1-149F048

17348 C

RECORDATION NO _____ FILED 1425

MAY 29 1991 -12 45 PM

INTERSTATE COMMERCE COMMISSION

MORGAN, LEWIS & BOCKIUS

COUNSELORS AT LAW

2000 ONE LOGAN SQUARE

PHILADELPHIA, PENNSYLVANIA 19103-6993

TELEPHONE (215) 963-5000

FAX (215) 963-5299

PHILADELPHIA
LOS ANGELES
MIAMI
LONDON
FRANKFURT

WASHINGTON
NEW YORK
HARRISBURG
SAN DIEGO
BRUSSELS
TOKYO

STEPHEN A JANNETTA
DIAL DIRECT (215) 963-5092

17348 B

RECORDATION NO _____ FILED 1425

MAY 29 1991 -12 45 PM

INTERSTATE COMMERCE COMMISSION

17348 A

RECORDATION NO _____ FILED 1425

17348 D

RECORDATION NO _____ FILED 1425

MAY 29 1991 -12 45 PM

INTERSTATE COMMERCE COMMISSION

MAY 29 1991 -12 45 PM

INTERSTATE COMMERCE COMMISSION

May 29, 1991

17348

RECORDATION NO _____ FILED 1

MAY 29 1991 -12 45 PM

INTERSTATE COMMERCE COMMISSION

Mr. Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Twelfth Street & Constitution Avenue, N.W.
Washington, D.C. 20423

Re: **Lease of Locomotives from Brentwood Locomotive Lease Co., Ltd. to Consolidated Rail Corporation**

Dear Mr. Strickland:

Enclosed are an original and two originally executed counterparts of the two primary documents described below and the three secondary documents which also are described below. The secondary documents described as item numbers 1 and 2 below are related to the primary document described as item 1 below. The secondary document described as item 3 below is related to the primary document described as item 2 below. All of the enclosed documents are to be recorded pursuant to Section 11303, Title 49, of the United States Code.

The enclosed primary documents are:

(1) Lease Agreement (Conrail 1991-B), dated as of May 29, 1991, between Brentwood Locomotive Lease Co., Ltd., as lessor, and Consolidated Rail Corporation, as lessee.

(2) Trust Indenture and Security Agreement (Conrail 1991-B), dated as of May 29, 1991, among Brentwood Locomotive Lease Co., Ltd., as lessor, Consolidated Rail Corporation, as lessee, and U.S. Trust Company of California, N.A., as indenture trustee.

The enclosed secondary documents are:

(1) Lease Supplement No. 1 (Conrail 1991-B), dated as of May 29, 1991, between Brentwood Locomotive Lease Co., Ltd., as lessor, and Consolidated Rail Corporation, as lessee.

Karen Butler

The primary document to which this Lease Supplement is connected is being submitted for recording concurrently herewith.

(2) Assignment Agreement (Conrail 1991-B), dated as of May 29, 1991, between Consolidated Rail Corporation, as assignor, and Brentwood Locomotive Lease Co., Ltd., as assignee. The primary document to which this Assignment Agreement is connected is being submitted for recording concurrently herewith.

(3) Indenture Supplement (Conrail 1991-B), dated as of May 29, 1991 among Brentwood Locomotive Lease Co., Ltd., as lessor, Consolidated Rail Corporation, as lessee, and U.S. Trust Company of California, N.A., as indenture trustee. The primary document to which this Trust Indenture Supplement is connected is being submitted for recording concurrently herewith.

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

Lease Agreement

Lessor:
Brentwood Locomotive Lease Co., Ltd.
Caledonian House
Mary Street
P. O. Box 1043
George Town, Grand Cayman
Cayman Islands

Lessee:
Consolidated Rail Corporation
Six Penn Center Plaza
Philadelphia, Pennsylvania 19103

Lease Supplement No. 1

Lessor:
Brentwood Locomotive Lease Co., Ltd.
Caledonian House
Mary Street
P. O. Box 1043
George Town, Grand Cayman
Cayman Islands

Lessee:
Consolidated Rail Corporation
Six Penn Center Plaza
Philadelphia, Pennsylvania 19103

Assignment Agreement

Assignor:
Consolidated Rail Corporation
Six Penn Center Plaza
Philadelphia, Pennsylvania 19103

Assignee:
Brentwood Locomotive Lease Co., Ltd.
Caledonian House
Mary Street
P. O. Box 1043
George Town, Grand Cayman
Cayman Islands

Trust Indenture and Security Agreement

Lessor:
Brentwood Locomotive Lease Co., Ltd.
Caledonian House
Mary Street
P. O. Box 1043
George Town, Grand Cayman
Cayman Islands

Lessee:
Consolidated Rail Corporation
Six Penn Center Plaza
Philadelphia, Pennsylvania 19103

Indenture Trustee:
U.S. Trust Company of California, N.A.
555 South Flower Street
Suite 2700
Los Angeles, California 90071

