



RECORDED IS 18256-B FILED MS

SEP 14 1993 -10 40 AM

INTERSTATE COMMERCE COMMISSION

RECORDED IS 18256-C FILED MS

SEP 14 1993 -10 40 AM

INTERSTATE COMMERCE COMMISSION

Norwest Equipment Finance, Inc.
Suite 300
Investors Building
733 Marquette Avenue
Minneapolis, Minnesota 55479-2048
612/667-9876

RECEIVED THE
OFFICE OF THE
SECRETARY
SEP 14 10 32 AM 1993
LICENSING BRANCH

September 10, 1993

Office of the Secretary, Recordations Unit
Interstate Commerce Commission

Attn: Mildred Lee

12th & Constitution Ave. N.W., Room 2303
Washington, D.C. 20423

RECORDED IS 18396 FILED MS

SEP 14 1993 -10 40 AM

INTERSTATE COMMERCE COMMISSION

3-257A043

Dear Ms. Lee,

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are:

- 1) Bill of Sale - selling equipment to NorRail, Inc. from The Pittsburgh and Lake Erie Railroad Company (1 original and 1 certified of each).
2. Lease Schedules - between NorRail, Inc., as lessor, and Brandywine Valley Railroad Company, Inc., as lessee (2 originals each). Original Master Lease Agreement was duly recorded and filed on July 12, 1993 under recordation number 18256-A.
- 3) Assignment - (two originals) Assigning the lease to Norwest Equipment Finance, Inc. from NorRail, Inc.

A summary of the three parties involved is as follows:

Assignor/Lessor: NorRail, Inc.
308 - 12th Ave. S.
Buffalo, MN 55313

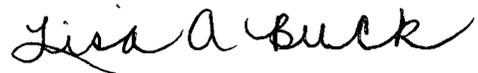
Lessee: Brandywine Valley Railroad
50 South First Ave.
Coatesville, PA 19320

Assignee: Norwest Equipment Finance, Inc.
733 Marquette Ave., Suite 300
Investors Bldg.
Minneapolis, MN 55479-2048

I have included a check in the amount of \$48 00 to cover the fee for filing the above listed documents.

Thank-you for your assistance in recording these documents. If you should have any questions please call me at (612) 667-9841

Sincerely,

A handwritten signature in cursive script that reads "Lisa A. Buck".

Lisa A. Buck
Senior Contract Adm

Interstate Commerce Commission
Washington, D.C. 20423

(7127(#

OFFICE OF THE SECRETARY

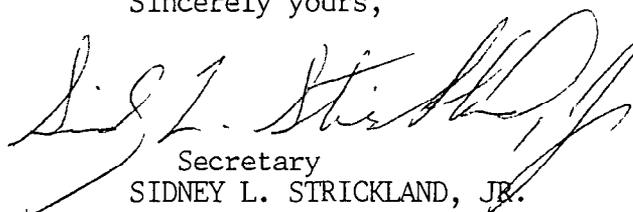
Lisa A. Buck
Senior Contract Adm.
Norwest Equipment, Finance Inc
733 Marquette Ave. Suite 300
Investors Bldg.
Minneapolis MN. 55479-2048

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 **9/14/93** at **10:40am**, and assigned
recordation number(s). **18256-B 18256-C & 18396**

Sincerely yours,



Secretary
SIDNEY L. STRICKLAND, JR.

Enclosure(s)

NorRail, Inc.,
308 12th Avenue South
Buffalo, Minnesota 55313

18256-B

SEP 14 1993 - 10 40 AM

INTERSTATE COMMERCE COMMISSION

**EQUIPMENT SCHEDULE NO. 2 TO
LEASE AGREEMENT DATED May 25, 1993 ("LEASE")**
BETWEEN NorRail, Inc. ("NorRail")
AND Brandywine Valley Railroad Company ("LESSEE")

1. EQUIPMENT:

<u>Qty.</u>	<u>Type/Model</u>	<u>Ident. #</u>	<u>Description</u>	<u>Monthly Rental Per Item</u>
10	Bulkhead Gondolas	PLE 46013 - PLE 46014 PLE 46020 PLE 46031 PLE 46037 PLE 46050 PLE 46081 PLE 46084 PLE 46089 ✓ PLE 46129	10 Ton Trucks Roller Bearing 4 Foot Sides	\$175.00

Total Monthly Rental \$ 1,750.00

NOTE: Lessee agrees that the above described equipment may be amended by NorRail to the extent that NorRail may insert the serial numbers and/or other identifying data of the Equipment.

