

UNION-TIDEWATER FINANCIAL COMPANY, INC.

P.O. BOX 2373
BALTIMORE & ST. PAUL STS.
BALTIMORE, MARYLAND 21203
Area Code (301) 539-2250

- LESSOR -

EQUIPMENT LEASE

NO. 121-8-1

THE ATTACHED ADDENDA IS AN INTEGRAL PART OF THIS LEASE CONTRACT

EQUIPMENT LEASED

7716

QUANTITY	Model, Catalog, Serial Number or Other Description	RECORDATION NO.	Filed & Recd?
(22)	50 ton 40'6" wood lined general purpose boxcars, Class "XM", rebuilt according to the Association of American Railroads and the Interstate Commerce Commission rules and regulations, having a stipulated value of \$9,850.00 per boxcar. Each boxcar carries a serial number as follows: M.P.A. 15112, M.P.A. 15186, M.P.A. 15213, M.P.A. 15220, M.P.A. 15221, M.P.A. 15231, M.P.A. 15234; M.P.A. 15235, M.P.A. 15237, M.P.A. 15239, M.P.A. 16131, M.P.A. 16135, M.P.A. 16139, M.P.A. 16146, M.P.A. 16148, M.P.A. 16153, M.P.A. 16154, M.P.A. 16155, M.P.A. 16156, M.P.A. 16158, M.P.A. 16159, M.P.A. 16162.	NOV 18 1974 9:00 AM INTERSTATE COMMERCE COMMISSION	
TOTAL VALUE		\$216,700.00	
<p>*Interest rate to be adjusted quarterly in advance at the rate of 2½% over the average prime rate as published by the five (5) major New York City Banks on the last day of October, January, April and July, and payable monthly in advance on unpaid rentals.</p>			
<p>GUARANTEED PURCHASE OPTION AT END OF BASE LEASE TERM \$492.60 EACH BOXCAR.</p>			

Location of Equipment: Various
Address of Lessee: 490 East Market Street, York, Pennsylvania 17403

SCHEDULE OF RENTAL PAYMENTS FOR BASE LEASE TERM

ANNUAL RENEWAL
AFTER BASE LEASE TERM

No. of Years	No. of Rental Payments	Rental Payment Period — (Monthly, Quarterly, etc.)	Amount of Each Rental Payment	Date of Commencement of Base Lease Term	Security Deposit or Advance Rentals	ANNUAL RENEWAL AFTER BASE LEASE TERM
9	108	Monthly	\$2,006.48 *Plus int.	November 1, 1974	None	<p>2,167.00 \$_____ Annually in advance for a maximum of five (5) Years.</p>

TERMS AND CONDITIONS OF LEASE

1. Lessor leases to Lessee and Lessee rents from Lessor the equipment listed above, or if separately scheduled, in the schedule hereto annexed as Schedule "A" and made a part hereof (said equipment hereinafter referred to as the "Equipment"). The Equipment shall be located and maintained at the address stated above, and, except in the case of movable Equipment regularly used in Lessee's business, shall not be removed therefrom without Lessor's prior written consent. Any amounts received by Lessor, at or prior to the date of this Agreement, in excess of the first periodic rental, shall be held as security for the performance of the terms of this Agreement, and Lessor may, but shall not be required to, apply same to any overdue financial obligation of Lessee. If Lessee is not then in default under this or any other lease with Lessor, the balance of said deposit shall be refunded at termination of this lease; if such amount is indicated above as "advance rental", it shall be applied toward the rentals last becoming due under this Agreement. If Lessee shall have duly performed all terms and conditions of this Agreement, Lessee shall have the option, at the expiration of the Base Term set forth above, to renew this Agreement and Lease under the same terms and conditions hereof, from year to year, at the rental set forth above as "Annual Renewal Rental". Said option shall be exercised by the Lessee giving Lessor or its assignee notice in writing not less than thirty (30) days before the expiration of said Base Term, or within thirty (30), but not less than ten (10) days prior to the expiration of any annual renewal period.

(SEE REVERSE SIDE FOR ADDITIONAL TERMS AND CONDITIONS)

APPROVED THIS <u>6</u> DAY OF <u>November</u> 19 <u>74</u> UNION-TIDEWATER FINANCIAL COMPANY, INC. BY <u>Eliot P. Hurd</u> TITLE <u>President</u> ATTEST or WITNESS _____	EXECUTED THIS <u>6</u> DAY OF <u>November</u> 19 <u>74</u> NAME OF LESSEE <u>MARYLAND AND PENNSYLVANIA RAILROAD COMPANY</u> (Correct Legal Name) BY <u>Herman Lazarus</u> TITLE <u>Pres</u> Authorized Corporate Officer, Proprietor or General Partner ATTEST or WITNESS _____
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NOV 13 1975

