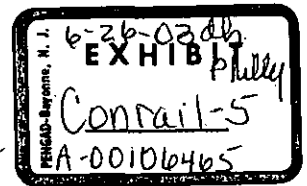


DOCUMENT
FOLDER



THIS INDENTURE, made the 18th day of August in the year of our Lord One Thousand Nine Hundred and Eighty-nine (A.D. 1989)

BETWEEN CONSOLIDATED RAIL CORPORATION, a Corporation of the Commonwealth of Pennsylvania, having an office at Six Penn Center Plaza, Philadelphia, Pennsylvania, 19103, hereinafter referred to as the Grantor, and COUNTY OF CHESTER, PENNSYLVANIA, a Municipal Corporation, operating and existing under the laws of the Commonwealth of Pennsylvania, having a mailing address of 235 West Market Street, West Chester, Pennsylvania 19380, hereinafter referred to as the Grantee;

WITNESSETH: That the said Grantor, for and in consideration of the sum of ONE DOLLAR (\$1.00) lawful money of the United States of America, unto it well and truly paid by the said Grantee, at or before the sealing and delivery of these presents, the receipt whereof is hereby acknowledged, has remised, released and quitclaimed and by these presents does remise, release and quitclaim unto the said Grantee, the successors and assigns of the said Grantee, all right, title and interest of the said Grantor of, in and to:

ALL THAT CERTAIN strip, piece or parcel of land, together with all tracks, bridges, their appurtenances thereon, being a part or portion of Grantor's Reading, Wilmington and Northern Branch identified as Line Code 0352 in Grantor's corporate records, situate in the Townships of Valley, West Caln, West Brandywine, Honeybrook, West Nantmeal, and the Borough of Elverson, County of Chester and Commonwealth of Pennsylvania and generally indicated by "PS" on Grantor's Case Plan No. 69471, sheets 1 through 70 attached hereto and made a part hereof, and generally described as follows:

BEGINNING at Mile Post 34.85 (east line of Bridge No. 54) in said Township of Valley; and extending thence in a general northerly direction through the Townships of Valley, West Caln, West Brandywine, Honeybrook, West Nantmeal, and the Borough of Elverson to the boundary line between West Nantmeal Township and Borough of Elverson in Chester County and Caernarvon Township in Berks County, Pennsylvania.

CONTAINING 145 acres, more or less.

BEING a portion of the same premises which The Wilmington and Northern Railroad Company by Conveyance Document No. WI&N-CRC-RPI-3, issued pursuant to the Regional Rail Reorganization Act of 1973, as amended (P.L. 93-236,

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

JUL 07 2003

RECEIVED

DOCKETED
JUL 09 2003

H.R. 9142), the Final System Plan of the United States Railway Association and Special Court (Washington, D.C.) Misc. Order No. 75-3, dated March 25, 1976 and March 31, 1976, in the Matter of Regional Rail Reorganization Proceedings, granted and conveyed certain property, easements, interest and rights unto Consolidated Rail Corporation and which Conveyance Document was recorded on January 4, 1979 in the Recorder's Office of Chester County, Pennsylvania, in Deed Book H54 at page 10&c.

UNDER and SUBJECT, however, to (1) whatever rights the public may have to the use of any roads, alleys, bridges or streets crossing the premises herein described, (2) any streams, rivers, creeks and water ways passing under, across or through the premises herein described, and (3) any easements or agreements of record or otherwise affecting the land hereby conveyed, and to the state of facts which a personal inspection or accurate survey would disclose, and to any pipes, wires, poles, cables, culverts, drainage courses or systems and their appurtenances now existing and remaining in, on, under, over, across and through the premises herein described, together with the right to maintain, repair, renew, replace, use and remove same.

THIS INSTRUMENT is executed and delivered by Grantor, and is accepted by Grantee, subject to the covenants set forth below, which shall be deemed part of the consideration of this conveyance and which shall run with the land and be binding upon, and inure to the benefit of, the respective legal representatives, successors and assigns of Grantor and Grantee. Grantee hereby knowingly, willingly, and voluntarily waives the benefit of any rule, law, custom, or statute of the Commonwealth of Pennsylvania now or hereafter in force with respect to the covenants set forth below.

(1) No right or means of ingress, egress or passageway to or from the land hereinbefore described is hereby granted, expressly or by implication, and Grantor shall not be liable or obliged to provide or obtain for Grantee such means of ingress, egress or passageway.

(2) Should a claim adverse to the title hereby quitclaimed be asserted and/or proved, no recourse shall be had against the Grantor herein.

