

120
New No
13209

LAW OFFICES

ALVORD AND ALVORD

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13209

200 WORLD CENTER BUILDING

1458 SIXTEENTH STREET, N.W.

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** ALSO A MEMBER OF THE DISTRICT OF COLUMBIA BAR

INTERSTATE COMMERCE COMMISSION

INTERSTATE COMMERCE COMMISSION

July 31, 1981

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Ms. Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
Washington, D.C.

JUL 31 1981 - 2 20 PM
INTERSTATE COMMERCE COMMISSION
Washington, D. C.

Dear Madam:

Enclosed for recordation under the provisions of 49 U.S.C. §11303 and the regulations thereunder are the original and two counterparts or copies of:

- 1. Equipment Lease dated as of July 1, 1981 (Lease).
- A 2. Car Supply Agreement dated March 4, 1980 (Sublease).
- B 3. Amendment No. 1 to Car Supply Agreement dated as of June 10, 1981.
- C 4. Agreement of Assignment and Assumption dated as of July 8, 1981 (Agreement).

13209
JUL 31 1981 - 2 20 PM
INTERSTATE COMMERCE COMMISSION

A general description of the railroad equipment covered by the enclosed documents is as follows:

One hundred (100) 100-ton 4750 cubic foot covered hopper cars bearing identifying numbers CCLX 61001 through CCLX 61100, both inclusive.

Twenty-four (24) tank cars, 23,500 gallon nominal capacity, 100-ton roller bearing trucks, bearing identifying numbers RUSX 2601 through RUSX 2609 and RUSX 2611 through RUSX 2625, both inclusive.

Ninety (90) 100-ton 4750 cubic foot covered hopper cars bearing identifying marks TC 704

JUL 31 12 11 PM '81

Copy of - C.T. Kappler

Ms. Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
July 31, 1981
Page Two

through TC 793, both inclusive.

The names and addresses of the parties to the documents are as follows:

Lease

Lessor: Wells Fargo Capital Leasing Corporation
425 California Street
San Francisco, California 94104

Lessee: United States Rail Services, Inc.
633 Battery Street
San Francisco, California 94111

Sublease as amended*

Supplier: United States Lease Financing, Inc.
(Sublessor) 633 Battery Street
San Francisco, California 94111

User: Corn Products, a Unit of
(Sublessee) CPC International Inc.
International Plaza
Englewood Cliffs, New Jersey 07632

Agreement *

Assignor: United States Lease Financing, Inc.
(Address above)

Assignee: United States Rail Services, Inc.
(Address above)

User: Corn Products, a Unit of
CPC International Inc.
(Address above)

The undersigned is authorized agent for the Lessee for the purpose of submitting the enclosed documents for recordation.

Please return the documents not needed for recordation purposes to the undersigned or to the bearer hereof.

* Covers one hundred (100) covered hopper cars, CCLX 61001 - CCLX 61100 only

Ms. Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
July 31, 1981
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Also attached is a remittance in the amount of
\$120.00 covering the required recordation fees.

Very truly yours,

ALVORD AND ALVORD

By: Charles T. Kappler

Charles T. Kappler

CTK/lac
Enclosures

13210

RECORDATION NO. Filed 1425

132091 RECEIVED - A

CAR SUPPLY AGREEMENT JUL 31 1981 2 20 PM

Agreement made MAR 4 1980 between Corn Products, a unit of INTERSTATE COMMERCE COMMISSION CPC International Inc. ("User") and United States Lease Financing, Inc. ("Supplier").

RECITALS:

- 1. Supplier desires to provide User with 100 covered hopper cars manufactured by ACF Industries, Inc. as described in this Agreement ("Cars") for the transportation of corn from gathering points in Iowa and Nebraska ("Gathering Points") to User's plant ("Plant") in Stockton, California.
- 2. User desires to utilize these Cars for such transportation.

NOW THEREFORE, USER and SUPPLIER agree as follows:

1. Term; Expiration. The term ("Term") of this Agreement as to each Car shall commence upon its execution and, unless terminated as elsewhere provided, terminate fifteen (15) years following the delivery of the last Car under this Agreement or fifteen (15) years and ninety (90) days following the delivery of the first Car under this Agreement, whichever is the first to occur. Except as provided in Section 2.13, this Agreement shall terminate if fifty Cars have not been delivered on or before December 31, 1981. The parties shall acknowledge the date of the last delivery by an addendum to this Agreement. Upon the expiration of the Term, or earlier termination, User shall return the Cars as directed by Supplier pursuant to Section 6.

2. Freight Allowance; Minimum Utilization

2.1 Freight Allowance. User shall pay to Supplier an amount, adjusted as provided in Sections 2.2, 2.3, 2.6 and 7.4 ("Freight Allowance") equal to nine cents (\$0.09) per hundred weight (100 pounds) of corn loaded into a Car at a Gathering Point. Payment shall be made within thirty (30) days following the end of the month during which the corn was loaded.

2.2 Adjustment of Freight Allowance for Purchase Price Increases. The Freight Allowance shall be increased \$0.0023 per every full \$1,000 that the Average Car Cost exceeds \$40,000 up to a maximum of \$.023. "Average Car Cost" shall mean the total of the per Car average purchase price, the per Car average cost of delivery, and the per Car average of sales and use taxes paid by Supplier. In the event that the Average Car Cost exceeds \$50,999, Supplier shall have the right to terminate this Agreement immediately and the Cars delivered to User shall be

returned as directed by Supplier pursuant to Section 6. Supplier shall exercise this right no later than the thirtieth (30th) day following the delivery of the last Car or the one hundred twentieth (120th) day following the delivery of the first Car, whichever is the first to occur. Supplier shall keep User reasonably advised of the estimated Average Car Cost. Supplier shall have the right to terminate this Agreement at any time prior to the delivery of the first Car to User by giving User fifteen (15) days prior written notice if it is reasonably certain that the Average Car Cost will exceed \$50,999.

