RECORDATION NO. 14869-C Filed 1425

RECORDATION NO. 14869-B Filed 1425

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INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 14869-D Filed 1425

RECORDATION NO. 14869-A Filed 1425

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December 30, 1985

Date 12/30/85
Fee $ 40.00

RECORDATION NO. 14869-E Filed 1425

The Honorable James H. Bayne
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Washington, D. C.

Dear Sir:

Enclosed for recordation, under the provisions of 49 U.S.C. §11303(a) and the regulations thereunder, are the original and one counterpart each of (i) Lease of Railroad Equipment between Cargill, Incorporated, a Delaware corporation, ("Lessee") and Wilmington Trust Company, a Delaware banking corporation, not in its individual capacity, except as otherwise set forth in such document, but solely as Owner Trustee under the Trust Agreement referred to therein ("Lessor"), a primary document, dated as of December 15, 1985; (ii) Lease Supplement No. 1 relating to the aforesaid Lease of Railroad Equipment, a primary document, dated December 30, 1985; (iii) Lease Supplement No. 2 relating to the aforesaid Lease of Railroad Equipment, a primary document, dated December 30, 1985; (iv) Loan and Security Agreement between The Prudential Insurance Company of America, a New Jersey corporation, ("Lender"), and Wilmington Trust Company, not in its individual capacity, except as otherwise set forth in such document, but solely as trustee under the Trust Agreement referred to therein, ("Owner Trustee"), a primary document, dated as of December 15, 1985; (v) Loan and Security Agreement Supplement No. 2, relating to the aforesaid Loan and Security Agreement, a primary document, dated December 30, 1985; and (vi) Loan and Security Agreement Supplement No. 2 relating to the aforesaid Lease and Security Agreement, a primary document, dated December 30, 1985.

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

(i) Lease of Railroad Equipment, Lease Supplement No. 1 and Lease Supplement No. 2;

LESSEE: Cargill, Incorporated
P.O. Box 9300
Minneapolis, Minnesota 55440

Counterpart - Mr. Maser

LESSOR: Wilmington Trust Company
Rodney Square North
Wilmington, Delaware 19890

(ii) Loan and Security Agreement, Loan and Security Agreement Supplement No. 1 and Loan and Security Agreement Supplement No. 2;

LENDER: The Prudential Insurance Company of America
c/o PruCapital, Inc.
3701 Wayzata Boulevard
P.O. Box 1143
Minneapolis, Minnesota 55440

OWNER TRUSTEE: Wilmington Trust Company
Rodney Square North
Wilmington, Delaware 19890

A general description of the railroad equipment covered by the enclosed documents is attached hereto as Schedule 1.

The undersigned is the attorney-in-fact of Cargill, Incorporated, Wilmington Trust Company and The Prudential Insurance Company of America mentioned in the enclosed documents and has knowledge of the matters set forth therein.

Please return the original of the enclosed documents to John K. Maser III, Esq., Donelan, Cleary, Wood & Maser, P.C., Suite 850, 1275 K Street, N.W., Washington, D.C. 20005, or to the bearer hereof.

Also enclosed is a remittance in the amount of $40.00 for the required recording fees.

A short summary of the documents to appear in the index follows:

PRIMARY DOCUMENTS:

1. Lease of Railroad Equipment between Cargill, Incorporated, a Delaware corporation, P.O. Box 9300, Minneapolis, Minnesota 55440 ("Lessee") and Wilmington Trust Company, a Delaware banking corporation, not in its individual capacity, except as otherwise set forth in such document, but solely as Owner Trustee under the Trust Agreement referred to therein, Rodney Square North, Wilmington, Delaware 19890 ("Lessor"), dated as of December 15, 1985, relating to 251 Rail Tank Cars, Lessee Identification Nos. CRGX 7050-7174 and CRGX 4340-4465.

2. Lease Supplement No. 1 relating to the Lease of Railroad Equipment between Cargill, Incorporated, a Delaware corporation, P.O. Box 9300, Minneapolis, Minnesota 55440 ("Lessee") and Wilmington Trust Company, a Delaware banking corporation, not in its individual capacity, except as otherwise set forth in such document, but solely as Owner Trustee under the Trust Agreement referred to therein, Rodney Square North, Wilmington, Delaware 19890 ("Lessor"), dated December 30, 1985, relating to 227 Rail Tank Cars, Lessee Identification Nos. CRGX 7050-7174, CRGX 4340-4393, CRGX 4395, CRGX 4400, CRGX 4416-4426, CRGX 4428-4453, CRGX 4456-4457, CRGX 4459-4465.

3. Lease Supplement No. 2 relating to the Lease of Railroad Equipment between Cargill, Incorporated, a Delaware corporation, P.O. Box 9300, Minneapolis, Minnesota 55440 ("Lessee") and Wilmington Trust Company, a Delaware banking corporation, not in its individual capacity, except as otherwise set forth in such document, but solely as Owner Trustee under the Trust Agreement referred to therein, Rodney Square North, Wilmington, Delaware 19890 ("Lessor"), dated December 30, 1985, relating to 24 Rail Tank Cars, Lessee Identification Nos. CRGX 4394, CRGX 4396-4399, CRGX 4401, CRGX 4427, CRGX 4454, CRGX 4455, CRGX 4458.

4. Loan and Security Agreement between The Prudential Insurance Company of America, a New Jersey corporation c/o PruCapital, Inc., 3701 Wayzata Boulevard, P.O. Box 1143, Minneapolis, Minnesota 55440 ("Lender") and Wilmington Trust Company, a Delaware banking corporation, not in its individual capacity, except as otherwise set forth in such document, but solely as trustee under the Trust Agreement referred to therein, Rodney Square North, Wilmington, Delaware 19890, ("Owner Trustee"), dated as of December 15, 1985, relating to 251 Rail Tank Cars, Cargill, Incorporated Identification Nos. CRGX 7050-7174 and CRGX 4340-4465.

5. Loan and Security Agreement Supplement No. 1 relating to the Loan and Security Agreement between The Prudential Insurance Company of America, a New Jersey corporation, c/o PruCapital, Inc., 3701 Wayzata Boulevard, P.O. Box 1143, Minneapolis, Minnesota 55440 ("Lender"), and Wilmington Trust Company, a Delaware banking corporation, not in its individual capacity, except as otherwise set forth in such document, but solely as trustee under the

Trust Agreement referred to therein, Rodney Square North, Wilmington, Delaware 19890 ("Owner Trustee"), dated December 30, 1985, relating to 227 Rail Tank Cars, Cargill, Incorporated Identification Nos. CRGX 7050-7174, CRGX 4340-4393, CRGX 4395, CRGX 4400, CRGX 4416-4426, CRGX 4428-4453, CRGX 4456-4457, CRGX 4459-4465.

6. Loan and Security Agreement Supplement No. 2 relating to the Loan and Security Agreement between The Prudential Insurance Company of America, a New Jersey corporation, c/o PruCapital, Inc., 3701 Wayzata Boulevard, P.O. Box 1143, Minneapolis, Minnesota 55440 ("Lender") and Wilmington Trust Company, a Delaware banking corporation, not in its individual capacity, except as otherwise set forth in such document, but solely as trustee under the Trust Agreement, referred to therein, Rodney Square North, Wilmington Delaware 19890 ("Owner Trustee"), dated December 30, 1985, relating to 24 Rail Tank Cars, Cargill, Incorporated Identification Nos. CRGX 4394, CRGX 4396-4399, CRGX 4401-4415, CRGX 4427, CRGX 4454, CRGX 4455, CRGX 4458.

Very truly yours,

CARGILL, INCORPORATED

By _____
John K. Maser III
Attorney-in-Fact

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

By _____
John K. Maser III
Attorney-in-Fact

WILMINGTON TRUST COMPANY

By _____
John K. Maser III
Attorney-in-Fact

SCHEDULE 1

Description of Rail Cars

Descriptions and Quantity	Manufacturer	Lessee's Identification Nos.	AAR Mechancial Description	DOT specifications	Specifications	Purchase Price
Oilseed Cars 125	Union Tank Car	CRGX 7050-7174	T-105	111A100W-3	Q9187	$41,025.00
Corn Milling Cars 36	Trinity Industries	CRGX 4340-4375	T-104	111A100W-3	36-176-2	$41,156.15
Corn Milling Cars 20	Union Tank Car	CRGX 4376-4389 CRGX 4390-4393 CRGX 4395, 4400	T-104	111A100W-3	36-100-18	$42,075.00
Corn Milling Cars 46	ACF Industries	CRGX 4416-4426 CRGX 4428-4453 CRGX 4456, 4457 CRGX 4459-4465	T-104	111A100W-3	85-080-083	$45,762.00
Corn Milling Cars 20	Union Tank Car	CRGX 4394 4396-4399 4401-4415	T-104	1111A100W-3	36-100-18	$42,075.00
Corn Milling Cars 4	ACF Industries	CRGX 4427, 4454, 4455 4458	T-104	111A100W-3	85-080-083	$45,762.00

Original counterpart 3 of 10.

LEASE OF RAILROAD EQUIPMENT

Dated as of December 15, 1985

between

CARGILL, INCORPORATED, Lessee

and

WILMINGTON TRUST COMPANY, not in its individual capacity, except as otherwise set forth herein, but solely as Owner Trustee under the Trust Agreement referred to herein, Lessor

Participation Agreement and one or more Lease Supplements substantially in the form of Exhibit A hereto relating to the Rail Cars being acquired on such Delivery Date by the Lessor pursuant to (and in the manner and subject to the conditions set forth in) the Participation Agreement. Upon delivery of each such bill of sale and Lease Supplement to the Lessor and execution by the Lessor of the form of acceptance contained in the Lease Supplement, title to the Rail Cars subject thereto shall pass to the Lessor and each such Rail Car shall be deemed to have been delivered to and accepted by the Lessee for all purposes of this Lease and thereupon shall be subject to all of the terms and conditions of this Lease. Lessee's execution and delivery of a Lease Supplement and execution by the Lessor of the form of acceptance contained in the Lease Supplement shall be conclusive proof that the Rail Cars listed therein have been leased to Lessee subject to the terms hereof.

§ 4. RENTALS

4.1. Interim Rent. The Lessee shall pay to the Lessor on the Primary Lease Term Commencement Date a single installment of rent ("Interim Rent") for each Rail Car then subject to this Lease, such installment with respect to each such Rail Car to be equal to the product of the average of the respective installments of Basic Rent which are to become due with respect to such Rail Car pursuant to § 4.2 hereof multipled by a fraction, the numerator of which is the number of calendar days from (and including) the Delivery Date of such Rail Car to (but not including) July 2, 1985 and the denominator of which is 180.

4.2. Basic Rent. The Lessee agrees to pay to the Lessor, as rental for each Rail Car subject to this Lease, 30 consecutive semiannual payments of Basic Rent, one such installment payable, in arrears, on January 2 and July 2 of each year, commencing on January 2, 1987, to and including July 2, 2001. Subject to adjustment in accordance with § 4.5 hereof, each semiannual payment of Basic Rent in respect of each Rail Car subject to this Lease shall be in an amount equal to the percentage set forth in the rent schedule attached to the Lease Supplement covering such Rail Car applicable to the semiannual rental payment being made multiplied by the amount of the Purchase Price of such Rail Car.

4.3. Minimum Payments. Notwithstanding anything to the contrary herein or in any other Operative Document contained, in all events and irrespective of any adjustment thereto pursuant to § 4.5 hereof or otherwise, each payment of Interim Rent under § 4.1 hereof, each payment of Basic Rent under § 4.2 hereof, and each amount of Casualty Value or Termination Value payable under § 8 or § 14 hereof shall at least be in an amount such that, as and when received by the Lender as contemplated by § 16.1, it shall be sufficient to pay the full amount of principal, premium (if any) and interest then due and payable in respect of all Notes then outstanding under the Loan and Security Agreement. Nothing in this § 4.3 shall be deemed to constitute a guarantee by the Lessee of the indebtedness evidenced by the Notes or a guarantee of the residual value of any Rail Car.

4.4. Supplemental Rent. In addition to its obligation to pay Interim Rent and Basic Rent hereunder, the Lessee shall pay Supplemental Rent to whomever due as and when the same shall become due and owing and in the event of any failure on the part of the Lessee to pay the same when due and owing, the Lessor shall have all rights, powers and remedies provided for herein or at law or in equity or otherwise in the case of nonpayment of Interim Rent or Basic Rent. The Lessee also agrees to pay to the Lessor or such other person as shall be entitled thereto, upon demand, as Supplemental Rent, to the extent permitted by applicable law, interest at the rate of 12.46% per annum on (i) any part of any installment of Interim Rent or Basic Rent not paid when due for each day for which the same shall be overdue, computed on the basis of a 360 day year of twelve 30 day months, and (ii) any payment of Supplemental Rent (other than such interest) not paid when due for each day for which the same shall be overdue until the same shall be paid.

4.5 Adjustments to Basic Rent, Casualty Value and Termination Value. (i) The percentages for Basic Rent, Casualty Value and Termination Value set forth in the schedules attached to each Lease Supplement shall be prepared by reference to the percentages of Basic Rent, Casualty Value and Termination Value attached hereto, respectively, as Appendices A, B, and C hereto, adjusted (upward or downward) to reflect (a) the number of Rail Cars covered by such Lease Supplement and the date thereof, such percentages for Basic Rent, Casualty Value and Termination Value set forth, respectively, in Appendices A, B and C hereto having been prepared on the assumption that 231 ITC Cars will be delivered and accepted prior to December 31, 1985, 20 Non-ITC Cars will be delivered and accepted prior to December 31, 1985, and 25 ITC Cars will be delivered and accepted on March 31, 1986; (b) the payment by the Owner Participant of any amounts pursuant to Section 10(g)(i), 10(g)(ii), 10(g)(iii) or 13(b)(iv) of the Participation Agreement on or prior to the date of such Lease Supplement, and (c) with respect to Rail Cars delivered in 1986, any Interim Period Change in Tax Law or knowledge prior to the Delivery Date for such Rail Cars that the Tax Assumptions are incorrect so as to preserve for the Owner Participant its originally-anticipated Net Economic Return (as defined in the Tax Indemnity Agreement) as reflected in the percentages for Basic Rent, Casualty Value and Termination Value set forth, respectively, in Appendices A, B and C hereto,

(ii) The percentages for Basic Rent, Casualty Value and Termination Value set forth in the schedules attached to each Lease Supplement shall be adjusted (upward or downward) to reflect the payment by the Owner Participant of any amounts pursuant to Section 10(g)(i), 10(g)(ii), 10(g)(iii) or 13(b)(iv) of the Participation Agreement on (if not considered in the preparation of such schedules pursuant to § 4.5(i) hereof) or after the date of such Lease Supplement. Not later than May 31, 1986 the Owner Participant shall furnish Lessee with a notice setting forth the amount of such adjustments. At the request and expense of Lessee, the accuracy of the Owner Participant's calculation of such adjustments and the consistency of the calculation with the calculation used to determine the percentages of Basic Rent, Casualty Value and Termination Value, shall be verified by the firm of independent public accountants then retained by the Owner Participant, and, in order to enable such accountants to verify such adjustment, the Owner Partici-

respect of any Rail Cars suffering a Casualty Occurrence up to the amount of such Casualty Value, and any excess shall be paid over to, or retained by, the Lessor for its own account. All insurance proceeds received by the Lender (or the Lessor, if the Loan and Security Agreement shall have been terminated in accordance with Section 11.02 thereof) in respect of any Rail Car not suffering a Casualty Occurrence shall be paid to the Lessee upon receipt by the Lender (or the Lessor, if the Loan and Security Agreement shall have been terminated, in accordance with Section 11.02 thereof) of an Officer's Certificate of the Lessee stating that any damage to such Rail Car in respect of which such proceeds were paid has been fully repaired.

