WYCHE, BURGESS, FREEMAN & PARHAM
PROFESSIONAL ASSOCIATION
ATTORNEYS AT LAW
GREENVILLE, SOUTH CAROLINA 29603

C. GRANVILLE WYCHE
ALFRED F. BURGESS
C. THOMAS WYCHE
DAVID L. FREEMAN
JAMES C. PARHAM, JR.
JAMES M. SHOEMAKER, JR.
WILLIAM W. KEHL
CHARLES W. WOFFORD
LARRY D. ESTRIDGE
D. ALLEN GRUMBINE
CARY H. HALL, JR.
CARL F. MULLER

POST OFFICE BOX 10207
44 EAST CAMPERDOWN WAY
CABLE ADDRESS: JURAL
TELEPHONE 803-242-3131

December 27, 1978

RECORDATION NO. 9958-A Filed 1425

Interstate Commerce Commission
12th & Constitutional Avenues
Washington, D. C. 20423

DEC 27 1978 -3 40 PM
INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 9958 Filed 1425

DEC 27 1978 -3 40 PM
INTERSTATE COMMERCE COMMISSION

Attention: Mrs. Lee, Room 1227

Dear Mrs. Lee:

I transmit for filing the following documents:

Management Agreement dated as of December 27, 1978 between National Railway Utilization Corporation and John H. Rees , Owner, covering five (5) XM 70-ton, 50'6" Boxcars bearing Road Numbers NSL 150477-NSL 150481 (both inclusive).

Security Agreement between The South Carolina National Bank, as Secured Party, and John H. Rees, the Debtor.

The address for National Railway Utilization Corporation is 1100 Centre Square East, 1500 Market Street, Philadelphia, Pennsylvania 19102.

The address for The South Carolina National Bank is P. O. Box 969, Greenville, S. C. 29602.

The address for John H. Rees , (as Owner and Debtor) is National Railway Utilization Corporation, 1100 Centre Square E., 1500 Market Street, Philadelphia, Pa. 19102.
Our check is enclosed to cover the filing fee in the amount of $100.00 for both documents. Please return the original and one certified copy to William W. Kehl, Esquire, P. O. Box 10207, Greenville, S. C. 29603, with the recording certification data stamped thereon.

Very truly yours,

William W. Kehl

WWK:bjm

Enclosures

THIS AGREEMENT HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR THE APPLICABLE SECURITIES ACT OF ANY STATE. NO OFFER TO SELL, SALE OR OTHER TRANSFER OF THIS AGREEMENT OR THE RIGHTS HEREUNDER MAY BE MADE UNLESS A REGISTRATION UNDER SUCH ACTS IS IN EFFECT, OR AN EXEMPTION FROM THE REGISTRATION PROVISIONS OF SUCH ACTS IS THEN APPLICABLE.

RECORDATION NO. 9958 Filed 1425

DEC 27 1978 -3 40 PM

INTERSTATE COMMERCE COMMISSION

MANAGEMENT AGREEMENT

THIS AGREEMENT, dated as of December 27, 1978, between NATIONAL RAILWAY UTILIZATION CORPORATION (NRUC) and John H. Rees (Owner).

W I T N E S S E T H :

WHEREAS, the Owner has executed and delivered to The South Carolina National Bank as Lender (the Lender), a Security Agreement dated as of December 27, 1978 (the Security Agreement) with respect to Five (5) 70-ton 50' 6" boxcars which are to bear railroad numbers NSL 150477 - NSL 150481 (the Equipment, and each such boxcar being herein referred to as a Unit), by the terms of which the Owner has granted security interest in the Equipment to secure the obligations of Owner under a certain note to the Lender, and

WHEREAS, the Owner has agreed under the Security Agreement to do and perform certain things with respect to the management, maintenance and operation of the Equipment and, consequently, the Owner desires to retain the services of NRUC, as agent of the Owner, for such purpose; and

WHEREAS, NRUC is willing to accept such appointment as agent, to perform on behalf of the Owner all duties and obligations of the Owner under the Security Agreement and to manage the Equipment for the account of the Owner during the term of this Agreement;

NOW THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

1. Appointment of Agent; Acceptance. Subject to the terms and conditions of this Agreement, the Owner hereby appoints NRUC as agent of the Owner for the purposes herein stated and NRUC hereby accepts such appointment. In such connection, NRUC acknowledges receipt of an executed copy of the Security Agreement and hereby agrees that in the performance of its duties as agent hereunder it shall be bound by the terms and provisions

thereof and that its rights hereunder and the rights of any railroad with which NRUC, on behalf of the Owner, shall have executed a per diem lease in accordance herewith, shall be subject and subordinate to the rights of the Lender under the Security Agreement.

