

Notarized copy to file

EDMUND D. CAMPBELL*
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H. DONALD KISTLER
BENJAMIN W. DULANY*
KENNETH WELLS PARKINSON
DANIEL WEBSTER COON†
THOMAS PENFIELD JACKSON†
ARTHUR C. ELGIN, JR.†
JAMES P. SCHALLER*
ROGER V. BARTH†
JAMES E. BRAMMER
PATRICIA D. GURNE
NICHOLAS STILLWELL MCCONNELL**
ALAN R. SWENDIMAN†
PATRICK L. WOODWARD†
JAMES R. MICHAL
WILFORD L. WHITLEY, JR.
CLIFFORD A. WILPON†
DAVID H. COX*
RICHARD W. BRYAN

*ALSO ADMITTED IN MARYLAND
*ALSO ADMITTED IN VIRGINIA

LAW OFFICES
JACKSON, CAMPBELL & PARKINSON, P. C.
ONE LAFAYETTE CENTRE
SUITE 300 SOUTH
1120 20TH STREET, N. W.
WASHINGTON, D. C. 20036

(202) 457-1600

June 19, 1981

JUN 19 1981 12 00 PM
INTERSTATE COMMERCE COMMISSION

REGISTRATION NO. **13068-A** Filed 1981

MARYLAND OFFICE
200 A MONROE STREET
ROCKVILLE, MARYLAND 20850
(301) 340-0450

VIRGINIA OFFICE
2000 N. 16TH STREET
ARLINGTON, VIRGINIA 22201
(703) 522-1330

ROGER H. MUZZALL
COUNSEL

DIRECT DIAL NUMBER

457-1634

1-170A016

No. [Stamp]
Date **JUN 19 1981**
Fee **\$10.00**
ICC Washington, D. C.

RECEIVED
JUN 19 11 53 AM '81
I.C.C.
FEE OPERATION BR.

Ms. Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
Room 2215
Washington, D.C. 20423

Re: Equipment Lease Agreement, dated as of April 23, 1981 between MDFC and Meridian & Bigbee Railroad Company

Dear Ms. Mergenovich:

As special counsel for McDonnell Douglas Finance Corporation, I have been requested to file the enclosed Individual Equipment Record for the five (5) hopper cars subject to the above-referenced Lease Agreement.

This IER, dated as of April 22, 1981, by and between McDonnell Douglas Finance Corporation, as lessor, and Meridian & Bigbee Railroad Company, as lessee, is intended to supplement the information provided by the above-referenced Lease Agreement and identifies, with specificity, that the five (5) cars subject to the terms of said Lease Agreement bear road numbers M & B 2000-2004, inclusive.

The parties to this Individual Equipment Record are:

McDonnell Douglas Finance Corporation
P. O. Box 580
Long Beach, California 90801

and

Counterpart - Elaine S. Sepley

Ms. Agatha L. Mergenovich
June 19, 1981
Page two

Meridian & Bigbee Railroad Company
119 22nd Avenue South
Meridian, Mississippi 39301

I am delivering a total of three (3) copies of the IER and I would appreciate it if you would have two (2) copies of the IER stamped as recorded by your office and returned to me.

You will also find enclosed herein a check made payable to the I.C.C. in the amount of Ten Dollars (\$10.00) to cover the filing costs incurred.

If you have any questions in this regard, please do not hesitate to contact me. Thank you for your assistance in this matter and I will look forward to hearing from you at your earliest convenience.

Sincerely yours,

JACKSON, CAMPBELL & PARKINSON, P.C.

By:



David H. Cox

DHC/lg

Enclosures As Stated

cc: H. David Heumann, Esquire

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

David H. Cox
Jackson, Campbell & Parkinson, P.C.
One Lafayette Centre^o
Suite 300 South
1120 woth St. N. W.
Washington, D. C. 20036

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 6/19/81 at 12:00PM, and assigned re-
recording number (s) . 13068-A

Sincerely yours,



Secretary

Enclosure (s)

JUN 19 1981 - 12 00 PM

INDIVIDUAL EQUIPMENT RECORD

Lessor Copy

INTERSTATE COMMERCE COMMISSION

IER NO. 458-001
April 22, 1981

Dated as of April 22, 1981 to that Equipment Lease Agreement dated as of April 22, 1981

LESSOR: McDonnell Douglas Finance Corporation
~~3855 Lakewood Boulevard~~ P.O. BOX 580
~~Long Beach, California 90846~~ LONG BEACH, CA 90801
~~Attention: 18A-34~~ WELLS FARGO BLDG.

