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

RECORDATION NO.

15128 - C FILED

AUG 26 '04 12-26 PM

SURFACE TRANSPORTATION BOARD

OF COUNSEL
URBAN A. LESTER

August 26, 2004

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

Re: L583

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are four (4) copies of an Amendment Agreement, dated as of August 27, 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 Commission/Board under Recordation Number 15128.

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

Lessee: Consolidated Rail Corporation
2001 Market Street
Philadelphia, PA 19103

Lessor: Mellon Leasing Corporation
One Mellon Bank Center
500 Grant Street
Pittsburgh PA 15258

Mr. Vernon A. Williams
August 26, 2004
Page Two

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

There is no new or additional equipment associated with this filing.

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

Amendment Agreement

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

Execution Copy

RECORDATION NO. 15128-C FILED

[L583]

AMENDMENT AGREEMENT

AUG 26 '04 12-26 PM

THIS AMENDMENT, dated as of Aug 27 2004 (the "Amendment"), is made by and between Mellon Leasing Corporation (f/k/a Mellon Financial Services Corporation #3 (successor in interest to NEMLC Leasing Associates No. 3) under the Lease Agreement (defined below)), as lessor (the "Lessor"), and Consolidated Rail Corporation, as lessee (the "Lessee").

PRELIMINARY STATEMENTS:

WHEREAS, the Lessor and Lessee have entered into a certain Lease of Railroad Equipment, dated as of December 15, 1986, as amended by lease agreements supplemental thereto (the "Lease Agreement"); and

WHEREAS, the Lessor and Lessee now desire to amend the Lease Agreement, as hereinafter provided.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and promises herein contained and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Lessor and Lessee hereby agree as follows:

Section 1. Certain Defined Terms. Capitalized terms used but not defined herein have the respective meanings set forth in the Lease Agreement. Capitalized terms used herein but not defined in the Lease Agreement have the following meanings:

"affiliate" of any Person means any other Person directly or indirectly controlling, controlled by, or under common control with such Person. For purposes of this definition, "control" when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, or government or any agency, instrumentality or political subdivision thereof.

Section 2. Amendments to the Lease Agreement.

Section 2.1 The second paragraph of Section 9 of the Lease Agreement is hereby deleted in its entirety and amended to read as follows:

The Lessee agrees, for the benefit of the Lessor, to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each Unit) with all applicable laws of the jurisdictions in which its operations involving the Units may extend, with the interchange rules of the Association of American Railroads, if applicable, and with all lawful rules of the United States Department of Transportation,

the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Units, to the extent that such laws and rules affect the title, operation or use of the Units. Except as otherwise provided in Section 12 hereof, the Equipment will at all times be and remain in the possession and control of Lessee. The Equipment shall in no event be located outside of the continental limits of the United States except for occasional use in Canada which use shall in no event cause Lessor to lose any of the assumed tax benefits set forth in Section 16 hereof. Except as otherwise provided in Section 12 hereof, Lessee shall use and operate the Equipment or cause it to be used and operated only by personnel authorized by Lessee.

Section 2.2 The second paragraph of Section 12 of the Lease Agreement is hereby deleted in its entirety and amended to read as follows:

“So long as no Event of Default exists hereunder, the Lessee shall be entitled to the possession and use of the Units in accordance with the terms of this Lease and, without the prior written consent of the Lessor, the Lessee may sublease the Units to, or permit their use by, a user incorporated or organized in the United States of America (or any State thereof or District of Columbia), upon lines of railroad owned or operated by the Lessee or such user or by a railroad company or companies incorporated or organized in the United States of America (or any State thereof or the District of Columbia), or over which the Lessee, such user, or such railroad company or companies have trackage rights or rights for operation of their trains, and upon the lines of railroad of connecting and other carriers in the usual interchange of traffic or in through or run-through service, but only upon and subject to all the terms and conditions of this Lease; provided, however, that, except for any sublease to any affiliate of the Lessee, the Lessor’s consent, not to be unreasonably withheld, must be obtained for any sublease that is for a term longer than six months; provided further, however, that the Lessee shall not sublease or permit the sublease or use of any Unit to service involving operation or maintenance outside the United States of America except that occasional service in Canada shall be permitted as provided in Section 9 hereof; and provided further, however, that any such sublease or use shall be consistent with the provisions of Section 16 hereof. Each sublease that is for a term longer than six months, whether to an affiliate or a non-affiliate of the Lessee, and that is permitted by this Section 12 shall be in the form of Annex I hereto and Lessee shall execute and deliver to Lessor, in connection with each such sublease, an assignment in the form of Annex II hereto.

No such sublease or permitted use shall relieve the Lessee of its obligations hereunder, which shall be and remain those of a principal and not a surety.”

Section 3. Reconfirmation. The Lessor and the Lessee hereby ratify, approve and confirm their rights and obligations in each and every respect under the Lease Agreement, as amended by this Amendment.

Section 4. Further Assurances. The Lessor and Lessee each hereby agree to execute and deliver, or cause to be executed and delivered, such other documents, instruments and agreements, and take such further actions, as either party may, from time to time, reasonably

request in order to effectuate the purposes and to carry out the terms of this Amendment Agreement.

Section 5. Amendment or Waiver. This Amendment Agreement may not be amended, waived or modified without the written consent of the party to be bound thereby.

Section 6. Governing Law. This Amendment Agreement shall be governed by, and construed in accordance with, the laws of the Commonwealth of Pennsylvania.

Section 7. Execution in Counterparts. This Amendment Agreement may be signed in separate counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Delivery by telecopier of an executed signature page hereto shall be effective as delivery of a manually executed counterpart thereof.

IN WITNESS WHEREOF, the undersigned have caused this Amendment Agreement to be executed by their respective officers or representatives or attorneys-in-fact thereunto duly authorized, as of the date first above written.

MELLON LEASING CORPORATION

By: _____
Name:
Title:

CONSOLIDATED RAIL CORPORATION

By:  _____
Name:
Title:

STATE OF NY)
COUNTY OF NY)

ss:

On this 12 day of August, 2001 before me, a notary public within and for said county, personally appeared Nathan M. Broder, to me known who being duly sworn, did depose and say that he/she is a General Counsel of Consolidated Rail Corp, one of the corporations or companies described in and which executed the foregoing instrument, and that he/she signed his/her name thereto by like authority.

Sworn to before me this
12 day of August, 2001

[Notarial Seal]


Notary Public
COMMISSION EXPIRES

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

IN WITNESS WHEREOF, the undersigned have caused this Amendment Agreement to be executed by their respective officers or representatives or attorneys-in-fact thereunto duly authorized, as of the date first above written.

MELLON LEASING CORPORATION

By: Kathleen K. Worobe
Name: Kathleen K. Worobe
Title: Vice President

CONSOLIDATED RAIL CORPORATION

By: _____
Name:
Title:

STATE OF PENNSYLVANIA))
COUNTY OF Allegheny)) ss:

On this 17th day of August, 2004 before me, a notary public within and for said county, personally appeared Kathleen K. Worobe, to me known who being duly sworn, did depose and say that she is a Vice President of Mellon Leasing Corporation, one of the corporations or companies described in and which executed the foregoing instrument, and that he/she signed his/her name thereto by like authority.

Sworn to before me this
17th day of August, 2004

[Notarial Seal]

NOTARIAL SEAL
MARILYN A. ADAMSKY, NOTARY PUBLIC
CITY OF PITTSBURGH, ALLEGHENY COUNTY
MY COMMISSION EXPIRES SEPTEMBER 18, 2007

Marilyn A. Adamsky
Notary Public
COMMISSION EXPIRES *Sept. 18, 2007*