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DONELAN, CLEARY, WOOD & MASER, P. C.

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July 6, 1994

New Recordation No.

RECORDATION NO. **18881** FILED 1425

JUL 6 1994 9 25 AM

INTERSTATE COMMERCE COMMISSION

RECORDED
JUL 9 9 25 AM

Dear Mr. Strickland:

On behalf of Industrial Investment Corporation, I submit for filing and recording under 49 U.S.C. § 11303(a) and the regulations promulgated thereunder, executed counterparts of a primary document, not previously recorded, entitled Equipment Lease ("Lease"), executed October 26, 1992.

The parties to the enclosed Lease are:

Industrial Investment Corporation — LESSOR
P.O. Box 706
Galion, Ohio 44833

X Wisconsin & Michigan Railway Company AND — LESSEES
P.O. Box 704 CRAIG BURROUGHS
Ironwood, MI 49938

The said Lease, among other things, acts to lease six (6) gondola cars by the Lessor to the Lessee.

The equipment covered by the instant Lease is as identified in the Lease under old ACR and new WAND numbers.

A short summary of the Lease to appear in the ICC Index is as follows:

"Covers 6 gondolas old ACR and new WAND numbers."

Enclosed is a check in the amount of eighteen dollars (\$18.00) in payment of the filing fee.

Once the filing has been made, please return to bearer the stamped counterpart(s) of the document not required for filing purposes, together with the fee receipt, the letter from the ICC acknowledging the filing, and the two extra copies of this letter of transmittal.

X PLEASE INDEX UNDER
BOTH LESSEES NAMES

Very truly yours,
Allen H. Harrison, Jr.
Allen H. Harrison, Jr.
Attorney for Industrial Investment Corporation
for the purpose of this filing.

Honorable Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Washington, D.C. 20423
Enclosures
BY HAND

8376 -020

counterparts of H. Harrison

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

JULY 6, 1994

ALLEN H. HARRISON, JR.
DONELAN, CLEARY, WOOD & MASER, P.C.
1275 K ST., NW SUITE 850
WASHINGTON DC 20005-4078

Dear MR. HARRISON:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 7/6/94 at 9:25AM, and assigned recordation number(s). 18881, ~~XXXXXXXXXXXXXXXXXXXX~~ ^{TMS}

Sincerely yours,

Sidney L. Strickland, Jr.
Secretary

Enclosure(s)

^{TMS}
18.00
\$ ~~36.00~~ The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one stamped on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine you document.

Signature *Felicia M. Stokes*

18881

RECORDATION NO. _____ FILED 1425

JUL 6 1994 -9 25 AM

EQUIPMENT LEASE

This Equipment Lease is entered into by and between INTERSTATE COMMERCE COMMISSION INDUSTRIAL INVESTMENT CORPORATION ("LESSOR") and WISCONSIN AND MICHIGAN RAILWAY COMPANY and CRAIG BURROUGHS ("LESSEES");

R E C I T A L S

WHEREAS, LESSOR has acquired certain equipment (collectively, the "Equipment" and individually, "Item of Equipment"), described in Schedule A attached hereto and made a part hereof and shall lease and let the same to the LESSEES, and LESSEES shall hire such Equipment from LESSOR for the rental and subject to the terms and conditions hereinafter set forth.

WHEREAS, LESSEES desire to lease the Equipment at the rental and for the terms and upon the conditions hereinafter provided;

NOW, THEREFORE, in consideration of the premises and of the rentals to be paid and the covenants hereinafter stated to be kept and performed by LESSEES, LESSOR hereby leases the Equipment to LESSEES upon the following terms and conditions.

SECTION 1. LEASE AND DELIVERY OF EQUIPMENT.

