

FIRST AMENDMENT TO RAILCAR LEASE AGREEMENT

DUPLICATE

THIS FIRST AMENDMENT TO RAILCAR LEASE AGREEMENT ("Amendment") is made as of June 30, 1992 between SOUTHERN ILLINOIS RAILCAR COMPANY, an Illinois corporation ("Lessor") (as owner or agent for the owner of the Cars [defined below]) and RAIL GRAIN RECEIVERS, INC., a North Carolina corporation, MURPHY FARMS, INC., a North Carolina corporation, PRESTAGE FARMS, INC., a North Carolina corporation, CARROLL FOODS CO., INC., a North Carolina corporation, and NASH JOHNSON & SONS, INC., a North Carolina corporation (collectively, "Lessee").

RECEIVED
17850
1992-06-25 PM
COMMISION

WHEREAS, Lessor and Lessee have entered into that certain Railcar Lease Agreement (the "Lease") dated as of May 1, 1992 covering thirty-two (32) covered hopper cars as more particularly described in the Lease; and

WHEREAS, Lessor and Lessee desire to amend certain terms of the Lease and to add additional provisions to the Lease to further clarify and set forth their mutual covenants, agreements and understandings.

NOW, THEREFORE, in consideration of the covenants, promises and undertakings of the parties hereto, as hereinafter set forth, the parties hereby agree as follows:

1. All capitalized terms not otherwise defined herein shall have the same meanings given those capitalized terms under the Lease.
2. Section 4(b) of the Lease is hereby deleted in its entirety and the following provision is inserted in its place:
 - (b) Allowances. Insofar as applicable laws and regulations permit, and unless an event of default hereunder shall have occurred and be continuing, Lessee shall be entitled to a refund of monthly rent payable hereunder in an amount equal to all allowances received by Lessor from railroads for the use of the Cars, but such refund shall not exceed the sum of Lessee's rent payment obligations. All refunds of rent payable to Lessee shall be paid to Lessee by Lessor within thirty (30) days after the date Lessor has received payment of such car allowances from the railroads. All Cars bearing Lessor's private marks that are leased by Lessee from Lessor on the date such computation is made shall be combined into a single account.
3. The first sentence of Section 10(a) is hereby deleted in its entirety and the following sentence is inserted in its place:

This Lease and Lessee's rights are subject and subordinate to the rights and remedies of any lender, owner or other party which finances or refinances the Cars.

4. Section 14 shall be deleted in its entirety and the following new provision shall be inserted in its place:

14. Inspection; Financial Statements.

Lessee shall permit Lessor reasonable access to Lessee's property during normal business hours to examine the Cars or Lessee's records relating to the Cars. Lessor shall provide Lessee at least twenty-four (24) hours prior notice of inspection. Each of the entities comprising Lessee shall, within ninety (90) days after the close of each of their respective fiscal years during the initial term and any renewal term of this Lease, provide Lessor with such entities' balance sheets and profit and loss statements certified by such entities' respective chief financial officers. Such financial statements may be disclosed to Lessor's lenders.

5. The third and fourth sentences of Section 15 shall be deleted in their entirety and the following sentences shall be inserted in their place:

Lessee's policies shall name Lessor and any owner of the Cars and any lender holding a lien on such Cars as additional insureds and Lessor and any such Lender shall be named as loss payees. Upon execution hereof, and annually thereafter, Lessee shall provide Lessor and any such lender with insurance certificates from Lessee's insurance carrier evidencing the insurance required hereunder.

6. The following new subsection (m) shall be added to Section 18:

(m) Binding Upon Parties. This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns.

7. Except as expressly amended herein, all other terms, provisions and conditions of the Lease shall remain unmodified and in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the day and year first above written.

SOUTHERN ILLINOIS RAILCAR COMPANY RAIL GRAIN RECEIVERS, INC.

By: _____

Title: _____

"Lessor"

By:  _____

Title: PRES. _____

"Lessee"

MURPHY FARMS, INC.

By: William Samuel

Title: SECRETARY

CARROLL FOODS CO., INC.

By: [Signature]

Title: President

PRESTAGE FARMS, INC.

By: John Prestage

Title: Vice President

NASH JOHNSON & SONS, INC.

By: [Signature]

Title: Vice President

STATE OF NORTH CAROLINA)
) SS
COUNTY OF Durham)

On this 29 day of June, 1992, before me personally appeared ~~WENDELL MURPHY~~ ^{William R. Saunders} ~~Secretary~~, to me personally known, who being by me duly sworn, says that he is the ~~President~~ ^{Secretary} of MURPHY FARMS, INC., and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(SEAL)

Jaye C. Carter
Notary Public

My Commission Expires:

March 14, 1993

STATE OF NORTH CAROLINA)
) SS
COUNTY OF Duplin)

On this 29 day of June, 1992, before me personally appeared John Prestage, to me personally known, who being by me duly sworn, says that he is the President of PRESTAGE FARMS, INC., and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(SEAL)

Jaye C. Carter
Notary Public

My Commission Expires:

March 14, 1993

STATE OF NORTH CAROLINA)
) SS
COUNTY OF Duplin)

On this 29 day of June, 1992, before me personally appeared Jimmy Kasser, to me personally known, who being by me duly sworn, says that he is the President of RAIL GRAIN RECEIVERS, INC., and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(SEAL)

Faye C. Carter
Notary Public

My Commission Expires:

March 14, 1993

STATE OF NORTH CAROLINA)
) SS
COUNTY OF Duplin)

On this 29 day of June, 1992, before me personally appeared A. J. Faison, Jr., to me personally known, who being by me duly sworn, says that he is the President of CARROLL FOODS CO., INC., and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(SEAL)

Jaye C. Carter
Notary Public

My Commission Expires:

March 14, 1993

