(7)

TRANSPORTATION CORPORATION OF AMERICA

TELEPHONES:

P. O. BOX 218 CHICAGO HEIGHTS, ILLINOIS 60411

Chicago Hts.-757-5900

Date: March 6, 1980

11580

RECORDATION NO. ..... Filed 1425

No. 0-074A020

Date MAR 14 1980

Fee $ 50.00

ICC Washington, D. C.

MAR 14 1980 -9 25 AM

INTERSTATE COMMERCE COMMISSION

Interstate Commerce Commission
Recordation Clerk
Room 1211
12th & Constitution Ave., N.W.
Washington, D.C. 20423

Gentlemen:

Enclosed for recordation under the provision of Section 20(c) of the Interstate Commerce Act, as amended, are five (5) copies of the following:

Lease Agreement No. 101779 dated October 18, 1979
Rider No. 101779 dated Same
between TRANSPORTATION CORPORATION OF AMERICA and
Farmers Cooperative Elevator Company
Recordation No. New
No. of Cars: THREE (3)
Description of Cars: Covered Hopper (LO)
Car Numbers: TCAX 60312 thru 60314, both incl.

The names and address of the parties hereto are as follows:

Lessor:	Lessee:
Transportation Corporation of America P. O. Box 218 Chicago Heights, IL 60411	Farmers Cooperative Elevator Company Yale, South Dakota

The undersigned is the Vice President-Finance of Transportation Corporation of America and has knowledge of the matters set forth within the enclosed documents. Kindly record and thereafter return to S. D. Christianson, Transportation Corporation of America, P. O. Box 218, Chicago Heights, Illinois 60411, the remaining ~~four~~ five copies of the enclosed document, marked "Recorded".

Attached hereto is a remittance in the sum of $*50.00 covering the required Recording Fee.

Cordially,

TRANSPORTATION CORPORATION OF AMERICA

S. D. Christianson
Vice President - Finance

dk
Enclosures

RECEIVED
MAR 14 9 18 AM '80
I.C.C.
FEE OPERATION BR.

3/18/80

3/17/80

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

S.D. Christianson
Vice President-Finance
Transp. Corp. Of America
P.O.Box 218
Chicago Heights,Illinois 60411

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 3/14/80 at 9:25am , and assigned re-recordation number(s). 11580, 6725-E

Sincerely yours,

Agatha L. Mergenovich

Agatha L. Mergenovich
Secretary

Enclosure(s)

SE-30
(7/79)

LEASE AGREEMENT

This AGREEMENT, No. 101779, made and entered into October 18, 1979, by and between TRANSPORTATION CORPORATION OF AMERICA, an Illinois Corporation, Box 218, Chicago Heights, Illinois, (herein called "**LESSOR**") and

Farmers Cooperative Elevator Company Yale, South Dakota

a South Dakota Corporation, (herein called "**LESSEE**").

RECORDATION NO. 11580 Filed 1425

MAR 14 1980 -9 25 AM

INTERSTATE COMMERCE COMMISSION

WITNESSETH:

Description of Leased Cars:

(1) **LESSOR** agrees to furnish to the **LESSEE**, and the **LESSEE** agrees to rent from **LESSOR** the cars specified within Attachment A which is affixed hereto and made a part hereof. and such additional Riders as may be added hereto from time to time by agreement of the parties and signed by their duly authorized representatives. Each attachment shall set forth a brief description of the car, or cars, covered thereby including such facts as: number of cars, car numbers, the A.A.R. or I.C.C. specification, cubic capacity, truck capacity, delivery point, rental, commodity service, term throughout which the cars shall remain in **LESSEE'S** service, and other pertinent information that may be desired by both parties.

Use of Cars:

(2) **LESSEE** agrees to use said cars within the continental limits of the United States and Canada (any use in Canada shall be incidental and temporary) for the transportation of the commodities ("Commodity Service") stated in Attachment A applicable to said cars; and that said cars will at all times be used and operated in compliance with all lawful acts, rules, regulations and orders; and further agrees upon the expiration or termination of the Rental Term ("Rental Term") applicable to such cars set forth in Attachment A to cause said cars to be returned to **LESSOR** at its plant in Chicago Heights. Illinois. in the same. or as good. condition in which they were furnished, except for ordinary wear and tear. **LESSEE** will not in any way alter the physical structure of the cars without the approval in writing of **LESSOR**.