Indenture Supplement

Lessor:
Brentwood Locomotive Lease Co., Ltd.
Caledonian House
Mary Street
P. O. Box 1043
George Town, Grand Cayman
Cayman Islands

Lessee:
Consolidated Rail Corporation
Six Penn Center Plaza
Philadelphia, Pennsylvania 19103

Indenture Trustee:
U.S. Trust Company of California, N.A.
555 South Flower Street
Suite 2700
Los Angeles, California 90071

The description of the equipment covered by the aforesaid Lease, Lease Supplement and Assignment is as follows:

Twenty General Electric Dash 8-40CW diesel electric locomotives each marked on the sides in letters not less than one inch in height with the words "Ownership Subject to Documents Filed with the Interstate Commerce Commission" and bearing a nameplate with the legible inscription "TITLE TO THIS LOCOMOTIVE IS HELD BY BRENTWOOD LOCOMOTIVE LEASE CO., LTD., THE LESSOR, WHICH HAS LEASED THIS LOCOMOTIVE TO CONSOLIDATED RAIL CORPORATION AND SUCH TITLE IS SUBJECT TO A SECURITY

INTEREST IN FAVOR OF U.S. TRUST COMPANY OF CALIFORNIA, N.A., AS INDENTURE TRUSTEE" and bearing road numbers 6120 through 6139, both inclusive.

Included in the property covered by the Trust Indenture and Security Agreement are (i) twenty (20) General Electric Dash 8-40CW diesel electric locomotives and all additions, alterations and modifications thereto or replacements of any part thereof, whenever made or performed or acquired and all other items of tangible personal property of any kind acquired by Brentwood Locomotive Lease Co., Ltd. in connection with the acquisition of the aforementioned locomotives, in each case whether acquired at the time of acquisition or thereafter acquired pursuant to the Lease or otherwise, (ii) certain rights of Brentwood Locomotive Lease Co., Ltd. in the Lease Agreement (Conrail 1991-B), dated as of May 29, 1991, between Brentwood Locomotive Lease Co., Ltd., as lessor, and Consolidated Rail Corporation, as lessee, and the Assignment Agreement (Conrail 1991-B), dated as of May 29, 1991, between Consolidated Rail Corporation, as assignor, and Brentwood Locomotive Lease Co., Ltd., as assignee, (iii) a bank account of Brentwood Locomotive Lease Co., Ltd. at UST California, N.A. and all amounts therein and (iv) all right, title and interest of Brentwood Locomotive Lease Co., Ltd. in and to all proceeds, rents, issues, profits, products, revenues and other income, from and on account of the property rights and privileges subjected or required to be subjected to the lien of the Trust Indenture and Security Agreement.

A fee of Seventy-five dollars ($75.00) is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to:

Stephen A. Jannetta, Esquire
Morgan, Lewis & Bockius
2000 One Logan Square
Philadelphia, PA 19103

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

1) Lease Agreement:
Lease Agreement (Conrail 1991-B), dated as of May 29, 1991, between Brentwood Locomotive Lease Co., Ltd., as lessor, Caledonian House, Mary Street, P.O. Box 1043, George

Town, Grand Cayman, Cayman Islands and Consolidated Rail Corporation, as lessee, Six Penn Center Plaza, Philadelphia, Pennsylvania, 19103, covering twenty (20) General Electric Dash 8-40CW diesel electric locomotives bearing road numbers 6120 through 6139, both inclusive.

2) Lease Supplement No. 1:
Lease Supplement No. 1 (Conrail 1991-B), dated as of May 29, 1991, between Brentwood Locomotive Lease Co., Ltd., as lessor, Caledonian House, Mary Street, P.O. Box 1043, George Town, Grand Cayman, Cayman Islands and Consolidated Rail Corporation, as lessee, Six Penn Center Plaza, Philadelphia, Pennsylvania, 19103, covering twenty (20) General Electric Dash 8-40CW diesel electric locomotives bearing road numbers 6120 through 6139, both inclusive.

3) Assignment Agreement:
Assignment Agreement (Conrail 1991-B), dated as of May 29, 1991, between Consolidated Rail Corporation, as assignor, Six Penn Center Plaza, Philadelphia, Pennsylvania, 19103 and Brentwood Locomotive Lease Co., Ltd., as assignee, Caledonian House, Mary Street, P.O. Box 1043, George Town, Grand Cayman, Cayman Islands, relating to the purchase of twenty (20) General Electric Dash 8-40CW diesel electric locomotives bearing road numbers 6120 through 6139, both inclusive.

4) Trust Indenture and Security Agreement:
Trust Indenture and Security Agreement (Conrail 1991-B), dated as of May 29, 1991, between Brentwood Locomotive Lease Co., Ltd., as lessor, Caledonian House, Mary Street, P.O. Box 1043, George

Town, Grand Cayman, Cayman Islands, and Consolidated Rail Corporation, as lessee, Six Penn Center Plaza, Philadelphia, PA 19103, and U.S. Trust Company of California, N.A., as indenture trustee, 555 South Flower Street, Suite 2700, Los Angeles, California, 90071, securing lessor's obligations relating to twenty (20) General Electric Dash 8-40CW diesel electric locomotives bearing road numbers 6120 through 6139, both inclusive.

