



RECORDATION NO. 11466 Filed 1425

FEB 4 1980 - 12 00 AM

Dial Leasing Corporation of Iowa
207 Ninth Street
Des Moines, Iowa 50307
(515) 243-2131

INTERSTATE COMMERCE COMMISSION

February 1, 1980

No. 0-035A070

Date FEB 4 1980

Fee \$ 160.00

ICC Washington, D. C.

Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Terminal Grain Corporation
Equipment Lease dated as of November 15, 1979

Dear Sir:

Pursuant to 49 U.S.C. Section 11303(a), I enclose herewith, for filing and recordation, counterparts of the following documents:

1. Equipment Lease dated as of November 15, 1979 between First Security Bank of Utah, N.A. as Lessor and Terminal Grain Corporation as Lessee.
2. Indenture dated as of November 15, 1979 between First Security Bank of Utah, N.A. as Owner Trustee and Central Life Assurance Company as Lender.
3. Supplemental Indenture dated as of January 11, 1980 between First Security Bank of Utah, N.A. as Owner Trustee and Central Life Assurance Company as Lender.
4. Purchase Order Assignment dated as of January 11, 1980 between First Security Bank of Utah, N.A. as Owner Trustee and Railway Marketing Corporation as Purchaser.
5. Consent and Agreement as Exhibit A to the Purchase Order Assignment dated as of January 11, 1980 by Trinity Industries, Inc. as Manufacturer.

The names and addresses of the parties to the aforementioned Documents are as follows:

- (1) Owner Trustee/Lessor

First Security Bank of Utah, N.A.
79 South Main St., Suite 310
Salt Lake City, Utah 84110

RECORDATION NO. 11466 - C Filed 1425

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INTERSTATE COMMERCE COMMISSION

*Counterpart -
First Security Bank
of Utah*

RECORDATION NO. 11466 - A Filed 1425

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INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 11466 - B Filed 1425

FEB 4 1980 - 12 00 AM

INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 11466 - D Filed 1425

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INTERSTATE COMMERCE COMMISSION

(2) Lessee

Terminal Grain Corporation
600 Benson Building
Sioux City, Iowa 51101

(3) Lender

Central Life Assurance Company
611 Fifth Avenue
Des Moines, Iowa 50307

(4) Purchaser

Railway Marketing
Islands Complex
Seagull Road, House #143
Crystal River, Florida 32629

(5) Manufacturer

Trinity Industries, Inc.
4001 Irving Blvd.
Box 10587
Dallas, Texas 75207

Please file and record the documents referred to herein and cross-index them under the names of the Lessee, Owner Trustee/Lessor, Lender, Purchaser, and Manufacturer.

The equipment covered by the aforementioned documents consists of:

Twenty Five (25), new 4750 Cubic Foot, 3 compartment, covered railroad hopper cars with trough hatches and gravity unloading gates, mounted on 100 ton trucks with roller bearings, manufactured by Trinity Industries, Inc., with Serial Numbers TRGX 1201 thru TRGX 1225 inclusive.

Please stamp all counterparts of the enclosed Documents with your official recording stamp. You will wish to retain one copy of the instruments for your files. It is requested that the remaining counterparts be delivered to the bearer of this letter.

Very truly yours,



Mike J. Keller
Director of Leveraged Leasing
Dial Leasing Corporation of Iowa

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

Mike J. Keller
Dial Leasing Corporation of Iowa
207 Ninth Street
Des Moines, Iowa 50307

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 2/4/80 at 12:00AM, and assigned re-
recording number(s).

11466, 11466-A, 11466-B, 11466-C, 11466-D.
Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)



Dial Leasing Corporation of Iowa
207 Ninth Street
Des Moines, Iowa 50307
(515) 243-2131

April 18, 1980

Mrs. Mildred Lee
Interstate Commerce Commission
12 Constitution N.W., Room 2303
Washington, DC 20423

Dear Mrs. Lee:

Enclosed is the Equipment Lease between First Security Bank of Utah, N.A. and Terminal Grain Corporation. This Lease was filled with the I.C.C. on February 4, 1980. I hope this is satisfactory for the completion of your records. Please call me at (515)243-2131) if you have any further questions.

Sincerely,

A handwritten signature in cursive script that reads "Nita L. Drake".

Nita L. Drake
Leasing Specialist

cc: M. Keller

enclosure

file Terminal
official

CERTIFICATION

RECORDATION NO. 11466 1425
FEB 4 1980 - 12 00 AM
INTERSTATE COMMERCE COMMISSION

STATE OF UTAH)
) ss:
County of)

On this first day of February, 1980, before me personally appeared JOHN R. SAGER, to me personally known, who being by me duly sworn, says that he is the TRUST ADMINISTRATOR of First Security Bank of Utah, N.A., and certified to me that the attached copy is a true and correct copy of the Equipment Lease dated as of November 15, 1979 between First Security Bank of Utah, N.A. and Terminal Grain Corporation, that said instrument was signed on behalf of First Security Bank of Utah, N.A. by authority of its Board of Directors, and he further acknowledged that the execution of the foregoing instrument was the free act and deed of First Security Bank of Utah, N.A.



FIRST SECURITY BANK OF UTAH, N.A.

Dated: February 1, 1980

Notary: Randy R. Marchant

My Commission Expires: 2-8-82.

DUPLICATE

EQUIPMENT LEASE

Dated as of November 15, 1979

Between

FIRST SECURITY BANK OF UTAH, N.A.,
not in its individual capacity,
but solely as trustee under a
Master Trust Agreement dated as of
November 15, 1979 between it and
Dial Leasing Corporation of Iowa
as Lessor

and

Terminal Grain Corporation
as Lessee

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Exhibit

Subject

- Exhibit A Description of Equipment
- Exhibit B Form of Certificate of Acceptance
- Exhibit C Specific Terms
- Exhibit D Casualty and Termination Values

EQUIPMENT LEASE

THIS EQUIPMENT LEASE, dated as of the date set forth in Exhibit C hereto (the Lease), between FIRST SECURITY BANK OF UTAH, N.A., a national banking association, not in its individual capacity, but solely as trustee (the Lessor) under a Master Trust Agreement dated as of November 15, 1979 between it and Dial Leasing Corporation of Iowa (Trustor), and Terminal Grain Corporation (the Lessee).

W I T N E S S E T H :

SECTION 1. Definitions; Construction of References.

In this lease, unless the context otherwise requires:

(a) All references in this instrument to designated Sections and other subdivisions are to designated Sections and other subdivisions of this Lease, and the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Lease as a whole and not to any particular Section or other subdivision;

(b) The terms defined in this Section 1 or elsewhere in this Lease shall have the meanings assigned to them in this Section 1 or elsewhere and include the plural as well as the singular;

(c) Except as otherwise indicated, all the agreements or instruments hereinafter defined shall mean such agreements or instruments as the same may from time to time be supplemented or amended or the terms thereof waived or modified to the extent permitted by, and in accordance with, the terms thereof;

(d) The following terms shall have the following meanings for all purposes of this Lease:

(1) Appraisal shall mean a procedure whereby two independent appraisers, neither of whom shall be a manufacturer of the Item of Leased Equipment for which Appraisal is required, one chosen by the Lessee and one by the Lessor, shall mutually agree upon the amount in question. The Lessor or the Lessee, as the case may be, shall deliver a written notice to the other party appointing its appraiser within 15 days after receipt from the other party of a written notice appointing that party's appraiser. If within 15 days after appointment of the two appraisers as described above, the two appraisers are unable to agree upon the amount in question, a third independent appraiser, who shall not be a manufacturer of such Item of Leased Equipment, shall be chosen within five days thereafter by the mutual consent of such first two appraisers or, if such first two appraisers fail to agree upon the appointment of a third appraiser, such appointment shall be made by an authorized representative of the American Arbitration Association or any organization successor thereto. The decision of the third appraiser so appointed and chosen shall be given within 10 days after the selection of such third appraiser and such decision shall be binding and conclusive on the Lessor and the Lessee.

The Lessor and the Lessee shall pay the fees and expenses of the respective appraisers appointed by them and shall share equally the fees and expenses of the third appraiser, if any.

(2) Basic Rent, Supplemental Rent and Rent shall have the meanings set forth in Section 3 hereof.

(3) Trustor, Daily Lease Rate Factor, Rent Commencement Date, Basic Rent Dates, Expiration Date, First Delivery Date, Final Delivery Date, Interim Rent Date, First Basic Rent Date, Last Basic Rent Date, Basic Lease Rate Factor, Depreciable Life, Depreciation Method, Salvage Value, Investment Credit, Overdue Rate, Lease Extension Periods, Return of Equipment and Equipment Marking shall have the meanings with respect to each Group of Leased Equipment set forth in Exhibit C hereto.

(4) Business Day shall have the meaning set forth in the Participation Agreement.

(5) Casualty Value, Termination Value and Penalty Value, if such terms shall be applicable to this Lease, shall have the meanings with respect to each Group of Leased Equipment set forth in Exhibit D hereto.

(6) Certificate of Acceptance shall mean a certificate of acceptance substantially in the form of Exhibit B hereto.

(7) Closing Date shall mean the date on which the Lessor becomes obligated to pay for the Equipment, which date shall occur on or before the Cut-off Date set forth in Exhibit C hereto.

(8) Equipment, Leased Equipment, and individually an Item or Items of Equipment, shall mean those items of equipment described in Exhibit A hereto which become subject to the terms and conditions of this Lease pursuant to Section 2 hereof.

(9) Fair Market Value of an Item of Leased Equipment shall be determined on the basis of, and shall mean the aggregate amount which would be obtainable in, an arm's-length transaction between an informed and willing buyer or user (other than: (i) a lessee currently in possession, or (ii) a used equipment dealer) and an informed and willing seller under no compulsion to sell or lease, and in such determination costs of removal from the location of current use shall not be a deduction from such value and all alternative uses in the hands of such buyer or user, including without limitation, the further leasing of such Item of Leased Equipment, shall be taken into account in making such determination. If the Lessor and the Lessee are unable to agree upon a determination of Fair Market Value with respect to a particular Item of Leased Equipment, such Fair Market Value shall be determined in accordance with the procedure for Appraisal. The Lessor, at its option, may direct that Fair Market Value be determined on the basis of the subsequent rental of the Leased Equipment, rather than the sale of said equipment. Should the Lessor so direct such a determination the "aggregate amount" shall be the Fair Rental Value of said Equipment over the subsequent rental term of said Equipment discounted at the rate of 8% to the date of said determination.

