

RECORDATION NO. 14479 - J  
FILED

AUG 19 '04

8-25 AM

SURFACE TRANSPORTATION BOARD

OF COUNSEL  
URBAN A. LESTER

ALVORD AND ALVORD  
ATTORNEYS AT LAW  
1050 SEVENTEENTH STREET, N.W.  
SUITE 301  
WASHINGTON, D.C.  
20036  
(202) 393-2266  
FAX (202) 393-2156  
E-MAIL alvordlaw@aol.com

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 - N570

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 14479.

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

Sublessor/ Assignor:	Consolidated Rail Corporation 1000 Howard Boulevard Fourth Floor Mt. Laurel, NJ 08054
Sublessee:	PRR Newco, Inc. 110 Franklin Road, S.E. Roanoke, VA 24042
Guarantor:	Norfolk Southern Railway Company 110 Franklin Road, S.E. Roanoke, VA 24042
[Senior Lessor/ Assignee:	U.S. Bank National Association]

Mr. Vernon A. Williams  
August 17, 2004  
Page Two

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

184 gondolas within the series CR 582265 – CR 582598.

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/anm  
Enclosures

RECORDATION NO.

14479-5  
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SURFACE TRANSPORTATION BOARD

MEMORANDUM OF SUBLEASE AND ASSIGNMENT PRR-N570, 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

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 parties hereto hereby 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 B hereto:

1. The Sublease of Railroad Equipment PRR-N570 between Conrail, sublessor, and the Company, sublessee.
2. The assumption of the obligations of the Company as sublessee under the above-named sublease by the Railroad, pursuant to the Assumption Agreement PRR-N570 by the Railroad in favor of Conrail.
3. The assignment by Conrail, assignor, of the sublease named in item 1 to the Senior Lessor, assignee, as security for Conrail's obligations under the Senior Lease, pursuant to the Assignment of Sublease PRR-N570 by Conrail in favor of the Senior Lessor.

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 *John R. Reynolds*

PRR NEWCO, INC

by *William J. Romig*

NORFOLK SOUTHERN RAILWAY COMPANY

by *William J. Romig*

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 & 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.

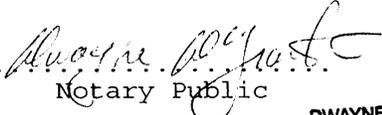
KATHY QUIJJE  
NOTARY PUBLIC, State of New York  
No. U01QU6069195  
Qualified in New York County  
Commission Expires Jan. 22, 2008  
My commission expires

  
.....  
Notary Public

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

On this 12 day of August, 2004, before me personally appeared William J. Romig, to me personally known, who, by me being duly sworn, says that he is Vice President 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.

My commission expires

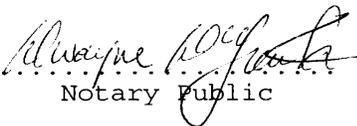
  
.....  
Notary Public

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 12 day of August, 2004, before me personally appeared William J. Romig, to me personally known, who, by me being duly sworn, says that he is Vice President 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

  
.....  
Notary Public

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

SCHEDULE A  
SENIOR TRANSACTION N570

**Senior Lease:**

Lease of Railroad Equipment dated as of November 15, 1984, as amended, between The Connecticut Bank and Trust Company, National Association (succeeded by U.S. Bank National Association), not in its individual capacity but solely as owner trustee, and Consolidated Rail Corporation.

Recorded with the Interstate Commerce Commission on November 20, 1984, and assigned recordation number 14479.

**Senior Lessor:**

U.S. Bank National Association, not in its individual capacity but solely as owner trustee

## Schedule "B" Equipment

Lease N570(PRR)

Count	CarInt	CarNum	Count	CarInt	CarNum	Count	CarInt	CarNum
MILL GONDOLA			MILL GONDOLA			MILL GONDOLA		
1	CR	582265	43	CR	582337	85	CR	582408
2	CR	582267	44	CR	582338	86	CR	582411
3	CR	582269	45	CR	582340	87	CR	582412
4	CR	582271	46	CR	582342	88	CR	582413
5	CR	582275	47	CR	582343	89	CR	582414
6	CR	582276	48	CR	582344	90	CR	582415
7	CR	582277	49	CR	582345	91	CR	582416
8	CR	582278	50	CR	582346	92	CR	582421
9	CR	582281	51	CR	582348	93	CR	582422
10	CR	582283	52	CR	582349	94	CR	582423
11	CR	582284	53	CR	582351	95	CR	582425
12	CR	582286	54	CR	582352	96	CR	582428
13	CR	582288	55	CR	582353	97	CR	582429
14	CR	582289	56	CR	582355	98	CR	582432
15	CR	582290	57	CR	582357	99	CR	582433
16	CR	582291	58	CR	582359	100	CR	582434
17	CR	582293	59	CR	582362	101	CR	582436
18	CR	582296	60	CR	582363	102	CR	582437
19	CR	582300	61	CR	582365	103	CR	582438
20	CR	582303	62	CR	582372	104	CR	582441
21	CR	582304	63	CR	582373	105	CR	582445
22	CR	582305	64	CR	582376	106	CR	582446
23	CR	582306	65	CR	582377	107	CR	582447
24	CR	582307	66	CR	582378	108	CR	582450
25	CR	582309	67	CR	582379	109	CR	582452
26	CR	582310	68	CR	582381	110	CR	582453
27	CR	582312	69	CR	582382	111	CR	582454
28	CR	582313	70	CR	582386	112	CR	582455
29	CR	582315	71	CR	582387	113	CR	582456
30	CR	582316	72	CR	582388	114	CR	582463
31	CR	582318	73	CR	582389	115	CR	582464
32	CR	582319	74	CR	582390	116	CR	582467
33	CR	582322	75	CR	582391	117	CR	582468
34	CR	582323	76	CR	582392	118	CR	582472
35	CR	582324	77	CR	582394	119	CR	582473
36	CR	582326	78	CR	582396	120	CR	582474
37	CR	582327	79	CR	582397	121	CR	582475
38	CR	582329	80	CR	582398	122	CR	582476
39	CR	582331	81	CR	582399	123	CR	582478
40	CR	582332	82	CR	582400	124	CR	582479
41	CR	582333	83	CR	582404	125	CR	582483
42	CR	582336	84	CR	582406	126	CR	582484

Count	CarInt	CarNum	Count	CarInt	CarNum
MILL GONDOLA			MILL GONDOLA		
127	CR	582485	173	CR	582577
128	CR	582486	174	CR	582578
129	CR	582487	175	CR	582581
130	CR	582494	176	CR	582582
131	CR	582496	177	CR	582584
132	CR	582497	178	CR	582585
133	CR	582498	179	CR	582586
134	CR	582499	180	CR	582587
135	CR	582501	181	CR	582590
136	CR	582503	182	CR	582596
137	CR	582504	183	CR	582597
138	CR	582511	184	CR	582598
139	CR	582512	184 MILL GONDOLA		
140	CR	582513			
141	CR	582514			
142	CR	582515			
143	CR	582517			
144	CR	582518			
145	CR	582519			
146	CR	582521			
147	CR	582522			
148	CR	582523			
149	CR	582524			
150	CR	582528			
151	CR	582533			
152	CR	582535			
153	CR	582536			
154	CR	582539			
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156	CR	582543			
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158	CR	582546			
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164	CR	582556			
165	CR	582558			
166	CR	582560			
167	CR	582565			
168	CR	582566			
169	CR	582572			
170	CR	582573			
171	CR	582574			
172	CR	582576			