

PHILADELPHIA
 LOS ANGELES
 MIAMI
 LONDON
 FRANKFURT

REBECCA A CRAFT
 DIAL DIRECT (215) 963-5257

16946 A
 MORGAN, LEWIS & BOCKIUS
 COUNSELORS AT LAW
 2000 ONE LOGAN SQUARE
 PHILADELPHIA, PENNSYLVANIA 19103-6993
 TELEPHONE (215) 963-5000
 FAX (215) 963-5299

WASHINGTON
 NEW YORK
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INTERSTATE COMMERCE COMMISSION
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INTERSTATE COMMERCE COMMISSION

Ms. Noretta R. McGee
 Secretary
 Interstate Commerce Commission
 Washington, DC

Re: Lease of Locomotives from NBB Harrisburg Lease Co., Ltd. to Consolidated Rail Corporation

Dear Ms. McGee:

Enclosed are an original and two originally executed counterparts of the primary document described below and four secondary documents related to the enclosed primary document, which secondary documents are also described below. All of the enclosed documents are to be recorded pursuant to Section 11303, Title 49, of the United States Code.

The enclosed primary document is:

Lease Agreement, dated as of July 31, 1990, between NBB Harrisburg Lease Co., Ltd., as lessor, and Consolidated Rail Corporation, as lessee.

The enclosed secondary documents are:

- (1) Lease Supplement No. 1, dated as of July 31, 1990, between NBB Harrisburg Lease Co., Ltd., as lessor, and Consolidated Rail Corporation, as lessee. The primary document to which this Lease Supplement is connected is being submitted for recording concurrently herewith.
- (2) Assignment Agreement, dated as of July 31, 1990, between Consolidated Rail Corporation, as assignor, and NBB

Handwritten signature and initials:
 M. McGee
 M. McGee

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RECORDATION NO. _____ FILED 1485

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INTERSTATE COMMERCE COMMISSION

[EXECUTION COPY]

LEASE SUPPLEMENT NO. 1

Between

NBB HARRISBURG LEASE CO., LTD.,
as Lessor

and

CONSOLIDATED RAIL CORPORATION,
as Lessee

Twenty-five General Electric Dash 8-40CW
Diesel Electric Locomotives

Dated as of July 31, 1990

CERTAIN RIGHTS, TITLE AND INTEREST IN AND TO THIS LEASE SUPPLEMENT NO. 1 AND TO THE ITEMS OF EQUIPMENT COVERED HEREBY ON THE PART OF NBB HARRISBURG LEASE CO., LTD. HAVE BEEN ASSIGNED TO AND ARE SUBJECT TO A LIEN AND SECURITY INTEREST IN FAVOR OF BARCLAYS BANK PLC, AS AGENT, UNDER A MORTGAGE, ASSIGNMENT AND SECURITY AGREEMENT AND A BANK SECURITY AGREEMENT, EACH DATED AS OF JULY 31, 1990. TO THE EXTENT, IF ANY, THAT THIS LEASE SUPPLEMENT NO. 1 CONSTITUTES CHATTEL PAPER (AS SUCH TERM IS DEFINED IN THE UNIFORM COMMERCIAL CODE AS IN EFFECT IN ANY APPLICABLE JURISDICTION), NO SECURITY INTEREST IN THIS LEASE SUPPLEMENT NO. 1 MAY BE CREATED THROUGH THE TRANSFER OR POSSESSION OF ANY COUNTERPART OTHER THAN THE ORIGINAL COUNTERPART THAT CONTAINS THE RECEIPT THEREFOR EXECUTED BY BARCLAYS BANK PLC, AS AGENT, ON OR IMMEDIATELY FOLLOWING THE SIGNATURE PAGE THEREOF.

LEASE SUPPLEMENT NO. 1, dated July 31, 1990, between NBB HARRISBURG LEASE CO., LTD., a corporation formed under the laws of Japan ("Lessor"), and CONSOLIDATED RAIL CORPORATION, a Pennsylvania corporation ("Lessee").

WITNESSETH:

WHEREAS, Lessor and Lessee have heretofore entered into that certain Lease Agreement, dated as of July 31, 1990 (herein called the "Lease Agreement"). All capitalized terms used herein without definition shall have the meanings specified in Appendix X to the Lease. The Lease Agreement provides for the execution and delivery from time to time of Lease Supplements, each substantially in the form hereof for the purpose of leasing specific Items of Equipment under the Lease Agreement as and when delivered by Lessor to Lessee in accordance with the terms thereof.

