	HT HTS	NKP 34352, NKP 34404, NKP 34412, From NW 27001-27977, NW 34109-41995, NW 76532-76930, NW 84005-84332, NW 101156-107943, SOU 71959-74744, and SOU 281005-281578
2	Air Dump Cars	MWD	SOU 991954, NW 514220
2	Jackson Tampers		JT-8104-JL-N JT-7804-JL-N
2	Kershaw Ballast Regulators		BR-7601, BR-7704
1	Switch Tamper		ET-38-5M
1	Tie Knock Out		TRI-8501-P
1	Spiker		NS-7703-FN
1	Scarifier		TBS-8201

(4) The names and addresses of the parties executing the Equipment Lease Agreement are as follows:

LESSOR: Norfolk Southern Corporation (as agent
for Norfolk and Western Railway Company and
Southern Railway Company)
Three Commercial Place
Norfolk, Virginia 23510

LESSEE: Wheeling & Lake Erie Railway Company
 (formerly Wheeling Acquisition Corporation)
 100 East First Street
 Brewster, Ohio 44613

(5) After recordation, please return two original counterparts of the document, stamped with the Commission's recordation data, to the undersigned at Norfolk Southern Corporation, Three Commercial Place, Norfolk, Virginia 23510.

(6) The recordation fee of \$15.00 is enclosed.

(7) A short summary of the Equipment Lease Agreement for use in the index follows:

This is an Equipment Lease Agreement dated May 17, 1990, between Norfolk Southern Corporation (as agent for Norfolk and Western Railway Company and Southern Railway Company), Three Commercial Place, Norfolk, VA, as Lessor, and Wheeling & Lake Erie Railway Company, 100 East First Street, Brewster, Ohio, as Lessee, and covering 55 locomotives, 29 boxcars, 10 cabooses, 122 covered hopper cars, 365 gondola cars, 800 open-top hopper cars, 2 air dump cars, 2 Jackson tampers, 2 Kershaw ballast regulators, 1 switch tamper, 1 tie knock out, 1 spiker, and 1 scarifier, with attachments.

Please acknowledge receipt on the enclosed copy of this letter.

Very truly yours,



J. Gary Lane

JGL/jad

Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

5/23/90

OFFICE OF THE SECRETARY

J Cary Lane
Norfolk Southern Corporation
Three Commercial Place
Norfolk, VA. 23510-2191

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 5/23/90 at 1:35pm, and assigned recordation number(s). 16875

Sincerely yours,



Noreta R. McGee
Secretary

Enclosure(s)

MAY 23 1990 -1 35 PM
INTERSTATE COMMERCE COMMISSION

EQUIPMENT LEASE AGREEMENT

This EQUIPMENT LEASE AGREEMENT is made this 17TH day of MAY, 1990, by and between NORFOLK SOUTHERN CORPORATION, a Virginia corporation, as agent for Norfolk and Western Railway Company and Southern Railway Company (collectively, the "Lessor"), and WHEELING ACQUISITION CORPORATION, a Delaware corporation ("Lessee").

Wheeling & Lake Erie Railway Company, formerly
WITNESSETH.

WHEREAS, Lessor owns certain units of railroad equipment further identified in Exhibits A and B attached hereto (collectively, the "Equipment," and individually "Unit of Equipment");

WHEREAS, Lessor desires to lease the Equipment to Lessee and Lessee desires to lease the Equipment from Lessor.

NOW, THEREFORE, it is mutually agreed by and between the parties hereto as follows:

1. Lease of Equipment

For and in consideration of the covenants and payments hereinafter mentioned, Lessor agrees to lease the Equipment to Lessee and Lessee agrees to lease the Equipment from the Lessor during the term of this Agreement. Except as otherwise provided herein, it is agreed that title to the Equipment shall at all times remain in Lessor and at no time during the Initial Term or any Renewal Term of this Agreement shall title become vested in Lessee. This lease is and is intended to be a true lease and not a lease intended as security. Unless and until Lessee purchases any Unit of Equipment pursuant to Section 8 or Section 16, Lessee shall acquire no right, title or interest in or to such Unit, except the right to use the same pursuant to the terms of this Agreement.

2. Delivery and Acceptance

The Equipment will be delivered to Lessee in the following condition: (i) each locomotive will be delivered in such condition that it possesses or can obtain a current F.R.A. periodic inspection form (or in such other condition as the parties may agree) and (ii) each freight car will be delivered in interchangeable condition in accord with the Mechanical Interchange Rules promulgated by the Association of American Railroads.

Delivery of each Unit of Equipment shall be at that time and place when Lessor delivers each Unit of Equipment to Lessee at Brewster, Ohio, or elsewhere on the lines of railroad being purchased by Lessee, excepting Cleveland area interchange

points, or at some other point as may be mutually agreed upon by the parties. As soon as practicable after delivery of each Unit of Equipment, but in no event more than 30 days thereafter, Lessee will cause its authorized representative to inspect and accept or reject each Unit of Equipment and, in the case of accepted Equipment, to execute and deliver to Lessor a Certificate of Acceptance (in a form substantially as set forth in Exhibit C attached hereto) stating that each Unit of Equipment has been delivered to and accepted on behalf of the Lessee. With respect to accepted Equipment, such Certificate of Acceptance shall be conclusive evidence that the Unit or Units of Equipment has or have been delivered and accepted, is or are leased hereunder, and is or are subject to all the terms, conditions, and provisions of this Agreement. With respect to rejected equipment, Lessee would have no obligations under this Lease, would promptly notify Lessor of its or their rejection and would cooperate with Lessor in making said rejected Equipment available to Lessor at interchange points with Lessor or other points and through other means of disposition as may be mutually agreed by the parties. Lessor shall have the right, but shall not be obligated, to substitute other Units of Equipment for inspection and acceptance in lieu of rejected Equipment or to make other arrangements as may be mutually agreed by the parties.

Promptly after Lessee has inspected and accepted the Equipment pursuant to this Section 2 (including any Units of Equipment substituted by Lessor), Lessee and Lessor shall execute an amendment to this Agreement amending and restating Exhibits A, B and D hereto to reflect the actual Units of Equipment subject hereto.

3. Term

The initial term of this Agreement ("Initial Term") as to each Unit of Equipment shall commence on the date such Unit is accepted by Lessee and shall end twelve (12) years from and after the date of this Agreement, unless sooner terminated or renewed as hereinafter provided.

4. Rental

(a) As an inducement for the Lessor to commit the Equipment to Lessee and forego other use or disposition of the Equipment at this time, and for the lease and use of the Equipment during the Initial Term, Lessee shall make rental payments to Lessor as follows: (i) a minimum rental, regardless of the amount of equipment from time to time remaining subject to this Agreement, of \$6,060,000 ("Minimum Rental"), payable in twelve annual installments of \$505,000 for each twelve-month period from and after the date hereof ("Annual Period") as

hereinafter provided, plus (ii) rental for each Unit of Equipment subject to this Agreement at the applicable rates specified in Exhibit D hereto ("Use Rental"). Use Rental on each Unit of Equipment shall commence on the date hereof and shall continue until such Unit of Equipment is returned to Lessor as provided in Section 17 or is purchased by Lessee as provided in Section 8 or Section 16.

The parties agree that the first payment of Use Rental will be appropriately adjusted so that no Use Rental is payable by Lessee in respect of Units of Equipment that may have been rejected by Lessee pursuant to Section 2.

Use Rental is payable monthly, in advance, on the first business day of each calendar month of the term hereof; provided, however, that the first three payments shall be made in arrears, within three business days after the end of the month; also provided that the first payment as to each Unit of equipment shall include the Use Rental due for the portion of the month from the date of this Agreement through the last day of that calendar month. Payment of monthly Use Rental shall be by wire transfer pursuant to instructions furnished by Lessor or by cashier's or certified check sent by registered or certified mail to the office of Lessor's Treasurer at 8 North Jefferson Street, Roanoke, Virginia 24042, or by such other method as may be approved in writing by Lessor.

(b) Minimum Rental may be subject to reduction as hereinafter provided.

(c) The parties acknowledge and agree that part of the consideration to Lessor for entering into this Agreement and making available the Equipment for Lessee's use, is the expectation that Lessor will participate in joint-line traffic moving over the railroad owned or operated by Lessee. To encourage such joint-line traffic movements, which will benefit Lessor as well as Lessee, Lessor is willing to lease the Equipment to Lessee and to reduce the amount of rental payable by Lessee based on Traffic Lease Credits (as defined below). It is expressly understood and agreed, however, that Lessee is not required by this Agreement to participate in any joint-line traffic movements with Lessor, is not required to seek or avail itself of rental reductions during the term of this Agreement, and is not restricted by this Agreement with respect to the marketing of its rail services or the routing of traffic moving over its railroad.