1.1. Delivery and Acceptance. LESSOR and LESSEES agree that the place of delivery of the Equipment shall be F.O.T. at the interchange point of the Algoma Central Railway and the Wisconsin Central, Ltd., at Sault Ste. Marie, Ontario, Canada. By execution of this Lease, LESSEES shall be deemed to have designated the Wisconsin Central, Ltd. to accept the Equipment for and on behalf of LESSEES. Upon acceptance of the Equipment LESSEES agree to execute and deliver to LESSOR a Certificate of Acceptance.

1.2. Certificate of Acceptance. LESSEES' execution and delivery of the Certificate of Acceptance shall conclusively establish that such Equipment is acceptable to and accepted by LESSEES under this lease, and that the Equipment is in good order and condition.

SECTION 2. RENTALS AND PAYMENT DATES.

2.1. Rent for Equipment. The LESSEES agree to pay to the LESSOR for each Item of Equipment, a sum equal to 20% of the monthly gross revenue generated by said Item of Equipment.

2.2. Rent Payment Dates. The monthly rental as set forth in 2.1. above shall be paid by LESSEES to LESSOR by the 10th day of the month following the month during which the gross revenue for each Item of Equipment was generated. LESSEES shall furnish LESSOR with detail as to how the monthly gross revenue was calculated.

2.3. Place and Manner of Rent Payment. The payments to be made by LESSEES under this lease shall be made to LESSOR at P. O. Box 706, Galion, Ohio 44833, or at such other place as the LESSOR shall specify in writing to LESSEES.

2.4. Net Lease. This is a net lease, and LESSEES' obligation to pay all amounts due hereunder shall be absolute and unconditional under any and all circumstances and, without limiting the generality of the foregoing, LESSEES shall not be entitled to any abatement of rent or reduction thereof or setoff against rent, including, but not limited to: abatements; reductions or setoffs due to any present or future claims of LESSEES against LESSOR; nor, except as otherwise expressly provided herein, shall this lease terminate nor shall the respective obligations of LESSOR and LESSEES be otherwise affected by reason of any defect in or damage to or loss or destruction of all or any of the Equipment from whatsoever cause, including the taking or requisitioning of the Equipment by condemnation or otherwise, the lawful prohibition of LESSEES' use of the Equipment, the interference with such use by any private person or corporation, the invalidity or unenforceability or lack of due authorization or other infirmity of this lease insofar as LESSEES are concerned, or lack of right, power of authority of LESSEES to enter into this lease, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding. It is the intention of the parties hereto that the rents and other amounts payable by LESSEES hereunder shall continue to be payable in all events unless the obligation to pay the same shall be terminated pursuant to Section 11 hereof, or until, pursuant to Section 13 hereof, the Equipment has been returned to the possession of LESSOR (for all purposes of this lease any Item of Equipment shall not be deemed to have been returned to LESSOR'S possession until all of LESSEES' obligations with respect to the return, transportation and storage thereof have been performed). To the extent permitted by applicable law, LESSEES waive any and all rights which they may now have or which at any time hereafter may be conferred upon them, or either of them, by statute or otherwise, to terminate, cancel, quit or surrender the lease as to any of the Items of Equipment except in accordance with the express terms hereof. Each rental or other payment made by LESSEES hereunder shall be final and LESSEES shall not seek to recover all or any part of such payment from LESSOR for any reason whatsoever.

SECTION 3. TERM OF THE LEASE.

The term of this lease as to each Item of Equipment shall begin on the date of the delivery to and acceptance by LESSEES of such Item of Equipment (commencement date) and, subject to the provisions of Sections 11 and 14 hereof, shall terminate 1 year after the commencement date. This lease may be renewed for additional one year periods by mutual consent of LESSOR and LESSEES.

SECTION 4. OWNERSHIP AND MARKING OF EQUIPMENT.

4.1. Retention of Title. LESSOR shall and hereby does retain full legal title to the Equipment, notwithstanding the delivery thereof to and possession and use thereof by LESSEES.