8.8. Optional Termination Upon Economic Obsolescence or Change in Tax Law. (i) In the event that,

(a) at any time on or after July 2, 1991, the Lessee shall, in its reasonable judgment evidenced by a written certificate to such effect signed on behalf of the Lessee by its chief financial officer and delivered to the Lessor and the Lender, determine in good faith that a Lot of Corn Milling Cars or a Lot of Oilseed Cars or separate Lots of both Corn Milling Cars and Oilseed Cars has or have become (I) surplus to its needs, (II) technologically obsolete or (III) uneconomical for continued use in the Lessee's business and that it has discontinued or intends to discontinue using such Rail Cars; or

(b) at any time after the date of a Lease Supplement there shall occur a Change of Tax Law which results in the Lessee being required by Section 4 of the Tax Indemnity Agreement to make additional payments on each date on which Basic Rent in respect of such Lease Supplement is due which additional payments, in the aggregate, have a net present value greater than 3% of the net present value of all Basic Rent payable during the Basic Term in respect of such Lease Supplement (present values to be computed on the basis of an 11.46% per annum discount, computed semiannually for the respective dates on which rentals would have been payable in respect of such Lease Supplement);

then, and in either such event, the Lessee shall have the right, at its option and on at least 120 days' prior written notice to the Lessor and the Lender to terminate this Lease (a "Termination") with respect to such Lot of Rail Cars, in the case of a Termination pursuant to clause (a) hereof, or the Rail Cars covered by such Lease Supplement in the case of a Termination pursuant to clause (b) hereof (each Rail Car the lease of which is to be terminated being called a "Terminated Rail Car") as of the Termination Date specified in such notice; provided, that no Default or Event of Default shall have occurred and be continuing, on the Termination Date each Terminated Rail Car shall be in the same condition as if being redelivered pursuant to § 15 hereof, and Lessee shall have complied in full with the further provisions of this § 8.8. Any notice of Termination pursuant to this Section 8.8(i) shall specify whether the Termination is being made pursuant to clause (a) or clause (b) hereof and in the event of a Termination pursuant to clause (a) shall be accompanied by the written certificate referred to therein.

(ii) In the case of a Termination pursuant to clause (a) of subsection (i) above, during the period after the giving of such notice until the fifth business day preceding the Termination Date, the Lessee shall use its best efforts to obtain bids for the purchase of all Terminated Rail Cars, and the Lessee shall at least five business days prior to such Termination Date certify to the Lessor the amount of each such bid and the name and address of the party (which shall not be a corporation or individual affiliated with the Lessee or any party from whom the Lessee or any such affiliate intends to lease back such Terminated Rail Car) submitting such bid. On the Termination Date, unless the Lessee shall have revoked its election to terminate this Lease in the manner hereinafter provided, the Lessor shall sell, without recourse or warranty, express or implied, except as to Lessor's Liens, all Terminated Rail Cars for cash to the bidder or bidders who shall have submitted the highest bid or bids prior to the Termination Date and shall warrant to such bidder or bidders that the title to such Terminated Rail Cars shall be free and clear of all Lessor's Liens. The total sale price realized at such sale shall be paid to the Lessor.

(iii) In the case of a Termination pursuant to clause (a) of subsection (i) above, on such Termination Date, the Lessee shall pay to the Lessor, (a) the excess, if any, of the Termination Value of each Terminated Rail Car computed as of such date over the proceeds of the sale of such Terminated Rail Car after the deduction of all expenses incurred by the Lessor under the Lease, (b) the rental payment due on such Termination Date (including all payments with respect to such Terminated Rail Cars) and all other unpaid rental payments, if any, then due under the Lease and (c) if the reason for such Termination is that such Rail Cars are uneconomical for continued use in Lessee's business, or such Rail Cars have been selected for Termination from a pool of Rail Cars and other similar equipment leased by Lessee and the continued leasing by Lessee of such Rail Cars would be more expensive to Lessee than the continued leasing of an equal number of other rail cars leased under leases then eligible for termination an amount equal to five percent (5%) of the Purchase Price of such Terminated Rail Cars.

(iv) In the case of a Termination pursuant to clause (b) of subsection (i) above, on such Termination Date Lessor shall sell to Lessee, without recourse or warranty, express or implied, except as to Lessor's Liens, and Lessee shall purchase from Lessor, all such Terminated Rail Cars for cash for a purchase price equal to the sum of (I) the higher of the Fair Market Value of such Rail Cars or the Termination Value of such Rail Cars, in each case computed as of such Termination Date, plus (II) the rental payment due on such Termination Date (including all payments with respect to such Terminated Rail Cars) and all other unpaid rental payments, if any, then due under the Lease. Such Fair Market Value shall be determined in accordance with Section 17.3 hereof, and if such value shall not have been determined in accordance therewith by such Termination Date, then no such Termination shall occur and the Termination Date shall automatically be extended to the next following date on which an installment of Basic Rent is due.

(v) In the event of any such sale and the receipt in immediately available funds by the Lessor of the amounts described in respect of any Terminated Rail Car, the obligation of the Lessee to pay Interim Rent and Basic Rent pursuant to § 4 hereof in respect of such Terminated Rail Cars on each date which an installment of Basic Rent is due and payable hereunder (as well as all other obligations of Lessee hereunder in respect of such Terminated Rail Cars) shall continue to and including the Termination Date but shall then terminate provided that the Lessee shall have complied with all of the other provisions of this § 8.8 with respect to such Terminated Rail Cars. The Lessor shall be under no duty to solicit bids, to inquire into the efforts of the Lessee to obtain bids or otherwise to take any action or incur any cost or expense in connection with any sale other than to transfer or to cause to be transferred all the Lessor's right, title and interest in and to the Terminated Rail Cars to the purchasers named in the highest bid or bids certified by the Lessee to the Lessor as above provided. Any such sale shall be free and clear of all the Lessee's rights to such Terminated Rail Car, but otherwise shall be made without warranties other than against Lessor's Liens.

(vi) At any time after giving a termination notice pursuant to this § 8.8 with respect to any Terminated Rail Cars and prior to the fifth Business Day preceding the Termination Date therefor, the Lessee may revoke its election to terminate this Lease with respect to such Terminated Rail Cars, and this Lease shall thereupon continue in effect with respect to such Terminated Rail Cars as though such election to terminate this Lease with respect thereto had not been made, but in such event the Lessee shall pay all expenses incurred by the Lessor pursuant to this § 8.8. If no sale shall occur on the date scheduled therefor as provided above, then the Lessee shall be deemed to have revoked its election to terminate this Lease in the manner hereinabove provided.

(vii) In the case of a Termination pursuant to clause (a) of subsection (i) above, if the Lessee shall exercise its option to terminate with respect to any Terminated Rail Car the Lessor may, notwithstanding such election by the Lessee, by written notice to the Lessee and the Lender given not later than 90 days after the termination notice is given to the Lessor and the Lender, elect to retain the Terminated Rail Cars, in which case the Lessee shall not be obligated to pay the Termination Value for such Terminated Rail Cars as above provided; provided, however, that such written notice shall be void and ineffective and such obligation of the Lessee to pay the Termination Value shall remain in effect unless the Lessor shall first have deposited with the Lender at least five days prior to the Termination Date an amount in cash equal to the principal and premium of the Notes required to be prepaid on such Termination Date, as a result of a Termination of this Lease in respect of such Terminated Rail Cars, pursuant to § 5.02 of the Loan and Security Agreement together with interest accrued or to accrue on such principal amount to such Termination Date. In the event the Lessor shall so elect to retain the Terminated Rail Cars, the Lessee shall deliver the Terminated Rail Cars to the Lessor in accordance with the provisions of § 15 hereof.

of the person with whom it is consolidating or merging or to whom it is transferring all or substantially all of its assets and such other additional information and opinions of counsel as may be required by the Lessor or the Lender to demonstrate compliance with this Section 16.3.

Section 17. RENEWAL OPTION; PURCHASE OPTION

17.1. Renewal for Successive Periods. Provided that this Lease has not been earlier terminated and that no Default or Event of Default shall have occurred and be continuing the Lessee may, by written notice delivered to the Lessor not less than 180 days prior to the end of the original or any extended term of this Lease in respect of the Rail Cars still subject to this Lease, elect to extend this Lease for a period of one year from its then existing expiration date. Lessee may make such elections up to five times. The amount of rentals for each of the extended lease terms shall be an amount equal to 50% of the average Basic Rent paid during the Basic Term payable in semiannual payments, in arrears, on each semiannual anniversary of the original term in each year of such extended term. In the event of any such renewal, the Casualty Value payable in respect of a Casualty Occurrence involving any Rail Car shall be determined by mutual consent of the Lessor and the Lessee, failing which, such Casualty Value shall be the Fair Market Value thereof (determined as provided below).

17.2 Purchase Option. (i) Provided that this Lease has not been earlier terminated and that no Event of Default (or other event which after notice or lapse of time or both would become an Event of Default) has occurred and is continuing hereunder, and provided, further, that the Lessee has not notified the Lessor of its intention to extend or further extend the term of this Lease as described in the first paragraph of this Section 17, then the Lessee may, by written notice delivered to the Lessor not less than 180 days prior to the end of the original term or then current extended term hereof, elect to purchase Rail Cars then subject to this Lease in the amounts specified below, at a purchase price equal to the Fair Market Value thereof (as determined below) payable on the last day of such original or extended term. Lessee may exercise its purchase option hereunder only in Lots of Corn Milling Cars or Lots of Oilseed Cars or separate Lots of both Corn Milling Cars and Oilseed Cars.

(ii) Provided that this Lease has not been earlier terminated and that no Default or Event of Default has occurred and is continuing hereunder, upon payment of the purchase price of any Rail Car pursuant to an exercise by the Lessee of its option to purchase such Rail Cars under this Section 17.2, the Lessor shall, upon request of the Lessee, execute and deliver to the Lessee, or the Lessee's assignee or nominee, a bill of sale for such Rail Cars such as will transfer to the Lessee title to such Rail Cars, free and clear of all Lessor's Liens.

17.3 Determination of Fair Market Value. (i) Fair Market Value shall be determined for the Rail Cars on the basis of, and shall be equal in amount to, the purchase price which would obtain in an arm's length transaction between an informed and willing purchaser (other than a dealer in used goods) and an informed and willing seller (other than a dealer) under no

compulsion to purchase or sell on the assumption that the Rail Cars are in the condition required by Section 18 hereof, and, in such determination, cost of removal from the location of current use shall not be a deduction from such purchase price.

(ii) If, after 60 days from the giving of notice to the Lessor of the Lessee's election to purchase the Rail Cars, the Lessor and the Lessee are unable to agree upon a determination of the Fair Market Value of the Rail Cars, the Fair Market Value shall be determined in accordance with the foregoing definition by the following procedure: If either party to such determination shall have given written notice to the other requesting determination of such Fair Market Value by this appraisal procedure, the parties shall consult for the purpose of appointing a qualified independent appraiser by mutual agreement. If no such appraiser is so appointed within 20 days after such notice is given, each party shall appoint an independent appraiser within 25 days after such notice is given, and the two appraisers so appointed shall within 25 days after such notice is given appoint a third independent appraiser. If no such third appraiser is appointed within 25 days after such notice is given, either party may apply to the American Arbitration Association to make such appointment, and both parties shall be bound by an appointment so made. Any appraiser or appraisers appointed pursuant to the foregoing procedure shall be instructed to determine the Fair Market Value of such Rail Cars within 55 days after his or their appointment. If the parties shall have appointed a single appraiser or if either party shall have failed to appoint an appraiser, the determination of Fair Market Value by the single appraiser appointed shall be final. If three appraisers shall be appointed, the determination of the appraiser which differs most from the other two appraisers shall be excluded, the remaining two determinations shall be averaged and such average shall be final and binding upon the parties hereto as the Fair Market Value. The appraisal proceedings shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association as in effect on the date hereof, except as modified hereby. The provision for this appraisal procedure shall be the exclusive means of determining Fair Market Value and shall be in lieu of any judicial or other procedure for the determination thereof, and each party hereto hereby consents and agrees not to assert any such judicial or other procedures. The expenses of the appraisal procedure shall be divided equally between the Lessee and the Lessor.

Section 18. RETURN OF RAIL CARS UPON EXPIRATION OF TERM

Upon the expiration of the original or any extended term of this Lease or any prior termination of this Lease for any reason except pursuant to Section 5.2 or Section 14 hereof, the Lessee shall return each Rail Car to the Lessor in good order and repair, excepting only reasonable wear and tear, by causing all Rail Cars to be moved, at Lessee's expense, onto Lessee's storage tracks, if available, in the States of Minnesota, Iowa, Illinois, Nebraska, North Dakota, South Dakota, Ohio, Wisconsin, or Missouri, or at such other storage facilities in such States as to which Lessor shall specify. All Rail Cars must be moved onto such storage tracks or facilities within 60 days of the expiration of the original or extended term of this Lease or a prior

termination thereof; provided that if Lessor shall, prior to such expiration or termination, give Lessee notice of a date (after such expiration or termination and prior to 60 days thereafter) for storage in order that Lessor may deliver Rail Cars to a purchaser or lessee of all or any of the Rail Cars, then Lessee shall move such number of Rail Cars as are specified in such notice onto such tracks or facilities by the date specified in such notice. Lessee shall pay Lessor rent on all Rail Cars not moved onto such storage tracks or facilities at a rate per unstored Rail Car equal to the daily equivalent per Rail Car of the Basic Rent payable on the Basic Rent payment date immediately preceding the expiration of the Lease or a renewal period thereof or the termination of the Lease, as the case may be, for each day thereafter that all Rail Cars are not on such storage tracks or facilities. All storage fees payable for the first 90 days of storage on tracks or facilities not owned by the Lessee shall be paid by the Lessee, and the Lessor shall reimburse the Lessee for such fees (together with interest thereon accrued from the date or dates expended by the Lessee to the date of reimbursement at a rate per annum equal to 1% plus the corporate base rate publicly quoted by The First National Bank of Chicago from time to time) upon the earlier to occur of (i) the date that proceeds from the sale or lease of Rail Cars are available to the Lessor, but only to the extent of such proceeds, and (ii) the date 360 days after the first date by which all Rail Cars have been moved onto storage tracks or facilities. The Lessor shall advance to the Lessee any storage fees payable for storage after the first 90 days. Any Rail Cars not delivered in accordance with this Section 18 shall continue to be subject to all of the rights and duties of the parties set forth in this Lease. During any such storage period the Lessor will be responsible for any insurance in respect of the Rail Cars and the Lessee will permit the Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser of any such Rail Car, to inspect the same; provided, however, that the Lessee shall not be liable, except in the case of negligence, gross negligence or willful misconduct of the Lessee or of its employees or agents, for any injury to, or the death of, any person exercising, either on behalf of the Lessor or any prospective purchaser, the rights of inspection granted under this sentence during any storage period governed by this Section 18. Each Rail Car returned to the Lessor pursuant to this Section 18 shall (i) be in the same operating order, repair and condition as when originally delivered to the Lessee, reasonable wear and tear excepted, (ii) meet the standards then in effect required for a third party purchaser or third party lessee immediately to operate such Rail Car without further inspection, repair, replacement, alterations or improvements (excluding third party peculiar requirements for compatibility with then existing third party products, equipment or facilities) under the Interchange Rules of the Association of American Railroads and/or the applicable rules of any government agency or other organization with jurisdiction, and (iii) have attached or affixed thereto any special device considered an accession thereto as provided in Section 12 hereof and have removed therefrom any such device not so considered an accession. Notwithstanding the foregoing, each Rail Car shall be in a condition at least as good as such Rail Car would have been in had it been (i) maintained in accordance with all the terms and conditions of this Lease and (ii) used during the entire Lease Term only for the transportation of

high-fructose corn syrup in the case of Corn Milling Cars, or crude and refined vegetable and animal oils and tallows, in the case of Oilseed Cars. During any such storage period the Lessee shall maintain the Rail Cars in such manner as the Lessee normally maintains similar units of railroad equipment owned or leased by it in similar storage circumstances, but in any event in no less manner than is set forth in Section 12.1 hereof. The assembling, delivery, storage and transporting of the Rail Cars as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises, the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to assemble, deliver, store and transport the Rail Cars. All net amounts earned in respect of the Rail Cars after the expiration of the original term or any extended term hereof shall belong to the Lessor, and shall be paid over forthwith to the Lessor.