(d) For the purpose of this section, "Qualifying Traffic" shall mean traffic which moved to, from or via Lessee's railroad, on the one hand, and any station or point currently competitively served by Norfolk and Western Railway Company, Southern Railway Company or any subsidiary of either

or both (collectively, the "NS") and one or more other carrier(s), on the other hand. A "competitively served station or point" shall mean a point: (i) accessed directly by rails owned or leased by NS as of the date of this Agreement, and also served by at least one other rail carrier other than the Lessee's railroad; or (ii) a point not served by NS but where NS could participate in service between Lessee's railroad and such point. Qualifying traffic must have had legally applicable rates, routes and divisions in effect on the date of movement which would have allowed a legal joint NS-Lessee's railroad movement, and such traffic shall not be precluded from moving via NS due to any restrictive routing provisions imposed, on the basis of carrier routing policies, or dimensions or contents of a car or shipment, by any carrier other than NS or Lessee's railroad (e.g., item 815 of RRA (Regional Rail Reorganization Act of 1973) Master Tariff 6000-series).

(e) "Traffic Lease Credits" may be computed based on the participation of NS in Qualifying Traffic (measured by revenue carloads) during each Annual Period, as follows:

<u>Percent of Qualifying Traffic, Measured by Revenue Carloads, Interchanged by Lessee to or from Lessor</u>		<u>Amount of Traffic Lease Credit</u>
<u>Greater than or Equal to</u>	<u>But Less Than</u>	
0%	40%	\$ 0
40%	55%	25,000
55%	65%	75,000
65%	72.5%	125,000
72.5%	85%	505,000
85%	---	505,000

(f) The Traffic Lease Credit shall be applied as follows: (i) up to the first \$505,000, toward reduction of the Minimum Rental for the current year, and (ii) \$6,966 for each full percentage point in excess of 85%, towards reduction of Use Rental due to Lessor from Lessee, but in no event shall Lessor be obligated to make any payment to Lessee on account of excess Traffic Lease credits. Traffic Lease Credits in excess of \$505,000 in a particular Annual Period may be carried forward, at Lessee's option, to reduce the Minimum Rental for subsequent years.

(g) Within one month following the date that Lessor notifies Lessee in writing of the amount of Traffic Lease Credits earned by Lessee for the previous year, Lessee will pay Lessor the applicable amount of Minimum Rental (i.e., \$505,000 less the applicable amount of Traffic Lease Credit).

- (h) The following procedure will be followed by the parties to determine Traffic Lease Credits earned by Lessee:
- (i) Within three months after the end of each Annual Period, Lessee will produce to the Independent Reviewer (as defined below) full traffic information for Lessee's railroad during the preceding Annual Period, excluding traffic which both originates and terminates on Lessee's railroad (but not excluding traffic handled by connecting rail carriers on the basis of separate waybills to the extent that Lessee has knowledge of such prior or subsequent rail movement). Lessee will certify to the Independent Reviewer that such traffic information is complete and accurate to the best of Lessee's knowledge.
 - (ii) The "Independent Reviewer" will be a third party not affiliated with Lessor or Lessee selected and paid for equally by Lessor and Lessee.
 - (iii) Lessor and Lessee will agree upon a procedure to be used by the Independent Reviewer to analyze the traffic information. Unless otherwise agreed, the procedure will be identical to that used by DNS Associates, Lexington, MA in its January 19, 1989 analysis (limited to Traffic Groups 4, 5 and 10), a copy of which has been furnished to Lessee. Any procedural questions arising during the analysis will be resolved by mutual agreement of the parties, and if the parties are unable to agree, they shall decide on an independent third party to study the dispute and issue a decision on the matter which decision shall be final.
 - (iv) The results of the Independent Reviewer's analysis will be furnished to Lessor and Lessee in a manner which protects the confidentiality of the traffic information in which Lessor's rail system did not participate and the confidentiality of transportation contracts.
 - (v) If the Annual Period does not coincide with a period for which Lessee would normally compile traffic data, the parties may mutually agree to apply Traffic Lease Credits earned during a normal data compilation period to a non-coinciding Annual Period.

- (vi) Lessor shall have the right to hire an independent third party to audit Lessee's traffic records to verify the completeness and accuracy of the interline traffic data furnished by Lessee for each Annual Period. However, Lessor shall not have direct access to the data. Lessor shall be entitled to review only the results of the audit in a manner which protects the confidentiality of the data and all transportation contracts.

5. Maintenance and Repair

It is understood and agreed that all maintenance and repair of the Equipment during the term of this Agreement will be the responsibility of Lessee, at its sole cost and expense. The Equipment will be maintained by Lessee in good condition, in accordance with the A.A.R. Interchange Rules and in compliance with all applicable federal, state and local laws and regulations and as otherwise may be required to keep the Equipment in good order and operating condition.

Any car repair billing which may be presented to Lessor as a result of the reporting marks on the Equipment will be rebilled to the Lessee as presented.

Any parts installed or replacements made upon any Unit of Equipment shall be considered accessions to such Unit of Equipment and title thereto shall be immediately vested in Lessor. Except for ordinary repairs and replacement of parts, Lessee will not modify any Unit of Equipment without the prior written consent and approval of Lessor.

6. Use of Equipment

Lessee agrees that the Equipment will be used and operated solely in the conduct of its business and in compliance with any and all terms, conditions and provisions of any applicable insurance policies of Lessee and with all statutes, laws, ordinances, rules and regulations of any Federal, state or local governmental body, agency or authority applicable to the use and operation of the Equipment, including, without limitation, the rules of the United States Department of Transportation, the Interstate Commerce Commission, and the current Interchange Rules or supplements thereto of the Mechanical Division, Association of American Railroads, as the same may be in effect from time to time where such Interchange Rules apply and govern the use of the Equipment, provided, however that Lessee may elect or be required to confine the use of the Equipment to its own lines in which case interchange rules and other regulations pertaining to interchange shall not apply. Lessee shall procure

and maintain in effect during the term of this Agreement all licenses, registrations, certificates, permits, approvals and consents required by Federal, state or local laws or by any governmental body, agency or authority in connection with its use and operation of each Unit of Equipment. So long as an Event of Default shall not have occurred and be continuing, Lessee shall be entitled to possession of the Equipment from and after the acceptance thereof and to the use thereof upon the lines of railroad owned or operated by Lessee (either alone or jointly with another) or upon lines over which Lessee shall have trackage or other operating rights, and Lessee shall be entitled to permit the use of the Equipment upon connecting and other railroads in the usual interchange of traffic and upon railroads over which through service may be afforded, but subject to all the terms of this Agreement. Lessor shall, prior to delivery of any Unit of Equipment, obtain any required waiver relating to Rule 88 of the A.A.R. Interchange Rules.

7. Identification Marks; Inspection

Lessee shall plainly, distinctly, and conspicuously place and fasten upon the sides of each Unit of Equipment a metal plate bearing the following words, or such words may be otherwise plainly, distinctly and conspicuously marked on the sides of each Unit of Equipment, in either case in letters not less than one inch in height:

OWNED BY A SUBSIDIARY OF NORFOLK SOUTHERN CORPORATION,
SUBJECT TO A LEASE AGREEMENT FILED WITH THE INTERSTATE
COMMERCE COMMISSION.

In case, prior to the termination of the lease term as to any Unit of Equipment, any of such plates or marks shall at any time be removed, defaced, obliterated or destroyed, the Lessee shall promptly cause the same to be restored or replaced.

Upon delivery to and acceptance by the Lessee hereunder, the Equipment will bear the reporting initials and road numbers shown in Exhibit B hereto. The Lessee shall be permitted to change such initials and numbers and substitute the Lessee's road numbers; provided, however, that the Lessee shall not change, or permit to be changed, the road numbers or initials shown on Exhibit B (or any road numbers or initials which may have been substituted as herein provided) except in accordance with a statement of new numbers to be substituted therefor which shall previously have been filed with the Lessor by the Lessee, and which shall be filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303.

Upon the request of Lessor, Lessee shall make the Equipment available to Lessor for inspection at a reasonable

time and place and, except as otherwise provided herein, shall also make Lessee's records pertaining to the Equipment or administration of this Agreement available to Lessor for inspection.

8. Loss, Damage or Destruction

(a) Lessee hereby assumes all risk of loss, damage, theft, taking, destruction, confiscation, requisition or commandeering, partial or complete, of or to each Unit of Equipment, however caused or occasioned, such risk to be borne by Lessee with respect to each Unit of Equipment from the date of acceptance thereof by Lessee and continuing until such Unit of Equipment has been returned to Lessor in accordance with the provisions of Section 17 hereof or has been purchased by Lessee in accordance with the provisions of Section 16 hereof. Except as hereinafter provided, Lessee agrees that no occurrence specified in the preceding sentence shall impair, in whole or in part, any obligation of Lessee under this Agreement, including, without limitation, the obligation to pay rental.