5) Indenture Supplement: Indenture Supplement (Conrail 1991-B), dated as of May 29, 1991, between Brentwood Locomotive Lease Co., Ltd., as lessor, Caledonian House, Mary Street, P.O. Box 1043, George Town, Grand Cayman, Cayman Islands and Consolidated Rail Corporation, as lessee, Six Penn Center Plaza, Philadelphia, Pennsylvania, 19103, and U.S. Trust Company of California, N.A., as indenture trustee, 555 South Flower Street, Suite 2700, Los Angeles, California, 90071, securing lessor's obligations relating to twenty (20) General Electric Dash 8-40CW diesel electric locomotives bearing road numbers 6120 through 6139, both inclusive.

If you have any questions, please do not hesitate to call the undersigned.

Very truly yours,

Stephen A. Jannetta

SAJ/wm
Enclosures

Interstate Commerce Commission

Washington, D.C. 20423

5/29/91

OFFICE OF THE SECRETARY

Stephen A. Jannetta

Morgan,Lewis & Bockius

2000 One Logan Square

Philadelphia, PA. 19103-6993

Dear Sir:

The enclosed dcoument(s) was recorded pursuant to the provisions of Section 11303 of the Insterstate Commerce Act, 49 U.S.C. 11303, on 5/29/91 at 12:45pm , and assigned recordation number(s). 17348,17348-A,17348-B,17348-C & 17348-D

Sincerely yours,

Sidney L. Strickland, Jr.

Sidney L. Strickland, Jr.
Secretary

17348
RECORDATION NO _____ FILED 1425
MAY 29 1991 -12 45 PM
INTERSTATE COMMERCE COMMISSION

INDENTURE SUPPLEMENT NO. 1
(CONRAIL 1991-B)

May 29, 1991

among

BRENTWOOD LOCOMOTIVE LEASE CO., LTD.

CONSOLIDATED RAIL CORPORATION,

and

U.S. TRUST COMPANY OF CALIFORNIA, N.A.,
as Indenture Trustee

Filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on May 29, 1991 at _____ _.M. Recordation Number _____ and deposited in the Office of the Registrar General of Canada pursuant to Section 90 of the Railway Act of Canada on May __, 1991, at _____ _.M.

INDENTURE SUPPLEMENT
(CONRAIL 1991-B) NO. 1

This INDENTURE SUPPLEMENT (CONRAIL 1991-B) No. 1, dated May 29, 1991 (this "Indenture Supplement"), by and among BRENTWOOD LOCOMOTIVE LEASE CO., LTD., a Cayman Islands corporation ("Lessor"), CONSOLIDATED RAIL CORPORATION, a Pennsylvania corporation (the "Lessee"), and U.S. TRUST COMPANY OF CALIFORNIA, N.A., a national banking association, as Indenture Trustee (the "Indenture Trustee");

W I T N E S S E T H :

WHEREAS, the Trust Indenture and Security Agreement (Conrail 1991-B), dated as of May 29, 1991 (the "Indenture"), by and among the Lessor, the Lessee and the Indenture Trustee, provides for the execution and delivery of Indenture Supplements thereto substantially in the form hereof which shall particularly describe the Items of Equipment, by having attached thereto a copy of the Lease Supplement, and shall specifically mortgage the Items of Equipment to the Indenture Trustee; and

WHEREAS, the Indenture relates to the Items of Equipment described in the copy of the Lease Supplement of even date herewith attached hereto and made a part hereof;

NOW, THEREFORE, in order to secure the prompt payment of the principal of, and premium, if any, and interest on all of the Equipment Notes from time to time outstanding under the Indenture and the performance and observance by the Lessor of all the agreements, covenants and provisions in the Indenture and in the Equipment Notes for the benefit of the holders of the Equipment Notes, subject to the terms and conditions of the Indenture, and in consideration of the premises and of the covenants contained in the Indenture and of the acceptance of the Equipment Notes by the holders thereof, and of the sum of $1.00 paid to the Lessor by the Indenture Trustee at or before the delivery hereof, the receipt whereof is hereby acknowledged, the Lessor, in accordance with the Granting Clause of the Indenture, (i) has sold, assigned, transferred, pledged and

confirmed, and does hereby sell, assign, transfer, pledge and confirm, the property comprising the Items of Equipment described in the copy of the Lease Supplement attached hereto and (ii) has sold, assigned, transferred and set over, all of the right, title and interest of the Lessor under, in and to the Lease Supplement of even date herewith, referred to above, to the Indenture Trustee, its successors and assigns, in the trust created by the Indenture for the benefit of the holders from time to time of the Equipment Notes.

