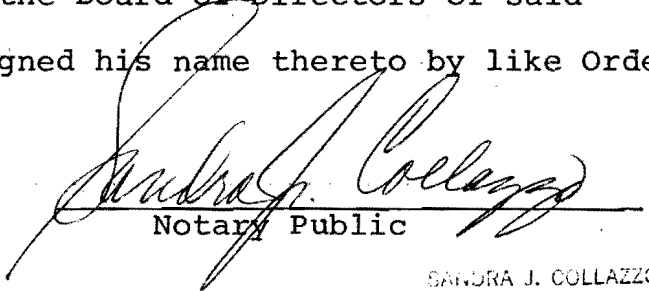


COMMONWEALTH OF PENNSYLVANIA :
: SS
COUNTY OF DELAWARE :

On the *30* day of *March* 1976, before me personally came ALBERT R. BEAL, to me known who, being by me duly sworn, did depose and say that he resides at 95 West Hampton Road, Philadelphia, Pennsylvania 19118; that he is the Secretary of BUCKEYE PIPE LINE COMPANY, the Corporation described in and which executed the foregoing instrument; that he knows the seal of said Corporation; that the seal affixed to said instrument is such Corporate seal; that it was so affixed by Order of the Board of Directors of said Corporation, and that he signed his name thereto by like Order.


Notary Public

SANDRA J. COLLAZZO
Notary Public, Rsdnor Twp., Delaware Co.
My Commission Expires January 22, 1979

Attest:

PENNSYLVANIA TUNNEL AND TERMINAL
RAILROAD COMPANY

Secretary

By _____
(Office)

18. This Agreement shall be binding on the successors and assigns of the parties hereto.

19. This Agreement may be executed in four (4) counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound have caused this Agreement to be executed and their corporate seals to be affixed hereunto and attested by their respective duly authorized officers.

Attest:

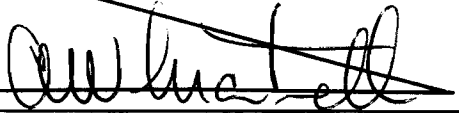


Secretary

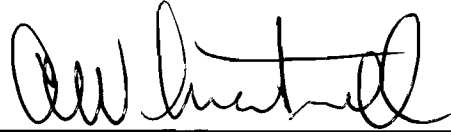
Attest:

Secretary

~~LONG ISLAND RAILROAD COMPANY~~

By 
Executive Vice President (Office)

BUCKEYE PIPELINE COMPANY

By 
(Office)

TRUSTEES OF THE PROPERTY OF
THE PENN CENTRAL TRANSPORTATION
COMPANY

Trustee

Trustee

Trustee

and Railroad in connection with the License Agreement with regard to the Montauk-Blissville Yard Branch.

14. Buckeye, Railroad, Pennsylvania and P.T.&T. hereby agree that in the event the parties are unable to agree upon a re-negotiated right of way compensation payment pursuant to clause 22 of the License Agreement, a reasonable right of way compensation payment shall be determined by arbitration pursuant to clause 36 of said License Agreement, which clause is hereby incorporated by reference.

15. The consummation of the transaction contemplated herein shall constitute the Closing. The Closing shall take place at such time and place and in such manner as may be mutually agreed upon by the parties hereto.

16. Each of the parties hereto represents and warrants that it is a corporation duly organized, validly existing and in good standing in accordance with the laws of its respective state or states of incorporation, that it has full power and authority and legal right to enter into this Agreement, that all corporate action necessary in order to enter into and perform this Agreement has been taken and that the persons executing this Agreement on behalf of the parties hereto are authorized to do so.

17. This Agreement constitutes the entire understanding of the parties with respect to settlement of this dispute.

11. Railroad, Pennsylvania and P.T.&T., hereby severally release Buckeye and Pipe Line from any and all obligations or liabilities of Buckeye and Pipe Line heretofore arising under the License Agreement except as otherwise specifically provided herein.