(b) If any Unit of Equipment shall be or become worn out, lost, stolen, destroyed or irreparably damaged, or otherwise rendered permanently unfit for use from any cause whatsoever, or if any Unit of Equipment is condemned, confiscated, seized or requisitioned, in whole or in part (such occurrences being referred to as an "Event of Loss"), while such Unit of Equipment is subject to lease hereunder, Lessee shall promptly and fully inform Lessor in regard thereto. Lessee shall, on the earlier of the next succeeding rental payment date or the expiration of the term of this Agreement, pay to Lessor a sum equal to the Casualty Loss Value of such Unit of Equipment as of the rental payment date next succeeding the Event of Loss.

For purposes of this section, the term "Casualty Loss Value" shall be deemed to be the result obtained by multiplying the Lease Value (as shown on Exhibit A) of the Unit of Equipment suffering an Event of Loss by the appropriate Casualty Loss Factor for such Unit shown in Exhibit E.

Upon making such payment in respect of a Unit of Equipment, rental for such Unit of Equipment shall cease as of the date of such payment, the term of this Agreement as to such Unit of Equipment shall terminate, and Lessee shall be entitled to retain such Unit of Equipment as its own property.

Except as hereinabove in this section provided, Lessee shall not be released from its obligations hereunder in the event any Unit of Equipment suffers an Event of Loss while in Lessee's possession.

9. Insurance

(a) Lessee will cause to be carried and maintained, at its sole expense with respect to the Equipment at all times during the term hereof and until the Equipment has been returned to Lessor, insurance against liability for bodily injury, death and property damage resulting from the use and operation of the Equipment in an amount not less than \$5 million (\$5,000,000) per occurrence. Such insurance policy will name Lessor as an additional insured. Such policy will provide that it may not be invalidated against Lessor by reason of any violation of a condition or breach of the policy or the application therefor by Lessee, that the policy may be canceled or materially altered or reduced in coverage by the insurer only after 30 days' prior written notice to Lessor, and that the insurer will give written notice to Lessor in the event of nonpayment of premium by Lessee when due. Upon request of Lessor, Lessee shall furnish Lessor certificates of insurance evidencing the insurance coverage required by this section.

(b) Any property insurance maintained on the Equipment will contain a waiver of subrogation in favor of Lessor.

10. Taxes

Lessee timely will pay, or promptly will reimburse Lessor if payment is made by it, all federal, state and local property, sales, use, or other license, tax, duty, levy, imposition, assessment or charge (collectively, "Impositions") (excluding any federal, state or local income taxes) levied or imposed upon, measured by, or exacted because of use or lease of the Equipment by Lessee. At all times during the term of this Agreement, Lessee will keep the Equipment free and clear of all Impositions that might in any way affect or impair the title of Lessor to or its interest in the Equipment or result in a lien on the Equipment; but this provision shall not require the payment of any such Imposition so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings, unless such contest will in the judgment of Lessor materially endanger Lessor's rights or interests. Lessee promptly will pay or reimburse Lessor for any interest or penalty payable by Lessor resulting from any delay in paying any Impositions that are the responsibility of Lessee under this section. If, during the term of this Agreement, Lessee becomes liable for the payment or reimbursement of any Impositions pursuant to this section, notwithstanding the termination of this Agreement, such liability will continue until all Impositions and any interest or penalty thereon are paid or reimbursed by Lessee.

11. No Warranty; Indemnification

LESSOR MAKES NO REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE DESIGN OR CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY, DURABILITY, SUITABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, AND LESSOR HEREBY DISCLAIMS ANY SUCH REPRESENTATION OR WARRANTY. The Equipment constitutes used railroad equipment and is leased to Lessee on an "as-is, where-is" basis and with all faults. Without limiting the generality of the foregoing, Lessor shall not be liable or responsible for any defects, either latent or patent (whether or not discoverable by Lessee) in the Equipment, or for any direct or indirect damage to persons or property resulting therefrom, or for Lessee's loss of use of the Equipment or for any interruption in Lessee's business caused by Lessee's inability to use the Equipment for any reason.

Lessee agrees to defend, indemnify and hold Lessor harmless from and against any and all obligations, fees, liabilities, losses, damages, penalties, claims, demands, actions, suits, judgments, costs and expenses, including legal expenses, of every kind and nature whatsoever, and regardless of the cause thereof, arising out of or in connection with or resulting from the condition, use, loss of use, maintenance or operation of the Equipment or the Lessee's possession of the Equipment during the term of this Agreement, except when due to Lessor's negligent use or operation of such Equipment on NS lines. For purposes of this Section and Section 12, "Lessor" shall mean Norfolk Southern Corporation and its affiliated companies, and their officers, directors, employees and agents.

The provisions of this Section and the obligations of Lessee hereunder shall survive and continue in full force and effect notwithstanding the expiration or earlier termination of this Agreement, in whole or in part.

12. Loss or Damage to Lading and Damage to Equipment Caused by Lading

Lessor shall not be liable for any loss of or damage to commodities or any part thereof, loaded or shipped on or in the Equipment however such loss or damage shall be caused or shall result (except when due to Lessor's negligence in loading or transporting such commodities), and Lessee agrees to assume financial responsibility for, to indemnify Lessor against, and to save Lessor harmless from any such loss or damage to commodities, or claims therefor, or for any damage caused to the Equipment by such commodities.

13. Events of Default

Any of the following events shall constitute an "Event of Default" for purposes of this Agreement:

(a) Lessee shall fail to make any payment of rent or other sum owed under this Agreement within fifteen (15) days after the same is due and payable; or

(b) Lessee shall fail to observe, carry out and perform any covenant or agreement to be performed by Lessee under this Agreement within thirty (30) days after Lessor shall have demanded in writing performance thereof; or

(c) any proceeding shall be commenced by or against Lessee for any relief which includes, or might result in, any modification of the Lessee's obligations hereunder under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations or arrangements, and unless such proceeding shall have been dismissed, nullified, stayed or otherwise rendered ineffective, all such obligations of Lessee shall not be and shall not continue to be duly assumed in writing pursuant to a court order or decree by a trustee or receiver appointed for Lessee or for its property in connection with any such proceeding in such manner that such obligations shall have the same status as expenses of administration and obligations incurred by such trustee or receiver within sixty (60) days after such proceeding shall have been commenced.

14. Remedies Upon Default

Upon the occurrence of any Event of Default and at any time thereafter so long as the same shall be continuing, Lessor may exercise one or more of the following remedies as Lessor in its sole discretion shall elect, subject to any applicable provisions of law:

(a) Lessor may terminate this Agreement, without prejudice to any other remedies hereunder, with respect to all or any Units of Equipment, and whether or not this Agreement has been so terminated, may enter the premises of Lessee or any other party to take immediate possession of the Equipment and remove all or any Units of Equipment by summary proceedings or otherwise, or may require Lessee, at Lessee's expense, to store, maintain, surrender and deliver possession of the Equipment, all without liability to Lessor for or by reason of such entry or taking or possession;

(b) Lessor may hold, keep idle or lease to others the Equipment or any Unit of Equipment, as Lessor in its sole

discretion may determine, free and clear of any rights of Lessee and without duty do account to Lessee with respect to such action or inaction or for any proceeds with respect thereto, except that Lessee's rental obligation hereunder commencing after Lessee shall have been deprived of possession shall be reduced by the net proceeds, if any, received by Lessor from leasing the Equipment to others;

(c) Lessor may sell the Equipment, in whole or in part, at public or private sale as Lessor may determine, free and clear of any rights of Lessee, and Lessee shall pay Lessor, as liquidated damages for loss of a bargain and not as a penalty, all unpaid rental due under this Agreement up to the time such sale occurs plus an amount equal to (i) the Casualty Loss Value of the Equipment so sold (computed as of the date of sale in accordance with Section 8), less (ii) the net proceeds of such sale.

(d) Whether or not Lessor shall have exercised any of its rights under subsections (a) or (b) above, Lessor, by written notice specifying a payment date, may demand, and Lessee shall pay Lessor, payment (as liquidated damages for loss of a bargain and not as a penalty) of all unpaid rental then payable under this Agreement in respect of all or any part of the Equipment, plus an amount equal to the excess, if any, of the Casualty Loss Value of such Equipment computed as of the payment date specified in Lessor's notice, over the fair market value of such Equipment as of such payment date (as determined by an independent appraiser designated by Lessor).

