

National City

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

RECORDATION NO. 18632-E FILED

MAR 13 2002

11:59 AM

SURFACE TRANSPORTATION BOARD



March 4, 2002

VIA OVERNIGHT EXPRESS MAIL

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 Complete Termination and Release of Security Interests, dated March 1, 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  
Rodney Square North  
1100 North Market Street  
Wilmington, DE 19801



Member F.D.I.C.

Mr. Vernon A. Williams  
March 4, 2002  
Page Two

Owner Participant: Keycorp Leasing Ltd.  
54 State Street  
Albany, NY 12207

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

112 railcars CCXX 93101-CCXX 93339, non-inclusive

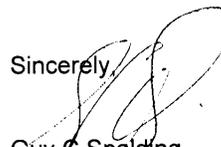
Please file this agreement as a secondary document under Recordation Number 18632-E, as it relates to documents previously filed with the Surface Transportation Board under Recordation Numbers 18632, 18632-A, 18632-B, 18632-C and 18632-D. This filing is to appear in index as follows:

Complete 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 502/581-7578.

Sincerely,



Guy C. Spalding  
Vice President

Enclosures

RECORDATION NO. 18632-E FILED

MAR 13 '02

12:59 PM

SURFACE TRANSPORTATION BOARD

**COMPLETE 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 February 28, 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, 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 1<sup>st</sup> day of MARCH, 2002.

NATIONAL CITY LEASING CORPORATION

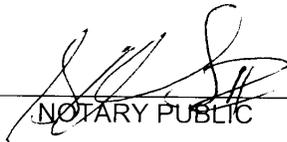
By: \_\_\_\_\_

Name: DEWARD J. ZEILMANU

Title: VICE PRESIDENT.

STATE OF KENTUCKY )  
 ) ss:  
COUNTY OF JEFFERSON )

On this 1<sup>st</sup> day of MARCH, 2002, before me, a notary public in and for the County and State aforesaid, personally appeared DONALD J. ZEILMAN, to me personally known, who, being by me duly sworn, says that he/~~she~~ is a VICE PRESIDENT of NATIONAL CITY BANK, 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 twelve (112) railcars currently bearing the reporting marks as follows:**

CCXX	93101	CCXX	93188	CCXX	93265
CCXX	93103	CCXX	93189	CCXX	93270
CCXX	93107	CCXX	93190	CCXX	93272
CCXX	93108	CCXX	93193	CCXX	93275
CCXX	93110	CCXX	93198	CCXX	93278
CCXX	93111	CCXX	93199	CCXX	93280
CCXX	93112	CCXX	93203	CCXX	93281
CCXX	93114	CCXX	93209	CCXX	93283
CCXX	93115	CCXX	93210	CCXX	93285
CCXX	93116	CCXX	93211	CCXX	93286
CCXX	93117	CCXX	93212	CCXX	93288
CCXX	93118	CCXX	93215	CCXX	93289
CCXX	93120	CCXX	93220	CCXX	93290
		CCXX	93222	CCXX	93292
CCXX	93128	CCXX	93223	CCXX	93296
CCXX	93132	CCXX	93225	CCXX	93298
CCXX	93133	CCXX	93227	CCXX	93301
CCXX	93134	CCXX	93228	CCXX	93302
CCXX	93136	CCXX	93230	CCXX	93303
CCXX	93140	CCXX	93231	CCXX	93304
CCXX	93141	CCXX	93233	CCXX	93305
CCXX	93143	CCXX	93234	CCXX	93307
CCXX	93146	CCXX	93235	CCXX	93309
CCXX	93148	CCXX	93238	CCXX	93310
CCXX	93152	CCXX	93239	CCXX	93313
CCXX	93155	CCXX	93240	CCXX	93314
CCXX	93160	CCXX	93243	CCXX	93315
CCXX	93162	CCXX	93244	CCXX	93318
CCXX	93163	CCXX	93247	CCXX	93319
CCXX	93169	CCXX	93248	CCXX	93320
CCXX	93170	CCXX	93250	CCXX	93321
CCXX	93171	CCXX	93251	CCXX	93323
CCXX	93173	CCXX	93252	CCXX	93325
CCXX	93174	CCXX	93255	CCXX	93327
CCXX	93177	CCXX	93256	CCXX	93334
CCXX	93179	CCXX	93257	CCXX	93336
CCXX	93184	CCXX	93262	CCXX	93339
CCXX	93187	CCXX	93264		

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. TRUETT, CLERK  
U.S. BANKRUPTCY COURT

IN RE

LODESTAR ENERGY, INC.  
LODESTAR HOLDINGS, INC.

DEBTORS.

CHAPTER 11 PROCEEDING

CASE NOS. 01-50969 and  
01-50972

Jointly Administered Under  
Case No. 01-50969

Judge Joseph M. Scott, Jr.

**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. Lerner, 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

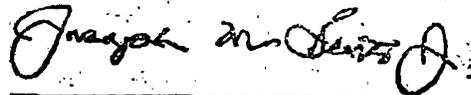
ORDERED that if any party to one of the Railcar Agreements fails to timely file such a proof of claim, it forever shall be barred from asserting any and all claims, whether arising prior to or after Debtor's bankruptcy filings, against either of the Debtors' or either of their estates, resulting from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

Tendered by:

**SQUIRE, SANDERS & DEMPSEY L.L.P.**

Stephen D. Lerner

Jeffrey A. Marks

Kim D. Seaton

312 Walnut Street, Suite 3500

Cincinnati, Ohio 45202-4036

Telephone: 513-361-1200

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**COUNSEL FOR DEBTORS AND  
DEBTORS IN POSSESSION**

-and-

**FOWLER, MEASLE AND BELL, LLP**

By:

Taft A. McKinstry

Ellen Arvin Kennecey

300 West Vine Street, Suite 600

Lexington, KY 40537-1660

Telephone: 859-252-6700

Facsimile: 859-252-3735

E-mail: tmckinstry@fmblaw.com

eakennecey@fmblaw.com

**CO-COUNSEL FOR DEBTORS  
AND DEBTORS IN POSSESSION**

Pursuant to Local Rule 9022-1(e), Taft A. McKinstry or Ellen Arvin Kennedy shall cause a copy of this Order to be served on each of the parties designated to receive this order pursuant to Local Rule 9022-1(a) and shall file with the Court a certificate of service of the Order upon such parties within ten (10) days hereof.

#: 12786v1