

LAW OFFICES
GEBHARDT & SMITH LLP
NINTH FLOOR
THE WORLD TRADE CENTER
BALTIMORE, MARYLAND 21202-3064

RECORDATION NO. 23863 FILED

FEB 13 '02

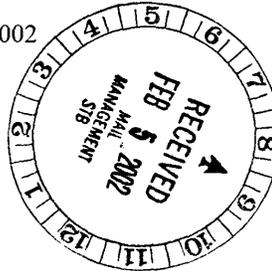
4-33 P11

SURFACE TRANSPORTATION BOARD

BALTIMORE: (410) 752-5830
WASHINGTON: (301) 470-7468
WRITER'S DIRECT DIAL NUMBER:

(410) 385-5044
joet@gebsmith.com

February 4, 2002



FACSIMILE
(410) 385-5119

Refer to File No. 19883

By Federal Express

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Re: Letter of Transmittal Requesting Recording of
Acknowledgment, Consent And Amendment between
General Electric Company and Kassgro Leasing, LLC, as
Lessee

Dear Mr. Williams:

I have enclosed an original and one counterpart of the document described below, to be recorded pursuant to Section 11301 of Title 49 of the U.S. Code.

This document is an Acknowledgment, Consent And Amendment, a primary document, dated December 18, 2001.

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

GENERAL ELECTRIC COMPANY
1 River Road
Schenectady, NY

KASGRO LEASING, LLC
320 East Cherry Street
New Castle, Pennsylvania 16102

A description of the railroad equipment covered by the document follows:

Three (3) 70', 230-ton 8 axle heavy duty flat rail cars bearing KRL reporting marks and road numbers 70877, 70878, and 70869 and six (6) 48', 370-ton 12 axle heavy duty flat railcars bearing KRL reporting marks and road numbers 370375 to 370379 and 370399.

GEBHARDT & SMITH LLP

Surface Transportation Board
February 4, 2002
Page 2

A fee of Twenty-Eight Dollars (\$28.00) is enclosed. Please return stamped copies to the undersigned.

A short summary of the document to appear in the index follows:

Acknowledgment, Consent And Amendment between , General Electric Company, as User and Kasgro Leasing, LLC, as Lessee, dated December 18, 2001, and covering three (3) 70', 230-ton 8 axle heavy duty flat rail cars bearing KRL reporting marks and road numbers 70877, 70878, and 70869, and six (6) 48', 370-ton 12 axle heavy duty flat railcars bearing KRL reporting marks and road numbers 370375 to 370379 and 370399.

Please feel free to contact me should you have any questions.

Very truly yours,



Joseph R. S. Tyssowski, Jr.,
Attorney for MBC Leasing Corp., Owner Of
Rail Cars

Enclosures
JRST:ldb

ACKNOWLEDGMENT, CONSENT, AND AMENDMENT

Pursuant to that certain Equipment Lease Agreement ("Master Lease") dated as of December 18, 2001 ("Effective Date") and Equipment Schedule No. 1 ("Schedule", and together with the Master Lease, the "Equipment Lease") to the Master Lease (as amended, modified and supplemented from time to time) between MBC Leasing Corp. ("Lessor"), as lessor and Kasgro Leasing, LLC ("Kasgro Leasing"), as lessee, Kasgro Leasing has agreed to lease the railcars identified on Exhibit A (the "Railcars") hereto from Lessor.

Kasgro Rail Corp. ("Kasgro Rail") and General Electric Company ("GE") have entered into a Railroad Car Use Agreement dated May 15, 2000, a copy of which is attached hereto as Exhibit B (the "Agreement"). Kasgro Rail has assigned its rights and obligations under the Agreement to Kasgro Leasing pursuant to an Assignment and Assumption Agreement dated September 28, 2001, a copy of which is attached hereto as Exhibit C ("Assumption Agreement").

