

2550 Golf Road  
Rolling Meadows, IL 60008

Telephone: 312/640-7000

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8293-C

**EVANS** PRODUCTS COMPANY / **EVANS RAILCAR LEASING COMPANY**  
DIVISION

July 12, 1983

Secretary  
Interstate Commerce Commission  
Washington, D.C.

REGISTRATION NO. 8293-C Filed 1425 Date 7/14/83  
JUL 14 1983 - 11 15 AM  
INTERSTATE COMMERCE COMMISSION  
ICC Washington, D.C.  
Fee \$ 10.00

Dear Secretary:

Pursuant to 49 U.S.C. § 11303 and the rules and regulations promulgated thereunder, as amended, we hand you herewith for filing three fully-executed counterparts of that certain Release Agreement dated as of May 13, 1983. The parties to the Release Agreement are as follows:

Releasor: Bank of America National Trust and Savings Association  
555 California Street  
San Francisco, California 94137

Releasee: Evans Railcar Leasing Company  
The East Tower, Suite 1000  
2550 Golf Road  
Rolling Meadows, Illinois 60008

The enclosed Release Agreement relates to that certain Chattel Mortgage dated March 1, 1976 which was recorded with the Interstate Commerce Commission as ICC Recordation No. 8293. Accordingly, the Release Agreement should be filed as a subfiling under that number.

Since these documents are being delivered to you by hand, we would appreciate if you would return to the bearer duly stamped counterparts of the Release Agreement not required to be kept by you, or, if it is not possible to return them to the bearer, send them to:

Mr. I. Walter Deitch  
Rosenthal and Schanfield  
Suite 4620  
55 East Monroe Street  
Chicago, Illinois 60603

Very truly yours,

EVANS RAILCAR LEASING COMPANY

*[Signature]*  
Assistant Secretary

*[Handwritten signatures and initials on the left margin]*

RECORDATION NO. 8294 Filed & Recorded RAILROAD EQUIPMENT LEASE AGREEMENT

APR 20 1976 - 2 45 PM  
INTERSTATE COMMERCE COMMISSION

THIS RAILROAD EQUIPMENT LEASE AGREEMENT ("Lease"), dated as of the 15th day of March, 1976, between SECURITY PACIFIC NATIONAL LEASING, INC., a Delaware corporation ("Lessor") and SEABOARD COAST LINE RAILROAD COMPANY, a Virginia corporation ("Lessee").

For and in consideration of the mutual covenants and promises hereinafter set forth, Lessor and Lessee hereby agree as follows:

1. Lease. Lessor leases to Lessee, and Lessee leases and hires from Lessor, all wood chip hopper cars, covered hopper cars and box cars (collectively, the "Equipment" and individually an "Item of Equipment" or "Item") described in Schedule 1 attached hereto.
2. Term. The term of this Lease with respect to an Item of Equipment commences upon the delivery and acceptance thereof and terminates on the date specified on the Acceptance Supplement to this Lease ("Acceptance Supplement") covering said Item of Equipment, substantially in the form of Exhibit A hereto.
3. Rent. The obligation to pay rent commences on the date of execution and delivery of an Acceptance Supplement with respect to the Items of Equipment covered thereby and terminates as specified in Schedule 1. Lessee shall pay Lessor rent for the Equipment in the amounts and at the times set forth in the Acceptance Supplement, in conformity with Schedule 1.
4. Use and Possession. Lessee shall not, without the prior written consent of Lessor, part with the possession or control of, or suffer or allow to pass out of its possession or control, any Item of Equipment, except to the extent permitted by this paragraph. So long as Lessee is not in default under this Lease, it shall be entitled to possession of the Equipment and to the use thereof upon the lines of railroad owned or operated by it (either alone or jointly) or by any corporation a majority of whose voting stock (having ordinary voting power for the election of a majority of its Board of Directors) is owned directly or indirectly by Lessee or upon the lines of railroad over which Lessee or any such corporation has trackage or other operating

rights or over which Equipment of Lessee is regularly operated pursuant to contract and also to permit the use of the Equipment upon connecting and other railroads in the usual interchange of traffic, and to permit the temporary subletting or emergency use by other parties of any Item of Equipment in the normal course of business, but only upon and subject to all the terms and conditions of this Lease. No sublease or interchange or other agreement entered into by Lessee hereunder shall relieve Lessee of any liability or obligations hereunder which shall be and remain those of a principal and not a surety.

The Equipment shall at all times be used and operated in a careful and proper manner and in compliance with:

- (a) all applicable laws, ordinances, rules and regulations including, without limitation, the rules of the United States Department of Transportation and the Interstate Commerce Commission and the current Interchange Rules, or supplements thereto, of the Association of American Railroads; and
- (b) all manufacturer's instructions and warranty requirements.

If Lessee's compliance with either (a) or (b) above requires changes or additions to be made on or to the Equipment, such changes or additions shall be made by Lessee at its own expense.

5. Lessee's Inspection, Acceptance and Delivery.  
Lessee agrees that it shall inspect each Item of Equipment and if each Item of Equipment is in good condition and repair and appears to conform to the specifications applicable thereto and to all applicable United States Department of Transportation and Interstate Commerce Commission requirements and specifications, if any, and to all applicable interchange requirements of the Association of American Railroads and if Lessee is satisfied with and has accepted the same for all purposes of this Lease, Lessee shall execute and deliver a written certificate or certificates to Lessor of Lessee's acceptance and approval of such Item of Equipment substantially in the form attached hereto as Exhibit B (Certificate of Acceptance).

In the event that any Item of Equipment has not been so delivered and accepted on or before the outside delivery date set forth in Schedule 1, such Item shall be eliminated from the Lease.

6. Lessor's Inspection. Lessor shall at any and all times, convenient to the Lessee, have the right to enter into and upon its premises where the Equipment may be located for the purposes of inspecting the Equipment or observing its use and observing the maintenance thereof. Lessee shall give Lessor notice of any attachment or other judicial process affecting any Items of Equipment and shall whenever requested by Lessor, advise Lessor of the exact location of the Equipment insofar as practicable.

7. Alterations. Lessee shall not make any alterations, additions or improvements to the Equipment other than as required by paragraph 4 hereof without written authority and approval of Lessor which shall not be unreasonably withheld. All alterations, additions and improvements of whatever kind or nature made to the Equipment shall belong to and immediately become the property of Lessor and shall be returned to Lessor with the Equipment upon the expiration or earlier termination of this Lease.