(10) First Termination Date, shall have the meaning with respect to each Group of Leased Equipment set forth in Exhibit C hereto.

(11) Group of Equipment and Lessor's Cost shall have the meanings set forth in the Certificate of Acceptance with respect to each Item of Leased Equipment.

(12) Indenture shall mean the Indenture dated as of November 15, 1979 between Central Life Assurance Company, an Iowa corporation, as Lender, and the Lessor.

(13) Note(s) shall mean those promissory note(s) defined as Notes in the Participation Agreement issued in connection with the purchase of the Leased Equipment.

(14) Participation Agreement shall mean the agreement, dated as of the date hereof, among the Lessee, the Lessor/Owner Trustee, the Beneficiary, and the Lender, if such a document and parties shall be applicable to this Lease.

(15) Permitted User shall mean (i) the Lessee or any corporation sharing 80% common ownership with the Lessee, (ii) a sublessee, as permitted herein, of the Lessee, (iii) any corporation, organization or other entity that is a "shipper" authorized to load the Equipment pursuant to the rules and regulations of the American Association of Railroads as evidenced by an appropriate OT-5 authority filing, (iv) any railroad company that is using the Equipment to move the Lessee's or a Permitted User's freight or to return the Equipment to the Lessee or a Permitted User pursuant to the rules and regulations of the American Association of Railroads.

As used herein the word shipper means any entity that originates freight traffic on the railroad system and which is prohibited from loading the Equipment east of the Mississippi River and which does not load salt, soda ash, or other corrosive products. It is the intent of the parties that this definition does not permit the Equipment to be used by any party that could, without violating the terms of this Lease or the rules and regulations of the American Association of Railroads, put the Equipment in the general railroad interchange system for uncontrolled use.

(16) Purchase Documents shall mean those documents defined as purchase documents in the Participation Agreement.

(17) Rental Payment Date shall, with respect to a Group of Equipment, mean either the Interim Rent Date or any of the Basic Rent Dates.

(18) Supplement shall mean each supplement to the Indenture creating a separate series of the Note(s).

SECTION 2. Lease of Equipment.

Subject to the terms and conditions of this Lease, the Lessor hereby agrees to lease to the Lessee and the Lessee hereby agrees to lease from the Lessor such Items of Equipment as shall be described in one or more Certificates of Acceptance executed and delivered on behalf of the Lessor with respect thereto and as shall have been delivered and accepted on or after the First Delivery Date but on or before the Final Delivery Date (Leased Equipment),

and individually an Item of Leased Equipment). Subject to the provisions of Sections 11 and 12 of the Participation Agreement, upon delivery of each Item of Equipment to the Lessor, the Lessee will cause an authorized representative of the Lessee to inspect the same and, if such Item of Equipment is found to be in good working order and complies with the terms and conforms with the specifications separately provided to the Lessee by the manufacturer, and if Lessee has confirmed with the Lessor the Lessor's receipt of proper Purchase Documents, to accept such Item of Equipment and to execute and deliver a Certificate of Acceptance with respect thereto, whereupon, but also subject to the provisions of Sections 11 and 12 of the Participation Agreement, such Item of Equipment shall be deemed to have been delivered to and accepted by the Lessee and shall be subject to the terms and conditions of this Lease. With respect to each Item of Leased Equipment, all transportation charges payable for the delivery thereof to the Lessee and all installation charges, if any, relating thereto which are not included as part of the Lessor's Cost thereof shall be paid by the Lessee.

SECTION 3. Term and Rent.

(a) The term of this Lease as to each Item of Leased Equipment included in a Group of Equipment shall begin on its date of acceptance, as set forth in the Certificate of Acceptance executed and delivered with respect thereto, and shall end on the Expiration Date with respect to such Group of Equipment, unless this Lease shall have been terminated earlier pursuant to the terms hereof with respect to such Item, or the term of this Lease with respect to such Item of Leased Equipment shall have been extended, by the terms hereof.

(b) The Lessee shall pay to the Lessor as Basic Rent in advance (herein referred to as Basic Rent) for each Item of Leased Equipment subject to this Lease, the following:

(1) on the Interim Rent Date, an amount equal to the Daily Lease Rate Factor, if any, multiplied by the number of Items of Leased equipment leased hereunder, for each day elapsed from and including the Rent Commencement Date with respect to such Item of Leased Equipment to but excluding the Interim Rent Date;

(2) on the First Basic Rent Date, an amount equal to the Basic Lease Rate Factor, multiplied by the number of such Items of Leased Equipment leased hereunder; and

(3) on each Basic Rent Date thereafter to and including the Last Basic Rent Date, an amount equal to the Basic Lease Rate Factor, multiplied by the number of such Items of Leased Equipment leased hereunder.

(c) The Lessee shall pay to the Lessor the following amounts (herein referred to as Supplemental Rent and, together with all Basic Rent, as Rent):

(1) on demand, any amount payable hereunder (other than Basic Rent, Casualty Value, Termination Value and Penalty Value if any) which the Lessee assumes the obligation to pay, or agrees to pay, under this Lease to the Lessor or others;

(2) on the date provided herein, any amount payable hereunder as Casualty Value, Termination Value or Penalty Value if any; and

(3) to the extent permitted by applicable law, interest (computed on the basis of a 360-day year of twelve 30-day months) at the Overdue Rate on any payment of Basic Rent, Casualty Value, Termination Value or Penalty Value if any, not paid when due for an period for which the same shall be overdue and on any payment of Supplemental Rent (including, without limitation, interest payable under this clause (3), but excluding payments of Casualty Value, Termination Value or Penalty Value if any) not paid when demanded hereunder for the period from the date of such demand until the date on which the same shall be paid.

(d) All payments of Rent hereunder shall be made so that the Lessor shall have immediately available funds on the date payable hereunder, and shall be paid to the Lessor at its address set forth herein or at such other address as the Lessor may direct by notice in writing to the Lessee.

SECTION 4. Net Lease.

This Lease is a net lease and the Lessee acknowledges and agrees that the Lessee's obligation to pay all Rent hereunder, and the rights of the Lessor in and to such Rent, shall be absolute and unconditional and shall not be subject to any abatement, reduction, set-off, defense, counterclaim or recoupment (Abatements) for any reason whatsoever, including, without limitation, Abatements due to any present or future claims of the Lessee against the Lessor under this Lease or otherwise, or against the manufacturer or seller of any Item of Leased Equipment; provided, however, that nothing in this Lease shall prohibit or restrict the Lessee from pursuing in a separate action whatever rights and remedies the Lessee may have from time to time against the Lessor or any other party. Except as otherwise expressly provided herein, this Lease shall not terminate, nor shall the respective obligations of the Lessor or the Lessee be affected, by reason of any defect in or damage to, or any loss or destruction of, the Leased Equipment or any Item thereof from whatsoever cause, or the interference with the use thereof by any private person, corporation or governmental authority, or the invalidity or unenforceability or lack of due authorization of this Lease or lack of right, power or authority of the Lessor to enter into this Lease, or for any other cause, whether similar or dissimilar to the foregoing, any present or future law or regulation to the contrary notwithstanding, it being the express intention of the Lessor and the Lessee that all Rent payable by the Lessee hereunder shall be, and continue to be, payable in all events unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease.

SECTION 5. Return of Equipment.

(a) Upon the expiration or termination of this Lease with respect to a Group of Equipment, or, with respect to those Items of Leased Equipment in such Group which are not registerable under, or for which a Certificate of Title is not required by, the applicable laws of any jurisdiction not later than 30 days after such expiration or termination, the Lessee, at its own expense, will return the Items of Leased Equipment then subject to this Lease which are included in such Group of Equipment to the Lessor pursuant to the instructions set forth under the heading Return of Equipment in Exhibit C to this Lease and in the condition in which such Leased Equipment is required to be maintained.

pursuant to Section 9 hereof. Such Leased Equipment, upon redelivery pursuant hereto, shall be free and clear of all mortgages, liens, security interest, charges, encumbrances and claims (Liens), other than Liens either (1) resulting from voluntary action by the Lessor without the prior approval of the Lessee and not taken as the result of any default by the Lessee, or (2) resulting from claims against the Lessor not related to the Lessor's ownership of the Leased Equipment (Liens described in clauses (1) and (2) above being herein referred to as Lessor's Liens).

(b) For each day elapsed between the date of the expiration or termination of this Lease with respect to any Item of Leased Equipment and the date of the return of such Item in accordance with the preceding paragraph (a), the Lessee agrees to pay the Lessor (i), if such Item is returned after expiration of the original term of this Lease, an amount equal to the Daily Lease Rate Factor multiplied by the Lessor's Cost of such Item, or (ii), if such Item is returned after expiration of the term of this Lease as extended in accordance with Section 17 hereof, an amount equal to the daily equivalent of the lease rate factor (determined as provided in Section 17 hereof) multiplied by the Lessor's Cost of such Item.

(c) In addition to the amounts due pursuant to the preceding paragraph (b), if the Lessee has not returned the Equipment within 50 days of the expiration of the original or extended term of this Lease, Lessee shall pay the Lessor \$20 per day per car as liquidated damages for the wrongful holdover of any car (cars) for each day beyond said 50 days, except that Lessee shall not be liable for such damages if the holdover is caused by an act of God or a labor strike.

SECTION 6. Warranties of the Lessor.

(a) The Lessor, assuming compliance by Lessee with the terms of this Lease and Lessor's receipt of proper Purchase Documents as provided for in the Participation Agreement, covenants and agrees that (i) as of the commencement of the term hereof it will have title to each Item of Leased Equipment, and (ii) during the term of this Lease, in no Event of Default has occurred and the Lessor has not declared this Lease to be in default, the Lessee's use of the Leased Equipment shall not be interrupted by the Lessor or anyone claiming through or under the Lessor.