2. Term. This Agreement shall remain in force until it shall have been terminated as to all of the Units of Equipment. The term of this Agreement with respect to each Unit shall commence on the date of delivery of such Unit as provided in Section 3 and shall continue until July 31, 1984, unless sooner terminated as hereinafter provided.

3. Delivery and Acceptance of Units. Upon delivery of each Unit of the Equipment to a point designated by NRUC, NRUC will inspect the same and, if such Unit shall be found to be in good order, accept the same for the Owner by executing the Certificate of Acceptance in the form attached hereto as Exhibit A. Upon execution of such Certificate of Acceptance such Unit shall be deemed to be subject to this Agreement. NRUC agrees to deliver to the Owner and the Lender executed copies of all such Certificates of Acceptance.

4. Management Duties. The agency and management functions to be performed by NRUC hereunder shall include those set forth in the Security Agreement and, to the extent not inconsistent therewith, those specifically set forth in this Section 4 and such other duties and responsibilities as shall be agreed upon from time to time by the parties hereto, with the prior written consent of the Lender:

A. NRUC shall manage and arrange for the utilization of the Units at NRUC's complete discretion and shall perform all necessary administrative acts to ensure the proper utilization of said Units and the protection of the Lender's and the Owner's interest therein.

B. NRUC shall make available for the Units the markings of a railroad controlled by NRUC or with which NRUC has executed a per diem lease. NRUC agrees that on or before acceptance of the Units by NRUC, the Units shall have affixed thereto the markings required by the Security Agreement and shall be lettered with such railroad markings and the name and/or other insignia used by such railroad. Such name or insignia shall comply with all applicable regulations. The NRUC logotype insignia may be affixed to each side of the Units in standard size.

C. NRUC shall prepare all documents for filing relating to the registration, maintenance and record keeping functions for the Units in accordance with Association of American Railroad (AAR) interchange agreements. Such matters shall include, but shall not be limited to, the preparation of the following documents: (i) appropriate AAR interchange agreements with respect to the Units; (ii) registration for each Unit in the Official Railway Equipment Register and the Universal Machine Language Equipment Register directing, inter alia, that all correspondence from railroads using such Units shall be addressed to NRUC; and (iii) such reports as may be required from time to time by the Interstate Commerce Commission (ICC) and other regulatory agencies with respect to the Units. Any record keeping performed by NRUC and all records of payments and charges and all correspondence relating to the Units shall be separately recorded and maintained by NRUC in a form suitable for reasonable inspection by the Lender and the Owner from time to time during regular business hours of NRUC. NRUC shall supply the Lender and the Owner with such reports regarding the use of the Units as the Lender and the Owner may reasonably request.

D. NRUC shall perform all car accounting services for the Units and send reports to the Lender and the Owner on a quarterly basis itemizing all revenues by Unit number.

E. Except for property taxes (which shall be payable, if at all, by the Owner), and certain expenses set forth in Section 5 G NRUC, as agent, will pay all costs, expenses, fees and charges incurred in connection with the use and operation of each Unit during the term of this Agreement, including but not limited to all liability and property damage insurance, government fees, repairs, maintenance and servicing. NRUC agrees to pay such amount to the person entitled thereto and to send reports to the Lender and the Owner on a quarterly basis itemizing all such payments by Unit number. The Owner hereby transfers and assigns to NRUC for and during the term of this Agreement all of its right, title and interest in any warranty in respect to the Units. Any recovery under such warranty shall be made payable to NRUC. All proceeds from such recovery shall be used to repair or replace the Units.