4.2. Duty to Mark Equipment. The 6 Items of Equipment leased herein are now marked: ACR 706; ACR 712; ACR 714; ACR 719; ACR 722; and ACR 765. LESSEES shall cause each Item of Equipment to have the "ACR" markings removed from those 6 Items of Equipment and "WAND" markings placed on those 6 Items of Equipment. The present numbers of the Equipment shall remain the same. LESSEES shall cause the remarking of each Item of Equipment to be completed prior to taking delivery at Sault Ste. Marie, Ontario, Canada.

4.3. Prohibition Against Certain Designations. Except as above provided, the LESSEES will not allow the name of any person, association or corporation to be placed on the Equipment as a designation that might be interpreted as a claim of ownership.

SECTION 5. DISCLAIMER OF WARRANTIES.

THE LESSOR LEASES THE EQUIPMENT, AS-IS, IN WHATEVER CONDITION IT MAY BE, WITHOUT ANY AGREEMENT, WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED. THE LESSOR EXPRESSLY DISCLAIMS ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO (A) THE FITNESS FOR ANY PARTICULAR PURPOSE OR MERCHANTABILITY OF ANY ITEM OR ITEMS OF EQUIPMENT, (B) THE LESSOR'S TITLE THERETO, (C) THE LESSEES' RIGHT TO THE QUIET ENJOYMENT THERETO, (D) THE CONDITION OF, OR AS TO THE QUALITY OF THE EQUIPMENT, OR (E) ANY OTHER MATTER WHATSOEVER, IT BEING AGREED THAT ALL SUCH RISKS, AS BETWEEN LESSOR AND LESSEES, ARE TO BE BORNE BY LESSEES. LESSOR hereby appoints and constitutes LESSEES its agent and attorney-in-fact during the term of this lease to assert and enforce, from time to time, in the name and for the account of LESSOR and LESSEES, as their interests may appear, but in all cases at the sole cost and expense of LESSEES, whatever claims and rights LESSOR may have as owner of the Equipment,

provided, however, that if at any time an Event of Default shall have occurred and be continuing, LESSOR may assert and enforce, at LESSEES' sole cost and expense, such claims and rights. LESSOR shall have no responsibility or liability to LESSEES or any other person with respect to the following: (i) any liability, loss or damage caused or alleged to be caused directly or indirectly by any Item of Equipment or by any circumstances in connection therewith; (ii) the use, operation or performance of any Item of Equipment or risks relating thereto; (iii) any interruption of service, loss of business or anticipated profits or consequential damages; or (iv) the delivery, operation, servicing, maintenance, repair, improvement or replacement of any Item of Equipment. LESSEES' delivery of the Certificate of Acceptance shall be conclusive evidence as between LESSEES and LESSOR that all Items of Equipment described therein are in all the foregoing respects satisfactory to LESSEES, and LESSEES will not assert any claim of any nature whatsoever against LESSOR based on any of the foregoing matters.

SECTION 6. LESSEES' INDEMNITY.

6.1. Scope of Indemnity. LESSEE shall defend, indemnify and save harmless LESSOR from and against:

(a) any and all loss or damage to the Equipment, usual wear and tear excepted; and

(b) any claim, cause of action, damages, liability, cost or expense (including, without limitation, counsel fees and costs in connection therewith) which may be incurred in any manner by or for the account of LESSOR (i) relating to any Item of Equipment or any part thereof, including, without limitation, the purchase, delivery, acceptance, ownership, sale, leasing, return or storage of any Item of Equipment or as a result of the use, maintenance, repair, replacement, operation or the condition thereof (whether defects are latent or discoverable by LESSEES or LESSOR), (ii) by reason or as a result of any act or omission (whether negligent or otherwise) of LESSEES for themselves or as agent or attorney-in-fact for LESSOR, or (iii) as a result of claims for negligence or strict liability in tort.

