

**National City**

**National City Bank of Kentucky**  
P.O. Box 36000  
Louisville, KY 40233-6000  
(502) 581-4200

RECORDATION NO. 181032-D FILED

FEB 13 '02

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SURFACE TRANSPORTATION BOARD



January 28, 2002

VIA FEDERAL EXPRESS

Mr. Vernon A. Williams, Secretary  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, DC 20423-0001

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301 (a) are two (2) original copies of the Partial Termination and Release of Security Interests, dated January \_\_, 2002, a secondary document as defined in the Board's Rules for Recordation of Documents.

The enclosed document relates to the Equipment Lease Agreement, the Lease Supplement No. 1, the Loan and Security Agreement, and Supplement No. 1 to the Loan and Security Agreement which were previously filed with the Board under Recordation Number 18632, 18632-B, 18632-A and 18632-C, respectively.

The names and addresses of the parties referenced in the enclosed document are:

Buyer: Joseph Transportation Services, Inc.  
300 Pike Street  
Cincinnati, OH 45202

Lender: National City Leasing Corporation  
101 South Fifth Street, 8<sup>th</sup> Floor  
Louisville, Kentucky 40202

Owner Trustee: Wilmington Trust Company  
1100 N. Market St.  
Wilmington, DE 19890-0001

Owner Participant: Keycorp Leasing Ltd.  
54 state st.  
Albany, NY 12207

Mr. Vernon A. Williams  
January 28, 2002  
Page Two

A description of the railroad equipment covered by the enclosed document is:

110 railcars CCXX 93102-CCXX 93338, non-inclusive

Please file this agreement as a secondary document under Recordation Number 18632-D, as it relates to documents previously filed with the Surface Transportation Board under Recordation Numbers 18632, 18632-A, 18632-B and 18632-C. This filing is to appear in index as follows:

Partial Termination and Release of Security Interests

Also enclosed is a check in the amount of \$28.00, payable to the order of the Surface Transportation Board covering the required recordation fee for this document.

Kindly return stamped copies of the enclosed document to me at the address listed below. Should you have any questions or need further information, please do not hesitate to contact me at 502/581-7679.

Sincerely,

*J. E. Voth*

Enclosures

Guy C. Spalding  
National City  
P.O. Box 36000  
Louisville, KY 40233

RECORDATION NO. 18632-D FILED

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**SURFACE TRANSPORTATION BOARD  
PARTIAL TERMINATION AND RELEASE  
OF SECURITY INTERESTS**



**WITNESSETH**

WHEREAS, by Loan and Security Agreement, dated as of December 30, 1993 (the "LSA"), National City Leasing Corporation (as "Lender") agreed to finance a portion of the cost of certain railroad equipment described in Schedule A hereto ("Equipment") on behalf of Wilmington Trust Company (as "Owner Trustee");

WHEREAS, by a Trust Agreement, dated as of December 30, 1993 (the "Trust") between Owner Trustee and Keycorp Leasing Ltd. ("Owner Participant"), Owner Participant created a trust for purpose of acquiring the Equipment and leasing it to Lessee;

WHEREAS, by the Equipment Lease Agreement, dated as of December 30, 1993 (the "Lease"), Owner Trustee (as "Lessor") leased the Equipment to Lodestar Energy, Inc. (formerly known as Costain Coal, Inc.), ("Lessee");

WHEREAS, by the Lease Supplement No. 1 (the "Lease Supplement"), the Lessee acknowledged the delivery of and Lessee's acceptance of the Equipment under the Lease;

WHEREAS, by Supplement No. 1 to the LSA, dated as of December 30, 1993 (the "LSA Supplement"), Lessee assigned its rights under the Lease as collateral security to Lender to secure the payment of the indebtedness under the LSA (the "LSA Indebtedness");

WHEREAS, by a Participation Agreement, dated as of December 30, 1993, among Lender, Owner Trustee, Owner Participant and Lessee, the parties agreed that Lender shall have a first lien on and perfected security interest in, all right, title, estate and interest in and to the Equipment;

WHEREAS the Lease, the Lease Supplement, the LSA, and the LSA Supplement were duly filed and recorded with the Interstate Commerce Commission on December 30, 1993 at 9:10 a.m. and were assigned Recordation Numbers 18632, 18632-B, 18632-A and 18632-C, respectively.

