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WASHINGTON, D.C. 20007

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RECORDATION NO. 178055C
FILED 1225

DEC 30 1993 - 10 45 AM

INTERSTATE COMMERCE COMMISSION

December 30, 1993

Hon. Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Washington, DC 20423

Dear Secretary Strickland:

Enclosed are the originals and one copy each of the counterparts of the document described below, to be recorded pursuant to section 11303 of Title 49 of the U.S. Code.

This document is the First Amended Assignment of Leases, a secondary document, dated December 21, 1993.

The primary document to which this is connected is recorded under Recordation No. 17805-A.

The names addresses of the parties to the document are as follows:

The Assignor is Laurinburg and Southern Railroad Company, P.O. Box 1929, Laurinburg, NC 28353.

The Assignee is Greyhound Financial Corporation, Dial Tower, Phoenix, AZ 85077.

A description of the six locomotives covered by the document follows:

GM S/N 58-F-16 SW9 EMD
1957 NW-2 (LRS 818) S/N 5749
1945 SW-1 (LRS 824) S/N 5-9744
1951 SW-1 (LRS 825) B/N K 5011858
1951 SW-1 (LRS 826) S/N 51-F-213
1952 SW-1 (LRS 832) S/N 78 B 3-5002

A fee of ten dollars (\$10.00) is enclosed. Please return the original and any extra copies not need by the Commission for recordation to the undersigned.

*C. Cunningham
M. L. Alonso*

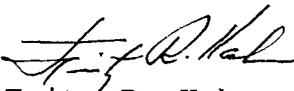
Hon. Sidney L. Strickland, Jr.
December 30, 1993
Page Two

A short summary of the document to appear in the index follows: First Amended Assignment of Lease between Laurinburg and Southern Railroad Company of Laurinburg, NC, Assignor, and Greyhound Financial Corporation of Phoenix, AZ, Assignee, with Recordation No. 17805-A, dated December 21, 1993, and covering six locomotives.

Very truly yours,,

LAURINBURG AND SOUTHERN RAILROAD COMPANY

By its attorney,


Fritz R. Kahn

enc.

cc: Richard L. Mack, Esq.
Randall S. Dalton, Esq.
Mr. Murphy Evans

Interstate Commerce Commission

Washington, D.C. 20423

12/30/93

OFFICE OF THE SECRETARY

Fritz R. Kahn

Klein & Bagileo

1101 13th St N.W. Suite 120

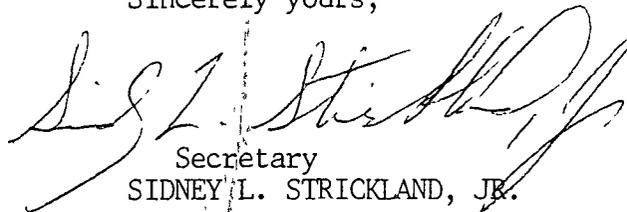
Washington, D.C. 20007

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 12/30/93 at 10:45am, and assigned recordation number(s).

17805-B & 17805-C

Sincerely yours,



Secretary
SIDNEY L. STRICKLAND, JR.

Enclosure(s)

DEC 30 1993 -10 45 AM

FIRST AMENDED ASSIGNMENT OF LEASES

INTERSTATE COMMERCE COMMISSION

THIS FIRST AMENDED ASSIGNMENT AND AGREEMENT ("First Amendment") is entered into as of December 21, 1993, by LAURINBURG AND SOUTHERN RAILROAD COMPANY, a North Carolina corporation ("Assignor"), for the benefit of GREYHOUND FINANCIAL CORPORATION, a Delaware corporation ("Assignee")

WITNESSETH

WHEREAS, Assignor, together with Yadkin Valley Railroad Company, Robeson County Railroad Corporation and Nash County Railroad Corporation, collectively as Borrower, and Assignee, as Lender, have entered into a certain Loan and Security Agreement (the "Agreement"), dated as of May 19, 1992, providing for the loan by Lender to Borrower of the sum of \$4,250,000 (the "Loan") All terms used herein with initial capital letters, unless otherwise specifically defined herein, shall have the meanings set forth in the Agreement, and