8. Maintenance. Lessee, at its own expense, shall maintain and keep the Equipment in good repair, condition and working order, suitable for use in interchange, and shall furnish any and all parts, mechanisms, devices and labor required to keep the Equipment in such condition.

9. Loss and Damage; Stipulated Loss Value. Lessee hereby assumes and shall bear the entire risk of loss or damage to the Equipment from any and every cause whatsoever. No loss or damage to the Equipment or any part thereof shall affect any obligation of Lessee under this Lease which shall, except as provided below, continue in full force and effect.

In the event that any Item of Equipment shall be or become lost, stolen, destroyed, or in the opinion of Lessee irreparably damaged, or shall be requisitioned or taken over during the term of this Lease, which requisitioning or taking by its terms is for a period that exceeds the remaining term of this Lease, by any governmental authority under the power of eminent domain or otherwise (any such occurrence being hereinafter called a "Casualty Loss"), the Lessee shall (after it has knowledge of such Casualty Loss) immediately and fully inform the Lessor in regard thereto. In the event of a Casualty Loss Lessee shall pay Lessor or cause to be paid on the next rent payment date following notice of Casualty Loss with respect to such Item of Equipment (or if notice of such Casualty Loss shall be given by Lessee to Lessor after the final rent payment date, then within ten (10) days after receipt by Lessee of Lessor's demand in writing therefor):

- (i) the installment of rent due and payable on the Stipulated Loss Value payment date;
- (ii) any interest due on late payments of rent with respect to such Item of Equipment, if any, to the date of such payment;
- (iii) the Stipulated Loss Value, as set forth in Schedule 2, as computed as of the date of such payment;
- (iv) interest on the unpaid Stipulated Loss Value at 10% per annum from ten (10) days after the due date thereof; and
- (v) all other unpaid amounts due hereunder solely with respect to such Item of Equipment involved in such Casualty Loss.

At such time as Lessor has received the sum of (i), (ii), (iii) (iv) and (v) above, the obligation of Lessee to pay rent hereunder with respect to such Item of Equipment shall terminate.

The "Stipulated Loss Value" of each Item of Equipment shall mean the Stipulated Loss Value as defined in Schedule 2 covering said Item of Equipment.

Lessor hereby appoints Lessee its agent to dispose of any Item of Equipment suffering a Casualty Loss at the best price obtainable on an AS-IS-WHERE-IS basis. Provided Lessee has previously paid the Stipulated Loss Value thereof to Lessor, Lessee shall be entitled to the proceeds of such sale to the extent they do not exceed the Stipulated Loss Value of such Item of Equipment, and any excess shall be paid to Lessor.

In the Event that during the term of this Lease an Item of Equipment is requisitioned or taken by any governmental authority under the power of eminent domain or otherwise for a period which by its terms does not exceed the remaining term of this Lease, the Lessee's duty to pay rent on account of such Item shall continue for the duration of such requisitioning or taking. The Lessee, however, shall be entitled to receive and retain for its own account all amounts payable for any such period by such governmental authority as compensation for such requisitioning or taking of possession.

10. Surrender. Upon the expiration or sooner termination of this Lease with respect to any Item of Equipment, Lessee shall (unless Lessee has paid Lessor in cash the Stipulated Loss Value of such Item of Equipment pursuant to paragraph 9 hereof) at its own cost and expense, deliver possession of such Item of Equipment to Lessor upon such storage tracks of the Lessee as Lessor may designate, or in the absence of such designation, as the Lessee may select, and permit the Lessor to store such Item of Equipment on such tracks for a period not exceeding ninety (90) days and transport the same at any time within such 90 day period to

taxes and expenses. In the event of payment of the aforesaid, by Lessor, the cost thereof shall be repayable to Lessor with the next payment of rent, and failure to repay the same shall carry with it the same consequence, including interest at the rate of 10% per annum as failure to pay any payment of rent; provided, however, the Lessee shall not be required to pay said fees, assessments, charges, taxes and expenses (i) so long as it shall in good faith and by appropriate legal proceedings, contest the validity thereof in any reasonable manner which will not affect or endanger the title and interest of the Lessor in and to the Equipment or (ii) as to assessments against or in the name of any one other than the Lessee, until twenty (20) days after written notice thereof to the Lessee.

13. Disclaimer of Warranties. LESSEE ACKNOWLEDGES THAT THE EQUIPMENT IS OF A SIZE, DESIGN, TYPE AND MANUFACTURE SELECTED BY LESSEE; THAT LESSOR IS NOT A MANUFACTURER THEREOF OR A DEALER THEREIN; THAT IT LEASES THE EQUIPMENT AS-IS, AND LESSOR HAS NOT MADE AND DOES NOT HEREBY MAKE ANY AGREEMENT, REPRESENTATION OR WARRANTY WITH RESPECT TO THE MERCHANTABILITY, CONDITION, QUALITY OR SUITABILITY OF THE EQUIPMENT IN ANY RESPECT OR IN CONNECTION WITH, OR FOR THE PURPOSES AND USES OF LESSEE, OR ANY OTHER AGREEMENT, REPRESENTATION OR WARRANTY OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT, IT BEING AGREED THAT ALL SUCH RISKS ARE TO BE BORNE BY LESSEE. Lessor does warrant, however, that it has whatever quality of title to the Equipment it obtained from the supplier or remanufacturer thereof, subject to this Lease and any liens or encumbrances permitted hereby or which Lessee is obligated to discharge or satisfy. Lessor agrees, so long as no event of default has occurred and is continuing hereunder, that Lessee shall have the right to obtain the benefit of and enforce in Lessee's own name and at Lessee's sole expense any supplier's or manufacturer's warranty or agreement in respect of the Equipment to the extent such warranty or agreement is assignable, and Lessor shall execute and deliver such instruments as may be reasonably necessary to enable Lessee to obtain such benefits.

