RECORDATION N 7507-A Recorded
FEB 13 1975 -4 10 PM
INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF LEASE dated this 2nd day of January, 1975, by and between TRACK ONE COMPANY (hereinafter called the Assignor), and NORTH CAROLINA NATIONAL BANK (hereinafter called the Assignee).

Assignor and Pickens Railroad Company, a South Carolina corporation (hereinafter called the Lessee), have entered into a Lease of Railroad Equipment dated May 1, 1974 (hereinafter called the Lease), providing for the leasing by Assignor to the Lessee of railroad cars (hereinafter called the units) as described therein, which Lease was filed with the Interstate Commerce Commission on May 10, 1974 and given recordation number 7507, which Lease was amended on August 20, 1974 and filed on September 10, 1974 as document number 7644.

Assignor has borrowed from the Assignee as Lender pursuant to a Loan and Security Agreement the principal of $1,852,400. Such loan is evidenced by nonrecourse promissory note of the Assignor (hereinafter called the Note) payable to the order of the Assignee or its nominees. The obligations of Assignor arising under the Note, this Assignment, the Loan and Security Agreement from the Assignor to the Assignee, to secure the obligations of the Assignor arising under the Note, and the other obligations described therein, are hereinafter collectively called the Liabilities.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. As security for the payment and performance of the Liabilities, the Assignor hereby assigns, transfers and sets over unto the Assignee all Assignor's right, title and interests, as lessor under the Lease, together with all rights, powers and privileges, and other benefits of Assignor as lessor under the Lease, including, without limitation, the immediate right to receive and collect all rentals and profits and other sums payable to or receivable by the Assignor or pursuant to the provisions of the Lease, including without limitation to the foregoing the right to casualty proceeds, and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default under the Lease, and to do any and all other things whatsoever which Assignor, as lessor is or may become entitled to do under the Lease. In furtherance of the foregoing assignment, the Assignor hereby irrevocably authorizes and empowers the Assignee in its own name, or in the name of its nominee, or in the name of Assignor or as its attorney, to ask, demand, sue for, collect and receive any and all sums to which the Assignor is or may be entitled under the Lease, and to enforce compliance by the Lessee with all the terms and provisions of the Lease.

2. The assignment made hereby is executed as security, and, therefore, the execution and delivery of this Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify, the liability of the Assignor under the Lease, it being understood and agreed that notwithstanding such assignment, or any subsequent assignment, all obligations of the Assignor to the Lessee under the Lease shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against Assignor.

3. Assignor covenants and agrees that it will perform all of its obligations to be performed under the terms of the Lease, and hereby irrevocably authorizes and empowers the Assignee, in its own name, or in the name of its nominee, or in the name of the Assignor or as its attorney, on the happening of any failure by the Assignor to perform, or cause to be performed, any such obligation, all at the Assignor's expense.

4. Upon the full discharge and satisfaction of the Liabilities, the assignment made hereby and all rights herein assigned to the Assignee shall cease and terminate, and all estate, right, title and interest of the Assignee in and to the Lease shall revert to Assignor.

5. Assignor warrants and covenants that (a) the execution and delivery by Assignor of the Lease, this Assignment, the Loan and Security Agreement and the Note have each been duly authorized, and the Lease, this Assignment, the Loan and Security Agreement and the Note are and will remain the valid and binding obligations of Assignor in accordance with their terms; (b) Assignor has not executed any other assignment of the Lease and its right to receive all payments under the Lease is and will continue to be free and clear of any and all liens, agreements or encumbrances (except this Assignment) created or suffered by any act or omission on the part of the Assignor (other than any act or omission in respect of which the Lessee has assumed responsibility under the Lease), and Assignor has received no advance rental payments under this Lease; (c) notwithstanding this assignment the Assignor will conform and comply with each and all of the covenants and conditions in the Lease set forth to be complied with by it; and (d) to the knowledge of Assignor, it has performed all obligations on its part to be performed under the Lease on or prior to the date hereof and there has not occurred on or prior to the date thereof any Event of Default (as that term is defined in the Lease). Except as expressly set forth in the Loan and Security Agreement or this Assignment, the Assignor has not made any representations or warranties to the Assignee with respect to the transactions contemplated hereby and none shall be implied.

6. Assignor will from time to time execute all such financing statements, supplemental instruments and amendments thereto

as the Assignee may from time to time reasonably request in order to confirm or further assure the assignment made hereby, the provisions hereof and the security of any note holder or party participating in any such Note.

7. Assignor shall cause copies of all notices received in connection with the Lease to be promptly delivered to the Assignee at P. O. Box 120, Charlotte, North Carolina, or at such other address as the Assignee shall designate.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its duly authorized officers and its corporate seal affixed hereto as of the date first above written.

TRACK ONE COMPANY

By: Sterling Capital, Ltd., General Partner

By: John M. Sterling Jr.
President

Attest:

Assistant Secretary

Accepted:

NORTH CAROLINA NATIONAL BANK

By: L William Van Ness
Senior Vice President

(Corporate Seal)

Attest:

Mildred H. Gwinn
~~Cashier~~ Asst. Secretary

STATE OF SOUTH CAROLINA)

COUNTY OF GREENVILLE)

ON this 8th day of January, 1975, before me personally appeared John M. Sterling, Jr., to me personally known, who being by me duly sworn, says that he is President of Sterling Capital, Ltd., General Partner of Track One Company, a Limited Partnership, that said instrument was signed and sealed on behalf of said Limited Partnership and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Limited Partnership.

Elizabeth B. Wood
Notary Public

My Commission Expires: 5/6/81

STATE OF NORTH CAROLINA)

COUNTY OF MECKLENBURG)

On this 13 day of January, 1975, before me personally appeared F. William Vandiver Jr, to me personally known, who being by me duly sworn, says that he is Senior Vice President of North Carolina National Bank, that one of the seals 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 he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation

Tina H. Fort
Notary Public
My Commission [illegible]

My Commission Expires: _____