F. NRUC shall make or cause to be made such inspections of and maintenance and repairs to the Units as may be required. NRUC shall also make or cause to be made, at its expense, all alterations, modifications, or replacements of parts as shall be necessary to maintain the Units in good operating condition (ordinary wear and tear excepted), in accordance with applicable standards set forth in the Security Agreement, throughout the term of this Agreement. NRUC shall be responsible for arranging repairs and maintenance at its expense.

G. NRUC shall collect and receive all mileage charges, car hire revenues (including both basic per diem and incentive per diem paid by other railroads with respect to the Units) and all other revenues, and shall pay such revenues actually received by it to the Owner quarterly on April 15, July 15, October 15, and January 15 of each year, provided, however, that because under current ICC regulations, incentive per diem earned by the boxcars subject to this agreement cannot be paid directly to the Owner, NRUC shall credit to the account of the Owner an amount equal to the incentive per diem received with respect to the Units and pay such amount from its other unrestricted funds. NRUC may deduct from revenues, the management fee provided in Section 5 and the maintenance fee provided in Section 6, movement and storage expenses, ad valorem taxes and car hire reclaim allowed to any railroad by NRUC, provided further that NRUC shall not deduct its management fee from revenues unless such revenues (together with any funds of Owner held by the Agent referred to hereinafter) are sufficient to pay the Lender $2,470.65 per boxcar on July 31, 1979 and $1,383.32 per boxcar on subsequent quarterly payment dates. If NRUC is not permitted to deduct its management fee, such fee shall be accrued and shall be deducted when, and only to the extent, that revenue on future payment dates hereunder are sufficient to the foregoing debt service and maintenance fee. Any accrued management fee not paid at termination or expiration of this Agreement (including any extension hereof) shall be waived.

H. Unless otherwise directed by Owner NRUC shall pool the car hire and mileage revenues and expenses of the Units with

the income and expenses of 46 boxcars or such lesser number as are owned by persons who have executed the Agency Agreement with South Carolina National Bank dated as of December 27, 1978. All such income generated by such boxcars will be computed on a quarterly basis. Subject to the provisions of Section 4G, all expenses incurred in connection with the ownership, management, operation and use of such boxcars for which the owners are responsible, will be deducted from the pooled revenues and the remaining amount will be credited to the owners pro rata on a per boxcar basis. Pooling of revenues and expenses shall terminate upon destruction of a boxcar. Owner may remove any boxcar from pooling upon written notice to NRUC to be effective commencing on the first day of the following calendar quarter.

It is understood and agreed that NRUC is managing other railroad equipment for its own account and that NRUC may have conflicts of interest between the management of the Owner's Units and other railroad equipment owned, controlled or managed by NRUC. Although there can be no assurance that the Owner's Units will earn revenues equal to those of other railroad equipment owned, controlled or managed by NRUC, NRUC agrees to use reasonable efforts to integrate the Owner's Units into the fleet of railroad equipment controlled by NRUC and to manage the Owner's Units in a manner consistent with the management by NRUC of other railroad equipment. NRUC shall have no liability under this Agreement except for fraud, bad faith or gross mismanagement.

5. Management Fees. In consideration of the management services performed by NRUC, the Owner agrees to pay NRUC subject to the provisions of Section 4G 22 1/2% of all revenues earned by the Owner's Units (net of reclaims); provided, however, that the management fee shall under no circumstances be less than $2.40 per Unit per day. If, because of the foregoing sentence, the management fee exceeds 22 1/2% of revenues for any calendar year, the Owner shall have the right to terminate this Agreement.

6. Maintenance Fee. The Owner shall pay to NRUC a maintenance fee of $1.96 per Unit per day durin g th term of this Agreement. The maintenance fee shall be held in escrow by NRUC in an account completely segregated from all other funds of NRUC. The funds in such account shall only be used for maintenance. At the termination of this Agreement any funds not expended for maintenance shall be retained by NRUC; provided, however, the Owner shall have the right to inspect the Units at the termi-

nation of this Agreement to determine that the Units are in good working order and repair (normal wear and tear excepted) and NRUC shall cause to be made at its expense such repairs as are necessary to restore the Units to such condition. The maintenance fee shall be subject to increase (but not decrease) as follows:

If the labor rate established by the Association of American Railroads and in effect on December 31 of each year commencing December 31, 1978 (the Prevailing Labor Rate) shall differ from the labor rate so established and in effect on the date hereof (the Current Labor Rate), the maintenance fee shall be adjusted to be the product obtained by multiplying the maintenance fee by a fraction, the numerator of which is the Prevailing Labor Rate and the denominator of which shall be such Current Labor Rate. Any such adjustment shall be instituted by notice from NRUC to the Owner and Lender and shall take effect with respect to maintenance fees coming due next after the date of such notice; provided, however, that no adjustment shall be made which would reduce the maintenance fee below the initial maintenance fee.