ADDENDA TO LEASE CONTRACT NO. 121-8-1MINNESOTA COMMERCE COMMISSION

12. **INSURANCE; LOSS AND DAMAGE; INDEMNITIES:** Lessee assumes the entire risk of loss or casualty from hazards, and no such loss shall relieve Lessee of its obligations hereunder, including the obligation to pay rental as set forth herein. Lessee agrees to and does hereby indemnify and hold Lessor harmless of, from and against all claims, costs, expenses, damages and liabilities, including reasonable attorneys' fees and court costs, arising out of, connected with or resulting from the Equipment, including without limitation, its manufacture, delivery, possession, installation, use or operation, and without regard as to whether such claim is based upon warranty, negligence, strict liability or otherwise. Lessee shall and hereby agrees to maintain in force during the term of this Agreement, adequate public liability insurance covering the Equipment and insuring both Lessee and Lessor against any loss, damage, claim, suit, action or liability arising out of the ownership, possession, maintenance, use or operation of the Equipment. In the event of any loss, damage, injury or accident involving the Equipment, Lessee shall promptly provide Lessor with written notice thereof and make available to Lessor all information and documentation relating thereto. Lessee hereby appoints Lessor as its attorney-in-fact to make claim for and to receive payments of and to execute and endorse all documents, checks or drafts for loss or damage or return premiums under any insurance policy issued. All proceeds of such insurance, whether resulting from loss, damage, return premium or otherwise shall be applied toward the replacement or repair of the Equipment, or, at the option of Lessor, to the payment of all rentals unpaid with respect to such Equipment, accrued interest, plus 5% of the original value of the damaged Equipment.
13. **REMEDIES:** Upon the happening of any event of default hereunder, Lessor may, at its sole election and without demand or notice of any kind, (a) Declare all obligations of Lessee under this Agreement to be due and payable, and sue for and recover from Lessee all arrears of rent and the balance of all rentals provided for herein, or in any renewal hereof, plus all other sums which may be payable hereunder, and court costs and reasonable attorneys' fees; (b) Take possession of any or all Equipment, wherever located, without court order or other process of law, LESSEE HEREBY WAIVING ALL RIGHTS (CONSTITUTIONAL OR OTHERWISE) TO EITHER NOTICE OF COURT PROCEEDING OR HEARING PRIOR TO SUCH TAKING and also hereby waiving all damages caused by such taking, and Lessee agrees that such taking shall not constitute termination of this Lease or Lessee's obligation hereunder as to any and all equipment unless Lessor expressly notifies Lessee thereof in writing; (c) Terminate this Lease as to any or all Equipment or terminate any other lease or agreement between Lessor and Lessee; and (d) Pursue any other remedy provided by applicable law and the Uniform Commercial Code, whether at law or in equity. In the event Equipment is repossessed by or surrendered to Lessor, Lessor may, in its sole discretion and without obligation so to do, re-lease the Equipment, or may use the Equipment or sell or otherwise dispose of the Equipment at public or private sale, with or without notice, for cash or credit, and Lessor may become a purchaser at any such sale. Lessor, in addition to the foregoing remedies, is entitled to

recover on demand (i) all unpaid rent accruing prior to repossession or surrender and (ii), an amount equal to the difference between: The aggregate rent reserved for the unexpired term of the Lease, less the "Unexpired Rental Value". The Unexpired Rental Value shall mean present value of the fair market rental value of the Equipment for the unexpired term of this Lease, or, if the Equipment is sold or re-leased, the proceeds of sale or the then present value of the rental payments to be received by Lessor for the unexpired term of this Lease, less in each case all of the Lessor's expenses of taking, storing, preparing for sale or re-lease, repair, attorneys' fees, costs or other expenses incurred in connection with the repossession and sale or re-lease of the Equipment. All of the rights and remedies given to Lessor herein or by law are cumulative and not alternative, may be exercised concurrently or separately, and Lessor's bringing of any action for Lessee's obligations hereunder or Lessor's exercise of any other remedy provided herein, shall not be considered as an election of remedies or a waiver of Lessor's right to possession of the Equipment.

COMMONWEALTH OF PENNSYLVANIA)

SS.:

COUNTY OF YORK)

On **November 6, 1974**, before me came
Herman Lazarus, to me known, who being by me duly
sworn, did depose and say that he resides at **555 Ardmore Lane,**
York, Pennsylvania
that he is the **President** of the Maryland and Pennsylvania
Railroad 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.

Edyze Howatovic
Notary Public

MY COMMISSION EXPIRES
JANUARY 31, 1977
YORK, YORK COUNTY, PA.

COMMONWEALTH OF PENNSYLVANIA)

SS.:

COUNTY OF YORK)

On **November 6, 1974**, before me came
Elliot Hurd to me known, who being by me duly
sworn, did depose and say that he resides at **695 Americana Dr.**

Annapolis, Maryland
that he is the **President** of the Union-Tidewater
Financial Company, Inc., 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.

Edyze Howatovic
Notary Public

MY COMMISSION EXPIRES
JANUARY 31, 1977
YORK, YORK COUNTY, PA.