2. EQUIPMENT LOCATION:
Pittsburgh and Lake Erie Railroad yards in the Pittsburgh, PA area.

3. PROJECTED DELIVERY DATE: August & September, 1993.

4. DELIVERY DATE: _____, 19_. If this space is not completed, the Delivery Date of each Item of Equipment shall be:

- a. in the case of an Item of Equipment which is the subject of a sale and leaseback between NorRail and Lessee, the date upon which NorRail purchases such Item of Equipment from Lessee; or

- b. in the case of an Item of Equipment which is currently delivered to the Equipment Location, but where NorRail is obtaining title directly from the manufacturer or supplier, the date upon which NorRail purchases such Item of Equipment from the manufacturer or supplier; or
- c. in the case of an Item of Equipment requiring delivery, the date of inspection and acceptance by Lessee of such Item of Equipment at the Equipment Location. Such acceptance, which is not to be unreasonably withheld, is to be in the form of a certificate of Delivery and Acceptance signed by Lessee.

- 5. **COMMENCEMENT DATE:** As set forth in section 2(b) of the Lease; provided, however, if Lessee fails to timely and properly deliver, within fourteen days of Lessee's execution of this Equipment Schedule, any documents requested by NorRail pursuant to the Lease, NorRail, in its discretion and notwithstanding anything to the contrary contained in Section 2(b) of the Lease, may postpone the commencement of the Initial Term. NorRail shall *give* Lessee prompt written notice of any such postponement.
- 6. **INITIAL TERM:** 60 months.
- 7. **ADVANCED RENTALS:** One monthly rental(s) of \$ 1,750.00 each totaling \$ 1,750.00 shall be delivered to NorRail at time of signing of this Lease. Such advanced rentals shall be applied to the first month(s) of the Initial Term.
- 8. **MONTHLY RENTAL:** \$ 1,750.00. The Monthly Rental for all Items of Equipment set forth in Section 1 hereof.
- 9. **LEASE AGREEMENT:** All of the terms, covenants and conditions set forth in the Lease are incorporated herein by reference as if the same had been set forth herein in full. By their execution and delivery of this Equipment Schedule, the parties hereby reaffirm all of the terms and conditions of the Lease (including, without limitation, the representations and warranties of Lessee set forth in Section 12 thereof) except as modified hereby.

NORRAIL:

LESSEE:

NorRail, Inc.

Brandywine Valley Railroad Company

By: *L. Lee Struble*

By: *John W. Jankowski*

Print Name: L. Lee Struble

Print Name: John W. Jankowski

Title: Vice President - Marketing

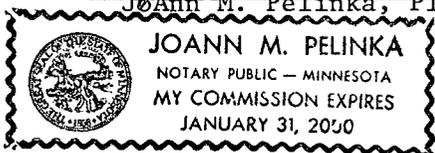
Title: Controller

Date: August 20, 1993

Date: 8/23/93

Subscribed and sworn before me
this 24th day of Aug, 1993.

Joann M. Pelinka, Plymouth, MN



Sworn to and subscribed before me
this 25th day of Aug, 1993

Barbara J. Reczek

MINN. SEAL
BARBARA J. RECZEK, Notary Public
Coatesville, Chester County, PA
My Commission Expires May 7, 1994

NorRail, Inc.
308 12th Avenue South
Buffalo, MN 55313

**Stipulated Loss Value to Schedule 2 of
Master Lease Agreement Dated May 25, 1993
("Lease") Between NorRail, Inc. ("NorRail")
and Brandywine Valley Railroad Company ("Lessee")**

Stated below is the Stipulated Loss Value per Item of Equipment for all Equipment that is leased under Schedule 2 of the Lease.

<u>Payment Date</u>	<u>Stipulated Loss Value</u>	<u>Payment Date</u>	<u>Stipulated Loss Value</u>
9/93	12,426.00	1/96	9,682.09
10/93	12,336.84	2/96	9,573.98
11/93	12,247.06	3/96	9,465.11
12/93	12,156.66	4/96	9,355.50
		5/96	9,245.13
1/94	12,065.64	6/96	9,133.99
2/94	11,973.99	7/96	9,022.09
3/94	11,881.71	8/96	8,909.41
4/94	11,788.78	9/96	8,795.96
5/94	11,695.22	10/96	8,681.72
6/94	11,601.01	11/96	8,566.69
7/94	11,506.15	12/96	8,450.87
8/94	11,410.63		
9/94	11,314.46	1/97	8,344.25
10/94	11,217.62	2/97	8,216.82
11/94	11,120.11	3/97	8,098.58
12/94	11,021.93	4/97	7,979.53
		5/97	7,859.65
1/95	10,923.07	6/97	7,738.95
2/95	10,823.52	7/97	7,617.41
3/95	10,723.29	8/97	7,495.03
4/95	10,622.37	9/97	7,371.80
5/95	10,520.75	10/97	7,247.73
6/95	10,418.42	11/97	7,122.79
7/95	10,315.39	12/97	6,997.00
8/95	10,211.65		
9/95	10,107.19	1/98	6,870.33
10/95	10,002.01	2/98	6,742.79
11/95	9,896.11	3/98	6,614.37
12/95	9,789.47	4/98	6,485.06
		5/98	6,354.86
		6/98	6,223.76
		7/98	6,091.75
		8/98	5,958.84