14. Indemnification. Lessee does hereby assume liability for and does hereby agree to indemnify, protect, save and keep harmless Lessor, its successors and assigns, from and against any and all liabilities, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements, including court costs and legal expenses, of whatever kind and nature, imposed on, incurred by or asserted against Lessor or its successors and assigns (whether or not also indemnified against by any other person) in any way relating to or arising out of this lease or the manufacture, purchase, ownership, delivery, lease, possession, use, operation, condition, return or other disposition of the Equipment by Lessor or Lessee, including without limitation, latent and other defects, whether or not discover-

able by Lessor or Lessee; any claim for patent, trademark, or copyright infringement; and any claims arising out of strict liability in tort. Lessee agrees to give Lessor and Lessor agrees to give Lessee, prompt written notice of any claim or liability hereby indemnified against. The indemnities and assumptions of liabilities contained in this paragraph 14 shall continue in full force and effect notwithstanding the termination of this Lease, whether by expiration of time or otherwise, as to any act or omission in any manner relating to the Equipment occurring during the continuance of this Lease which at any time is claimed to have created a cause of action against the Lessor. The indemnities and assumptions of liabilities set forth in this paragraph 14 do not guarantee a residual value.

15. Tax Indemnification. It is the intent of the parties to this Lease that it will be a true lease for all federal income tax purposes, and that this Lease conveys to Lessee no right, title, or interest in the Equipment except as Lessee and that for federal income tax purposes, Lessor shall be entitled to such deductions, credits, and other benefits as are provided by the Internal Revenue Code of 1954, as amended to the date hereof (hereinafter called the Code), to an owner of property used in such owner's trade or business, including, without limitation, (a) the maximum depreciation deductions with respect to the Equipment authorized under section 167 of the Code, utilizing a depreciable life of eight years, employing the double-declining balance method of depreciation and switching to the sum-of-the-years-digits method of depreciation when most beneficial to the Lessor in the case of the reconstruction cost of each Item and the 150% declining balance method of depreciation and switching to the straight-line method of depreciation when most beneficial to the Lessor in the case of the remaining cost of each Item, utilizing an initial aggregate basis in the Equipment equal to the full Lessor's Cost thereof, and utilizing a salvage value equal to ten percent of Lessor's Cost (such deductions being herein called "Depreciation Deduction"), and (b) the investment credit under section 38 and related sections of the Code equal to ten percent of that portion of the aggregate Lessor's Cost attributable to the reconstruction cost (herein called the "Investment Credit").

The Lessee agrees that neither it nor any corporation controlled by it, in control of it, or under common control with it, directly or indirectly, will at any time take any action or file any returns or other documents inconsistent with the foregoing and that each of such corporations will file such return, take such actions and execute such documents as may be reasonable and necessary to facilitate accomplishment of the intent hereof. The Lessee agrees to make available for inspection and copying by the Lessor at Lessor's expense such records kept by Lessee in the ordinary course of its business with respect to the Equipment as will enable Lessor

to determine the extent to which it is entitled to the benefit of the Investment Credit and the Depreciation Deduction.

If for any reason (other than for the reasons set forth in clauses (i) through (vi) below) Lessor shall lose, or shall not have, or shall lose the right to claim, or shall suffer a disallowance of or shall be required to recapture (any such event being hereinafter called a Tax Loss), all or any portion of the Investment Credit or the Depreciation Deduction, then the remaining rentals for the Equipment shall, commencing on the next succeeding rental payment date after written notice to the Lessee by Lessor of payment by Lessor of the tax and interest and/or penalties and/or additions to tax attributable to such Tax Loss, be increased to such amount or amounts as shall, in the reasonable opinion of Lessor, after deduction of all fees, taxes and/or other charges required to be paid by the Lessor in respect of the receipt of all amounts payable by the Lessee to Lessor under this paragraph 15 under the laws of any federal, state, city or local government or taxing authority in the United States (hereinafter called "fees, taxes and/or other charges") cause Lessor's net after-tax return and earnings (the computation of Lessor's net after-tax return and earnings wherever required in this Lease shall be computed in a manner consistent with Lessor's analysis at the inception of the Lease) to equal the net after-tax return and earnings that would have been realized by Lessor if Lessor had been entitled to utilize all of the Investment Credit and the Depreciation Deduction, or, if such written notice is given by Lessor to the Lessee after the final rental payment date hereunder, within 30 days after such notice the Lessee shall pay to Lessor such amount as shall, in the reasonable opinion of Lessor, after deduction of all fees, taxes and/or other charges, when added to the rental payments made pursuant to this Lease, cause Lessor's net after-tax return and earnings to equal the net after-tax return and earnings that would have been realized by Lessor if Lessor had been entitled to utilize all of the Investment Credit and the Depreciation Deduction; and, in addition to the foregoing, the Lessee shall forthwith pay to Lessor the amount which, after the deduction of all fees, taxes and/or other charges, equals the amount of any interest and/or penalties and/or additions to tax (including any additions to tax because of under payment of estimated tax) which may be assessed by the United States of America against Lessor attributable to the Tax Loss of all or such portion of the Investment Credit or the Depreciation Deduction; provided, however, that such rental rate shall not be so increased if the Tax Loss to Lessor of the Investment Credit or the Depreciation Deduction with respect to all or part of any Item is solely as a direct result of the occurrence of any of the following events:

- (i) a Casualty Loss with respect to such Item, if the Lessee shall have paid to the Lessor the amounts stipulated under paragraph 9 hereof;
- (ii) a transfer or other disposition by the Lessor (other than a Casualty Loss) of any

interest in such Item or the reduction by the Lessor of its interest in the rentals from such Item under the Lease, unless, in each case, an Event of Default shall have occurred and be continuing; provided, however, that the execution and delivery of this Lease and the other documents herein referred to and the carrying out of the transactions contemplated herein and therein in accordance with the terms hereof and thereof shall not be deemed to be a transfer or disposition under this clause (ii);

- (iii) the failure of Lessor to claim in a timely manner the Investment Credit or the Depreciation Deduction;
- (iv) the failure of Lessor to have sufficient liability for federal income tax against which to credit such Investment Credit or sufficient income to benefit from the Depreciation Deduction, as applicable;
- (v) the failure of Lessor to follow the procedure set forth herein in contesting a claim made by the Internal Revenue Service with respect to the disallowance of such Investment Credit or Depreciation Deduction; or the release, waiver, compromise or settlement of such claim by Lessor without the prior written consent of the Lessee; or
- (vi) any amendment to, or change in, the Code or any regulation promulgated thereunder occurring and effective after the date an Acceptance Supplement has been executed in respect of such Item;

provided, that if any such amendment or change which occurs or is effective on or before such date results in an increase in the net after-tax return and earnings of Lessor, then the remaining rentals for the Item shall be reduced to such amount or amounts as shall, in the reasonable opinion of Lessor, cause Lessor's net after-tax return and earnings to equal the net after-tax return and earnings that would have been realized by Lessor if such amendment or change had not so occurred or become effective.

