

RECORDATION NO. 18317-D

FILED

AUG 20 04

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SURFACE TRANSPORTATION BOARD

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

OF COUNSEL
URBAN A. LESTER

August 17, 2004

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

Re: PRR – L394

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 18317.

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:	PNC Leasing Corp.]

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

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

181 bi-level autoracks within the series CR 9679 – CR 9668.

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



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SURFACE TRANSPORTATION BOARD

MEMORANDUM OF SUBLEASE AND ASSIGNMENT PRR-L394, 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-L394 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-L394 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-L394 by Conrail in favor of the Senior Lessor.
4. The assignment by the Railroad, assignor, of its subleasehold interest under sublease named in item 1 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. Reynolds*.....

PRR NEWCO, INC

by ..*William J. Ring*..

NORFOLK SOUTHERN RAILWAY COMPANY

by ..*William J. Ring*..

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

On this 12th day of August, 2004, before me personally appeared Joseph Barone, to me personally known, who, by me being duly sworn, says that he is VP & 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)
)
COUNTY OF NEW YORK) SS.:

SARA A. MISTHAL
NOTARY PUBLIC, State of New York
No. 01M16100347
Qualified in Queens County
Commission Expires Oct. 14, 2007

On this 12th day of August, 2004, before me personally appeared William J Remy, to me personally known, who, by me being duly sworn, says that he is V.P. 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.

Sara A. Misthal
.....
Notary Public

My commission expires

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

SARA A. MISTHAL
NOTARY PUBLIC, State of New York
No. 01M16100347
Qualified in Queens County
Commission Expires Oct. 14, 2007

On this 12th day of August, 2004, before me personally appeared William J Remy, to me personally known, who, by me being duly sworn, says that he is V.P. 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.

Sara A. Misthal
.....
Notary Public

My commission expires

SARA A. MISTHAL
NOTARY PUBLIC, State of New York
No. 01M16100347
Qualified in Queens County
Commission Expires Oct. 14, 2007

SCHEDULE A
SENIOR TRANSACTION L394

Senior Lease:

Lease of Railroad Equipment dated as of July 20, 1993, and supplements thereto, as amended, between Consolidated Rail Corporation and PNC Leasing Corp.

Recorded with the Interstate Commerce Commission on July 20, 1992, and assigned recordation number 18317.

Senior Lessor:

PNC Leasing Corp

Schedule "B" Equipment

Lease L394

Count	CarInt	Car#	Rack#
BI LEVEL AUTO RACKS			
1	TTGX	912267	9679
2	TTGX	913289	9580
3	TTGX	913564	9390
4	TTGX	930555	9574
5	TTGX	940018	9592
6	TTGX	940121	9629
7	TTGX	940126	9455
8	TTGX	940153	9541
9	TTGX	940921	9391
10	TTGX	940925	9616
11	TTGX	940948	9607
12	TTGX	940969	9450
13	TTGX	940989	9595
14	TTGX	941030	9590
15	TTGX	941090	9539
16	TTGX	941123	9532
17	TTGX	941129	9615
18	TTGX	941142	9623
19	TTGX	941182	9524
20	TTGX	941200	9673
21	TTGX	941354	9635
22	TTGX	941360	9434
23	TTGX	941399	9647
24	TTGX	941439	9554
25	TTGX	941480	9523
26	TTGX	941484	9643
27	TTGX	941509	9515
28	TTGX	941516	9633
29	TTGX	941517	9438
30	TTGX	941518	9567
31	TTGX	941526	9460
32	TTGX	941623	9387
33	TTGX	941637	9610
34	TTGX	941706	9452
35	TTGX	941725	9522
36	TTGX	941819	9606
37	TTGX	941833	9422
38	TTGX	941861	9657
39	TTGX	941864	9499
40	TTGX	942004	9551
41	TTGX	942036	9533
42	TTGX	942061	9597