WHEREAS, Lessee has obtained the court order attached hereto as Exhibit A to reject the Lease under U.S.C. 11 §365 (a) and has returned the Equipment to Lessor, and by such act, all interest of the Lessee, its successors and assigns, in the Equipment arising pursuant to the Lease has been terminated;

WHEREAS, Lender has sold the Equipment to Joseph Transportation Services, Inc. ("Buyer") pursuant to its rights under the LSA, KRS 355.9-610 and KRS 355.9-617, by a Purchase and Sale Agreement, dated January 21, 2002 between Lender and Buyer;

WHEREAS, this Instrument is executed to evidence for the public record the satisfaction and release of all the rights and obligations of the parties under the Lease, the Lease Supplement, the LSA and the LSA supplement, but only as to the Equipment listed on Schedule A attached hereto;

NOW THEREFORE, in consideration of the premises, Lender confirms that the LSA indebtedness has been paid and satisfied in full, as to the Equipment and does hereby acknowledge and confirm: (i) the full and complete satisfaction of the LSA Indebtedness and other obligations under the LSA as to the Equipment; (ii) the release of all rights, obligations, and security interests in the Equipment, whether arising under the Lease, the LSA, or any other instruments executed pursuant thereto; and (iii) the assignment, to all of the rights, title and interests of the Lender in the Equipment to Buyer;

This instrument is to be filed and recorded with the Surface Transportation Board pursuant to the provisions of 49 U.S.C. Section 11301.

IN WITNESS WHEREOF, the parties hereto have executed this Instrument as of the 25TH day of JANUARY, 2002.

NATIONAL CITY LEASING CORPORATION

By: J. E. Vittitow

→ Name: SR. Vice-President

→ Title: J. E. VITTITOW

~~\_\_\_\_\_~~

STATE OF KENTUCKY )  
 ) ss:  
COUNTY OF JEFFERSON )

On this 25 day of January, 2002, before me, a notary public in and for the County and State aforesaid, personally appeared J. F. Vittow, to me personally known, who, being by me duly sworn, says that he/~~she~~ is a Sr. Vice Pres. of National City Leasing, that said instrument was signed 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 the corporation.

  
NOTARY PUBLIC

My commission expires: 03/19/2005

**SCHEDULE A**

**Description of Equipment**

**One hundred ten (110) railcars currently bearing the reporting marks as follows:**

CCXX 93102	CCXX 93180	CCXX 93266
CCXX 93104	CCXX 93181	CCXX 93268
CCXX 93105	CCXX 93182	CCXX 93269
CCXX 93106	CCXX 93183	CCXX 93271
CCXX 93109	CCXX 93185	CCXX 93273
CCXX 93119	CCXX 93186	CCXX 93274
CCXX 93121	CCXX 93191	CCXX 93276
CCXX 93122	CCXX 93194	CCXX 93277
CCXX 93123	CCXX 93197	CCXX 93279
CCXX 93124	CCXX 93200	CCXX 93282
CCXX 93126	CCXX 93201	CCXX 93284
CCXX 93127	CCXX 93202	CCXX 93287
CCXX 93130	CCXX 93204	CCXX 93293
CCXX 93131	CCXX 93205	CCXX 93294
CCXX 93135	CCXX 93206	CCXX 93295
CCXX 93138	CCXX 93207	CCXX 93297
CCXX 93139	CCXX 93208	CCXX 93299
CCXX 93144	CCXX 93213	CCXX 93300
CCXX 93145	CCXX 93214	CCXX 93306
CCXX 93147	CCXX 93216	CCXX 93308
CCXX 93149	CCXX 93218	CCXX 93311
CCXX 93150	CCXX 93219	CCXX 93312
CCXX 93151	CCXX 93221	CCXX 93316
CCXX 93153	CCXX 93224	CCXX 93317
CCXX 93157	CCXX 93226	CCXX 93322
CCXX 93158	CCXX 93229	CCXX 93324
CCXX 93159	CCXX 93236	CCXX 93326
CCXX 93161	CCXX 93241	CCXX 93328
CCXX 93164	CCXX 93242	CCXX 93329
CCXX 93165	CCXX 93245	CCXX 93330
CCXX 93166	CCXX 93249	CCXX 93331
CCXX 93167	CCXX 93254	CCXX 93332
CCXX 93168	CCXX 93258	CCXX 93333
CCXX 93172	CCXX 93259	CCXX 93335
CCXX 93175	CCXX 93260	CCXX 93337
CCXX 93176	CCXX 93261	CCXX 93338
CCXX 93178	CCXX 93263	

EXHIBIT A

Order dated 11/2/01 Sustaining Debtor's Motion for Authority to Reject Various Agreements Related to Leveraged Lease Financing of 240 railcars among Lodestar Energy, Inc., Keycorp Leasing Ltd. et. al.