Rent:

(3) **LESSEE** agrees to pay **LESSOR** the Fixed Rental ("Fixed Rental") stated in Attachment A from the date each car is delivered as specified in Attachment A and until cars are delivered to **LESSOR** upon expiration of the Rental Term specified in Attachment A. Such rentals shall be paid to TRANSPORTATION CORPORATION OF AMERICA, Box 218, Chicago Heights, Illinois, or such other place as the **LESSOR** or its Assignees may hereafter direct. Payment will be made in advance on the first day of every month during the term, except that **LESSEE** shall pay in advance, on delivery of the cars, the pro rata of one month's rent for the period intervening the date of delivery and the first day of the next succeeding month. As additional rent the **LESSOR** shall retain all the Mileage Earned in Excess of Fixed Rental as specified within Paragraph 7(b) hereof.

Term of Lease:

(4) This AGREEMENT shall be effective as of the date first set forth hereinabove and shall expire upon expiration of the Rental Term of the last car. or cars. covered hereunder. The Rental Term for each car shall be as specified within Attachment A.

Repair and Maintenace:

(5) (a) **LESSEE** shall notify **LESSOR** within three (3) full business days following knowledge of any damage to any of the cars. **LESSOR** agrees to pay for the maintenance and repair of said cars; but it will not pay for repairs made to said cars in excess of the basis of Association of American Railroads interchange rules (unless **LESSOR** gives **LESSEE** prior written approval for any such excess repairs). No repairs to any of the cars shall be made by the **LESSEE** for **LESSOR'S** account without **LESSOR'S** prior written consent. If any of the cars become unfit for service and shall be held in railroad or car shops for repairs, and shall remain therein for a period in excess of five (5) days, service charges hereunder covering any such cars payable by **LESSEE** to **LESSOR** shall cease from and after the date of delivery of such car to such railroad or car shop for repairs 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 undergoing repairs.

In the event any of the subject cars shall be damaged or destroyed by the railroads, the service charge on any such car shall cease on the date of such damage or destruction. When such damaged car has been forwarded to a shop for repair, the mileage earned by such car to and from the shop shall be retained by the **LESSOR**. **LESSEE** shall pay all costs. charges and expenses including freight and switching charges for movement at any time and from time to time to and from repair shops. storage or terminal facilities.

(b) **LESSOR** shall keep the cars in good order and repair, ordinary wear and tear excepted, comply with any additional requirements for safety appliances and construction as may hereafter be specified by American Association of Railroads and Interstate Commerce Commission and satisfactory for interchange in accordance with Association of American Railroads' rules, and all at its own cost and expense. **LESSOR** is not responsible to make any repairs until and unless notified by the **LESSEE** that such repair work is needed. **LESSEE** shall, at its expense, replace any removable parts, if lost. stolen or broken. If any physical change to the cars shall be required by any association or governmental rule. regulation or law, the **LESSEE** shall pay an additional monthly charge equal to $1.50 per Car per month for each $100.00 per Car cost incurred by the **LESSOR** so as to perform such changes, modifications or adjustments and such charge shall become effective upon the date of acceptance by a railroad of instructions to forward such Car to the **LESSEE** after such change. modification or adjustment has been accomplished.

(c) **LESSOR** may require **LESSEE** to return cars for preventive maintenance or repairs and may withdraw from this Lease any cars which **LESSOR** deems uneconomical to maintain or repair.

(d) **LESSOR** may, at any time and from time to time, replace any cars withdrawn from service under the terms of this Lease or which are lost, stolen or destroyed, with cars of like or similar specifications and such replacement cars shall be deemed to be subject to all terms and conditions of this Lease as if the same had been originally delivered to **LESSEE** at the time and at the place of the cars for which they are substituted. The parties agree to execute amendments to this Lease and such other and further documents as may be required by either party hereto so as to evidence the withdrawal, release or substitution of any cars in accordance with the terms of this Lease Agreement.

(e) In the event of the loss, destruction or irreparable damage to any of the cars from any cause whatsoever, except while in possession of **LESSOR**, during the continuance of this lease, the **LESSEE** shall promptly and fully inform the **LESSOR** in regard to such loss, destruction or damage. If any of said cars are damaged or destroyed on any privately owned track, **LESSEE** shall pay unto **LESSOR** the cost of repairing such damage, or replacing such lost or destroyed cars. In no case shall that amount exceed the depreciated valuation of such cars as provided for in the Interchange Rules of the Association of American Railroads.

Inspection:

(6) **LESSEE** shall maintain a reasonable inspection schedule for each car. **LESSEE** shall indemnify and hold **LESSOR** harmless from any and all liability. loss. damage or claim therefor resulting from knowledge which the **LESSEE** shall have or should have had as a result of such reasonable inspection by the **LESSEE**.

