RECORDATION NO. 17350-L FILED

AUG 2 6 '04 2-24 PM

SURFACE TRANSPORTATION BOARD

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)

OF COUNSEL
URBAN A. LESTER

August 26, 2004

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

Re: L391A

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are four (4) copies of Amendment Agreement No. 2, dated as of 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 Commission/Board under Recordation Number 17350.

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

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

Lessor: Altoona Locomotive Lease Co., Ltd.
Caledonian House, Mary Street
PO Box 1043
George Town, Grand Cayman
Cayman Island

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 No. 2

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

AMENDMENT AGREEMENT NO. 2

RECORDATION NO. 17350-C FILED

AUG 2 6 '04 2-24 PM

SURFACE TRANSPORTATION BOARD

in respect of

Pass Through Trust Certificates, Series 1991-1

AMENDMENT AGREEMENT NO. 2 (this "Amendment Agreement") dated as of August 12, 2004 among (a) CONSOLIDATED RAIL CORPORATION, a Pennsylvania corporation (the "Company"), and (b) ALTOONA LOCOMOTIVE LEASE CO., LTD., BRENTWOOD LOCOMOTIVE LEASE CO., LTD., and HOLLIDAYSBURG LOCOMOTIVE LEASE CO., LTD., each a Cayman Islands corporation (collectively, the "Lessors").

RECITALS

WHEREAS, the Company and THE BANK OF NEW YORK, N.A., a national banking association, not in its individual capacity but solely as trustee under the pass through trust agreement referred to below (the "Pass Through Trustee") have entered into the Pass Through Trust Agreement dated as of May 29, 1991 (the "Pass Through Trust Agreement"), under which the 8.59% Pass Through Certificates, Series 1991-1, of the Company (the "Certificates") were issued;

WHEREAS, each of the Lessors and the Company as lessee have entered into three separate Lease Agreements (designated as Conrail 1991-A, Conrail 1991-B and Conrail 1991-C, respectively), each dated as of May 29, 1991 and amended by lease agreements supplemental thereto and by the 1998 Amendment Agreements (as defined below) (such Lease Agreements, as so supplemented and amended, being hereinafter collectively referred to as the "Lease Agreements");

WHEREAS, each of the Lessors, the Company and The Bank of New York, N.A., as trustee (the "Indenture Trustee"), have entered into three separate Trust Indenture and Security Agreements (designated as Conrail 1991-A, Conrail 1991-B and Conrail 1991-C, respectively), each dated May 29, 1991 and each as amended by trust indenture and security agreements supplemental thereto and by the 1998 Debt Amendment Agreement (as defined below) (such Trust Indenture and Security Agreements, as so supplemented and amended, being hereinafter collectively referred to as the "Indentures");

WHEREAS, each of the Lessors and the Company have entered into an amendment agreement, dated as of August 25, 1998 (the "1998 Equity Amendment Agreement"), pursuant to which the Lease Agreements were amended to, among other things, allow the conveyances, transfers, leases and subleases contemplated by the Transaction Agreement;

WHEREAS, each of the Lessors, the Company, the Pass Through Trustee and the Indenture Trustee have entered into an amendment agreement, dated as of August 25, 1998 (the "1998 Debt Amendment Agreement," and together with the 1998 Equity Amendment Agreement collectively referred to herein as the "1998 Amendment Agreements"), pursuant to which the

Lease Agreements and the Indentures were amended to, among other things, allow the conveyances, transfers, leases and subleases contemplated by the Transaction Agreement;

WHEREAS, Section 9.05(b) of the Indentures provides that, subject to certain conditions, the Company and each of the respective Lessors may amend certain terms and provisions of the respective Lease Agreements, including Section 7(e) and Section 13 (other than Section 13(b)(iv) and the first sentence of the first paragraph of Section 13(c)) thereto without the consent of the Indenture Trustee or of any holder of an Equipment Note;

WHEREAS, the Company and each of the Lessors wish to enter into this Amendment Agreement, pursuant to which the Lease Agreements and the Indentures will be amended to, among other things, allow the conveyances, transfers, leases and subleases contemplated by the Distribution Agreement; and

WHEREAS, the Company, the Pass Through Trustee and the Indenture Trustee, upon completion of the solicitation of the holders of the Certificates, expect to enter into a separate Amendment Agreement No. 2 (the "Debt Amendment Agreement") pursuant to which the Indentures will be similarly amended to, among other things, allow the conveyances, transfers, leases and subleases contemplated by the Distribution Agreement.

NOW, THEREFORE, in consideration of the agreements contained herein and for other consideration, the adequacy and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

AMENDMENTS

SECTION 1.1. Appendix A to the Lease Agreements and each of the Indentures is hereby amended by deleting thereto the following defined terms therefrom:

"Conrail Group", "Excluded Conveyance" and "Indebtedness".

SECTION 1.2. Appendix A to the Lease Agreements and each of the Indentures is hereby amended by adding thereto the following defined terms in their entirety as set forth below:

"Conrail Group" means the Lessee, the Newcos and the Delaware Trusts.

