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RECORDATION NO. .... Filed 1425

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AGREEMENT

INTERSTATE COMMERCE COMMISSION

This Agreement, entered into this 20th day of August, 1979, by and between CARGILL, INCORPORATED, a Delaware corporation (hereinafter referred to as "Cargill"), and BRAE CORPORATION, a Delaware corporation (hereinafter referred to as "BRAE").

In consideration of the premises and the mutual covenants contained herein, the parties do hereby agree as follows:

1. BRAE shall lease to a shortline railroad which will make available to originating carriers for assignment to Cargill the 130 covered hopper cars specified in Attachment "A" attached hereto and made a part hereof. Such cars are hereafter collectively referred to as the "Cars".

2. Cargill has obtained written confirmation of the originating carriers' acceptance of the assignment of said Cars and has delivered a copy of each confirmation to BRAE.

3. The Agreement for each Car shall run for five (5) years from the date of initial delivery to the location set forth in the applicable confirmation of assignment. BRAE expressly agrees to exercise all due diligence to complete delivery of the Cars before September 30, 1979.

4. Cargill guarantees BRAE that the Cars assigned under this Agreement will have an average usage of 55 miles per day for the life of this Agreement. In the event that the average usage for the Cars is less than 55 miles per day per Car, Cargill will pay directly to BRAE on a quarterly basis within 30 days of the notice of said deficiency, an amount equal to such deficiency in average mileage times the number of Cars assigned times the railroad marked car mileage car hire rates, pursuant to applicable ICC and AAR rules and regulations. At the end of the year, BRAE shall refund to Cargill mileage deficiency payments made in excess of the guaranteed mileage revenue, based on the full year fleet average mileage. Exceptions to the guarantee on mileage apply to those Cars (1) which are "bad ordered" and for which Mechanical Rule 108 of the AAR Interchange Rules has been invoked, and/or (2) where the repairing party is awaiting from BRAE or its lessee parts necessary for the repair. Any Car subject to these exceptions will be excluded from calculations under the guarantee.

5. In no case shall Cargill be required to meet minimum mileage guarantees when a Car is used in unauthorized service by a third party without Cargill's knowledge and/or consent (assuming assignments are still in effect for all Cars).

6. BRAE shall endeavor to obtain exceptions from ICC Service Orders which by their terms would otherwise deprive Cargill of the use of the Cars in its assigned service. In the event BRAE is unable to obtain exceptions to ICC Service Orders and Cars are diverted from Cargill's use, Cargill shall have no obligations under this Agreement with respect to the Cars affected until such time as the Cars affected are allowed to return to Cargill's assigned service.

7. Cargill shall not consent to the assignment of the Cars or this Agreement to any other party without the prior written consent of BRAE, which consent shall not be unreasonably withheld.

8. Cargill may, after this Agreement has been in effect for two years, at its own discretion, redesignate the Cars as private Cars bearing private markings. Cargill must inform BRAE of its intention to redesignate the Cars, in writing, 90 days prior to the effective date of such action. Cargill will pay directly to BRAE the lesser of \$610.00 or the maximum revenue a Car would generate at the then effective per diem and mileage rates (assuming 93% off-line utilization and average usage of 55 miles per day) per Car per month for the remaining months of the five (5) year term. Also, Cargill will pay BRAE a one time settlement fee of \$75.00 per Car. All costs of this redesignation shall be paid by Cargill. Further, the Lease Agreement between Cargill and BRAE set forth in Attachment "B" attached hereto and made a part hereof, shall become immediately effective and extend for the remaining term of this Agreement.

9. BRAE shall bear the cost of initial delivery of the Cars to the loading point specified by Cargill. In the event any of the Cars shall be rejected because of defects or nonconformity to specifications, all costs and charges associated with return of said cars shall be borne by BRAE.

10. BRAE shall perform or cause to be performed any and all repairs on the Cars and shall pay all costs and expenses associated therewith.

11. This document, including Attachment A, will become effective when signed by all parties. Further, this document contains the entire Agreement of the parties with respect to the subject matter thereof, and no modifications hereto shall be effective unless in writing and signed by all parties. This Agreement shall be governed and construed according to the laws in effect in the State of Minnesota. Any waiver of any of the terms and conditions of this Agreement by all parties shall apply to said instance only and shall not operate as a waiver of any of the terms and conditions with respect to future acts and omissions.

12. Cargill shall have the right to cancel this Agreement without penalty, either in its entirety or with respect to a portion of the Cars, upon written notice to BRAE in the event that its operations are reduced substantially at the assigned locations for a substantial period of time because of fire, explosion, flood, war, acts of God.

13. It is agreed that the utilization of the Cars shall be in compliance with the provisions of the Interstate Commerce Act, the Interstate Commerce Commission's Regulations promulgated thereunder, and the Car Service Rules established by the Association of American Railroads.