GE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged and intending to be legally bound, does hereby acknowledge and fully and completely authorize, approve and consent to (1) the assignment by Kasgro Rail to Kasgro Leasing of all of Kasgro Rail's right, title and interest in and to the Agreement pursuant to the Assumption Agreement, and (2) the collateral assignment by Kasgro Leasing to Lessor of all of Kasgro Leasing's right, title and interest in and to the Agreement, as amended herein, pursuant to a Collateral Assignment of Railroad Car Use Agreement dated as of the Effective Date ("Collateral Assignment"). The assignment by Kasgro Rail to Kasgro Leasing of all of Kasgro Rail's right, title and interest in and to the Agreement shall not relieve Kasgro Rail of any of its obligations under the Agreement.

Kasgro Leasing and GE hereby amend the Agreement to add to the cars being used pursuant to the Agreement and which are subject to all of the terms and conditions stated therein, the Railcars as identified on Exhibit A attached hereto and made a part hereof. The per month use rate for each Railcar shall be as set forth on Exhibit A attached hereto. All other terms and conditions of the Agreement as previously amended remain in full force and effect.

GE acknowledges that in the event of Kasgro Leasing's default under the Collateral Assignment or the Equipment Lease, Lessor (or its agents or assigns) may, but is not obligated to, assume Kasgro Leasing's rights and obligations under the Agreement (provided, however, that in the absence of such assumption, GE agrees that Lessor shall not be liable for any of the duties of Kasgro Leasing under the Agreement). GE agrees that the Collateral Assignment shall not give rise to any duties or obligations on the part of Lessor to GE. Upon the occurrence of an Event of Default under the Equipment Lease, Lessor shall be entitled, without notice to Kasgro Leasing, to instruct GE to make all payments under the Agreement, as amended herein, to Lessor at the account designated by Lessor to GE in writing and GE agrees to make such payments as so directed by Lessor.

::ODMA\HODMA\MKE;5163689;1

RECORDATION NO. 23863 FILED

FEB 13 '02

4-33 PM

SURFACE TRANSPORTATION BOARD

EXHIBIT A

List of Cars under the Equipment Lease Agreement and Equipment Schedule No. 1 to the
Equipment Lease Agreement (as amended, modified and supplemented from time to time)
between MBC Leasing Corp. and Kasgro Leasing, LLC

-see attached-

List of Cars under the Equipment Lease Agreement and Equipment Schedule No. 1 to the Equipment Lease Agreement (as amended, modified and supplemented from time to time) between MBC Leasing Corp. and Kasgro Leasing, LLC

| Description | Road Numbers | Monthly Charge |
|------------------------------|--------------|----------------|
| 70' 230 Ton 8 Axle Flat Car | 70878 | \$6,750 |
| 70' 230 Ton 8 Axle Flat Car | 70877 | \$6,750 |
| 70' 230 Ton 8 Axle Flat Car | 70869 | \$6,750 |
| 48' 370 Ton 12 Axle Flat Car | 370375 | \$13,000 |
| 48' 370 Ton 12 Axle Flat Car | 370376 | \$13,000 |
| 48' 370 Ton 12 Axle Flat Car | 370377 | \$13,000 |
| 48' 370 Ton 12 Axle Flat Car | 370378 | \$13,000 |
| 48' 370 Ton 12 Axle Flat Car | 370379 | \$13,000 |
| 48' 370 Ton 12 Axle Flat Car | 370399 | \$13,000 |

EXHIBIT B
Railroad Car Use Agreement

--see attached-

RAILROAD CAR USE AGREEMENT

This AGREEMENT, made the 15 th day of May, 2000 by and between KASGRO RAIL CORP., (Owner/Managers of LNAL marked railroad cars) of New Castle, PA, hereinafter called "OWNER/MANAGER" and GENERAL ELECTRIC, 1 River Road, Schenectady, NY hereinafter called "USER".

"This agreement supercedes all previous agreements between OPM Services, Inc., Louisville, KY and GENERAL ELECTRIC, 1 River Road, Schenectady, NY to the above date involving the following railroad cars."

