

*Documents - 1/17/97*

RECORDATION NO. 20646 FILED

APR 17 '97 1-45 PM

ALVORD AND ALVORD  
ATTORNEYS AT LAW  
918 SIXTEENTH STREET, N.W.  
SUITE 200  
WASHINGTON, D.C.

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

20006-2973  
—  
(202) 393-2266  
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OF COUNSEL  
URBAN A. LESTER

RECORDATION NO. 20646-A, B, C, D, E,

April 17, 1997

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

APR 11 1 40 PM '97  
FEDERAL  
SURFACE  
TRANSPORTATION  
BOARD

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of Lease Schedule No. 001, dated March 21, 1997, a primary document as defined in the Board's Rules for the Recordation of Documents and two (2) copies of the following additional documents secondary thereto: Lease Schedules No. 002 and No. 003 and three Asset Purchase, Assignment and Assumption Agreements, all dated as of March 21, 1997.

The names and addresses of the parties to the enclosed documents are:

Lease Schedules No. 001, 002 and 003

Lessor: The Vaughn Group, Ltd.  
8250 Beckett Park Drive  
Hamilton, Ohio 45001

Lessee: The Andersons, Inc.  
480 West Dussell Drive  
Maumee, Ohio 43537

Mr. Vernon A. Williams  
April 17, 1997  
Page 2

Asset Purchase, Assignment and Assumption Agreements

Assignor: The Vaughn Group, Ltd.  
8250 Beckett Park Drive  
Hamilton, Ohio 45001

Assignee: Star Bank, National Association  
425 Walnut Street  
Cincinnati, Ohio 45202

A description of the railroad equipment covered by the enclosed documents is:

Schedule No. 001: Twenty-four (24) covered hopper railcars bearing AEX reporting marks and road numbers set forth on Exhibit A attached thereto.

Schedule No. 002: Fifteen (15) hopper railcars bearing AEX reporting marks and road numbers set forth on Exhibit A attached thereto.

Schedule No. 003: One (1) GP-9 locomotive GTW 4704

Also enclosed is a check in the amount of \$144.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of each of the enclosed documents to the undersigned.

Very truly yours,

Robert W. Alvord

RWA/bg  
Enclosures

**CERTIFIED  
COPY**

**THE VAUGHN GROUP, LTD.**

**LEASE SCHEDULE NO. 002**

Counterpart No. 1 of three (3) manually executed counterparts. Only the manually executed counterpart numbered "1" is sufficient to transfer Lessor's interest or to grant a security interest herein.

**TO MASTER LEASE AGREEMENT NO. 114 DATED MARCH 13, 1997 ("LEASE") BETWEEN THE VAUGHN GROUP, LTD. ("LESSOR") LOCATED AT 8250 BECKETT PARK DRIVE, SUITE C, HAMILTON, OHIO 45011 AND THE ANDERSONS, INC. ("LESSEE")**

**1. EQUIPMENT:** Fifteen (15) used and reconditioned 4,000 cu. ft. automating hopper cars as further described in Exhibit A attached hereto.

**2. EQUIPMENT COST:** [REDACTED]

**3. EQUIPMENT LOCATION:** 480 W. Dussel Drive  
Maumee, OH 43537  
Lucas County

RECORDATION NO. 20646-B FILED

APR 17 97

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**4. INSTALLATION DATE:** April 1, 1997

**5. BASE TERM COMMENCEMENT DATE:** April 1, 1997

**6. BASE TERM:** 120 months

**7. MONTHLY RENTAL:** [REDACTED]

**8. MACRS DEPRECIATION:** Under Section 12 of the Lease, the applicable 'recovery period' for the Equipment shall be seven (7) years.

**9. SUBLEASE:** Lessor hereby acknowledges and consents to the sublease of the Equipment by Lessee, as sublessor, pursuant to a Full Service Lease Agreement, Lease Number 199601-DOW, dated February 26, 1996, with Dow Corning Corporation as sublessee. Any other sublease shall be subject to Lessor's prior consent in accordance with Section 6(b) of the Lease.