"Delaware Trusts" means the Conrail Sublease Trusts, to be established by each of the Newcos pursuant to Chapter 38 of Title 12 of the Delaware Business Trust Act, under which one of the Newcos is the beneficiary.

"Distribution Agreement" means the distribution agreement set forth as Exhibit 4 to the STB Petition, as the same may be amended, modified or supplemented from time to time, to be entered into among the Company, Conrail Inc., Green Acquisition Corp., CRR Holdings LLC, CSX Corporation, CSX

Transportation, Inc., CSX Rail Holding Corporation, CSX Northeast Holding Corporation, New York Central Lines LLC, Norfolk Southern Corporation, Norfolk Southern Railway Company and Pennsylvania Lines LLC.

"Newco" means each of NYC Newco, Inc. (a to be formed wholly owned subsidiary of CSX Transportation, Inc.), PRR Newco, Inc. (a to be formed wholly owned subsidiary of Norfolk Southern Railway Company) and any respective successors thereof.

"Restructuring Transaction" means, whether by a single transaction or through a series of transactions, any conveyance, transfer, lease, sublease, full and unconditional guarantee, transfer of stock, transfer of membership interests in a limited liability company, issuance of stock, merger or consolidation described in or contemplated by the Transaction Agreement, the Transaction Agreement Amendment or the Distribution Agreement, including but not limited to the transfer of the Lessee's ownership interest in (a) Pennsylvania Lines LLC to Norfolk Southern Railway Company and (b) New York Central Lines LLC to CSX Transportation, Inc.

"STB Petition" means the Petition for Supplemental Order dated June 4, 2003 (STB Finance Docket No. 33388 (SUB-No. 94)) filed by CSX Corporation, CSX Transportation, Inc., Norfolk Southern Corporation, Norfolk Southern Railway Company, Conrail Inc. and the Company with the United States Surface Transportation Board.

"Transaction Agreement Amendment" means the amendment to the Transaction Agreement set forth as Exhibit E to the Distribution Agreement, as the same may be amended, modified or supplemented from time to time, to be entered into by and among the Company, Conrail Inc., CSX Corporation, CSX Transportation, Inc., Norfolk Southern Corporation, Norfolk Southern Railway Company and CRR Holdings LLC.

"Trust Conveyance" means (a) any conveyance, transfer or assignment of any Newco's right, title and interest in and to any Item of Equipment, which has been subleased to such Newco by the Lessee, from such Newco to the applicable Delaware Trust, (b) any agreement by a Delaware Trust to assume the obligations of its Newco under the sublease to be entered into between the Lessee and such Newco and (c) any conveyance, transfer, lease or sublease of any Item of Equipment from any of the Delaware Trusts to CSX Transportation, Inc. or Norfolk Southern Railway Company, as the case may be, each as described in or contemplated by the Distribution Agreement.

SECTION 1.3. The first paragraph of Section 7(e) of each of the Lease Agreements is hereby amended to read as follows:

"(e) Possession. Lessee shall not, without the prior written consent of Lessor, sublease or otherwise in any manner deliver, transfer or relinquish

possession of any Item of Equipment; provided that so long as no Event of Default or Potential Event of Default shall have occurred and be continuing, and so long as the action to be taken does not and will not contemplate, permit, require, or result in the transfer of Lessor's ownership of or title to any Item of Equipment, or adversely affect the Indenture Trustee's rights under the Indenture or the availability to Lessor or the Indenture Trustee of benefits under 11 U.S.C. § 1168 or any successor provision with respect to the Items of Equipment, Lessee may, without the prior written consent of Lessor, sublease any Item of Equipment to, or permit its use by, any user organized or incorporated in the United States of America (or any state thereof or the District of Columbia), upon lines of a railroad owned or operated by Lessee or such user or by a railroad company or companies organized or incorporated in the United States of America (or any state thereof or the District of Columbia), or over which Lessee, such user, or such railroad company or companies have trackage right or rights for operation of their trains, and upon the lines of railroads 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 further that (i) such sublease or use shall not continue beyond the end of the Term, (ii) Lessor's prior written consent, not to be unreasonably withheld, shall be obtained for any sublease, assignment or use (other than to or by any LLC, any Newco, any Delaware Trust, CSX Transportation, Inc., or Norfolk Southern Railway Company) that is for a term longer than 12 months, (iii) such sublease or other agreement related to use shall by its terms prohibit the sublessee or user from locating an Item of Equipment outside the area comprised of the United States and Canada, (iv) Lessee will not, and will not permit any of the LLCs, the Newcos or the Delaware Trusts to, sublease or permit the use of any Item of Equipment unless the agreement governing such sublease expressly provides that (a) the sublease or use of such Item of Equipment thereunder shall be junior, subject and subordinate to the Lease, and (b) upon a default by Lessee under the Lease, the sublessee under such sublease or other permitted user shall surrender possession of the Item of Equipment in accordance with the provisions of the Lease and the Indenture, (v) Lessee shall furnish to Lessor and the Indenture Trustee a copy of any such sublease or other agreement related to use promptly after its execution, and (vi) Lessee will not permit any LLC, any Newco or any Delaware Trust to sublease any Item of Equipment to CSX Transportation, Inc. or Norfolk Southern Railway Company unless prior thereto, such LLC, Newco or Delaware Trust, as the case may be, shall assign and create a security interest in and to such sublease to and for the benefit of the Lessee to secure all amounts payable by such LLC, Newco or Delaware Trust to the Lessee under the sublease of such Item of Equipment from the Lessee to the applicable Newco (which sublease shall have been assigned to, and the obligations thereunder assumed by, the Delaware Trust established by such Newco). No such sublease, assignment or other relinquishment of possession of any Item of Equipment shall in any way discharge or diminish any of Lessee's obligations to Lessor and the Indenture Trustee hereunder or under any other Operative Document for which obligations Lessee shall be and remain primarily liable as a principal and not as a surety."