2.3 Adjustment of Freight Allowance for Tariff Changes. The term "Shipper's Differential" shall mean the difference between (i) the freight charge per 100 lbs of corn under tariff TCFB 4045-N, as amended and supplemented from time to time, ("Tariff") for corn transported between a Gathering Point and the Plant by fifty (50) freight cars similar to the Cars supplied by the railroad and (ii) such freight charge for corn transported by fifty (50) freight cars similar to the Cars supplied by the Shipper. From time to time throughout the Term, the Freight Allowance shall be adjusted as set forth in this Section 2.3 for changes in the Shipper's Differential. The effective date of any adjustment shall be the effective date of the change in the Shipper's Differential.

(a) If at any time following the date of the first delivery of a Car to User ("First Car Delivery") the Shipper's Differential is adjusted and the Shipper's Differential following such adjustment is less than the Shipper's Differential on the First Car Delivery, then effective as of the date of such adjustment the Freight Allowance shall be adjusted to equal an amount which bears the same ratio to the Shipper's Differential following such adjustment as the Freight Allowance on the First Car Delivery bore to the Shipper's Differential on such date. If the Freight Allowance is reduced pursuant to this subsection (a) to an amount less than eight (8) cents per hundred pounds (the "Minimum Freight Allowance") then at any time thereafter on sixty (60) working days' written notice, Supplier may terminate this Agreement unless User, within ten (10) working days following receipt of such notice, shall agree to pay Supplier during the remaining Term the Freight Allowance adjusted from time to time as provided in this Section 2.3 or the Minimum Freight Allowance, whichever amount is greater.

(b) If at any time following the First Car Delivery the Shipper's Differential is adjusted and the Shipper's Differential following such adjustment is greater than the Shipper's Differential on the First Car Delivery, then effective as of the date of such adjustment the Freight Allowance shall be adjusted to equal the sum of (i) the Freight Allowance on the First Car Delivery and (ii) fifteen (15) percent of the

difference between the Shipper's Differential on the First Car Delivery and the Shipper's Differential following such adjustment.

In the event that following execution of this Agreement the Shipper's Differential or the calculation of or method of determining the Shipper's Differential should substantially change by reason of amendment to or interpretation of the Tariff, so that User receives sums or allowances other than through receipt of the Shipper's Differential for the use of the Cars, the Freight Allowance shall be equitably adjusted to reflect the receipt of such sums.

2.4 Unavailability. Except as provided in this Section 2.4, User shall promptly provide and utilize to transport corn from the Gathering Points to the Plant, a car or group of cars capable of loading in the aggregate not less than 196,000 lbs of corn (each car or group of such cars is referred to as a "Substitute Car") for each Car which is unavailable for service between the Gathering Points and the Plant. User shall provide the Substitute Car for the period during which the corresponding Car is unavailable for service and shall pay Supplier the Freight Allowance on the corn transported by each Substitute Car. User shall have no duty to provide a Substitute Car and pay Supplier any Freight Allowance earned thereby:

- (a) if there is no corn for transport by the Substitute Car from the Gathering Points to the Plant;
- (b) if the Plant is unable to accept deliveries of corn or utilize corn delivered by the Substitute Car;
- (c) if the appropriate railroads are unable for any reason to provide rail service between the Gathering Points and Plant for the Cars and the Substitute Car;
- (d) if the unavailable Car has suffered a Casualty Occurrence (as defined in Section 7.1);
- (e) if the Car is unavailable due to User's performing routine maintenance and repairs thereon provided that unavailability for this reason shall not exceed an average of 12 days per Car per calendar year; or
- (f) if the Car is unavailable because a railroad has bad ordered the Car and the Car is shopped in accordance with interchange rules but is not sent home for repair; provided that unavailability for this reason shall not exceed an average of 21 days per Car per calendar year.

2.5 Minimum Utilization. If during any full calendar year, it becomes impossible for User to transport from the Gathering Points to the Plant the Annual Minimum (as hereinafter defined), Supplier shall have the right, exercisable at its

option, to direct the return pursuant to Section 6 of all of the Cars within sixty (60) working days following User's receipt of such direction. The term "Annual Minimum" shall mean an amount of corn computed on a calendar year basis and on a per Car basis equal to the total for all Cars subject to this Agreement during that calendar year of (i) one hundred ninety six thousand (196,000) pounds; (ii) multiplied by 23; (iii) multiplied by a fraction of which the denominator is the number of days in the calendar year and the numerator is the number of days the Car is subject to this Agreement as provided in Section 2.9. In determining whether it is impossible for User to meet the Annual Minimum the parties shall assume that it requires eleven (11) days for a Car to load at a Gathering Point, travel to the Plant, unload, and return to the Gathering Point.

2.6 Supplier's Optional Payment. If the Supplier directs the return of the Cars pursuant to Section 2.5, then User shall have the option, exercisable within five days of its receipt of Supplier's direction to return the Cars, to agree to pay Supplier within thirty (30) days following the end of the calendar year, an amount equal to the difference between (i) the amount Supplier is actually entitled to receive under this Agreement for the use of the Cars during such calendar year and (ii) the amount Supplier would have received under this Agreement for the calendar year had the Annual Minimum for such Cars been achieved for such year. If the Freight Allowance is adjusted pursuant to Section 2.3 during such year, the Freight Allowance used to compute the amount pursuant to clause (ii) shall be a weighted average determined by using the number of days in such year each Freight Allowance was effective.

