

P. E. MYERS & ASSOCIATES
Practice Before The Interstate Commerce Commission

SUITE 348, PENNSYLVANIA BUILDING
425 THIRTEENTH STREET, N. W.,
WASHINGTON, D. C. 20004

(202) 737-2188

Registered Practitioners

PAULINE E. MYERS
MARK D. RUSSELL

October 18, 1983

14178
RECORDATION NO. _____ Filed 1425

92914066

Mrs. Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
Washington, DC 20423

OCT 18 1983 12 12 PM
INTERSTATE COMMERCE COMMISSION

No. _____
Date OCT 18 1983
Fee \$ 50.00

In Re: Document For Recordation, CC Washington, D. C.

Dear Secretary:

I have enclosed an original and one copy of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a Lease, a primary document dated August 29, 1983.

The names and addresses of the parties of the document are as follows:

Lessor: GWI Rail Management Corporation
3846 Retsof Road
Retsof, NY 14539

Lessee: W. H. Shurtleff Company
One Runway Road
P. O. Box 2800
South Portland, Maine 04106

A description of the equipment covered by the document follows:

Twenty (20) 4550 Cubic Feet Capacity (CFC) 100-Ton covered hopper cars with interior lining and trough hatch covers.

A fee of \$50.00 is enclosed. Please return the original. Your cooperation in this matter is greatly appreciated.

Yours very truly,

Pauline E. Myers
Pauline E. Myers

slt
Enclosures

Agatha L. Mergenovich

REC'D
OCT 18 1983
12 12 PM
INTERSTATE COMMERCE COMMISSION
WASHINGTON, D.C.

Interstate Commerce Commission
Washington, D.C. 20423

10/18/83

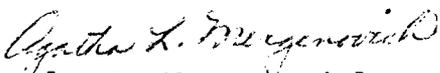
OFFICE OF THE SECRETARY

Pauline E. Myers & Assoc.
Suite 348 Pennsylvania Building
425 13th St. N.W.
Washington, D.C. 20004

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 **10/18/83** at **12:50pm** and assigned re-
recording number(s). **14178**

Sincerely yours,


Agatha L. Mergenovich
Secretary

Enclosure(s)

OCT 18 1983 12 12 PM

INTERSTATE COMMERCE COMMISSION

LEASE

THIS LEASE, made as of the 29th day of August, 1983 by and between GWI RAIL MANAGEMENT CORPORATION, a Delaware corporation, herein called "Lessor," and the W.H. SHURTLEFF COMPANY, a Maine corporation, herein called "Lessee":

WITNESSETH:

For and in consideration of the mutual covenants and premises hereinafter set forth, the parties hereto agree as follows:

1. Lease. Lessor hereby leases to Lessee and Lessee hereby leases and hires from Lessor the following described railroad cars, collectively referred to herein as "Cars" and each one thereof as "Car":

Twenty (20) 100 Ton, 4550 Cu. Ft. capacity steel covered hopper cars bearing the running marks and numbers set forth in Rider No. 1 attached hereto and hereby made a part hereof.

2. Delivery of Cars. Delivery of the Cars by Lessor shall be made to Lessee F.O.B. Retsof, New York.

3. Lessee's Acceptance. Lessee is familiar with all the Cars having leased them since December, 1978. Therefore, execution of this Lease shall constitute acceptance and be conclusive evidence that: (a) each such Car has been delivered to and accepted by Lessee, and (b) each such Car shall be subject thereafter to all of the terms and

conditions of this lease.

4. Term. The term of this lease as to each Car shall commence on September 1, 1983 and shall run, subject to the provisions of paragraphs 9 and 17 hereof, until termination on December 31, 1983 and provided further the Car or Cars have been returned by Lessee to Lessor at Retsof, New York.

5. Rent. Lessee agrees to pay rent to Lessor for each Car during the Term at a rate of Two Hundred Fifty Dollars (\$250.00) per month payable in advance on the first day of each month.

6. Maintenance. Lessee shall promptly notify Lessor upon receipt by Lessee of knowledge of any substantial damage to any of the Cars. Lessor agrees to maintain and repair the Cars except as hereinafter provided. Lessee shall not repair or authorize the repair of any of the Cars without Lessor's prior written consent, except that running repairs (as specified in the Association of American Railroads Rules for Interchange) may be performed without prior written consent. The amount Lessor will pay for such running repairs shall not be in excess of the basis, in effect at the time the repair is made, provided by the Association of American Railroads. If any Car becomes unfit for service and shall be held in a car shop for repairs and shall remain therein for a period in excess of five days, the rental with respect to such Car shall abate from and after such period until such Car is released from the shop or until another car shall have been placed in the service of Lessee by Lessor in substitution for such Car.