The foregoing remedies shall be cumulative and in addition to any other remedy available to Lessor at law or in equity and the exercise of any one or more remedies by Lessor shall not constitute the exclusive election of such remedies and shall not preclude the exercise of other remedies by Lessor. No express or implied waiver by Lessor of any Event of Default shall in any way be, or be construed to be, a waiver of any future of subsequent Event of Default.

15. Renewal Option

If no Event of Default shall have occurred and be continuing and if this Agreement shall not have been earlier terminated as to all Units of Equipment, then Lessee shall be entitled, at its option upon written notice delivered to Lessor not less than ninety (90) days prior to the expiration of the then current term of this Agreement (whether the initial term or any Renewal Term), to renew this Agreement as to all or a portion of the Equipment then subject to this Agreement for up to five (5) renewal terms of twelve (12) months each ("Renewal Terms"). The first Renewal Term will commence at the

expiration of the Initial Term of this Agreement as set forth in Section 3, and each succeeding Renewal Term will commence at the expiration the next preceding Renewal Term. All provisions of this Agreement will apply during each Renewal Term, except that the rent payable by Lessee shall be the fair market rental value as determined by an independent appraiser acceptable to Lessor and Lessee and there shall be no Traffic Lease Credits. The independent appraiser shall make his determination within sixty (60) days after he is appointed. If Lessee fails to give Lessor written notice of its election to renew this Agreement within the time period specified above, it shall be conclusively presumed that Lessee has elected not to exercise its renewal option, in which case the Equipment shall be returned to Lessor as provided in Section 17 hereof (unless Lessee shall have exercised its purchase option under Section 16 hereof).

16. Purchase Option

If no Event of Default shall have occurred and be continuing and if this Agreement shall not have been earlier terminated, Lessee shall be entitled, at its option, upon thirty (30) days prior written notice to Lessor, to purchase any Unit or Units of Equipment (subject to the limitation set forth in the last sentence of this Section 16) on each anniversary of the date of this Agreement or upon such other dates as the parties may agree, by paying to Lessor an amount equal to the product of (i) the Lease Value specified in Exhibit A as to such Unit, times (ii) the applicable Purchase Option Factor specified in Exhibit F, plus any applicable sales, excise or other taxes imposed as a result of such sale. The closing for the sale of any Unit or Units of Equipment as to which Lessee shall have exercised this option to purchase, shall be held at a mutually agreeable time and place. Lessor's sale of any Unit of Equipment shall be on an "as-is, where-is" basis, without any representations or warranties by, or recourse to, Lessor. Upon the sale of a Unit of Equipment to Lessee pursuant to this section, this Agreement shall terminate as to such Unit. Lessee shall not have the right to purchase any Equipment if the aggregate Lease Value (as shown on Exhibit A) of all Equipment remaining subject to this Agreement is, or would as a result of such purchase be, less than \$2,600,000.

17. Return of Equipment

Not later than thirty (30) days after the expiration or earlier termination of this Agreement with respect to each Unit of Equipment (and provided that Lessee has not exercised its purchase option under Section 16 as to all remaining Units of Equipment), Lessee will, at its expense, surrender and deliver possession of each Unit of Equipment to Lessor at

Bellevue, Ohio, or at some other point as may be agreed upon between Lessee and Lessor. At the time of such return to Lessor, each Unit of Equipment shall be in as good order and condition as when originally delivered to Lessee, ordinary wear and tear from proper use thereof excepted, and in compliance with all applicable federal, state and local statutes, laws, ordinances, rules and regulations, and shall be free and clear of all liens.

18. Assignment and Sublease

Except as otherwise provided herein, Lessee shall not transfer, assign or sublease the Equipment or this Agreement, in whole or in part, by operation of law or otherwise, without Lessor's prior written consent. Lessor shall have the right to assign all or any part of its rights under this Agreement.

19. Successors and Assigns

Subject to the provisions of Section 18, this Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

20. Late Charge

Lessee shall pay to Lessor, on demand, to the extent permitted by applicable law, interest on any amount of rent or other amount payable under this Agreement which is not paid when due, for any period for which such amount is overdue at an annual rate equal to two percent (2%) above the prime rate of interest charged during such overdue period by Morgan Guaranty Trust Company of New York.

21. Miscellaneous

(a) Lessee acknowledges and agrees that by the execution hereof it does not obtain and by making payments and performing hereunder it does not and will not have or obtain any title to or ownership of the Equipment or any Unit of Equipment at any time subject to this Agreement nor any property right or interest legal or equitable therein, except solely as Lessee hereunder and subject to all the terms and provisions hereof, unless Lessee exercises the option to purchase provided in Section 16 and except as provided in Section 8.

(b) Lessee shall keep each Unit of Equipment free from any liens or encumbrances which may be a cloud upon or otherwise affect or impair title to the Equipment.

(c) This Agreement may not be amended or modified except by written agreement signed by the parties.

(d) No waiver of any provision of this Agreement shall be effective unless in writing signed by the parties against whom enforcement of such waiver is sought and, unless otherwise expressly so provided, such waiver shall be limited only to the specific situation for which it was given.

(e) All notices hereunder shall be in writing and shall be deemed given when delivered personally or when deposited in the United States mail, postage prepaid, certified or registered, addressed to the parties as follows:

If to Lessor: Mr. J. R. Turbyfill
 Executive Vice President - Finance
 Norfolk Southern Corporation
 Three Commercial Place
 Norfolk, VA 23510-2191

If to Lessee: Mr. James C. Rooney
 East First Street
 Brewster, Ohio 44613

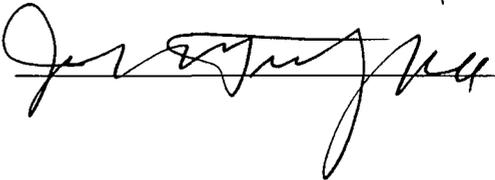
(f) Lessor and Lessee agree that this Agreement shall be filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303, at the expense of Lessee.

(g) This Agreement, including all documents and exhibits attached hereto or incorporated by reference herein, constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all other prior or contemporaneous understandings, oral or written, with respect to the same.

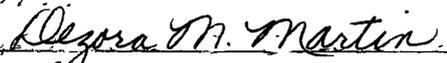
(h) This Agreement shall in all respects be governed by and construed in accordance with the laws of the Commonwealth of Virginia, including all matters of construction, validity and performance; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed, attested and delivered as of the date first written above.

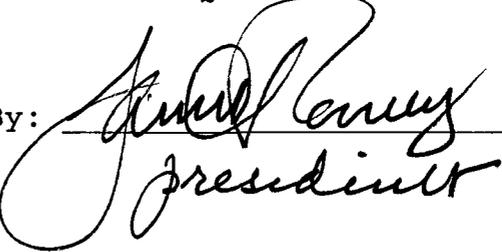
NORFOLK SOUTHERN CORPORATION, as
agent for Norfolk and Western
Railway Company and Southern
Railway Company

By: 

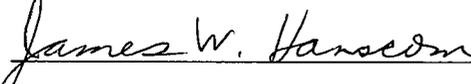
Attest:


Assistant Secretary

¹⁸⁴⁹ Wheeling & Lake Erie Railway Company, formerly
WHEELING ACQUISITION CORPORATION

By: 
President

Attest:


Secretary

STATE OF New York]
COUNTY OF New York] ss:
]

On this 17 day of May, 1990,
before me personally appeared James C Rooney, to me
personally known, who, being by me duly sworn, says that he is
the President of Wheeling & Lake Erie Railway Company,
that one of the seals affixed to the foregoing instrument is
the corporate seal of said corporation, that said instrument
was signed and sealed on behalf of said corporation by
authority of its Board of Directors, and he acknowledged that
the execution of the foregoing instrument was the free act and
deed of said corporation.

ELIZABETH MAZZOLA
NOTARY PUBLIC, State of New York
No 31-4953654
Qualified in New York County
Commission Expires July 24, 1991

Elizabeth Mazzola
Notary Public

My commission expires: _____

COMMONWEALTH OF Virginia]
CITY OF Norfolk] ss:
]

On this 10th day of May, 1990, before
me personally appeared John B Turbyfill, to me
personally known, who, being by me duly sworn, says that he is
a Vice President of Norfolk Southern Corp that one of the seals
affixed to the foregoing instrument is the corporate seal of
said corporation, that said instrument was signed and sealed on
behalf of said corporation by authority of its Board of
Directors, and he acknowledged that the execution of the
foregoing instrument was the free act and deed of said
corporation.