2.7 Carry Back/Forward Adjustment. Poundage transported from the Gathering Points to the Plant by the Cars or Substitute Cars in each of the two calendar years preceding any particular calendar year ("Computation Year") and the two calendar years following the Computation Year in excess of 117% of the Annual Minimum for the applicable calendar year shall be deemed transported in the Computation Year and shall be used at the end of the Computation Year to determine if the Annual Minimum has been met. Excess poundage shall be applied to meet the Annual Minimum for a Computation Year regardless of whether Supplier has exercised its rights under Section 2.5 commencing with the second calendar year preceding the Computation Year and ending with the second calendar year following the Computation Year. Any poundage used to meet the Annual Minimum for one year shall not be used to meet the Annual Minimum for any other year. In determining the amount of any payment due under Section 2.6, any excess poundage deemed transported in such year shall be deemed transported at the Freight Allowance for the Computation Year or the Freight Allowance determined pursuant to Section 2.6. if the Freight Allowance was adjusted during the Computation Year. If the application of this Section results in User having made an overpayment pursuant to Section 2.6, the User shall credit such overpayment against subsequent payments due Supplier hereunder and, if this Agreement terminates prior to User

receiving full credit for such overpayment, Supplier shall promptly pay User the remaining balance upon termination of this Agreement.

2.8 Right of First Refusal. If any Cars are returned to Supplier pursuant to Section 2.5, then Supplier shall have a right, exercisable in its sole discretion, to return all or any of the Cars to User for use pursuant to this Agreement on the following terms and conditions. Prior to supplying any other freight cars under the Tariff other than on a temporary basis, User shall give Supplier at least ninety (90) days prior written notice of its projected need for such Cars specifying the number, Gathering Point and date for commencement of service, the projected number of Trips per year it reasonably expects such Cars to be subject to for the remainder of the Term and such additional information regarding the projected use of the Cars as Supplier may reasonably request. Within fourteen (14) days following receipt of such notice, Supplier shall give User notice specifying the number of Cars, if any, it shall return to service. All Cars returned to service shall be in the same condition as delivered to Supplier under Section 2.5, ordinary wear and tear excepted, but suitable for use in interchange service, and shall be deemed returned to service when delivered to the designated Gathering Point.

2.9 Cars Subject to Agreement. A Car shall be subject to this Agreement on and following delivery as provided in Section 3.3 or return to service as provided in Section 2.8 and until (i) return of the Car as provided in Section 6 or (ii) payment of the Stated Value as provided in Section 7.

2.10 No Setoffs. Except as expressly permitted under this Agreement, User shall not be entitled to any abatement of, reduction of, or setoff against any Freight Allowance or other sum due Supplier under this Agreement, including but not limited to abatements, setoffs, or reductions due or alleged to be due to, or by reason of, any past, present or future claims of User against Supplier under this Agreement or otherwise.

2.11 Plant Start Up. The parties acknowledges that, due to the complexities of commencing operations at the Plant, the Cars may not be fully utilized in carrying corn from the Gathering Points to the Plant during the period commencing on delivery of the 50th Car and ending December 31, 1981. User agrees to pay Supplier for the period commencing on the date of delivery of the first Car to December 31, 1981 the greater of the following amounts:

(a) an amount equal to the total for all Cars computed on a per Car basis of (i) the Freight Allowance; (ii) multiplied by 196,000 and (iii) multiplied by the quotient obtained by dividing 15.9 into the period commencing on the latter of the date of delivery of the Car, June 1, 1981, or the date on which 50 Cars have been delivered (whether such Cars include the Car for

which the computation is being made) and ending on December 31, 1981; or

(b) the total amount received by User for the utilization of the Cars for the period commencing on the delivery of the first Car and ending on December 31, 1981 less all reasonable costs and expenses incurred by User in utilizing the Cars during that period. For purposes of this Clause (b) User shall be considered to have received the amount of any tariff reductions which result from the utilization of any Car.

On and after January 1, 1982 the provisions of this Section shall be inapplicable regardless of the status of operations at the Plant. During the period ending December 31, 1981, User may employ any or all of the Cars for any purpose whatsoever so long as the Cars are not subjected to greater wear and tear than that contemplated by the other provisions of this Agreement and no Car is utilized outside the continental boundaries of the United States.

2.12 OT-5 Approval. User shall use its best efforts to obtain approval pursuant to AAR Circular OT-5 or similar regulation for the use of the Cars to carry grain between the Gathering Points and the Plant. Such approval shall be on terms and conditions acceptable to Supplier. If User has not obtained such approval within ninety (90) days following the execution of this Agreement, this Agreement shall terminate without any liability of one party to the other. If such approval is granted but thereafter modified or withdrawn and as a consequence the Cars cannot be utilized to carry corn from the Gathering Points to the Plant at the Shipper's Differential in effect prior to such withdrawal or modification, then the Cars shall be returned as provided in Section 6 and except as provided in this Agreement, this Agreement shall terminate immediately without any liability of one party to the other. User shall give Supplier notice immediately upon its learning of any such modification or withdrawal of OT-5 approval or any proposal by an issuer of the approval to so modify or withdraw the approval.

