

RECORDATION NO. 20204-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 – N2196

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 20204.

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:	General Electric Capital Corporation]

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

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

83 hopper cars within the series CR 498295 – CR 498423.

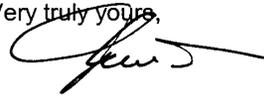
A short summary of the document to appear in the index follows:

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-N2196, 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 Surface Transportation Board 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-N2196 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-N2196 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-N2196 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 *[Signature]*.....

PRR NEWCO, INC

by *[Signature]*  
Vice President and Treasurer

NORFOLK SOUTHERN RAILWAY COMPANY

by *[Signature]*  
Vice President and Treasurer

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

On this 12 day of AUGUST, 2004, before me personally appeared ~~William 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.

*Wayne DeFreitas*  
.....  
Notary Public

My commission expires

STATE OF NEW YORK )  
COUNTY OF NEW YORK ) SS.:  
DWAYNE DeFREITAS  
NOTARY PUBLIC, State of New York  
No. 01DE6097123  
Qualified in Kings County  
Commission Expires Aug. 18, 2007

On this 12 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, 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.

*Matthew Buchwald*  
.....  
Notary Public

My commission expires

STATE OF NEW YORK )  
COUNTY OF NEW YORK ) SS.:  
MATTHEW BUCHWALD  
NOTARY PUBLIC, State of New York  
No. 01BU5030377  
Qualified in Queens County  
Commission Expires July 11, 2006

On this 12 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, 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.

*Matthew Buchwald*  
.....  
Notary Public

My commission expires

MATTHEW BUCHWALD  
NOTARY PUBLIC, State of New York  
No. 01BU5030377  
Qualified in Queens County  
Commission Expires July 11, 2006

SCHEDULE A  
SENIOR TRANSACTION N2196

**Senior Lease:**

Equipment Lease Agreement dated as of July 31, 1996, and supplements thereto, as amended, between Consolidated Rail Corporation and Pitney Bowes Credit Corporation (succeeded by General Electric Capital Corporation).

Recorded with the Surface Transportation Board on July 31, 1996, and assigned recordation number 20204.

**Senior Lessor:**

General Electric Capital Corporation

## Schedule "B" Equipment

Lease N2196U (PRR)

Count	CarInt	CarNum	Count	CarInt	CarNum
OPEN TOP HOPPERS			OPEN TOP HOPPERS		
1	CR	498295	44	CR	498366
2	CR	498296	45	CR	498367
3	CR	498297	46	CR	498368
4	CR	498299	47	CR	498369
5	CR	498300	48	CR	498371
6	CR	498301	49	CR	498372
7	CR	498302	50	CR	498373
8	CR	498304	51	CR	498374
9	CR	498307	52	CR	498375
10	CR	498308	53	CR	498377
11	CR	498309	54	CR	498379
12	CR	498312	55	CR	498380
13	CR	498314	56	CR	498381
14	CR	498315	57	CR	498382
15	CR	498317	58	CR	498383
16	CR	498319	59	CR	498385
17	CR	498320	60	CR	498386
18	CR	498321	61	CR	498389
19	CR	498326	62	CR	498392
20	CR	498327	63	CR	498393
21	CR	498328	64	CR	498395
22	CR	498329	65	CR	498397
23	CR	498331	66	CR	498398
24	CR	498332	67	CR	498399
25	CR	498336	68	CR	498402
26	CR	498337	69	CR	498403
27	CR	498340	70	CR	498405
28	CR	498343	71	CR	498407
29	CR	498344	72	CR	498408
30	CR	498345	73	CR	498411
31	CR	498346	74	CR	498412
32	CR	498348	75	CR	498413
33	CR	498349	76	CR	498416
34	CR	498352	77	CR	498417
35	CR	498353	78	CR	498418
36	CR	498354	79	CR	498419
37	CR	498355	80	CR	498420
38	CR	498356	81	CR	498421
39	CR	498357	82	CR	498422
40	CR	498360	83	CR	498423
41	CR	498361	83 OPEN TOP HOPPERS		
42	CR	498362			
43	CR	498363			