To have and to hold all and singular the aforesaid property unto the Indenture Trustee, its successors and assigns, in trust for the benefit and security of the holders from time to time of the Equipment Notes and for the uses and purposes and subject to the terms and provisions set forth in the Indenture.

This Indenture Supplement shall be construed as supplemental to the Indenture and shall form a part of each, and the Indenture is each hereby incorporated by reference herein and each is hereby ratified, approved and confirmed.

This Indenture Supplement may be executed by the Lessor, the Lessee and the Indenture Trustee in separate counterparts, each of which when so executed and delivered is an original, but all such counterparts shall together constitute but one and the same Supplement.

AND FURTHER, the Lessor hereby acknowledges that the Items of Equipment referred to in the aforesaid Lease Supplement attached hereto and made a part hereof have been delivered to the Lessor and are included in the property of

the Lessor, subject to the pledge or mortgage thereof under the Indenture.

IN WITNESS WHEREOF, the Lessor has caused this Indenture Supplement to be duly executed by one of its duly authorized officers, as of the day and year first above written.

BRENTWOOD LOCOMOTIVE LEASE CO., LTD.

By Thomas M. Juggle
Title: VP

Acknowledged:

CONSOLIDATED RAIL CORPORATION

By Thomas J. McGraw
Title: Director - Financing

U.S. TRUST COMPANY OF CALIFORNIA, N.A., as Indenture Trustee

By Rebecca B. Walsh
Title: Authorized Signatory

STATE OF PENNSYLVANIA)
) ss:
COUNTY OF PHILADELPHIA)

On this 23rd day of May, 1991 before me personally appeared, Thomas M. Tuggle, to me personally known, who being by me duly sworn, says that he is the Vice President of Brentwood Locomotive Lease Co., Ltd., that said instrument was signed on May 23, 1991 on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Sworn to before me this
23rd day of May, 1991.

Lynn A. McDowell
Notary Public

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

Member, Pennsylvania Association of Notaries

STATE OF PENNSYLVANIA)
) ss:
COUNTY OF PHILADELPHIA)

On this 21st day of May, 1991 before me personally appeared, Thomas J. Megraw, to me personally known, who being by me duly sworn, says that he is the Director Financial of Consolidated Rail Corporation, that said instrument was signed on May 21, 1991 on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Sworn to before me this
21st day of May, 1991.

Lynn A McDowell
Notary Public

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

STATE OF PENNSYLVANIA)
) ss:
COUNTY OF PHILADELPHIA)

On this 28th day of May, 1991 before me personally appeared, Rebecca B. Wilson, to me personally known, who being by me duly sworn, says that she is the authorized signatory of U.S. Trust Company of California, N.A., that said instrument was signed on May 28, 1991 on behalf of said national association by authority of its Board of Directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said national association.

Sworn to before me this
28th day of May, 1991.

Lynn A McDowell
Notary Public

NOTARIAL SEAL
LYNN A McDOWELL, NOTARY PUBLIC
PHILADELPHIA, PHILADELPHIA COUNTY
MY COMMISSION EXPIRES OCT 26, 1992
Member, Pennsylvania Association of Notaries

APPENDIX A

DEFINITIONS

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

Defined Terms

"Affiliate" of any specified Person shall mean any other Person which directly or indirectly controls, or is controlled by, or is under a common control with, such Person. For the purpose of this definition, the term "control" when used with respect to any specified Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlling" and "controlled" shall have meanings correlative to the foregoing.

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

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

"Assignment Agreement" shall mean the Assignment Agreement (Conrail 1991-B), dated as of May 29, 1991, between the Lessee, as assignor, and the Lessor, as assignee, including the Consent and Amendment annexed thereto, as such Assignment Agreement may hereafter be amended, modified or supplemented.

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

"Average Life Date" shall mean, with respect to the prepayment of an Equipment Note, the date which follows the prepayment date by a period equal to the Remaining Weighted Average Life of such Equipment Note.

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

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

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

"Bill of Sale" shall mean a full warranty bill of sale executed by the Manufacturer for all of the Items of Equipment.

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

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

"Certificates" shall mean those 8.59% Pass Through Trust Certificates, Series 1991-1, executed and authenticated by the Pass Through Trustee, pursuant to the terms of the Pass Through Trust Agreement on the original issuance thereof and any replacement Certificates thereto.

"Certificates of Participation" shall mean those 8.59% Certificates of Participation issued by the Indenture Trustee upon conversion of the Equipment Notes in accordance with provisions of Section 2.11 of the Indenture.

"Certificateholder or Holder" shall mean a Person defined as such in the Pass Through Trust Agreement.

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

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

"Code" shall mean the Internal Revenue Code of 1986, as in effect on the date hereof or as amended from time to time.