LESSEE: Meridian & Bigbee Railroad Company
 119 22nd. Avenue South
 Meridian, Mississippi 39301

LOCATION OF EQUIPMENT: Meridian & Bigbee Railroad Company
 119 22nd. Avenue South
 Meridian, Mississippi 39301

ACCEPTANCE DATE: May 4, 1981

New <u>X</u> Used _____	Purchase Order No. _____	Term: <u>12</u> year(s) <u>48</u> -month(s) Commencing <u>May 4, 1981</u>	Quarters Security Deposit: \$ <u>None</u>
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Tax Capitalized or Exempt Tax Based on Rentals Remit with each Payment	<input checked="" type="checkbox"/> <input type="checkbox"/>	INSURANCE REQUIREMENTS: ALL RISK: Stipulated loss value. LIABILITY: Bodily Injury Liability \$1,000,000 per person/\$1,000,000 per accident; Property Damage Liability \$1,000,000
--	--	---

RENTAL: \$ N/A payable upon execution of this IER, to be applied to the N/A rental installment. Payment of the 1st through 48th rental installments shall commence on August 4, 1981 and shall continue Quarterly thereafter on the 4th day of each Nov., Feb., May, with each such rental installment to be in the amount of \$ 2,977.83

EQUIPMENT DESCRIPTION AND SERIAL NO.(S) (SEE ATTACHED INVOICES):

Equipment Description	Serial No.	Equipment Cost
1 (One) Ortner Freight 7000 Cubic Foot Woodchip Hopper Car 73'2½" (Lightweight 79,500 lbs.)	M & B 2000	\$61,500

STIPULATED LOSS VALUES

PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST	PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST	PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST
BEFORE					
1	101.5				
AFTER					
1	101.2	46	46.2		
2	100.9	47	43.2		
3	100.6	48	40.0		
4	100.2	THEREAFTER			
5	99.8				
6	99.4				
7	98.9				
8	98.4				
9	97.9				
10	97.4				
11	96.9				
12	96.3				
13	95.7				
14	95.0				
15	94.4				
16	93.7				
17	92.9				
18	92.2				
19	91.4				
20	90.5				
21	89.6				
22	88.7				
23	87.7				
24	86.7				
25	85.6				
26	84.5				
27	83.3				
28	82.0				
29	80.7				
30	79.4				
31	77.9				
32	76.4				
33	74.9				
34	73.2				
35	71.5				
36	69.7				
37	67.8				
38	65.8				
39	63.7				
40	61.6				
41	59.3				
42	56.9				
43	54.4				
44	51.8				
45	49.0				

SPECIAL CONDITIONS:

The undersigned Lessor hereby leases to the undersigned Lessee, and the undersigned Lessee agrees to hire from Lessor the equipment described herein. The Lessee hereby acknowledges and agrees, respecting the equipment described herein:

- (1) That Lessee has inspected the equipment fully and completely as to size, model, function and conformity to the purchase order,
- (2) That the equipment is of a size, design, function and manufacturer selected by Lessee,
- (3) That Lessee is satisfied that the same is suitable for its intended purposes and any special purposes of Lessee,

(4) LESSOR IS NOT A MANUFACTURER OF THE EQUIPMENT OR A DEALER IN SIMILAR EQUIPMENT AND HAS NOT INSPECTED THE EQUIPMENT PRIOR TO DELIVERY TO AND ACCEPTANCE BY LESSEE. LESSOR BY VIRTUE OF HAVING LEASED THE EQUIPMENT UNDER THIS LEASE OR BY VIRTUE OF ANY NEGOTIATIONS IN RESPECT TO THIS LEASE HAS NOT MADE AND DOES NOT MAKE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO CONDITIONS, QUALITY, DURABILITY, SUITABILITY, MERCHANTABILITY OR FITNESS FOR USE OR FITNESS FOR A PARTICULAR PURPOSE OR AS TO ANY OTHER WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT.

(5) That the equipment is new and unused, and that the equipment has been delivered to, is now in possession of and acceptable to Lessee.