SECTION 1.4. Section 13(b) of each of the Lease Agreements is hereby amended to read as follows:

"(b) Merger, etc. Lessee shall not consolidate with or merge into any other corporation, or convey, transfer or lease in one or more transactions all or substantially all of its assets to any Person, unless (i) such consolidation, merger, conveyance, transfer or lease shall not have a material adverse effect on the benefits available to the Lessor or the Indenture Trustee pursuant to 11 U.S.C. § 1168 and (ii) immediately after giving effect to such transaction, no Event of Default or Potential Event of Default respecting any of the events described in Section 14(a), (b), (g), (h) or (i) shall have occurred and be continuing."

SECTION 1.5. Section 12.02 of each of the Indentures is hereby amended to read as follows:

"Section 12.02. Consolidation, Merger or Sale of Assets Permitted. (a) The Lessee covenants that it will not merge or consolidate with or into any other corporation or sell, convey or otherwise dispose of all or substantially all of its assets to any Person unless (i) such consolidation, merger, conveyance, sale or other disposition shall not have a material adverse effect on the benefits available to the Indenture Trustee pursuant to 11 U.S.C. §1168 and (ii) immediately after giving effect to such transaction, no Indenture Event of Default attributable to the Lessee shall have occurred and be continuing solely as a result of such consolidation, merger, sale, conveyance, or other disposition."

SECTION 1.6. Section 12.05 of each of the Indentures is hereby deleted in its entirety and amended to read as follows:

"Section 12.05. ['Intentionally Omitted.']"

ARTICLE II

MISCELLANEOUS

SECTION 2.1. Unless otherwise indicated, capitalized terms used herein without definition shall have the meanings ascribed to them in the Lease Agreements as amended hereby.

SECTION 2.2. Except as amended hereby, the Operative Documents are in all respects ratified and confirmed, and all of the terms, provisions and conditions thereof shall be and remain in full force and effect; provided that no such term, provision or condition shall be read or interpreted so as to conflict with or prohibit the making of any Restructuring Transaction or Trust Conveyance.

SECTION 2.3. If any provision of this Amendment Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 2.4. This Amendment Agreement shall be construed in accordance with and governed by the laws of Japan.

SECTION 2.5. This Amendment Agreement may be executed in any number of counterparts, each of which shall be an original but such counterparts shall together constitute but one and the same instrument.

SECTION 2.6. The provisions of this Amendment Agreement as they relate to the Lease Agreements shall be effective upon the execution hereof by all the parties hereto. The provisions of this Amendment Agreement as they relate to the Indentures shall be effective only upon the execution hereof by all the parties hereto and by the execution of the Debt Amendment Agreement by all of the parties thereto.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment Agreement to be executed as of the day and year first above written.

CONSOLIDATED RAIL CORPORATION

By _____
Name:
Title:

ALTOONA LOCOMOTIVE LEASE CO., LTD.

By _____
Name: Nobuyuki Wataki
Title: Director

BRENTWOOD LOCOMOTIVE LEASE CO., LTD.

By _____
Name: Nobuyuki Wataki
Title: Director

HOLLIDAYSBURG LOCOMOTIVE LEASE CO., LTD.

By _____
Name: Nobuyuki Wataki
Title: Director

STATE OF NY)
) ss:
COUNTY OF NY)

On this 12 day of August, 2004 before me, a notary public within and for said county, personally appeared Jonathan M. Broder, to me known who being duly sworn, did depose and say that he/~~she~~ is General Counsel of Consolidated Rail 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
12 day of August, 2004

[Notarial Seal]

Dwayne DeFreitas
Notary Public
COMMISSION EXPIRES

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 12th day of August, 2004 before me, a notary public within and for said county, personally appeared Nobuyuki Wataki, to me known who being duly sworn, did depose and say that he/she is a Director of Altoona Locomotive Lease Co., LTD., 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
12th day of August, 2004

[Notarial Seal]

Notary Public
COMMISSION EXPIRES

TIMOTHY E. WILSON
NOTARY PUBLIC, State of New York
No. 01WI6106172
Qualified in New York County
Commission Expires March 1, 2008