US RAIL SERVICES
A U.S. Leasing Company

United States Rail Services, Inc.
633 Battery Street
San Francisco, California 94111
(415) 445-7690

No. 9-254A053
Date SEP 10 1980
Fee $ 50.00
ICC Washington, D. C. RECORDATION NO. 12175 Filed 1425

REGISTERED MAIL
RETURN RECEIPT REQUESTED

September 2, 1980

12175 SEP 10 1980 -10 25 AM
RECORDATION NO. Filed 1425
INTERSTATE COMMERCE COMMISSION

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

SEP 10 1980 -10 25 AM
INTERSTATE COMMERCE COMMISSION

Dear Ms. Secretary:

On behalf of United States Rail Services, Inc., I submit for filing and recording under 49 U.S.C. Sec. 111303(a), a Railroad Car Lease dated October 1, 1969 and a First Amendment to Railroad Car Lease dated December 29, 1970, between United States Rail Services, Inc. and C. John Viking duly executed and notarized. I also enclose three certified true copies of each of the Railroad Car Lease and First Amendment to Railroad Car Lease.

The addresses of the parties to this transaction are:

United States Rail Services, Inc., as managing agent
633 Battery Street
San Francisco, CA 94111

C. John Viking, as car owner
P. O. Box 176
Pebble Beach, CA 93953

The Management agreement covers the following equipment:

One 20,000 gallon Class DOT111A100W1 tank car, TGOX 2096.

Enclosed is a check in the amount of $50.00 in payment of the recording fee.

RECEIVED
SEP 10 10 17 AM '80
I.C.C.
FEE OPERATION BR.

Once the filing has been made, please return
(a) the original document file stamped;
(b) the file stamped conformed copies not required for filing purposes;
(c) the receipt;
(d) the letter from the Interstate Commerce Commission acknowledging the filing and
(e) the extra copy of this letter of transmittal.

Should you have any questions, please call me at (415) 445-7824.

Very truly yours,

UNITED STATES RAIL SERVICES, INC.

By Nancy C. I. Chapman

Title Assistant Secretary

Enclosures

RECORDATION NO. 12175 Filed 1425

SEP 10 1980 -10 25 AM

INTERSTATE COMMERCE COMMISSION

STATE OF CALIFORNIA)
) SS
CITY AND COUNTY OF SAN FRANCISCO)

On this 2nd day of September, 1980, before me personally appeared D. A. Summers (name), Vice President and General Manager (Office), of United States Rail Services, Inc. (formerly called Rail-U.S. Leasing, Incorporated), to me personally known who being by me duly sworn, says that he has compared the following Railroad Car Lease dated October 1, 1969 and First Amendment to Railroad Car Lease dated December 29, 1970, between United States Rail Services, Inc. and C. John Viking with the original and that such copy is a true and complete copy of the original document, including date, signature and acknowledgements.

OFFICIAL SEAL
NANCY C. I. CHAPMAN
NOTARY PUBLIC — CALIFORNIA
San Francisco County
My Commission Expires August 15, 1983

Nancy C. I. Chapman

(SEAL)

My commission expires: August 15, 1983

ATTACHMENT 2

RAILROAD CAR LEASE

THIS RAILROAD CAR LEASE, made As of this 1st day of October, 1969, by and between Rail—U.S. Leasing, Incorporated a California corporation (hereinafter "Rail—U.S. Leasing") and C. John Viking and Dorothy Viking, In Joint Tenancy of Pebble Beach, State of California (hereinafter "Owner"),

WITNESSETH:

WHEREAS Owner holds title or will hold title to the following railroad cars:

(a) TGOX 2096 ; --
(b) -- ; and
(c) -- , --

(hereinafter collectively "railroad cars"; and

WHEREAS Owner desires to lease such railroad cars to Rail—U.S. Leasing;
Now, Therefore, in consideration of the promises and agreements hereinafter set forth:

1. Owner hereby leases to Rail—U.S. Leasing the following railroad cars:
(a) TGOX 2096 ; --
(b) -- ; and
(c) -- , --
each said Lease to commence upon the date of the first loaded movement from the initial loading point designated by Rail—U.S. Leasing.

2. Rail—U.S. Leasing agrees:

(a) To use its best efforts to sublease such railroad cars, collectively or individually, to shippers, railroads and other users of railroad cars on long — or short-term leases, or on such other terms and conditions as may be satisfactory to it;

(b) To perform all managerial and administrative functions necessary for the subleasing of such railroad cars, including (but not limited to) repairing and maintaining the cars for Owner's account and keeping adequate records of their operations;

(c) To pay Owner a basic "quarterly rental fee" of two hundred dollars ($200.00) per month for each car subject to this Lease. Such rental fee shall be payable only from the car's "quarterly net operating profit" (see Paragraph 3); it shall not be cumulative in the event such "quarterly net operating profit" is insufficient to pay such rent in full;

(d) Where a car's "quarterly net operating profit", beginning with the first full quarter the car is operated under this Lease, is greater than six hundred dollars ($600.00), as calculated under Paragraph 3 below, Rail—U.S. Leasing agrees to pay Owner, as an additional rental fee, the whole of "quarterly net operating profit" in excess of six hundred dollars ($600.00), not to exceed fifty dollars ($50.00), and fifty percent (50%) of the amount by which such "quarterly net operating profit" exceeds six hundred and fifty dollars ($650.00).