In the event a written claim shall be made by the Internal Revenue Service which, if successful would result in a Tax Loss of Investment Credit or of Depreciation Deduction under circumstances which would require the Lessee to pay increased rental and interest and/or penalty to the Lessor pursuant to this paragraph 15, Lessor hereby agrees to notify the Lessee in writing thereof and to take such action in connection with contesting such claim as the Lessee shall reasonably request in writing from time to time, provided that (i) within 30 days after notice by Lessor to the Lessee of such claim, the Lessee shall request that such claim be contested; (ii) the Lessee is not in default under any of its obligations under this Lease, including, but not limited to, any obligations under this paragraph 15; (iii) prior to taking such action, the

Lessee shall have furnished the Lessor with an opinion of independent tax counsel satisfactory to Lessor to the effect that a meritorious defense exists to such claim; (iv) Lessor, at its sole option, may forego any and all administrative appeals, proceedings, hearings and conferences with the Internal Revenue Service in respect of such claim and may at its sole option, either pay (in which event the additional rental provided for in this paragraph 15 will become due and payable) the tax and any interest and/or penalty claimed and sue for a refund in the appropriate United States District Court and/or the United States Court of Claims, as it shall elect, or contest such claim in the Tax Court of the United States; and (v) the Lessee shall have indemnified Lessor in an amount, after deducting fees, taxes and/or other charges, which is satisfactory to Lessor and in a manner satisfactory to Lessor, including, but not limited to, reasonable security therefor, for any liability or loss which Lessor may incur as the result of contesting such claim and shall have agreed to pay Lessor on demand all costs and expenses which Lessor may incur in connection with contesting such claim, including, without limitation, (a) reasonable attorneys', accountants' and investigatory fees and disbursements and (b) the amount of any interest, penalty and/or addition to tax which may ultimately be payable as the result of such claim.

If the extent of Lessor's Tax Loss of all or any part of the full Investment Credit or Depreciation Deduction with respect to an Item shall be established by the final judgment or decree of the court or administrative agency having jurisdiction thereof or by a settlement with the consent of the Lessee (any such settlement hereinafter called a "proper compromise"), or if Lessor shall, without the written consent of the Lessee, release, waive, compromise or settle any claim with respect to such Tax Loss which pursuant to this paragraph 15 it is obliged to contest (any such event hereinafter called an "improper compromise"), then, on the next succeeding rental payment date (or, if there is no succeeding rental payment date, within 30 days) after such judgment or decree shall have become final, after such proper compromise or after such improper compromise, as the case may be, Lessor shall pay to the Lessee all or a portion of the amount or amounts received by Lessor and paid by the Lessee with respect to such Tax Loss which Lessor did not incur in the case of such a final judgment or decree or proper compromise, or the entire such amount paid by the Lessee in the case of any improper compromise, less, in either case, unpaid expenses of the contest. In addition to the foregoing, in the event of any judgment, decree, proper compromise or improper compromise described in the preceding sentence, the increase in the remaining rentals in respect of such Item determined pursuant to this paragraph 15 by reason of such Tax Loss shall, commencing on the next succeeding rental payment date after such judgment or decree shall have become final, after such proper compromise or after such improper compromise, as the case may be, be reduced, in the case of a judgment, decree or proper compromise, to the extent such increase related to the portion of such loss of Lessor which did not incur, or eliminated, in the case of an improper compromise. Notwithstanding any of the foregoing, Lessor shall not be required to make any payment to the Lessee or to make any adjustments to the rental rate of an Item

hereunder so long as any Event of Default shall have occurred and be continuing.

For purposes of this paragraph 15, the term "Lessor" shall include any affiliated group, within the meaning of Section 1504 of the Code, of which Lessor is a member, for any year for which a consolidated federal income tax return is filed for such affiliated group.

In the event that rental rates shall be adjusted as hereinabove provided in this paragraph 15, applicable Casualty Values set forth in Schedule 2 hereto shall be appropriately adjusted. The Lessee's and the Lessor's agreements to pay any sums which may become payable pursuant to this paragraph 15 shall survive the expiration or other termination of this Lease.

16. Default. Any of the following events or conditions shall constitute an event of default ("Event of Default") hereunder:

- (a) failure to pay when due any payment of rent, which failure shall continue for five (5) days after the due date thereof, provided such nonpayment or default shall have continued for more than five (5) days after Lessor's notice to Lessee thereof;
- (b) nonpayment of any other amount provided for in this Lease or any Acceptance Supplement when the same becomes due, or default by Lessee in performing any obligation, term or condition of this Lease, or any agreement between Lessor and Lessee executed concurrently herewith, provided such nonpayment or default shall have continued for more than thirty (30) days after Lessor's notice to Lessee thereof;
- (c) if the Lessee shall make or permit any unauthorized assignment or transfer of this Lease or of possession of the Equipment, or any portion thereof, and shall fail or refuse to cause such assignment or transfer to be cancelled by agreement of all parties having any interest therein and to recover possession of such Equipment within thirty (30) days after written notice from the Lessor to the Lessee demanding such cancellation and recovery of possession;
- (d) if any writ or order of attachment or execution or other legal process is levied on or charged against any Item of Equipment and is not released or satisfied within ten (10) days;
- (e) a petition for reorganization under Section 77 of the Bankruptcy Act, as now constituted, or as said Section 77 may hereafter be amended,

shall be filed by or against the Lessee and, unless such petition shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Lessee under this Lease shall not have been and shall not continue to have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees appointed (whether or not subject to ratification) in such proceedings in such manner that such obligations shall have the same status as obligations incurred by such trustee or trustees, within thirty (30) days after such appointment, if any, or sixty (60) days after such petition shall have been filed, whichever shall be earlier;

- (f) any other proceedings shall be commenced by or against the Lessee for any relief which includes, or might result in, any modification of the obligations of the Lessee hereunder under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustments of the obligations of the Lessee hereunder), and unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Lessee under this Lease shall not have been and shall not continue to have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed (whether or not subject to ratification) for the Lessee or for the property of the Lessee in connection with any such proceedings in such manner that such obligations shall have the same status as obligations incurred by such trustee or trustees or receiver or receivers, within thirty (30) days after such appointment, if any, or sixty (60) days after such proceedings shall have been commenced, whichever shall be earlier;
- (g) if any certificate, statement, representation, warranty or audit heretofore or hereafter furnished by or on behalf of Lessee proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified or has omitted any substantial contingent or unliquidated liability or claim against Lessee.