Section 19. RECORDING

The Lessee, at its own expense, will cause this Lease, the Loan and Security Agreement and all supplements to the Lease and to the Loan and Security Agreement to be filed with the Interstate Commerce Commission pursuant to 49 U.S.C. Section 11303. The Lessee, at its own expense, will further cause this Lease and/or appropriate financing statements or continuation statements to be filed and recorded and, from time to time when required, refiled and rerecorded, in accordance with the applicable provisions of the Uniform Commercial Code as in effect in the State of Minnesota (and, if the Lessee changes its chief place of business, in any other state) in the same manner as if the Lessor's interest in this Lease represented a security interest and in any other state of the United States of America or the District of Columbia where filing is necessary or reasonably requested by the Lessor or any holder from time to time of any Note for the purpose of proper protection, to the satisfaction of counsel of the Lessor and any holder from time to time of any Note, of their interests and rights under this Lease and the Loan and Security Agreement for the purpose of carrying out the intention of this Lease and the Loan and Security Agreement. The Lessee in addition will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, record (and will refile, reregister, deposit and redeposit or rerecord whenever required) any and all further instruments required by law or reasonably requested by the Lessor or any holder from time to time of any Note for the purpose of proper protection, to their satisfaction, of their respective interests in the Rail Cars, or for the purpose of carrying out the intention of this Lease and the Loan and Security Agreement (including without limitation any such filing, registry, depositing or recording required or deemed necessary by the Lessor or the Lender in connection with the Lessee's compliance with Section 12.2); and the Lessee will promptly furnish to the Lessor and each other holder from time to time of any Note which shall have requested the same evidence of all such filing, registering, depositing or recording, and an opinion or opinions of counsel for the Lessee with respect thereto satisfactory to the Lessor and each such holder of a Note. This Lease and the Loan and Security Agreement shall be filed with the Interstate Commerce Commission pursuant to 49 U.S.C. Section 11303 prior to the delivery and acceptance hereunder of any Rail Car.

Section 20. LESSOR'S RIGHT TO PERFORM FOR THE LESSEE

If the Lessee fails to perform or comply with any of its agreements contained herein, the Lessor may upon notice to the Lessee perform or comply with such agreement, and the amount of the reasonable costs and expenses of the Lessor incurred in connection with such performance or compliance, together with interest on such amount at a rate per annum equal to 1% plus the corporate base rate publicly quoted by The First National Bank of Chicago from time to time, shall be payable by the Lessee upon demand except as otherwise provided in this Lease. No such performance or compliance by the Lessor shall be deemed a waiver of the rights and remedies of the Lessor or any assignee of the Lessor against the Lessee hereunder.

Section 21. NOTICES

Any notice required or permitted to be given by either party hereto to the other shall be deemed to have been given when mailed, first class, postage prepaid, addressed as follows:

(a) if to the Lessor, at

Wilmington Trust Company,
Rodney Square North
Wilmington, Delaware 19890
Attention: Equipment Leasing Administration

with a copy to the Owner Participant at

Student Loan Marketing Association
1050 Thomas Jefferson Street, N.W.
Washington, D.C. 20007
Attention: Treasurer

(b) if to the Lessee, at

Cargill, Incorporated
P.O. Box 9300
Minneapolis, Minnesota 55440
Attention: General Transportation Manager,
Corn Milling Division and General Transportation
Manager, Oilseed Processing Group;

in each case with a copy to the Lender at the address specified in the Participation Agreement, or addressed to any party at such other address as such party shall hereafter furnish to the other party and the Lender in writing.

Section 22. SEVERABILITY

Any provision of this Lease which is prohibited or unenforceable in any jurisdiction shall be, as to such jurisdiction, ineffective to the extent

APPENDIX A TO
LEASE OF RAILROAD
EQUIPMENT

Basic Rent Percentages

1. Basic Rent Percentages based on assumption that 231 ITC Cars delivered and accepted prior to 12/31/85.

Rental Payment Date	Percentage of Purchase Price
1/ 2/1987	3.779590
7/ 2/1987	5.257111
1/ 2/1988	3.694928
7/ 2/1988	5.341773
1/ 2/1989	3.600564
7/ 2/1989	5.436138
1/ 2/1990	3.495385
7/ 2/1990	5.541316
1/ 2/1991	3.378154
7/ 2/1991	5.658548
1/ 2/1992	3.247488
7/ 2/1992	7.796413
1/ 2/1993	2.986834
7/ 2/1993	8.057067
1/ 2/1994	2.696310
7/ 2/1994	8.347591
1/ 2/1995	3.279761
7/ 2/1995	7.764140
1/ 2/1996	2.008585
7/ 2/1996	9.035316
1/ 2/1997	1.769919
7/ 2/1997	9.273982
1/ 2/1998	1.350239
7/ 2/1998	9.693662
1/ 2/1999	0.872161
7/ 2/1999	10.171740
1/ 2/2000	0.339295
7/ 2/2000	10.704606
1/ 2/2001	0.000000
7/ 2/2001	11.043900

2. Basic Rent Percentages based on assumption that 20 Non-ITC Cars delivered and accepted prior to 12/31/85.

Rental Payment Date	Percentage of Purchase Price
1/ 2/1987	4.299970
7/ 2/1987	6.253568
1/ 2/1988	4.188029
7/ 2/1988	6.365510
1/ 2/1989	4.063259
7/ 2/1989	6.490279
1/ 2/1990	3.924191
7/ 2/1990	6.629347
1/ 2/1991	3.769185
7/ 2/1991	6.784352
1/ 2/1992	3.596416
7/ 2/1992	6.957121
1/ 2/1993	3.403848
7/ 2/1993	9.493803
1/ 2/1994	3.054894
7/ 2/1994	9.842757
1/ 2/1995	2.665949
7/ 2/1995	10.231702
1/ 2/1996	2.262126
7/ 2/1996	10.635525
1/ 2/1997	1.994745
7/ 2/1997	10.902906
1/ 2/1998	1.650884
7/ 2/1998	11.246767
1/ 2/1999	1.101040
7/ 2/1999	11.796611
1/ 2/2000	0.488183
7/ 2/2000	12.409468
1/ 2/2001	0.000000
7/ 2/2001	12.897651

3. Basic Rent Percentages based on assumption that 25 ITC Cars delivered and accepted on or prior to 3/31/85, but after 12/31/85.

Rental Payment Date	Percentage of Purchase Price
1/ 2/1987	3.991831
7/ 2/1987	5.429277
1/ 2/1988	3.909465
7/ 2/1988	5.511642
1/ 2/1989	3.817660
7/ 2/1989	5.603447
1/ 2/1990	3.715335
7/ 2/1990	5.705773
1/ 2/1991	3.601283
7/ 2/1991	5.819825
1/ 2/1992	3.474161
7/ 2/1992	8.039529
1/ 2/1993	3.212565
7/ 2/1993	8.301125
1/ 2/1994	2.920991
7/ 2/1994	8.592699
1/ 2/1995	2.596002
7/ 2/1995	8.917688
1/ 2/1996	3.643243
7/ 2/1996	7.870447
1/ 2/1997	1.858790
7/ 2/1997	9.654900
1/ 2/1998	1.586100
7/ 2/1998	9.927590
1/ 2/1999	1.108133
7/ 2/1999	10.405557
1/ 2/2000	0.575390
7/ 2/2000	10.938300
1/ 2/2001	0.000000
7/ 2/2001	11.513689

APPENDIX B TO
LEASE OF RAILROAD
CARS

Casualty Value Percentages

1. Casualty Values Percentages based on assumption that 231 ITC Cars delivered and accepted prior to 12/31/85.

Casualty Payment Date	Percentage of Purchase Price
7/1986	103.382171
1/1987	102.047513
7/1987	102.096964
1/1988	100.385821
7/1988	99.921335
1/1989	97.901345
7/1989	96.954911
1/1990	94.634182
7/1990	93.167331
1/1991	90.527161
7/1991	88.507322
1/1992	88.617917
7/1992	84.081943
1/1993	84.081943
7/1993	79.011710
1/1994	79.011709
7/1994	73.360427
1/1995	72.453157
7/1995	67.009521
1/1996	67.009520
7/1996	59.982788
1/1997	59.982787
7/1997	52.485354
1/1998	52.593084
7/1998	44.554087
1/1999	45.079251
7/1999	36.543321
1/2000	37.573431
7/2000	28.454819
1/2001	29.656176
7/2001	20.000000

2. Casualty Value Percentages based on assumption that 20 Non-ITC Cars delivered and accepted prior to 12/31/85.

Casualty Payment Date	Percentage of Purchase Price
7/1986	103.045527
1/1987	104.731908
7/1987	104.269020
1/1988	105.578196
7/1988	104.550620
1/1989	105.557608
7/1989	103.996388
1/1990	104.713981
7/1990	102.578267
1/1991	102.992707
7/1991	100.247705
1/1992	100.380247
7/1992	97.041901
1/1993	97.041901
7/1993	90.951946
1/1994	90.951945
7/1994	84.164081
1/1995	84.164081
7/1995	76.598328
1/1996	76.598327
7/1996	68.225834
1/1997	68.225834
7/1997	59.328568
1/1998	59.328567
7/1998	49.856753
1/1999	50.213874
7/1999	40.129652
1/2000	41.025387
7/2000	30.254029
1/2001	31.475426
7/2001	20.000004

3. Casualty Value Percentages based on assumption that 25 ITC Cars delivered on or prior to 3/31/86, but after 12/31/85.

Casualty Payment Date	Percentage of Purchase Price
7/1986	103.490974
1/1987	105.643680
7/1987	102.927659
1/1988	104.482865
7/1988	101.188421
1/1989	102.371239
7/1989	98.553118
1/1990	99.430869
7/1990	95.118574
1/1991	95.700126
7/1991	90.855174
1/1992	91.123833
7/1992	86.698486
1/1993	86.742481
7/1993	81.655330
1/1994	81.655329
7/1994	75.983620
1/1995	75.983619
7/1995	69.661932
1/1996	68.252457
7/1996	62.535016
1/1997	62.535015
7/1997	54.739830
1/1998	54.739829
7/1998	46.435925
1/1999	46.641783
7/1999	37.764843
1/2000	38.425730
7/2000	28.977990
1/2001	30.156669
7/2001	19.999997

APPENDIX C TO
LEASE OF RAILROAD
EQUIPMENT

Termination Value Percentages

1. Termination Value Percentages based on assumption that 231 ITC Cars delivered and accepted prior to 12/31/85.

Termination Payment Date	Percentage of Purchase Price
7/1986	103.382171
1/1987	102.047513
7/1987	102.096964
1/1988	100.385821
7/1988	99.921335
1/1989	97.901345
7/1989	96.954911
1/1990	94.634182
7/1990	93.167331
1/1991	90.527161
7/1991	88.507322
1/1992	88.617917
7/1992	84.081943
1/1993	84.081943
7/1993	79.011710
1/1994	79.011709
7/1994	73.360427
1/1995	72.453157
7/1995	67.009521
1/1996	67.009520
7/1996	59.982788
1/1997	59.982787
7/1997	52.485354
1/1998	52.593084
7/1998	44.554087
1/1999	45.079251
7/1999	36.543321
1/2000	37.573431
7/2000	28.454819
1/2001	29.656176
7/2001	20.000000

2. Termination Value Percentages based on assumption that 20 Non-ITC Cars delivered and accepted prior to 12/31/85.

Termination Payment Date	Percentage of Purchase Price
7/1986	103.045527
1/1987	104.731908
7/1987	104.269020
1/1988	105.578196
7/1988	104.550620
1/1989	105.557608
7/1989	103.996388
1/1990	104.713981
7/1990	102.578267
1/1991	102.992707
7/1991	100.247705
1/1992	100.380247
7/1992	97.041901
1/1993	97.041901
7/1993	90.951946
1/1994	90.951945
7/1994	84.164081
1/1995	84.164081
7/1995	76.598328
1/1996	76.598327
7/1996	68.225834
1/1997	68.225834
7/1997	59.328568
1/1998	59.328567
7/1998	49.856753
1/1999	50.213874
7/1999	40.129652
1/2000	41.025387
7/2000	30.254029
1/2001	31.475426
7/2001	20.000004

3. Termination Value Percentages based on assumption that 25 ITC Cars delivered and accepted prior to 3/31/86, but after 12/31/85.

Termination Payment Date	Percentage of Purchase Price
7/1986	103.490974
1/1987	105.643680
7/1987	102.927659
1/1988	104.482865
7/1988	101.188421
1/1989	102.371239
7/1989	98.553118
1/1990	99.430869
7/1990	95.118574
1/1991	95.700126
7/1991	90.855174
1/1992	91.123833
7/1992	86.698486
1/1993	86.742481
7/1993	81.655330
1/1994	81.655329
7/1994	75.983620
1/1995	75.983619
7/1995	69.661932
1/1996	68.252457
7/1996	62.535016
1/1997	62.535015
7/1997	54.739830
1/1998	54.739829
7/1998	46.435925
1/1999	46.641783
7/1999	37.764843
1/2000	38.425730
7/2000	28.977990
1/2001	30.156669
7/2001	19.999997

TABLE OF CONTENTS

Section		Page
RECITALS		1
1.	Definitions	1
2.	Net Lease	6
3.	Delivery and Acceptance of Rail Cars	6
4.	Rentals	
	4.1 Interim Rent	7
	4.2 Basic Rent	7
	4.3 Minimum Payments	7
	4.4 Supplemental Rent	8
	4.5 Adjustments to Basic Rent, Casualty Value and Termination Value	8
	4.6 Payments on Nonbusiness Days	9
	4.7 Place of Rent Payment	9
	4.8 Payment in Immediately Available Funds	9
5.	Term of Lease	
	5.1 Beginning and Termination; Survival	9
	5.2 Rights and Obligations of Lessee Subject to Loan and Security Agreement	9
6.	Identification Marks	
	6.1 Identifying Numbers; Legend; Changes	10
	6.2 Insignia of Lessee	10
7.	General Tax Indemnification	
	7.1 Tax Indemnification	10
	7.2 Federal or Home Jurisdiction Tax Liability	11
	7.3 Returns or Reports	12
	7.4 Evidence of Performance	12
	7.5 Claim Against Indemnified Person	12
	7.6 Payment Under this Section Free of Taxes	13
	7.7 Liability Under this Section 7	13
	7.8 Third-Party Beneficiary	13

8. Payment for Casualty Occurrences; Termination; Insurance

8.1 Casualty Occurrence; Payments..... 14
8.2 Requisition Not Constituting a Casualty Occurrence..... 15
8.3 Payment After Expiration of Lease..... 16
8.4 Amount of Casualty Value..... 16
8.5 No Release..... 16
8.6 Insurance to be Maintained..... 16
8.7 Insurance Proceeds..... 17
8.8 Optional Termination Upon Economic Obsolescence or Change in Tax Law 18

9. Reports..... 21

10. Disclaimer of Warranties, Warranty of Title..... 21

11. Laws and Rules

11.1 Compliance..... 22
11.2 Reports by Lessee..... 22

12. Maintenance

12.1 Rail Cars in Good Operating Order..... 23
12.2 Additions and Accessions..... 23

13. Indemnification

13.1 Indemnified Persons..... 23
13.2 Indemnification Against Manufacturer Claims..... 25
13.3 Survival..... 25
13.4 Third-Party Beneficiaries..... 26

14. Default

14.1 Events of Default; Remedies..... 26
14.2 Remedies Not Exclusive; Waiver..... 29
14.3 Failure to Exercise Rights Is Not Waiver..... 29
14.4 Notice of Event of Default..... 29

15. Return of Rail Cars Upon Default

15.1 Return of Rail Cars..... 30
15.2 Lessor Appointed Agent of Lessee..... 31

16. Assignment, Possession and Use

16.1 Assignment; Consent; Security for the Lessor's Obligations to Holders of Notes..... 31
16.2 Lessee's Rights to Use the Rail Cars, to Permit Use thereof by Others and to Sublease the Rail Cars..... 32

16.3 Transfers by Lessee Through Merger, Acquisition or Consolidation 33

17. Renewal Option; Purchase Option

17.1 Renewal for Successive Periods..... 34
17.2 Purchase Option..... 34
17.3 Determination of Fair Market Value..... 34

18. Return of Rail Cars Upon Expiration of Term..... 35

19. Recording..... 37

20. Lessor's Right to Perform for the Lessee... 38

21. Notices..... 38

22. Severability..... 38

23. Effect and Modification of Lease..... 39

24. Third-Party Beneficiaries..... 39

25. Execution..... 39

26. Law Governing..... 39

27. Immunities; No Recourse..... 39

28. Agreements for Benefit of Lessor's Assigns..... 40

29. Term Lessor..... 40

30. Liability of Lessor Limited..... 40

EXHIBIT

A - Form of Lease Supplement

APPENDICES

A - Basic Rent Percentages
B - Casualty Value Percentages
C - Termination Value Percentages

LEASE OF RAILROAD EQUIPMENT, dated as of December 15, 1985, between CARGILL, INCORPORATED, a Delaware corporation (the "Lessee"), and WILMINGTON TRUST COMPANY, a Delaware banking corporation, not in its individual capacity, except as otherwise set forth herein, but solely as Owner Trustee under the Trust Agreement referred to in Section 1 hereof (the "Lessor"). Certain capitalized terms used herein have the respective meanings attributed thereto in §1.