WHEREAS, the Lease Agreement relates to the Items of Equipment described below, a counterpart of the Lease Agreement is attached hereto and made a part hereof and this Lease Supplement, together with such attachment, is being filed for recordation on the date hereof with the Interstate Commerce Commission as one document.

NOW THEREFORE, in consideration of the premises and other good and sufficient consideration, Lessor and Lessee hereby agree as follows:

1. Lessor hereby delivers and leases to Lessee under the Lease Agreement, and Lessee hereby accepts and leases from Lessor under the Lease Agreement twenty-five General Electric Dash 8-40CW Diesel Electric Locomotives bearing Lessee's road numbers 6075 through 6099 inclusive.
2. The Delivery Date of the Items of Equipment is the date of this Lease Supplement set forth in the opening paragraph hereof.
3. Lessor's Cost for each Item of Equipment is \$1,332,488.00 and the aggregate Lessor's Cost for all of the Items of Equipment is \$33,312,200.00.

4. The Term for the Items of Equipment shall commence on the Delivery Date and, except as otherwise provided in the Lease Agreement, shall end on the Lease Expiry Date.

5. Lessee hereby confirms to Lessor that the Items of Equipment shall, as soon as practicable, be duly marked in accordance with the terms of Section 7(f) of the Lease Agreement and that Lessee has accepted the Items of Equipment for all purposes hereof and of the Lease Agreement as being (i) in good working order and repair and without defect or inherent vice in title, condition, design, workmanship, operation or fitness for use whether or not discoverable by Lessee as of the date hereof, (ii) fully equipped to operate in commercial freight rail business in the United States and Canada and (iii) free and clear of all Liens except Permitted Liens; provided, however, that nothing contained herein or in the Lease Agreement shall in any way diminish or otherwise affect any right Lessee or Lessor may have with respect to the Items of Equipment against the Manufacturer, or any subcontractor or supplier of the Manufacturer, under the Purchase Agreement or otherwise.

6. Lessee hereby confirms its agreement to pay Lessor, in accordance with the terms of Section 3 of the Lease Agreement, Rent for the Items of Equipment throughout the Term therefor in accordance with Section 3 of the Lease Agreement.

7. All of the terms and provisions of the Lease Agreement are hereby incorporated by reference in this Lease Supplement to the same extent as if fully set forth herein.

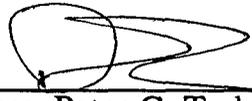
8. This Lease Supplement may be executed in any number of counterparts (and each of the parties hereto shall not be required to execute the same counterpart). Each counterpart of this Lease Supplement, including a signature page executed by each of the parties hereto, shall be an original counterpart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

9. This Lease Supplement has been delivered in Philadelphia, Pennsylvania. It shall in all respects be governed by, and construed in accordance with, the laws of Japan, including all matters of construction, validity and performance.

IN WITNESS WHEREOF, Lessor and Lessee have each caused this Lease Supplement to be duly executed as of the day and year first above written.

Lessor:

NBB HARRISBURG LEASE CO., LTD.

By: 
Name: Peter G. Turbott
Title: Attorney-in-fact

Lessee:

CONSOLIDATED RAIL CORPORATION

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

COMMONWEALTH OF PENNSYLVANIA:

SS

COUNTY OF PHILADELPHIA

:

On this, the 30th day of July, 1990, before me, a notary public, personally appeared Peter G. Turbott, who acknowledged himself to be the Attorney-in-fact of NBB Harrisburg Lease Co., Ltd., and that he, as such Attorney-in-Fact, being duly empowered and authorized to do so, executed the within instrument for the purposes therein contained, by signing his name as such Attorney-in-Fact.

In witness whereof, I hereunto set my hand and official seal.

(NOTARIAL SEAL)


Notary Public

My Commission Expires:

NOTARIAL SEAL
LYNN A. MCGOWAN, NOTARY PUBLIC
PHILADELPHIA, PHILADELPHIA COUNTY
MY COMMISSION EXPIRES OCT 26, 1992

Member Pennsylvania Association of Notaries