(b) The warranties set forth in paragraph (a) of this Section are in lieu of all other warranties of the Lessor, whether written, oral or implied with respect to this Lease or the Leased Equipment; and the Lessor shall not be deemed to have modified in any respect the obligations of the Lessee pursuant to Section 4 herof, which obligations are absolute and unconditional. Upon Lessee's acceptance of the Equipment, AS BETWEEN LESSOR AND LESSEE, LESSEE EXPRESSLY AGREES TO LEASE EACH ITEM OF EQUIPMENT "AS IS". LESSOR HEREBY DISCLAIMS ANY OTHER REPRESENTATION OR WARRANTY, EITHER EXPRESSED OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE DESIGN OR CONDITION OF THE LEASED EQUIPMENT, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, THE QUALITY OF THE MATERIAL OR WORKMANSHIP OF THE LEASED EQUIPMENT OR CONFORMITY OF THE LEASED EQUIPMENT TO THE PROVISIONS AND SPECIFICATIONS OF ANY PURCHASE ORDER OR ORDERS RELATING THERETO, NOR SHALL THE LESSOR BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING NEGLIGENCE AND STRICT LIABILITY IN TORT), but the Lessor authorizes the Lessee, at the Lessee's expense, to assert for the Lessor's account, during the term of this Lease, so long as no

Event of Default shall have occurred hereunder and be continuing, all of the Lessor's rights under any applicable manufacturer's or seller's warranty and the Lessor agrees to cooperate with the Lessee in asserting such rights; provided, however that the Lessee shall indemnify and shall hold the Lessor harmless from and against any and all claims, and all costs, expenses, damages, losses and liabilities incurred or suffered by the Lessor in connection therewith, as a result of, or incidental to, any action by the Lessee pursuant to the above authorization. Any amount received by the Lessee as payment under any such warranty shall be applied to restore the Leased Equipment to the condition required by Section 9 hereof or, in the event an Event of Loss shall have occurred, shall be applied to the payment of Casualty Value due with respect to such Event of Loss.

SECTION 7. Liens.

The Lessee will not directly or indirectly create, incur, assume or suffer to exist any lien, mortgage, charge, claim, security interest or other encumbrance on or with respect to the Leased Equipment, the Lessor's title thereto or any interest of the Lessor therein (and the Lessee will promptly, at its own expense, take such action as may be necessary duly to discharge any such Lien), except (1) the respective rights of the Lessor and the Lessee as herein provided, (2) Lessor's Liens, (3) Liens for taxes either not yet due or being contested in good faith and by appropriate proceedings, if counsel for the Lessor shall have determined that the nonpayment of any such tax or the contest of any such payment in such proceedings do not, in the opinion of such counsel, adversely affect the title, property, or rights of the Lessor, (4) inchoate materialmen's, mechanics', workmen's, repairmen's, employees' or other like Liens arising in the ordinary course of business of the Lessee and not delinquent and (5) Liens granted by the Lessor to any assignee or security assignee of the Lessor.

SECTION 8. Taxes.

The Lessee agrees to pay when due and to indemnify the Lessor for, and hold the Lessor harmless from and against, all income, franchise, sales, use, personal property, ad valorem, value added, leasing, leasing use, stamp or other taxes, levies, imposts, duties, charges, or withholdings of any nature, together with any penalties, fines or interests thereon (Impositions), arising out of the transactions contemplated by this Lease and imposed against the Lessor, the Lessee or the Leased Equipment by any federal, state, local or foreign government or taxing authority upon or with respect to the Leased Equipment or upon the sale, purchase, ownership, delivery, leasing, possession, use, operation, return or other disposition thereof, or upon the rentals, receipts or earnings arising therefrom, or upon or with respect to this Lease (excluding, however, taxes on and measured by the net income of the Lessor) unless, and only to the extent that, the Lessee shall have given to the Lessor written notice of any such Imposition, which notice shall state that such Imposition is being contested by the Lessee in good faith and by appropriate proceedings and counsel for the Lessor shall have determined that the nonpayment thereof or the contest thereof in such proceedings does not, in the opinion of such counsel, adversely affect the title, property or rights of the Lessor. If a claim is made against the Lessee or the Lessor for any Imposition, the party receiving notice of such claim shall notify the other within a reasonable time. In case any report or return is required to be made with respect to any obligation of the Lessee under this Section 8 or arising out of this Section 8, the

Lessee will either (after notice to the Lessor) make such report or return in such manner as will show the ownership of the Leased Equipment in the Lessor and send a copy of such report or return to the Lessor, or if the Lessor is required by law to make such report or return, will notify the Lessor of such requirement and prepare such report or return in such manner as shall be satisfactory to the Lessor and forward the same to the Lessor in a timely fashion. The Lessor agrees to cooperate fully with the Lessee in the preparation of any such report or return.

SECTION 9. Use, Maintenance and Operation; Identifying Marks.

(a) The Lessee agrees that the Leased Equipment will be used only by the Permitted Users in compliance with any and all statutes, laws, ordinances and regulations of any applicable governmental agency, and, subject to the provisions of Section 15 hereof, will at all times be used solely within the United States in the conduct of the business of the Permitted Users and be and remain in the possession and control of the Permitted Users. Lessee shall not transport or store any Item of Leased Equipment, or suffer such Item to be transported or stored, in any area excluded from coverage by an insurance policy in effect with respect thereto. Throughout the term of this Lease, and any extensions or holdovers permitted hereunder, the possession, use and maintenance of this Leased Equipment shall be at the sole risk and expense of the Lessee.

(b) The Lessee shall use the Items of Leased Equipment only in the manner for which they were designed and intended and will, at its own cost and expense, repair and maintain the Leased Equipment so as to keep it in as good condition as when delivered to the Lessee hereunder, ordinary wear and tear excepted. At the expiration of this Lease each item of Lease Equipment shall be fit for performing the service of transporting silica sand without risk of contamination of said sand. Lessee shall not use the Items in violation of any law or regulation or of any insurance policy which covers the Items. Lessee shall not use, and shall not allow a Permitted user to use, any Item of Leased Equipment for the storage or transportation of salt, soda ash or any other corrosive product, or any product that will cause the loss of the manufacturer's warranty of the Equipment. Upon the Lessor's request Lessee shall issue a report as to the condition of each Item of Equipment, said report shall be requested by Lessor not more than once per year.

(c) The Lessee will not, without the prior written consent of the Lessor, affix or install any accessory, equipment, or device on any Item of Leased Equipment which will impair the originally intended function or use of such Item. All accessories, equipment and devices furnished, attached or affixed to any Item shall thereupon become the property of the Lessor (except such as may be removed without in any material way affecting or impairing the originally intended function or use of such Item and were not required in compliance with the provision of the first sentence of paragraph (a) of this Section 9). Such accessories, equipment and devices which may be removed without in any material way affecting or impairing the originally intended function or use of any Item of Leased Equipment shall be removed from each Item of Equipment before such Item is returned to the Lessor. The Lessee will not, without the prior written consent of the Lessor, and subject to such conditions as the Lessor may impose for its protection, affix or install any Item of Leased Equipment to or in any real property.

(d) The Lessee agrees, at its own cost and expense, to (1) cause each Item of Leased Equipment to be kept numbered with the identification or serial number therefor as specified in the Certificate of Acceptance therefor and (2) maintain the Equipment Marking on each Item of Leased Equipment and such other markings as from time to time may be required by law or otherwise deemed necessary by the Lessor in order to protect the title of the Lessor to such Item of Leased Equipment, the rights of the Lessor under this Lease and the Lien granted by the Lessor in financing the Lessor's Cost of the Leased Equipment. The Lessee will not place any Item of Leased Equipment in operation or exercise any control or dominion over the same until such Equipment Marking has been placed thereon. The Lessee will replace promptly any such Equipment Marking which may be removed, defaced or destroyed.

SECTION 10. Inspection.

The Lessor shall, at its cost, have the right, but not the duty, to inspect the Leased Equipment. Upon the request of the Lessor, the Lessee shall confirm to the Lessor the location of each Item of Leased Equipment and to make the Leased Equipment available to the Lessor for inspection at such location. The Lessee shall make its records pertaining to the Leased Equipment available to the Lessor for inspection at any reasonable time.

SECTION 11. Loss or Destruction; Requisition of Use.

(a) In the event that any Item of Leased Equipment shall be or become damaged, destroyed, lost, stolen, or permanently rendered unfit for use for any reason whatsoever, or title thereto shall be requisitioned or otherwise taken by any governmental authority under power of eminent domain or otherwise (Requisition of Use), or any Item of Leased Equipment is returned to the manufacturer or seller thereof pursuant to the patent indemnity provisions of the Purchase Documents, such fact shall promptly be reported by the Lessee to the Lessor.

(b) The Lessee shall determine, within 30 days after the date of occurrence of any such damage or wearing out, whether such Item of Leased Equipment can be repaired or replaced.

(c) In the event Lessee determines that such Item cannot be repaired or replaced or in the event of such damage, wearing out, destruction, loss, theft, Requisition of Use for a stated period which exceeds the term of this Lease, or return of such Item to the manufacturer or seller thereof without replacement thereof (any such occurrence being referred to as an Event of Loss, and the date thereof being the date of such damage, wearing out, destruction, loss, theft, Requisition of Use for a stated period which exceeds the term of this Lease, or return of such Item to the manufacturer or seller thereof without replacement thereof) the Lessee shall promptly notify the Lessor of such Event of Loss. On the Basic Rent Date next following, the Lessee shall pay to the Lessor an amount equal to the Casualty Value of such Item, determined as of such Basic Rent Date, together with any Rent then due. In the event the Lessee determines that such Item can be repaired or replaced, the Lessee shall cause such Item to be repaired or replaced within 120 days after the occurrence of such damage or wearing out and, in the event of replacement, will take such

action as may be required under and pursuant to the Indenture to perfect, protect and preserve any security interests created by the Lessor under and pursuant to the Indenture; provided, however, that if the Lessee shall, within said 120-day period, have commenced the repair or replacement, but is prevented from completing such repair or replacement within said 120-day period due to causes beyond the Lessee's control, then the time for repair or replacement shall be extended by the number of days necessary to complete such repair or replacement up to a maximum of 120 additional days, and further provided, that if the Lessee fails to repair or replace such Item within the above-described repair or replacement period the Lessee shall, on the Basic Rent Date next following the end of the above-described repair or replacement period, pay to the Lessor an amount equal to the Casualty Value of such Item, determined as of such Basic Rent Date, together with any Rent then due. If at such time as the Casualty Value would otherwise be due, no more Basic Rent is or will become payable under this Lease, the Casualty Value shall be paid within 30 days thereafter. The obligation of the Lessee to pay Rent during the period from the date of an Event of Loss to, but excluding, the date upon which the Casualty Value is paid, including any replacement or repair period, shall remain in full force and effect.

