

RECORDATION NO. 26018-A FILED

DEC 12 '05 8:00 PM

SURFACE TRANSPORTATION BOARD

ALVORD AND ALVORD
ATTORNEYS AT LAW
1050 SEVENTEENTH STREET, N.W.
SUITE 301
WASHINGTON, D.C.

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

20036

(202) 393-2266
FAX (202) 393-2156
E-MAIL alvordlaw@aol.com

OF COUNSEL
URBAN A. LESTER

December 12, 2005

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

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Subordination Agreement, dated as of December 12, 2005, a primary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Security Agreement being filed with the Board under Recordation Number _____ and the Security Agreement previously filed with the Board under Recordation Number 23644.

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

- Creditor: Mellon Bank N A
One Mellon Bank Center
Pittsburgh, Pennsylvania 15258
- Debtor: Boston and Maine Corporation
Iron Horse Park
North Billerica, Massachusetts 01862
- Debtor: Maine Central Railroad Company
Iron Horse Park
North Billerica, Massachusetts 01862

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

39 covered hopper cars: BM 5200 – BM 5238,
8 locomotives: MEC 500 – MEC 502 and, MEC 508 – MEC 512 and
21 open hopper cars: MEC 2000 – MEC 2020

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

Subordination Agreement.

Also enclosed is a check in the amount of \$33.00 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

DEC 12 '05 3-04 PM

SURFACE TRANSPORTATION BOARD

3016 (3/91)

SUBORDINATION AGREEMENT

WHEREAS, the undersigned, **Mellon Bank, N.A. ("Creditor")**, has a security interest in certain property of **Maine Central Railroad Company ("MCE")** and **Boston and Maine Corporation ("BM")** and, collectively with MCE, hereinafter called **"Debtor"**;

WHEREAS, in order to secure its obligations under certain Promissory Note(s) in an aggregate principal amount of \$2,432,500.00 maturing on December ____, 2010 (the **"Loans"**), Debtor has entered into a security agreement or chattel mortgage (**"Security Agreement"**) with **General Electric Capital Corporation ("Secured Party")** pursuant to which Debtor has granted Secured Party a security interest in the property described on the **Exhibit A** attached hereto and made a part hereof (the **"Property"**); and

WHEREAS, in order to induce Secured Party to make the Loans to Debtor, Creditor desires to subordinate its security interest in the Property to the rights of Secured Party.

NOW, THEREFORE, in consideration of the above premises and for other good and valuable consideration, receipt of which is hereby acknowledged, Creditor, for itself and its successors and assigns, hereby agrees that

- (i) its security interest in the Property and in any proceeds arising out of the sale, lease or other disposition of the Property, shall be subordinate and junior to any security interest which Secured Party may have in the Property and any proceeds arising out of the sale, lease or other disposition thereof;
- (ii) Secured Party may assign its rights hereunder to any person or entity (**"Assignee"**) and that the security interest in the Property and any proceeds thereof of Creditor, its successors or assigns, shall be subordinate and junior to the security interest of any such Assignee;
- (iii) Creditor will not, without the prior written consent of Secured Party, take any action to repossess or foreclose upon the Property or take any other action whatsoever to enforce or otherwise realize upon its interest in the Property, unless and until all of Debtor's obligations under the Loans have been indefeasibly satisfied in full (it being understood that the foregoing does not prohibit Creditor from taking enforcement action against Debtor or its assets in general, such as (for example) applying for a receiver of the assets of Debtor or filing an involuntary bankruptcy petition against Debtor, or from taking specific enforcement action against any assets of Debtor other than the Property); and
- (iv) Secured Party, its agents or assigns, may move or otherwise repossess and foreclose upon the Property whenever it deems such action to be necessary or desirable in order to protect its security interest therein.

IN WITNESS WHEREOF, Creditor has caused this instrument to be executed by its duly authorized officer, this 12th day of December, 2005.

Mellon Bank, N.A.

By: Nancy E. Gale
Name: Nancy E. Gale
Title: First Vice President

State of Pennsylvania)
County of Allegheny) ss:

On this 12th day of December, 2005, before me personally appeared Nancy E. Gale, to me personally known, who being by me duly sworn, says that (s)he is a First Vice Pres. of MELLON BANK, N.A., and that said instrument was signed on behalf of said corporation, by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Rose Marie Rotter

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Rose Marie Rotter, Notary Public
City Of Pittsburgh, Allegheny County
My Commission Expires Oct. 29, 2009
Member, Pennsylvania Association of Notaries

Exhibit A

<u>Quantity</u>	<u>Manufacturer</u>	<u>Serial Numbers</u>	<u>Year</u>	<u>Model/Type of Equipment</u>
39	Portec Rail Products	BM 5200 through and including 5238	1980	3,000 cubic feet, 100 ton covered hopper cars
3	General Motors	MEC 500 through and including 502	1974	EMD GP40-2 locomotives, four axle, 3,000 horsepower
5	General Motors	MEC 508 through and including 512	1977	EMD GP40-2 locomotives, four axle, 3,000 horsepower
21	Portec Rail Products	MEC 2000 through and including 2020	1966, rebuilt in 1987	3,400 cubic feet, 100 ton open hopper cars

CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: 12/12/05



Robert W. Alvord