Jeanie B. Davis
Notary Public

My commission expires: June 16, 1991

Exhibit A

	<u>Quantity</u>	<u>Lease Value</u>	<u>Total Lease Value</u>
GP-30, GP-35 Locomotive	43	\$ 75,000	3,225,000
SD-35, SD-45 Locomotive	5	90,000	450,000
Unrehabilitated SD-45 Locomotive	3	60,000	180,000
Slug	2	25,000	50,000
SD 45 Locomotive Hulk	1	20,600	20,600
GP 35 Locomotive Hulk	1	18,000	18,000
70 Ton Open Top Hopper	800	6,000	4,800,000
70 Ton Gondola	365	13,000	4,745,000
Covered Hopper (4-5,000 cu. ft)	122	18,000	2,196,000
50ft. DF Box Car	29	20,000	580,000
Telemetry Devices	14 sets	3,000	42,000
Cabooses	10	3,000	30,000
Tamper Jackson 6000	1	66,857	66,857
Tamper Jackson 6000	1	62,958	62,958
Ballast Regulator Kershaw	1	12,059	12,059
Ballast Regulator Kershaw	1	12,199	12,199
Switch Tamper	1	13,925	13,925
Tie Knock Out	1	65,280	65,280
Spiker	1	11,239	11,239
Scarifier	1	11,704	11,704
Dump Air Activated	1	15,000	15,000
Dump Air Activated	1	50,000	<u>50,000</u>

\$16,657,821

In addition to the above, Lessee will lease such other locomotives, rolling stock, and maintenance equipment as may be agreed by the parties hereto and reflected in an amendment or amendments to this Agreement with total lease value not in excess of sixteen million seven hundred thousand dollars (\$16,700,000).

<u>Description</u>	<u>Quantity</u>	<u>Identification Number</u>			
EMD Model GP-35 Locomotives	43	SOU 2645	SOU 2671	SOU 2701	
		SOU 2650	SOU 2672	SOU 2703	
		SOU 2651	SOU 2673	CG 2705	
		SOU 2652	SOU 2676	CG 2706	
		SOU 2653	SOU 2679	CG 2707	
		SOU 2654	SOU 2680	CG 2708	
		SOU 2655	SOU 2682	CG 2709	
		SOU 2656	SOU 2683	CG 2710	
		SOU 2657	SOU 2684	CG 2711	
		SOU 2659	SOU 2686	CG 2712	
		SOU 2664	SOU 2687	CG 2713	
			SOU 2695	CG 2714	
			SOU 2699	CG 2715	
			SOU 2660		
			SOU 2661		
			SOU 2662		
			SOU 2675		
	SOU 2691				
EMD Model SD-45 Locomotives	5	NW 1765			
		NW 1766			
		NW 1767			
		NW 1768			
		NW 1769			
Locomotive Slugs, Model RP-E6	2	NW 9950			
		NW 9951			
Unrehabilitated EMD Model SD-45 Locomotives	3	NW 1770			
		NW 1784			
		NW 1800			
EMD GP-35 Locomotive Hulk	1	SOU 2702			
EMD SD-45 Locomotive Hulk	1	SOU 3161			
50ft. DF Box Cars	29	NW 160427	NW 161223	NW 164257	
		NW 160470	NW 161228	NW 164420	
		NW 160687	NW 161279	NW 164426	
		NW 160800	NW 161291	NW 164429	
		NW 161106	NW 161326	NW 164488	
		NW 161193	NW 161601	NW 164522	
		NW 161220	NW 161769	NW 164537	
			NW 164190	NW 161309	
			NW 164466	NW 161408	
			NW 160934	NW 161913	
			NW 164128	NW 164115	

<u>Description</u>	<u>Quantity</u>	<u>Identification Number</u>		
Cabooses	10	NW 518514	NW 518687	NW 557569
		NW 518647	NW 581693	NW 557571
		NW 518663	NW 557528	NW 557587
		NW 518670		
Covered Hopper Cars	122	NW 172000	NW 172167	NW 172434
		NW 172002	NW 172169	NW 172454
		NW 172006	NW 172172	NW 172464
		NW 172014	NW 172173	NW 172468
		NW 172015	NW 172183	NW 172472
		NW 172018	NW 172197	NW 172474
		NW 172039	NW 172203	NW 172482
		NW 172049	NW 172211	NW 172496
		NW 172052	NW 172213	NW 172501
		NW 172053	NW 172236	NW 172510
		NW 172057	NW 172245	NW 172511
		NW 172060	NW 172249	NW 172519
		NW 172061	NW 172253	NW 172522
		NW 172066	NW 172257	NW 172538
		NW 172070	NW 172264	NW 172557
		NW 172075	NW 172269	NW 172565
		NW 172077	NW 172280	NW 172572
		NW 172080	NW 172285	
		NW 172081	NW 172294	NW 172594
		NW 172091	NW 172295	NW 172599
		NW 172094	NW 172301	NW 172600
		NW 172099	NW 172302	NW 172641
		NW 172108	NW 172303	NW 172661
		NW 172120	NW 172314	NW 172663
		NW 172121	NW 172324	NW 172679
		NW 172122	NW 172326	NW 172700
		NW 172126	NW 172335	NW 172713
		NW 172127	NW 172337	NW 172716
		NW 172129	NW 172356	NW 172766
		NW 172130	NW 172367	NW 172767
		NW 172131	NW 172368	NW 172774
		NW 172132	NW 172373	NW 172775
		NW 172134	NW 172375	NW 172780
		NW 172137	NW 172376	NW 172781
		NW 172142	NW 172380	NW 172783
		NW 172144	NW 172386	NW 172784
		NW 172145		NW 172787
		NW 172154	NW 172402	NW 172791
		NW 172156	NW 172414	
		NW 172161	NW 172422	
		NW 172163	NW 172425	NW 172348
				NW 172587
				NW 172028
		NW 172090		

<u>Description</u>	<u>Quantity</u>	<u>Identification Number</u>		
70-Ton Gondola Cars	365	SOU 291006	SOU 291215	SOU 314110
		SOU 291016	SOU 291217	SOU 314112
		SOU 291019	SOU 291222	SOU 314114
		SOU 291021	SOU 291231	SOU 314117
		SOU 291022	SOU 291244	SOU 314119
		SOU 291025		SOU 314121
		SOU 291038	SOU 291247	SOU 314122
		SOU 291040	SOU 291248	SOU 314123
		SOU 291043		SOU 314128
		SOU 291044	SOU 291257	SOU 314129
		SOU 291056	SOU 291258	SOU 314130
		SOU 291059	SOU 291263	SOU 314133
		SOU 291060	SOU 291264	SOU 314134
		SOU 291074	SOU 291265	SOU 314135
		SOU 291075	SOU 291266	SOU 314136
		SOU 291079	SOU 291279	SOU 314139
		SOU 291081	SOU 291295	SOU 314141
		SOU 291082	SOU 314009	SOU 314142
		SOU 291083	SOU 314010	SOU 314143
		SOU 291086	SOU 314011	SOU 314146
		SOU 291087	SOU 314012	SOU 314147
		SOU 291090	SOU 314016	SOU 314152
		SOU 291098	SOU 314017	SOU 314153
		SOU 291100	SOU 314021	SOU 314155
		SOU 291104	SOU 314023	SOU 314161
		SOU 291107		SOU 314164
		SOU 291111		SOU 314169
		SOU 291116	SOU 314035	SOU 314170
		SOU 291117	SOU 314036	SOU 314172
		SOU 291122	SOU 314037	SOU 314173
		SOU 291123	SOU 314039	SOU 314176
		SOU 291125	SOU 314048	SOU 314178
			SOU 314050	SOU 314180
		SOU 291134	SOU 314051	SOU 314182
		SOU 291139	SOU 314052	SOU 314186
		SOU 291141	SOU 314059	SOU 314188
		SOU 291144		SOU 314196
			SOU 314063	SOU 314202
		SOU 291155		SOU 314208
		SOU 291156	SOU 314071	SOU 314211
		SOU 291158	SOU 314072	SOU 314215
		SOU 291159	SOU 314075	SOU 314219
		SOU 291164	SOU 314081	SOU 314223
		SOU 291165	SOU 314082	SOU 314226
		SOU 291172	SOU 314083	SOU 314227
		SOU 291174		SOU 314229
		SOU 291178	SOU 314087	SOU 314230
		SOU 291185	SOU 314091	SOU 314231
		SOU 291189	SOU 314094	SOU 314233
		SOU 291199		SOU 314234
		SOU 291204	SOU 314107	SOU 314245
		SOU 291211	SOU 314108	SOU 314249
			SOU 328205	SOU 328473

