

RECORDATION NO. 17349-I FILED

AUG 18 '04 9-57 AM

SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

August 17, 2004

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

Re: PRR - L391C

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 17349.

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 L391C 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:	Hollidaysburg Locomotive Lease Co., Ltd.]

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

5 locomotives CSXT 8367 – CSXT 8371 (formerly within the series CR 6140 – CR 6149).

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

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SURFACE TRANSPORTATION BOARD

MEMORANDUM OF SUBLEASE AND ASSIGNMENT PRR-L391C, 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-L391C (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-L391C 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-L391C among the Company, the Trust, and Conrail.
3. The Sublease of Railroad Equipment PRR-L391C 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-L391C 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-L391C 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-L391C 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. Ryz...* ..
PRR NEWCO, INC.

by .. *William J. Ryz...* ..

CONRAIL SUBLEASE TRUST PRR-L391C

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

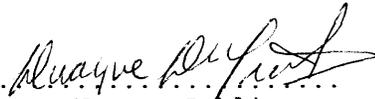
by .. *Manlyne L. Brown* ..

NORFOLK SOUTHERN RAILWAY COMPANY

by .. *Walter R. King* ..

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

On this August day of August, 2004, before me personally appeared Joseph Rogers, to me personally known, who, by me being duly sworn, says that he is CEO 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.

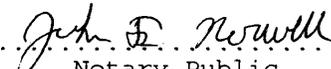

Notary Public

My commission expires

DWAYNE DeFREITAS
NOTARY PUBLIC, State of New York
No. 01DE6097123
Qualified in Kings County
Commission Expires Aug. 18, 2007

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

On this 12th 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.


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

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

On this *12th* day of *August*, 2004, before me personally appeared *Marilyn McGowan*, 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
My commission expires

Tina M. Albano
.....
Notary Public

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

On this *12th* 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.

My commission expires

John F. Norwell
.....
Notary Public

JOHN F. NORWELL
Notary Public, State of New York
No. 01NO6062376
Qualified in New York County
Commission Expires Aug. 6, 2005

SCHEDULE A
SENIOR TRANSACTION L391C

Senior Lease:

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

Recorded with the Interstate Commerce Commission on May 29, 1991, and assigned recordation number 17349.

Senior Lessor:

Hollidaysburg Locomotive Lease Co., Ltd.

Security Agreement:

Trust Indenture and Security Agreement (Conrail 1991-C) dated as of March 29, 1991, among Hollidaysburg 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 17349.

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

Hollidaysburg

C40-8W Locomotives

Count	Original		Current	
	Initial	Unit Number	Initial	Unit Number
1	CR	6140	PRR	8367
2	CR	6141	PRR	8368
3	CR	6144	PRR	8369
4	CR	6145	PRR	8370
5	CR	6149	PRR	8371