LESSOR:
MCDONNELL DOUGLAS FINANCE CORPORATION

By *D. V. Spahr*
Title *Vice Pres.*

LESSEE: MERIDIAN & BIGBEE RAILROAD COMPANY

By *Marvin V. Bendy*
Title *President*

INDIVIDUAL EQUIPMENT RECORD

IER NO. 458-002
22
April 22, 1981

Dated as of April 22, 1981 to that Equipment Lease Agreement dated as of April 22, 1981

LESSOR: McDonnell Douglas Finance Corporation
~~3855 Lakewood Boulevard~~ P.O. BOX 580
~~Long Beach, California 90846~~ LONG BEACH, CA 90801
~~Attention: TBA-34~~ WELLS FARGO BLDG.

LESSEE: Meridian & Bigbee Railroad Company
119 22nd. Avenue South
Meridian, Mississippi 39301

LOCATION OF EQUIPMENT: Meridian & Bigbee Railroad Company
119 22nd. Avenue South
Meridian, Mississippi 39301

ACCEPTANCE DATE: May 4, 1981

New <u>X</u> Used _____	Purchase Order No. _____	Term: <u>12</u> year(s) <u>48</u> -month(s) Commencing <u>May 4, 1981</u>	Security Deposit: \$ <u>None</u>
----------------------------	-----------------------------	--	-------------------------------------

Tax Capitalized or Exempt Tax Based on Rentals Remit with each Payment	<input checked="" type="checkbox"/> <input type="checkbox"/>	INSURANCE REQUIREMENTS: ALL RISK: Stipulated loss value. LIABILITY: Bodily Injury Liability \$1,000,000 per person/\$1,000,000 per accident; Property Damage Liability \$1,000,000
--	--	--

RENTAL: \$ N/A payable upon execution of this IER, to be applied to the N/A
rental installments. Payment of the 1st through 48th rental installments shall
commence on August 4, 1981 and shall continue Quarterly thereafter on the 4th day of each
~~Nov. Feb. May.~~ with each such rental installment to be in the amount of \$ 2,977.83

EQUIPMENT DESCRIPTION AND SERIAL NO.(s) (SEE ATTACHED INVOICES):		
Equipment Description	Serial No.	Equipment Cost
1 (One) Ortner Freight 7000 Cubic Foot Woodchip Hopper Car 73'2½" (Lightweight 79,500 lbs.)	M & B 2001	\$61,500

STIPULATED LOSS VALUES

PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST	PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST	PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST
BEFORE					
1	101.5				
AFTER					
1	101.2	46	46.2		
2	100.9	47	43.2		
3	100.6	48	40.0		
4	100.2	THEREAFTER			
5	99.8				
6	99.4				
7	98.9				
8	98.4				
9	97.9				
10	97.4				
11	96.9				
12	96.3				
13	95.7				
14	95.0				
15	94.4				
16	93.7				
17	92.9				
18	92.2				
19	91.4				
20	90.5				
21	89.6				
22	88.7				
23	87.7				
24	86.7				
25	85.6				
26	84.5				
27	83.3				
28	82.0				
29	80.7				
30	79.4				
31	77.9				
32	76.4				
33	74.9				
34	73.2				
35	71.5				
36	69.7				
37	67.8				
38	65.8				
39	63.7				
40	61.6				
41	59.3				
42	56.9				
43	54.4				
44	51.8				
45	49.0				

SPECIAL CONDITIONS:

The undersigned Lessor hereby leases to the undersigned Lessee, and the undersigned Lessee agrees to hire from Lessor the equipment described herein. The Lessee hereby acknowledges and agrees, respecting the equipment described herein:

- (1) That Lessee has inspected the equipment fully and completely as to size, model, function and conformity to the purchase order,
- (2) That the equipment is of a size, design, function and manufacturer selected by Lessee,
- (3) That Lessee is satisfied that the same is suitable for its intended purposes and any special purposes of Lessee,

(4) LESSOR IS NOT A MANUFACTURER OF THE EQUIPMENT OR A DEALER IN SIMILAR EQUIPMENT AND HAS NOT INSPECTED THE EQUIPMENT PRIOR TO DELIVERY TO AND ACCEPTANCE BY LESSEE. LESSOR BY VIRTUE OF HAVING LEASED THE EQUIPMENT UNDER THIS LEASE OR BY VIRTUE OF ANY NEGOTIATIONS IN RESPECT TO THIS LEASE HAS NOT MADE AND DOES NOT MAKE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO CONDITIONS, QUALITY, DURABILITY, SUITABILITY, MERCHANTABILITY OR FITNESS FOR USE OR FITNESS FOR A PARTICULAR PURPOSE OR AS TO ANY OTHER WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT.