14. Cargill recognizes BRAE's right to terminate this Agreement on a car by car basis upon the occurrence of conditions identified in Sections 2B, 3C, 6D, 6E and 8 of the Lease Agreement between BRAE and a shortline railroad, a copy of which is attached hereto as Attachment "C". In that event, Cargill's guarantee on mileage for such cars will also be terminated.

15. Cargill shall be responsible for all damage to the Cars caused by (i) Cargill, its agents or representatives, (ii) anyone while the Cars are in Cargill's possession, (iii) and by any corrosive or abrasive substance loaded therein.

16. BRAE may assign this Agreement as it relates to specified Cars to the owner of such Cars, provided that BRAE or one of its affiliates enters into a management agreement with such owner relating to its Cars. Upon delivery to Cargill of a notice signed by BRAE regarding such assignment and the effectiveness of the related management agreement, (i) the term "BRAE" when used herein shall mean with respect to the Cars covered by such management agreement, the owner of such Cars, (ii) BRAE shall be relieved of all of its obligations and liabilities under this Agreement relating to such Cars and (iii) Cargill

with respect to such Cars shall look solely to the owner of such Cars for the performance of BRAE's obligations hereunder. Cargill agrees that any such assignment may relate to one or all of the Cars subject to this Agreement.

17. In the event that any Car is destroyed or damaged to such an extent that repair is uneconomic in BRAE's judgment, such Car shall without further act by either party be removed from the coverage of this Agreement as of the date the damage occurred. BRAE may, but need not, replace such Car with another railcar of a similar type, capacity and condition.

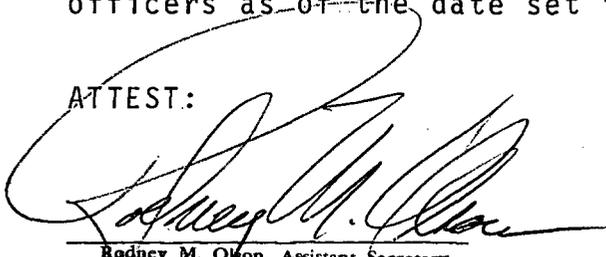
18. Cargill agrees to use the cars predominantly within the boundaries of the continental United States.

19. In the event that the assignment with the originating carrier referred to in Paragraph 2 is terminated or is no longer in effect with respect to some or all of the Cars and Cargill has not obtained an assignment from another originating carrier, Cargill's obligations under Paragraph 4 shall immediately cease with respect to such Car or Cars and such Cars without action by either party shall immediately be subject to the full service lease agreement annexed hereto as Attachment "B". The fixed rental under such lease shall be \$494 per Car per month. However, Cargill, at its option, upon notification to BRAE, may postpone the immediate changeover from the terminated assignment to the full service lease agreement in order to secure another originating carrier and subsequent assignment. In such event, Cargill shall guarantee BRAE revenues equal to that which the Cars would earn if utilization of the Cars off the shortline were 100% and the Cars travelled an average of 55 miles per day. Furthermore, should the Cars be subject to the full service lease and should Cargill thereafter find an originating carrier or carriers providing a subsequent assignment or assignments, Cargill shall have the right, at its option, to revert to the terms of this Agreement. Should Cargill switch a Car or Cars from assignment with an originating carrier or carriers to the full service lease agreement or the reverse, the only cost to be borne by Cargill, aside from those described in this paragraph, shall be for the remarking and re-stenciling of the Cars. Cargill shall change a Car from the Mileage obligation status to a full service lease, or the reverse, only upon ten (10) days notice in writing to BRAE. Upon receipt of such notice, BRAE shall be responsible for all registrations with or approvals from the appropriate governmental authorities and other required parties. Should Cargill suffer any loss

of use because of delay due to the fault of BRAE, BRAE shall cause an abatement of Cargill's obligations on a pro rata basis, to be effected on Cargill's mileage obligation or rent under the full service agreement. The provisions of this paragraph shall apply to any or all of the Cars at Cargill's option.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers as of the date set forth above.

ATTEST:

  
Rodney M. Olson, Assistant Secretary

ATTEST:

Ernest L. Brazil

CARGILL, INCORPORATED

By: John J. Mogush  
Its: John J. Mogush, Division Vice President

BRAE CORPORATION

By: Tim Gaff  
Its: Vice President-Marketing

ATTACHMENT A

EQUIPMENT SCHEDULE

<u>AAR Mech. Design</u>	<u>Description</u>	<u>Numbers</u>	<u>Length</u>	<u>Width</u>	<u>Number of Cars</u>
L0	100 Ton, 4650 cu. ft. Covered Hopper	WAR 14100- 14229	49' 9"	10' - 7 3/8"	130