7. Excess Empty Mileage. Lessee agrees to reimburse Lessor for any payment Lessor may be required to make to any railroad, due to mileage equalization where applicable, resulting from excess empty mileage incurred by the Cars on such railroad. For the purpose of this paragraph, the railroad mileage and junction reports shall be prima facie evidence of the facts reported therein. In addition, if Lessor is required to make any payments to a railroad resulting from the empty movement of any of the Cars while they are in Lessee's service, Lessee agrees to reimburse Lessor for such payments.

8. Use, Subleasing and Assignment.

(a) The Cars shall be used exclusively in salt service from Retsof, New York. Lessee agrees that if any of the Cars are used outside of Continental United States, Lessee shall reimburse Lessor for any customs, duties, taxes, investment tax credit reductions or other expenses resulting from such use.

(b) Lessee shall not assign or sublease Cars to a third party or transfer Cars within Lessee's own system to a base of operations other than Retsof, New York, without Lessor's prior consent.

(c) No right, title or interest in any of the Cars shall vest in Lessee by reason of this Agreement or by reason of the delivery to or use by Lessee of the Cars, except the right to use the Cars in accordance with the terms of this Agreement.

9. Cars Removed from Service. In the event any Car is totally damaged or destroyed, the rental with respect to such Car shall terminate upon receipt by Lessor of notification thereof, and in the

event any Car is reported to be bad ordered and Lessor elects to permanently remove such Car from Lessee's service rather than have such Car taken to a car shop for repairs, the rental with respect to such Car shall terminate upon receipt by Lessor of notification that such Car was bad ordered.

10. Risk of Loss. Risk of loss for damage to or destruction of the Cars shall be with the Lessor; provided, however, in the event that any of the Cars, fittings, appliances or appurtenances of the Cars shall be damaged, ordinary wear and tear excepted, or destroyed as a result of Lessee's negligence, Lessee shall assume financial responsibility for such damage or destruction.

11. Lading. Lessor shall not be liable for any loss of or damage to commodities, or any part thereof, loaded or shipped in or on the Cars, unless such loss or damage results from negligence of Lessor, and Lessee agrees to assume financial responsibility for, to indemnify and hold Lessor harmless from and against any such loss or damage.

12. Removable Parts. Lessee, at its own expense, shall either replace or reimburse Lessor for the cost of replacing any appliance or removable part, if destroyed, damaged, lost, removed or stolen, unless the railroads transporting the Cars have assumed full responsibility for such loss or damage, or unless such loss or damage results from the negligence of Lessor or any of Lessor's affiliates.

13. Indemnification by Lessee. Lessee agrees to indemnify and hold Lessor harmless from and against any loss, liability, claim, damage or expense (including, unless Lessee assumes the defense, the

reasonable cost of investigating and defending against any claim for damages) for personal injury or for property damage, including any or all consequential damages, arising out of or in connection with the use of the Cars during the term of this Agreement, excepting, however, damage to or destruction of the Cars (subject to the provisions of paragraph 10) and excepting any loss, liability, claim, damage or expense (i) which results from the negligence of Lessor or any of Lessor's affiliates (including, but not limited to, Genesee and Wyoming Railroad Company); or (ii) for which a railroad or railroads, including any railroad affiliated with Lessor, has discharged such responsibility or obligation.

14. Insurance. Lessee shall maintain general liability insurance in such amounts as reasonably may be satisfactory to Lessor, shall name Lessor as an additional insured with respect to such insurance, and shall, upon request, provide Lessor certificates thereof. Lessor shall maintain such insurance as it shall deem appropriate with respect to damage to or destruction of the Cars.

15. Lettering. No lettering or marking of any kind shall be placed upon any of the Cars by Lessee except with the prior written consent of Lessor.

16. Loading. Lessee shall be liable for any demurrage, track storage or detention charge imposed in connection with any of the Cars.

17. Remedies. If Lessee shall fail to perform any of its obligations hereunder, Lessor at its election may either (a) terminate

this Agreement immediately and repossess the Cars, or (b) withdraw the Cars from the service of Lessee and deliver the same, or any thereof, to others upon such terms as Lessor may see fit. If Lessor shall elect to proceed in accordance with clause (b) above, and if Lessor during the balance of the terms of this Agreement shall fail to collect for the use of the Cars a sum at least equal to all unpaid rentals hereunder to the stated date of termination hereof plus an amount equal to all expenses of withdrawing the Cars from the service of Lessee and collecting the earnings thereof, Lessee agrees to pay from time to time upon demand by Lessor the amount of any such deficiency.