Notwithstanding the foregoing, the Lessee, pursuant to the provisions of Section 16 hereof, shall still be required to indemnify the Lessor for any Loss, as defined in Section 16 hereof, due to the Lessee's act of replacing an Item of Leased Equipment authorized hereby. Upon making such Casualty Value payment in respect of such Item and all Rent due and owing with respect thereto, the Lessee's obligation to pay further Basic Rent for such Item shall cease, but the Lessee's obligation to pay Supplemental Rent, if any, for such Item, and to pay Rent for all other Items of Leased Equipment shall remain unchanged. Except in the case of loss, theft, destruction, or return to the manufacturer or seller, the Lessor shall be entitled to recover possession of such Item, unless possession of such Item is required to be delivered to an insurance carrier (other than the Lessee) in order to settle an insurance claim arising out of the Event of Loss. The Lessor shall be entitled to retain any salvage value collected by said insurance carrier in excess of the amount paid to the Lessor by said insurance carrier. The Lessor shall be under no duty to Lessee to pursue any claim against any governmental authority, but the Lessee may at its own cost and expense pursue the same on behalf of the Lessor in such manner as may be satisfactory to the Lessor. Any replacement Item installed by the Lessee in accordance with the provisions of this Section 11(c) shall be in as good operating condition as, and shall have a value and utility at least equal to, the Item replaced, assuming the Item replaced was in the condition and state of repair required to be maintained by the terms hereof.

(d) Following payment of the Casualty Value of an Item of Leased Equipment in accordance with the provisions of Section 11(c), the Lessee shall as agent for the Lessor, dispose of such Item as soon as it is able to do so for the best price obtainable. Any such disposition shall be on an "as is", "where is" basis without representation or warranty, express or implied. As to each separate Item so disposed of, the Lessee may, after paying the Lessor the amounts specified in Section 11(c), retain all amounts of such price up to the Casualty Value and the Lessee's reasonable costs and expenses of disposition attributable thereto, and shall remit the excess, if any, to the Lessor. The Lessee shall be entitled to all amounts it may receive in connection with any cause of action brought by it arising out of such Event of Loss. As to each

Item of Leased Equipment returned to the manufacturer or seller thereof in the manner described in Section 11(a) and not replaced or modified by the manufacturer or seller pursuant to the patent indemnity provisions of the Purchase Documents, the Lessor agrees that the Lessee shall receive and retain all amounts payable to the Lessor by the manufacturer or seller for the return of such Item, up to the Casualty Value paid by the Lessee hereunder, and any excess shall be paid to or retained by the Lessor. As to each Item of Leased Equipment modified and each replacement Item installed by the manufacturer or seller pursuant to the patent indemnity provisions of the Purchase Documents, the Lessor and the Lessee agree that such modified Item or replacement Item shall be delivered to the Lessee and shall, without any further act of the Lessor or the Lessee, be considered an Item for all purposes of this Lease.

(e) Except as hereinabove in this Section 11 provided, the Lessee shall bear the risk of loss and shall not be released from its obligations hereunder in the event of any damage or Event of Loss to any Item of Leased Equipment after delivery to and acceptance by the Lessee hereunder until the return thereof to the Lessor pursuant to Section 5 hereof.

(f) In the case of a Requisition of Use of any Item of Leased Equipment for an indefinite period or for a stated period which does not exceed the term of this Lease, such Requisition of Use shall not terminate this Lease with respect to such Item, and each and every obligation of the Lessee with respect thereto shall remain in full force and effect. So long as no Event of Default shall have occurred and be continuing under this Lease, the Lessee shall be entitled to all sums received by reason of any such Requisition of Use up to the amount of the Basic Rent paid by the Lessee during the period of such Requisition of Use.

SECTION 12. Termination.

The Lessee shall have the right, at its option and on at least 180 days' prior written notice to the Lessor, to terminate (which act shall hereinafter be called the "Termination") this Lease as to all but not less than all of such Items of Leased Equipment as of any succeeding rental payment date specified in such notice (such termination date so specified being hereinafter called the "Termination Date"); provided, however, that (i) the Termination Date shall not be earlier than the 121st Basic Rent payment, (ii) no Event of Default or other event which after the lapse of time or the giving of notice or both would become an Event of Default shall have occurred and be continuing on such date and that such Items of Leased Equipment shall have become obsolete or surplus to the Lessee's requirements, and (iii) on the Termination Date all Items of Leased Equipment shall be in the condition required for redelivery pursuant to Section 5 hereof.

On such Termination Date, the Lessee shall pay to the Lessor with respect to each such Item of Leased Equipment an amount equal to (i) the excess, if any, of the Termination Value (as hereinafter defined) for each such Item of Leased Equipment computed as of such date over the then Fair Market Value and (ii) the rental payment with respect to each Item of Leased Equipment due on such Termination Date. The Termination Value of each such Item of Leased Equipment as of the Termination Date on which payment is to be made shall be that percentage of the Purchase Price of such

Item of Leased Equipment as is set forth in Exhibit D hereto opposite such date, and (iii) in addition and not included in any excess payment of the Termination Value pursuant to this Section 12, the penalty payment with respect to each Item of Leased Equipment due on such Termination Date, the penalty value (the Penalty Value) of each such Item of Leased Equipment as of the Termination Date on which payment is to be made shall be that percentage of the Purchase Price of such Item of Leased Equipment as set forth in Exhibit D hereto opposite such date.

Upon the receipt by the Lessor of the amounts above described, the obligation of the Lessee to pay rent pursuant to Section 3 hereof in respect of such Item of Leased Equipment on each Basic Rent Date shall continue to and including the Termination Date but shall then terminate.

SECTION 13. Insurance.

At its own expense, the Lessee will cause to be carried and maintained casualty insurance, with a \$25,000 deductible, in amounts equal to the Casualty Value with respect to each Item of Leased Equipment and public liability insurance, with a \$25,000 deductible, in amounts and against risks customarily insured against by the Lessee on similar equipment and, in any event, in amounts and against risks comparable to those insured against by the Permitted Users on equipment owned by them, but in no event less than \$1,000,000 single limit per occurrence with respect to public liability insurance. Any policies with respect to such insurance shall be with an insurance carrier acceptable to the Lessor and shall name the Lessor, loss payee, as its interest may appear, shall provide for at least 30 days' prior written notice by the insurance carrier to the Lessor in the event of cancellation, expiration or material modification. The Lessee shall, prior to the First Delivery Date and annually thereafter on the anniversary thereof, furnish a certificate evidencing such insurance.

SECTION 14. Indemnification.

The Lessee agrees to assume liability for, and does hereby agree to indemnify, protect, save and keep harmless the Lessor from and against any and all liabilities, obligations, losses, damages, penalties, claims (including, without limitation, claims involving negligence, strict or absolute liability), actions, suits, costs, expenses and disbursements (including, without limitation, legal fees and expenses) of any kind and nature whatsoever, but excluding such claims with respect to which indemnification is otherwise expressly provided for in Sections 8 and 16 hereof, (Claims) which may be imposed on, incurred or asserted against the Lessor, whether or not the Lessor shall also be indemnified as to any such Claim by any other person, in any way relating to or arising out of this Lease or the performance or enforcement of any of the terms hereof, or in any way relating to or arising out of the manufacture, purchase, acceptance, rejection, ownership, delivery, lease, sublease, possession, use, operation, maintenance, condition, registration, sale, return, storage or disposition of any Item of Leased Equipment or any accident in connection therewith (including, without limitation, latent and other defects, whether or not discoverable and any Claim for patent, trademark or copyright infringement); provided, however, that the Lessee shall not be required to indemnify the Lessor for (1) any Claim in respect of any Item of Leased Equipment arising from acts

or events which occur after possession of such Item of Leased Equipment has been redelivered to the Lessor, or (2) any Claim resulting from acts which would constitute the willful misconduct or gross negligence of the Lessor, or (3) any Claim based upon fees to be paid by anyone other than the Lessee in connection with the financing contemplated by this Lease. The Lessee agrees that the Lessor shall not be liable to the Lessee for any Claim caused directly or indirectly by the inadequacy of any Item of Leased Equipment for any purpose or any deficiency or defect therein or the use or maintenance thereof or any repairs, servicing or adjustments thereto or any delay in providing or failure to provide any thereof or any interruption or loss of service or use thereof or any loss of business, all of which shall be the risk and responsibility of the Lessee. The rights and indemnities of the Lessor hereunder are expressly made for the benefit of, and shall be enforceable by, the Lessor notwithstanding the fact that the Lessor is either no longer a party to this Lease, or was not a party to this Lease at its outset, or this Lease has terminated or expired.

SECTION 15. Sublease.

The Lessee will not, without the prior written consent of the Lessor, which consent will not be unreasonably withheld, relinquish possession of any of the Leased Equipment or assign any of its rights hereunder, to any person other than a Permitted User or any political subdivision of the United States Government. No sublease, other relinquishment of the possession of any of the Leased Equipment, or assignment by the Lessee of any of its rights hereunder shall in any way discharge or diminish any of the Lessee's obligations to the Lessor hereunder. No sublease is or shall be permitted hereunder unless the rights of the sublessee thereunder are expressly subject and subordinate to the rights of the Lessor and any security assignee of the Lessor.

SECTION 16. Tax Indemnification.

(a) The Trustor, on its part, desires that, by entering this lease transaction, it shall be entitled to such deductions, credits and other benefits as are provided to an owner of property including, without limitation:

(i) unless otherwise provided in Exhibit C hereto, the investment tax credit (Investment Credit) allowed by Section 38 and related sections of the Internal Revenue Code of 1954, as amended (Code), in an amount equal to the percentage set forth in Exhibit C hereto of the Lessor's Cost of each Item of Leased Equipment;

(ii) the deduction for accelerated depreciation (Depreciation Deduction) on each Item of Leased Equipment under various sections of the Code based upon the Depreciable Life, Depreciation Method and Salvage Value set forth in Exhibit C hereto;

(iii) the deduction under section 163 of the Code (Interest Deduction) in the full amount of any interest paid or accrued by the Lessor in accordance with the Lessor's permissible method of accounting for tax purposes with respect to any indebtedness incurred by the Lessor in financing its purchase of each Item of Leased Equipment.

Lessee agrees, as hereinafter set forth in paragraph (b) below, not to do or omit to do an act which will interfere with the attainment of Trustor's desires.