2.13 Car Substitution Prior to Delivery of 50 Cars.

(a) Notice. If at any time prior to December 31, 1981, Supplier believes, in its reasonable opinion, that a unit of less than 50 Cars will be delivered against the 100 Cars under this Agreement because such are unavailable from ACF or suffer a casualty en route to delivery, then Supplier shall give prompt written notice thereof to User specifying the number of cars ("Temporary Cars") required to meet the 50 Car requirement. Each Temporary Car shall be in all reasonable respects suitable for the service contemplated in this Agreement for a Car, and shall substantially conform to the specifications set forth in Exhibit A. To the extent that User's liabilities and obligations are not computed on a per Car basis under this Agreement, User's liabilities and

obligations under this Agreement shall be reduced on a pro rata basis to account for any delivery hereunder of less than 100 cars.

(b) Full 50 Car Makeup. Supplier shall have the right, at its own expense, to supply any and all Temporary Cars by delivering them to User at a Gathering Point selected by User. Supplier shall give User prompt notice of the number of Temporary Cars it intends to deliver. If Supplier delivers a unit of a total of 50 Cars (including Temporary Cars) on or before December 31, 1981, then such delivery shall constitute the delivery of 50 Cars for purposes of this Agreement except that Supplier shall, subject to the other terms and conditions of this Agreement, be obligated to supply and deliver as provided in this Agreement the remaining Cars as such become available from the Car manufacturer. User shall redeliver, at Supplier's expense, the Temporary Cars to Supplier in conjunction with the delivery of the remaining Cars, in the same condition as delivered to User, ordinary wear and tear excepted, but suitable for interchange service.

(c) Less than 50 Car Makeup. If Supplier gives notice that it intends to deliver less than a unit of a total of 50 Cars and Temporary Cars on or before December 31, 1981, User shall provide the required remaining Temporary Cars from other sources and/or arrange for the appropriate railroads to provide such Cars; provided, however, User shall not be required to take any action which would result in additional costs or expenses to it unless Supplier agrees to indemnify it therefor. If Cars are supplied pursuant to this paragraph, Supplier shall be entitled to the amount specified in Paragraph 2.11(b) for the utilization of the Cars and Temporary Cars delivered by it until a total of 50 Cars are delivered to User. Supplier shall be obligated, subject to the terms and conditions of this Agreement, to deliver the remaining Cars as provided in this Agreement as they become available from the Car manufacturer.

(d) Termination. If a unit of 50 suitable cars are not provided under the terms and conditions of this Section 2.13 on or before December 31, 1981, then this Agreement may be terminated as herein provided. If a total of 100 suitable cars (2 units of 50 cars) cannot be provided under the terms and conditions of this Section 2.13 on or before July 31, 1982 then at either party's option this Agreement may be terminated without liability except for the return of the cars then delivered as provided in this Agreement and the payment of any sum then due.

3. Specifications; Inspection; Delivery.

3.1 Specifications. The Cars shall conform to the specifications set forth in Exhibit A and to all applicable governmental and regulatory specifications. The Cars shall bear the AAR assigned marks. The Cars may bear any appropriate markings reflecting Supplier's interest therein and User agrees to maintain such markings during the Term.

3.2 Inspection. User and Supplier shall each at its own expense inspect each Car tendered by the manufacturer for delivery to User in order to determine if the Car conforms to the provisions of Section 3.1.

3.3 Delivery. Supplier at its expense shall purchase or arrange for the purchase of the Cars for delivery during the second calendar quarter of 1981. Delivery of the Cars shall be subject to any delays of the manufacturer and any other delays beyond Supplier's reasonable control. Supplier shall use its best efforts to arrange delivery during such quarter or to delay delivery until the succeeding quarter as requested by User, but Supplier shall not be obligated to take any action which would result in substantial additional expenses to it, or have a material adverse affect on its order position with the manufacturer or on the deductions, credits or other benefits as are provided by the Internal Revenue Code of 1954 as amended to the date of execution of this Agreement and as would otherwise be available to the Supplier. Upon each party's inspection and approval of a Car, User shall accept delivery of the Car at the manufacturer's facility or at such other location as may be mutually agreed upon (the "Delivery Site"). User shall arrange for each Car to be loaded within the state in which the Delivery Site is located for shipment outside that state. Upon delivery, User shall move the Car to an appropriate Gathering Point as expeditiously as is consistent with economy and convenience and at User's sole cost and expense.

4. Operation; Priority; and Diversion

4.1 Operation; Priority. User shall operate the Cars in compliance with all applicable laws, rules, tariffs, and regulations. User shall give the Cars first priority over any other freight cars it might otherwise use in transporting corn from the Gathering Points to the Plant. If User's source of corn for the Plant changes User shall use its best efforts to use the Cars to carry corn from other areas to the Plant to the extent necessary to fully utilize the Cars. The Freight Allowance from areas other than the Gathering Points shall be equitably adjusted.

4.2 Diversion; Empty Mileage. Except as expressly provided in Section 4.1, User shall utilize the Cars only in transporting corn from the Gathering Points to the Plant and shall not divert or use the Cars to transport other products (specifically including, but without limitation, corrosive or hazardous commodities) without Supplier's prior written consent. If the Cars are diverted or used to transport other products with Supplier's prior written consent, Supplier shall be entitled to such mileage earned by the Cars as the parties may agree upon. User shall bear and pay any charges or costs for empty mileage under any rule, regulation or railroad tariff now or hereafter in effect.