6.2. Continuation of Indemnities and Assumptions. The indemnities and assumptions of liability in this Section 6 contained shall continue in full force and effect notwithstanding the termination of this lease, or the termination of the term hereof in respect of any one or more Items of Equipment, whether by expiration of time, by operation of law or otherwise; provided, however, that such indemnities and assumption of liability shall not apply in respect of any matters referred to in subsection (a) or

clause (i), (ii) or (iii) of subsection (b) of Section 6.1. hereof, occurring after the termination of this lease, except for any such matters occurring after the termination arising in connection with LESSEES' assembling, delivering, storing or transporting of the Equipment as provided in Section 12 or 14. LESSEES shall be entitled to control, and shall assume full responsibility for, the defense of such claim or liability.

SECTION 7. RULES, LAWS AND REGULATIONS. LESSEES agree to comply with all laws, regulations, requirements and rules (including, without limitation, the rules of the United States Department of Transportation, the Interstate Commerce Commission and the current Interchange Rules or supplements thereto of the Mechanical Division of the Association of American Railroads) with respect to the use and maintenance of each Item of Equipment.

SECTION 8. USE AND MAINTENANCE OF EQUIPMENT. LESSEES shall use the Equipment only in the manner for which it was intended and so as to subject it only to ordinary wear and tear. LESSEES shall, at their own cost and expense, maintain and keep the Equipment in good order, condition and repair, ordinary wear and tear excepted, and suitable for use in interchange. LESSEES shall not modify any Item of Equipment without the prior written authority and approval of the LESSOR, which shall not be unreasonably withheld.

SECTION 9. LIENS ON THE EQUIPMENT. LESSEES shall pay or satisfy and discharge any and all claims against, through or under LESSEES which, if unpaid, might constitute or become a lien or a charge upon any Item of Equipment, and any liens or charges which may be levied against or imposed upon any Item of Equipment as a result of the failure of LESSEES to perform or observe any of their covenants or agreements under this lease, but LESSEES shall not be required to pay or discharge any such claims so long as they shall, in good faith and by appropriate legal proceedings contest the validity thereof in any reasonable manner which will not affect or endanger the title and interest of LESSOR. LESSEES' obligations under Section 9 shall survive the termination of the lease.

SECTION 10. FILING; PAYMENT OF STATE AND LOCAL TAXES.

10.1. Filing. LESSEES will, at their sole expense, cause this lease to be duly filed, registered or recorded with the Interstate Commerce Commission in accordance with

49 U.S.C. Section 11303 (formerly Section 20c of the Interstate Commerce Act).

10.2. Payment of State and Local Taxes. All payments to be made by LESSEES hereunder will be free of expense to LESSOR for collection or other charges with respect to any amount of any local, state, Federal taxes (other than any United States Federal, state or local income tax), assessments or license fees and any charges, fines or penalties in connection therewith (hereinafter called "Impositions") hereafter levied or imposed upon or in connection with or measured by this lease, which Impositions LESSEES assume and agree to pay on demand in addition to the payments to be made by them provided for herein. LESSEES will also pay promptly all Impositions which may be imposed upon any Item of Equipment or for the use or operation thereof or upon the earnings arising therefrom and will keep at all times each Item of Equipment free and clear of all Impositions which might in any way affect the interest of LESSOR therein or result in a lien upon any Item of Equipment; provided, however, that LESSEES shall be under no obligation to pay any Impositions so long as they are contesting in good faith and by appropriate legal proceedings such Impositions and the nonpayment thereof does not, in a reasonable opinion of LESSOR, adversely affect the interest of LESSOR. If any Impositions shall have been charged or levied against LESSOR directly and paid by LESSOR after LESSOR shall have given written notice thereof to LESSEES and the same shall have remained unpaid for a period of ten business days thereafter, LESSEES shall reimburse LESSOR on presentation of invoice therefor. Prior to making such payment, LESSOR shall promptly notify LESSEES of the Impositions charged or levied, and LESSEES shall have the opportunity to contest in good faith and by appropriate legal proceedings such Impositions, at their sole expense.