If and so long as this Lease shall be deemed to be a divisible and severable contract between Lessor and Lessee, as a

result of such assignments by the Lessor pursuant to paragraph 19 hereof, an Event of Default which occurs and is continuing beyond the applicable period of grace, if any, in any of the said assigned and separate portions of this Lease shall constitute an Event of Default in all other assigned and separate portions of this Lease, all as if such Event of Default occurred in such other assigned and separate portion.

17. Remedies. Upon the happening of an Event of Default, Lessor at its sole discretion, may:

- (a) proceed by appropriate court action or actions either at law or in equity, to enforce performance by Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof; or
- (b) by notice in writing to Lessee, terminate this Lease, whereupon all right of Lessee to the use of the Equipment shall absolutely cease and terminate as though this Lease had never been made, but Lessee shall remain liable as herein-after provided; and thereupon, Lessor may by its agents enter upon the premises of Lessee or other premises where any of the Equipment may be located without judicial process if this can be done without breach of the peace and take possession of all or any of such Equipment and thenceforth hold, possess and enjoy the same free from any right of Lessee, or its successors or assigns, to use the Equipment for any purpose whatever; but Lessor shall, nevertheless, have a right to recover from Lessee any and all amounts which under the terms of this Lease may be then due or which may have accrued to the date of such termination (computing the rental for any number of days less than a full rental period by a fraction of which the numerator is such accrued number of days and the denominator is the total number of days in such full rental period) and also to recover forthwith from Lessee
  - (i) as damages for loss of the bargain and not as a penalty, a sum, with respect to each Item of Equipment, which represents the excess of the present value, at the time of such termination, of all rentals for such Item which would otherwise have accrued hereunder from the date of such termination to the end of the term of this Lease over the then present value, of the then fair rental value of such Item for such period computed by discounting from the end of such term to the date of such termination rent which Lessor reasonably estimates to be obtainable for the use of such Item during such period such present value to be computed in each case on a basis of a 6% per annum discount, compounded quarterly from the respective dates

upon which rentals would have been payable hereunder had this Lease not been terminated, and (ii) any damages and expenses, including reasonable attorney's fees, in addition thereto which the Lessor shall have sustained by reason of the breach of any covenant or covenants of this Lease, other than for the payment of rental.

The remedies in this Lease provided in favor of Lessor shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in its favor existing at law or in equity. Lessee hereby waives any mandatory requirements of law, now or hereafter in effect, which might limit or modify any of the remedies herein provided, to the extent that such waiver is permitted by law. Lessee hereby waives any and all existing or future claims of any right to assert any offset against the rental payments due hereunder, and agrees to make the rental payments regardless of any offset or claim which may be asserted by Lessee or on its behalf in connection with the lease of the Equipment.

The failure of the Lessor to exercise the rights granted it hereunder upon any 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.

18. Lessee's Assignment. Without the prior written consent of Lessor, Lessee shall not assign, transfer or encumber its leasehold interest under this Lease in any of the Equipment (except to the extent that the provisions of any mortgage now or hereafter created on any of the lines of railroad of Lessee may subject such leasehold interest to the lien thereof, but this exemption shall not be deemed to be a waiver or subordination by Lessor of any of its rights hereunder). Lessee's interest herein is not assignable and shall not be assigned or transferred by operation of law. Consent to any of the foregoing prohibited acts applies only in the given instance and is not a consent to any subsequent like act by Lessee or any other person. Subject always to the foregoing, this Lease inures to the benefit of, and is binding upon, the successors and assigns of the parties hereto.

Nothing in this paragraph 18 shall be deemed to restrict the right of Lessee to assign or transfer its leasehold interest under this Lease in the Equipment or possession of the Equipment to any corporation which shall have duly assumed the obligations hereunder of Lessee into or with which Lessee shall have become merged or consolidated or which shall have acquired the property of Lessee as an entirety or substantially as an entirety.

20. Insurance. Lessee will, at all times while this Lease is in effect, at its own expense, cause to be carried and maintained, property insurance in respect of the Equipment at the time subject hereto and public liability insurance in amounts and against risks customarily insured against by railroad companies in respect of similar equipment and in any event comparable to those insured against by Lessee in respect of similar equipment owned by it.

The proceeds of such insurance with respect to the Equipment shall be applied toward payment of the Stipulated Loss Value thereof. Any excess of such proceeds remaining shall belong to Lessor.

21. Ownership. The Equipment is, and shall at all times be and remain, the sole and exclusive property of Lessor, and Lessee shall have no right, title or interest therein or thereto except as expressly set forth in this Lease. Lessee shall keep the Equipment free and clear of all liens, encumbrances and charges of any nature imposed or asserted by persons claiming, by, through or under Lessee.

22. Marking of the Equipment. Lessee shall cause each Item of Equipment to be kept numbered with its road number as set forth in Schedule 1 and will keep and maintain, plainly, distinctly, permanently and conspicuously marked by means of a stencil printed in contrasting color upon each side of each Item of Equipment in letters not less than one inch in height as follows:

"Owned by and leased from SECURITY PACIFIC  
NATIONAL LEASING, INC. under a Lease recorded  
with the I.C.C."

with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the title of the Lessor to such Item of Equipment, its rights under this Lease and the rights of any assignee under paragraph 19 hereof, or exercise any control or dominion over the same until the required legend shall have been so marked on both sides thereof and will replace promptly any such names and word or words which may be removed, defaced or destroyed. The Lessee will not change the road number of any Item of Equipment except with the consent of the Lessor and in accordance with a statement of new road numbers to be substituted therefor, which consent and statement previously shall have been filed with the Lessor by the Lessee and filed, recorded or deposited in all public offices where this Lease shall have been filed, recorded or deposited.

Except as above provided, Lessee will not allow the name of any person, association or corporation to be placed on the Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Lessee may cause the Equipment to be lettered with the names or initials or other insignia

customarily used by Lessee or its affiliates on railroad equipment used by them of the same or a similar type for convenience of identification. Lessee shall indemnify Lessor, and any assignee under paragraph 19 hereof against any liability, loss or expense incurred by any of them as a result of the aforesaid marking of the Equipment with such name, initials or insignia.

