

RECORDATION NO. 20274-E FILED

AUG 20 04

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SURFACE TRANSPORTATION BOARD

OF COUNSEL
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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 – N2197

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 20274.

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:

89 tri-level autoracks within the series PRR 700683 – PRR 852518.

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-N2197, 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-N2197 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-N2197 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-N2197 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 J. A. M. B. R......

PRR NEWCO, INC

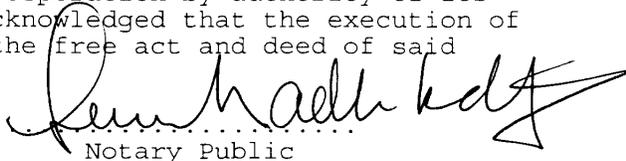
by William J. Romig

NORFOLK SOUTHERN RAILWAY COMPANY

by William J. Romig

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

On this 12th day of August, 2004, before me personally appeared ~~William J. Borzig~~ ^{Paul Broder}, to me personally known, who, by me being duly sworn, says that he is ~~VP & General Counsel~~ 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

LAUREN M. ADLER KATZ
NOTARY PUBLIC, State of New York
No. 01AD6012441
Qualified in New York County
Commission Expires Aug. 31, 2006

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

On this 12th day of August, 2004, before me personally appeared ~~William J. Borzig~~, to me personally known, who, by me being duly sworn, says that he is ~~VP & General Counsel~~ ^{VP & Treasurer} of PRR NEWCC, 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

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

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

On this 12th day of August, 2004, before me personally appeared ~~William J. Borzig~~, to me personally known, who, by me being duly sworn, says that he is ~~VP & General Counsel~~ ^{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.


.....
Notary Public

My commission expires

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

SCHEDULE A
SENIOR TRANSACTION N2197

Senior Lease:

Lease of Railroad Equipment dated as of August 30, 1996, and supplements thereto, as amended, between Consolidated Rail Corporation and PNC Leasing Corp.

Recorded with the Surface Transportation Board on September 23, 1996, and assigned recordation number 20274.

Senior Lessor:

PNC Leasing Corp

Schedule "B" Equipment

Lease N2197A(PRR)

Count	Alloc	Initial	Car#	Count	Alloc	Initial	Car#	Count	Alloc	Initial	Car#
TRI LEVEL AUTO RACKS				TRI LEVEL AUTO RACKS				TRI LEVEL AUTO RACKS			
1	PRR	ETTX	700683	43	PRR	ETTX	701052	85	PRR	ETTX	852502
2	PRR	ETTX	700686	44	PRR	ETTX	701055	86	PRR	ETTX	852505
3	PRR	ETTX	700735	45	PRR	ETTX	701056	87	PRR	ETTX	852510
4	PRR	ETTX	700736	46	PRR	ETTX	701064	88	PRR	ETTX	852515
5	PRR	ETTX	700742	47	PRR	ETTX	852281	89	PRR	ETTX	852518
6	PRR	ETTX	700744	48	PRR	ETTX	852285	89	TRI LEVEL AUTO RACKS		
7	PRR	ETTX	700745	49	PRR	ETTX	852290				
8	PRR	ETTX	700746	50	PRR	ETTX	852300				
9	PRR	ETTX	700747	51	PRR	ETTX	852315				
10	PRR	ETTX	700748	52	PRR	ETTX	852330				
11	PRR	ETTX	700749	53	PRR	ETTX	852339				
12	PRR	ETTX	700753	54	PRR	ETTX	852340				
13	PRR	ETTX	700754	55	PRR	ETTX	852348				
14	PRR	ETTX	700756	56	PRR	ETTX	852364				
15	PRR	ETTX	700757	57	PRR	ETTX	852365				
16	PRR	ETTX	700759	58	PRR	ETTX	852370				
17	PRR	ETTX	700765	59	PRR	ETTX	852375				
18	PRR	ETTX	700766	60	PRR	ETTX	852398				
19	PRR	ETTX	700770	61	PRR	ETTX	852403				
20	PRR	ETTX	700771	62	PRR	ETTX	852426				
21	PRR	ETTX	700775	63	PRR	ETTX	852439				
22	PRR	ETTX	700776	64	PRR	ETTX	852443				
23	PRR	ETTX	700777	65	PRR	ETTX	852444				
24	PRR	ETTX	700782	66	PRR	ETTX	852445				
25	PRR	ETTX	700783	67	PRR	ETTX	852447				
26	PRR	ETTX	700790	68	PRR	ETTX	852449				
27	PRR	ETTX	700832	69	PRR	ETTX	852451				
28	PRR	ETTX	700835	70	PRR	ETTX	852456				
29	PRR	ETTX	700836	71	PRR	ETTX	852459				
30	PRR	ETTX	700841	72	PRR	ETTX	852464				
31	PRR	ETTX	700844	73	PRR	ETTX	852467				
32	PRR	ETTX	701031	74	PRR	ETTX	852471				
33	PRR	ETTX	701034	75	PRR	ETTX	852472				
34	PRR	ETTX	701036	76	PRR	ETTX	852473				
35	PRR	ETTX	701038	77	PRR	ETTX	852480				
36	PRR	ETTX	701039	78	PRR	ETTX	852487				
37	PRR	ETTX	701040	79	PRR	ETTX	852489				
38	PRR	ETTX	701041	80	PRR	ETTX	852492				
39	PRR	ETTX	701043	81	PRR	ETTX	852493				
40	PRR	ETTX	701045	82	PRR	ETTX	852495				
41	PRR	ETTX	701046	83	PRR	ETTX	852499				
42	PRR	ETTX	701050	84	PRR	ETTX	852500				