"Consent and Agreement" shall mean the Consent Agreement and Limited Joinder of the Manufacturer, dated as of May 29, 1991, annexed to the Assignment Agreement, as such Consent and Agreement may hereafter be amended, modified or supplemented.

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

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

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

"Custodian Agreement" shall mean the Custodian Agreement (Conrail 1991-B), dated as of May 29, 1991, among the Custodian, Lessor and Lessee.

"Debt Participation Agreement" shall mean the Debt Participation Agreement (Conrail 1991-B), dated as of May 29, 1991, among the Indenture Trustee, the Pass Through Trustee, the Lessor and the Lessee, and all annexes, supplements and exhibits thereto, all as amended, modified or supplemented from time to time.

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

"Delivery Date" shall mean the date of the initial Lease Supplement for the Items of Equipment, which date shall

be the date on which the Items of Equipment are delivered to and accepted by the Lessor under the Assignment Agreement and the Purchase Agreement and the Lessor leases the Items of Equipment to Lessee pursuant to the Lease.

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

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

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

"Dollar Payment Obligations" shall mean the obligations of the Lessee under the Lease to pay the Dollar portion of Basic Rent, Basic Termination Payments, Casualty Value Termination Payments, Deficiency Payments or Purchase Price.

"Equipment Notes" shall mean that certain Equipment Note, substantially in the form set forth in Section 2.01 of the Indenture, issued by the Lessor on or prior to the Closing Date and any other such Equipment Notes thereafter issued in exchange therefor or replacement thereof pursuant to Section 2.07 or 2.08 of the Indenture.

"Equity Participation Agreement" shall mean the Equity Participation Agreement (Conrail 1991-B) dated as of May 29, 1991, between the Lessor and the Lessee, and all annexes, supplements and exhibits thereto, all as amended, modified or supplemented from time to time.

"ERISA" shall mean the Employment Retirement Income Security Act of 1974, as amended from time to time, or any successor law.

"Event of Loss" with respect to any property means any of the following events with respect to such property: (i) loss of the use of such property due to (x) theft or disappearance, or any other reason not covered elsewhere in this definition, for a period in excess of six months, (y) destruction, or (z) in the opinion of the Lessee, damage beyond repair or rendition of such property permanently unfit for normal use for any reason whatsoever; (ii) any damage to such property which results in an insurance settlement with respect to such property on the basis of a total loss; (iii) the condemnation or requisition of title to such property by the Government or any other governmental authority; (iv) as a

result of any rule, regulation, order or other action by the ICC, the Department of Transportation or other governmental body of the United States of America or Canada having jurisdiction, the use of such property in the normal course of rail transportation shall have been prohibited for a period of six consecutive months, unless the Lessee, prior to the expiration of such six-month period, shall have undertaken and shall be diligently carrying forward all steps which in its judgment are necessary or desirable to permit the normal use of such property by the Lessee or, in any event, if such use shall have been prohibited for a period of 12 consecutive months; (v) the operation or location of such property, while under requisition for use by the Government, in any area excluded from coverage by any insurance policy in effect with respect to such property required by the terms of Section 11 of the Lease, if the Lessee shall be unable to obtain indemnity in lieu thereof from the Government; or (vi) the confiscation, seizure or requisition of use of such property by the Government or any other governmental authority for a period in excess of 12 consecutive months or for a period continuing beyond the Term.

"Excepted Interests" shall mean (i) any indemnity payment and interest thereon paid or payable to the Lessor under the Lease; (ii) proceeds of public liability insurance in respect of the Items of Equipment paid or payable as a result of an insurance claim made, or losses suffered by, the Lessor; (iii) proceeds of insurance maintained in respect of the Items of Equipment by or for the benefit of the Lessor and not required under Section 11 of the Lease; (iv) any Basic Rent, Casualty Value Termination Payments, Special Termination Payments, Deficiency Payments or Purchase Price paid or payable in Yen under the Lease; (v) any amounts paid or payable to the Lessor under the Lease to reimburse the Lessor for expenses incurred by it in exercising any rights under, or performing or complying with any of the obligations of the Lessee under, the Lease; (vi) any payments or other amounts which would otherwise constitute part of the Indenture Estate, which have been released from the Lien of the Indenture; (vii) the right to exercise inspection rights pursuant to Section 12 of the Lease; (viii) the right to approve as satisfactory any accountants, engineers, counsel, or other Persons to render services for or issue opinions to the Lessor pursuant to express provisions of the Lease; (ix) the right of the Lessor to seek specific performance of the covenants of the Lessee under the Lease, relating to the protection, insurance and maintenance of the Items of Equipment and to maintain separate insurance with respect to Items of Equipment pursuant to Section 11 of the Lease; (x)

the right to demand, collect, sue for or otherwise receive and enforce the payment of any Excepted Interest; and (xi) the right to amend, settle or reduce the amount of any claim payable to the Lessor with respect to any Excepted Interest.