<u>Description</u>	<u>Quantity</u>	<u>Identification Number</u>		
. 70-Ton Gondola Cars (Cont'd.)		SOU 314251	SOU 328262	SOU 60058
		SOU 314254	SOU 328263	SOU 60079
		SOU 314257	SOU 328266	SOU 60084
		SOU 314258	SOU 328267	SOU 60091
		SOU 314262	SOU 328280	SOU 60103
		SOU 314267	SOU 328295	SOU 60107
		SOU 314279	SOU 328304	SOU 60136
		SOU 314281		SOU 60141
		SOU 314286	SOU 328321	SOU 60176
		SOU 314287	SOU 328329	SOU 60177
		SOU 314288	SOU 328345	SOU 60182
		SOU 314289	SOU 328367	SOU 60200
		SOU 314294	SOU 328384	SOU 60202
		SOU 314296	SOU 328385	SOU 60222
		SOU 314297	SOU 328391	SOU 60234
		SOU 314299	SOU 328398	
		SOU 328010	SOU 328411	SOU 60279
		SOU 328017	SOU 328419	SOU 60280
		SOU 328019	SOU 328429	SOU 60312
		SOU 328022	SOU 328434	SOU 60324
		SOU 328024	SOU 328435	
		SOU 328025	SOU 328447	
			SOU 328451	SOU 60362
		SOU 328042	SOU 328462	SOU 60381
			SOU 328478	SOU 60392
		SOU 328053	SOU 328481	SOU 60403
		SOU 328071	SOU 328488	SOU 60409
		SOU 328073	SOU 328511	SOU 60439
		SOU 328074	SOU 328515	SOU 60478
		SOU 328083	SOU 328529	SOU 60493
		SOU 328084	SOU 328536	SOU 60503
		SOU 328087	SOU 328537	SOU 60510
		SOU 328091	SOU 328540	SOU 60535
		SOU 328112	SOU 328545	SOU 60550
		SOU 328113	SOU 328548	SOU 60580
		SOU 328126	SOU 328551	SOU 60587
		SOU 328127	SOU 328555	SOU 60589
		SOU 328132	SOU 328565	SOU 60605
		SOU 328134	SOU 328567	SOU 60615
		SOU 328138	SOU 328574	
		SOU 328150	SOU 328577	SOU 60635
		SOU 328151	SOU 328583	SOU 60645
		SOU 328158	SOU 328588	SOU 60661
		SOU 328165	SOU 328592	SOU 60676
		SOU 328167	SOU 328594	
		SOU 328169	SOU 60009	SOU 60718
		SOU 328194	SOU 60013	
		SOU 328201	SOU 60016	SOU 60745
		SOU 328203	SOU 60022	SOU 60747
		SOU 328215	SOU 60029	SOU 60754
		SOU 328255	SOU 60035	SOU 60764
			SOU 60047	SOU 60769

<u>Description</u>	<u>Quantity</u>	<u>Identification Number</u>	
. 70-Ton Gondola Cars (Cont'd.)	SOU 60778		SOU 61258
	SOU 60779	SOU 61077	SOU 61269
	SOU 60784	SOU 61078	SOU 61272
	SOU 60793	SOU 61085	SOU 61280
			SOU 61297
	SOU 60812	SOU 61090	SOU 61308
	SOU 60816	SOU 61092	SOU 61313
	SOU 60825		SOU 61338
	SOU 60829	SOU 61118	SOU 61345
	SOU 60832	SOU 61122	SOU 61350
	SOU 60834		SOU 61352
	SOU 60845		
	SOU 60854		SOU 61362
	SOU 60855	SOU 61153	SOU 61370
	SOU 60869	SOU 61158	SOU 61380
	SOU 60884	SOU 61165	
	SOU 60887	SOU 61185	SOU 61393
	SOU 60891	SOU 61193	SOU 61405
	SOU 60907		SOU 61409
	SOU 60913	SOU 61209	SOU 61418
	SOU 60917	SOU 61218	SOU 61419
	SOU 60918	SOU 61220	
	SOU 60931	SOU 61224	
		SOU 61230	SOU 61441
	SOU 61028	SOU 61232	SOU 61462
	SOU 61034		SOU 61464
		SOU 61238	SOU 61486
	SOU 61052	SOU 61254	SOU 61494
	SOU 61061		
	SOU 61062		

<u>Description</u>	<u>Quantity</u>	<u>Identification Number</u>		
70-Ton Open Top Hopper Cars	800	NKP 034352	NW 027343	NW 027774
		NKP 034404	NW 027351	NW 027780
		NKP 034412	NW 027352	NW 027781
		NW 027010	NW 027355	NW 027782
		NW 027019	NW 027369	NW 027785
		NW 027024	NW 027370	NW 027794
		NW 027026	NW 026371	NW 027804
		NW 027042	NW 027375	NW 027807
		NW 027049	NW 027381	NW 027809
		NW 027083	NW 027393	NW 027821
		NW 027085	NW 027395	NW 027828
		NW 027096	NW 027404	NW 027834
		NW 027101	NW 027406	NW 027835
		NW 027121	NW 027407	NW 027837
		NW 027125	NW 027412	NW 027846
		NW 027127	NW 027422	NW 027863
		NW 027131	NW 027425	NW 027877
		NW 027136	NW 027465	NW 027882
		NW 027138	NW 027466	NW 027883
		NW 027146	NW 027493	NW 027889
		NW 027148	NW 027512	NW 027908
		NW 027153	NW 027513	NW 027909
		NW 027157	NW 027519	NW 027919
		NW 027159	NW 027529	NW 027937
		NW 027167	NW 027537	NW 027939
		NW 027168	NW 027544	NW 027948
		NW 027172	NW 027550	
		NW 027173	NW 027551	NW 027953
		NW 027188	NW 027565	NW 027976
		NW 027192	NW 027567	NW 027977
		NW 027199	NW 027585	NW 034109
		NW 027205	NW 027599	NW 034167
		NW 027208	NW 027602	NW 034244
		NW 027213	NW 027616	NW 034370
		NW 027217	NW 027620	NW 034401
		NW 027221	NW 027640	NW 034553
		NW 027226	NW 027652	NW 034626
		NW 027229	NW 027660	NW 034654
		NW 027237	NW 027662	NW 035101
		NW 027245	NW 027670	NW 035156
		NW 027247	NW 027680	NW 035159
		NW 027252	NW 027681	NW 035190
		NW 027270	NW 027688	NW 035209
		NW 027274	NW 027693	NW 035226
		NW 027280	NW 027707	NW 035227
		NW 027289	NW 027713	NW 035284
		NW 027295	NW 027717	NW 035315
		NW 027297	NW 027726	NW 035329
		NW 027308	NW 027736	NW 035332
		NW 027328	NW 027754	NW 035419
		NW 027338	NW 027759	NW 035424
		NW 027341	NW 027763	NW 035436

<u>Description</u>	<u>Quantity</u>	<u>Identification Number</u>	
70-Ton Open Top Hopper Cars (Cont'd.)		NW 037107	NW 039133
	NW 035478	NW 037118	NW 039153
	NW 035479	NW 037222	NW 039180
		NW 037248	NW 039184
	NW 035540	NW 037383	NW 039194
	NW 035542	NW 037420	
	NW 035545	NW 037428	NW 039222
	NW 035548		NW 039223
	NW 035563	NW 037464	NW 039235
	NW 035574	NW 037466	NW 039239
	NW 035621	NW 037485	NW 039249
	NW 035624	NW 037537	NW 039255
	NW 035625	NW 037591	NW 039257
	NW 035628	NW 037657	NW 039262
	NW 035636	NW 037730	NW 039268
	NW 035645	NW 037747	NW 039273
	NW 035657	NW 037791	
	NW 035706	NW 037795	NW 039281
	NW 035780	NW 037987	NW 039284
		NW 038081	NW 039285
	NW 035866	NW 038125	NW 039301
	NW 035878	NW 038129	NW 039302
	NW 036034	NW 038184	NW 039305
	NW 036039	NW 038209	NW 039322
	NW 036057	NW 038250	NW 039334
	NW 036121	NW 038303	NW 039338
	NW 036158	NW 038310	NW 039354
	NW 036228	NW 038379	NW 039374
	NW 036229	NW 038394	NW 039376
	NW 036239	NW 038403	NW 039378
	NW 036269	NW 038455	NW 039383
	NW 036275	NW 038518	NW 039385
	NW 036296	NW 038535	NW 039401
	NW 036301	NW 038541	NW 039411
	NW 036328	NW 038601	NW 039435
	NW 036467	NW 038640	NW 039437
	NW 036495	NW 038655	NW 039438
	NW 036535	NW 038669	NW 039450
	NW 036587	NW 038690	NW 039451
	NW 036606	NW 038702	NW 039459
	NW 036618	NW 038713	NW 039461
	NW 036623	NW 038733	NW 039485
	NW 036648	NW 038797	NW 039491
	NW 036649	NW 038811	NW 039498
	NW 036653	NW 038831	NW 039508
	NW 036851	NW 038837	NW 039511
	NW 036962	NW 038846	NW 039512
	NW 036973	NW 038982	NW 039519
	NW 036979	NW 038990	NW 039525
	NW 037034	NW 039018	NW 039531
	NW 037089	NW 039081	NW 039568
	NW 037090		NW 039571
	NW 039116		