Mileage and Per Diem Reports:

(7) (a) The **LESSOR** shall collect and retain all mileage earned by said cars and credit same to the extent of rental to the account of the **LESSEE** when received from the railroads, and also the **LESSOR** shall keep all records pertaining to car movements. The **LESSEE** shall assist the **LESSOR** in following the movements of said cars by furnishing the **LESSOR** complete weekly reports of the movements of cars; both loaded and empty, giving destination, date of loading, and the routing of each movement. The **LESSEE** agrees so to use said cars that the mileage under load shall be equal to the mileage empty on each railroad over which they move. If, at the end of the Lease Term, the empty mileage on any railroad exceeds the loaded mileage, the **LESSEE** shall immediately upon being billed by the **LESSOR**, pay to the **LESSOR** for such excess at the loaded mileage rate. For purposes of this paragraph, the railroad mileage and junction reports received by **LESSOR** shall be prima facie evidence of the facts reported therein.

(b) **LESSOR** shall retain all mileage earned in excess of monthly rental due from **LESSEE** ("Mileage Earned in Excess of Fixed Rental"). **LESSEE** shall not permit any car to be used in unit train service unless consented to in writing by **LESSOR**.

Payment of Taxes:

(8) During the term of this Lease Agreement the **LESSEE** shall, in addition to the rentals herein specified, pay all sales, use, rental and excise taxes, assessments and other governmental charges, whatsoever, whether payable by the **LESSOR** or the **LESSEE**, on or relating to this Lease Agreement or to the cars leased hereunder: the **LESSEE** shall be under no obligation to pay any such tax so long as it is being contested in good faith and by appropriate administrative or legal proceedings and any expense incurred by **LESSOR** in which **LESSEE** concurs with respect to contesting the applicability of such sales tax, rental tax or use tax to this Lease Agreement shall be for the account of **LESSEE**.

Marking of Cars:

(9) (a) The **LESSOR** shall plainly, permanently stencil the ownership legend on each new car in letters not less than one (1) inch in height, reading:

TITLE TO THIS CAR SUBJECT TO DOCUMENTS FILED WITH
THE INTERSTATE COMMERCE COMMISSION

and immediately replace any such stencilling which becomes illegible, wholly or in part. Should changes or additions be required in the foregoing legend, **LESSEE** shall make such changes or additions, and the expense thereof shall be borne by the **LESSOR**. The **LESSEE** shall keep the cars free from any marking which might be interpreted as a claim of ownership thereof by anyone other than the **LESSOR**; and will not change, or permit to be changed, the identifying road numbers.

(b) **LESSEE** represents and warrants that subject cars are now and shall remain throughout the term of this lease marked and identified in accordance with the car numbers and other identification marks provided for within Attachment A.

Indemnification:

(10) Except while cars are in the possession of **LESSOR, LESSEE** will indemnify and hold **LESSOR** and all those who hold any security interest in a car harmless against all loss, expense, liability or damage during the term of this Lease Agreement by or to any of the cars hereby leased, or to or by the contents thereof, howsoever occurring.

Insurance:

(11) **LESSEE** shall, at its own cost and expense, with respect to each Car at all times maintain and furnish **LESSOR** with evidence of liability insurance in the amount of one million dollars ($1,000,000) protecting **LESSOR**, naming **LESSOR** as an insured party, and written by companies acceptable to **LESSOR. LESSEE'S** obligation to maintain insurance with respect to each Car shall commence on the earlier of (i) the Delivery date of such Car or (ii) the date on which the manufacturer or vendor thereof shall cease to bear the risk of loss with respect thereto (whether or not such Car shall at such time have become subject to lease pursuant hereto), and shall continue until the Rental Term thereof terminates and, if such Car is required to be returned to **LESSOR,** until such return. **LESSEE** shall co-operate and, to the extent possible, cause others to cooperate with **LESSOR** and all companies providing any insurance to **LESSEE** or **LESSOR** or both with respect to the Cars.

Subleasing and Assignment:

(12) (a) **LESSEE** will not sublease, assign or loan said cars or any of its rights, without the written consent of the **LESSOR**.