3. The pro rata "quarterly net operating profit" for each of Owner's railroad cars shall be determined as follows:

(a) Rail—U.S. Leasing shall compute by calendar quarter the "aggregate gross income" earned during each such calendar quarter for all cars of the same class operated by it under this form of Railroad Car Lease.

(b) Rail—U.S. Leasing shall deduct from such aggregate gross income a minimum managment fee of one hundred dollars ($100.00)* per month for each car operated by it under this form of Railroad Car Lease, plus a sum equal to all costs and expenses paid during the quarter for the operation and control of all such cars, regardless of when incurred or to what cars charged, including (but not limited to) refunds due railroads or car users for overpayment of mileage earnings or for mileage equalization charges, all maintenance and repairs, registration fees and ad valorem property taxes. All such costs and expenses shall be charged against "aggregate gross income" for the calendar quarter when actually paid by Rail—U.S. Leasing.

(c) The amount by which such "aggregate gross income" exceeds the aforesaid expense deductions shall be deemed the "quarterly net operating profit" for the cars operated under this form of Lease. Such "quarterly net operating profit" shall then be allocated to each car operating within each calendar quarter on a pro rata basis determined by the number of days each car was operated by Rail—U.S. Leasing within the quarter, to reach the "quarterly rental fee" and overage provided for in Paragraph 2 (c) and (d) above, and said "quarterly rental fee" shall be paid to car owners after collection, as hereinafter provided in Paragraph 4, but if not collected within thirteen (13) months, all revenues thereafter collected shall be included in the "aggregate gross income" for the calendar quarter when collected and shall be disbursed to car owners actually operating cars in that calendar quarter.

4. Rental fees to the extent payable pursuant to Paragraph 3 (c) shall be paid to Owner within ninety (90) days after the end of each calendar quarterly accounting period. That portion of "quarterly net operating" profit not paid as rental pursuant to the provisions of Paragraph 3 (c) shall be retained by Rail—U.S. Leasing as additional revenue to it.

5. Owner agrees that Rail—U.S. Leasing may maintain a continuous reserve for expenses of all types and kinds, in an amount not to exceed six hundred dollars ($600.00) per car for each car subject to this Lease and that such six hundred dollars ($600.00) may be deducted from the "quarterly rental fees" payable to Owner hereunder. Upon termination of this Lease, in accordance with the terms for termination as set forth in this Lease, and after all pro rata expenses allocable to Owner's railroad cars have been deducted by Rail—U.S. Leasing, any sums remaining in said reserve for expenses shall be paid to Owner. All funds retained by Rail—U.S. Leasing in a reserve shall be held in official bank accounts, which will not be commingled with the working capital or other funds of Rail—U.S. Leasing or any affiliated company.

6. Owner agrees to reimburse Rail—U.S. Leasing promptly upon demand for the amount of any pro rata expenses, except the minimum management fees described in Paragraph 3 (b), allocated to any of Owner's railroad cars, and if a reserve is being maintained, then in excess of any amount set aside in the reserve therefore, if in any quarter such expenses exceed the "aggregate gross income" for that quarter.

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*For multiple car ownership, the management fee to be charged by Rail—U.S. Leasing shall be as set forth in Attachment A, attached hereto.

7. Owner agrees to indemnify and hold Rail–U.S. Leasing harmless from and against any and all loss or damage, including any and all risk of loss or damage to the railroad cars subject to this Lease, and to indemnify and hold Rail–U.S. Leasing harmless from and against any and all claims, damages, expenses or liabilities incurred by, or asserted against it as a result of its (or any other party's) operations, possession, control or use of such railroad cars. Further, Owner agrees to provide policies of insurance, including (but not limited to) business interruption, all risks, physical damage and public liability insurance, in kinds and amount required by Rail–U.S. Leasing, naming Rail–U.S. Leasing as beneficiary and insuring it against business risks and liabilities deemed required by Rail–U.S. Leasing. All insurance proceeds payable for business interruption and for car repair will be paid to Rail–U.S. Leasing, and will be included as part of "aggregate gross income" pursuant to Paragraph 3 (a) hereunder. All insurance proceeds payable for a completely destroyed car will be collected by Rail–U.S. Leasing and turned over to the Owner of the destroyed car.

8. Owner agrees that Rail–U.S. Leasing shall collect all mileage allowances due from railroads as well as other Lease income generated by Owner's car(s).