In the event any reports with respect to Impositions are required to be made on the basis of individual Items of Equipment, LESSEES will either prepare and file such reports in such manner as to show as required the interest of LESSOR in such Items of Equipment or, if they shall not be permitted to file the same, they will notify LESSOR of such reporting requirements, prepare such reports in such manner as shall be satisfactory to LESSOR and deliver same to LESSOR within a reasonable period prior to the date the same is to be filed.

In the event that, during the continuance of this lease, any Imposition accrues or becomes payable or is levied or assessed (or is attributable to the period of time during which this lease is in existence) which LESSEES are or will be obligated to pay or reimburse, pursuant to this Section 10.2., such liability shall continue,

notwithstanding the expiration of this lease, until all such impositions are paid or reimbursed by LESSEES.

SECTION 11. INSURANCE; PAYMENT FOR CASUALTY OCCURRENCE.

11.1. Insurance. LESSEES will at all times while this lease is in effect, at their own expense, cause to be carried and maintained property insurance in respect of the Equipment, and public liability insurance, in amounts and against risks customarily insured against by railroad companies in respect of similar equipment and in any event comparable to those risks insured against by LESSEES in respect of similar equipment owned, operated or leased by them. The policies of insurance required under this Section 11.1. shall be valid and enforceable policies issued by insurers of recognized responsibility comparable to LESSEES' present insurers. With respect to all public liability insurance, LESSEES shall cause each policy to cover the interests of LESSOR for claims arising from the ownership, operation, maintenance or use of the Equipment and to name LESSOR as an additional insured.

11.2. Duty of LESSEES to Notify LESSOR. In the event that any Item of Equipment shall be or become lost, stolen, destroyed, or, in the opinion of LESSEES and the LESSOR, irreparably damaged during the term of this lease or thereafter while such Item of Equipment is in the possession of LESSEES pursuant to Section 13 or 15 hereof, or shall be requisitioned or taken over by any governmental authority under the power of eminent domain or otherwise during the term of this lease for a stated period which exceeds the then remaining term of this lease (any such occurrence being hereinafter called a "Casualty Occurrence"), LESSEES shall promptly and fully (after they have knowledge of such Casualty Occurrence) inform LESSOR in regard thereto and shall pay the Casualty Value (as defined in Section 11.6 hereof) of such Item of Equipment in accordance with the terms of Section 11.3 hereof.

11.3. Sum Payable for Casualty Loss. LESSEES, on the 10th day of the month following the month LESSEES become knowledgeable of a Casualty Occurrence with respect to any Item of Equipment, shall pay to LESSOR all rental sums due for said Item of Equipment, plus the Casualty Value (see Section 11.6 hereof) of such Item of Equipment as of the date of such payment.

11.4. Rent Termination. Upon, and not until, payment of all sums required to be paid pursuant to Section 11.3 hereof in respect of any Item of Equipment, the obligation to pay rent for such Item of Equipment accruing subsequent to the Casualty Value payment date shall terminate, but

LESSEES shall continue to pay rent for all other Items of Equipment.

11.6. Casualty Value. The Casualty Value of each Item of Equipment shall be as follows:

a. for an ON-LINE casualty, the sum of Casualty Value shall be \$4,000.00 for each Item of Equipment; and

b. for an OFF-LINE casualty, the sum shall be that sum established by the Rules of the Association of American Railroads.

11.7. Risk of Loss. LESSEES shall bear the risk of loss and, except as hereinabove in this Section 11 provided, shall not be released from their obligations hereunder from and after the date hereof and continuing until payment of the Casualty Value and all rental payments and other sums, if any, due on and prior to the date of payment of such Casualty Value in respect of such Item of Equipment has been made, such Item of Equipment or the salvage thereof has been disposed of by LESSEES and the title to such Item of Equipment or the salvage thereof and all risk of loss and liabilities incident to ownership have been transferred to the purchaser of such Item of Equipment or the salvage thereof.