ACKNOWLEDGEMENT AND AGREEMENT

Brandywine Valley Railroad Company., (Lessee) a Delaware Corporation, hereby acknowledges notice of the assignment of an equipment lease (the Lease) dated May 25, 1993, between NorRail, Inc., as Lessor and undersigned as Lessee to Norwest Equipment Finance, Inc. (NEFI); and to induce NEFI to accept such Assignment, agrees as follows:

1. Lessee acknowledges that NorRail, Inc. (Lessor) assigned to NEFI beneficial ownership of the Lease, but that it has not assigned and NEFI has not assumed any of the obligations of Lessor under the Lease. Accordingly, Lessee will continue to look to Lessor rather than NEFI for the performance of the obligations of Lessor under the Lease.
2. Lessee agrees that, upon request by NEFI, it will pay all remaining rentals provided for in the Lease for the term directly to NEFI without offset or reduction.
3. Lessee agrees to remit all payments when due to NEFI at the following address:

Norwest Equipment Finance, Inc.
NW-8178
P O Box 1450
Minneapolis, MN 55485-8178

NEFI agrees to notify Lessee by Certified Mail of any change in the remittance address.

4. Lessee agrees that it shall not terminate the Lease pursuant to any term thereof, except as to Items of Equipment with respect to which this Lease is terminated pursuant to Section 11, or any agreements supplementary thereto or otherwise during the Initial Term thereof except as reviewed and approved by NEFI.
5. Lessee agrees to this Assignment to NEFI by Lessor notwithstanding any prohibition in the lease.
6. Lessee understands that NEFI makes no express or implied warranties or representations as to any matter whatsoever, including, without limitations, the condition of the Equipment, its marketability, or its fitness for any particular purpose.

7. Lessee acknowledges that 60 rentals of \$1,750.00 (plus applicable taxes, if any) remain in the term of the Lease, and that the next rental is due on September 1, 1993 and the final rental will be due on August 1, 1998.

IN WITNESS THEREOF, Lessee has caused this Agreement to be executed by its duly authorized officer.

Date: August 20, 1993

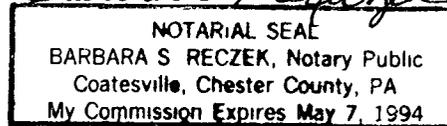
Lessee: Brandywine Valley Railroad Company

BY: John W. Janowski 8/23/93

TITLE: Controller

Sworn to and subscribed before me
this 23rd day of Aug 19 93

Barbara S. Reczek



Brandywine Valley Railroad Company ("LESSEE")

CERTIFICATE OF DELIVERY AND ACCEPTANCE

The undersigned lessee of equipment ("Lessee") hereby certifies to NorRail, Inc. ("NorRail") that the equipment leased by Lessee from NorRail pursuant to Equipment Schedule No. 2 to that certain Master Lease Agreement No. 1539 between Lessee and NorRail dated May 25, 1993, is acceptable and conforms in all respects to the equipment ordered by Lessee. **EXCEPT ONLY AS STATED ON A SCHEDULE OF EXCEPTIONS THAT HAS BEEN INITIALED BY BOTH LESSEE AND NORRAIL, AND ATTACHED TO THIS CERTIFICATE**, Lessee further certifies that:

- (i) It has thoroughly inspected the equipment,
- (ii) The Equipment meets or exceeds the standards in effect under the Interchange Rules of the Association of American Railroads and the applicable rules of any governmental agency (including without limitation the Federal Railroad Administration) and any other organization having jurisdiction, with respect to this type of equipment,
- (iii) All of the equipment is free of corrosion and all other commodity-related damage,
- (iv) All items of equipment are of the size, design, capacity and manufacturer selected by Lessee, and
- (v) The equipment is in all respects suitable for Lessee's purposes.

A Schedule of Exceptions is _____ or is not X (check one) attached. If a Schedule of Exceptions is attached, it is of - pages.

Lessee further certifies that the equipment was delivered and ready for use as of August 31, 1993, and hereby authorizes NorRail to pay for the equipment.

Brandywine Valley Railroad Company
Lessee

By: John W. Jankowski
Print Name: John W. Jankowski

Title: Controller

Date: 8/23/93

Sworn to and subscribed before me
this 23rd day of Aug, 1993
Barbara S. Reczek
NOTARIAL SEAL
BARBARA S RECZEK, Notary Public
Coatesville, Chester County, PA
My Commission Expires May 7, 1994