5. Maintenance; Alteration; Inspection

5.1 Maintenance; Alteration. User shall maintain the Cars in the same good condition as when delivered (ordinary wear and tear excepted), but suitable for interchange service. Specifically, but without limiting the foregoing, the parties acknowledge that they intend that the Cars will be subjected to high annual mileage and agree that during the Term User will conduct a preventive maintenance program whereby each Car will be inspected and necessary repairs or replacements made for elements of the running gear, draft gear, unloading gear, and car body. Such inspection and repairs or replacements shall be made at intervals not to exceed one year. The last inspection and repairs or replacements of a Car shall take place and be made not more than six months from the expiration or termination of its Term. Reports of such inspection and any required or desirable repairs or replacements shall be provided Supplier promptly following completion of the inspection of a Car. User shall make, or cause to be made at its expense, all alterations, improvements, modifications or other changes necessary to keep the Cars in conformance with all applicable laws, rules, tariffs, and regulations but User shall make no other alterations, improvements, modifications or changes to the Cars without the prior written consent of Supplier. If User makes an alteration, improvement, modification or change not permitted by this section, User shall be liable to Supplier for any loss of revenues caused thereby, and for the costs incurred by Supplier in restoring the Car to its original condition, if Supplier elects to restore the Car. All alterations, improvements, modifications or changes shall be accessions to the Car and title thereto shall immediately vest in Supplier at no cost or charge to it.

5.2 Car Inspection. Supplier shall, during normal business hours and upon reasonable notice, have the right to enter the premises where the Cars may be located for the purpose of inspecting and examining the Cars to insure User's compliance with its obligations hereunder.

6. Return of Cars.

6.1 Suppliers Direction; Effect: Upon User's receipt of a direction given by Supplier as permitted by this Agreement to return any or all Cars, User shall return the affected Car as provided in this Section. A Car shall be deemed returned to Supplier upon the removal of User's markings and insignia from the Car, the placing thereon of the marking's designated by Supplier, the completion of a full mechanical inspection of the Car by Supplier and surrender of physical possession thereof to Supplier at the location designated by it.

6.2 Markings. User's markings and insignia on a Car shall, at User's expense, be removed and replaced by markings

(but not insignia) designated by Supplier either by User or by a third party within twenty (20) days following arrival of the Car at the location designated by Supplier.

6.3. Location. User shall redeliver the Cars at any location in the continental United States designated by Supplier. Except as provided in the following sentence, User shall pay all costs of moving a Car to such location. If the location designated by Supplier is other than the Car's Delivery Site or Stockton, California, Supplier shall pay all mileage charges on rail mileage in excess of the total rail miles between the manufacturer's plant and the Delivery Site. The mileage shall be computed from either the Plant or the Delivery Site, whichever is closer to the location designated by Supplier.

6.4. Condition. Each Car shall be returned in the same good condition as when delivered (ordinary wear and tear excepted) and suitable for interchange service.

6.5. Inspection. On or within twenty (20) days following arrival of a Car at the location designated by Supplier, Supplier shall, at its own expense, make a full mechanical inspection of the Car to determine if the Car meets the standard set forth in Section 6.4.

6.6. Storage. User shall provide sixty (60) days free storage for each Car at the place designated by Supplier for the return of the Car.

7. Loss; Replacement

7.1. Risk of Loss. In the event any Car shall be or become lost, stolen, destroyed or irreparably damaged or taken or requisitioned by condemnation or otherwise by any governmental agency, office or entity (each occurrence being a "Casualty Occurrence") prior to the return of the Car as set forth in Section 6, User shall notify Supplier of the Casualty Occurrence within fifteen (15) days thereof and shall pay Supplier (i) the Stated Value within thirty (30) days thereof and (ii) when received, the excess, if any, between the Stated Value and any sum paid by any railroad or other third party by reason of the Casualty Occurrence. The Stated Values of a Car shall be set forth on an Addendum executed by the parties hereto prior to the delivery of the first Car. The Stated Values shall vary over the Term and shall be set at amounts which shall, at the time of a Casualty Occurrence to any Car, reimburse Supplier for (i) the outstanding balance of the loan, if any, incurred by Supplier or any Owner in acquiring such Car and allocable to such Car; (ii) the accrued but unpaid interest and prepayment penalty (if any) of such loan allocable to such Car; (iii) Supplier's or Owner's unrecovered investment balance in such Car; (iv) all income taxes arising from Supplier's or any Owner's receipt of the Stated Value itself and the disposition of the Car; and (v) the unamortized reasonable financing costs and similar costs incurred by Supplier in acquiring such Car and which are allocable to such Car.

7.2 User's Option to Replace Car. User may, within fifteen (15) days following a Casualty Occurrence, direct Supplier to determine the terms and conditions under which Supplier, using its best efforts, can in a commercially reasonable manner replace the affected Car(s) with suitable Cars (the "Replacement Cars"). Supplier shall within forty five (45) days following receipt of such direction provide User with respect to each Replacement Car: (i) an estimate of its purchase price and delivery costs; (ii) an estimate of the amount of applicable sales and use taxes; (iii) its approximate delivery date; (iv) in the case of a new Replacement Car, the name of its proposed manufacturer; and (v) in the case of a used Replacement Car, its age and specifications. User shall have the option, exercisable only within ten (10) days following receipt of such information, to require Supplier to acquire the Replacement Cars as provided in this Section and Sections 7.3 and 7.4. In the event that the actual Average Car Cost of the Replacement Car(s) or the reasonably estimated Average Car Cost for the Replacement Car(s) exceeds \$50,999, Supplier shall have the option, exercisable at its option, of not supplying such Replacement Car(s).

7.3 Specification; Inspection; Delivery. Any used Replacement Car shall conform to the specifications given User pursuant to Section 7.2 and shall be inspected by Supplier and User at its location at the time of purchase. Any new Replacement Car shall conform to the specifications set forth in Section 3.1 and be inspected as set forth in Section 3.2. All Replacement Cars shall be delivered to User as provided in Section 3.3. A Replacement Car shall be deemed to be a Car for all proposed under this Agreement upon delivery to User.