7. Insurance. NRUC will, at all times while this Agreement is in effect and at its own expense, cause to be carried and maintained all risk, physical loss and damage insurance in the amount of $42,750 with respect to all Units subject hereto. Such insurance may provide for a $500 deductible per Unit. NRUC will also cause to be carried and maintained public liability insurance in an amount not less than $3,000,000. NRUC will will furnish to the Owner and the Lender, concurrently with the execution hereof and thereafter at intervals of not more than twelve (12) calendar months, proof of insurance coverage for the ensuing year. NRUC will agree to advise the Owner and the Lender promptly of any lapse of any such insurance or of any default of payment of any premium and of any other act or omission of NRUC of which it has knowledge which might, in its opinion, invalidate or render unenforceable, in whole or in part, any insurance on the Units. All insurance shall be taken out in the name of, and losses paid thereunder shall be payable to, NRUC, the Owner and the Lender, as their interest may appear. The policies or certificates shall provide that there shall be no recourse against the Owner or the Lender for the payment of premiums and shall provide for at least thirty (30) business

days' prior written notice to be given to the insureds by the underwriters in the event of cancellation. If NRUC shall default in the payment of any premium in respect of any such insurance policies, the Owner or the Lender may, but shall not be obliged to, pay such premium, and if either the Owner or the Lender shall do so, NRUC shall repay the amount thereof to the Owner or the Lender on demand, together with interest in the amount of 11 1/2% per annum.

8. Possession and Use. NRUC, as agent, shall be entitled to the possession of the Units and shall also be entitled (i) to the use of the Units by it or any affiliate upon lines of railroads owned or operated by it or any affiliate or upon lines of railroads over which NRUC or any such affiliate has trackage or other operating rights or over which railroad equipment of NRUC or any such affiliate is regularly operated pursuant to contract; (ii) to permit the use of the Units upon connecting and other carriers in the usual interchange of traffic or pursuant to run-through agreements; and (iii) to lease any Unit or Units to other companies incorporated under the laws of any state of the United States or the District of Columbia, for use in connection with their operations, but only upon and subject to all the terms and conditions of this Agreement and the Security Agreement. NRUC shall not assign or permit the assignment of any Unit to service involving the regular operation and maintenance thereof outside the United States of America.

NRUC agrees that to the extent it has physical possession and can control use of the Units, the Units will at all times be used and operated under and in compliance with the laws of the jurisdiction in which the same may be located and in compliance with all lawful acts, rules and regulations and orders of any governmental bodies or officers having power to regulate or supervise the use of such property, except that either the Owner or NRUC may in good faith and by appropriate proceedings contest the application of any such rule, regulation, or order in any reasonable manner at the expense of the contesting party. NRUC will not directly or indirectly create, incur, assume or suffer to exist, any mortgage, pledge, lien, charge, encumbrance or other security interest or claim on or with respect to the Units or any interest therein or in this Agreement, except the rights of the Lender under the Security Agreement. NRUC will promptly,

at its expense, take such action as may be necessary to duly discharge any such mortgage, pledge, lien, charge, encumbrances, security interest, or claim if the same shall arise at any time by persons claiming through or under NRUC.

9. Default.

A. The occurrence of any of the followinng events shall be Events of Default hereunder:

(i) The nonpayment by either party of any sum required hereunder to be paid by the other party within 10 days after notice thereof;

(ii) The default by either party under any other term, covenant or condition of this Agreement which is not cured with 10 days after notice thereof from such party.

(iii) Any affirmative act of insolvency by NRUC, or the filing by NRUC of any petition or action under any bankruptcy, reorganization, insolvency, or moratorium law, or any other law or laws for the relief of, or relating to, debtors.