18. Taxes. Lessor agrees to assume responsibility for and to pay any and all applicable state sales taxes resulting from the use of the Cars including use or similar taxes.

19. Delays. Except with regard to each party's obligation to make payments to the other pursuant to this Lease, each party's obligations under this Lease are subject to delays due to acts of God, governmental action, wars, labor troubles, fires, floods, explosions or other accidents, delays of carriers or subcontractors, receipt of material, or to any other cause or causes (whether or not of the same general character as those herein specifically enumerated) beyond such party's reasonable control.

20. Lessor's Assignment. It is understood that some of the Cars furnished Lessee under this Agreement and Lessor's rights under this Agreement may, at the time of delivery to Lessee or at some future time during the term of this Agreement, be subject to the terms of a

mortgage, deed of trust, equipment trust, pledge or assignment or similar security arrangement. Lessee agrees that the Cars may be stenciled or marked to set forth the ownership of any such cars in the name of a mortgagee, trustee, pledgee, assignee or security holder and that this Agreement and, except as provided below, Lessee's rights hereunder are and shall at all times be subject and subordinated to any and all rights of any mortgagee, trustee, pledgee or security holder (collectively the "Secured Parties" and individually the "Secured Party" if, at the time of any such subordination to the rights of any Security Holder, the Security Holder shall agree in writing with the Lessee that the Secured Party will not disturb the possession of Lessee under this Agreement, provided only that Lessee is not in default under any terms and conditions of this Agreement. As to the Cars subject hereto, this Agreement and the rentals hereunder may have been assigned and may in the future be assigned to the holder, if any, of the superior lien from time to time on each Car as determined with reference to the filings under Section 11303 of the Interstate Commerce Act; however, until notified to the contrary by any person reasonably proving to Lessee's satisfaction that he is the assignee of this Agreement or the rentals hereunder, Lessee is to pay all rentals to the order of Lessor. Lessee hereby consents to and accepts such assignment. Lessee agrees that no claim or defense which Lessee may have against Lessor shall be asserted or enforced against any assignee of this Agreement. All rental payments shall be made in full by Lessee regardless of any defense, claim or offset which may be asserted by Lessee or in its behalf.

21. Ownership of Cars. The cars are, and shall at all times be and remain, the sole and exclusive property of their respective owners, on whose behalf Lessor is acting as agent, and Lessee shall have no right, title or interest therein or thereto except as expressly set forth in this Lease. All incidents of ownership including the investment tax credit and depreciation shall be retained by the present owners of the Cars. Lessee shall maintain the Cars free and clear of all charges, liens and encumbrances which any party might claim by, through or under Lessee.

22. Lessor's Agency and Substitution of Cars. Lessor is entering into this transaction as agent for undisclosed owners and as agent for BRAE Corporation who is the manager and agent for undisclosed owners. Any of such owners shall have the right to terminate this lease agreement upon termination of their respective management agreements with BRAE or Lessor, as the case may be, without any liability to Lessee whatsoever from BRAE, Lessor or any of the owners. In the event any such owners terminate this lease as to any of the Cars, Lessor agrees to substitute similar cars. In the event the Cars are substituted due to termination or as otherwise permitted under this lease, Lessor shall provide Lessee with a new, revised Equipment Schedule indicating by reporting mark and number the Cars deleted, the substituted cars and the date of deletion/substitution.

23. Non-Waiver. No covenant or condition of this Lease can be waived except by the written consent of the party making such waiver. Forbearance or indulgence by either party in any regard whatsoever shall not constitute a waiver of the covenant or condition to be

performed by the other party to which the same may apply, and, until complete performance by either party of such covenant or condition, the other party shall be entitled to invoke any remedy available to such party under this Lease or by law or in equity despite such forbearance or indulgence.

Upon ten (10) days' written notice of either party's failure to perform any of its duties hereunder, the other party may, but shall not be obligated to, perform any or all such duties and the party so failing to perform shall pay an amount equal to the expense thereof to the other party forthwith upon written demand.

24. Additional Documents. If Lessor shall so request, Lessee shall execute and deliver to Lessor such documents as Lessor shall deem necessary or desirable for purposes of recording or filing to protect the interest of Lessor in the Cars.

