

RECORDATION NO. 17348-F FILED

AUG 18 '04 9-37 AM

SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)  
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OF COUNSEL  
URBAN A. LESTER

August 17, 2004

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

Re: PRR - L391B

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are four (4) copies of a Memorandum of Sublease and Assignment, dated August 12, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the documents previously filed with the Board/Commission under Recordation Number 17348.

The names and addresses of the parties to the enclosed document are:

- Sublessor: Consolidated Rail Corporation  
1000 Howard Boulevard  
Fourth Floor  
Mt. Laurel, NJ 08054
- Sublessee/  
Assignor: PRR Newco, Inc.  
110 Franklin Road, S.E.  
Roanoke, VA 24042
- Trust/Assignee/  
Sublessor: Conrail Sublease Trust PRR L391B  
c/o Deutsche Bank Trust Company Delaware  
1101 Centre Road, Suite 200  
Wilmington, DE
- Sublessee: Norfolk Southern Railway Company  
110 Franklin Road, S.E.  
Roanoke, VA 24042
- [Senior Lessor: Brentwood Locomotive Lease Co., Ltd.]

Mr. Vernon A. Williams  
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A description of the railroad equipment covered by the enclosed document is:

11 locomotives CSXT 8356 – CSXT 8366 (formerly within the series CR 6120 – CR 6137).

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

**Memorandum of Sublease and Assignment**

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/anr  
Enclosures

AUG 18 '04 9-37 AM

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF SUBLEASE AND ASSIGNMENT PRR-L391B, by

CONSOLIDATED RAIL CORPORATION ("**Conrail**")  
1000 Howard Boulevard, Fourth Floor  
Mt. Laurel, New Jersey 08054

PRR NEWCO, INC. (the "**Company**")  
110 Franklin Road, S.E.  
Roanoke, Virginia 24042

CONRAIL SUBLEASE TRUST PRR-L391B (the "**Trust**")  
In care of Deutsche Bank Trust Company Delaware  
1101 Centre Road Suite 200  
Wilmington, Delaware

and

NORFOLK SOUTHERN RAILWAY COMPANY (the "**Railroad**")  
110 Franklin Road, S.E.  
Roanoke, Virginia 24042

Conrail is leasing certain units of railroad equipment pursuant to the agreement identified in Schedule A hereto as the "**Senior Lease**" with the party named in Schedule A hereto as the "**Senior Lessor**," which agreement was recorded with the Interstate Commerce Commission and assigned the recordation number shown on said Schedule A.

The Senior Lessor has assigned the Senior Lease to the party named as "**Security Trustee**" in Schedule A hereto pursuant to the agreement identified as the "**Security Agreement**" in said Schedule A, which agreement was recorded with the Interstate Commerce Commission and assigned the recordation number shown on said Schedule A.

The parties hereto wish to evidence for the public record the following transactions with respect to such units of the railroad equipment covered by the above-named agreements as are listed in Schedule A hereto:

1. The Sublease of Railroad Equipment PRR-L391B between Conrail, sublessor, and the Company, sublessee.
2. The assignment by the Company, assignor, of its subleasehold interest under sublease named in item 1 to the Trust, assignee, and the assumption of the obligations of the Company as sublessee under sublease named in item 1 by the Trust, pursuant to the Assignment and Assumption of Sublease and Agreement PRR-L391B among the Company, the Trust, and Conrail.
3. The Sublease of Railroad Equipment PRR-L391B between the

Trust, sublessor, and the Railroad, sublessee.

4. The assignment by the Trust, assignor, of the sublease named in item 3 to Conrail, assignee, as security for the Trust's obligations under the sublease named in item 1, pursuant to the Assignment and Assumption of Sublease and Agreement PRR-L391B described in item 2.

5. The assignment by Conrail, assignor, of the sublease named in item 1, and the reassignment of the sublease named in item 3, to the Senior Lessor, assignee, as security for Conrail's obligations under the Senior Lease, pursuant to the Assignment of Sublease PRR-L391B by Conrail in favor of the Senior Lessor.

6. The reassignment by the Senior Lessor, assignor, of the subleases named in items 1 and 3 to the Security Trustee, assignee, as additional security for the Senior Lessor's obligations under the Security Agreement, pursuant to the Reassignment of Sublease PRR-L391B by the Senior Lessor in favor of the Security Trustee.

7. The assignment by the Railroad, assignor, of its subleasehold interest under the sublease named in item 3 to CSX Transportation, Inc., assignee, pursuant to the Cross-Assignment of Lease and Agreement among such parties and Conrail, as security for the Railroad's obligations for reimbursement thereunder.

IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers thereunto duly authorized:

CONSOLIDATED RAIL CORPORATION

by *Joseph R. Ryan*.....  
PRR NEWCO, INC.

by *William J. Reilly*.....

CONRAIL SUBLEASE TRUST PRR-L391B

by Deutsche Bank Trust Company  
Delaware, not in its individual  
capacity but solely as trustee

by *Manlyne Johnson*.....

NORFOLK SOUTHERN RAILWAY COMPANY

by ... *Willie R. King* ...

STATE OF NEW YORK )  
 ) SS.:  
COUNTY OF NEW YORK )

On this 12<sup>th</sup> day of August, 2004, before me personally appeared Joseph Rogers, to me personally known, who, by me being duly sworn, says that he is CFO and Treasurer of CONSOLIDATED RAIL CORPORATION, and that the foregoing instrument was signed 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.

*Sara A. Misthal*  
.....  
Notary Public

My commission expires

STATE OF NEW YORK )  
 ) SS.:  
COUNTY OF NEW YORK )

**SARA A. MISTHAL**  
NOTARY PUBLIC, State of New York  
No. 01MI6100347  
Qualified in Queens County  
Commission Expires Oct. 14, 2007

On this 12<sup>th</sup> day of August, 2004, before me personally appeared William Romig, to me personally known, who, by me being duly sworn, says that he is VP and Treasurer of PRR NEWCO, INC., and that the foregoing instrument was signed 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.

*John F. Norwell*  
.....  
Notary Public

My commission expires

**JOHN F. NORWELL**  
Notary Public, State of New York  
No. 01NO6062376  
Qualified in New York County  
Commission Expires Aug. 6, 2007

STATE OF NEW YORK )  
 ) SS.:  
COUNTY OF NEW YORK )

On this *12<sup>th</sup>* day of *August*, 2004, before me personally appeared *Marilyn McBrown*, to me personally known, who, by me being duly sworn, says that *She is Vice President* of DEUTSCHE BANK TRUST COMPANY DELAWARE, and that the foregoing instrument was signed on behalf of said company 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 company.

TINA M. ALBANO  
NOTARY PUBLIC, State of New York  
No. 01AL4960509  
Qualified in New York County  
Commission Expires Dec. 26, 2005

*Tina M. Albano*  
.....  
Notary Public

My commission expires

STATE OF NEW YORK )  
 ) SS.:  
COUNTY OF NEW YORK )

On this *12<sup>th</sup>* day of *August*, 2004, before me personally appeared *William Romig*, to me personally known, who, by me being duly sworn, says that he is *VP and Treasurer* of NORFOLK SOUTHERN RAILWAY COMPANY, and that the foregoing instrument was signed 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.

*John F. Norwell*  
.....  
Notary Public

My commission expires

JOHN F. NORWELL  
Notary Public, State of New York  
No. 01NO602378  
Qualified in New York County  
Commission Expires Aug. 6, 2005

SCHEDULE A  
SENIOR TRANSACTION L391B

**Senior Lease:**

Lease Agreement (Conrail 1991-B) dated as of May 29, 1991, between Brentwood Locomotive Lease Co., Ltd., and Consolidated Rail Corporation, as amended.

Recorded with the Interstate Commerce Commission on May 29, 1991, and assigned recordation number 17348.

**Senior Lessor:**

Brentwood Locomotive Lease Co., Ltd.

**Security Agreement:**

Trust Indenture and Security Agreement (Conrail 1991-B) dated as of March 29, 1991, among Brentwood Locomotive Lease Co., Ltd., Consolidated Rail Corporation, and U.S. Trust Company of California, N.A. (succeeded by The Bank of New York), as amended.

Recorded with the Interstate Commerce Commission on May 29, 1991, and assigned recordation number 17348.

**Security Trustee:**

The Bank of New York, not in its individual capacity but solely as trustee under the security agreement specified above.

**Schedule "B" Equipment**  
Lease L391

Brentwood

C40-8W Locomotives

Count	Initial	Original	Current	
		Unit Number	Initial	Unit Number
1	CR	6120	PRR	8356
2	CR	6123	PRR	8357
3	CR	6124	PRR	8358
4	CR	6125	PRR	8359
5	CR	6127	PRR	8360
6	CR	6130	PRR	8361
7	CR	6131	PRR	8362
8	CR	6133	PRR	8363
9	CR	6135	PRR	8364
10	CR	6136	PRR	8365
11	CR	6137	PRR	8366