**10. RETURN PROVISIONS IN THE EVENT OF DEFAULT:** If this Lease Schedule shall terminate pursuant to Section 9 of the Lease, the Lessee shall forthwith deliver possession of the Equipment to Lessor. Each unit of Equipment so delivered shall be in the same operating order, repair and condition as when originally delivered to the Lessee, ordinary wear and tear excepted, shall meet all standards of all Applicable Guidelines, as hereinafter defined, then in effect, and shall have attached or affixed thereto any special device considered an accession thereto as provided in Section 5(d) of the Lease and shall have removed therefrom at the Lessee's expense any addition, modification or improvement which, as provided in Section 14 hereof, is owned by Lessee or if Lessee elects not to remove the same and Lessor consents thereto, the same will remain affixed to such unit of Equipment and title thereto will immediately vest in Lessor. For the purpose of delivering the possession of any unit(s) of Equipment as above required, the Lessee shall at its own cost, expense and risk:

(a) forthwith and in the usual manner (including without limitation giving prompt telegraphic and written notice to the Association of American Railroads and all railroads to which any unit(s) of Equipment have been interchanged or which may have possession thereof to return the unit(s) of

Equipment) and place such unit(s) of Equipment upon such storage tracks as Lessor may reasonably designate within 500 miles of Maumee, Ohio;

(b) cause such Equipment to be stored on such tracks for a maximum period of 120 days at the risk of the Lessee without charge for insurance, rent or storage until all such Equipment has been sold, leased or otherwise disposed of by Lessor; and

(c) cause the same to be transported to any reasonable place as directed by Lessor within 500 miles of Maumee, Ohio.

The assembling, delivery, storage, insuring and transporting of the Equipment as hereinbefore provided shall be at the expense and risk of the Lessee and are of the essence of this Lease, and upon application to any court of equity having competent jurisdiction Lessor shall be entitled to decree against the Lessee requiring specific performance thereof. During any storage period, the Lessee will, at its own cost and expense, insure, maintain and keep the Equipment in good order and repair and will permit Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser, lessee or user of any unit of Equipment, to inspect the same. All net earnings earned in respect of the Equipment after the date of termination of this Lease shall belong to Lessor and, if received by the lessee, shall be promptly turned over to Lessor. In the event any unit of Equipment is not assembled, delivered and stored as hereinabove provided within thirty (30) days after such termination, the Lessee shall in addition pay to Lessor for each day thereafter an amount equal to the amount, if any, by which the percentage of the Equipment Cost of such unit of Equipment for each such day (such percentage is obtained by dividing the Monthly Rental payment as set forth in Section 7 hereof for each monthly payment for such unit of Equipment by thirty (30) exceeds the actual earnings received by Lessor on such unit of Equipment for each such day. Such payment shall not offset the obligation of the Lessee to redeliver the Equipment pursuant to the first sentence of this Section. For purposes of this Section 10, net earnings for each unit of Equipment shall be determined by aggregating all income including rentals and mileage per diem charges which the Lessee may have received or be entitled to receive in respect of such unit of Equipment and subtracting therefrom the Lessee's operating expenses including freight, interchange, running repairs and other similar charges in respect of such unit of Equipment. In no event shall net earnings include any sums that may be earned by the Lessee on the commodity, if any, being transported in such unit of Equipment.

**11. END OF LEASE OPTIONS:** The undersigned parties agree that Lessee shall, at the end of the Base Term of the Lease, or any extension or renewal of the Lease, have the option to do any one of the following:

(a) Option to Extend or Purchase. Provided that Lessee is not then in default under the Lease, nor, but for the passage of time or giving of notice or both, would be in default thereunder, Lessee may, by giving Lessor at least 240 days prior to expiration of the Base Term of the lease or any extension or renewal thereof irrevocable written notice of its intention to do so:

(i) Purchase all, but not less than all, of the Equipment for \$180,525.00. Upon receipt of payment in full, in immediately available funds, Lessor will deliver appropriate documents to Lessee vesting in Lessee title to the Equipment, unencumbered as to liens arising by or through Lessor, provided all amounts due under the Lease have been paid. Lessee will take the Equipment "as is" "where is" without representation or recourse; or

(ii) In lieu of purchasing the Equipment, renew the lease of all, but not less than all, of the Equipment for any period less than sixty (60) months (the "Extension Period") at the Monthly Rental set forth in Section 7 hereof; or

(iii) In lieu of purchasing the Equipment or renewing the Lease pursuant to Section 11(a)(ii) hereof, renew the Lease of all but not less than all, of the Equipment for a period of sixty (60) months (the "Renewal Period") at the fair market rental value for such period.