43	TTGX	942076	9476
44	TTGX		9416
45	TTGX	942140	9547
46	TTGX	942157	9447
47	TTGX	942160	9596
48	TTGX	942182	9494
49	TTGX	942277	9441
50	TTGX	942343	9620
51	TTGX	942348	9486
52	TTGX	942361	9664
53	TTGX	942375	9560
54	TTGX	942376	9485
55	TTGX	942399	9411
56	TTGX	942411	9399
57	TTGX	942418	9423
58	TTGX	942419	9413
59	TTGX	942420	9397
60	TTGX	942421	9425
61	TTGX	942705	9433
62	TTGX	942728	9487
63	TTGX	942729	9526
64	TTGX	942731	9381
65	TTGX	942732	9477
66	TTGX	942775	9681
67	TTGX	942785	9478
68	TTGX	942794	9516
69	TTGX	942797	9380
70	TTGX	961851	9427
71	TTGX	961990	9418
72	TTGX	962033	9424
73	TTGX	962044	9484
74	TTGX	962059	9439
75	TTGX	962279	9401
76	TTGX	962597	9382
77	TTGX	962706	9529
78	TTGX	962779	9530
79	TTGX	962996	9511
80	TTGX	963052	9384
81	TTGX	963060	9393
82	TTGX	963492	9376
83	TTGX	963670	9372
84	TTGX	963700	9507
85	TTGX	963707	9562
86	TTGX	963914	9506
87	TTGX	963940	9582
88	TTGX	964185	9442
89	TTGX	964197	9473
90	TTGX	964218	9451
91	TTGX	964307	9548

92	TTGX	964371	9661
93	TTGX	964382	9475
94	TTGX	964412	9622
95	TTGX	964464	9435
96	TTGX	964496	9658
97	TTGX	964625	9684
98	TTGX	964635	9386
99	TTGX	964649	9525
100	TTGX	964655	9479
101	TTGX	964691	9655
102	TTGX	964694	9642
103	TTGX	964733	9389
104	TTGX	964892	9388
105	TTGX	964900	9536
106	TTGX	964905	9527
107	TTGX	964906	9403
108	TTGX	964917	9612
109	TTGX	964918	9396
110	TTGX	964927	9502
111	TTGX	964929	9505
112	TTGX	965027	9417
113	TTGX	965044	9407
114	TTGX	965102	9491
115	TTGX	965112	9575
116	TTGX	965127	9513
117	TTGX	965144	9492
118	TTGX	965184	9482
119	TTGX	965186	9379
120	TTGX	965209	9448
121	TTGX	965251	9593
122	TTGX	965264	9449
123	TTGX	965337	9545
124	TTGX	965339	9601
125	TTGX	965345	9660
126	TTGX	965356	9375
127	TTGX	965380	9599
128	TTGX	965432	9378
129	TTGX	965511	9503
130	TTGX	965620	9406
131	TTGX	965644	9517
132	TTGX	965651	9619
133	TTGX	965654	9408
134	TTGX	978806	9552
135	TTGX	978827	9645
136	TTGX	978828	9680
137	TTGX	978925	9497
138	TTGX	979116	9576
139	TTGX	979125	9584
140	TTGX	979140	9553

141	TTGX		9648
142	TTGX	979224	9683
143	TTGX	979791	9640
144	TTGX	979837	9665
145	TTGX	979845	9687
146	TTGX	980033	9686
147	TTGX	980102	9470
148	TTGX	980179	9641
149	TTGX	980241	9634
150	TTGX	980319	9602
151	TTGX	980479	9571
152	TTGX	980516	9498
153	TTGX	980986	9678
154	TTGX	981149	9555
155	TTGX	981263	9572
156	TTGX	981277	9510
157	TTGX	981416	9628
158	TTGX	981890	9585
159	TTGX	981950	9639
160	TTGX	981963	9627
161	TTGX	981987	9624
162	TTGX	982014	9588
163	TTGX	982035	9591
164	TTGX	982037	9632
165	TTGX	982070	9377
166	TTGX	982103	9563
167	TTGX	982243	9587
168	TTGX	982348	9631
169	TTGX	982354	9604
170	TTGX	982387	9540
171	TTGX	982470	9637
172	TTGX	982507	9509
173	TTGX	982828	9605
174	TTGX	983110	9504
175	TTGX	983151	9611
176	TTGX	983193	9577
177	TTGX	983261	9663
178	TTGX	990278	9669
179	TTGX	990387	9671
180	TTGX	991047	9667
181	TTGX		9668