(b) If because of an act or omission on the part of the Lessee the Trustor shall lose, shall not have or shall lose the right to claim, or if because of an act or omission on the part of the Lessee there shall be disallowed or recaptured with respect to the Lessor, all or any portion of the Investment Credit, the Interest Deduction or the Depreciation Deduction as is provided to an owner of property with respect to any Item of Leased Equipment (Loss), then the Basic Lease Rate Factor applicable to such Item of Leased Equipment shall, on and after the next succeeding Basic Rent Date, after written notice to the Lessee by the Lessor that a Loss has occurred, be increased by such amount for such Item which will cause the Trustor's net after-tax return (computed using the same method and the same assumptions as were utilized in originally evaluating the financing contemplated by this Lease) over the term of the Lease in respect of such Item to equal the net after-tax return that would have been available if the Trustor had been entitled to the utilization of all of the Investment Credit, the Interest Deduction and the Depreciation Deduction with respect to such Item, and the Lessee shall forthwith pay to the Lessor the amount of any interest or penalty attributable to the Loss. Some examples of acts or omissions that may cause the loss, disallowance, or recapture of the items mentioned in (a) above are as follows, the examples in no way limit this paragraph: (1) Use of the equipment outside of the United States, (2) Sale of the property by Lessee, (3) Lessee improvement of Equipment in violation of Lease, (4) Lessee's failure to properly accept the Equipment on behalf of Lessor. The Lessee shall have the right to make any indemnity payment required by this Section 16 in one payment rather than by increasing the Basic Lease Rate Factor with respect to Basic Rent payable during the remaining term of this Lease. To the extent any Loss gives rise to subsequent tax benefits to the Trustor, an appropriate payment shall be made by the Lessor to the Lessee.

(c) For purposes of this Section 16, a Loss shall occur upon the earliest of (1) the happening of any event (such as a disposition or change in the use of any Item of Leased Equipment) which may cause such Loss, (2) the payment by the Trustor to the Internal Revenue Service of the tax increase resulting from such Loss, or (3) the adjustment of the tax return of the Trustor to reflect such Loss. With respect to any Item of Leased Equipment, the Trustor shall be responsible for, and shall not be entitled to a payment under this Section 16 on account of and only to the extent of, any Loss due to one or more of the following events: (1) a disposition due to the sale or other transfer of such Item of Leased Equipment or the lease thereof by the Lessor prior to any default by the Lessee, or (2) a failure of the Trustor to timely or properly claim the Investment Credit, Interest Deduction or Depreciation Deduction for such Item of Leased Equipment in the tax return of the Lessor, or (3) a disqualifying change in the nature of the Trustor's business or the liquidation thereof, or (4) any event which by the terms of this Lease requires payment by the Lessee of the Casualty Value, Termination Value or Penalty Value of such Item, if such Casualty Value, Termination Value or Penalty Value is thereafter actually paid by the Lessee when due, or (5) the failure of the Trustor to have sufficient liability for tax against which to apply such Investment Credit or taxable income against which to apply such Depreciation Deduction or Interest Deduction, or (6) the failure of the Lessor to contest such Loss in the manner provided for in this Section 16.

(d) If an auditing agent of the Internal Revenue Service proposes or makes an adjustment resulting in a Loss, or in the inclusion in the gross income of the Trustor of the cost of any Capital Expenditure, as such term is defined in paragraph (f) of this Section 16, with respect to which the Lessee may be required to indemnify pursuant to the provisions of this Section 16, the Lessor shall notify the Lessee in writing within a reasonable time, but the Lessor shall be under no obligation whatsoever to contest such adjustment or proposed adjustment, unless:

(1) the Lessee requests the Lessor to contest such adjustment or proposed adjustment within 20 days after the Lessor has notified the Lessee in writing of its intent not to contest such adjustment;

(2) notwithstanding any other opinion previously rendered in respect of the transactions contemplated by this Lease, Stewart, Hatfield, Klass & Whicher or other independent counsel of comparable reputation selected by the Lessor and acceptable to the Lessee (Other Independent Counsel) renders a written opinion within the Prescribed Period, as defined in paragraph (3) of this Section 16, after receiving a request for such opinion, to the effect that there is a reasonable basis to contest such adjustment or proposed adjustment, as the case may be; and

(3) the Lessee agrees to pay on demand all reasonable out-of-pocket expenses, including, without limitation, the fees and disbursements of Stewart, Hatfield, Klass, & Whicher or Other Independent Counsel, paid or incurred by the Lessor in connection with this paragraph (d) and any such contest.

The Lessor may conduct any administrative contest pursuant to this paragraph (d) in such manner as it determines in its sole discretion to be advisable. If the Lessee does not request the Lessor to contest such adjustment or proposed adjustment within 20 days after the Lessor has given the Lessee notice of such adjustment, or if Stewart, Hatfield, Klass & Whicher or Other Independent Counsel does not render the written opinion described in clause (2) above within the Prescribed Period, as defined in paragraph (e) of this Section 16, after receiving a request for such opinion, the Lessee shall indemnify the Lessor in the manner set forth in this Section 16. If the Lessor shall contest an adjustment or proposed adjustment administratively in accordance with this paragraph (d) and, in the opinion of Lessor's tax counsel, shall not prevail, the Lessor shall be under no obligation to contest such adjustment in the United States Tax Court, the United States Court of Claims, or any District Court of the United States of competent jurisdiction, if it has given the Lessee notice of its intention not to contest such adjustment or proposed adjustment, unless:

(1) the Lessee requests the Lessor to contest such adjustment or proposed adjustment within 20 days after the Lessor has notified the Lessee in writing of its intent not to make such contest;

(2) notwithstanding any opinion previously rendered in respect of the transactions contemplated by this Lease, Stewart, Hatfield, Klass & Whicher or Other Independent Counsel renders a written opinion within the Prescribed Period as defined in paragraph (e) of this Section 16, after

receiving a request for such opinion, to the effect that the Investment Credit, Depreciation Deduction or Interest Deduction so adjusted is allowable under the Code, the regulations promulgated thereunder and judicial decisions and that the Lessor should prevail if the matter is litigated; and

(3) the Lessee agrees to pay on demand all reasonable out-of-pocket expenses, including, without limitation, the fees and disbursements of Stewart, Hatfield, Klass & Whicher or Other Independent Counsel paid or incurred in connection with this paragraph (d) and any such legal proceedings.

If the Lessee does not request the Lessor to contest any such adjustment in a court of competent jurisdiction within 20 days after the Lessor has given the Lessee notice thereof, or if Stewart, Hatfield, Klass & Whicher or Other Independent Counsel does not render the written opinion described in clause (2) above within the Prescribed Period, as defined in paragraph (3) of this Section 16, after receiving a request for such opinion, the Lessee shall indemnify the Lessor in the manner set forth in this Section 16. If the Lessor institutes judicial proceedings in accordance with this paragraph (d) and does not prevail at any judicial level, the Lessee shall indemnify the Lessor in the manner set forth in this Section 16. The Lessor shall have no obligation to appeal any decision of any court; provided however, that the Lessor shall consult with the Lessee in good faith before determining whether or not to appeal any adverse judicial decision. If the Lessor contests any adjustment in a court of competent jurisdiction pursuant to this paragraph (d), the Lessor's tax counsel shall determine in its sole discretion whether to petition the United States Tax Court for a redetermination of the deficiency proposed to be assessed or to pay the deficiency and institute an action in a court of competent jurisdiction for a refund of taxes paid, considering, however, in good faith such request as the Lessee shall make concerning the most appropriate forum in which to proceed. The Lessor may conduct any judicial contest pursuant to this paragraph (d) in such manner as the Lessor determines in good faith but in its sole discretion to be advisable. In the event that the Lessor pays the tax resulting from a proposed adjustment and proceeds to seek a refund thereof, the Lessee shall pay the Lessor an amount equal to interest at the Overdue Rate on the amount of tax in question computed from the date of payment of such tax to the date of final determination of such adjustment, such amount to be payable in equal installments within each calendar year on the Basic Rent Dates during such period. Upon receipt by the Lessor of a refund of any tax paid by it in respect of which the Lessee has paid an amount equal to interest at the Overdue Rate, as provided for in the preceding sentence, while such tax payment was contested by the Lessor, an amount equal to the aggregate amount of interest paid by the government on such refund shall be paid by the Lessor to the Lessee.

(e) For purposes of this Section 16, the term Prescribed Period shall mean the number of days, not in excess of 60 days, that Stewart, Hatfield, Klass & Whicher or Other Independent Counsel advises the Lessor and the Lessee in good faith, within seven days after receiving a request for an opinion, that it will require to enable it either to render such opinion or to advise that it cannot render such an opinion; provided, however, that if Stewart, Hatfield, Klass & Whicher or Other Independent Counsel fails to advise the Lessor and the Lessee

within such seven day period or advise that it will require more than 60 days, then the Lessor, the Lessee and Stewart, Hatfield, Klass & Whicher or Other Independent Counsel shall in good faith agree to a period of not in excess of 120 days to serve as the Prescribed Period.

(f) In the event and to the extent that, with respect to any taxable year of the Trustor beginning prior to the return thereof to the Lessor, the cost of any improvement or addition (a Capital Expenditure) to any Item of Leased Equipment made by the Lessee under and pursuant to the terms of this Lease or otherwise, is required to be included in the gross income of the Trustor for federal income tax purposes at any time, then the Lessee shall pay to the Lessor on the Rent Payment Date next following 30 days after the date on which the Lessee is notified by the Lessor that such cost is required to be included in the Trustor's gross income, an amount which, after deduction of all taxes required to be paid by the Trustor in respect of the receipt thereof under the laws of any federal, state or local government or taxing authority of the United States or under the laws of any taxing authority or governmental subdivision of a foreign country, shall cause the Trustor's net after-tax return that would have been available to the Trustor if the cost of such Capital Expenditure had not been includible in the Trustor's gross income. The Lessee agrees that, within 30 days after the close of any calendar year (or in the event the Lessor gives the Lessee written notice that the Trustor's taxable year closes on a date specified therein other than December 31, within 30 days after said date) in which the Lessee has made any Capital Expenditures, the Lessee will give written notice thereof to the Lessor describing such Capital Expenditures in reasonable detail and specifying the cost thereof.

(g) For purposes of this Section 16, the term "Trustor" shall include any affiliated group, within the meaning of Section 1504 of the Code, of which the Trustor is a member if consolidated returns are filed for such affiliated group for federal income tax purposes.

(h) All of the Trustor's rights and privileges arising from the indemnities contained in this Section 16 shall survive the expiration or other termination of this Lease with respect to any or all Items of Leased Equipment and such indemnities are expressly made for the benefit of and shall be enforceable by the Trustor, its successors and assigns.

SECTION 17. Lease Extension.

(a) Subject to the other terms and conditions of this Section 16 and provided that this Lease has not been terminated and provided that no Event of Default has occurred and is continuing hereunder, the Lessee shall have the option to extend the term of this Lease with respect to all, but not any part of the Equipment for such Lease Extension Periods as are provided for in Exhibit C hereto for a rental equal to the Fair Market Rental Value thereof determined as of the end of such term.