(5) That the equipment is new and unused, and that the equipment has been delivered to, is now in possession of and acceptable to Lessee.

LESSOR:
MCDONNELL DOUGLAS FINANCE CORPORATION

By *A. J. Gack*
Title *Vice Pres.*

LESSEE: MERIDIAN & BIGBEE RAILROAD COMPANY

By *Marvin K. Lundy*
Title *President*

Lessor Copy

INDIVIDUAL EQUIPMENT RECORD

IER NO. 458-003

Dated as of April 22, 1981 to that Equipment Lease Agreement dated as of April 22, 1981

LESSOR: McDonnell Douglas Finance Corporation
3855 Lakewood Boulevard --- P.O. BOX 580
Long Beach, California 90846 LONG BEACH, CA 90801
Attention: 18A-54 WELLS FARGO BLDG.

LESSEE: Meridian & Bigbee Railroad Company
119 22nd. Avenue South
Meridian, Mississippi 39301

LOCATION OF EQUIPMENT: Meridian & Bigbee Railroad Company
119 22nd. Avenue South
Meridian, Mississippi 39301

ACCEPTANCE DATE: May 4, 1981

Form with fields: New X, Used, Purchase Order No., Term: 12 year(s) 48 month(s), Commencing May 4, 1981, Security Deposit: \$ None

Form with fields: Tax Capitalized or Exempt, Tax Based on Rentals, Remit with each Payment, INSURANCE REQUIREMENTS: ALL RISK: Stipulated loss value. LIABILITY: Bodily Injury Liability \$1,000,000 per person/\$1,000,000 per accident; Property Damage Liability \$1,000,000

RENTAL: \$ N/A payable upon execution of this IER, to be applied to the N/A rental installment. Payment of the 1st through 48th rental installments shall commence on August 4, 1981 and shall continue Quarterly thereafter on the 4th day of each Nov, Feb, May, with each such rental installment to be in the amount of \$ 2,977.83

Table with 3 columns: Equipment Description, Serial No., Equipment Cost. Row 1: 1 (One) Ortner Freight 7000 Cubic Foot Woodchip Hopper Car 73'2 1/2" (Lightweight 79,500 lbs.), M & B 2002, \$61,500

STIPULATED LOSS VALUES

PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST	PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST	PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST
BEFORE					
1	101.5				
AFTER					
1	101.2	46	46.2		
2	100.9	47	43.2		
3	100.6	48	40.0		
4	100.2	THEREAFTER			
5	99.8				
6	99.4				
7	98.9				
8	98.4				
9	97.9				
10	97.4				
11	96.9				
12	96.3				
13	95.7				
14	95.0				
15	94.4				
16	93.7				
17	92.9				
18	92.2				
19	91.4				
20	90.5				
21	89.6				
22	88.7				
23	87.7				
24	86.7				
25	85.6				
26	84.5				
27	83.3				
28	82.0				
29	80.7				
30	79.4				
31	77.9				
32	76.4				
33	74.9				
34	73.2				
35	71.5				
36	69.7				
37	67.8				
38	65.8				
39	63.7				
40	61.6				
41	59.3				
42	56.9				
43	54.4				
44	51.8				
45	49.0				

SPECIAL CONDITIONS:

The undersigned Lessor hereby leases to the undersigned Lessee, and the undersigned Lessee agrees to hire from Lessor the equipment described herein. The Lessee hereby acknowledges and agrees, respecting the equipment described herein:

- (1) That Lessee has inspected the equipment fully and completely as to size, model, function and conformity to the purchase order,
- (2) That the equipment is of a size, design, function and manufacturer selected by Lessee,
- (3) That Lessee is satisfied that the same is suitable for its intended purposes and any special purposes of Lessee,

(4) LESSOR IS NOT A MANUFACTURER OF THE EQUIPMENT OR A DEALER IN SIMILAR EQUIPMENT AND HAS NOT INSPECTED THE EQUIPMENT PRIOR TO DELIVERY TO AND ACCEPTANCE BY LESSEE. LESSOR BY VIRTUE OF HAVING LEASED THE EQUIPMENT UNDER THIS LEASE OR BY VIRTUE OF ANY NEGOTIATIONS IN RESPECT TO THIS LEASE HAS NOT MADE AND DOES NOT MAKE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO CONDITIONS, QUALITY, DURABILITY, SUITABILITY, MERCHANTABILITY OR FITNESS FOR USE OR FITNESS FOR A PARTICULAR PURPOSE OR AS TO ANY OTHER WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT.