12. This Agreement shall continue in effect until terminated or modified by written agreement between or among the parties hereto affected by such termination or modification; provided, that Buckeye shall have the right at its option to extend the term of its license for the Montauk-Blissville Yard Branch and the Bay Ridge Branch pursuant to the option granted by clause 23 of the License Agreement which clause is hereby incorporated by reference.

13. Anything to the contrary contained in this Agreement, notwithstanding, it is understood that the effect of this Agreement is the recognition of two separate License Agreements, one between Buckeye and Railroad with respect to the Montauk-Blissville Yard Branch, and the other between Buckeye, Pennsylvania and P.T.&T. with regard to the Bay Ridge Branch. Accordingly, Railroad shall not be a necessary or proper party with regard to any dispute or arbitrable question which may hereafter arise between Buckeye, Pennsylvania and P.T.&T. in connection with the License Agreement with regard to the Bay Ridge Branch and Pennsylvania and P.T.&T. shall not be necessary or proper parties with regard to any dispute or arbitrable question which may hereafter arise between Buckeye

(b) Twenty-Seven Thousand Eight Hundred Fifty-Seven Dollars and Ninety-Eight Cents (\$27,857.98), as the compensation required by the License Agreement for the calendar year 1976, less a credit for any payments which may have previously been made during 1976 except for any payments made under Sections 21(e) or 21(f) of the License Agreement.

9. Section 21 of the License Agreement as it relates to Railroad shall be amended as follows:

(1) Subdivisions (a), (b), (c) and (d) thereof shall be deleted effective as of January 1, 1976 and Subdivisions (e) and (f) shall be redesignated Subdivisions (b) and (c) respectively as of such date.

(2) A new Subdivision (a) shall be added effective January 1, 1977 which provides as follows:

(a) Commencing with the calendar year 1977 and for each succeeding calendar year during the term of this Agreement, or until renegotiation of this compensation under Section 22 of this Agreement, Buckeye shall pay annual compensation on or before March 15 of each calendar year to Railroad in the amount of Twenty-Seven Thousand Eight Hundred Fifty-Seven Dollars and Ninety-Eight Cents (\$27,857.98) with respect to such year for the right and privilege granted pursuant to this Agreement; it being understood that such annual compensation shall be appropriately pro rated in the year in which the License Agreement terminates or such compensation is renegotiated.

10. The License Agreement is hereby terminated as to the Montauk-Glendale Junction Branch, the Montauk-Lynbrook Branch, and the Long Beach Branch.

(2) A new Subdivision (a) shall be added effective January 1, 1977 which provides as follows:

(a) Commencing with the calendar year 1977 and for each succeeding calendar year during the term of this Agreement, or until renegotiation of this compensation under Section 22 of this Agreement, Buckeye shall pay annual compensation on or before March 15 of each calendar year to Pennsylvania in the amount of Seventy-Two Thousand One Hundred Forty-Two Dollars and Two Cents (\$72,142.02) with respect to such year for the right and privilege granted pursuant to this Agreement; it being understood that such annual compensation shall be appropriately pro rated in the year in which the License Agreement terminates or such compensation is renegotiated.

8. At the Closing, as hereinafter defined, Buckeye, by bank or certified check shall pay to Railroad:

(a) Fifty-Five Thousand One Hundred Thirty-Nine Dollars and Six Cents (\$55,139.06), which amount represents the sum of:

(i) The aggregate of the Four Thousand Seven Hundred Twelve Dollars and Seventy-Four Cents (\$4,712.74) difference between (i) the One Hundred Thousand Dollar (\$100,000) minimum annual compensation required by the License Agreement for each of the calendar years 1967 to 1975 inclusive and (ii) the amounts actually paid by Buckeye to Railroad and Pennsylvania during each of the said calendar years; and

(ii) Six percent (6%) simple interest per annum on the Four Thousand Seven Hundred Twelve Dollars and Seventy-Four Cents (\$4,712.74) difference set forth in sub-paragraph (a) above for each of the calendar years 1967 to 1975 inclusive, from the date each said amount was payable.