(b) Not less than 180 days prior to the end of the term of this Lease, or any extension hereof, with respect to the Equipment the Lessee may indicate, by written notice to the Lessor, the Lessee's interest in exercising the Lessee's lease extension option described above, which notice shall set

forth the Lessee's estimate of the Fair Market Rental Value of such Items as of the end of such term. If, on or before a date 160 days prior to such Expiration Date, the Lessor and the Lessee are unable to agree upon a determination of the Fair Market Rental Value of such Items, then the Fair Market Rental Value shall be determined by Appraisal. Said appraisal shall be complete on or before 100 days prior to such Expiration Date. When a determination of Fair Market Value has been made in accordance with the procedure described above, the Lessee may exercise its option to extend the term of this Lease with respect to said Items for the Fair Market Rental Value thereof by delivering written notice of such exercise to the Lessor not less than 90 days prior to the expiration of the term of this Lease with respect to such Group.

(c) Fair Market Rental Value shall be determined on the basis of and shall mean the aggregate amount which would be obtainable in an arm's-length transaction between an informed and willing lessee (other than (i) a lessee currently in possession or (ii) a used equipment dealer) and an informed and willing lessor under no compulsion to lease, and in such determination, (x) the cost of removal from the location of current use shall not be a deduction from such value, and (y) all alternative uses in the hands of such lessee, including, without limitation, further leasing shall be taken into account.

SECTION 18. Events of Default.

The term Event of Default, wherever used herein, shall mean any of the following events under the Lease (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or come about or be affected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) The Lessee shall fail to make any payment of Rent within 5 days after the same shall become due; the Lessee shall have the right to cure a default as described in this paragraph (a) if within 1 business day after receipt of notice of default Lessee delivers the payment of Rent in default, this right to cure shall be limited to 10 nonconsecutive defaults caused by clerical oversights on the part of the Lessee, or

(b) The Lessee shall fail to perform or observe any other covenant, condition, or agreement to be performed or observed by it under this Lease, or any agreement, document or certificate delivered by the Lessee in connection herewith or therewith, and such failure shall continue for 20 days after written notice thereof from the Lessor to the Lessee; provided, however, that it shall not be an Event of Default hereunder if (i) the Lessee shall, at the end of each 20-day period, have properly commenced, and is diligently proceeding to perform or observe such covenant, condition or agreement, (ii) in the reasonable opinion of the Lessor the Lessee continues to proceed diligently and (iii) such covenant, condition or agreement is performed or observed within an additional 20 days; or

(c) Any representation or warranty made by the Lessee in this Lease or the Participation Agreement or in any document or certificate furnished to the Lessor in connection herewith or therewith shall prove to have been incorrect in any material respect when any such representation or warranty was made or given; or

(d) A petition in bankruptcy shall be filed by the Lessee, or the Lessee shall make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver; or a trustee or a receiver shall be appointed for the Lessee, for any Item of Leased Equipment or for a substantial part of its property without its consent and shall not be dismissed within a period of 60 days; or bankruptcy, reorganization or insolvency proceedings shall be instituted against the Lessee and shall not be dismissed for a period of 60 days; or

(e) The Lessee shall be in default under any material obligation for the payment of borrowed money under any obligation, or for the payment of any rent, excluding the Rent under this Lease nonpayment of which is an Event of Default pursuant to Section 18(a) above, and the applicable grace period with respect thereto shall have expired and the obligations shall not be contested in good faith, provided however, that during the course of such a contest the Lessee's business shall not be materially adversely affected; or

(f) The Lessee shall attempt to remove, sell, transfer, encumber, part with possession of, assign or sublet (except as expressly permitted by the provisions of this Lease) any Item of Leased Equipment.

SECTION 19. Remedies.

(a) Upon the occurrence of any Event of Default and so long as the same shall be continuing, the Lessor may, at its option, declare this Lease to be in default by written notice to such effect given to the Lessee, and at any time thereafter, the Lessor may exercise one or more of the following remedies, as the Lessor in its sole discretion shall lawfully elect:

(1) Proceed by appropriate court action, either at law or in equity, to enforce performance by the Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof;

(2) By notice in writing terminate this Lease, whereupon all rights of the Lessee to the use of the Leased Equipment shall absolutely cease and terminate but the Lessee shall remain liable as hereinafter provided; and thereupon the Lessee, if so requested by the Lessor, shall at its expense promptly return the Leased Equipment to the possession of the Lessor at such place as the Lessor shall designate and in the condition required upon the return thereof pursuant to and in accordance with the terms hereof, or the Lessor, at its option, may enter upon the premises where the Leased Equipment is located and take immediate possession of and remove the same by summary proceedings or otherwise, without liability. The Lessee shall, without further demand, forthwith pay to the Lessor an amount equal to any unpaid Rent due and payable for all periods up to the Basic Rent Date following the date on which the Lessor has declared this Lease to be in default, plus, as liquidated damages for loss of a bargain and not as a penalty, an amount equal to the Casualty Value of the Leased Equipment then subject to this Lease, computed as of the Basic Rent Date following the date on which the Lessor had declared this Lease to be in default. Following the return of the Leased Equipment to the Lessor pursuant to this paragraph (2), the Lessor shall proceed to sell the Leased Equipment in such manner as it shall deem appropriate. The proceeds of such sale shall be applied by the Lessor (A) first, to all costs, charges

and expenses, including reasonable legal fees and disbursements, incurred by the Lessor as a result of the default and the exercise of its remedies with respect thereto, and (B) second, to reimburse the Lessee for the Casualty Value to the extent previously paid by the Lessee as liquidated damages. Any surplus remaining thereafter shall be retained by the Lessor. To the extent that the Casualty Value has not been previously paid, the Lessee shall forthwith pay to the Lessor the sum of (i) the amount by which (X) the sum of (a) the Casualty Value thereof, and (b) the amount payable under clause (A) of the preceding sentence, exceeds (Y) the sale price of the Leased Equipment, and (ii) interest at the Overdue Rate on the full amount of the Casualty Value, computed from the date the Casualty Value is payable hereunder until such Casualty Value is paid by the Lessee.

(b) The Lessee shall be liable for all costs, charges and expenses, including reasonable legal fees and disbursements, incurred by the Lessor by reason of the occurrence of any Event of Default or the exercise of the Lessor's remedies with respect thereto.

(c) No remedy referred to herein is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to above or otherwise available to the Lessor at law or in equity. No express or implied waiver by the Lessor of any default or Event of Default hereunder shall in any way be, or be construed to be, a waiver of any future or subsequent default or Event of Default. The failure or delay of the Lessor in exercising any 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 and any single or partial exercise of any particular right by the Lessor shall not exhaust the same or constitute a waiver of any other right provided herein.

(d) If the Lessee shall fail to make any payment or perform any act required by this Lease, the Lessor may, but shall not be obligated to, make such payment or perform such act for the account of and at the expense of the Lessee, without notice to or demand upon the Lessee and without waiving or releasing any obligation or default; provided, however, that no such payment or action by the Lessor shall constitute or be deemed a waiver of an Event of Default. The Lessee hereby agrees to indemnify the Lessor and hold the Lessor harmless from and against all losses and expenses (including, but not limited to, reasonable attorney's fees) suffered or incurred by the Lessor by reason of any acts performed by it pursuant to this Section 19 (d), except with respect to such acts as shall constitute the willful misconduct or gross negligence of the Lessor; and the Lessee shall pay to the Lessor, upon demand, all sums expended, or losses and expenses suffered or incurred, by the Lessor pursuant to this Section 19 (d), plus interest thereon, at the Overdue Rate, to the extent permitted by applicable law from the date on which such sums are expended, or losses and expenses suffered or incurred, by the Lessor to the date on which the Lessee reimburses the Lessor therefor.

SECTION 20. Right to Cure.

Lessor shall, at its sole option, have the right to cure any Lessee's defaults and Lessee shall be liable for any cost or expenses the Lessor

may suffer as a result of the exercise of its right to cure and to pay such costs and expenses to the Lessor as supplemental rent.

SECTION 21. Right of First Refusal.

(a) Provided that this Lease has not been terminated by the Lessee and provided that no Event of Default has occurred and is continuing hereunder, the Lessor agrees that, at the expiration of this Lease or any extension thereof and for 120 days following the expiration of the term of this Lease or any extension thereof with respect to any Item of Leased Equipment, it will not re-lease or sell such Item of Leased Equipment unless the Lessor shall have given the Lessee at least 15 Business Days' prior written notice of such lease or sale, and the Lessee shall have the opportunity during said period to lease or purchase such Item of Leased Equipment at the same rental or price and on the same terms as specified in such notice.

(b) In the event the Lessee exercises such right of first refusal to purchase any Item of Leased Equipment, then, upon payment of the purchase price, the Lessor shall, upon request of the Lessee, execute and deliver to the Lessee, or to the Lessee's assignee or nominee, a bill of sale (without representations or warranties except that such Item of Leased Equipment is free and clear of all claims, liens, security interests and other encumbrances by or in favor of any person claiming by, through or under the Lessor) for such Item of Leased Equipment, and such other documents as may be required to release such Item of Leased Equipment from the terms and scope of this Lease and to transfer title thereto to the Lessee or such assignee or nominee, in such form as may reasonable be requested by the Lessee, all at the Lessee's expense.

SECTION 22. Filing.

Prior to the delivery and acceptance of the first Item of Equipment, the Lessee will, at its sole expense cause this Lease and the documents necessary to perfect title in the Lessor or to perfect any lien or security interest the Lessor may grant thereon to be duly filed, recorded or deposited with the Interstate Commerce Commission in accordance with 49 U.S.C. Section 11303 and in such public offices and within or without the United States as the Lessor or its assignee may reasonably request and will furnish the Lessor and its assignee proof thereof prior to the acceptance of the Equipment. The Lessee will, from time to time, do and perform any other act and will execute, acknowledge, deliver, file, register and record (and will refile, re-register or re-record whenever required) any and all further instruments required by law or reasonably requested by the Lessor or its assignee, for the purpose of protecting the Lessor's title to, or its assignee's security interest in, any Item of Equipment to the satisfaction of the Lessor's or the assignee's counsel or for the purpose of carrying out the intention of this Lease, and in connection with any such action, will deliver to the Lessor and the assignee prior to acceptance of the Equipment proof of such filings and an opinion of the Lessee's counsel that such action has been properly taken. The Lessee will pay all costs, charges and expenses incident to any such filing, refiling, recording and re-recording or depositing and re-depositing of any such instruments or incident to the taking of such action.