WHEREAS, pursuant to the Participation Agreement the Lessor, subject to the terms and conditions thereof, has agreed to purchase certain rail tank cars and related equipment more specifically described therein, such purchases to be made on the Delivery Dates;

WHEREAS, the Lessee desires to lease such rail tank cars and related equipment at the rentals and for the term and upon the conditions hereinafter provided; and

WHEREAS, in order to secure certain borrowings to be made by the Lessor to finance the purchase price of such rail tank cars and related equipment, the Lessor has granted a first and prior security interest therein and has assigned this Lease and certain of the payments to be made by the Lessee hereunder to the Lender.

NOW, THEREFORE, in consideration of the premises and of the rentals to be paid and the covenants hereinafter mentioned to be kept and performed by the Lessee, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Lessor hereby leases to the Lessee the rail tank cars and related equipment purchased by the Lessor pursuant to the Participation Agreement upon the following terms and conditions:

§ 1. DEFINITIONS

The following terms shall have the following meanings for all purposes of this Lease (as modified, amended or supplemented from time to time) and such meanings shall be equally applicable to both the singular and plural forms of the terms herein defined:

"Basic Rent" means the rent payable for a Rail Car identified as "Basic Rent" in and payable pursuant to § 4.2 hereof.

"Basic Term" means the period beginning on July 2, 1986 and ending on July 2, 2001.

"Business Day" means any day other than (i) a Saturday or Sunday, and (ii) a day on which state or national banking institutions are authorized or obligated by law to remain closed in the State of New York, Delaware or Minnesota.

"Casualty Occurrence" with respect to any Rail Car means any of the following events with respect to such Rail Car: (i) such Rail Car shall be or become worn out, lost, stolen, destroyed, or, in the reasonable good faith opinion of the Lessee, irreparably damaged, from any cause whatsoever during the term of this Lease or any renewal term hereof or until such Rail Car is returned pursuant to § 15 or § 18 hereof, or (ii) such Rail Car, together with all other Rail Cars manufactured by the same Manufacturer shall have been returned permanently to such Manufacturer pursuant to any patent indemnity provisions of any agreement between such Manufacturer and the Lessee, or (iii) such Rail Car shall be permanently returned to the Manufacturer thereof due to a material breach of such Manufacturer's warranty (other than under the circumstances contemplated by the immediately preceding clause (ii)) contained in any agreement between such Manufacturer and the Lessee, or (iv) title to such Rail Car shall be taken by any governmental entity by condemnation or otherwise, or (v) use of such Rail Car shall be taken or requisitioned (a) by the United States Government (I) for a stated period which shall equal or exceed the then remaining term of this Lease or (II) for a period which has exceeded two years, or (b) by any other governmental entity (I) for a stated period which shall equal or exceed the then remaining term of this Lease or (II) for a period which has exceeded 270 consecutive days, or (vi) as a result of any rule, regulation, order or other action by the United States Government or any agency or instrumentality thereof, the use of such Rail Cars in the normal course of interstate rail transportation shall have been prohibited for a continuous period of six months.

"Casualty Payment Date" with respect to any Rail Car means the date next succeeding the date of a Casualty Occurrence with respect to such Rail Car on which an installment of Interim Rent or Basic Rent is due and payable.

"Casualty Value" has the meaning specified in § 8.4 hereof.

"Change in Tax Law" has the meaning specified in the Tax Indemnity Agreement.

"Code" means The Internal Revenue Code of 1954, as amended.

"Corn Milling Cars" means Rail Cars originally leased for use by Lessee's Corn Milling Division as so identified on the relevant Lease Supplement.

"Default" means any event which with the lapse of time or the giving of notice, or both, would constitute an Event of Default.

"Delivery Date" has the meaning specified in the Participation Agreement.

"Event of Default" has the meaning specified in § 14.1 hereof.

"Excepted Cars" as of any date means all Rail Cars which shall on such date be located in Canada or Mexico (provided that, if and for so long as the Lessee shall have satisfied the conditions set forth in the third sentence

of clause (1) of § 16.2 hereof to the unrestricted use of Rail Cars in Canada, the term "Excepted Cars" shall not include Rail Cars located in Canada).

"Excepted Rights in Collateral" has the meaning specified in the Loan and Security Agreement.

"Fair Market Value" has the meaning specified in § 17.3 hereof.

"Indemnified Person" means the Owner Participant, the Lessor, the Owner Trustee in its individual capacity, each other holder from time to time of any Note (including, in the case of each of the foregoing, as to any such corporation, any corporation which is a member of the same affiliated group, as defined in Section 1504 of the Code, as such corporation), the Trust Estate and their respective agents, and the successors, assigns, affiliates, agents, officers, directors and employees of any thereof.

"Interm Period Change in Tax Law" has the meaning specified in the Participation Agreement.

"Interim Rent" means the rent payable for a Rail Car as "Interim Rent" in and payable pursuant to § 4.1 hereof.

"ITC Car" means any Rail Car identified as an "ITC Car" in a Lease Supplement.

"Lease Agreement", "this Lease", "this Agreement", "herein", "hereunder", "hereof", "hereby" or other like words means or refers to this Lease of Railroad Equipment, as this Lease Agreement shall have been originally executed or as modified, amended or supplemented from time to time to the extent permitted by the Loan and Security Agreement, including, without limitation, supplementation hereof by one or more Lease Supplements and any amendments thereto entered into pursuant to the applicable provisions hereof.

"Lease Supplement" means a Lease Supplement substantially in the form of Exhibit A hereto, to be entered into between Lessor and Lessee for the purpose of leasing Rail Cars under and pursuant to the terms of this Lease Agreement.

"Lease Term" means the period commencing on the first Delivery Date and continuing to and including the last day of the Basic Term.

"Lender" has the meaning specified in the Loan and Security Agreement.

"Lessor's Liens" means any Lien which results from claims against the Lessor unrelated to the Lessor's ownership or mortgaging of the Rail Cars or the transactions contemplated by the Operative Documents.

"Liens" has the meaning specified in the Participation Agreement.

"Loan and Security Agreement" has the meaning specified in the Participation Agreement.

"Loan and Security Agreement Event of Default" has the meaning specified in the Loan and Security Agreement.

"Lot" means that number of Rail Cars designated by the Lessee that is (i) not fewer than 50 Rail Cars and (ii) not greater than the number equal to, at Lessee's option, either (a) the number of Rail Cars being leased hereunder at the expiration of the original term of the Lease or (b) 50 Rail Cars fewer than the number of Rail Cars being leased hereunder at the expiration of the original term of the Lease; provided, that if fewer than 50 Rail Cars shall be leased hereunder at the expiration of the original term of the Lease, then "Lot" shall mean that number of Rail Cars.

"Manufacturer" has the meaning specified in the Participation Agreement.

"Non-ITC Car" means any Rail Car identified as a "Non-ITC" car in any Lease Supplement.

"Note" has the meaning specified in the Participation Agreement.

"Officer's Certificate" with respect to any corporation or entity other than the Lessee and Lessor, means a certificate executed on behalf of such corporation or entity by its President or one of its Vice Presidents or Assistant Vice Presidents or its Treasurer. With respect to the Lessee only, "Officer's Certificate" means a certificate executed on behalf of the Lessee by a corporate officer thereof who shall be the President, a Vice President or the Controller of its Corn Milling Division or a Vice President of its Oilseed Processing Group. With respect to the Lessor only, "Officer's Certificate" means a certificate executed on behalf of the Lessor by a corporate officer thereof who shall be the President, a Vice President, the Treasurer or a Financial Services Officer of said Lessor.

"Oilseed Cars" means Rail Cars originally leased for use by Lessee's Oilseed Processing Group as so identified in the relevant Lease Supplement.

"Operative Documents" has the meaning specified in the Participation Agreement.

"Owner Participant" has the meaning specified in the Participation Agreement.

"Owner Trustee" has the meaning specified in the Participation Agreement.

"Participation Agreement" means the Participation Agreement, dated as of the date hereof, among the Lessee, the Lessor, the Lender, and the Owner Participant, as such Participation Agreement may hereafter from time to time be modified, amended or supplemented.

"Permitted Liens" means (i) Liens for taxes, assessments or governmental charges or levies, in each case not due and delinquent, or undetermined or inchoate materialmen's, mechanics', workmen's, repairmen's or other like liens arising in the ordinary course of Lessee's business and in each case not delinquent, and (ii) the lien of this Lease and the Loan and Security Agreement.

"Primary Lease Term Commencement Date" means July 2, 1986.

"Purchase Price" has the meaning specified in the Participation Agreement.

"Rail Car" means each of the 276 rail tank cars, more specifically described in Exhibit A to the Participation Agreement, which shall be purchased by the Owner Trustee in accordance with the Participation Agreement and leased to the Lessee pursuant to the Lease and one or more Lease Supplements, together with related appurtenances, additions, improvements, equipment and replacements thereto.

"Supplemental Rent" means any and all amounts, liabilities and obligations (other than Basic Rent and Interim Rent) which the Lessee assumes or agrees to pay to any person hereunder or under any other Operative Document, including, without limitation, payments of Casualty Value and Termination Value and amounts measured by reference thereto and payments pursuant to the Tax Indemnity Agreement.

"Tax Assumptions" has the meaning specified in the Tax Indemnity Agreement.

"Tax Indemnity Agreement" means the Tax Indemnity Agreement, dated as of the date hereof, between the Owner Participant and the Lessee, as such Tax Indemnity Agreement may hereafter from time to time be supplemented, amended or modified.

"Tax Rate" has the meaning specified in the Tax Indemnity Agreement.

"Terminated Rail Cars" has the meaning specified in § 8.8 hereof.

"Termination" has the meaning specified in § 8.8 hereof.

"Termination Date" with respect to any Rail Car means a date, on which an installment of Basic Rent is due and which has been specified by the Lessee, pursuant to § 8.8 hereof, as the date of Termination with respect to such Rail Car.

"Termination Value" with respect to any Rail Car means an amount equal to the specified percentage set forth in the schedule appended to the Lease Supplement, subject to adjustment as provided in § 4.5 hereof, for the Termination Date with respect to such Rail Car multiplied by the Purchase Price of such Rail Car plus an amount equal to any prepayment premium payable pursuant to Section 5.02 of the Loan and Security Agreement on such

Termination Date in respect of the Notes to be prepaid by the Lessor on such Termination Date.

"Trust Agreement" has the meaning specified in the Participation Agreement.

"Trust Estate" has the meaning specified in the Participation Agreement.

§ 2. NET LEASE

This Lease is a net lease. Each of the Lessee's obligations to pay all rentals and other amounts hereunder shall be absolute and unconditional, without notice or demand and the Lessee shall not be entitled to any abatement of rent or such other amounts, reduction thereof or setoff against rent or such other amounts, including, but not limited to, abatements, reductions or setoffs due or alleged to be due by reason of any past, present or future claims of the Lessee against the Lessor, the Owner Participant, the holder from time to time of any Note or any other person or entity, either under this Lease or otherwise; nor, except as otherwise expressly provided herein, shall this Lease terminate, or the respective obligations of the Lessor or the Lessee be otherwise affected, by reason of any defect in or damage to or loss of possession or loss of use or destruction of all or any of the Rail Cars from whatsoever cause, any liens, encumbrances or rights of others with respect to any of the Rail Cars, the prohibition of or other restriction against the Lessee's use of all or any of the Rail Cars, the interference with such use by any person or entity, the invalidity or unenforceability or lack of due authorization of this Lease or any other Operative Document, any defect in the title to, compliance with plans or specifications for, condition, design, fitness for use, operation, damage or destruction of all or any of the Rail Cars, any insolvency of or any bankruptcy, reorganization or similar proceeding against the Lessee, Lessor or any other person or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the rents and other amounts payable by the lessee hereunder shall continue to be payable in all events in the manner and at the times herein provided unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease. To the extent permitted by applicable law, the Lessee hereby waives any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender this Lease of any of the Rail Cars except in accordance with the express terms hereof. Each rental or other payment made by the Lessee hereunder shall be final and the Lessee shall not seek to recover all or any part of such payment (except for any excess payment made in manifest error) from the Lessor, the Owner Participant, the Lender, or any holder or former holder of a Note for any reason whatsoever.

§ 3. DELIVERY AND ACCEPTANCE OF RAIL CARS

On each Delivery Date, the Lessee shall execute and deliver to the Lessor one or more bills of sale substantially in the form of Exhibit B to the

pant shall provide such accountants (for their own confidential use and not be disclosed to Lessee or any other person) all information reasonably necessary for such verification, including any computer program used by the Owner Participant to calculate such adjustments. Any such adjustment after the date of the Lease Supplement shall be reflected in an amended and restated Lease Supplement which shall be executed and delivered by Lessee and the Owner Trustee not later than June 30, 1986.

4.6. Payments on Nonbusiness Days. If any payment date referred to in § 4.1, § 4.2 or § 4.4 hereof is not a Business Day the rental payment otherwise payable on such date shall be payable on the next succeeding Business Day.

4.7. Place of Rent Payment. Except as otherwise provided in § 16.1, each installment of Interim Rent or Basic Rent shall be paid to the Lessor and all amounts of Supplemental Rent shall be paid to the person entitled thereto at such address as the Lessor or such person, as the case may be, shall have provided to the Lessee in writing.

4.8. Payment in Immediately Available Funds. The Lessee agrees to make each payment provided for hereunder in immediately available funds at or prior to 11:00 a.m. in the city where such payment is to be made.

§ 5. TERM OF LEASE

5.1. Beginning and Termination; Survival. The term of this Lease as to each Rail Car shall begin on the Delivery Date applicable to such Rail Car under the Participation Agreement, and subject to the provisions of §§ 8, 14 and 17 hereof, shall terminate on the date on which the final payment of Basic Rent in respect thereof is due pursuant to § 4.2 hereof. Notwithstanding anything contained in the preceding sentence to the contrary, the obligations of the Lessee hereunder (including, but not limited to, the obligations under §§ 7, 8, 11, 12, 13 and 18 hereof) shall survive the expiration of the term of the Lease and continue in full force and effect until the same shall have been fully performed by the Lessee.

5.2. Rights and Obligations of Lessee Subject to Loan and Security Agreement. Notwithstanding anything to the contrary contained herein, all rights and obligations of the Lessee under this Lease and in and to the Rail Cars are subject to the rights of the Lender. If a Loan and Security Agreement Event of Default should occur, the Lender may terminate this Lease (or rescind its termination) without affecting the indemnities which by the provisions of this Lease survive the termination of its term, all as provided therein; provided, however, that so long as (i) no Event of Default exists hereunder and (ii) the Lessee is complying with the provisions of § 16.1 hereof, this Lease may not be terminated and the Lessee shall be entitled to the rights of possession and use provided under § 16 hereof.