(b) **LESSOR** may assign, pledge, mortgage, transfer or otherwise dispose of all of its rights, titles and interests herein, either in whole or in part ("ASSIGNMENT"). No notice of such assignment need be given to the **LESSEE**. The rights of any assignee specified in any such ASSIGNMENT or the rights of any party or parties on behalf of whom such assignee is acting, shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever, whether arising out of any breach of any obligation of the **LESSOR** hereunder or by reason of any other indebtness or liability of any time owing by the **LESSOR** to the **LESSEE**. The making of any ASSIGNMENT by **LESSOR** shall not serve to relieve the **LESSOR** or the **LESSEE** of any liability or undertaking hereunder nor pose any liability or undertaking hereunder upon any such assignee.

Liens: (13) The **LESSEE** shall keep the cars free from any encumbrances or liens which may be a cloud upon, or otherwise affect, the **LESSOR'S** title or the interest of the assignee of the **LESSOR**.

Remedies: (14) Upon the happening of any of the events of default as hereinafter defined, the **LESSOR** or its Assignee may then, or at any time thereafter, take possession of the cars and any accessions thereto, wherever same may be found, and, at the election of the **LESSOR** or the Assignee as the case may be, either:

(a) declare this Lease Agreement terminated, in which event all rights of the parties hereunder shall cease except only the obligation of the **LESSEE** to pay accrued rentals to the date of retaking, or:

(b) relet the cars as agent of the **LESSEE**, apply the proceeds of such reletting first to the expenses that may be incurred in the retaking and delivery of the cars to the new **LESSEE**, then to the payment of the rent due under this lease, and the **LESSEE** shall remain liable for any rents remaining due after so applying the proceeds so realized, and the **LESSEE** covenants and agrees to pay said deficit monthly as the same may accrue.

Default: (15) The happening of any of the following events shall be considered an "event of default" hereunder:

(a) nonpayment of any installment of rent hereunder within thirty (30) days after the same becomes due;

(b) failure of the **LESSEE** to comply with, or perform, any of the other terms and conditions of this Lease Agreement within thirty (30) days after receipt of written notice from the **LESSOR**, or its Assignee, demanding compliance therewith and performance thereof;

(c) The appointment of a receiver or trustee in bankruptcy for the **LESSEE** or for any of its property and the failure by such receiver or trustee to adopt and assume and agree to perform the obligations of the **LESSEE** hereunder within thirty (30) days after such appointment.

Patent Indemnification: (16) **LESSOR** shall (except for articles or materials specified by **LESSEE** and also except for designs and systems used in the construction of subject cars as a result of **LESSEE'S** specifications) indemnify, protect and save harmless the **LESSEE** from all claims, demands, damages, including royalties, judgments (including court costs), attorneys fees, and expense in any way arising out of, or on account of, the use of any or all patented inventions, employed in and about the construction, repair, alterations, or improvements of the cars, or any part thereof, which are incorporated in any car at the inception of this Lease Agreement or Riders added hereto.

Filing: (17) The **LESSOR** intends to cause this Lease to be filed and recorded with the Interstate Commerce Commission in accordance with the Interstate Commerce Commission Act. The **LESSEE** shall from time to time do and perform any other act, and execute, acknowledge, deliver, file, register and record any and all further instruments required by law, or requested by **LESSOR**, for the purpose of protecting its title and rights, or for the purpose of carrying out the intention of this Lease Agreement, and the **LESSEE** will promptly furnish to **LESSOR** certificates or other evidences of all such filing, registering and recording in form satisfactory to **LESSOR**. The **LESSOR** shall promptly reimburse **LESSEE** for any out-of-pocket expenses it may so incur.

Miscellaneous: (18) It is mutually agreed that the time of payment of rentals is of the essence of this Lease Agreement and that this Lease Agreement and any Rider now and hereafter entered into is subject and subordinate to any Chattel Mortgage or Conditional Sale Agreement on the cars heretofore created and to the rights of any Trustee under any Equipment Trust heretofore or hereafter established by the **LESSOR**.

(19) **LESSOR** may, at its own cost and expense, take a physical inventory of each of the cars.

(20) The terms of this Lease Agreement and all rights and obligations hereunder shall be governed by the laws of the State of Illinois, in which state it has been executed and delivered.

(21) **LESSEE** shall, at **LESSEE'S** cost, deliver to **LESSOR** such other acknowledgements, opinions of counsel, confirmations of lease and related documents as the **LESSOR** may reasonably request.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers and duly attested, as to the date first above written.