23. Interest. Should Lessee fail to pay any part of the rent herein reserved or any other sum required by Lessee to be paid to Lessor, within ten (10) days after the due date thereof, Lessee shall pay Lessor interest on such delinquent payment from the due date until paid at the rate of 10% per annum or at the maximum rate of interest per annum permitted by applicable law, whichever is lower. Interest shall be computed on the basis of a 360 day year for the number of days elapsed.

24. Net Lease, Offset. This Lease is a net lease and Lessee shall not be entitled to any abatement of rent or other payments due hereunder or any reduction thereof under any circumstances or for any reason whatsoever. Lessee hereby waives any and all existing and future claims, as offsets, against any rent or other payments due hereunder and agrees to pay the rent and other amounts hereunder regardless of any offset or claim which may be asserted by Lessee or on its behalf. This Lease shall not terminate, or the respective obligations of Lessor or Lessee be otherwise affected, by reason of any defect in or damage to or loss or destruction of all or any Item of Equipment from whatever cause, the prohibition of Lessee's use of the Equipment or any Item thereof, the interference with such use by any government, person or corporation, the invalidity or unenforceability or lack of due authorization or other infirmity of this Lease, any lack of right, power or authority of Lessor or Lessee to enter into this Lease, the existence or the exercise of Lessee's rights to enforce any manufacturer's warranties which rights may be available to Lessee under paragraph 13 hereof, or any other cause whether similar or dissimilar to the foregoing.

25. Financial and Other Covenants. Lessee hereby represents, warrants and agrees that:

- (a) It has been duly organized and is validly existing under the laws of the state of its incorporation and is duly qualified, licensed and in good standing in all jurisdictions in which qualification and licensing is necessary to enter into and perform Lessee's obligations under this Lease;
- (b) The execution and delivery of this Lease and all documents entered into in connection with this Lease have been duly authorized by all necessary corporate or other action and do not require the consent, approval or withholding of objection by

any person, party or governmental agency, and this Lease and such other documents constitute the legal, valid and binding obligations of Lessee enforceable against Lessee in accordance with their respective terms;

- (c) The execution of this Lease by Lessee and the performance thereof do not violate any agreement to which Lessee is a party or by which its property may be bound or affected;
- (d) All financial and other information furnished by Lessee to Lessor is true and correct as of the date of submission thereof and, as of the date hereof, there has not been any adverse change in such information or the financial condition of Lessee since the date of such submission;
- (e) Lessee maintains a standard and modern system of accounting in accordance with regulations promulgated by the Interstate Commerce Commission and will furnish to Lessor or to such other person as Lessor shall designate: (i) as soon as available but in no event more than one hundred twenty (120) days after the close of each fiscal year of Lessee, Lessee's complete Annual Financial Report for the preceding fiscal year, all in reasonable detail, prepared and certified by an accounting officer of Lessee, (ii) such other reports and information as Lessor may reasonably require concerning the Equipment, including, without limitation, the status of its maintenance, use and condition, the financial condition of Lessee and the compliance by Lessee with the terms and conditions of this Lease;
- (f) For the purposes of enabling Lessor to file timely and accurate tax returns and to continue protection of its interest in the Equipment, Lessee shall advise Lessor of the location of all Items of Equipment upon the request of Lessor.

The foregoing representations, warranties and agreements shall continue throughout the term of the Lease, except as otherwise provided herein.

26. Right of Lessee to Purchase. Provided that the Lessee is not in default, Lessee shall have the right at the expiration date of an Acceptance Supplement to purchase all, but not less than all, of the Equipment covered by such Acceptance Supplement, on an AS-IS-WHERE-IS basis, without any representations or warranties, for cash, at a price equal to its then "Fair Market Value" (as herein defined), provided Lessee shall have given Lessor at least one hundred twenty (120) days prior written notice thereof.

The "Fair Market Value" shall be such amount as is mutually agreed upon by Lessor and Lessee; provided, however, that if Lessor and Lessee are unable to agree upon the Fair Market Value of the Equipment within twenty (20) days after receipt by Lessor of the notice of Lessee's election to exercise the purchase option, the Fair Market Value shall be determined by the agreement of two independent appraisers of recognized standing, one chosen by Lessor and one chosen by Lessee within ten (10) additional days. If such appraisers cannot agree on the Fair Market Value within thirty (30) days after their appointment, then the Fair Market Value shall be determined by a third appraiser selected by the two appraisers within ten (10) additional days. In the event that the two appraisers first appointed fail to appoint a third appraiser within the designated time, Lessor and Lessee hereby agree that the Fair Market Value shall be determined by the American Appraisal Company. The unpaid portion of the Fair Market Value as finally determined shall bear interest for the period, if any, from the date of expiration of the lease term, to the date of payment at the rate of 10% per annum. Lessee shall bear all costs of appraisal. Upon payment of the Fair Market Value, and interest, if any, due hereunder, Lessee shall be deemed owner of the Equipment and Lessor shall provide Lessee with an appropriate bill of sale and/or transfer of existing title therefor. Lessor shall deliver to Lessee good title to the Equipment free and clear of all liens, security interests, and other encumbrances.

Unless the Lessee has given the Lessor one hundred twenty (120) days' notice as required in connection with the exercise of the foregoing option, all the Equipment shall be returned to the Lessor in accordance with paragraph 10 hereof.

27. Filing and Recording. The Lessee agrees and covenants that prior to the delivery and acceptance of the first Item of Equipment, Lessee will, at its sole expense, cause this Lease to be duly filed, registered or recorded in conformity with Section 20c of the Interstate Commerce Act and in such other places within or without the United States as Lessor may reasonably request and will furnish the Lessor proof of such filing, registration or recordation. Lessee will, from time to time, do and perform any other act and will execute, acknowledge, deliver, file, register and record (and will re-file, re-register, or re-record wherever and whenever required) any and all further instruments required by law or reasonably requested by Lessor, for the purpose of protecting Lessor's title to the Equipment to the satisfaction of Lessor's counsel or for the purpose of carrying out the intention of this Lease, and in connection with any such action, will deliver to Lessor proof of such filings and an opinion of Lessee's counsel that such action has been properly taken. Lessee will pay all costs, charges and expenses incident to any such filing, re-filing, registering, re-registering, recording, re-recording of any such instruments or incidents to the taking of such action.