§ 6. IDENTIFICATION MARKS

6.1. Identifying Numbers; Legend; Changes. The Lessee will cause each Rail Car to be kept numbered with the identification number as shall be set forth in any amendment or supplement hereto extending this Lease to cover such Rail Car, and, from and after the Primary Lease Term Commencement Date, the Lessee will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each Rail Car, in letters not less than one inch in height, the words "OWNED BY WILMINGTON TRUST COMPANY AS OWNER TRUSTEE AND SUBJECT TO A SECURITY AGREEMENT IN FAVOR OF THE PRUDENTIAL INSURANCE COMPANY OF AMERICA FILED WITH THE INTERSTATE COMMERCE COMMISSION" or other appropriate words designated by the Lessor, with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Lessor's title to and the Lender's interests in such Rail Car and the rights of the Lessor under this Lease and of the rights of the Lender under the Loan and Security Agreement. The Lessee will replace promptly any such words which may be removed, defaced, obliterated or destroyed. The Lessee will not change the identification number of any Rail Car unless and until (i) a statement of new number or numbers to be substituted therefor shall have been filed with the Lender and the Lessor and filed, recorded and deposited by the Lessee in all public offices where this Lease and the Loan and Security Agreement shall have been filed, recorded and deposited and (ii) the Lessee shall have furnished the Lender and the Lessor an opinion of counsel in form and substance reasonably satisfactory to the Lessor and the Lender to the effect that such statement has been so filed, recorded and deposited, such filing, recordation and deposit will protect the Lender's and the Lessor's interests in such Rail Cars and that no other filing, recording, deposit or giving of notice with or to any other Federal, state or local government or agency thereof is necessary to protect the interests of the Lender and the Lessor in such Rail Cars.

6.2. Insignia of Lessee. The Rail Cars may be lettered with the names or initials or other insignia customarily used by the Lessee or its permitted sublesses but the Lessee will not allow the name of any other person, association or corporation to be placed on any Rail Car as designation that might be interpreted as a claim of ownership.

§7. GENERAL TAX INDEMNIFICATION

7.1 Tax Indemnification. The Lessee agrees that all payments pursuant to this Lease shall be free of all withholdings of any nature whatsoever, and in the event that the Lessee shall be required by law to make any such withholding from any such payment, (a) the sum payable shall be increased as may be necessary so that after making all required withholdings the Indemnified Person receives an amount equal to the sum it would have received had no such withholdings been made, (b) the Lessee shall make such withholdings, and (c) the Lessee shall pay the full amount withheld to the relevant taxation authority or other authority in accordance with applicable law. In addition and without prejudice to the foregoing sentence, the Lessee assumes responsibility for and agrees to pay, protect, save, keep harmless and indemnify on an after-tax basis the Indemnified Persons against all taxes,

assessments, fees, withholdings and other governmental charges of any nature whatsoever, including, without limitation, penalties and interest (all such taxes, assessments, fees, withholdings, governmental charges, penalties and interest being hereinafter called "Taxes"), imposed on, incurred by, or asserted against any Indemnified Person or any Rail Car in whole or in part on account of, or with respect to, this Lease or the Loan and Security Agreement or any document referred to herein or therein or any of the transactions contemplated hereby or thereby or the manufacture, purchase, acceptance or rejection of the Rail Cars or any portion thereof or the ownership, delivery, non-delivery, leasing, releasing, subleasing, possession, use, export, import, transfer of title, operation, maintenance, repair, condition, sale, return, or other disposition of the Rail Cars or any portion thereof or any indebtedness with respect thereto or the rentals, receipts, earnings or gains arising therefrom by any Federal, state, or local governmental taxing authority or by any foreign government or any international organization or any subdivision or taxing authority thereof; provided, however, that there shall be no indemnification hereunder: (a) for any Taxes imposed on or measured by any fees or compensation paid to the Lessor; (b) with respect to all Indemnified Persons other than the Owner Participant, for United States Federal income taxes, and taxes on, measured by, or based upon, the net income, capital or franchises of the Indemnified Person which are imposed by the state or local taxing jurisdiction in which such Indemnified Person maintains its residence or principal place of business and any Federal, state or local capital gains taxes, excess profits taxes, minimum taxes for tax preferences, accumulated earnings taxes and personal holding company tax of the Indemnified Person; (c) with respect to the Owner Participant, for United States Federal income taxes and taxes on, measured by or based upon, the net income, capital or franchises of the Owner Participant which are imposed by any state or local taxing jurisdiction and any Federal, state or local capital gains taxes, excess profits taxes, minimum taxes for tax preferences, accumulated earnings taxes and personal holding company tax of the Owner Participant; (d) for gift taxes; (e) for Federal, state, or local inheritance taxes; and (f) for penalties and interest to the extent accrued by reason of the gross negligence or willful misconduct of the party to be indemnified. The Lessee shall pay all Taxes for which it assumes liability hereunder when such Taxes are due and will indemnify each Indemnified Person to the extent required by this §7 and within 30 days after receipt of a written request by such Indemnified Person for indemnification specifying the amount to be paid; provided, however, that if any Taxes are being contested in accordance with §7.5, any payment shall be made at the time therein provided. If reasonably requested by the Lessee, such Indemnified Person shall furnish a statement setting forth the bases on which such amount was determined and the nature of the Taxes in question. In determining the amount of federal income taxes payable with respect to any payment under this § 7, such taxes will be computed as if applicable at the Tax Rate without regard to the actual federal income tax paid by the Indemnified Person.

7.2 Federal or Home Jurisdiction Tax Liability. In the event that any Taxes indemnified under this §7 are credited against or deducted in computing the United States Federal income or home jurisdiction tax liability, or both, of any Indemnified Person, such Taxes shall be taken into account (if

such Indemnified Person shall be the Lender or a holder of a Note, as determined by it in its sole and absolute discretion) so as to give credit for any savings in respect of the United States Federal income or home jurisdiction tax liability by reason of any deductions, credits or allowances (if such Indemnified Person shall be the Lender or a holder of Notes, as determined by it in its sole and absolute discretion) in respect of the payment of the Tax indemnified against.

7.3 Returns or Reports. In case any report or return is required to be made with respect to any obligations of the Lessee under this §7, the Lessee will notify the Lessor of such requirement and make such report or return in such manner as shall be reasonably satisfactory to the Lessor, but the Lessor may revoke such authority and assume responsibility for the filing of such reports or returns, if such action is in good faith and not unreasonable; provided, however, that the Lessor shall, with respect to any state or political subdivision thereof of the United States of America, upon instruction from the Owner Participant, file such returns, statements and reports relating to the sales or use taxes, and taxes, fees and charges arising from the value added to the Rail Car by the Lessor, as the Lessee shall determine are required to be filed by the Lessor, and as shall be prepared by the Lessee at its expense, and shall remit the amount thereof upon payment by the Lessee to the Lessor (such payment to be made promptly upon demand by the Lessor therefor) of such taxes, fees, and charges. To the extent that the Lessor has information necessary for the preparation of such returns, statements, and reports, it will furnish such information to the Lessee.

7.4 Evidence of Performance. The Lessee shall, whenever reasonably requested by an Indemnified Person, submit to such Indemnified Person copies of returns, statements, reports, billings and remittances, or furnish other evidence satisfactory to such Indemnified Person of the Lessee's performance of its duties under this §7. The Lessee shall also furnish promptly upon request such data as the Lessor reasonably may require to permit compliance by it with all of the requirements of taxing jurisdictions.

7.5 Claim Against Indemnified Person. If an Indemnified Person receives a written notice from any taxing authority asserting liability for any Taxes or proposing an increase in the liability for any Taxes or proposing an increase in the liability of any Indemnified Person for any such Taxes (such assertion or such proposed increase being hereinafter called a "Claim"), indemnification for which would be required under this §7, the Indemnified Person will notify the Lessee in writing within a reasonable time of such Claim. If the Lessee delivers to such Indemnified Person written notice of its desire to contest such Claim within 30 days after receipt of notice from such Indemnified Person together with an opinion of independent tax counsel that there exists a reasonable basis for contesting such Claim and that no additional liability will arise as a result of such contest, such Claim will be contested in accordance with this paragraph; provided, however, that no such contest shall be required if it would involve any danger of the sale, forfeiture or loss of any Rail Cars or any interest therein. If in any such contest the decision is made to pay the Taxes and sue for a refund, the Lessee

will advance to such Indemnified Person on an interest-free basis sufficient funds to pay the Taxes which are to be contested. To the extent such Claim affects an Indemnified Person other than a holder of a Note, or affects the Owner Participant and arises with respect to a tax return of the Lessee, the Lessee shall have the exclusive right to conduct the contest (and in the event the contest is required to be conducted in the name of an Indemnified Person, such Indemnified Person shall cooperate with the Lessee so as to effect the contest rights of the Lessee) and the contest and all preparation therefor shall be the sole responsibility of the Lessee and shall be conducted entirely at the Lessee's expense. To the extent such Claim affects an Indemnified Person which is a holder of a Note, or which is the Owner Participant and arises with respect to a tax return of the Owner Participant, such Indemnified Person shall, following receipt from Lessee of such notice and opinion, at the expense of the Lessee (including, without limitation, all costs, expenses, losses, legal and accountants' fees and disbursements, penalties and interest), in good faith contest, by legal action if reasonably requested by Lessee (or shall permit the Lessee, if desired by the Lessee and unless such Indemnified Person determines in good faith that such contest by Lessee will materially affect other interests of such Indemnified Person, to contest at its expense in the name of such Indemnified Person) such Claim. Such Indemnified Person will cooperate with any reasonable request made by the Lessee in connection therewith. Upon receipt by any Indemnified Person of a refund of any Taxes paid by the Lessee pursuant to this paragraph the amount of such refund and an amount equal to the interest received with respect to such refund from the applicable governmental authority shall be paid to the Lessee forthwith upon receipt of the refund by such Indemnified Person; provided, however, that such amounts of refund and interest, if any, shall not be payable before such time as the Lessee shall have made all payments or indemnities then due and payable under this §7 or if an Event of Default shall have occurred and be continuing.

7.6 Payment Under this Section Free of Taxes. The Lessee covenants and agrees to pay all amounts due under this §7 free of any Taxes and to indemnify each Indemnified Person against any Taxes imposed by reason of any payment made by the Lessee so that the Indemnified Person to whom or for whose benefit the payment is made shall receive an amount net of any taxes or other charges required to be paid by such Indemnified Person in respect thereof.

7.7 Liability Under this Section 7. In the event that the Lessee becomes liable for the payment or reimbursement of any Taxes pursuant to this §7, such liability shall continue, notwithstanding the expiration of this Lease, until all such Taxes are paid or reimbursed by the Lessee.

7.8 Third-Party Beneficiary. The Owner Participant, the Lender and each other holder of any Note is hereby deemed to be a third-party beneficiary of all of the provisions of this §7.

§ 8. PAYMENT FOR CASUALTY OCCURRENCES; TERMINATION; INSURANCE

8.1. Casualty Occurrence; Payments. (i) In the event of any Casualty Occurrence with respect to any Rail Car or Rail Cars, the Lessee shall promptly (and in any event within 20 days) and fully notify the Lessor and the Lender with respect thereto. Subject to § 8.1(ii) hereof, on the Casualty Payment Date with respect to the Rail Car or Rail Cars which shall have suffered such Casualty Occurrence, the Lessee shall pay to the Lessor a sum equal to the Casualty Value of each such Rail Car as of such Casualty Payment Date, plus the installment of Interim Rent or Basic Rent and all other amounts due hereunder in respect of such Rail Car as of such date; provided, however, that if a Casualty Occurrence shall occur within 45 days prior to a date on which an installment of Interim Rent or Basic Rent is due and payable hereunder, the Lessee shall pay to the Lessor on the 45th day after such Casualty Occurrence a sum equal to the Casualty Value of each such Rail Car plus interest at the rate of 11.46% per annum computed on such Casualty Value from the respective Casualty Payment Date to such 45th day and all other amounts due hereunder as of such date, but provided, further, however, that if a Casualty Occurrence shall occur during the period that an Event of Default shall be continuing or any Rail Car is being returned pursuant to § 15 or 18 hereof, then notwithstanding anything else in this § 8.1 contained, the Lessee shall make such payment of Casualty Value (plus interest at the rate of 11.46% per annum computed on such Casualty Value from the date of such Casualty Occurrence to the date of payment and all other amounts then due) to the Lessor on a date which shall in no event be more than 30 days after such Casualty Occurrence. Upon the making of such payment by the Lessee in respect of any Rail Car, the Interim and Basic Rent for such Rail Car shall cease to accrue, the term of this Lease as to such Rail Car shall terminate and the Lessor shall be entitled to recover possession of such Rail Car, subject to the right of the Lessee to dispose of such Rail Car as agent for the Lessor as provided in the last sentence of this § 8.1(i). Following any payment of Casualty Value by the Lessee, provided that no Default or Event of Default shall have occurred and be continuing, the Lessee shall be entitled to receive and retain for its own account all condemnation or requisition payments in respect of such Rail Car up to the amount of such Casualty Value, and any excess shall be paid over to, or retained by, the Lessor for its own account. In the event under the circumstances contemplated by the preceding sentence such Rail Car shall be returned by the governmental entity prior to the time the Lessee shall have been reimbursed by such application of condemnation or requisition payments in an amount equal to such Casualty Value previously paid to the Lessor, then, upon notice to the Lessor, the Lessee shall dispose of such Rail Car as agent for the Lessor, and shall retain the proceeds of such disposition to the extent that the aggregate of the amounts so retained and the condemnation or requisition payments theretofore received by the Lessee shall equal such Casualty Value previously paid to the Lessor, and the balance of such proceeds shall be promptly paid to the Lessor.

(ii) Upon the occurrence of a Casualty Occurrence of the type referred to in clause (iii) of the definition thereof which is due to a material breach of the Manufacturer's warranty with respect to such Rail Car,

Lessee may, at its option (instead of complying with § 8.1(i) hereof with respect to such Rail Car), duly convey to Lessor (in any event not later than the date upon which the Casualty Value with respect to such Rail Car would be otherwise payable pursuant to § 8.1(i) hereof) as replacement for such Rail Car, title to a replacement Rail Car (the "Replacement Rail Car"), free and clear of all liens, encumbrances or rights of others whatsoever (except the Lien of the Lease and the Loan and Security Agreement) and having a value and utility at least equal to, and being in as good operating condition as, the Rail Car being replaced (assuming the Rail Car being replaced was in the condition and repair required by the terms hereof disregarding the occurrence of such Casualty Occurrence). Prior to or at the time of any such conveyance, Lessee, at its own expense, shall promptly (a) furnish Lessor with a bill of sale, in form and substance satisfactory to the Lessor and the Lender, with respect to such Replacement Rail Car, (b) enter into a supplement hereto, in form and substance satisfactory to the Lessor and the Lender, subjecting such Replacement Rail Car to this Lease, and cause such supplement, together with an appropriate supplement to the Loan and Security Agreement and all such other documents and instruments (including Uniform Commercial Code financing statements) to be filed and recorded in such manner and places as shall be necessary or appropriate to confirm the title and interest of the Lessor and lien of the Lender pursuant to the Loan and Security Agreement in respect of such Rail Car, (c) furnish Lessor and the Lender with such evidence of title to such Replacement Rail Car and of compliance with the insurance provisions of § 8.6 hereof with respect to such Replacement Rail Car as Lessor and the Lender may reasonably request, (d) furnish Lessor and the Lender with an opinion of Lessee's counsel to the effect that title to such Replacement Rail Car has been duly conveyed to Lessor free and clear of all liens, encumbrances and rights of others (except the lien of the Lease and the Loan and Security Agreement) and is duly leased hereunder and subject to the lien of the Loan and Security Agreement and (e) furnish Lessor and the Lender with an Officer's Certificate of Lessee certifying that, upon consummation of such replacement, no Default or Event of Default will exist hereunder. Upon the completion of the conveyance of a Replacement Rail Car by Lessee pursuant to this § 8.1(ii), Lessor will transfer to Lessee or to any Person designated by Lessee all right, title and interest in and to the Rail Car with respect to which such Casualty Occurrence occurred, free and clear of Lessor's Liens and the lien of the Loan and Security Agreement but otherwise without recourse, representation or warranty of any character. For all purposes hereof, each such Replacement Rail Car shall be deemed part of the Equipment leased hereunder, and shall be deemed a "Rail Car" as defined herein. No Casualty Occurrence covered by this § 8.1(ii) shall result in any reduction or increase in Basic Rent.

8.2. Requisition Not Constituting a Casualty Occurrence. In the event of the requisition for use of any Rail Car which does not, or does not yet, constitute a Casualty Occurrence hereunder, all of the Lessee's obligations under this Lease with respect to such Rail Car (including, without limitation, the obligation to make all payments of Interim Rent, Basic Rent and Supplemental Rent) shall continue to the same extent as if such requisition had not occurred. All payments received by the Lessor or the Lessee from the United States Government or any other governmental entity for the use of such Rail Car during the term of this Lease (other than a use of

such Rail Car constituting a Casualty Occurrence) shall be paid over to, or retained by, the Lessee provided no Default or Event of Default shall have occurred and be continuing.