(Corporate Seal)

TRANSPORTATION CORPORATION OF AMERICA (LESSOR)

ATTEST:

By: _____
Vice President

_____
Assistant Secretary

Farmers Cooperative Elevator Company
Yale, South Dakota
_____ (LESSEE)

(Corporate Seal)

ATTEST:

By: _____
Vice President

Wesley Fast
_____
Secretary

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

On this 6th day of March 1980, before me personally appeared C. N. Wright, to me personally known who being by me duly sworn, says that he is a Vice President of TRANSPORTATION CORPORATION OF AMERICA, an Illinois corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Teresa L Ones
Notary Public

(SEAL)

My Commission Expires: 1-11-81

STATE OF)
) SS.
COUNTY OF)

On this 26 day of February, before me personally appeared John Joy, to me personally known who being by me duly sworn, says that he is Vice-president of Farmers Cooperative Elevator Company, an _____ corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Connie R Kuehl
Notary Public

(SEAL)

My Commission Expires: June 26, 1987

TRANSPORTATION CORPORATION OF AMERICA - LESSOR

Farmers Cooperative Elevator Company Yale, South Dakota - LESSEE

ATTACHMENT A

LEASE AGREEMENT NO. 101779 SAID LEASE AGREEMENT BEING DATED October 18, 1979

CAR NUMBERS:	TCAX 60312 thru TCAX 60314, both inclusive
CAR OWNER'S MARKS:	Title to this car subject to documents filed with the Interstate Commerce Commission.
COMMODITY SERVICE:	Grain and Phosphate
CLASS OF CAR:	Covered Hopper (LO)
NO. OF CARS:	Three (3)
TRUCK CAPACITY:	100-Ton
CUBIC CAPACITY:	4750 Cu. Ft.
RENTAL TERM:	Sixty (60) months
DELIVERY POINT:	East Chicago, Indiana
DELIVERY PERIOD:	Third Quarter, 1980
FIXED RENTAL:	FIVE HUNDRED TWENTY-FIVE AND 00/100 DOLLARS ($525.00) per car, per month, for sixty (60) consecutive months subject to adjustment and escalation as defined hereafter. The first payment shall be due on the sixtieth day immediately following the date on which the last car which is the subject of this Attachment is delivered to the LESSEE. Accordingly, the last rental payment shall be due on the sixtieth day immediately following the last day of the term of this lease.
ADJUSTMENT FOR EXCESS MILEAGE:	If at the end of the Lease term, the LESSOR determines that the total mileage per car has exceeded 40,000 miles in any 12 month period, a charge of 2½¢ ($.025) per mile for each mile in excess of 40,000 miles per car will be paid by the LESSEE.
ADJUSTMENT FOR ESCALATION IN PURCHASE PRICE OF CARS:	The Rental per car, per month of $525.00 will increase $9.25 per $1,000 increase in material and manufacturing costs after June 15, 1979, to the date of delivery.
MAINTENANCE ESCALATION:	Commencing on the first day of the month following the month of change in the published AAR Car Repair Billing Freight Car Labor Rate, the monthly rental will be adjusted upward or downward to reflect changes in the AAR published hourly labor rate. The Rent will be so adjusted by $1.01 per car, per month, for each one per cent (1%) or fraction thereof change in the AAR rate over the $30.90 per hour rate in effect at July 1, 1979.
FRA INSPECTION:	Any inspection charges resultant from FRA requirements are not covered by this lease and are to be paid by the LESSEE.
CERTIFICATE OF INSPECTION AND ACCEPTANCE:	Exhibit "I" attached hereto and made a part hereof.

CERTIFICATE OF INSPECTION AND ACCEPTANCE

TO: THRALL CAR MANUFACTURING COMPANY
P. O. Box 218
Chicago Heights, Illinois 60411

Gentlemen:

The undersigned duly appointed inspector and representative of Farmers Cooperative Elevator Company Yale, South Dakota **(LESSEE)** hereby certifies that he has made a thorough examination of the following Railroad Cars bearing numbers as follows:

QUANTITY	DESCRIPTION	CAR NUMBERS
Three (3)	4750 Cu. Ft. Capacity 100-Ton Covered Hopper Cars	TCAX 60312 thru TCAX 60314, both inclusive

and hereby accepts them for Lessee under and pursuant to that certain Attachment A for Lease dated October 18, 1979 between TRANSPORTATION CORPORATION OF AMERICA and **LESSEE**: that each of said Cars is plainly marked and stenciled on both sides of each Car with the words:

Title to this car subject to documents filed with the Interstate Commerce Commission.

in readily visible letters, not less that 1" in height; and that each of said Cars fully complies with the requirements, standards and specifications referred to in said Lease.

_____
Inspector for
LESSEE Farmers Cooperative Elevator Company
Yale, South Dakota

Dated this _____ day of _____, 19____.

EXHIBIT "I"