WITNESSETH:

That the USER hereby agrees to use and the OWNER/MANAGER hereby allows exclusive use of the following described railroad car equipment. (See "Appendix A" for specific equipment numbers and dates.)

| CAR TYPE | Rate Per Mo. |
|---|-------------------|
| Nineteen (quantity of 19) 12-Axle Straight Deck Flat Cars | \$13,000. per car |
| Fourteen (quantity of 14) 8-Axle Straight Deck Flat Cars | |
| Series 70970 _____ | 6,750. per car |
| Series 50000 _____ | 5,975. per car |

The agreement begins for each car used indicated at the START DATE listed on "Appendix A" and ends, the later of; 60 months (5 years) or when the car(s) is/are released empty, with the deck of each car cleaned, and notification is given to Jim Pearsall, PHONE 410-290-6282 or FAX 410-290-6283 that the car(s) is/are empty and available for another loading.

RENTAL: The USER shall pay a rental charge to the OWNER/MANAGER at the rate indicated above. Terms of Payment - 30 days from date of invoice. Invoices will be issued following each 30-day cycle of use. Any charges accrued during term of agreement for transportation, standard demurrage, etc., other than the "HEAVY DUTY USE CHARGE" and "HEAVY DUTY DETENTION CHARGES" as contained in Tariff RPS 6740E, in connection with these cars will be paid by USER. Should destination "Heavy Duty Detention" be collected on these cars while under this agreement, 90% of the total collected would be credited to the USER. The final period of use will be prorated for whatever portion of month the car(s) was/were in use by USER. The OWNER/MANAGER will be responsible for advising the servicing railroads that the Heavy Duty Use Charge and Heavy Duty Detention Charges are not to be billed and collected by the railroad but will be handled by the OWNER/MANAGER, however, should the railroads involved in the movement of these cars bill these charges, in error, it is the responsibility of the USER to decline payment to the railroad and refer to this agreement.

LIABILITY FOR EQUIPMENT: The liability for railroad cars involved in this agreement remains the same as any and all railroad cars (flatcars, boxcars, gondolas, heavy duty flatcars etc). The railroad moving the car is responsible to the car owner, however, should a shipper or consignee or their designee misuse or damage the car due to negligence, they would be expected to bear cost of repairs by the servicing railroad.

USER agrees that, following the term of this agreement, the USER will continue to specify and use LNAL heavy duty flatcars, as a primary source, for a minimum of 48 months on a "as needed" basis.

OPM SERVICES, INC.

By [Signature]

GENERAL ELECTRIC

By [Signature]

KASGRO RAIL CORP.

By [Signature]

Page 1C

ADDENDUM TO RAILROAD CAR USE AGREEMENT

The following is an addendum to an original rail car use agreement between KASGRO RAIL CORP. - New Castle, PA (formerly contracted under OPM Services, Inc.) and GENERAL ELECTRIC - Schenectady, NY.

This addendum, dated October 27, 2000, calls for the following cars to be added to the original agreement and/or any and all prior addendum, with all terms and conditions to remain as stated in the original agreement:

Eight (8) additional 12-axle cars @ \$13,000 per month per car

This will increase the total number of 12-axle cars under this original agreement to twenty-eight (28).

Each of the cars in this addendum will be of the KRL 370300 series 12-axle FD type and will be added as they become available from the plant site in early 2001.

Kasgro Rail Corporation

General Electric

By [Signature]

By [Signature]