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

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

"Indenture" or "Trust Indenture" shall mean that certain Trust Indenture and Security Agreement (Conrail 1991-B), dated as of May 29, 1991, among the Lessor, the Lessee and U.S. Trust Company of California, N.A., as Indenture Trustee, and all annexes, supplements and exhibits thereto, all as amended, supplemented or otherwise modified from time to time, including supplementation by each Indenture Supplement executed and delivered pursuant thereto.

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

"Indenture Estate" shall have the meaning specified in the Granting Clause of the Indenture.

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

"Indenture Supplement" shall mean the Indenture Supplement No. 1 (Conrail 1991-B), substantially in the form of Exhibit A to the Indenture, to be entered into by and among the Lessor, the Lessee and the Indenture Trustee on the Delivery Date, covering the Items of Equipment referenced therein, any amendment to the Indenture Supplement and any subsequent Indenture Supplement executed and delivered in connection with a Replacement Item of Equipment.

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

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

"Item of Equipment" shall mean (i) each of the General Electric Dash 8-40CW diesel electric locomotives (or an improved model of the same Manufacturer) listed by Lessee's road numbers 6120 through 6139 inclusive in the Lease Supplement executed and delivered on the Closing Date; (ii) any Replacement Item of Equipment which may from time to time be substituted, pursuant to Section 8(a) or 10(a) of the Lease, for an Item of Equipment leased under the Lease; and (iii) any and all Parts incorporated or installed in or attached to such Item of Equipment and any and all Parts removed from such Item of Equipment so long as title thereto shall remain vested in the Lessor in accordance with the terms of Section 8 of the Lease after removal from the Item of Equipment. The term "Items of Equipment" also shall mean, as of any date of determination, all Items of Equipment then leased under the Lease.

"Kumiai-in" shall mean any Person who is a party to a Tokumei Kumiai Agreement with the Lessor and any transferee of such Person entered into the record of ownership for the Lessor for the purposes of the Operative Documents and the transactions contemplated thereby.

"Lease" or "Lease Agreement" shall mean the Lease Agreement (Conrail 1991-B) relating to Items of Equipment, dated as of May 29, 1991, between the Lessor and the Lessee as such Lease may be amended, supplemented or otherwise modified from time to time. The term "Lease" shall include each Lease Supplement entered into pursuant to the terms of the Lease.

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

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

"Lease Supplement" shall mean a Lease Supplement No. 1 (Conrail 1991-B), substantially in the form of Exhibit A to the Lease, to be entered into between the Lessor and the Lessee on the Delivery Date, covering the Items of Equipment referenced therein for the purpose of leasing the Items of Equipment under and pursuant to the terms of the Lease, any amendment to the Lease Supplement and any subsequent Lease Supplement executed and delivered in connection with a Replacement Item of Equipment.

"Lease Termination Event" shall mean any event described in Section 9 of the Lease that shall cause the early termination of the Lease.

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

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

"Lessor's Cost" shall mean, with respect to each Item of Equipment, $1,398,977.83.

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

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

right to receive payment thereunder or any interest in the business of the Tokumei Kumiai contemplated thereunder.

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

"Majority in Interest" as of a particular date of determination shall mean with respect to any action or decision of the holders of the Equipment Notes, the holders of more than 50% in aggregate principal unpaid amount of the Equipment Notes, if any, then outstanding which are affected by such decision or action, excluding any Equipment Notes held by the Lessor or an Affiliate of the Lessor.

"Make-Whole Amount" shall mean, with respect to the principal amount of any Equipment Note to be prepaid on any prepayment date, the amount which the Investment Banker determines as of the third Business Day prior to such prepayment date to equal the product obtained by multiplying (a) the excess, if any, of (i) the sum of the present values of all the remaining scheduled payments of principal and interest from the prepayment date to maturity of such Equipment Note, discounted semi-annually on each March 25, June 25, September 25 and December 25 at a rate equal to the Treasury Rate, based on a 360-day year of twelve 30-day months, over (ii) the aggregate unpaid principal amount of such Equipment Note plus any accrued but unpaid interest thereon by (b) a fraction the numerator of which shall be the principal amount of such Equipment Note to be prepaid on such prepayment date and the denominator of which shall be the aggregate unpaid principal amount of such Equipment Note; provided that the aggregate unpaid principal amount of such Equipment Note for the purposes of clause (a)(ii) and (b) of this definition shall be determined after deducting the principal installment, if any, due on such prepayment date.

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

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

"NBB Guaranty" shall mean the Guaranty Agreement (Conrail 1991-B) dated as of May 29, 1991 between NBB and the Lessee, and all annexes, supplements and exhibits thereto, all as amended, modified or supplemented from time to time.

"Offering Circular" shall mean the Offering Circular relating to the offering of the Certificates.