8.3. Payment After Expiration of Lease. If the date upon which the making of the payment by the Lessee in § 8.1 hereof in respect of any Rail Car as required as aforesaid shall be after the term of this Lease or any renewal term thereof in respect of such Rail Car, no Interim Rent or Basic Rent for such Rail Car shall accrue after the end of such term.

8.4. Amount of Casualty Value. The "Casualty Value" of each Rail Car shall be an amount which, subject in any event to § 4.3 hereof, shall be equal to that percentage of the Purchase Price of such Rail Car as is set forth in the schedule of percentages of Casualty Value appended to the Lease Supplement covering such Rail Car opposite the date on which an installment of Interim Rent or Basic Rent is due and payable hereunder next succeeding the actual date of such Casualty Occurrence, or if there is no such payment date, the last date on which an installment of Basic Rent is due and payable hereunder.

8.5. No Release. Except as hereinabove in §§ 8.1 and 8.3 provided with respect to payment of Interim Rent and Basic Rent, the Lessee shall not be released from its obligations hereunder in the event of, and shall bear the risk of, any Casualty Occurrence to any Rail Car from and after delivery and acceptance thereof by the Lessee hereunder.

8.6. Insurance To Be Maintained. (i) The Lessee will at all times prior to the return of the Rail Cars to the Lessor pursuant to the terms hereof and at Lessee's own expense, cause to be carried and maintained with financially sound and reputable insurers (a) comprehensive general public liability insurance with respect to the Rail Cars against third party personal injury and property damage and (b) property insurance in respect of the Rail Cars at the time leased hereunder, said property insurance to be in amounts at least equal at all times to the aggregate Casualty Value of such Rail Cars as computed on the next succeeding semiannual rental payment date; provided, however, that the Lessee may, in the case of property insurance, self-insure such Rail Cars to the extent that such self-insurance is (a) consistent with prudent industry practice and, in any event, (b) in an amount (considered in relation to the then current value of such Rail Cars) no greater than the amount of self-insurance maintained with respect to other similar equipment, if any, then owned or leased by the Lessee (considered in relation to the then current value of such similar equipment); and provided, further, that property insurance may provide for such deductibles as are (I) consistent with prudent industry practice and, in any event (II) in an amount no greater than the amount of deductibles allowed with respect to insurance maintained on other similar equipment. Except as otherwise provided in the provisos to the foregoing sentence, the Lessee will carry such insurance in such amounts, for such risks and with such deductibles as are reasonably satisfactory to the Lessor both in its individual capacity and in its capacity as Owner Trustee and the Lender and in any event consistent with prudent industry practice and at least comparable in amounts and against risks customarily insured against

by the Lessee and corporations of established reputation engaged in the same or similar business as the Lessee. The proceeds of any such insurance shall be payable to the Lender (pursuant to a standard mortgagee loss payable clause in the case of property insurance), the Lessor and, so long as no Default or Event of Default shall have occurred and be continuing, the Lessee, as their respective interests may appear, so long as the Loan and Security Agreement shall not have been terminated in accordance with its terms, and thereafter to the Lessor, and so long as no Default or Event of Default shall have occurred and be continuing, the Lessee, as their respective interests may appear. All policies of insurance carried in accordance with this paragraph shall (i) require 30 days' prior notice to the Owner Participant, the Lessor, and the holders of the Notes of cancellation, expiration or material change in coverage, (ii) name the Owner Participant, the Lessor, the Owner Trustee in its individual capacity, and the holders of the Notes as additional named insureds or as loss-payees, as their respective interests may appear and (iii) waive any right to claim any premiums or commission against the Owner Participant, the Lessor, and the holders of the Notes. Such policies shall not require contributions from other policies held by the Owner Participant, the Lessor or the holders of the Notes and shall not be invalidated by any action or inaction of the Lessee or any other person and shall insure the Lessor, the Owner Participant, and the holders of the Notes regardless of any breach or violation of any warranty, declaration or condition contained in such policies by the Lessee or by any other person. Prior to each Delivery Date, and thereafter not less than 15 days prior to the expiration dates of the expiring policies theretofore delivered pursuant to this § 8, the Lessee shall deliver to the Owner Participant, the Lessor and the holders of the Notes certificates issued by the insurer(s) for the insurance maintained pursuant to this § 8; provided, however, that if the delivery of any certificate is delayed, the Lessee shall deliver any executed binder with respect thereto and shall deliver the certificate upon receipt thereof. Prior to each Delivery Date and thereafter not later than the anniversary of the first Delivery Date in each year, the Lessee will furnish to the Owner Participant, the Lessor and the holders of the Notes a certificate of an independent insurance broker of recognized standing evidencing the maintenance of all insurance required hereunder and stating that, in the opinion of such insurance broker, the insurance then carried and maintained on or with respect to the Rail Cars complies with the terms hereof.

(ii) In the event that the Lessee shall fail to maintain insurance as herein provided, the Lessor may at its option provide such insurance (giving the Lessee prompt written notice thereof) and, in such event, the Lessee shall, upon demand from time to time, reimburse the Lessor for the cost thereof together with interest, on the amount of the cost to the Lessor of such insurance which the Lessee shall have failed to maintain, at the rate per annum specified in § 20 hereof.

8.7. Insurance Proceeds. Following any payment of Casualty Value by the Lessee, provided that no Default or Event of Default shall have occurred and be continuing, the Lessee shall be entitled to receive and retain for its own account all proceeds of insurance (including without limitation casualty payments under the American Association of Railroads rules and regulations) in

§ 9. REPORTS

On or before February 15 in each year, commencing with the calendar year 1986, the Lessee will furnish to the Lessor, the Lender and each other holder of a Note who specifically so requests in writing an Officer's Certificate (a) setting forth as at the preceding December 31 the total number, description and identification numbers of all Rail Cars then leased hereunder, the total number, description and identification numbers of all Rail Cars that have suffered a Casualty Occurrence during the preceding calendar year or are then undergoing repairs (other than running repairs) or then withdrawn from use pending repairs (other than running repairs), the total number, description and identification numbers of all Excepted Rail Cars and setting forth such other information regarding the condition and state of repair of the Rail Cars as the Lessor, the Lender or such holder may reasonably request, (b) stating that, in the case of all Rail Cars repainted or repaired during the period covered by such statement, the numbers and markings required by § 6.1 hereof have been preserved or replaced, (c) stating that the Lessee is in compliance under the Lease and has performed or has caused to be performed the required maintenance of the Rail Cars and that no Default or Event of Default has occurred, (d) further identifying those Rail Cars to which the Lessee has made additions and accessions pursuant to § 12.2 hereof and describing such additions and accessions and the costs thereof. The Lessor and the holder of any Note shall each have the right by its agent to inspect the Rail Cars and the Lessee's records with respect thereto at such reasonable times as the Lessor, the Lender or the holder of any Note may request during the continuance of this Lease.

§ 10. DISCLAIMER OF WARRANTIES; WARRANTY OF TITLE

NEITHER THE LESSOR, THE OWNER PARTICIPANT NOR THE LENDER MAKES OR HAS MADE, OR SHALL BE DEEMED TO MAKE OR HAVE MADE, ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE DESIGN OR CONDITION OF, OR AS TO THE QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN, THE RAIL CARS DELIVERED TO THE LESSEE HEREUNDER, AND NEITHER THE LESSOR, THE OWNER PARTICIPANT NOR THE LENDER MAKES ANY WARRANTY OF MERCHANTABILITY OR FITNESS OF THE RAIL CARS FOR ANY PARTICULAR PURPOSE OR AS TO TITLE TO THE RAIL CARS OR ANY COMPONENT THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY EXPRESS OR IMPLIED, WITH RESPECT TO ANY RAIL CAR, EITHER UPON DELIVERY THEREOF TO THE LESSEE OR OTHERWISE, it being agreed that all such risks, as between the Lessor, the Owner Participant, the holder of any Note and the Lessee, are to be borne by the Lessee; but the Lessor hereby irrevocably appoints and constitutes the Lessee its agent and attorney-in-fact during the term of this Lease to assert and enforce from time to time, in the name of and for the account of the Lessor and/or the Lessee, as their interests may appear, at the Lessee's sole cost and expense, whatever claims and rights the Lessor may have against the manufacturer of each Rail Car; provided, however, that if at any time an Event of Default shall have occurred and be continuing, the Lessor may assert and enforce, at the Lessee's sole cost and expense, such claims and rights. Neither the Lessor, the Owner Participant nor the Lender shall have any responsibility or liability to the Lessee 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 Rail 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 Rail 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 Rail Cars. The Lessee's delivery of a bill of sale relating to a Rail Car as described in § 3 hereof shall be conclusive evidence as between the Lessee and the Lessor that such Rail Car is in all the foregoing respects satisfactory to the Lessee, and the Lessee will not assert any claim of any nature whatsoever against the Lessor, the Owner Participant or the Lender based on any of the foregoing matters.

The Lessor warrants that, upon its leasing of the Rail Cars to the Lessee pursuant to this Lease, title to the Rail Cars shall be of the same quality as was conveyed to the Lessor. The Lessor covenants that, during the term of this Lease, or during any renewal term thereof, the Lessor shall not create or suffer or permit any Lessor's Liens on the Rail Cars and, should any such Lessor's Lien arise during the term of this Lease or during any renewal term thereof, the Lessor shall promptly discharge all such Lessor's Liens.

During any renewal term of this Lease and only if the Loan and Security Agreement has been terminated according to its terms, the Lessor may create or permit Liens on the Rail Cars, provided, that no such Lien shall materially affect Lessee's operation or use of the Rail Cars during such renewal term.

Section 11. LAWS AND RULES

11.1 Compliance. The Lessee agrees, for the benefit of the Lessor and the Lender, to comply in all material respects, either individually or in the aggregate (including, without limitation, with respect to the use, maintenance and operation of each Rail Car), with all laws of the jurisdictions in which its operations involving the Rail Cars may extend, with the interchange rules of the Association of American Railroads and with all lawful rules of the United States Department of Transportation, the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Rail Cars, to the extent that such laws and rules affect the title, operation, maintenance or use of the Rail Cars, and in the event that such laws or rules require any alteration, replacement or addition of or to any part on any Rail Car, the Lessee will conform therewith at its own expense; provided, however, that the Lessee may at its own expense, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Lessor or the Lender, adversely affect the property or rights of the Lessor or the Lender under this lease or under the Loan and Security Agreement or result in any liability, criminal or otherwise, on the part of the Lessor, the Lender, or the holder of any Note.

11.2 Reports by Lessee. The Lessee agrees to prepare and deliver to the Lessor and the Lender within a reasonable time prior to the required

date of filing (or, to the extent permissible, file on behalf of the Lessor and the Lender) any and all reports (other than income tax returns) to be filed by the Lessor or the Lender with any Federal, state or other regulatory authority by reason of the ownership by the Lessor or the Lender of the Rail Cars or the leasing thereof to the Lessee. The Lessor and the Lender each agree to inform the Lessee of any request for such reports received by it.

Section 12. MAINTENANCE

12.1 Rail Cars in Good Operating Order. The Lessee agrees that, at its own cost and expense, it will maintain and keep each Rail Car (including any parts installed on or replacements made to any Rail Car and considered an accession thereto as herein below provided) which is subject to this Lease in good operating order, repair and condition, ordinary wear and tear excepted, and eligible for railroad interchange in accordance with the interchange rules of the Association of American Railroads or other applicable regulatory body, and in at least as good condition as other similar equipment owned or leased by the Lessee.

12.2. Additions and Accessions. (i) Subject in all events to Sections 11.1 and 12.1 hereof, the Lessee, at its own cost and expense, may from time to time make such other additions, modifications and improvements to the Rail Cars during the term of this Lease as are readily removable without causing material damage to the Rail Cars (and do not adversely and materially affect the value or utility of the Rail Cars). The additions, modifications and improvements made by the Lessee under the preceding sentence shall be owned by the Lessee, except to the extent such additions, modifications or improvements are made in order to comply with Section 12.2(ii) hereof.

(ii) Any and all parts installed on and additions and replacements made to any Rail Cars (a) which are not readily removable without causing material damage to such Rail Car or were installed or were added to such Rail Car in contravention of the Lessee's agreements contained in Section 12.2(i) hereof, (b) the cost of which is included in the Purchase Price of such Rail Car, (c) in the course of ordinary maintenance of the Rail Cars or (d) which are required by the interchange rules of the Association of American Railroads or by the regulations of the Interstate Commerce Commission, the Department of Transportation or any other applicable regulatory body, for the operation or use of such Rail Car in railroad interchange, shall constitute accessions to such Rail Car and full ownership thereof free from any lien, charge, security interest or encumbrance except for those created by the Loan and Security Agreement and Lessor's Liens) shall immediately be vested in the Lessor, and the Lessee shall comply with all provisions of Section 19 hereof applicable to such accessions.

Section 13. INDEMNIFICATION

13.1 Indemnified Persons. The Lessee shall pay, and shall protect, indemnify and hold the Indemnified Persons harmless from and against any and all causes of action, suits, penalties, claims, demands or judgments of any nature whatsoever which may be imposed on, incurred by or asserted against any

Indemnified Person (including any or all liabilities, obligations, damages, costs, disbursements, expenses (including without limitation reasonable attorneys' fees and expenses of any Indemnified Person) relating thereto) in any way relating to or arising or alleged to arise out of this Lease or any other Operative Document or the Rail Cars, including without limitation those in any way relating to or arising or alleged to arise out of (i) the manufacture, construction, purchase, acceptance, rejection, ownership, delivery, nondelivery, lease, possession, use, operation, condition, sale, return, storage or other disposition of any Rail Car or portion thereof; (ii) any latent and other defects whether or not discoverable by any Indemnified Person or the Lessee; (iii) any claim for patent, trademark or copyright infringement; (iv) any claims based on strict liability in tort or in which the negligence of an Indemnified Person is alleged; (v) any injury to or the death of any person or any damage to or loss of property on or near the Rail Cars or in any manner arising out of or connected with, or alleged to arise out of or be connected with, the ownership, use, replacement, adaptation or maintenance of the Rail Cars or of any other equipment in connection with the Rail Cars (whether owned or under the control of any Indemnified Person, the Lessee or any other person) or resulting or alleged to result from the condition of any thereof; (vi) any violation, or alleged violation, of any provision of this Lease, or of any agreement, law, rule, regulation, ordinance or restriction, affecting or applicable to the Rail Cars or the leasing, ownership, use, replacement, adaptation or maintenance thereof; (vii) any claim arising out of any of the Lessor's obligations or the Lender's receipt or retention of a security interest under the Loan and Security Agreement or the Lessor's obligations under the Participation Agreement; (viii) the offer, sale or delivery of any Note or the making by the Owner Participant of its investment hereunder in the manner contemplated hereby, except that the Lessee shall not be required pursuant to this Section 13.1 (other than in respect of any circumstances referred to in clause (ii) of this Section 13.1) to indemnify any Indemnified Person for any claim to the extent such claim arises from the gross negligence or willful misconduct of, or material default in the performance of its obligations under the Operative Documents by, such Indemnified Person and except further that the Lessee shall not be obligated by this Section 13 to indemnify an Indemnified Person with respect to any loss described in the Tax Indemnity Agreement, it being understood that any such loss is to be indemnified for as provided in the Tax Indemnity Agreement. The Lessee shall be obligated under this Section 13.1, irrespective of whether any Indemnified Person shall also be indemnified with respect to the same matter under any other agreement by any other person, and the Indemnified Person seeking to enforce the indemnification may proceed directly against the Lessee under this Section 13.1 without first resorting to any such other rights of indemnification. In case any action, suit or proceeding is brought against any Indemnified Person in connection with any claim indemnified against hereunder, the Lessee may and, upon such Indemnified Person's request, will at the Lessee's expense resist and defend such action, suit or proceeding, or cause the same to be resisted or defended by counsel selected by the Lessee and approved by such Indemnified Person and, in the event of any failure by the Lessee to do so, the Lessee shall pay all costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) incurred by such Indemnified Person in connection with such action, suit or proceeding. In the

event the Lessee is required to make any indemnification payment under this Section 13, the Lessee shall pay such Indemnified Person an amount which, after deduction of all taxes required to be paid by such Indemnified Person in respect of the receipt thereof under the laws of the United States or of any political subdivision thereof (after giving credit for any savings in respect of any such taxes by reason of deductions, credits or allowances in respect of the payment of the expense indemnified against, and of any other such taxes as determined in the sole discretion of the Indemnified Person), shall be equal to the amount of such payment. In determining the amount of federal income taxes payable with respect to any payment under this Section 13, such taxes will be computed as if applicable at the Tax Rate without regard to the actual federal income tax paid by the Indemnified Person. The Lessee and the Lessor each agree to give each other promptly upon obtaining knowledge thereof written notice of any claim or liability hereby indemnified against; provided, however, that the Lessor's failure to give such notice shall not adversely affect the rights of any other Indemnified Person to indemnification hereunder. Upon the payment in full of any indemnities as contained in this Section 13 by the Lessee, and provided that no Default or Event of Default shall have occurred and be continuing, the Lessee shall be subrogated to any right of such Indemnified Person (except where the Lessee is also indemnifying a person against whom the Indemnified Person has rights in respect of the matter against which indemnity has been given). Any payments received by such Indemnified Person from any person (except the Lessee) as a result of any matter with respect to which such Indemnified Person has been paid in full pursuant to the indemnity provided for hereunder by the Lessee pursuant to this Section 13.1 shall be paid over to the Lessee to the extent necessary to reimburse the Lessee for indemnification payments previously made to such Indemnified Person. Nothing in this Section 13.1 shall constitute a guarantee by the Lessee of the indebtedness evidenced by the Notes or a guarantee of the residual value of the Rail Cars.