Title VP MARKETING

Title SUPERVISOR - TRANSPORTATION

Date: 10/27/2000

Date: October 27, 2000

APPENDIX A

G.E., SCHENECTADY, NY USE AGREEMENT OF 5/15/00 AND ADDENDUM OF 10/27/00

UPDATED 11/28/01

12 AXLE CARS

| INITIAL | NUMBER | START DATE |
|---------|--------|------------|
| 1 KRL | 12450 | 3/8/99 |
| 2 KRL | 370380 | 7/13/99 |
| 3 KRL | 370383 | 9/27/99 |
| 4 KRL | 370388 | 2/28/00 |
| 5 KRL | 370384 | 10/11/99 |
| 6 KRL | 370386 | 12/13/99 |
| 7 KRL | 370381 | 4/14/00 |
| 8 KRL | 370382 | 4/8/00 |
| 9 KRL | 370390 | 5/1/00 |
| 10 KRL | 370391 | 10/1/00 |
| 11 KRL | 370392 | 10/1/00 |
| 12 KRL | 370389 | 10/9/00 |
| 13 KRL | 370393 | 11/3/00 |
| 14 KRL | 370394 | 11/29/00 |
| 15 KRL | 370395 | 1/11/01 |
| 16 KRL | 370396 | 1/21/01 |
| 17 KRL | 370397 | 1/30/01 |
| 18 KRL | 370398 | 2/24/01 |
| 19 KRL | 370399 | 2/16/01 |
| 20 KRL | 370379 | 2/24/01 |
| 21 KRL | 370378 | 3/20/01 |
| 22 KRL | 370377 | 4/9/01 |
| 23 KRL | 370376 | 4/9/01 |
| 24 KRL | 370375 | 4/16/01 |
| 25 KRL | 370374 | 5/25/01 |
| 26 KRL | 370373 | 6/7/01 |
| 27 KRL | 370372 | 6/24/01 |

8 AXLE CARS

| INITIAL | NUMBER | START DATE |
|---------|-----------|----------------|
| 1 KRL | 50002 | 6/1/00 |
| 2 LNAL | 50003 | 6/1/00 |
| 3 LNAL | 50000 | 8/1/00 |
| 4 LNAL | 50001 | 8/1/00 |
| 5 KRL | See Note* | 70996 10/16/00 |
| 6 KRL | 70915 | 10/16/00 |
| 7 KRL | See Note* | 70963 10/24/00 |
| 8 KRL | 70913 | 2/24/01 |
| 9 LNAL | 70930 | 5/14/01 |
| 10 KRL | 70881 | 5/21/01 |
| 11 KRL | 70877 | 5/26/01 |
| 12 KRL | 70878 | 6/9/01 |
| 13 KRL | 70886 | 8/30/01 |
| 14 KRL | 70869 | 9/28/01 |

4 AXLE CARS

| | |
|-------|--------|
| 1 KRL | 701203 |
| 2 KRL | 701220 |
| 3 KRL | 701221 |
| 4 KRL | 701222 |
| 5 KRL | 701223 |

Note* Car changed out - Top Mount Brake vs. Side Mount Brake
 KRL 70916 Switched for KRL 70996-8/20/01
 KRL 70914 Switched for KRL 70963-9/19/01

EXHIBIT C
Assignment and Assumption Agreement dated September 28, 2001

--see attached--

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (the "Agreement") is made as of this 28th day of September, 2001, by and between KASGRO RAIL CORP., a Pennsylvania corporation ("Assignor"), and KASGRO LEASING, LLC, a Pennsylvania limited liability company ("Assignee").

RECITALS:

A. Assignor and General Electric Company ("GE") have entered into a Railroad Car Use Agreement dated May 15, 2000 (the "Agreement"), whereby GE, among other things, acquired rights to use certain railcars; and

B. It is the desire of the parties hereto that Assignor assign all of Assignor's right, title and interest in and to the Agreement to Assignee and that Assignee accept such assignment and assume Assignor's obligations under the Agreement under the terms and conditions set forth herein and therein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties agree as follows:

1. Assignment. Assignor does hereby assign and transfer to Assignee, effective as of the date hereof, all of Assignor's right, title and interest in and to the Agreement, but Assignor shall not be relieved of any of its obligations under the Agreement.

2. Acceptance and Assumption. Assignee hereby accepts the foregoing assignment and assumes, covenants and agrees to fully and timely perform and discharge each and every covenant, duty, obligation and liability on the part of Assignor to be performed in the Agreement.

3. Successors. This instrument and the rights and liabilities contained herein shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first above written.

KASGRO RAIL CORP.

By: Jeffrey A. Plut
Jeffrey A. Plut
Vice President

KASGRO LEASING, LLC

By: Jeffrey A. Plut
Jeffrey A. Plut
Vice President