"Officer's Certificate" shall mean a certificate signed (i) in the case of a corporation by the President, any Vice President, the Treasurer, and Assistant Treasurer, the Secretary or an Assistant Secretary of such corporation, (ii) in the case of a partnership by the Chairman of the Board, the President or any Vice President, the Treasurer or an Assistant Treasurer of a corporate general partner, and (iii) in the case of a commercial bank or trust company, the Chairman or Vice Chairman of the Executive Committee or the Treasurer, any Trust Officer, any Vice President, any Executive or Senior or Second or Assistant Vice President, or any other officer or assistant officer customarily performing the functions similar to those performed by the persons who at the time shall be such officers, or to whom any corporate trust matter is referred because of his knowledge of and familiarity with the particular subject.

"Operative Documents" shall mean each of the Equity Participation Agreement, the Debt Participation Agreement, the Lease, each Lease Supplement, the NBB Guaranty, the Indenture, each Indenture Supplement, the Pass Through Trust Agreement, the Assignment Agreement, the Custodian Agreement, the Pledge Agreement, and the Bill of Sale.

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

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

"Pass Through Trust" shall mean the Consolidated Rail Corporation 1991-1 Pass Through Trust created pursuant to the Pass Through Trust Agreement.

"Pass Through Trust Agreement" shall mean the Pass Through Trust Agreement, dated as of May 29, 1991, between the Lessee and the Pass Through Trustee, and all annexes,

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

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

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

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

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

"Pledge Agreement" shall mean the Pledge and Assignment Agreement (Conrail 1991-B), dated as of May 29, 1991, between the Lessee and the Lessor, and all annexes, supplements and exhibits thereto, all as amended, modified or supplemented from time to time.

"Purchase Agreement" shall mean the Purchase Agreement dated March 26, 1990 between the Manufacturer and Lessee, providing, among other things, for the manufacture and sale by the Manufacturer to Lessee of a total of one hundred General Electric Dash 8-40CW diesel electric locomotives, as such Purchase Agreement has been or may hereafter be amended, modified or supplemented (including, without limitation, pursuant to the amendment thereto dated May 2, 1991).

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

"Remaining Weighted Average Life" shall mean, with respect to prepayment of an Equipment Note, the number of days equal to the quotient obtained by dividing (a) the sum of the products obtained by multiplying (i) the amount of each remaining principal payment on such Equipment Note by (ii) the number of days from and including the prepayment

date to but excluding the scheduled payment date of such principal payment by (b) the unpaid principal amount of such Equipment Note.

"Rent Payment Date" or "Payment Date" shall mean each March 25, June 25, September 25 and December 25 of each year occurring during the Lease Term, provided that if any such date shall not be a Business Day, then "Rent Payment Date" or "Payment Date" shall mean the next succeeding Business Day.

"Replacement Item of Equipment" shall mean a General Electric Dash 8-40CW diesel electric locomotive (or an improved model of the same Manufacturer), which shall have been leased pursuant to clause (i) of Section 10(a) of the Lease, together with all Parts relating thereto.

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

"Special Distribution Date" shall have the meaning ascribed to such term in the Pass Through Trust Agreement.

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

"Specified Investments" shall mean (a) direct obligations of the United States of America and agencies thereof for which the full faith and credit of the United States is pledged, (b) obligations fully guaranteed by the United States of America, (c) certificates of deposit issued by, or bankers' acceptances of, or time deposits with, any bank, trust company or national banking association incorporated or doing business under the laws of the United States of America or one of the States thereof having combined capital and surplus and retained earnings of at least five hundred million dollars ($500,000,000) (including any Indenture Trustee or the Pass Through Trustee if such conditions are met), (d) commercial paper of companies, banks, trust companies or national banking associations

incorporated or doing business under the laws of the United States of America or one of the States thereof and in each case having a rating assigned to such commercial paper by Standard & Poor's Corporation or Moody's Investors Service, Inc. (or, if neither such organization shall rate such commercial paper at any time, by any nationally recognized rating organization in the United States of America) equal to the highest rating assigned by such organization, and (e) purchase agreements with any financial institution having a combined capital and surplus of at least seven hundred and fifty million dollars ($750,000,000) fully collateralized by obligations of the type described in clauses (a) through (d) above; provided that if all of the above investments are unavailable, the entire amount to be invested may be used to purchase Federal Funds from an entity described in (c) above; and provided further that no investment shall be eligible as a "Specified Investment" unless the final maturity or date of return of such investment is 91 days or less from the date of purchase thereof.

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

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

"Termination Date" shall mean the date specified as such in Section 9 or 15 of the Lease with respect to all of the Items of Equipment, or the date specified as such in Section 10 of the Lease with respect to one or more Items of Equipment, each of which dates shall be a Business Day; provided, that only for purposes of determining the date on which the Basic Termination Payment and Special Termination Payment is payable pursuant to Section 15(d) of the Lease, the Termination Date shall be the 10th day after the declaration referred to in such Section 15(d).