11.8. Eminent Domain. In the event that during the term of this lease the use of any Item of Equipment is requisitioned or taken by any governmental authority under the power of eminent domain or otherwise for an indefinite period or for a stated period which does not exceed the term of this lease, LESSEES' obligation to pay all rental and other sums continue for the duration of such requisitioning or taking. LESSEES shall be entitled to receive and retain for their own account all sums payable for any such period by such governmental authority as compensation for requisition or taking of possession.

SECTION 12. RETURN OF EQUIPMENT UPON EXPIRATION OF TERM:

Upon the expiration of the term of this lease with respect to any Item of Equipment, LESSEES will, at their own cost and expense, at the request of LESSOR, deliver possession of such Item of Equipment to LESSOR upon such storage tracks of the LESSEES as LESSOR may designate, or in the absence of such designation, as LESSEES may select, and permit LESSOR to store such Item of Equipment on such tracks for a period not exceeding 180 days from the date the last Item of Equipment is delivered to said storage tracks pursuant to this Section 12 and transport the same at any time within such 180-day period to any interchange point on the lines of the Wisconsin Central, Ltd. as directed by

LESSOR. LESSEES covenant that, at the time any Item of Equipment is returned to LESSOR in the manner above provided, it will then be in compliance with all applicable United States Department of Transportation and Interstate Commerce Commission requirements and specifications, and all standards of the Association of American Railroads applicable to railroad equipment of the character of the Equipment. All movement and storage of each such Item of Equipment is to be at the risk and expense of LESSEES. During any such storage period LESSEES will permit the LESSOR or any person designated by it, including the representative or representatives of any prospective purchaser of any such Item of Equipment, to inspect the same; provided, however, that LESSEES shall not be liable, except in the case of negligence of LESSEES or of their employees or agents, for any injury to, or the death of, any person exercising, either on behalf of LESSOR or any prospective purchaser, the rights of inspection granted under this sentence. The assembling, delivering, storage and transporting of the Equipment as hereinbefore provided are of the essence of this lease, and upon application to any court of equity having jurisdiction in the premises the LESSOR shall be entitled to a decree against LESSEES requiring specific performance of the covenants of LESSEES to so assemble, deliver, store and transport the Equipment. All amounts earned in respect of the Equipment after the date of expiration of this lease shall belong to LESSOR and, if received by LESSEES, shall be promptly turned over to LESSOR.

SECTION 13. DEFAULT.

13.1. Events of Default. Any of the following events shall constitute an Event of Default hereunder:

(a) Default shall be made in the payment of any part of the rental or Casualty Value and such default shall continue for five days;

(b) LESSEES shall make or permit any unauthorized assignment or transfer of this lease, or of possession of any Item of Equipment;

(c) Default shall be made in the observance or performance of any other of the covenants, conditions and agreements on the part of LESSEES contained herein and such default shall continue for 30 days after written notice from LESSOR to LESSEES, specifying the default and demanding the same to be remedied;

(d) Default of any representation or warranty made by LESSEES herein;

(e) Any proceedings shall be commenced by or against LESSEES for any relief which includes, or might result in, any modification of the obligations of LESSEES hereunder, under any bankruptcy or insolvency laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustments of the obligations of LESSEES hereunder), and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of LESSEES under this lease shall not have been duly assumed in writing, pursuant to court order or decree, by a trustee or trustees or receiver or receivers appointed for LESSEES or for the property of LESSEES in such manner that such obligations shall have the same status as obligations incurred by such trustee or trustees or receiver or receivers, within 30 days after such appointment, if any, or 60 days after such proceedings shall have been commenced, whichever shall be earlier; or

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

13.2. Remedies. If any Event of Default has occurred and is continuing, LESSOR, at its option, may:

(a) Proceed by appropriate court action or actions, either at law or in equity, to enforce the performance by LESSEES of the applicable covenants of this lease or to recover damages for the breach thereof, including reasonable attorneys' fees; or

(b) By notice in writing to LESSEES, terminating this lease, whereupon all right of LESSEES to the Equipment shall absolutely cease and terminate as though this lease had never been made, but LESSEES shall remain liable as hereinafter provided; and thereupon, LESSOR may by its agents enter upon the premises of LESSEES or other premises where any of the Equipment may be located and take possession of all or any of the Items of Equipment and thenceforth hold, possess and enjoy the same free from any

right of LESSEES to use such Items of Equipment for any purpose whatever, but LESSOR shall nevertheless have a right to recover from LESSEES any and all amounts which may have accrued to the date of such termination.