25. Entire Agreement. This Lease, together with the attached Riders, constitutes the entire agreement between Lessor and Lessee and shall not be amended, altered or changed except by a written agreement signed by the parties hereto.

26. Notices. Service of all notices under this Lease shall be sufficient if given personally or mailed to the party involved at its address hereinafter set forth or at such address as such party may provide in writing from time to time. Any such notice mailed to such address shall be effective when deposited in the United States mail, duly addressed with postage prepaid. The address of each party is:

Lessor: GWI Rail Management Corporation
3846 Retsof Road
Retsof, New York 14539

Lessee: W.H. Shurtleff Company
One Runway Road
P.O. Box 2800
South Portland, Maine 04106
Attention: Parker Poole, Jr.

27. Titles. The titles to the paragraphs of this lease are solely for the convenience of the parties and are not an aid in the interpretation of the instrument.

28. Time. Time is of the essence of this lease and each or all of its provisions.

29. Governing Law. This Lease and the rights and obligations of the parties hereunder shall be construed and interpreted in accordance with the laws of the State of New York.

30. Agreement Binding. This Agreement shall be binding upon the parties hereto, their respective successors, assigns and legal representatives, and shall remain in full force and effect from the date hereof until the termination of the Lease, and all such cars are returned to Lessor. Lessor may assign all or any part of its interest in this Agreement without the consent of Lessee; provided, however, in the event of such an Assignment Lessor shall continue to be obligated to Lessee hereunder until Lessor identifies the assignee or assignees and Lessee accepts in writing the liability of the assignee or assignees in place of that of Lessor and releases Lessor from its obligation hereunder (such acceptance and release by Lessee shall not be unreasonably withheld).

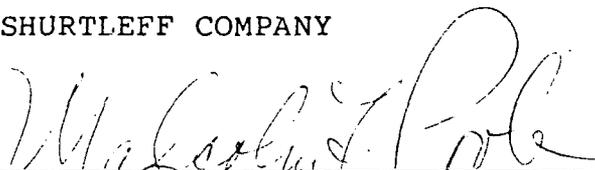
IN WITNESS WHEREOF, the parties hereto have executed this Lease
as of the date first above written.

GWI RAIL MANAGEMENT CORPORATION

By: 
Mortimer B. Fuller, III

Title: President

W.H. SHURTLEFF COMPANY

By: 

Title: V.P. Operations

STATE OF CONNECTICUT)
COUNTY OF FAIRFIELD) SS:
TOWN OF GREENWICH)

On this 30th day of August, 1983, before me, personally came MORTIMER B. FULLER, III, to me known, who being by me duly sworn, did depose and say that he is the President of GWI RAIL MANAGEMENT CORPORATION, the Corporation described in and which executed the foregoing instrument; that he knows the seal of said Corporation; that the seal affixed to said instrument is such corporate seal; that he is a duly authorized representative of said Corporation and that he signed his name thereto as such.

Joan M. Pignataro
Notary Public
JOAN M. PIGNATARO
NOTARY PUBLIC
MY COMMISSION EXPIRES MARCH 31, 1987

STATE OF MAINE)
COUNTY OF *Arundel*) SS:
CITY OF *Portland*)

On this 27 day of *September*, 1983, before me, personally came *Malcom Poole*, to me known, who being by me duly sworn, did depose and say that he is the *Vice President* of W.H. SHURTLEFF COMPANY, the Corporation described in and which executed the foregoing instrument; that he knows the seal of said Corporation; that the seal affixed to said instrument is such corporate seal; that he is a duly authorized representative of said Corporation, and that he signed his name thereto as such.

Laura S. Sotgiu
Notary Public

MY COMMISSION EXPIRES
NOVEMBER 3, 1983

Rider No. 1

Equipment Schedule

Description. Twenty (20) 4550 Cubic Feet Capacity (CFC) 100-Ton covered hopper cars with interior lining and trough hatch covers.

<u>AAR</u> <u>Designation</u>	<u>Reporting</u> <u>Marks</u>	<u>Car</u> <u>Numbers</u>
LO	GWIX	20001
LO	GWIX	20003
LO	GWIX	20004
LO	GWIX	20005
LO	GWIX	20006
LO	GWIX	20007
LO	GWIX	20008
LO	GWIX	20010
LO	GWIX	20013
LO	GWIX	20016
LO	GWIX	20020
LO	GWIX	20022
LO	GWIX	20023
LO	GWIX	20024
LO	GWIX	20025
LO	GWIX	20034
LO	GWIX	20038
LO	GWIX	20040
LO	GWIX	20044
LO	GWIX	20049