13.2 Indemnification Against Manufacturer Claims. The Lessee further agrees to indemnify, protect and hold harmless each Indemnified Person from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against such Indemnified Person because of the use in or about the construction or operation of any Rail Car or any article or material specified by the Lessee and not manufactured by the Manufacturer of such Rail Car or of any design, system, process, formula or combination specified by the Lessee and not developed or purported to be developed by such Manufacturer which infringes or is claimed to infringe on any patent or other right. The Lessee will give notice to the applicable Manufacturer of any claim known to the Lessee from which liability may be charged against such Manufacturer hereunder.

13.3 Survival. The indemnities contained in this Section 13 shall survive the expiration or termination of this Lease with respect to all events, facts, conditions or other circumstances occurring or existing prior to such expiration or termination and are expressly made for the benefit of, and shall be enforceable and collectible by, any Indemnified Person. None of the indemnities in this Section 13 shall be deemed to create any rights of

subrogation in any insurer or third party against the Lessee therefor, from or under any Indemnified Person, whether because of any claim paid or defense provided for the benefit thereof or otherwise.

13.4 Third-Party Beneficiaries. The Owner Participant and each holder from time to time of any Note is hereby declared to be a third-party beneficiary of all of the provisions of this Section 13.

Section 14. DEFAULT

14.1 Events of Default; Remedies. If, during the continuance of this Lease or any extension or renewal hereof, one or more of the following events (each such event being herein sometimes called an "Event of Default") shall occur (whatsoever the reason for its occurrence, whether the same shall be voluntary or involuntary or come about or be effected by operation of law or pursuant to or in compliance with any judgment, order or decree of any court of any other rule or regulation of any administrative commission, agency or authority):

(1) default shall be made in payment of any amount provided for in Section 4, 8 or 17 hereof, and such default shall continue for 10 days;

(2) the Lessee shall at any time fail to comply with the provisions of § 8.6 hereof regarding insurance;

(3) default shall be made in the observance or preformance of any of the covenants, conditions or agreements on the part of Lessee contained in §§12.1, 14.4, 16.2, 16.3 and 19;

(4) default shall be made in the observance or performance of any other of the covenants, conditions and agreements on the part of the Lessee contained herein or in any Operative Document and such default shall continue for 30 days after written notice from the Lessor, the Owner Participant, or the holder of any Note to the Lessee specifying the default or demanding that the same be remedied;

(5) any representation or warranty made by the Lessee herein, in the Participation Agreement or in any certificate or statement furnished to the Lessor, the Owner Participant or the holder of any Note pursuant to or in connection with any such agreements, shall have been untrue or misleading in any material respect as of the date of making thereof;

(6) the Lessee shall make an assignment for the benefit of creditors or shall fail generally to pay its debts as they become due; or any order, judgment or decree

shall be entered adjudicating the Lessee bankrupt or insolvent; or the Lessee shall petition or apply to any tribunal for the appointment of a trustee, receiver, custodian or liquidator of the Lessee or of any substantial part of its assets or shall commence any proceedings relating to the Lessee or any substantial part of its assets under any bankruptcy, reorganization, compromise, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect; or any such petition or application shall be filed, or any such proceedings shall be commenced, against the Lessee and the Lessee by any act shall indicate its approval thereof, consent thereto or acquiescence therein; or

(7) any order, judgment or decree shall be entered appointing any such trustee, receiver, custodian or liquidator or approving a petition in any such proceedings and such order, judgment or decree shall remain unstayed and in effect for more than 60 days; or any order, judgment or decree shall be entered in any proceedings against the Lessee decreeing its dissolution and such order judgment or decree shall remain unstayed and in effect for more than 60 days;

then, in any such case, the Lessor, at its option, may declare this Lease in default, and, at its option, may,

(i) proceed by appropriate court action or actions, either at law or in equity, to enforce performance by the Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof; or

(ii) by notice in writing to the Lessee terminate this Lease, whereupon all rights of the Lessee to the use of the Rail Cars shall absolutely cease and terminate as though this Lease had never been made, but the Lessee shall remain liable as herein provided; and thereupon the Lessor may by its agents enter upon the premises of the Lessee or other premises, insofar as the Lessee may be lawfully authorized to so permit, where any of the Rail Cars may be located, without judicial process if this can be done without breach of the peace and in accordance with due process of law, and take possession of all or any of such Rail Cars and thenceforth hold, possess, sell, operate, lease and enjoy the same free from any right of the Lessee, or its successors or assigns, to use the Rail Cars for any purposes whatsoever and without any duty to account to the

Lessee for such action or inaction or for any proceeds arising therefrom (any such proceeds to be first applied to Lessee's obligations hereunder); but the Lessor shall, nevertheless have a right to recover from the Lessee any and all amounts which under the terms of this Lease may be then due or which may have accured to the date of termination (computing the rental for any number of days less that of the full rental period by multiplying the rental for such full rental period by a fraction of which the numerator is such number of days and the denominator is the total number of days in such full rental period) and also to recover forthwith from the Lessee as damages for loss of the bargain and not as a penalty whichever of the following amounts that the Lessor, in its sole discretion, shall specify, (a) a sum, with respect to each Rail Car, which represents (I) the excess of the then present value of the entire unpaid balance of all rentals hereunder which would, but for the Lessee's default, have accrued hereunder from the date of such default to the end of the Lease Term (to be computed on the basis of a 9.75% per annum discount, computed semiannually for the respective dates upon which rentals would have been payable hereunder had this Lease not been terminated) over (A) the then present value of the rental (determined, at the Lessee's expense, by an independent appraiser) obtainable at that time for such Rail Car (to be computed on the basis of a 9.75% per annum discount, computed semiannually for the respective dates upon which rentals would have been payable hereunder had this Lease not been terminated) or, (B) if such Rail Car is sold, the net proceeds of the sale, plus (II) any damages and expenses, including reasonable attorneys' fees, in addition thereto which the Lessor shall have sustained by reason of the breach of any covenant, representation or warranty of this Lease other than for the payment of rental, or (b) the sum of (I) an amount equal to the excess, if any, of the Casualty Value as of the Interim Rent or Basic Rent payment date on or next preceding the date of termination (or as of the Interim Rent payment date, if such termination occurs prior thereto) over the amount determined by an independent appraiser (at the Lessee's expense) to be the fair market sales value of such Rail Car at such time plus (II) any amounts described in clause (a) (II) above; provided, however, that in the event the Lessor shall have sold any Rail Car, the Lessor in lieu of collecting any amounts payable by the Lessee pursuant to the preceding clause (b) (I) with respect

to such Rail Car, shall demand that the Lessee pay to the Lessor and the Lessee shall pay to the Lessor on the date of such sale an amount equal to the excess, if any, of the Casualty Value for such Rail Car as of the Interim Rent or Basic Rent payment date on or next preceding the date of termination over the net proceeds of such sale; or

(iii) exercise any other right or remedy available to it by law or by agreement, and in any event may recover, except as otherwise provided above, for any and all unpaid amounts due hereunder before, during or after the exercise of any of the foregoing remedies and any and all reasonable attorneys' fees and other costs and expenses incurred by reason of the occurrence of any Event of Default or the exercise of the Lessor's remedies with respect thereto, including all costs and expenses incurred in connection with the return of any Rail Car.

14.2 Remedies Not Exclusive; Waiver. The remedies provided in this Lease in favor of the Lessor shall not be deemed exclusive, but shall be cumulative and may be exercised concurrently or consecutively, and shall be in addition to all other remedies in its favor existing at law or in equity. The Lessee hereby waives any mandatory requirements of law, now or hereafter in effect, which might limit or modify the remedies herein provided, to the extent that such waiver is not, at the time in question, prohibited by law. The Lessee hereby waives any and all existing or future claims to any offset against the rental payments due hereunder, and agrees to make such payments regardless of any offset or claim which may be asserted by the Lessee or on its behalf.

Except as otherwise provided in this Lease, the Lessee, to the full extent permitted by law, hereby waives all statutory or other legal requirements for any notice of any kind, any other requirements with respect to the enforcement of the Lessor's rights under this Lease and any and all rights of redemption.

14.3 Failure To Exercise Rights Is Not Waiver. The failure of the Lessor, the Lender or any other holder from time to time of any Note to exercise the rights granted it hereunder upon the occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such contingencies or similar contingencies.

14.4 Notice of Event of Default. The Lessee agrees to furnish the Lessor, the Owner Participant, the Lender, and any other holder from time to time of a Note who shall have requested of the Lessee in writing that notice of the type referred to below be furnished to it, promptly upon any responsible officer becoming aware of any condition which constituted or constitutes a Default or an Event of Default, written notice specifying such

condition and the nature and status thereof. For the purposes of this Section 14.4, a "responsible officer" shall mean, with respect to the subject matter of any covenant, agreement or obligation of the Lessee contained in this Lease, any corporate officer of the Lessee who, in the normal performance of his operational responsibilities, would have knowledge of such matter and the requirements of this Lease with respect thereto.

Section 15. RETURN OF RAIL CARS UPON DEFAULT

15.1 Return of Rail Cars. If this Lease shall terminate pursuant to Section 5.2 or Section 14 hereof, the Lessee shall forthwith deliver possession of the Rail Cars to the Lessor. Each Rail Car so delivered shall be in the same operating order, repair and condition as when originally delivered to the Lessee, reasonable wear and tear excepted, shall comply with all laws and rules referred to in Section 11.1, and shall have attached or affixed thereto any addition, modification or improvement considered an accession thereto as provided in Section 12 hereof and shall have removed therefrom if so requested by the Lessor or the Lender at the Lessee's expense (i) any addition, modification or improvement which, as provided in Section 11 hereof, is owned by the Lessee and (ii) any insignia permitted pursuant to Section 6.2. Notwithstanding the foregoing, each Rail Car shall be in a condition at least as good as such Rail Car would have been in had it been (i) maintained in accordance with all the terms and conditions of this Lease and (ii) used during the entire Lease Term only for the transportation of high-fructose corn syrup, in the case of Corn Milling Cars, or crude and refined vegetable and animal oils and tallows, in the case of Oilseed Cars. For the purpose of delivering possession of any Rail Car or Cars as above required, the Lessee shall at its own cost, expense and risk;

(a) forthwith and in the usual manner (including, but not by way of limitation, to the extent legally required by applicable law, rules or regulations to protect the Lessor's or the Lender's interest in the Rail Cars, giving prompt telegraphic and written notice to the Association of American Railroads and all railroads to which any Rail Car or Cars have been interchanged or which may have possession thereof to return the Rail Car or Cars) place such Rail Cars upon such storage tracks as the Lessor reasonably may designate;

(b) cause such Rail Cars to be stored on such tracks at the risk of the Lessee without charge to the Lessor, the Lender, the Owner Participant or any other holder from time to time of any Note for insurance, rent or storage until all such Rail Cars have been sold, leased or otherwise disposed of by the Lessor; and

(c) cause the same to be transported to any reasonable place within the continental United States as directed by the Lessor or the Lender.

The assembling, delivery, storage, insurance and transporting of the Rail Cars as hereinbefore provided shall be at the expense and risk of the Lessee and are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to assemble, deliver, store and transport the Rail Cars. During any storage period, the Lessee will, at its own cost and expense, maintain and keep the Rail Cars in the manner set forth in Section 12.1 hereof, insure the Rail Cars in accordance with the provisions of Section 8.6 hereof and permit the Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser, Lessee or other user of any Rail Car, to inspect the same. All amounts earned in respect of the Rail Cars after the date of termination of this Lease whether as a result of an Event of Default or otherwise shall belong to the Lessor and, if received by the Lessee, shall be promptly turned over to the Lessor. In the event any Rail Car is not assembled, delivered and stored, as hereinabove provided, within 60 days after such termination, the Lessee shall, in addition, pay to the Lessor for each day thereafter an amount equal to the per diem equivalent of the Interim or Basic Rent then in effect immediately prior to such termination.

15.2. Lessor Appointed Agent of Lessee. Without in any way limiting the obligation of the Lessee under the foregoing provisions of this Section 15, the Lessee hereby irrevocably appoints the Lessor as the agent and attorney of the Lessee, with full power and authority, at any time while the Lessee is obligated to deliver possession of any Rail Car to the Lessor, to demand and take possession of such Rail Car in the name and on behalf of the Lessee from whoever shall be in possession of such Rail Car at the time.

Section 16. ASSIGNMENT, POSSESSION AND USE

16.1. Assignment; Consent; Security for the Lessor's Obligations to Holders of Notes. In order to secure the indebtedness evidenced by the Notes, the Loan and Security Agreement provides, among other things, for the assignment by the Lessor to the Lender of this Lease to the extent set forth therein and for the creation of a security interest in the Collateral referred to therein for the benefit of the Lender. The Lessee hereby consents to the assignment by the Lessor of the Lessor's right, title and interest in and to this Lease to the Lender pursuant to the terms of, and to the extent set forth in, the Loan and Security Agreement and agrees that, it will make all payments payable hereunder to the Lessor by wire transfer to Bankers' Trust Company, New York, New York, for the account of Wilmington Trust Company, Account No. 015-00-728, or at such place or to the attention of such person or department as the Lessor may specify from time to time in writing delivered to the Lessee not less than five Business Days prior to the due date of the payment to be made at the place specified in such writing for application by the Lessor in accordance with the Loan and Security Agreement. The Lessee acknowledges that such assignment and security interest provide for the exercise by the Lender (but, except as specified in the Loan and Security Agreement, not to the exclusion of the Lessor) of all rights of the Lessor hereunder (other

than rights with respect to Excepted Rights in Collateral and as set forth in the Loan and Security Agreement) to give any consents, approvals, waivers, notices or the like, to make any elections, demands or the like or to take any other discretionary action hereunder and acknowledges receipt of an execution counterpart of the Loan and Security Agreement as in effect on the date hereof.