13.3. Cumulative Remedies. The remedies in this lease provided in favor of LESSOR shall not be deemed exclusive, but shall be cumulative and shall be in addition to all other remedies in its favor existing at law or in equity. LESSEES hereby waive any mandatory requirements of law, now or hereafter in effect, which might limit or modify any of the remedies herein provided, to the extent that such waiver is permitted by law.

13.4. LESSOR'S Failure to Exercise Rights. The failure of LESSOR to exercise the rights granted it hereunder upon any occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such contingencies or similar contingencies.

13.5. Notice of Event of Default. LESSEES also agree to furnish to LESSOR promptly upon becoming aware of any condition which constitutes or constituted an Event of Default under this lease or which, after notice or lapse of time, or both, would constitute such an Event of Default, written notice specifying such condition and the nature and status thereof.

SECTION 14. RETURN OF EQUIPMENT UPON DEFAULT.

14.1. Lessees' Duty to Return. If LESSOR shall terminate this lease pursuant to Section 13 hereof, LESSEES shall forthwith deliver possession of the Equipment to the LESSOR. The duties and obligations of LESSEES in Section 12 of this lease with respect to the storage and movement of the Equipment at the regular termination of this lease apply to this Section 14.

14.2. Specific Performance. The assembling, delivery, storage and transportation of the Equipment as hereinbefore provided are of the essence of this lease, and upon application to any court of equity having jurisdiction in the premises, LESSOR shall be entitled to a decree against LESSEES requiring specific performance of the covenants of LESSEES so as to assemble, deliver, store and transport the Equipment.

14.3. LESSOR Appointed LESSEES' Agent. Without in any way limiting the obligation of LESSEES under the foregoing provisions of Section 14, LESSEES hereby irrevocably appoint LESSOR as the agent and attorney of LESSEES, with full power and authority, at any time while LESSEES are obligated

to deliver possession of any Items of Equipment to LESSOR, to demand and take possession of such Item of Equipment in the name and on behalf of LESSEES from whomsoever shall be at the time in possession of such Item of Equipment.

SECTION 15. ASSIGNMENT BY LESSOR. LESSOR shall have at all times during the term of this lease the right to assign this lease and the right to assign rentals therefrom to any third party without the consent of LESSEES, provided, however, such assignment shall not be effective as to LESSEES until LESSEES receive notice of the assignment in writing.

SECTION 16. ASSIGNMENTS BY LESSEES; USE AND POSSESSION.

16.1. LESSEES' Rights to the Equipment. So long as no 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, LESSEES shall be entitled to the possession and use of the Equipment in accordance with the terms of this lease, but without the prior written consent of LESSOR, LESSEES shall not assign, transfer or encumber their leasehold interest under this lease in any of the Equipment, except as permitted by Section 16.2 hereof. LESSEES shall not, without the prior written consent of LESSOR, part with possession or control of, or suffer or allow to pass out of their possession or control, any of the Equipment, except to the extent permitted by the provisions of Section 16.2 hereof.

16.2. Use and Possession on Lines Other Than LESSEES' Own. So long as LESSEES shall not be in default under this lease, LESSEES shall be entitled to the possession of the Equipment and to the use thereof upon the lines of railroads owned or operated by them or other carriers in the usual interchange of traffic, but only and subject to all the terms and conditions of this lease.

IN WITNESS WHEREOF, LESSOR AND LESSEES have executed this lease in triplicate originals this 26th day of October, 1932.