WHEREAS, Assignor and Assignee entered into an Assignment of Leases dated as of May 19, 1992 (the "Assignment") which was filed with the Interstate Commerce Commission on May 26, 1992 at File No 17805-A, and

WHEREAS, pursuant to the Assignment, Assignor assigned to Assignee certain rights of Assignor in and to the Leases described in the Assignment and entered into certain agreements with Assignee relating to the assignment of the Leases; and

WHEREAS, Borrower's obligations under the Agreement are secured, inter alia, by a Security Interest in certain collateral described in the Agreement and on Exhibit "A" attached to the Assignment (the "Collateral"); and

WHEREAS, Assignor has acquired certain additional railroad cars described in Exhibit "A" hereto (the "Additional Cars"), and

WHEREAS, Assignor has entered into various lease agreements, including without limitation those described on Exhibit "B" attached hereto and by this reference made a part hereof, and desires to enter into other lease agreements in the future (collectively, the "Additional Leases") with various lessees ("Additional Lessees") each of which leases one or more of the Additional Cars to an Additional Lessee; and

WHEREAS, Assignee is willing to consent to the Additional Leases if
(i) Assignor will continue to remain responsible and liable under the Agreement for

the full and complete performance of all of Assignor's obligations thereunder and (ii) Assignor assigns to Assignee the Leases as herein provided, and

WHEREAS, Assignor and Assignee desire to amend the Assignment to provide for the assignment of the Additional Leases to Assignee, to include the additional cars within the definition of "Collateral" set forth in the Assignment and to include the Additional Leases within the definition of "Leases" set forth in the Assignment

NOW, THEREFORE, Assignor hereby covenants and agrees as follows:

1. **Amendment of Assignment to Include Additional Cars.** The Assignment is hereby amended to include the Additional Cars in Schedule 1 of Exhibit "A" to the Assignment as if the Additional Cars had been fully set forth therein. From and after the date hereof, all references in the Assignment to the Collateral shall include the Additional Cars.

2. **Amendment of Assignment to Include Additional Leases.** Assignor does hereby grant, sell, transfer and assign to Assignee all of the right, title and interest of Assignor in and to the Leases now existing or hereafter arising, together with all rentals, payments, income, profits, per diem mileage, mileage credits, excess mileage credits, insurance proceeds, and proceeds from requisition or taking ("Payments") now due which may hereafter become due to Assignor by virtue of the Additional Leases. Assignor hereby irrevocably appoints Assignor as Assignor's true and lawful attorney, in its name and stead (with or without taking possession of the Collateral), to enforce said Additional Leases and to collect all of said Payments. Exhibit "B" annexed to the Assignment is hereby amended to include the Additional Leases described on Exhibit "B" attached hereto as if such Additional Leases had been fully set forth therein. From and after the date hereof, all references in the Assignment to the Leases shall include the Additional Leases described and listed on Exhibit "B" attached hereto

3. **Consents by Lessees.** Except as set forth on Exhibit "C" attached hereto and by this reference made a part hereof, none of the Additional Leases require the consent of the Additional Lessees thereunder to any assignment by the Assignor of its rights under such Additional Leases. All necessary consents from the Additional Lessees of the Additional Leases described on Exhibit "C" have been obtained, and no such consents have been rescinded or modified in any way. Exhibit "C" annexed to the Assignment is hereby amended to include the Additional Leases described on Exhibit "C" attached hereto. From and after the date hereof, all references in the Assignment to Exhibit "C" shall include those Additional Leases described and listed on Exhibit "C" attached hereto.

4. **Effect as an Amendment.** Other than as specifically set forth herein, all other terms of the Assignment shall remain in full force and effect

5. **Reaffirmation.** All of the representations and warranties contained in the Assignment are hereby satisfied and reaffirmed and are true and correct on and as of the date hereof.

6. **Counterparts.** This First Amendment may be executed in any number of separate counterparts, each of which shall constitute an original notwithstanding the fact that all parties have not signed the same counterpart.