(5) That the equipment is new and unused, and that the equipment has been delivered to, is now in possession of and acceptable to Lessee.

LESSOR:
MCDONNELL DOUGLAS FINANCE CORPORATION

By *D. J. Haack*
Title *Vice Pres*

LESSEE: MERIDIAN & BIGBEE RAILROAD COMPANY

By *Marvin V. Dandy*
Title *President*

INDIVIDUAL EQUIPMENT RECORD

IER NO. 458-004
18 April 22, 1981

Dated as of April 22, 1981 to that Equipment Lease Agreement dated as of April 22, 1981

LESSOR: McDonnell Douglas Finance Corporation
~~3855 Lakewood Boulevard~~ P.O. BOX 580
~~Long Beach, California 90846~~ LONG BEACH, CA 90801
~~Attention: 18A-34~~ WELLS FARGO BLDG.

LESSEE: Meridian & Bigbee Railroad Company
 119 22nd. Avenue South
 Meridian, Mississippi 39301

LOCATION OF EQUIPMENT: Meridian & Bigbee Railroad Company
 119 22nd. Avenue South
 Meridian, Mississippi 39301

ACCEPTANCE DATE: May 4, 1981 *ms*

New <u> X </u>	Purchase Order No. _____	Term: <u>12</u> year(s) <u>48</u> ^{Quarters} month(s)	Security Deposit: \$ <u>None</u>
Used _____		Commencing <u>May 4, 1981</u>	

Tax Capitalized or Exempt <input checked="" type="checkbox"/> Tax Based on Rentals <input type="checkbox"/> Remit with each Payment	INSURANCE REQUIREMENTS: ALL RISK: Stipulated loss value. LIABILITY: Bodily Injury Liability \$1,000,000 per person/\$1,000,000 per accident; Property Damage Liability \$1,000,000
---	---

RENTAL: \$ N/A payable upon execution of this IER, to be applied to the N/A rental installment. Payment of the 1st through 48th rental installments shall commence on August 4, 1981 and shall continue Quarterly thereafter on the 4th day of each Nov., Feb., May, with each such rental installment to be in the amount of \$ 2,977.83

EQUIPMENT DESCRIPTION AND SERIAL NO.(s) (SEE ATTACHED INVOICES):		
Equipment Description	Serial No.	Equipment Cost
1 (One) Ortner Freight 7000 Cubic Foot Woodchip Hopper Car 73'2½" (Lightweight 79,500 lbs.)	M & B 2003	\$61,500

STIPULATED LOSS VALUES

PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST	PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST	PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST
BEFORE					
1	101.5				
AFTER					
1	101.2	46	46.2		
2	100.9	47	43.2		
3	100.6	48	40.0		
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20	90.5				
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SPECIAL CONDITIONS:

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- (1) That Lessee has inspected the equipment fully and completely as to size, model, function and conformity to the purchase order,
- (2) That the equipment is of a size, design, function and manufacturer selected by Lessee,
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(4) LESSOR IS NOT A MANUFACTURER OF THE EQUIPMENT OR A DEALER IN SIMILAR EQUIPMENT AND HAS NOT INSPECTED THE EQUIPMENT PRIOR TO DELIVERY TO AND ACCEPTANCE BY LESSEE. LESSOR BY VIRTUE OF HAVING LEASED THE EQUIPMENT UNDER THIS LEASE OR BY VIRTUE OF ANY NEGOTIATIONS IN RESPECT TO THIS LEASE HAS NOT MADE AND DOES NOT MAKE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO CONDITIONS, QUALITY, DURABILITY, SUITABILITY, MERCHANTABILITY OR FITNESS FOR USE OR FITNESS FOR A PARTICULAR PURPOSE OR AS TO ANY OTHER WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT.

(5) That the equipment is new and unused, and that the equipment has been delivered to, is now in possession of and acceptable to Lessee.