16.2 Lessee's Rights to Use the Rail Cars, to Permit Use Thereof by Others and to Sublease the Rail Cars. (i) So long as no Event of Default shall have occurred and be continuing hereunder, the Lessee shall be entitled to the possession and use of the Rail Cars in accordance with the terms of this Lease. The Lessee agrees to use or cause the Rail Cars to be used solely within the United States of America except that the Lessee may use or cause the Rail Cars to be used in Mexico and Canada; provided that the aggregate number of Rail Cars so used would not at any time result in the aggregate number of Excepted Cars being greater than 30% of the aggregate number of Rail Cars then subject to this Lease. Notwithstanding anything contained in the preceding sentence to the contrary, the Lessee may use any or all of the Rail Cars in Canada; provided the Lessee shall have first (i) taken all necessary action to protect the right, title and interest of the Lessor and the Lender in the Rail Cars to be so used and (ii) furnished the Lessor and the Lender with appropriate evidence of the taking of such action and with an opinion of Canadian counsel satisfactory to the Lessor and the Lender to the effect that such action is all that is necessary to protect the right, title and interest of the Lessor and the Lender in such Rail Cars. The Lessee shall not assign or sublease its leasehold interest under this Lease in the Rail Cars or any of them except (a) as provided in paragraph (ii) below of this Section 16.2 and (b) pursuant to such arrangements and to such parties as shall be subject to the reasonable approval (evidenced by a written instrument) of both the Lessor and the Lender. The Lessee, at its own expense, will forthwith pay or discharge any and all sums claimed by any party which, if unpaid, might become a lien, charge, security interest or other encumbrance (other than Permitted Liens and Lessor's Liens) upon or with respect to any Rail Car (including any accession thereto), or the interest of the Lessor, the Owner Participant, the Lender or the Lessee therein, and will promptly discharge any such lien, claim, security interest or other encumbrance which arises. Lessee shall not use any Rail Car, or permit any Rail Car to be used, for the transportation or storage of any substance which is categorized as, or required to be labelled as, "poison" or"poisonous", "explosive" or "radioactive" (or any categories or labels substituted for such categories or labels as in effect on the day hereof) under 49 CFR 171 or other applicable Federal rules in effect from time to time regulating the transportation of hazardous materials; provided that in all cases the Rail Cars shall be permitted to be used to transport corn alcohol and sodium chloride.

(ii) So long as no Event of Default shall have occurred or be continuing hereunder, the Lessee shall be entitled to the possession and use of the Rail Cars upon lines of railroad owned or operated by it or upon lines of railroad over which the Lessee has trackage or other operating rights or over which railroad equipment of the Lessee is regularly operated pursuant to contract and shall be entitled to permit the use of the Rail Cars upon connecting and other carriers in the usual interchange of traffic or pursuant to run-through agreements and to assign its rights to the Rail Cars or to

sublease the Rail Cars, but only upon and subject to all the terms and conditions of this Lease and the Loan and Security Agreement; provided, that without the Lessor's prior written consent (which shall not be unreasonably withheld), no such assignment or sublease (other than to a subsidiary of Lessee) shall involve more than a Lot of Rail Cars or be for a period in excess of one year, and provided Lessee's obligations hereunder shall continue in full force and effect as the obligations of a principal and not of a surety; and provided, further, that the Lessee shall not without the Lessor's prior written consent assign or sublease the Rail Cars to, or permit the assignment or sublease of the Rail Cars to, or permit the assignment or sublease of the Rail Cars by, any person (a) who shall then be in default with respect to the payments of money under any instrument evidencing indebtedness or with respect to any liability for borrowed money or for the deferred purchase price of property if the aggregate amount of all such indebtedness, liabilities and purchase prices under or with respect to which such person is then in default exceed 1% of such person's net worth or capital and surplus, or (b) who shall then be engaged in any proceedings for relief under any bankruptcy or insolvency law or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions of indebtedness. The Lessee may receive and retain compensation for the use of any of the Rail Cars from railroads or other entities so using such Rail Cars. Each sublease or assignment permitted by this paragraph shall (a) be expressly subject and subordinate to all of the provisions of this Lease and to the rights and remedies of the Lender under the Loan and Security Agreement and the Lessor under this Lease in respect of the Rail Cars covered by such sublease upon the occurrence of an Event of Default thereunder or hereunder, (b) shall expressly require the Rail Cars subject thereto to be returned as directed by the Lessor upon notice to such assignee or sublessee that an Event of Default shall have occurred and be continuing and (c) shall expressly prohibit any further sublease of the Rail Cars subject thereto. Lessee shall, within fifteen (15) days after the execution of any such sublease, deliver a conformed copy thereof to the Lessor and the Lender.

16.3 Transfers by Lessee Through Merger, Acquisition or Consolidation. Lessee shall not merge or consolidate with any other corporation or sell, lease or transfer or otherwise dispose of all or a substantial part of its assets unless (i) immediately after giving effect to the consummation of such transaction, no Default or Event of Default under the Lease shall have occurred and be continuing, and (ii) the surviving, resulting or transferee corporation (a) is a corporation duly organized and validly existing under the laws of any state of the United States or the District of Columbia, (b) after giving effect to the consummation of such transaction, has a financial condition which, in the reasonable judgment of the Lessor, is equivalent to that of the Lessee immediately prior to consummation of such transaction, and (c) shall execute and deliver an agreement satisfactory in form and scope to the Lender and the Lessor whereby the transferee agrees to be bound by all the terms of, and assumes all of the Lessee's obligations under, each Operative Document to which the Lessee is or is to be a party, and makes representations of the scope made by the Lessee in or pursuant to such Operative Documents. Prior to any merger, consolidation or transfer of assets hereunder, the Lessee shall give notice to the Lessor and the Lender specifying the name and address

of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 23. EFFECT AND MODIFICATION OF LEASE

Except for the Participation Agreement and the Tax Indemnity Agreement referred to herein, this Lease exclusively and completely states the rights of the Lessor and the Lessee with respect to the leasing of the Rail Cars and supersedes all other agreements, oral or written, with respect thereto. No variation or modification of this Lease and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized signatories for the Lessor and the Lessee.

Section 24. THIRD-PARTY BENEFICIARIES

Nothing in this Lease shall be deemed to create any right in any person not a party hereto (other than the Owner Participant and each holder from time to time of a Note and the permitted successors and assigns of any such person and any party hereto) and this instrument shall not be construed in any respect to be a contract in whole or in part for the benefit of a third party except as aforesaid.

Section 25. EXECUTION

This Lease may be executed in several counterparts, such counterparts together constituting but one and the same instrument. To the extent, if any, that this Lease or any Lease Supplement constitutes chattel paper (as such term is defined in the Uniform Commercial Code as in effect in any applicable jurisdiction), no security interest in this Lease or such Lease Supplement may be created through the transfer or possession of any counterpart of this Lease or such Lease Supplement other than the original counterpart which shall be identified as the counterpart containing the receipt therefor executed by the Lender on or immediately following the signature page hereof or thereof. Although for convenience this Lease is dated as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or date stated in the acknowledgments hereto annexed.

Section 26. LAW GOVERNING

The terms of this Lease and all rights and obligations hereunder shall be governed by the laws of the State of Minnesota; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. Section 11303.

Section 27. IMMUNITIES; NO RECOURSE

No recourse shall be had in respect of any obligation due under this Lease, or referred to herein, against any incorporator, stockholder, director

or officer, as such, past, present or future, of the parties hereto, whether by virtue or any constitutional provision, statute or rule of law, or by enforcement of any assessment or penalty or otherwise, all such liability, whether at common law, in equity, by any constitutional provision, statute or otherwise, of such incorporators, stockholders, directors or officers, as such, being forever released as a condition of and as consideration for the execution of this Lease.

Section 28. AGREEMENTS FOR BENEFIT OF LESSOR'S ASSIGNS

All rights of the Lessor hereunder (including, but not limited to, its rights under Sections 7, 8, 10, 13, 14, 15, 16 and 18 hereof and the right to receive the rentals payable under this Lease) shall inure to the benefit of the Lessor's assigns (including the Lender).

Section 29. TERM LESSOR

Whenever the term "Lessor" is used in this Lease it shall apply and refer to the Lessor and any assignee of the Lessor (including, so long as any indebtedness evidenced by the Notes or interest thereon shall remain unpaid or any other obligation thereunder be continuing, the Lender).

Section 30. LIABILITY OF LESSOR LIMITED

It is expressly agreed, anything herein to the contrary notwithstanding, that each and all of the representations, warranties, covenants, undertakings and agreements herein made on the part of the Lessor are made and intended not as personal representations, warranties, covenants, undertakings and agreements by Wilmington Trust Company, or for the purpose or with the intention of binding said trust company personally, but are made and intended for the purpose of binding only the Trust Estate, and this Lease is executed and delivered by said trust company not in its own right but solely in the exercise of the powers expressly conferred upon it as trustee under the Trust Agreement; and no personal liability or personal responsibility, except in the case of willful misconduct or gross negligence of Lessor (other than with respect to the handling of funds, in which case the Lessor shall be accountable for its failure to exercise ordinary care), is assumed by or shall at any time be asserted or enforceable against said trust company on account of this Lease or on account of any representation, warranty, covenant, undertaking or agreement of Lessor, either expressed or implied herein, all such personal liability, if any, being expressly waived and released by Lessee and by all persons claiming by, through or under it.

IN WITNESS WHEREOF, the Lessor and the Lessee have executed this Lease as of the day and year first above written.

[Seal]

WILMINGTON TRUST COMPANY, not individually (except as otherwise provided in the foregoing instrument), but solely in its capacity as Owner Trustee under the Trust Agreement

By _____
Its Vice President

[Seal]

CARGILL, INCORPORATED

By _____
Its John K. Yerger, Vice President

State of MINNESOTA)
) ss.
County of HENNEPIN)

On this 26th day of December, 1985, before me personally appeared John R. Yerger, to me personally known, who, being by me duly sworn, did say that he is a Vice President of Cargill, Incorporated that the seal affixed to the foregoing instrument is the 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.

Marleen A. Kurschner
Notary Public

MARLEEN A. KURSCHNER
NOTARY PUBLIC—MINNESOTA
HENNEPIN COUNTY
MY COMM. EXPIRES JAN. 9, 1991

My commission expires
1/9/91.

State of Delaware)
) ss.
County of New Castle)

On this 23rd day of December, 1985, before me personally appeared Francis B. Jacobs, II, to me personally known, who, being by me duly sworn, did say that he is a Vice President of Wilmington Trust Company that the seal affixed to the foregoing instrument is the 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 the corporation.

Marie Elizabeth Tracie
Notary Public

NOTARY PUBLIC
My Commission Expires Sept. 10, 1986

My commission expires
9/10/86.

EXHIBIT A TO LEASE
OF RAILROAD EQUIPMENT

LEASE SUPPLEMENT NO. ___

Delivery Date: _____, 198__

THIS LEASE SUPPLEMENT is executed and delivered to Wilmington Trust Company, a Delaware banking corporation, not individually but solely as trustee under that certain Trust Agreement, dated as of December 15, 1985 between Student Loan Marketing Association and said trustee (the "Lessor"), by CARGILL, INCORPORATED, a Delaware corporation (the "Lessee"), pursuant to and in accordance with the Lease of Railroad Equipment dated as of December 15, 1985 between Lessor, and Lessee (the "Lease"). Unless otherwise defined herein, capitalized terms in this Lease Supplement are used with the respective meanings specified in the Lease.

1. The Rail Cars covered by this Supplement consist of the items described in Schedule 1 attached hereto.

2. Lessee confirms that the Rail Cars covered hereby have been delivered to it in good working order and condition, and have been inspected and accepted by Lessee as of the Delivery Date set forth above.

3. The Purchase Price of each of the Rail Cars covered hereby is set forth in Schedule 1 attached hereto and the aggregate Purchase Price for such Rail Cars is $_____.

4. The percentages of Basic Rent, Casualty Value and Termination Value for the Rail Cars covered by this Lease Supplement are set forth, respectively, in Schedules 2, 3 and 4 hereto.

5. Lessee hereby: (a) confirms that the Rail Cars covered hereby are of the size, design, capacity and manufacture selected by it and meet the provisions of the applicable purchase agreement with the Manufacturer with respect thereto, (b) confirms that the Rail Cars have been marked [or prior to the Primary Lease Term Commencement Date will be marked]* in accordance with all of the provisions of § 6.1 of the Lease, (c) confirms that the Rail Cars appear to conform to the modifications, requirements and standards applicable thereto as provided in the Lease and (d) irrevocably accepts said Rail Cars "as-is, where-is" for all purposes of the Lease as of the Delivery Date as set forth above.

6. By the execution and delivery of this Supplement by Lessee, and the acceptance thereof by Lessor, Lessee and Lessor reaffirm all of the terms, provisions and conditions of the Lease.

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* Include bracketed language in Lease Supplements 1, 2 and 3 only.

7. This Lease Supplement may be executed in several counterparts, such counterparts together constituting but one and the same instrument. To the extent, if any, that this Lease Supplement constitutes chattel paper (as such term is defined in the Uniform Commercial Code as in effect in any applicable jurisdiction), no security interest in this Lease Supplement may be created through the transfer or possession of any counterpart of this Lease Supplement other than the original counterpart which shall be identified as the counterpart containing the receipt therefor executed by the Lender on or immediately following the signature page hereof.

IN WITNESS WHEREOF, Lessee has caused this Supplement to be duly executed by its duly authorized officer as of the Delivery Date as set forth above.

CARGILL, INCORPORATED

By_____
Its_____

Accepted as of the Delivery Date set forth above:

WILMINGTON TRUST COMPANY, not individually (except as otherwise provided in the Lease), but solely as Owner Trustee under the Trust Agreement

By_____
Its_____

State of _____)
) ss.
County of _____)

On this ____ day of December, 1985, before me personally appeared _____, to me personally known, who, being by me duly sworn, did say that he is a _____ of Cargill, Incorporated that the seal affixed to the foregoing instrument is the 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.

_____
Notary Public

My commission expires
_____.

State of _____)
) ss.
County of _____)

On this ____ day of December, 1985, before me personally appeared _____, to me personally known, who, being by me duly sworn, did say that he is a _____ of Wilmington Trust Company that the seal affixed to the foregoing instrument is the 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 the corporation.

_____
Notary Public

My commission expires
_____.

SCHEDULE 1 TO LEASE
SUPPLEMENT NO.____

Description of Rail Cars

Descriptions and Quantity	Manufacturer	Lessee's Identification Nos.	AAR Mechanical Description	DOT Specifications	Specifications	Purchase Price
Oilseed Cars:						
[To be provided by Cargill, Incorporated]						
Corn Milling Cars:						

THE FOREGOING RAIL CARS ARE [*ITC] [*NON-ITC] CARS, AS DEFINED IN THE LEASE.

SCHEDULE 2 TO
LEASE SUPPLEMENT
NO. ____

Basic Rent Percentages

Rental Payment Date	Percentage of Purchase Price
1/2/87	
7/2/87	
1/2/88	
7/2/88	
1/2/89	
7/2/89	
1/2/90	
7/2/90	
1/2/91	
7/2/91	
1/2/92	
7/2/92	
1/2/93	
7/2/93	
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7/2/95	
1/2/96	
7/2/96	
1/2/97	
7/2/97	
1/2/98	
7/2/98	
1/2/99	
7/2/99	
1/2/00	
7/2/00	
1/2/01	
7/2/01	

SCHEDULE 3 TO
LEASE SUPPLEMENT
NO. ____

Casualty Value Percentages

Rental Payment Date	Percentage of Purchase Price
1/2/87	
7/2/87	
1/2/88	
7/2/88	
1/2/89	
7/2/89	
1/2/90	
7/2/90	
1/2/91	
7/2/91	
1/2/92	
7/2/92	
1/2/93	
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7/2/96	
1/2/97	
7/2/97	
1/2/98	
7/2/98	
1/2/99	
7/2/99	
1/2/00	
7/2/00	
1/2/01	
7/2/01	

SCHEDULE 4 TO
LEASE SUPPLEMENT
NO. ____

Termination Value Percentages

Rental Payment Date	Percentage of Purchase Price
1/2/87	
7/2/87	
1/2/88	
7/2/88	
1/2/89	
7/2/89	
1/2/90	
7/2/90	
1/2/91	
7/2/91	
1/2/92	
7/2/92	
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7/2/96	
1/2/97	
7/2/97	
1/2/98	
7/2/98	
1/2/99	
7/2/99	
1/2/00	
7/2/00	
1/2/01	
7/2/01	

Uniform Commercial Code Chattel Paper Receipt*

(See Section 7 of the foregoing Lease Supplement for provisions relating to the security interest of any assignee.)

*Receipt of this original counterpart of the foregoing Lease Supplement is hereby acknowledged on this ___ day of _____, 19__.

THE PRUDENTIAL INSURANCE COMPANY
OF AMERICA

By_____
Its_____

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* Receipt contained in the original counterpart only.