(iv) The filing of any involuntary petition under any bankruptcy, reorganization, insolvency or moratorium law against NRUC that is not dismissed within sixty (60) days thereafter, or the appointment of any receiver or trustee to take possession of the properties of NRUC, unless such petition or appointment is set aside or withdrawn or ceases to be in effect within sixty (60) days from the date of said filing or appointment.

(v) The subjecting of any of the property of NRUC to any levy, seizure, assignment, application or sale for or by any creditor or governmental agency which substantially impairs the capacity of NRUC to fulfill its obligations under this Agreement.

10. Remedies Upon Default.

A. Upon the occurrence of any Event of Default by one party to this Agreement, the other party may terminate this Agreement and proceed by appropriate court action to enfore performance by the other party of this Agreement and to recover direct financial damages which result from a breach thereof and such defaulting party shall bear the other party's costs and expenses, including resonable attorneys' fees, in securing such enforcement;

B. In the event of default by NRUC, the Owner may by notice in writing to NRUC, terminate the right of possession of NRUC of the Units, whereupon all right and interest of NRUC in the Units shall terminate; and thereupon the Owner may by its agents enter upon any premises where the Units may be located and take possession of them and henceforth hold, possess and enjoy the same free from any right of NRUC;

C. In the event of default by the Owner, NRUC, by notice in writing to the Owner, may terminate its obligations hereunder.

11. Termination. At the expiration or termination of this Agreement as to any Units NRUC will surrender possession of such Units to the Owner by delivering the same to such location as the Owner shall reasonably designate. The assembling, delivery, storage and transporting of the Units shall be at the expense and risk of the Owner except in the event of a termination by reason of a default by NRUC under section 9 of this Agreement. A Unit shall be deemed terminated and no longer subject to this Agreement upon removal of the railroad markings from the Unit placed thereon by NRUC and the placing thereon of such markings as may be designated by the Owner.

NRUC, at the expense of the Owner will arrange for storage of the Units for such period of time as shall be required by the Owner or the Lender, provided, that if such termination results from a default by NRUC under Section 9 of this Agreement, NRUC shall arrange for storage of the Units at its expense for 90 days.

If such Units are not on the railroad line of NRUC or its affiliates upon the expiration or termination of this Agreement, all costs of assembling, delivering, storing, and transporting such Units, except as provided above, to NRUC's railroad line or the railroad line of a subsequent agent, purchaser or lessee shall be borne by the Owner.

From and after termination of this Agreement with respect to any Unit and until its return to the Owner, all revenues earned by such Unit shall be paid to the Owner after deducting the management fee provided in Section 5.

12. Indemnities. NRUC will defend, indemnify and hold harmless the Owner from and against:

A. Any and all loss or damage of or to the Units, usual wear and tear excepted;

B. Any claim, cause of action, damage, liability, costs or expense (including legal fees and costs to which the Units may be subject or which may be incurred in any manner by or for the account of any such Unit) as a result of the use, maintenance, repair, replacement, operation or the condition thereof.

13. Warranties and Covenants. NRUC represents, warrants and covenants that:

A. NRUC is a corporation duly organized, validly existing and in good standing under the laws of the State of South Carolina and has the corporate power and authority, and is duly qualified and authorized to do business wherever necessary, to carry out its present business and operations and to own or hold its properties and to perform its obligations under this Agreement.

B. The entering into and performance of this Agreement will not violate any judgment, order, law or regulation applicable to NRUC, or result in any breach of or constitute a default under, or result in the creation of any lien, charge, security interest or other encumbrance upon any assets of NRUC or on the Units pursuant to any instrument to which NRUC is a party or by which it or its assets may be bound.

C. There is no action, suit or proceeding pending or threatened against NRUC before any court or administrative agency or other governmental body which, if adversely determined, might have a material adverse effect on the business properties, assets or condition, financial or otherwise, of NRUC.

D. NRUC is not a party to any agreement or instrument or subject to any charter or other corporate restriction which, so far as NRUC can now reasonably foresee, will individually or in the aggregate materially adversely affect the business, condition or any material portion of the properties of NRUC or the ability of NRUC to perform its obligations under this Agreement.

E. Neither NRUC nor its counsel knows of any requirements for recording, filing or depositing this Agreement other than pursuant to Section 20c of the Interstate Commerce Act, which is necessary to preserve

or protect the title of the Vendor in the United States of America.