IN WITNESS WHEREOF, Assignor has caused this First Amendment to be executed in its name as of the day and year first above written

LAURINBURG AND SOUTHERN RAILROAD COMPANY, a North Carolina corporation

By [Signature]
Name Murphy Evans
Title President

GREYHOUND FINANCIAL CORPORATION, a Delaware corporation

By _____
Name
Title

STATE OF NORTH CAROLINA) ss.
County of NEW HANOVER)

On this 23 day of December, 1993, before me personally appeared Murphy Evans, to me personally known, who being by me duly sworn, says that he is the President of Laurinburg and Southern Railroad Company, a North Carolina corporation, that the seal 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.

[Signature]
Signature of Notary Public

SEAL
My Commission Expires:
10-21-98

4. **Effect as an Amendment.** Other than as specifically set forth herein, all other terms of the Assignment shall remain in full force and effect

5. **Reaffirmation.** All of the representations and warranties contained in the Assignment are hereby satisfied and reaffirmed and are true and correct on and as of the date hereof.

6. **Counterparts.** This First Amendment may be executed in any number of separate counterparts, each of which shall constitute an original notwithstanding the fact that all parties have not signed the same counterpart.

IN WITNESS WHEREOF, Assignor has caused this First Amendment to be executed in its name as of the day and year first above written.

LAURINBURG AND SOUTHERN RAILROAD COMPANY, a North Carolina corporation

By _____
Name. Murphy Evans
Title President

GREYHOUND FINANCIAL CORPORATION, a Delaware corporation

By *D. A. Luttenegger*
Name **D. A. LUTTENEGGER**
Title **Vice President-Credit**

STATE OF _____)
County of _____) ss.

On this _____ day of December, 1993, before me personally appeared Murphy Evans, to me personally known, who being by me duly sworn, says that he is the President of Laurinburg and Southern Railroad Company, a North Carolina corporation, that the seal 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.

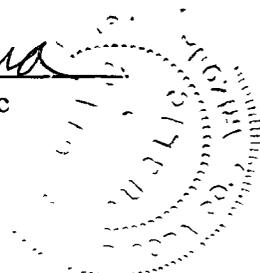
Signature of Notary Public

SEAL
My Commission Expires:

STATE OF ARIZONA)
) ss.
County of Maricopa)

On this 23rd day of December, 1993, before me personally appeared Don A. Luttenegger, to me personally known, who being by me duly sworn, says that [he/~~she~~] is the Vice President of Greyhound Financial Corporation, a Delaware corporation, that the seal 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/~~she~~] acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Milliean McNamara
Signature of Notary Public



SEAL

My Commission Expires:

APRIL 30, 1997

EXHIBIT A

Those railroad cars and locomotives described and listed on Schedule 1 attached hereto and made a part hereof, including

(i) all attachments, accessions, fittings, equipment and property now or hereafter affixed thereto or used in connection therewith, and all substitutions and replacements thereof,

(ii) all books and records relating to any of the foregoing whether presently existing or hereafter arising, including, without limitation, all tapes, cards, computer programs and computer data of any computer service bureau or other third party,

(iii) all improvements and replacements hereafter made in or to the foregoing, and

(iv) any and all products and proceeds of the foregoing in any form, including without limitation, any and all proceeds of the sale, lease, requisition, taking or other disposition of any or all of the foregoing (including, without limitation, all income, profits, lease and rental payments, per diem mileage, mileage credits, excess mileage credits, and any and all other revenues or monies of whatsoever nature generated by or attributable to the foregoing), any claims against third parties for loss, damage or destruction of any or all of the foregoing, and all insurance proceeds relating to all of the above

SCHEDULE 1 OF EXHIBIT A

LOCOMOTIVES

GM S/N 58-F-16 SW9 EMD
1957 NW-2 (LRS 818) S/N 5749
1945 SW-1 (LRS 824) S/N 5-9744
1951 SW-1 (LRS 825) B/N K 5011858
1951 SW-1 (LRS 826) S/N 51-F-213
1952 SW-1 (LRS 832) S/N 78 B 3-5002

EXHIBIT B
EQUIPMENT LEASES

EXHIBIT C

**EQUIPMENT LEASES REQUIRING
CONSENT OF LESSEES TO ASSIGNMENT**