5. Buckeye, as successor licensee under the License Agreement, hereby confirms the right of P.T.&T. as successor licensor thereunder to annual compensation for Buckeye's license in the Bay Ridge Branch, which compensation shall be computed as provided herein. Buckeye hereby acknowledges receipt of notice of the Lease Agreement and confirms that it will pay directly to Pennsylvania all amounts which P.T.&T. may be entitled to receive from Buckeye under the License Agreement.

6. At the Closing, as hereinafter defined, Buckeye, by bank or certified check shall pay to Pennsylvania:

(a) One Hundred Nine Thousand One Hundred Ten Dollars and Six Cents (\$109,110.06) which amount represents the compensation required by the License Agreement for the period July, 1974, through December, 1975, inclusive; and

(b) Seventy-Two Thousand One Hundred Forty-Two Dollars and Two Cents (\$72,142.02) as the compensation required by the License Agreement for the calendar year 1976, less a credit for any payments which may have previously been made during 1976, except for any payments made under Sections 21(e) or 21(f) of the License Agreement.

7. Section 21 of the License Agreement as it relates to Pennsylvania shall be amended as follows:

(1) Subdivisions (a), (b), (c) and (d) thereof shall be deleted effective as of January 1, 1976 and Subdivisions (e) and (f) shall be redesignated Subdivisions (b) and (c) respectively as of such date.

1. Railroad hereby confirms that the License Agreement is presently operative and subsisting insofar as it concerns the right and privilege to erect, construct, install, use, operate, maintain, repair, renew and remove a pipe line or lines within the limits of the right of way of the Montauk-Blissville Yard Branch, and recognizes that Buckeye is the successor licensee thereunder.

2. Buckeye, as successor licensee under the License Agreement, hereby confirms the right of Railroad thereunder to annual compensation for Buckeye's license in the Montauk-Blissville Yard Branch, which compensation shall be computed as provided herein.

3. Railroad hereby releases, remises and forever quits claims unto Buckeye any interest of Railroad in the Bay Ridge Branch which may be adverse to Buckeye's rights as licensee in the Bay Ridge Branch.

4. Buckeye, P.T.&T. and Pennsylvania hereby acknowledge and agree that the License Agreement shall be regarded as a presently operative, subsisting and binding License Agreement between Buckeye, P.T.&T. and Pennsylvania insofar as it concerns the right and privilege to erect, construct, install, use, operate, maintain, repair, renew, and remove a pipe line or lines within the limits of the right of way of the Bay Ridge Branch, and recognize that Buckeye is the successor licensee thereunder.

WHEREAS, Buckeye installed its pipelines pursuant to the License Agreement in the Bay Ridge Branch and the Montauk-Blissville Yard Branch under circumstances which in the opinion of Buckeye caused the indicated annual compensation under the License Agreement to be \$72,142.02 for occupancy on the Bay Ridge Branch and \$23,145.24 for occupancy on the Montauk-Blissville Yard Branch; subject, however, to the fact that the total of these amounts was \$4,712.74 less than the \$100,000 minimum annual rental payment required by the License Agreement; and

WHEREAS, Buckeye has installed no pipeline facilities on the Montauk-Glendale Junction Branch, the Montauk-Lynnbrook Branch or the Long Beach Branch; and

WHEREAS, these facts coupled with the failure of the MTA Agreement and the Bay Ridge Agreement to recognize the License Agreement have caused a dispute among the parties as to the amount and the division of the annual compensation to be paid by Buckeye pursuant to the License Agreement; and

WHEREAS, the parties hereto are desirous of resolving said dispute on the terms and conditions of settlement as hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual covenants, agreements, representations and warranties herein contained, the parties hereto, intending to be legally bound, agree as follows:

1965, by and between Pennsylvania and the then Metropolitan Commuter Transportation Authority, now Metropolitan Transportation Authority ("M.T.A.") (hereinafter "M.T.A. Agreement"), Pennsylvania sold, transferred and conveyed to M.T.A. one hundred percent (100%) of the shares of capital stock of Railroad; and

WHEREAS, by indenture dated January 20, 1966 by and between Railroad and P.T.&T., (hereinafter the "Bay Ridge Agreement") Railroad did convey, grant and release unto P.T.&T. its successors and assigns, all those certain plots, pieces, or parcels of land therein more particularly set forth, which plots, pieces or parcels comprised the Bay Ridge Branch of Railroad; and

WHEREAS, said Bay Ridge Branch comprises part of the property burdened by the rights of way which are the subject of the License Agreement; and

WHEREAS, neither the M.T.A. Agreement nor the Bay Ridge Agreement mentioned the License Agreement or the division of the annual compensation to be thereafter paid by Buckeye under the License Agreement; and

WHEREAS, pursuant to an agreement dated June 14, 1928, as supplemented and amended, by and between Pennsylvania and P.T.&T. (hereinafter the "Lease Agreement") any amounts which P.T.&T. is entitled to receive from Buckeye under the License Agreement are payable to Pennsylvania; and

30 Rockefeller Plaza, County, City and State of New York, (hereinafter "License Agreement") Railroad granted to Pipe Line, subject to the conditions and liabilities therein provided, the right and privilege to erect, construct, install, use, operate, maintain, repair, renew and remove a pipe line or lines within the limits of the following rights of way of Railroad:

- a) The Bay Ridge Branch between Bay Ridge Yard and Fresh Pond Junction ("Bay Ridge Branch")
- b) The Montauk Branch between Fresh Pond Junction and Glendale Junction ("Montauk-Glendale Junction Branch")
- c) The Montauk Branch between Fresh Pond Junction and Blissville Yard ("Montauk-Blissville Yard Branch")
- d) The Montauk Branch from Rosedale to Lynbrook ("Montauk-Lynbrook Branch")
- e) The Long Beach Branch from Lynbrook to Oceanside ("Long Beach Branch")

WHEREAS, by said License Agreement, Pipe Line agreed to pay certain annual compensation to Railroad for the right to erect, maintain and use the pipe line or lines on the rights of way of Railroad; and

WHEREAS, Buckeye is the successor in interest by reason of its merger with Pipe Line, to the rights, privileges, obligations and liabilities of Pipe Line under said License Agreement; and

WHEREAS, pursuant to an agreement dated December 22,

SETTLEMENT AGREEMENT

AGREEMENT made as of this 1st day of March, 1976 by and among THE LONG ISLAND RAILROAD COMPANY ("Railroad"), a corporation of the state of New York, having its principal offices at Jamaica Station, Sutphin Boulevard and Archer Avenue, Jamaica, Borough and County of Queens, City and State of New York; BUCKEYE PIPELINE COMPANY ("Buckeye"), a corporation of the state of Ohio, having its principal offices at the Chilton Building, 201 King of Prussia Road, Radnor, Pennsylvania; the Trustees of the property of the PENN CENTRAL TRANSPORTATION COMPANY (a Railroad in Reorganization pursuant to Section 77 of the Bankruptcy Act), formerly The Pennsylvania Railroad Company, ("Pennsylvania"), a corporation of the Commonwealth of Pennsylvania, having its principal offices at Six Penn Center Plaza, Philadelphia, Pennsylvania; and the PENNSYLVANIA TUNNEL AND TERMINAL RAILROAD COMPANY ("P.T.&T."), a corporation of the states of New Jersey and New York, having its principal offices at Six Penn Center Plaza, Philadelphia, Pennsylvania.

W I T N E S S E T H:

WHEREAS, by agreement dated June 1, 1965, by and between Railroad and the Long Island Pipe Line Corporation ("Pipe Line"), a corporation of the state of Delaware, then having an office at