LESSOR:
MCDONNELL DOUGLAS FINANCE CORPORATION

By *D. J. Stach*
Title *MCD Pres.*

LESSEE: MERIDIAN & BIGBEE RAILROAD COMPANY

By *Marian G. Bendy*
Title *President*

INDIVIDUAL EQUIPMENT RECORD

IER NO. 458-005

Dated as of April 22, 1981 to that Equipment Lease Agreement dated as of April 22, 1981

LESSOR: McDonnell Douglas Finance Corporation
 3855 Lakewood Boulevard P.O. BOX 580
 Long Beach, California 90846 LONG BEACH, CA 90801
 Attention: 184-34 WELLS FARGO BLDG.

LESSEE: Meridian & Bigbee Railroad Company
 119 22nd. Avenue South
 Meridian, Mississippi 39301

LOCATION OF EQUIPMENT: Meridian & Bigbee Railroad Company
 119 22nd. Avenue South
 Meridian, Mississippi 39301

ACCEPTANCE DATE: May 4, 1981

New <input checked="" type="checkbox"/> Used <input type="checkbox"/>	Purchase Order No. _____	Term: <u>12</u> year(s) <u>48</u> ^{Quarters} month(s) Commencing <u>May 4, 1981</u>	Security Deposit: <u>None</u>
---	--------------------------	---	-------------------------------

Tax Capitalized or <u>Exempt</u> <input checked="" type="checkbox"/> Tax Based on Rentals <input type="checkbox"/> Remit with each Payment	INSURANCE REQUIREMENTS: ALL RISK: Stipulated loss value. LIABILITY: Bodily Injury Liability \$1,000,000 per person/\$1,000,000 per accident; Property Damage Liability \$1,000,000
--	---

RENTAL: \$ N/A payable upon execution of this IER, to be applied to the N/A rental installment. Payment of the 1st through 48th rental installments shall commence on August 4, 1981 and shall continue Quarterly thereafter on the 4th day of each Nov., Feb., May, with each such rental installment to be in the amount of \$ 2,977.83

EQUIPMENT DESCRIPTION AND SERIAL NO.(S) (SEE ATTACHED INVOICES):		
Equipment Description	Serial No.	Equipment Cost
1 (One) Ortner Freight 7000 Cubic Foot Woodchip Hopper Car 73'2 1/2" (Lightweight 79,500 lbs.)	M & B 2004	\$61,500

STIPULATED LOSS VALUES

PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST	PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST	PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST
BEFORE					
1	101.5				
AFTER					
1	101.2	45	46.2		
2	100.9	47	43.2		
3	100.6	48	40.0		
4	100.2	THEREAFTER			
5	99.8				
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11	96.9				
12	96.3				
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15	94.4				
16	93.7				
17	92.9				
18	92.2				
19	91.4				
20	90.5				
21	89.6				
22	88.7				
23	87.7				
24	86.7				
25	85.6				
26	84.5				
27	83.3				
28	82.0				
29	80.7				
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45	49.0				

SPECIAL CONDITIONS:

The undersigned Lessor hereby leases to the undersigned Lessee, and the undersigned Lessee agrees to hire from Lessor the equipment described herein. The Lessee hereby acknowledges and agrees, respecting the equipment described herein:

- (1) That Lessee has inspected the equipment fully and completely as to size, model, function and conformity to the purchase order,
- (2) That the equipment is of a size, design, function and manufacturer selected by Lessee,
- (3) That Lessee is satisfied that the same is suitable for its intended purposes and any special purposes of Lessee,

(4) LESSOR IS NOT A MANUFACTURER OF THE EQUIPMENT OR A DEALER IN SIMILAR EQUIPMENT AND HAS NOT INSPECTED THE EQUIPMENT PRIOR TO DELIVERY TO AND ACCEPTANCE BY LESSEE. LESSOR BY VIRTUE OF HAVING LEASED THE EQUIPMENT UNDER THIS LEASE OR BY VIRTUE OF ANY NEGOTIATIONS IN RESPECT TO THIS LEASE HAS NOT MADE AND DOES NOT MAKE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO CONDITIONS, QUALITY, DURABILITY, SUITABILITY, MERCHANTABILITY OR FITNESS FOR USE OR FITNESS FOR A PARTICULAR PURPOSE OR AS TO ANY OTHER WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT.

(5) That the equipment is new and unused, and that the equipment has been delivered to, is now in possession of and acceptable to Lessee.

LESSOR:
MCDONNELL DOUGLAS FINANCE CORPORATION

By *D. H. Black*
Title *Vice Pres*

LESSEE: MERIDIAN & BIGBEE RAILROAD COMPANY

By *Merrill W. Lundy*
Title *President*