32. 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.

33. Governing Law. This Lease shall be governed by and construed in accordance with the law of the state of California, provided, however, that the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

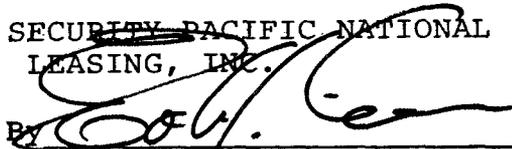
34. Survival of Terms of Lease. Lessee's obligations and liabilities hereunder shall not be affected by the expiration of this Lease and shall continue in full force and effect notwithstanding the expiration of this Lease or the termination of the terms hereof, whether by expiration of time, by operation of law or otherwise, unless and until expressly released by the Lessor.

35. Execution and Counterparts. Five (5) counterparts of this Lease have been executed by the parties hereto, one of which is prominently marked "Lessor's copy".

IN WITNESS WHEREOF, the parties hereto have executed these presents as of the day and year first above written.

LESSOR:

SECURITY PACIFIC NATIONAL  
LEASING, INC.

BY   
Title Contract Administrator

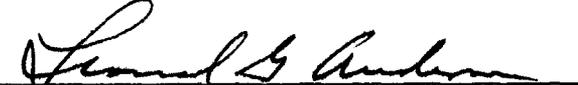
(SEAL)

ATTEST:

Asst.   
Secretary

LESSEE:

SEABOARD COAST LINE RAILROAD COMPANY

BY   
Vice President and Treasurer

(SEAL)

ATTEST:

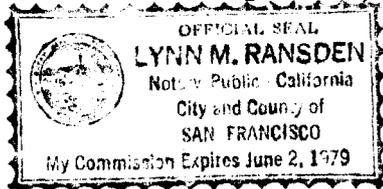
  
Assistant Secretary

STATE OF CALIFORNIA )  
CITY OF SAN FRANCISCO ) SS

On this *13<sup>th</sup>* day of *April*, 1976, before me personally appeared *Galen J. Capek* to me personally known, who being by me duly sworn, says that he is the *Contract Administrator* of SECURITY PACIFIC NATIONAL LEASING, INC., 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.

*Lynn M. Ransden*  
\_\_\_\_\_  
*June 2, 1979*

My commission expires:



COMMONWEALTH OF VIRGINIA )  
CITY OF RICHMOND ) SS

On this *19<sup>th</sup>* day of *April*, 1976, before me personally appeared Leonard G. Anderson, to me personally know, who being by me duly sworn, says that he is the Vice President and Treasurer of SEABOARD COAST LINE RAILROAD COMPANY, 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.

*J. H. Chapman*  
\_\_\_\_\_

My commission expires: JUN 4 1978

ACCEPTANCE SUPPLEMENT NO. 1  
Of That Certain  
RAILROAD EQUIPMENT LEASE AGREEMENT DATED AS OF  
March 15, 1976  
By and Between  
SECURITY PACIFIC NATIONAL LEASING, INC.  
As Lessor  
And  
SEABORD COAST LINE RAILROAD COMPANY  
As Lessee

The undersigned Lessor and Lessee under the Railroad Equipment Lease Agreement described in the caption hereof (the "Lease") hereby acknowledge and agree that the Items of Equipment described in this Acceptance Supplement have been delivered to and are now in the possession of and have been unconditionally accepted by the Lessee under and pursuant to and subject to all the terms and conditions of the Lease and that the following is the description and location of delivery of said Items, the expiration date of the Lease term for said Items, the rent, the Stipulated Loss Value with respect to said Items.

DESCRIPTION AND LOCATION OF EQUIPMENT

The description and the location of delivery of the Items of Equipment covered by this Schedule are set forth in Annex "A" attached hereto and incorporated by this reference. The Lessor and the Lessee acknowledge and agree that the cost of each separate Item of Equipment for purposes of computing the Stipulated Loss Value thereof is the cost set forth in said Description.

EXPIRATION DATE OF TERM

RENT

Base Rent:

payable in \*  
quarterly payments, each pay-  
able in arrears, commencing on  
the  
and on the            day of each  
third month thereafter.

- \* 32, 33 or 34 quarterly payments depending on when equipment is delivered. Units delivered to and including June 15, 1976 will have 34 quarterly payments of 3.82850% of Lessor's Cost. Units delivered from June 16, 1976 to and including September 15, 1976 will have 33 quarterly payments of 3.91252% of Lessor's Cost. Units delivered from September 16, 1976 to and including December 15, 1976 will have 32 quarterly payments of 4.00241% of Lessor's Cost.

ANNEX "A"  
to  
ACCEPTANCE SUPPLEMENT NO. 1  
Of That Certain  
RAILROAD EQUIPMENT LEASE AGREEMENT DATED AS OF  
March 15, 1976  
By and Between  
SECURITY PACIFIC NATIONAL LEASING, INC.  
As Lessor  
And  
SEABORD COAST LINE RAILROAD COMPANY  
As Lessee

Description of Equipment

Cost

Location of Delivery

SCHEDULE 1

Description of Reconstructed  
Equipment:

- (a) Type A Equipment - 80 77-ton wood chip hopper cars bearing identifying numbers SCL 190580 through and including SCL 190659
- (b) Type B Equipment - 200 77-ton covered hopper cars bearing identifying numbers SCL 202150 through and including SCL 202349
- (c) Type C Equipment - 191 55-ton box cars bearing identifying numbers SCL 25700 through and including SCL 25890

Outside Delivery Date:

All deliveries shall have been completed on or before December 15, 1976.

Deliver to:

Seaboard Coast Line Railroad Company upon the tracks of the Railroad at the location nearest to the plant where the delivered Item of Equipment was reconstructed.

Rent:

With respect to each Item of Equipment, the obligation to pay rent commences at the time of execution and delivery of an Acceptance Supplement and terminates with respect to:

- (a) Items of Equipment delivered prior to June 16, 1976, eight and one-half (8-1/2) years thereafter,
- (b) Items of Equipment delivered after June 15, 1976, but before September 16, 1976, eight and one-quarter (8-1/4) years thereafter, and
- (c) Items of Equipment delivered after September 15, 1976, but before December 16, 1976, eight (8) years thereafter.