7.4 Adjustment of Freight Allowance. Upon delivery of a Replacement Car, the Freight Allowance shall be adjusted as provided in this Section 7.4. A "Weighted Average Purchase Price" shall be determined by averaging (i) the Average Car Cost of the Replacement Car(s) and (ii) the Average Car Cost of the Cars then subject to this Agreement, adjusted for any prior deliveries of Replacement Cars. The average shall be weighted for the number of Cars then subject to this Agreement and the number of Replacement Cars. The Freight Allowance shall then be increased as set forth in Section 2.2 using the Weighted Average Purchase Price. On and following the delivery of the Replacement Car, such adjusted Freight Allowance shall be the Freight Allowance; or if Section 2.3 is applicable, such adjusted Freight Allowance shall be deemed the Freight Allowance on the First Delivery Date for purposes of determining the Freight Allowance under such Section.

8. Insurance. At all times prior to the return of the Cars, as provided in Section 6, User will carry and maintain insurance in respect of the Cars subject to this Agreement in amounts and against risks customarily insured against by User in respect of

similar equipment owned or operated by it. Specifically, without limiting the foregoing, User shall insure the Cars for property damage for the Stated Values on an all risk basis. User shall provide Supplier a certificate of insurance showing the Cars so insured, naming Supplier as an additional insured as its interest may appear, regardless of the risk which is insured against, and requiring thirty (30) days' prior written notice of any cancellation or change in the coverage.

9. Notice of Accidents and Liens. User shall promptly notify Supplier of any accident connected with the malfunctioning or operation of the Cars, including in such report such information as is customary in railroad operations. User shall also notify Supplier in writing within five (5) days after any attachment, tax lien or other judicial process shall attach to any Car.

10. Cost and Expenses. Except for any sales or use taxes applicable to the purchase of the Cars and any Replacement Cars by Supplier or taxes measured by the net income of Supplier, User shall bear and pay and make all necessary filings (with copy to Supplier) relating to all taxes, assessments, fees and other governmental charges of any kind or character relating to this Agreement and to each Car and its supply, delivery, possession, operation or return under this Agreement, which tax, fee, charge or assessment may be unpaid as of the date of delivery or which may be accrued, levied, assessed or imposed during the Term. User shall also bear and pay all fees, costs, damages, expenses and claims arising or relating, directly or indirectly, to the delivery, use, operation, possession and return of the Cars. User shall retain the right, in good faith and without loss or expense to Supplier, to contest any of the above and shall give Supplier notice thereof and keep Supplier reasonably informed of the status of such proceedings.

11. Reports; Filings; Confidentiality

11.1 Reports and Records. User shall maintain all records necessary to compute and substantiate the sums due Supplier and all necessary records regarding the use, maintenance, repair and operation of the Cars. These records shall be separately kept and shall be in a form suitable for reasonable inspection by Supplier from time to time during regular User business hours and upon reasonable notice. When paying any Freight Allowance or other sum due to Supplier, User shall also provide schedules or other documentation in reasonable detail so that Supplier can compute the Freight Allowance or other sum due. The documentation or schedules shall be in a form which will facilitate any audit or other review by Supplier of User's records.

11.2 Preparation and Filing of Reports. User agrees to prepare and deliver to Supplier within a reasonable time prior to the required date of filing (or, to the extent permissible, file on behalf of Supplier) any and all reports (other than income tax returns) to be filed by Supplier with any

Federal, State or other regulatory authority by reason of the ownership by Supplier of the Cars or the supply thereof to User.

11.3 Confidentiality. Supplier shall treat all reports, records and other business information submitted to it under this Agreement in confidence and shall not use or disclose such information except as provided herein.

12. Warranties; Representations; Disclaimers

12.1 Disclaimer of Warranties; Compliance with Laws - Rules; Indemnification: SUPPLIER MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE DESIGN OR CONDITION OF, OR AS TO QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN THE CARS DELIVERED TO USER AND SUPPLIER MAKES NO WARRANTY OF MERCHANTABILITY OR FITNESS OF THE CARS FOR ANY PARTICULAR PURPOSE OR ANY COMPONENT THEREOF OR ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO ANY CAR, EITHER UPON DELIVERY THEREOF TO USER, OR OTHERWISE, IT BEING AGREED THAT ALL SUCH RISKS, AS BETWEEN USER AND SUPPLIER, ARE TO BE BORNE BY USER. Supplier hereby appoints and constitutes User its agent and attorney-in-fact during the Term to assert and enforce from time to time, in the name of and for the account of Supplier and/or User, as their interests may appear, at User's sole cost and expense, whatever claims and rights Supplier may have against the manufacturer for any Car then subject to this Agreement provided, however, that if at any time an Event of Default shall have occurred and be continuing, Supplier may assert and enforce, at User's sole cost and expense, such claims and rights. Supplier shall have no responsibility or liability to User or any other person with respect to any of the following: (i) any liability, loss or damage caused or alleged to be caused directly or indirectly by any of the Cars or by any inadequacy thereof or deficiency or defect therein or by any other circumstances in connection therewith; (ii) the use, operation, or performance of any Cars or any risks relating thereto; (iii) any interruption of service, loss of business or anticipated profits or consequential damages; or (iv) the delivery, operation, servicing, maintenance, repair, improvement or replacement of any Cars. User's acceptance of delivery of a Car shall be conclusive evidence as between User and Supplier that the Car is in all respects satisfactory to User, and User will not assert any claim of any nature whatsoever against Supplier based on any of the foregoing matters. Supplier shall indemnify, protect, and hold User harmless from any defect in title to any Car or any lien or claim against any Car arising out of any act of Supplier. User shall indemnify, protect, and hold harmless Supplier from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, including, but not limited to, counsel fees and expenses, penalties and interest, arising out of or as a result of (i) the use, operation, maintenance, condition (including without limitation latent or undiscovered defects), delivery, storage or return of any Car, or (ii) any accident in connection with the operation,