9. Owner further agrees not to sell or dispose of any railroad car subject hereto without offering Rail–U.S. Leasing the right to purchase such car for the said consideration (computed in United States dollars) at which it is being offered to others, less the amount of any brokers' fees or sales commissions which would have been incurred by Owner in connection therewith. Rail–U.S. Leasing shall have thirty (30) days after receipt of written notification from Owner of such proposed sale or disposition within which to exercise its right for final refusal. [This clause shall not be operative if Owner selects Box 3, Paragraph 12, below (a five (5) year Lease term).]

10. Owner agrees that Rail–U.S. Leasing may paint the railroad cars subject to this Lease in such colors as Rail–U.S. Leasing may desire and that Rail–U.S. Leasing shall have the right to place any one of its identification marks and any other marks or legends it deems appropriate in conspicuous places on such railroad cars.

11. Rail–U.S. Leasing agrees that it will not knowingly discriminate against Owner's cars in seeking subleases for cars.

12. This Lease may be terminated upon the following terms and conditions: Owner and Rail–U.S. Leasing, Incorporated by checking and initialing Box 1, Box 2 or Box 3 below herewith agree to the terms and conditions following the said box which is checked.

Initial: _____ Box 1: _____ This Lease may be terminated at any time by either Owner or Rail–U.S. Leasing on thirty (30) days notice, subject to the performance in full of all terms and conditions of any (and all) existing subleases of the cars described herein, by a delivery of a written notice of termination in the manner hereinafter set forth.

Initial: _____ Box 2: _____ The term of this Lease shall be for a minimum of thirteen (13) months from the date of execution. After such thirteen (13) month period and upon thirty (30) days notice, this Lease may be terminated by either Owner or Rail–U.S. Leasing, subject to the performance in full of all terms and conditions of any (and all) existing subleases of the cars described herein, by a delivery of a written notice of termination in the manner hereinafter set forth.

Initial: _____ Box 3: ✓ The term of this Lease shall be for a minimum of five (5) years from the date of execution. After such five (5) year period and upon thirty (30) days notice, this Lease may be terminated by either Owner or Rail–U.S. Leasing, subject to the performance in full of all terms and conditions of any (and all) existing subleases of the cars described herein, by a delivery of a written notice of termination in the manner hereinafter set forth.

(a) Written notice of termination shall be deemed delivered if placed in a sealed envelope, properly addressed to the party against whom the right of termination is being asserted, and thereafter deposited with the United States Post Office and sent by Certified Mail, Return Receipt Requested, with first class postage thereon fully prepaid.

(b) At the end of thirteen (13) months from the actual date of termination, a complete and final settlement shall be made of all "net operating profit" due Owner, less adjustments for refunds, mileage equalization payments, repairs, taxes and other expenses accrued or chargeable against the car being released from this Lease, calculated from the date of actual release of said car(s) from this Lease. Rail–U.S. Leasing shall have the option of making estimated quarterly payment of "net operating profit" to Owner prior to said final settlement date. If accrued expenses allocated to the tank car being released are not covered by "net operating profit", Owner shall pay all such excess ecpenses to Rail–U.S. Leasing upon billing therefor.

13. Rail–U.S. Leasing may execute in its name all required Association of American Railroad, Interstate Commerce Commission, local Public Utility Commission and all other governmental or industry agreements it deems necessary or required in order to operate Owner's railroad tank car(s) in railroad service under this Railroad Car Lease. This authority includes, but is not limited to the right to execute interchange agreement, tariff agreements, repair agreements and the like. Rail–U.S. Leasing may also complete all property tax applications and permits in its name.

In each case where Rail–U.S. Leasing acts in its name for the purpose set forth in Paragraph 13, it is recognized that Rail–U.S. Leasing is acting for and on behalf of Owner, in order to operate Owner's car(s) under this Lease.

14. For all purposes of this Lease, the mailing address of Owner and Rail–U.S. Leasing shall be as follows:

OWNER	RAIL–U.S. LEASING
C. JOHN VIKING AND DOROTHY VIKING,	Rail–U.S. Leasing, Incorporated
IN JOINT TENANCY	633 Battery Street
Post Office Box 176	San Francisco, California 94111
Pebble Beach, California 93953	

15. This Lease shall be binding upon and shall inure to the benefit of the successors, heirs and assigns of the parties, and may be amended only by a writing signed by both the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Lease the day and year first above written.

OWNER C. JOHN VIKING AND DOROTHY VIKING,
IN JOINT TENANCY

RAIL–U.S. LEASING, INCORPORATED

BY _____
DAVID A. WOOLSEY, President

ATTEST: _____
Secretary MARVIN L. FERENSTEIN

ATTACHMENT "A" TO RAILROAD CAR LEASE

Rail–U.S. Leasing agrees to grant to car owners a management fee discount for multiple car ownership if a car owner has, under the attached form of Railroad Car Lease, leased to Rail–U.S. Leasing for a full calendar quarter five or more tank cars; then the car owner shall receive the following discount from the $100 per month per car management fee:

Number of Cars	Discount
5 – 9 tank cars	5.00%
10 - 14 tank cars	6.25%
15 - 19 tank cars	7.50%
20 – 24 tank cars	8.75%
25 – & Over	10.00%