INDUSTRIAL INVESTMENT CORPORATION, LESSOR,

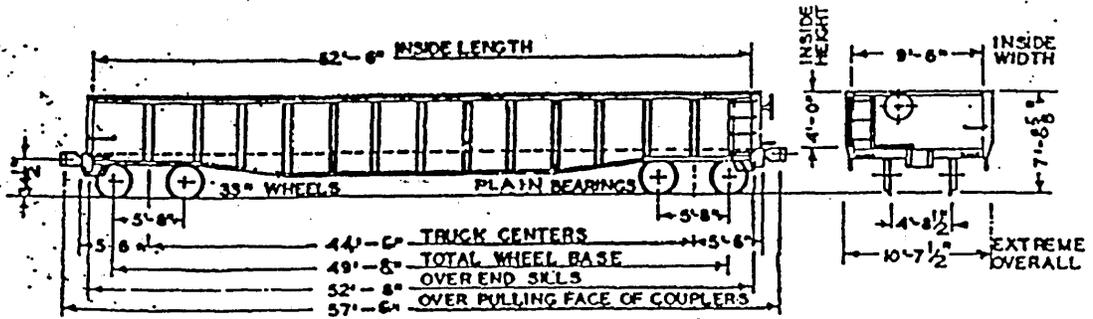
By: Philip S. Hesby, Pres.
Philip S. Hesby, President

WISCONSIN AND MICHIGAN RAILWAY COMPANY, LESSEE,

By: Craig E. Burroughs Craig E. Burroughs
Craig Burroughs, President CRAIG BURROUGHS, LESSEE

SCHEDULE A

52 FT. DROP-END GONDOLA CARS - 80 TON
ACR SERIES 600-700



DATE BUILT:	November 1957
AAR CLASS TYPE:	GB
LIGHT WEIGHT:	56,000 lbs.
CAPACITY:	160,000 lbs.
LOAD LIMIT:	164,000 lbs.
INSIDE LENGTH:	52'-6"
INSIDE HEIGHT:	4'-0"
INSIDE WIDTH:	9'-6"
CUBIC CAPY:	2000 CU. FT.
TRUCK BEARINGS/JOURNAL SIZE:	6x11 FRICTION
FLOOR:	WOOD

Six Items of Equipment (6 Cars) having Marks and Numbers as follows:

<u>old</u>	<u>new</u>
ACR 706	WAND-706
ACR 712	" - 712
ACR 714	" - 714
ACR 719	" - 719
ACR 722	" - 722
ACR 765	" - 765

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STATE OF ILLINOIS)
COUNTY OF COOK)SS

Before me, a notary public in and for said county and state, personally appeared the above named CRAIG E. BURROUGHS, known personally to me, who, being first duly sworn according to law, acknowledged that he did sign the foregoing Lease on behalf of WISCONSIN AND MICHIGAN RAILWAY COMPANY and on behalf of himself personally, and that the signing of same was with the authority of WISCONSIN AND MICHIGAN RAILWAY COMPANY, and that the signing of the same was the free act and deed of said WISCONSIN AND MICHIGAN RAILWAY COMPANY and his own free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at Chicago, Illinois, this 31ST day of May, 1994.


Notary Public

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STATE OF Delaware)
COUNTY OF New Castle)SS

Before me, a notary public in and for said county and state, personally appeared the above named PHILIP S. HESBY, known personally to me, who, being first duly sworn according to law, acknowledged that he did sign the foregoing Lease on behalf of INDUSTRIAL INVESTMENT CORPORATION as its President, and that the signing of same was with the authority of INDUSTRIAL INVESTMENT CORPORATON, and that the signing of the same was the free act and deed of said INDUSTRIAL INVESTMENT CORPORATION.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at Wilmington, Delaware, this 30 day of ~~May~~, 1994.

June

Christine M. Weaver

Notary Public

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CHRISTINE M. WEAVER
NOTARY PUBLIC
My commission expires January 27, 1996