COPY ATTACHED

EASTERN DISTRICT OF KENTUCKY  
**FILED**

NOV 02 2001

**UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF KENTUCKY  
(LEXINGTON DIVISION)**

AT LEXINGTON  
JERRY D. TRUITT, CLERK  
U.S. BANKRUPTCY COURT

<p>IN RE</p> <p>LODESTAR ENERGY, INC. LODESTAR HOLDINGS, INC.</p> <p>DEBTORS.</p>	<p>CHAPTER 11 PROCEEDING</p> <p>CASE NOS. 01-50969 and 01-50972</p> <p>Jointly Administered Under Case No. 01-50969</p> <p>Judge Joseph M. Scott, Jr.</p>
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**ORDER GRANTING MOTION OF LODESTAR ENERGY, INC. ("LEI")  
AND LODESTAR HOLDINGS, INC. FOR AUTHORITY TO REJECT: (I) VARIOUS  
AGREEMENTS RELATING TO LEVERAGED LEASE FINANCING OF 240  
RAILCARS AMONG LEI, KEYCORP LEASING, LTD, ET AL.; (II) MASTER  
LEASE AGREEMENT BETWEEN LEI AND RAILCAR, LTD.; AND (III)  
RAILCAR MAINTENANCE AGREEMENT BETWEEN LEI AND  
PROGRESSIVE RAIL SERVICES CORPORATION**

This matter is before the Court upon the motion (the "Motion") of Lodestar Energy, Inc. ("LEI") and Lodestar Holdings, Inc., debtors and debtors in possession (collectively, "Debtors"), pursuant to Section 365(a) of Title 11 of the United States Code (the "Bankruptcy Code") and Rule 6006(a) of the Federal Rules of Bankruptcy Procedure, for entry of an order authorizing LEI to reject, (a) the Participation Agreement among LEI, as Lessee, Keycorp Leasing, Ltd., as Owner Participant, and Wilmington Trust Company, as Owner Trustee, and National City

Leasing Corporation, as Lender, dated as of December 30, 1993 and all other operative documents executed in connection with the leveraged lease financing of 240 railcars; (b) the Master Lease Agreement between LEI and Railcar, Ltd., dated as of March 1, 1999; and (c) the Railcar Maintenance Agreement between LEI and Progressive Rail Services Corporation, dated as of April 1, 1999; and it appearing that adequate and sufficient notice of the Motion has been given to all parties entitled to such notice, including, without limitation, counsel to the parties to the Railcar Agreements and those persons listed in Consolidated Lodestar Service List No 9, dated August 15, 2001; and it further appearing that the Court has jurisdiction over these cases pursuant to 28 U.S.C. §§ 157 and 1334 and that this is a "core" proceeding pursuant to 28 U.S.C. § 157(b)(2); and it further appearing that the decision to reject the Railcar Agreements constitutes a sound exercise of the Debtors' business judgment and that the relief requested in the Motion is appropriate and in the best interests of the Debtors, their estates, and all creditors; and after due consideration and good and sufficient cause appearing therefor, it is hereby

ORDERED that the Motion be, and it hereby is, granted in all respects, and it is further

ORDERED that the Railcar Agreements be, and are hereby rejected pursuant to Section 365(a) of the Bankruptcy Code, and it is further

ORDERED that the parties to the Railcar Agreements shall have thirty (30) days from the date of the entry of this Order to file with the Clerk of the United States Bankruptcy Court for the Eastern District of Kentucky, P.O. Box 1111, Suite 200, 100 East Vine Street, Lexington, Kentucky, 40588-1111 and to serve upon counsel to Debtors, Stephen D. Lemer, Squire, Sanders & Dempsey L.L.P., Suite 3500, 312 Walnut Street, Cincinnati, OH 45202-4036, a proof

of claim for any damages or other claims (priority or otherwise) arising from the rejection of the Railcar Agreements or otherwise relating to the Railcar Agreements, and it is further

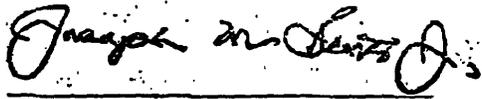
ORDERED that if any party to one of the Railcar Agreements fails to timely file such a proof of claim, it forever shall be barred from asserting any and all claims, whether arising prior to or after Debtor's bankruptcy filings, against either of the Debtors' or either of their estates, resulting from rejection of the Railcar Agreements or otherwise relating to the Railcar Agreements, and it is further

ORDERED that nothing contained in this Order or in the Motion shall have any affect upon claims of the Debtors against any party to any of the Railcar Agreements, and it is further

ORDERED that capitalized terms not otherwise defined herein shall have the meaning given them in the Motion.

IT IS SO ORDERED.

Dated: NOV 02 2001



HON. JOSEPH M. SCOTT, JR., JUDGE  
UNITED STATES BANKRUPTCY COURT