<u>Description</u>	<u>Quantity</u>	<u>Identification Number</u>	
70-Ton Open Top Hopper Cars (Cont'd.)		NW 039891	NW 040273
	NW 039593	NW 039894	NW 040280
	NW 039605	NW 039895	NW 040282
	NW 039611	NW 039899	NW 040289
	NW 039620	NW 039904	NW 040292
	NW 039625	NW 039910	NW 040302
	NW 039632	NW 039918	NW 040304
	NW 039640	NW 039921	NW 040311
	NW 039643	NW 039925	NW 040313
	NW 039663		NW 040323
	NW 039665	NW 039945	NW 040327
	NW 039684	NW 039955	NW 040333
	NW 039691	NW 039963	NW 040338
	NW 039700	NW 039976	NW 040340
	NW 039705	NW 039978	NW 040348
	NW 039707	NW 039990	NW 040357
	NW 039712	NW 039994	NW 040369
	NW 039720	NW 039995	NW 040377
	NW 039724	NW 040022	NW 040387
	NW 039726	NW 040023	NW 040401
	NW 039732	NW 040042	NW 040402
	NW 039735	NW 040045	NW 040407
	NW 039737	NW 040048	NW 040410
	NW 039739	NW 040071	NW 040411
	NW 039745	NW 040072	NW 040413
	NW 039752	NW 040077	NW 040417
	NW 039759	NW 040082	NW 040433
	NW 039764	NW 040091	NW 040438
	NW 039765	NW 040101	NW 040441
		NW 040105	NW 040445
	NW 039777	NW 040106	NW 040447
		NW 040123	NW 040450
	NW 039779	NW 040133	NW 040458
	NW 039783	NW 040139	NW 040463
	NW 039792	NW 040143	NW 040471
	NW 039793		NW 040472
	NW 039800	NW 040150	NW 040473
	NW 039805	NW 040152	NW 040504
		NW 040159	NW 040507
	NW 039818	NW 040164	NW 040513
	NW 039823	NW 040166	NW 040514
	NW 039824	NW 040170	NW 040519
	NW 039826	NW 040181	NW 040529
	NW 039833	NW 040184	NW 040542
	NW 039839	NW 040185	NW 040551
	NW 039847	NW 040197	NW 040554
	NW 039861	NW 040220	NW 040564
	NW 039862	NW 040233	NW 040565
	NW 039863	NW 040240	NW 040566
	NW 039872	NW 040246	NW 040569
	NW 039875	NW 040260	NW 040574
	NW 039890	NW 040265	NW 040577

<u>Description</u>	<u>Quantity</u>	<u>Identification Number</u>		
70-Ton Open Top Hopper Cars (Cont'd.)		NW 040581	NW 040917	NW 041439
		NW 040584	NW 040920	NW 041447
		NW 040589	NW 040947	NW 041453
		NW 040592	NW 040952	NW 041462
		NW 040594	NW 040954	NW 041474
		NW 040596	NW 040958	NW 041478
		NW 040601	NW 040960	NW 041488
		NW 040602	NW 040965	NW 041492
		NW 040604	NW 040981	NW 041494
		NW 040605	NW 040999	NW 041502
		NW 040613	NW 041000	NW 041511
		NW 040616	NW 041009	NW 041514
		NW 040618	NW 041010	NW 041518
		NW 040620	NW 041016	NW 041535
		NW 040633	NW 041024	NW 041541
		NW 040638	NW 041055	NW 041550
		NW 040651	NW 041084	NW 041554
		NW 040672	NW 041104	NW 041556
		NW 040685	NW 041106	NW 041560
		NW 040691	NW 041109	NW 041564
		NW 040711	NW 041122	NW 041568
		NW 040713	NW 041156	NW 041579
		NW 040717	NW 041163	NW 041583
		NW 040726	NW 041164	NW 041586
		NW 040727	NW 041166	NW 041602
		NW 040730	NW 041177	NW 041611
		NW 040741	NW 041198	NW 041612
		NW 040744	NW 041200	NW 041641
		NW 040757	NW 041208	NW 041645
		NW 040763	NW 041217	NW 041646
		NW 040764	NW 041219	NW 041661
		NW 040779	NW 041226	NW 041665
		NW 040782	NW 041242	NW 041668
		NW 040787	NW 041251	NW 041680
		NW 040797	NW 041270	NW 041686
		NW 040800	NW 041278	NW 041691
		NW 040809	NW 041279	NW 041696
		NW 040834	NW 041284	NW 041703
		NW 040838	NW 041293	NW 041728
		NW 040839	NW 041295	NW 041741
		NW 040841	NW 041308	NW 041743
		NW 040848	NW 041316	NW 041744
		NW 040854	NW 041337	NW 041745
		NW 040858	NW 041349	NW 041753
		NW 040859	NW 041361	NW 041758
		NW 040864	NW 041362	NW 041760
		NW 040869	NW 041406	NW 041782
		NW 040872	NW 041407	NW 041784
		NW 040877	NW 041414	NW 041789
		NW 040885	NW 041419	NW 041793
	NW 040886	NW 041424	NW 041794	
	NW 040900	NW 041429	NW 041831	

<u>Description</u>	<u>Quantity</u>	<u>Identification Number</u>		
70-Ton Open Top Hopper Cars (Cont'd.)		NW 041834	NW 076846	NW 104480
		NW 041835	NW 076853	NW 104481
		NW 041847	NW 076873	NW 104489
		NW 041851	NW 076887	NW 104498
		NW 041852	NW 076912	NW 104519
		NW 041867	NW 076917	NW 104541
		NW 041890	NW 076930	NW 104583
		NW 041902	NW 084005	NW 104708
		NW 041909	NW 084023	NW 104756
		NW 041917	NW 084085	NW 104802
		NW 041921	NW 084100	NW 104831
		NW 041927	NW 084113	NW 104877
		NW 041936	NW 084161	NW 104960
		NW 041942	NW 084169	NW 105009
		NW 041945	NW 084182	NW 105014
		NW 041957	NW 084194	NW 105128
		NW 041963	NW 084199	NW 105440
		NW 041964	NW 084215	NW 107793
		NW 041967	NW 084250	NW 107856
		NW 041978	NW 084251	NW 107901
		NW 041985	NW 084284	NW 107943
		NW 041995	NW 084288	SOU 071959
			NW 084304	SOU 072050
		NW 076532	NW 084313	SOU 072163
		NW 076544	NW 084332	SOU 072185
		NW 076545	NW 101156	SOU 072263
		NW 076580	NW 101224	SOU 072312
		NW 076590	NW 101235	SOU 072356
		NW 076592	NW 101427	SOU 072449
		NW 076598	NW 101582	SOU 072600
		NW 076602	NW 101734	SOU 072759
		NW 076613	NW 101829	SOU 072827
		NW 076615	NW 101865	SOU 073057
		NW 076633	NW 101930	SOU 073070
		NW 076646	NW 101958	SOU 073075
		NW 076648	NW 101997	SOU 073203
		NW 076653	NW 102111	SOU 073284
		NW 076666	NW 102184	SOU 073311
		NW 076689	NW 102266	SOU 073360
		NW 076690	NW 102444	SOU 073402
		NW 076700	NW 102479	SOU 073423
		NW 076703	NW 102487	SOU 073597
		NW 076715	NW 104430	SOU 073612
		NW 076724	NW 104433	SOU 073798
		NW 076729	NW 104439	SOU 073821
		NW 076732	NW 104444	SOU 073844
		NW 076748	NW 104449	SOU 073853
		NW 076796	NW 104458	SOU 073855
		NW 076813	NW 104459	SOU 073867
		NW 076817	NW 104468	SOU 073895
		NW 076828	NW 104473	SOU 073914
		NW 076844	NW 104478	SOU 074550