"Tokumei Kumiai Agreement" shall mean each of the separate agreements entered into or to be entered into by the Lessor, in its capacity as proprietor and manager of the investment made by its investors (or Kumiai-in) substantially

the same, in form and substance, as the form of Tokumei Kumiai Agreement attached as Exhibit E to the Equity Participation Agreement and containing the covenants described in Section 8 of the Equity Participation Agreement.

"Treasury Rate" shall mean with respect to prepayment of each Equipment Note, a per annum rate (expressed as a semiannual equivalent and as a decimal and, in the case of United States Treasury bills, converted to a bond equivalent yield), determined to be the per annum rate equal to the semiannual yield to maturity for United States Treasury securities maturing on the Average Life Date of such Equipment Note, as determined by interpolation between the most recent weekly average yields to maturity for two series of United States Treasury securities, (a) one maturing as close as possible to, but earlier than, the Average Life Date of such Equipment Note and (b) the other maturing as close as possible to, but later than, the Average Life Date of such Equipment Note, in each case as published in the most recent H.15(519) (or, if a weekly average yield to maturity for United State Treasury securities maturing on the Average Life Date of such Equipment Note is reported in the most recent H.15(519), as published in H.15(519)). H.15(519) means "Statistical Release H.15(519), Selected Interest Rates", or any successor publication, published by the Board of Governors of the Federal Reserve System. The most recent H.15(519) means the latest H.15(519) which is published prior to the close of business on the third Business Day preceding the scheduled prepayment date.

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

"Underwriter" shall mean Morgan Stanley & Co. Incorporated.

"Underwriting Agreement" shall mean that certain Underwriting Agreement dated May 22, 1991 between the Lessee and Morgan Stanley & Co. Incorporated, pertaining to the sale of the Certificates, as the same may be amended, modified or supplemented from time to time.

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

"Yen" (¥) shall mean lawful money of Japan.

[EXECUTION COPY]

LEASE SUPPLEMENT NO. 1 (CONRAIL 1991-B)

Between

BRENTWOOD LOCOMOTIVE LEASE CO., LTD.,
as Lessor

and

CONSOLIDATED RAIL CORPORATION,
as Lessee

Twenty General Electric Dash 8-40CW
Diesel Electric Locomotives

Dated as of May 29, 1991

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 BRENTWOOD LOCOMOTIVE LEASE CO., LTD. HAVE BEEN ASSIGNED TO AND ARE SUBJECT TO A LIEN AND SECURITY INTEREST IN FAVOR OF U.S. TRUST COMPANY OF CALIFORNIA, N.A., AS INDENTURE TRUSTEE UNDER A TRUST INDENTURE AND SECURITY AGREEMENT (CONRAIL 1991-B) DATED AS OF MAY 29, 1991. 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 U.S. TRUST COMPANY OF CALIFORNIA, N.A., AS INDENTURE TRUSTEE, ON OR IMMEDIATELY FOLLOWING THE SIGNATURE PAGE THEREOF.

LEASE SUPPLEMENT NO. 1 (CONRAIL 1991-B), dated May 29, 1991, between BRENTWOOD LOCOMOTIVE LEASE CO., LTD., a corporation formed under the laws of the Cayman Islands ("Lessor"), and CONSOLIDATED RAIL CORPORATION, a Pennsylvania corporation ("Lessee").

W I T N E S S E T H:

WHEREAS, Lessor and Lessee have heretofore entered into that certain Lease Agreement (Conrail 1991-B), dated as of May 29, 1991 (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 Electric Dash 8-40CW Diesel Electric Locomotives bearing Lessee's road numbers 6120 through 6139 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 $1,398,977.83 and the aggregate Lessor's Cost for all of the Items of Equipment is $27,979,556.50.

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.

10. The parties hereto agree that certain rights, title and interest of Lessor in and to this Lease Supplement No. 1 and to the Items of Equipment have been assigned to and are subject to a lien and security interest in favor of U.S. Trust Company of California, N.A., as Indenture Trustee, under the Indenture. To the extent, if any, that this Lease 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 U.S. Trust Company of California, N.A., as Indenture Trustee, on or immediately following the signature page hereof.

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

LESSOR

BRENTWOOD LOCOMOTIVE LEASE CO., LTD.

By: _____
Name: Thomas M. Tuggle
Title: Vice President

LESSEE

CONSOLIDATED RAIL CORPORATION

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

COMMONWEALTH OF PENNSYLVANIA:

SS

COUNTY OF PHILADELPHIA :

On this, the 28 day of May, 1991, before me, a notary public, personally appeared Thomas M. Tuggle, to me personally known, who being by me duly sworn, says that he is the Vice President of Brentwood Locomotive Lease Co., Ltd., that said instrument was executed on May 28, 1991 on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Sworn to before me this
28 day of May, 1991.

(NOTARIAL SEAL)

Rosemary Pasquariello
Notary Public

My Commission Expires:

NOTARIAL SEAL
Rosemary Pasquariello Notary Public
City of Philadelphia, Phila County
My Commission Expires May 16, 1992