14. Lease and Assignment.

A. NRUC shall not have the right to assign this Agreement without the prior written consent of the Owner and the Lender.

B. All rights of the Owner hereunder are hereby assigned, pledged, mortgaged, transferred by the Owner to the Lender as additional security for the obligations of the Owner under the Note and Security Agreement and NRUC hereby acknowledges such assignment and agrees to pay all revenues and other monies due to the Owner hereunder directly to The South Carolina National Bank, Agent under Agreement dated December 27, 1978, (the Agent) to be held and disbursed as provided therein. This Agreement and NRUC's rights hereunder are and shall be subject and subordinate to the rights of the Lender under the Security Agreement.

The making of the foregoing assignment by the Owner shall not serve to relieve the Owner of any liability or undertaking hereunder, nor shall such assignment impose any liability or undertaking hereunder upon the Lender.

15. Miscellaneous.

A. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

B. Any notice required or permitted to be given by one party to another hereunder shall be property given when made in writing, deposited in the United States mail, registered or certified, postage prepaid, addressed to:

OWNER at:	The address set forth on the execution page hereof.
NRUC at:	1100 Centre Square East 1500 Walnut Street Philadelphia, Pennsylvania 19102
LENDER at:	P. O. Drawer 969 Greenville, South Carolina Attention: Mr. Charles Cecil
AGENT at:	P. O. Drawer 969 Greenville, South Carolina Attention: Trust Officer

or such other address as such person may from time to time designate by such notice in writing to the other.

C. NRUC shall take all action requested by the Owner or the Lender to confirm the interest of the Owner or the Lender in the Units and that NRUC has no interest in the Units other than as Agent hereunder.

D. During the continuance of this Agreement, the Owner and the Lender shall have the right at their own cost and expense, to inspect the Units at any reasonable time or times wherever the Units may be.

E. No failure or delay by either party shall constitute a waiver or otherwise affect or impair any right, power or remedy available to such party nor shall any waiver or indulgence by either party or any partial or single exercise of any right, power or remedy preclude any other or further exercise thereof or the exercise of any other right power or remedy.

F. This Agreement shall be governed by and construed according to the laws of the State of South Carolina.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date above written.

NATIONAL RAILWAY UTILIZATION CORPORATION

By: [signature]
Title: Exec. V. President

ATTEST:

[signature]
Title: Asst. Secretary

[signature]
OWNER John H. Rees
1100 Centre Square East
1500 Market Street
Street or Post Office Address

Philadelphia, Pa. 19102
City and State

STATE OF Pennsylvania
COUNTY OF Philadelphia)

On this 27th day of December, 1978, before me personally appeared John Marquette to me personally known, who, being by me duly sworn, says that he is a Vice-President of National Railway Utilization Corporation, and J. W. Stupp, to me personally known to be the Secretary of said corporation; that the seal affixed to the foregoing instrument is the corporate seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Darlene Marquette
Notary Public
DARLENE MARQUETTE
Notary Public, Phila., Phila. Co.
My Commission Expires Sept. 13,
My Commission Expires

STATE OF PENNSYLVANIA)
COUNTY OF PHILADELPHIA)

On this 27th day of December, 1978, before me personally appeared John H. Rees to me personally known, being by me duly sworn, says that he signed the Management Agreement, and he acknowledges that the execution of the foregoing instrument was his free act and deed.

Darlene Marquette
Notary Public
DARLENE MARQUETTE
Notary Public, Phila., Phila. Co.
My Commission Expires Sept. 13,
My Commission Expires

(Seal)

EXHIBIT A

CERTIFICATE OF ACCEPTANCE

The undersigned, being a duly authorized inspector for National Railway Utilization Corporation (NRUC) as Manager under a Management Agreement dated as of December 27, 1978, hereby certifies that he has made an inspection of _____ boxcar(s) bearing number(s) as follows:

that he has fully and finally accepted such boxcars on behalf of NRUC and on behalf of _____ as Owner, and that each of said boxcars confirms to and fully complies with the terms of said Management Agreement and is in condition satisfactory to NRUC.

_____

AUTHORIZED INSPECTOR