<u>Description</u>	<u>Quantity</u>	<u>Identification Number</u>		
70-Ton Open Top Hopper Cars (Cont'd.)		SOU 074727	SOU 281203	SOU 281425
		SOU 074737	SOU 281222	SOU 281431
		SOU 074744	SOU 281308	SOU 281487
		SOU 281005	SOU 281332	SOU 281548
		SOU 281127	SOU 281368	SOU 281556
		SOU 281184	SOU 281422	SOU 281578
		SOU 281186		
		NW 104793	SOU 72121	
		NW 27001	SOU 74385	
		NW 38556	SOU 281434	
		NW 39788		
		NW 40647		
		NW 40882		
		NW 41159		
		NW 41532		
		NW 41610		
		NW 41749		
	NW 76622			
	NW 104494			
Jackson Tampers	2	JT-8104-JL-N		
		JT-7804-JL-N		
Kershaw Ballast Regulators	2	BR-7601		
		BR-7704		
Switch Tamper	1	ET-38-5M		
Tie Knock Out	1	TRI-8501-P		
Spiker	1	NS-7703-FN		
Scarifier	1	TBS-8201		
Air Dump Cars	2	SOU 991954		
		NW 514220		
Telemetry Devices	14 sets			
14 Head of Train		D 1244	D 1248	
		D 1324	D 1670	
		D 1224	D 1666	
		D 1269	D 1972	
		D 1199	D 1311	
		D 1312	D 1931	
		D 1636	D 1283	
14 End of Train		NSX 5342	NSX 5202	
		NSX 5635	NSX 5163	
		NSX 5276	NSX 5113	
		NSX 5507	NSX 5475	
		NSX 5464	NSX 5540	
		NSX 5043	NSX 5543	
		NSX 5206	NSX 5563	

CERTIFICATE OF INSPECTION

Wheeling Acquisition Corporation, Lessor under an Equipment Lease Agreement dated _____, 1990, with Norfolk Southern Corporation, hereby certifies that it has received and inspected on this _____ day of _____, 19____, under the Equipment Lease Agreement, the following units of railroad equipment:

<u>Type</u>	<u>Number</u>
_____	_____
_____	_____
_____	_____

acknowledges that each such unit of Equipment complies with the Delivery and Acceptance provisions of the Equipment Lease Agreement; and hereby accepts each such unit of railroad equipment under and subject to all the terms, conditions, and provisions of the Equipment Lease Agreement.

WHEELING ACQUISITION CORPORATION

By _____

USE RENTAL PAYMENT SCHEDULE

Monthly Payment Factors

Years 1 and 2	0.00958
Years 3 thru 12	0.01393

Monthly Payment Schedule

<u>Type of Equipment</u>	<u>Lease Value</u>	<u>Years 1 and 2</u>	<u>Years 3 thru 12</u>
GP-30, GP-35 Locomotive	\$75,000	\$718.75	\$1,044.46
SD-35, SD-45 Locomotive	90,000	862.50	1,253.35
Unrehabilitated SD-45 Locomotive	60,000	575.00	835.57
Slug	25,000	239.58	348.15
SD 45 Locomotive Hulk	20,600	197.42	286.88
GP 35 Locomotive Hulk	18,000	172.50	250.67
70-ton open top Hopper	6,000	57.50	83.56
70-ton Gondola	13,000	124.58	181.04
Covered Hopper 4000-5000 cu. ft.	18,000	172.50	250.67
50-ft. DF Box Car	20,000	191.67	278.52
Telemetry Devices	3,000	28.75	41.78
Cabooses	3,000	28.75	41.78
Tamper Jackson 6000	66,857	640.71	931.06
Tamper Jackson 6000	62,958	603.35	876.76
Ballast Regulator Kershaw	12,059	115.57	167.93
Ballast Regulator Kershaw	12,199	116.91	169.88
Switch Tamper	13,925	133.45	193.92
Tie Knock Out	65,280	625.60	909.09
Spiker	11,239	107.71	156.52
Scarifier	11,704	112.16	162.99
Dump Air Activated	15,000	143.75	208.89
Dump Air Activated	50,000	479.17	696.30

Casualty Loss Factors

Month	Factor	Month	Factor	Month	Factor
1	1.00000	49	0.87986	97	0.53891
2	1.00000	50	0.87423	98	0.53001
3	1.00000	51	0.86855	99	0.52103
4	1.00000	52	0.86281	100	0.51197
5	1.00000	53	0.85702	101	0.50281
6	1.00000	54	0.85117	102	0.49357
7	1.00000	55	0.84527	103	0.48424
8	1.00000	56	0.83931	104	0.47482
9	1.00000	57	0.83330	105	0.46531
10	1.00000	58	0.82722	106	0.45571
11	1.00000	59	0.82109	107	0.44602
12	1.00000	60	0.81490	108	0.43624
13	1.00000	61	0.80865	109	0.42636
14	1.00000	62	0.80234	110	0.41638
15	1.00000	63	0.79597	111	0.40631
16	1.00000	64	0.78954	112	0.39615
17	1.00000	65	0.78304	113	0.38589
18	1.00000	66	0.77649	114	0.37552
19	1.00000	67	0.76987	115	0.36506
20	1.00000	68	0.76319	116	0.35450
21	1.00000	69	0.75644	117	0.34384
22	1.00000	70	0.74963	118	0.33308
23	1.00000	71	0.74276	119	0.32221
24	1.00000	72	0.73582	120	0.31124
25	1.00000	73	0.72881	121	0.30016
26	0.99552	74	0.72173	122	0.28898
27	0.99100	75	0.71459	123	0.27769
28	0.98644	76	0.70738	124	0.26629
29	0.98184	77	0.70010	125	0.25478
30	0.97719	78	0.69275	126	0.24316
31	0.97249	79	0.68533	127	0.23143
32	0.96775	80	0.67783	128	0.21959
33	0.96297	81	0.67027	129	0.20764
34	0.95813	82	0.66264	130	0.19557
35	0.95326	83	0.65493	131	0.18338
36	0.94833	84	0.64714	132	0.17108
37	0.94336	85	0.63929	133	0.15866
38	0.93834	86	0.63135	134	0.14612
39	0.93328	87	0.62334	135	0.13346
40	0.92816	88	0.61526	136	0.12068
41	0.92300	89	0.60709	137	0.10778
42	0.91778	90	0.59885	138	0.09475
43	0.91252	91	0.59053	139	0.08160
44	0.90720	92	0.58213	140	0.06832
45	0.90184	93	0.57365	141	0.05492
46	0.89642	94	0.56509	142	0.04138
47	0.89095	95	0.55644	143	0.02772
48	0.88543	96	0.54772	144	0.01393

note: Factors apply for casualty payments made at beginning of monthly billing period.

Purchase Option Factors

Exhibit F

Month	Factor	Month	Factor	Month	Factor
1	1.00000	49	0.87986	97	0.53891
2	1.00000	50	0.87423	98	0.53001
3	1.00000	51	0.86855	99	0.52103
4	1.00000	52	0.86281	100	0.51197
5	1.00000	53	0.85702	101	0.50281
6	1.00000	54	0.85117	102	0.49357
7	1.00000	55	0.84527	103	0.48424
8	1.00000	56	0.83931	104	0.47482
9	1.00000	57	0.83330	105	0.46531
10	1.00000	58	0.82722	106	0.45571
11	1.00000	59	0.82109	107	0.44602
12	1.00000	60	0.81490	108	0.43624
13	1.00000	61	0.80865	109	0.42636
14	1.00000	62	0.80234	110	0.41638
15	1.00000	63	0.79597	111	0.40631
16	1.00000	64	0.78954	112	0.39615
17	1.00000	65	0.78304	113	0.38589
18	1.00000	66	0.77649	114	0.37552
19	1.00000	67	0.76987	115	0.36506
20	1.00000	68	0.76319	116	0.35450
21	1.00000	69	0.75644	117	0.34384
22	1.00000	70	0.74963	118	0.33308
23	1.00000	71	0.74276	119	0.32221
24	1.00000	72	0.73582	120	0.31124
25	1.00000	73	0.72881	121	0.30016
26	0.99552	74	0.72173	122	0.28898
27	0.99100	75	0.71459	123	0.27769
28	0.98644	76	0.70738	124	0.26629
29	0.98184	77	0.70010	125	0.25478
30	0.97719	78	0.69275	126	0.24316
31	0.97249	79	0.68533	127	0.23143
32	0.96775	80	0.67783	128	0.21959
33	0.96297	81	0.67027	129	0.20764
34	0.95813	82	0.66264	130	0.19557
35	0.95326	83	0.65493	131	0.18338
36	0.94833	84	0.64714	132	0.17108
37	0.94336	85	0.63929	133	0.15866
38	0.93834	86	0.63135	134	FMV
39	0.93328	87	0.62334	135	FMV
40	0.92816	88	0.61526	136	FMV
41	0.92300	89	0.60709	137	FMV
42	0.91778	90	0.59885	138	FMV
43	0.91252	91	0.59053	139	FMV
44	0.90720	92	0.58213	140	FMV
45	0.90184	93	0.57365	141	FMV
46	0.89642	94	0.56509	142	FMV
47	0.89095	95	0.55644	143	FMV
48	0.88543	96	0.54772	144	FMV

note: Factors apply to buyouts at beginning of period shown.
 Buyout option not available if lease payments are not current.
 FMV means "Fair Market Value"