SECTION 23. Notices.

All communications and notices provided for herein shall be in writing and shall become effective when deposited in the United States mail, with proper postage for first-class mail prepaid, addressed (a) if to the Lessor, at P.O. Box 30007, Sale Lake City, Utah 84125, Attention: Trust Division, Corporate Trust Department (with copies to Dial Leasing Corporation, 207 9th, Des Moines, Iowa, 50307, Attention Mike J. Keller), and (b) if to the Lessee, at its address set forth on the signature page hereof.

SECTION 24. Assignments by Lessor.

This Lease and all rent and other sums due and to become due hereunder may be assigned in whole or in part by the Lessor without the consent of the Lessee. The rent and other sums payable by the Lessee which are the subject matter of the assignment shall upon Lessor's direction be paid to or upon the written order of the assignee. Without limiting the foregoing, the Lessee further acknowledges and agrees that (i) the rights of any such assignee in and to the sums payable by the Lessee under any provision of this Lease shall not be subject to any abatement whatsoever and shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever whether by reason of failure of or defect in the Lessor's title, or any interruption from whatsoever cause in the use, operation or possession of the Equipment or any part thereof, or any damage to or loss or destruction of the Equipment or any part thereof, or by reason of any other indebtedness or liability, howsoever and whenever arising, of the Lessor to the Lessee or to any other person, firm or corporation or to any governmental authority or for any cause whatsoever, it being the intent hereof that, except in the event of a wrongful act on the part of such assignee, the Lessee shall be unconditionally and absolutely obligated to pay such assignee all of the rents and other sums which are the subject matter of the assignment, (ii) said assignee shall, if an Event of Default, or any event which with the lapse of time or the giving of notice, or both, would constitute such an Event of Default, shall have occurred and be continuing, have the sole right to exercise all rights, privileges and remedies (either in its own name or in the name of the Lessor for the use and benefit of said assignee) which by the terms of this Lease are permitted or provided to be exercised by the Lessor (except those rights, privileges and remedies relating to amounts payable to the Lessor or the Trustor pursuant to the indemnities made by the Lessee to Lessor made herein which shall remain enforceable by the Lessor and/or the Trustor, as the case may be), but if no Event of Default or event which the lapse of time or giving of notice, or both, would constitute an Event of Default, shall have occurred and be continuing, said assignee, the Lessor and the Trustor may each exercise their respective rights, privileges and remedies stated in this Lease to be provided for their respective benefits, and (iii) all obligations of the Lessor to the Lessee under this Lease shall be and remain enforceable by the Lessee against, and only against, the Lessor.

It is understood and agreed that the right, title and interest of any such assignee in, to and under this Lease and the rents and other sums due and to become due hereunder shall be the express terms granting and conveying the same be subject to the interest of the Lessee in and to the Equipment.

SECTION 25. Amendments and Miscellaneous.

(a) The terms of this Lease shall not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever except by written instrument signed by the Lessor and the Lessee; provided that no such waiver, alteration, modification, amendment or supplement shall make any change, and no termination shall be made, without the consent of the Assignee of the Lessor.

(b) This Lease, including all agreements, covenants, representations and warranties, shall be binding upon and inure to the benefit of (i) the Lessor and its successors, assigns, agents, servants and personal representatives and, where the context so requires, (A) each Beneficiary, as defined in the Participation Agreement, and (B) the Lender, as defined in the Participation Agreement, as assignee and secured party, and the successors, assigns, agents, servants and personal representatives of each Beneficiary and the Trustee as assignee and secured party, and (ii) the Lessee and its successors and, to the extent permitted hereby, assigns. With respect to the provisions of Sections 6, 8, 14 and 16 hereof, each Beneficiary, the Owner Trustee, as defined in the Participation Agreement (both in its individual and fiduciary capacities) the Lender, as assignee and secured party, any holder of obligations of the Lessor issued in connection with this Lease, and the successors, assigns, agents, servants and personal representatives of the foregoing shall each be indemnified thereunder and, with respect to clause (2) of the provision to Section 14 hereof, the willful misconduct or gross negligence of any one such person shall not affect the rights of any other such person under such Section 14. Nothing in this paragraph (b) shall be construed to constitute a guaranty of any obligations under the Note(s).

(c) All agreements, indemnities, covenants, representations and warranties contained in this Lease or in any document or certificate delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Lease and the expiration or other termination of this Lease.

(d) Any provision of this Lease which may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, the Lessee hereby waives any provision of law which renders any provision hereof prohibited or unenforceable in any respect.

(e) This Lease shall constitute an agreement of lease and nothing herein shall be construed as conveying to the Lessee any right, title or interest in or to the Leased Equipment, except as lessee only.

(f) The single executed original of this Lease marked "Original" shall be the "Original" and all other counterparts hereof shall be marked and be "Duplicates." To the extent that this Lease constitutes chattel paper, as such term is defined in the Uniform Commercial Code as in effect in any applicable jurisdiction, no security interest in this Lease may be created through the transfer or possession of any counterpart other than the "Original."

(g) This Lease shall be construed in accordance with, and shall be governed by, the laws of the State of Iowa.

(h) Section headings are for convenience only and shall not be construed as part of this Lease.

(i) Although this Lease is dated as of the date first above written for convenience, the actual dates of execution hereof by the parties hereto are respectively the dates set forth opposite the signatures hereto, and this Lease shall be effective on the latest of such dates.

IN WITNESS WHEREOF, the parties hereto have each caused this Lease to be duly executed by their respective officers thereunto duly authorized.

FIRST SECURITY BANK OF UTAH, N.A.,
not in its individual capacity, but
solely as trustee under a Master Trust
Agreement dated as of November 15, 1979
between it and Dial Leasing Corporation
of Iowa

as Lessor

By *Arthur B. Edwards*
Authorized Officer

Date February 1, 1980

TERMINAL GRAIN CORPORATION
as Lessee

By _____
William F. Palmer
President

Date _____

Address: P.O. Box 209
Sioux City, Iowa 51102

Attention: William F. Palmer
President

The undersigned hereby certifies that the person executing this Lease on behalf of the Lessee holds the indicated office, was duly elected thereto and at all relevant times has been a duly qualified and acting officer of the Lessee.

Secretary & General Counsel

Date _____

(g) This Lease shall be construed in accordance with, and shall be governed by, the laws of the State of Iowa.

(h) Section headings are for convenience only and shall not be construed as part of this Lease.

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as Lessor

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Authorized Officer

Date _____

TERMINAL GRAIN CORPORATION
as Lessee

By W E Palmer
William E. Palmer
President

Date Feb 1, 1980

Address: P.O. Box 209
Sioux City, Iowa 51102

Attention: William E. Palmer
President

The undersigned hereby certifies that the person executing this Lease on behalf of the Lessee holds the indicated office, was duly elected thereto and at all relevant times has been a duly qualified and acting officer of the Lessee.

W E Palmer
Secretary & ~~General Counsel~~

Date Feb 1, 1980

DESCRIPTION OF EQUIPMENT

<u>Groups of Equipment (a)</u>	<u>Quantity (b)</u>	<u>Manufacturer</u>	<u>Description (c)</u>	<u>Estimated Lessor's Cost (Per Item)</u>
1	25	Trinity Industries Inc.	New 4750 Cubic Foot, 3 compart- ment, covered Railroad Hopper Cars with trough hatches and Gravity unloading gates, mounted on 100 ton trucks with roller bearings. Serial numbers to be furnished upon delivery and shall be designated on the Certificate of Acceptance.	\$47,250

(a) Equipment shall include such additional quantities of Items of Equipment specifically described above as the Lessee shall include in a Certificate of Acceptance; provided, however, that in no event shall the Maximum Investment Commitment be exceeded without the express approval of the Lessor.

(b) Upon the prior written consent of the Lessor, which consent shall not be unreasonably withheld, additional equipment not specifically described above may be included as Equipment for the purposes hereof; provided, however, that in no event shall the Maximum Investment Commitment be exceeded without the express approval of Lessor; and provided, further, that no such additional equipment shall be or become an Item of Leased Equipment unless and until the Lessee shall have taken or caused to be taken all such action as may be required under and pursuant to the Indenture to perfect, protect and preserve the security interest granted by the Lessor under and pursuant to the Indenture.

CERTIFICATE OF ACCEPTANCE NO. __

under

Equipment Lease dated as of November 15, 1979 (the Lease) between FIRST SECURITY BANK OF UTAH, N.A., not in its individual capacity, but solely as trustee under a Master Trust Agreement dated as of November 15, 1979 between it and Dial Leasing Corporation of Iowa, as lessor (the Lessor) and Terminal Grain Corporation, as Lessee (the Lessee).

1. Items of Equipment

The Lessee hereby certifies that the Items of Equipment set forth and described in Schedule 1 hereto (which Schedule includes the amount of the Lessor's Cost of each such Item), constituting Items of Equipment of the Group of Equipment indicated below, have been delivered to the location indicated below, tested and inspected by the Lessee, found to be in good order and accepted as Items of Leased Equipment under the Lease, all on the date indicated below:

Group of Equipment: Group 1

Jurisdiction in Which Such
Items are Accepted:

Date of Acceptance:

2. Representations by the Lessee

The Lessee hereby represents and warrants to the Lessor, Trustor, and their assignees, if any, that on the Date of Acceptance:

(1) the representations and warranties of the Lessee set forth herein are true and correct in all material respects on and as of such date as though made on and as of such date;

(2) the Lessee has satisfied or complied with all requirements set forth in this Lease to be satisfied or complied with on or prior to such date;

(3) no Event of Default under the Lease or event which, with the giving of notice or the lapse of time, or both, would become such an Event of Default has occurred and is continuing;

(4) the Lessee has obtained, and there are in full force and effect, such insurance policies with respect to each Item of Leased Equipment described in the attached work order(s) as are required to be obtained under the terms of the Lease;

(5) with respect to each such Item which is registerable under, or for which a Certificate of Title is required by, the applicable laws of any jurisdiction, application for a certificate of title showing the Lessor as owner and the Lender as first lien-holder of such Item has been filed with the appropriate governmental agency in the jurisdiction in which such Item was accepted and such Item has been duly registered with such agency; and

(6) with respect to each such Item which is registerable under, or for which a Certificate of Title is required by, the applicable laws of any jurisdiction, the Lessee has complied with all requirements of such agency, including the payment of requisite fees, in connection with the application for the certificate of title for, and registration of, such Item; and

(7) the Items of Equipment have not been used by Lessee prior to such date.

as Lessee

Dated: Feb 1, 1980

By W.F. Palmer, President

Accepted on the Date of Acceptance set forth in paragraph 1 above on behalf of the Lessor: FIRST SECURITY BANK OF UTAH, N.A., not in its individual capacity, but solely as trustee under a Master Trust Agreement dated as of November 15, 1979 between it and Dial Leasing Corporation of Iowa
as Lessor

By _____
Authorized Representative

SCHEDULE 1 TO
CERTIFICATE OF ACCEPTANCE NO. _____

Description of Equipment and Lessor's Cost

<u>Quantity</u>	<u>Manufacturer or Seller</u>	<u>Description</u>	<u>Identification or Serial Number</u>	<u>New or Used</u>	<u>Lessor's Cost</u>
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Total Lessor's Cost \$ _____

UCC-Filing

Debtor: First Security Bank of Utah, N.A.,
not in its individual capacity, but
solely as Owner Trustee

Secured Party: Central Life Assurance Company

EXHIBIT C

Group 1 Equipment
(15-year Basic Lease Term)

Date of Lease: November 15, 1979

Trustor: Dial Leasing Corporation
207 9th Street
Des Moines, IA 50307
Attention: Mike J. Keller

Daily Lease Rate Factor: \$14.33

Cut-Off Date: June 1, 1980

Rent Commencement Date: The date of acceptance set forth in the Certificate of Acceptance executed with respect thereto.