Base Rent: 32, 33 or 34 quarterly payments depending on when equipment is delivered. Units delivered to and including June 15, 1976 will have 34 quarterly payments of 3.82850% of Lessor's Cost. Units delivered from June 16, 1976 to and including September 15, 1976 will have 33 quarterly payments of 3.91252% of Lessor's Cost. Units delivered from September 16, 1976 to and including December 15, 1976 will have 32 quarterly payments of 4.00241% of Lessor's Cost.

Interim Rent: An amount per Item of Equipment per day equal to interest at an annual rate equivalent to Security Pacific National Bank's prime rate in effect from time to time (any change in said interest rate to become effective on the date of any change in said prime rate) from the day of payment for such Item of used railroad equipment pursuant to the Railroad Equipment Purchase Agreement to the earlier of (i) the date an Acceptance Supplement covering such Item, as reconstructed, is executed and delivered, or (ii) the date of the Item's repurchase pursuant to said Railroad Equipment Purchase Agreement.

Said interim rent for those Items set forth on Annex A to each Acceptance Supplement is payable on the earlier of (i) the dates the Acceptance Supplements are executed and delivered or (ii) upon the date of repurchase (if any) under the Railroad Equipment Purchase Agreement.

Lessor's Cost Per Unit of  
Reconstructed Equipment:

- (a) Type A Equipment - \$8,968.00 per unit;
- (b) Type B Equipment - \$7,367.00 per unit; and
- (c) Type C Equipment - \$8,894.00 per unit.

Total Lessor's Cost of  
Reconstructed Equipment:

- (a) Type A Equipment - 80 wood chip hopper cars \$717,440;
- (b) Type B Equipment - 200 covered hopper cars \$1,473,400; and
- (c) Type C Equipment - 191 box cars, \$1,698,754.

SCHEDULE 2

Page 1

A Stipulated Loss Value is defined as the following percent of Lessor's Cost of an Item of Equipment to be paid (in addition to the rent payment) on the due date set forth in paragraph 9 of the Lease as the result of an Item of Equipment becoming the subject of a Casualty Loss.

| <u>Payable on</u><br><u>Due Date</u> | <u>8-1/2 Year</u><br><u>Lease Term</u><br><u>(Percentage)</u> |
|--------------------------------------|---|
| 1                                    | 110.750   |
| 2                                    | 110.625   |
| 3                                    | 110.379   |
| 4                                    | 109.826   |
| 5                                    | 109.137   |
| 6                                    | 108.372   |
| 7                                    | 107.377   |
| 8                                    | 106.328   |
| 9                                    | 105.170   |
| 10                                   | 103.901   |
| 11                                   | 102.521   |
| 12                                   | 93.972  |
| 13                                   | 92.402  |
| 14                                   | 90.735  |
| 15                                   | 88.968  |
| 16                                   | 87.109  |
| 17                                   | 85.165  |
| 18                                   | 83.129  |
| 19                                   | 81.000  |
| 20                                   | 71.708  |
| 21                                   | 69.410  |
| 22                                   | 67.025  |
| 23                                   | 64.552  |
| 24                                   | 61.993  |
| 25                                   | 59.359  |
| 26                                   | 56.643  |
| 27                                   | 53.844  |
| 28                                   | 43.888  |
| 29                                   | 40.937  |
| 30                                   | 37.908  |
| 31                                   | 34.800  |
| 32                                   | 31.706  |
| 33                                   | 28.493  |
| 34                                   | 21.000  |

SCHEDULE 2

Page 2

A Stipulated Loss Value is defined as the following percent of Lessor's Cost of an Item of Equipment to be paid (in addition to the rent payment) on the due date set forth in paragraph 9 of the Lease as the result of an Item of Equipment becoming the subject of a Casualty Loss.

| <u>Payable on<br/>Due Date</u> | <u>8-1/4 Year<br/>Lease Term<br/>(Percentage)</u> |
|--------------------------------|---|
| 1                              | 110.625%  |
| 2                              | 110.504   |
| 3                              | 110.142   |
| 4                              | 109.512   |
| 5                              | 108.748   |
| 6                              | 107.721   |
| 7                              | 106.708   |
| 8                              | 105.581   |
| 9                              | 104.338   |
| 10                             | 102.976   |
| 11                             | 101.514   |
| 12                             | 92.881  |
| 13                             | 91.218  |
| 14                             | 89.452  |
| 15                             | 87.588  |
| 16                             | 85.636  |
| 17                             | 83.588  |
| 18                             | 81.443  |
| 19                             | 79.205  |
| 20                             | 69.809  |
| 21                             | 67.397  |
| 22                             | 64.893  |
| 23                             | 62.299  |
| 24                             | 59.629  |
| 25                             | 56.873  |
| 26                             | 54.030  |
| 27                             | 51.100  |
| 28                             | 41.027  |
| 29                             | 37.946  |
| 30                             | 34.783  |
| 31                             | 31.633  |
| 32                             | 28.363  |
| 33                             | 21.000  |

SCHEDULE 2

Page 3

A Stipulated Loss Value is defined as the following percent of Lessor's Cost of an Item of Equipment to be paid (in addition to the rent payment) on the due date set forth in paragraph 9 of the Lease as the result of an Item of Equipment becoming the subject of a Casualty Loss.

| <u>Payable on</u><br><u>Due Date</u> | <u>8 Year</u><br><u>Lease Term</u><br><u>(Percentage)</u> |
|--------------------------------------|---|
| 1                                    | 110.389%  |
| 2                                    | 110.022   |
| 3                                    | 109.501   |
| 4                                    | 108.836   |
| 5                                    | 108.024   |
| 6                                    | 107.094   |
| 7                                    | 106.042   |
| 8                                    | 104.868   |
| 9                                    | 103.567   |
| 10                                   | 102.160   |
| 11                                   | 100.650   |
| 12                                   | 91.958  |
| 13                                   | 90.229  |
| 14                                   | 88.398  |
| 15                                   | 86.474  |
| 16                                   | 84.449  |
| 17                                   | 82.322  |
| 18                                   | 80.096  |
| 19                                   | 77.784  |
| 20                                   | 68.302  |
| 21                                   | 65.798  |
| 22                                   | 63.200  |
| 23                                   | 60.521  |
| 24                                   | 57.753  |
| 25                                   | 54.893  |
| 26                                   | 51.943  |
| 27                                   | 48.920  |
| 28                                   | 38.740  |
| 29                                   | 35.546  |
| 30                                   | 32.317  |
| 31                                   | 28.899  |
| 32                                   | 21.000  |