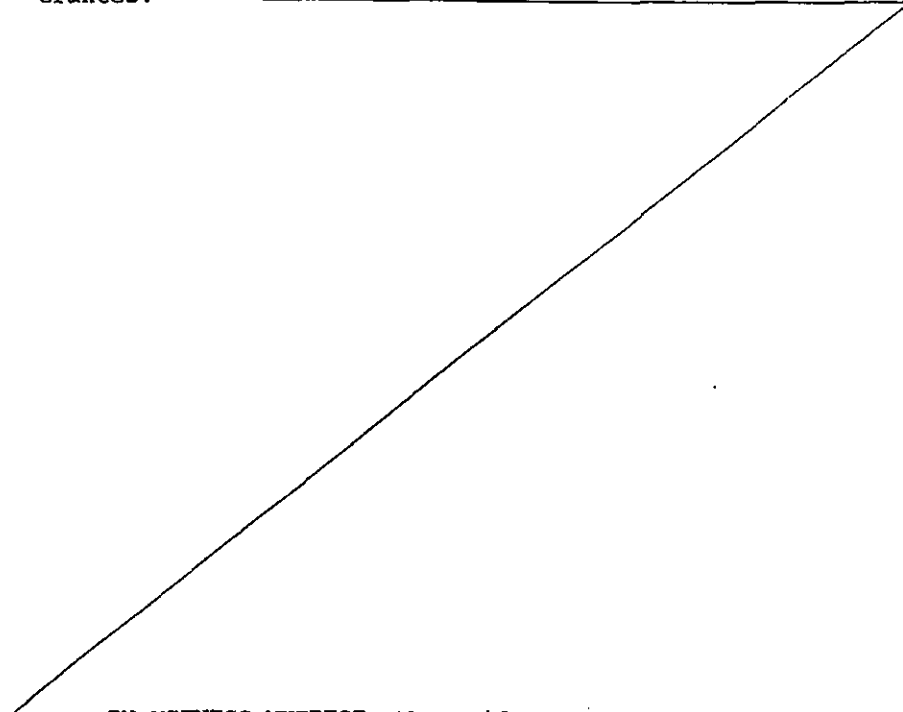
(3) Grantee by the acceptance of this Instrument, does hereby accept all existing and prospective responsibility for removal and/or restoration costs for any and all railroad bridges and grade crossings and their appurtenances that may be located on those lines of railroad intended herein to be conveyed, EXCEPT that Conrail, its successors and assigns, agree to assume a maximum costs liability of \$30,100 towards the PUC order requiring the removal of Bridge 51.09 (Bridge over TR 401). Said compensation to be paid by Conrail to the County, its successors and assigns, within thirty (30) days of receipt of notification from the County, its successors and assigns, that the said bridge has been removed to the satisfaction of the PUC. And, Grantee further covenants and agrees that it will also assume any obligation and/or responsibility as may have been or may hereafter be imposed on Grantor by any Public Utility Commission or any other governmental agency having jurisdiction for any and all bridge structures and grade crossings and their appurtenances, including but not limited to the removal, repairing or restoration of same in accordance with the requirements of said Commission or other governmental agency; and Grantee further agrees to indemnify, defend and hold Grantor harmless against all costs, penalties, expenses, obligations, responsibility and requirements associated with said bridge structures and grade crossings and their appurtenances.

(4) Grantor and Grantee do not contemplate that Grantor shall (a) operate its trains, cars and engines to or on the land hereinbefore described (or any portion thereof), (b) interchange traffic with Grantee or its successors or assigns, (c) participate in any rail rate relationship with Grantee, (d) establish or maintain a track connection with Grantee, or (e) provide cars or car service to Grantee. If Grantee hereafter desires that Grantor do any of the foregoing, the Grantor and Grantee agree that such activities shall be conducted only on such terms and conditions as Grantor and Grantee hereto may hereafter mutually agree upon in writing. Grantor and Grantee further agree that in respect to the matters referred to in items (a) through (e), above, Grantor shall not be called upon, or required, by Grantee to accept obligations in excess of those expressly assumed by Grantor except by written agreement between Grantor and Grantee hereto.

TOGETHER with all and singular the tenements, hereditaments, and appurtenances thereunto belonging, or in any wise appertaining and the reversion and reversions, remainder and remainders, rents, issues and profits thereof; and all the estate, right, title, interest, property, claim and demand whatsoever of it, the said Grantor as well at law as in equity or otherwise howsoever, of, in and to the same and every part thereof, UNDER and SUBJECT and provided as aforesaid.

TO HAVE AND TO HOLD all and singular the said premises, together with all tracks, bridges and their appurtenances thereon, unto the Grantee, the successors and assigns of the said Grantee forever, UNDER and SUBJECT and provided as aforesaid.

THE words "Grantor" and "Grantee" used herein shall be construed as if they read "Grantors" and "Grantees", respectively, whenever the sense of this instrument so requires and whether singular or plural, such words shall be deemed to include at all times and in all cases the legal representatives or successors and assigns of the Grantor and Grantee.



IN WITNESS WHEREOF, the said Grantor has caused this

Indenture to be signed in its name and behalf by its Assistant Vice President-Real Estate duly authorized thereunto and has caused its corporate seal to be hereunto affixed and attested by its Assistant Secretary the day and year first above written.

SEALED and DELIVERED
in the presence of us:

CONSOLIDATED RAIL CORPORATION
By:

Mary H. Trank

John F. Jaeger
John F. Jaeger, Assistant
Vice President-Real Estate

Attest:

Bernadette Richmond

Elizabeth Maggio
Assistant Secretary
ELIZABETH MAGGIO

COMMONWEALTH OF PENNSYLVANIA)
COUNTY OF PHILADELPHIA)

: SS
)

On this 18th day of August,
A.D. 1989, before me, the subscriber, JAMES W. HARTMAN, JR.,
the undersigned officer, personally appeared John F. Jaeger,
who acknowledged himself to be the Assistant Vice
President-Real Estate of CONSOLIDATED RAIL CORPORATION,
a corporation, and that he as such Assistant Vice
President-Real Estate, being authorized to do so,
executed the foregoing instrument for the purposes therein
contained by signing the name of the corporation by himself
as Assistant Vice President-Real Estate.

IN WITNESS WHEREOF, I have hereunto set my hand and
official seal.

James W. Hartman, Jr.
Notary Public

I HEREBY CERTIFY that the
correct address of the
within-named Grantee is:

Notarial Seal
James W. Hartman, Jr., Notary Public
Philadelphia, Philadelphia County
My Commission Expires May 20, 1991
Member, Pennsylvania Association of Notaries

on behalf of Grantee.

THIS INSTRUMENT PREPARED BY:

Nancy B. Basilio
Consolidated Rail Corporation
Fifteenth Floor, Six Penn Center
Philadelphia, Pennsylvania 19103

:nls

END