Basic Rent Dates: March 1, 1980, and on the same day of each month thereafter through February 1, 1995, totaling Basic Rent payments.

Expiration Date: March 1, 1995

First Delivery Date: January 28, 1980

Final Delivery Date: March 1, 1980

Interim Rent Date: March 1, 1980

First Basic Rent Date: March 1, 1980

Last Basic Rent Date: February 1, 1995

First Termination Date: March 1, 1990

Basic Lease Rate Factor: \$430.00

Overdue Rate: 12% per annum

Lease Extension Periods: Two one year periods.

Equipment Marking: Owned by and Leased from First Security Bank of Utah, N.A. as Owner Trustee for Dial Leasing Corporation of Iowa pursuant to a Master Trust Agreement dated November 15, 1979 and subject to a Security Interest of Central Life Assurance Company recorded with the ICC.

Return of Equipment: The Lessee shall, at its own expense, deliver each Item of Leased Equipment to the Lessor at any single location the Lessor shall direct provided said location is within the United States and is west of the Mississippi River.

Investment Credit: 10%

Depreciable Life: A 12-year depreciable life pursuant to section 167(m) of the Code for an asset described in Asset Guideline Class No. 00.25

Depreciation Method: Double-declining balance method and switching to the sum-of-the-years digits method without the prior consent of the Commissioner of Internal Revenue utilizing either the "modified half-year" or "half-year" convention pursuant to Reg. section 1.67(a)-11(c)-(2) and taking into account the Salvage Value of the Leased Equipment.

Salvage Value:

An amount equal to 10% of the Lessor's Cost of the Leased Equipment, which amount will be reduced by 10% of the Lessor's Cost as provided in section 167(f) of the Code

Maximum Investment Commitment:

\$1,240,312.50

EXHIBIT D

Group 1 Equipment

The Casualty Value and Termination Value of each Item of Leased Equipment shall be the percentage of Lessor's Cost of such Item set forth opposite the applicable rent payment:

<u>Rent Payment Number</u>	<u>Casualty Value (a)(b)</u>	<u>Termination Value (b)(c)</u>	<u>Penalty Value (b)(c)</u>
1	83.7149		
2	84.0420		
3	84.3170		
4	84.5936		
5	84.8176		
6	85.0427		
7	85.2689		
8	85.4421		
9	85.6159		
10	85.7904		
11	85.9114		
12	86.0326		
13	86.1540		
14	86.2755		
15	86.3721		
16	86.4687		
17	86.5401		
18	86.6113		
19	86.6822		
20	86.7277		
21	86.7727		
22	86.8172		
23	86.8361		
24	86.8542		
25	86.8716		
26	86.8883		
27	86.8840		
28	86.8788		
29	86.8524		
30	86.8250		
31	86.7963		
32	86.7464		
33	86.6950		
34	86.6423		
35	86.5681		
36	86.4923		

EXHIBIT D

Group 1 Equipment

<u>Rent Payment Number</u>	<u>Casualty Value (a)(b)</u>	<u>Termination Value (b)(c)</u>	<u>Penalty Value (b)(c)</u>
37	86.4149		
38	86.3359		
39	86.2386		
40	86.1394		
41	86.0217		
42	85.9020		
43	85.7804		
44	85.6400		
45	85.4974		
46	85.3526		
47	85.1889		
48	85.0228		
49	84.8543		
50	84.6833		
51	84.4967		
52	84.3075		
53	84.1024		
54	83.8945		
55	83.6839		
56	83.4572		
57	83.2275		
58	82.9949		
59	82.7460		
60	82.4940		
61	82.2388		
62	81.9804		
63	81.7091		
64	81.4344		
65	81.1467		
66	80.8555		
67	80.5607		
68	80.2527		
69	79.9410		
70	79.6256		
71	79.2968		
72	78.9641		
73	78.6275		
74	78.2870		
75	77.9365		
76	77.5819		
77	77.2172		

EXHIBIT D

Group 1 Equipment

<u>Rent Payment Number</u>	<u>Casualty Value (a)(b)</u>	<u>Termination Value (b)(c)</u>	<u>Penalty Value (b)(c)</u>
78	76.8483		
79	76.4752		
80	76.0918		
81	75.7041		
82	75.3120		
83	74.9094		
84	74.5022		
85	74.0906		
86	73.6743		
87	73.2511		
88	72.8232		
89	72.3883		
90	71.9486		
91	71.5041		
92	71.0524		
93	70.5957		
94	70.1340		
95	69.6650		
96	69.1908		
97	68.7115		
98	68.2270		
99	67.7389		
100	67.2455		
101	66.7484		
102	66.2459		
103	65.7380		
104	65.2263		
105	64.7091		
106	64.1863		
107	63.6596		
108	63.1271		
109	62.5888		
110	62.0447		
111	61.5004		
112	60.9501		
113	60.3996		
114	59.8432		
115	59.2807		
116	58.7179		
117	58.1489		
118	57.5739		

EXHIBIT D

Group 1 Equipment

<u>Rent Payment Number</u>	<u>Casualty Value (a)(b)</u>	<u>Termination Value (b)(c)</u>	<u>Penalty Value (b)(c)</u>
119	56.9984		
120	56.4160		
121	55.8267	55.8267	1.37100
122	55.2305	55.2305	1.34745
123	54.6370	54.6370	1.32369
124	54.0365	54.0365	1.29971
125	53.4388	53.4388	1.27551
126	52.8340	52.8340	1.25109
127	52.2221	52.2221	1.22645
128	51.6128	51.6128	1.20158
129	50.9963	50.9963	1.17648
130	50.3727	50.3727	1.15115
131	49.7515	49.7515	1.12943
132	49.1225	49.1225	1.10752
133	48.4855	48.4855	.86833
134	47.8405	47.8405	.85047
135	47.2011	47.2011	.83245
136	46.5538	46.5538	.81427
137	45.9120	45.9120	.79592
138	45.2622	45.2622	.77741
139	44.6043	44.6043	.75872
140	43.9519	43.9519	.73986
141	43.2913	43.2913	.72083
142	42.6225	42.6225	.70162
143	41.9591	41.9591	.68526
144	41.2869	41.2869	.66875
145	40.6056	40.6056	.48907
146	39.9153	39.9153	.47646
147	39.2336	39.2336	.46373
148	38.5429	38.5429	.45089
140	37.8607	37.8607	.43793
150	37.1694	37.1694	.42485
151	36.4690	36.4690	.41165
152	35.7771	35.7771	.39833
153	35.0760	35.0760	.38488
154	34.3657	34.3657	.37132
155	33.6638	33.6638	.35910
156	32.9522	32.9522	.34676
157	32.2309	32.2309	.22288
158	31.4997	31.4997	.21450
159	30.7789	30.7789	.20605

EXHIBIT D

Group 1 Equipment

<u>Rent Payment Number</u>	<u>Casualty Value (a)(b)</u>	<u>Termination Value(b)(c)</u>	<u>Penalty Value(b)(c)</u>
160	30.0483	30.0483	.19752
161	29.3281	29.3281	.18892
162	28.5980	28.5980	.18023
163	27.8580	27.8580	.17146
164	27.1283	27.1283	.16262
165	26.3887	26.3887	.15369
166	25.6391	25.6391	.14468
167	24.8996	24.8996	.13607
168	24.1500	24.1500	.12737
169	23.3901	23.3901	.05929
170	22.6198	22.6198	.05487
171	21.8605	21.8605	.05040
172	21.0909	21.0909	.04589
173	20.3323	20.3323	.04134
174	19.5633	19.5633	.03675
175	18.7839	18.7839	.03211
176	18.0154	18.0154	.02743
177	17.2365	17.2365	.02271
178	16.4470	16.4470	.01795
179	15.6683	15.6683	.00901
180	15.0000	14.8825	

(a) Casualty Values are expressed as a percentage of Lessor's Cost. Such percentages have been computed without regard to recapture of Investment Credit. Consequently, such percentages applicable on the Interim Rent Date or any Basic Rent Date where a Casualty Value shall be payable with respect to an Event of Loss occurring before the third, fifth or seventh anniversary of the date of acceptance set forth in the Certificate of Acceptance for such Item shall be increased by the percentage of Lessor's Cost set forth below, and for purposes of this Lease, Casualty Values payable on such dates shall be determined on the basis of the sum of such percentages:

<u>Anniversary of the Date of Acceptance</u>	<u>Percent of Lessor's Cost To be Added to the Foregoing Percentage</u>
Third	20.4082%
Fifth	13.6054%
Seventh	6.8027%

(b) In the event the Basic Lease Rate Factor is increased, pursuant to the tax indemnification provisions set forth in Section 16 of the Lease, Casualty Values, Termination Values and Penalty Values will be adjusted accordingly.

(c) Termination Values are expressed as a percentage of Lessor's Cost and do not include the Penalty Value. The Penalty Value is expressed as a percentage of Lessor's Cost and are not added to the Termination Value but are in addition to the Termination Value and are not to be considered part of any excess costs of the Termination Value as set forth in Section 12 hereof.