use, condition, possession, storage or return of any Car resulting in damage to property (including, without limitation, any lading or part thereof) or injury or death to any person. The indemnities arising under this section shall continue in full force and effect notwithstanding the delivery or return of the Car or the full payment and performance of all obligations under this Agreement or the expiration or termination of the Term or this Agreement, in whole or in part; provided, however, that User shall have no liability hereunder for any losses, damages, injuries, liabilities, claims or demands whatsoever which occur to the Car after it is returned to Supplier and which arise out of any act of Supplier or any third party.

12.2 Other Representations and Warranties. User and Supplier respectively represent and warrant that as of the date of this Agreement and as of the date of any delivery of any Car that:

(a) User and Supplier are corporations duly organized, validly existing and in good standing under the laws of the respective states where they are incorporated and have the corporate power, authority and are duly qualified and authorized to do business wherever necessary, to carry out their present business and operations and to perform their obligations under this Agreement.

(b) The entering into and performance of this Agreement will not violate any judgment, order, law or regulation applicable to User or Supplier, or result in the creation of any lien, charge, security interest or other encumbrance upon any assets of User or Supplier or on the Cars pursuant to any instrument to which User or Supplier are a party or by which they or their assets may be bound.

(c) There is no action or proceeding pending or threatened against User or Supplier before any court or administrative agency or other governmental body which might result in any material adverse effect on the business, properties and assets, or conditions, financial or otherwise, of User or Supplier.

(d) There is no fact or occurrence which User or Supplier has not disclosed to the other party in writing, nor is User or Supplier a party to any agreement or instrument or subject to any charter or other corporate restriction which, so far as can now be reasonably foreseen, will individually or in the aggregate materially adversely affect its ability to perform its obligations under this Agreement.

(e) Supplier is a wholly owned subsidiary of United States Leasing International, Inc., and User is part of a division of CPC International Inc. and is not a

subsidiary of CPC International Inc. or separate corporate entity.

13. Default

13.1 Event of Default. The occurrence of any of the following events shall be an Event of Default:

(a) The nonpayment by User of any sum required herein to be paid by User within ten (10) working days after the date any such payment is due; provided, however, that the nonpayment of any amount which User believes, in good faith, is not payable hereunder shall not constitute a default.

(b) The breach by User of any other term, covenant, or condition of this Agreement, which is not cured within ten working days after written notice.

(c) Any act of insolvency by User or the filing by User 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.

(d) The filing of any involuntary petition under any bankruptcy, reorganization, insolvency or moratorium law against Supplier or User that is not dismissed within sixty (60) days thereafter, or the appointment of any receiver or trustee to take possession of the properties of User, 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.

(e) Except as otherwise provided for in this Agreement, any action by User to permanently discontinue transporting corn between the Gathering Points and the Plant; provided, however, that nothing contained herein shall prevent User, in its good faith business judgment, from completely or partially closing down the Plant and such closing shall not be deemed a default hereunder.

13.2 Remedies on Event of Default. Upon the occurrence of any Event of Default by a party, the other party, may, with or without terminating this Agreement, proceed by any lawful means to enforce performance of any obligations or to recover damages for the breach thereof. Such termination shall not release (i) User from its obligation to return the Cars; (ii) Supplier or User from any obligation to pay any sums that may then be due or accrue to such date or which result from said Event of Default; or (iii) Supplier or User from the obligation to perform any duty or discharge any other liability arising or occurring on or prior thereto.

Upon any Event of Default by User, Supplier may by notice in writing to User, terminate User's right of possession and use of the Cars whereupon all right and interest of User in the Cars shall terminate and User shall immediately return the Cars as provided in Section 6; if User should fail to so return the Cars, Supplier may enter upon any premises of User where the Cars may be located and take possession of them and henceforth hold, possess and enjoy the same free from any right of User.

The above remedies are cumulative and in addition to any and all remedies either party may have at law or in equity.

14. Miscellaneous.

14.1 Subordination; Liens. User's rights shall be subject and subordinate to the rights of any owner or secured party under any financing agreement entered into by Supplier or an affiliated corporation. Upon notice to User from such secured party or owner, that an Event of Default has occurred and is continuing under any financing agreement, such party or owner may require that all Freight Allowances or other sums due and payable following receipt of such notice shall be paid directly to such party or owner and/or that the Cars be redelivered to such party or owner free of the Agreement. User shall not directly or indirectly create, incur or assume any claims, encumbrances, or liens of any kind whatsoever with respect to the Cars or its interests therein or this Agreement and shall promptly discharge the same if and to the extent they may arise.

14.2 Recording; Further Assurances. Either party may at its expense file this Agreement with any appropriate government agency or office. Supplier and User will each, from time to time, do and perform any act and will execute, acknowledge and deliver any and all instruments reasonably requested by the other for the protection of that party's interests in the Cars, for the financing thereof, or for the purpose of carrying out the intention of this Agreement; provided, however, neither User's nor Supplier's rights and obligations under this Agreement shall be altered or modified without both parties' written consent.

14.3 Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. User may not without the prior written consent of Supplier, which consent shall not be unreasonably withheld, assign this Agreement or any of its rights hereunder or to the Cars to any party, and any purported assignment in violation hereof shall be void. Supplier or User may upon written notice to the other assign this Agreement to any wholly owned subsidiary of United States Leasing International, Inc., or CPC International Inc., respectively, provided that such assignment shall not reduce or affect the assignor's liability for the full and timely performance of this Agreement.

14.4 No Partnership or Joint Venture. This Agreement constitutes a supply of Cars only and no joint venture or partnership is being created. Nothing herein shall be construed as conveying to User any right, title or interest in the Cars except the right to use the Cars as expressly provided.

14.5 No Waivers. No failure or delay by User or Supplier shall constitute a waiver or otherwise affect or impair any right, power or remedy available to User or Supplier nor shall any waiver or indulgence by User or Supplier, 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. The subsequent acceptance of a payment hereunder by a party and the payment thereof by the other party shall not be deemed a waiver of any preceding breach of any agreement, condition or provision of this Agreement other than the failure of the party to pay the particular sum so accepted, regardless of either party's knowledge of such preceding breach at the time of acceptance of such payment.

14.6 Governing Law. This Agreement shall be governed by and construed according to the laws of the State of California.

14.7 Notices. All notices or instructions hereunder shall be in writing and shall be deemed given when delivered personally or three days following deposit in the United States mail, postage prepaid, certified or registered, addressed as set forth below:

To User:

Corn Products, a Unit of
CPC International Inc.
International Plaza
Englewood Cliffs, N. J. 07632

Attention: Director of Transportation
CPC North America
a Division of
CPC International Inc.

To Supplier:

United States Lease Financing, Inc.
633 Battery Street
San Francisco, California 94111

Attention: Senior Vice President
and General Manager

or addressed to such party at such other address as such party shall furnish to the other in writing.

14.8 Headings. Section or paragraph headings are for the convenience of the parties and shall not be considered part of the text.

14.9 Complete Agreement. This Agreement constitutes the entire agreement between the parties relating to the subject matter hereof and supersedes any previous written or oral agreements in connection therewith and may only be changed by an agreement in writing signed by the parties. If any provision of this Agreement is determined to be invalid, the remaining provisions will continue to be fully effective. It is understood and agreed that Supplier may be acting in its own behalf or as agent for an as yet undetermined principal in entering into this Agreement, and that the term "Supplier" as used in this Agreement applies to United States Lease Financing, Inc. and its principal, if any, and all their agents and employees.

14.10 Corporate Authority. Each party shall deliver to the other party upon the execution of this Agreement an opinion of counsel in form satisfactory to the recipient to the effect that execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate action on the part of the party delivering such opinion.

14.11 Arbitration. Upon the election of either party, any dispute or disagreement relating to this Agreement shall be settled by arbitration by three independent arbitrators in Chicago, Illinois in accordance with the Rules of the American Arbitration Association then existing and judgment on the arbitration award may be entered in any court having jurisdiction over the subject matter of this Agreement. Arbitrators shall be, to the extent reasonably possible, persons experienced in negotiating, making and consummating agreements similar to this Agreement and shall also be familiar with the operations of railroads in general. The party electing arbitration shall give the other party not less than 15 days prior written notice of its election to submit the dispute or disagreement to arbitration pursuant to this section. Each party shall bear its own attorneys' fees and other costs and one half of the costs and expenses of the arbitrators.

In witness whereof, User and Supplier have executed this Agreement as of the day and year first above written.

UNITED STATES LEASE
FINANCING, INC.

CORN PRODUCTS, a Unit of
CPC INTERNATIONAL INC.

by

Wayne M. Christy

by

G. M. King

Title Senior Vice President
and General Manager

Title President

EXHIBIT A

SPECIFICATIONS

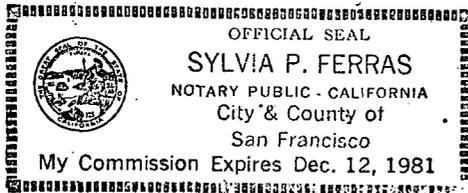
For 100 - 100 Ton Roller Bearing CF 4650 Center Flow (R) covered hopper cars, equipped with Elongated hatches and Enterprise #5059 Gravity outlets, built generally to specification No. SCL-CF-SS3 Rev. 4/77. The following will be included:

- a. ASF Ride Control A-3 trucks equipped for 9 spring grouping.
- b. Multi-Wear Wheels, if feasible, or 2 Wear Wheels (Both to have heat treated rims).
- c. Hardened bushings to be used in brake system.
- d. Roller Bearing Adaptor with hardened crowns and shoulders.
- e. Pedestal liners to be applied in side frames.
- f. Bolster wear plates and center plate liners from DAYCO.

STATE OF CALIFORNIA
CITY AND COUNTY OF
SAN FRANCISCO

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) SS
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On this 17th day of March, 1980 before me personally appeared M. M. Christy, to me personally known, who being by me duly sworn, says that he is the Senior Vice President of United States Lease Financing, Inc., 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 he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



(SEAL)

Sylvia P. Ferras
Notary Public

My commission expires:

STATE OF
COUNTY OF

NEW JERSEY
BERGEN

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) SS

On this 7th day of March, 1980 before me personally appeared J. W. Mehring, to me personally known, who being by me duly sworn, says that he is the President of Corn Products, a Unit of CPC International Inc., 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 he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(SEAL)

Louise Ferris
Notary Public

My commission expires:

LOUISE FERRIS
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Feb. 23, 1984