(b) Return of Equipment. In lieu of either option in (a) above and upon at least 240 days prior written and irrevocable notice of its intention to do so, and subject to the provisions of the Lease and Addendum hereto Return of Units, return all, but not less than all, of the Equipment to Lessor.

(c) Automatic Renewal. Should Lessee fail to timely exercise any of its other rights pursuant to Section 11 hereof, then Lessee may permit the Lease to automatically renew for the term or terms set forth in Section 3 of the Lease in conformity with the applicable provisions of the Lease.

**12. IDENTIFICATION MARKS:** Lessee shall keep and maintain, plainly and conspicuously marked on each side of each unit of Equipment, in letters not less than one inch in height, the words "OWNERSHIP SUBJECT TO A LEASE FILED WITH THE SURFACE TRANSPORTATION BOARD", or other appropriate words designated by Lessor, with appropriate changes thereof and additions thereto as from time to time may be required by law to protect Lessor's title to such unit of Equipment. Lessee will not place any such unit of Equipment in operation or exercise any control or dominion over the same until such words shall have been so marked on each side thereof and will replace promptly any such words which may be removed, defaced, obliterated or destroyed. Lessee will not change the identification number of any unit of Equipment unless and until: (i) a statement of new number or numbers to be substituted therefor shall have been filed with Lessor and filed by Lessee in all public offices where this Lease shall have been filed; and (ii) Lessee shall have furnished to Lessor an opinion of counsel in form and substance satisfactory to Lessor to the effect that such statement so filed, such filing will protect Lessor's interests in such units of Equipment and no filing with or giving of notice to any other Federal, state or local government or agency thereof is necessary to protect the interests of Lessor in such units of Equipment. The units of Equipment may be lettered with the name or initials or other insignia customarily used by Lessee or its permitted sublessees, but the Lessee will not allow the name of any other person, association or corporation to be placed on any unit of Equipment as a designation that might be interpreted as a claim of ownership. Lessee shall, on Lessor's request made before the end of the Lease term and at Lessee's cost and expense, remove or pay for the removal of such reporting marks on return of the unit of Equipment to Lessor. Lessee will not otherwise add, remove or alter reporting marks or identification of Lessor on the units of Equipment except as requested by Lessor.

**13. LAWS AND RULES:** Lessee agrees, for the benefit of Lessor, to comply in all respects (including without limitation the use, maintenance and operation of each unit of Equipment) with all laws of the jurisdictions in which operations involving the units of Equipment may extend, with the interchange rules of the Association of American Railroads ("AAR") and with all lawful rules of the United States Department of Transportation, the Surface Transportation Board and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the units of Equipment, to the extent that such laws and rules affect the title, operation or use of the units of Equipment by Lessee or any sublessee (all such laws and rules to such extent called "Applicable Guidelines"), and in the event that the Applicable Guidelines require any alteration, replacement or addition of or to any part on any unit of

Equipment, Lessee will conform therewith at its own expense; provided, however, that the Lessee may at its own expense, in good faith, contest the validity or application of any Applicable Guidelines in any reasonable manner which does not, in the opinion of Lessor, materially and adversely affect the property or the rights of Lessor under this Lease.

Lessee: (i) agrees to comply with all governmental laws, rules, regulations and requirements, and with the Interchange Rules of the AAR with respect to the use of the operation of each unit of Equipment during the term of this Lease; (ii) further, warrant that during the term of this Lease, the units of Equipment will only be used to transport ferrous and non-ferrous scrap metal of a non-hazardous nature; (iii) agree that no unit of Equipment shall be loaded in excess of the load limit stenciled thereon; (iv) agree that no unit of Equipment shall be loaded with or used to transport any hazardous material as hazardous materials are defined in any federal, state or local environmental law or regulation including but not limited to OSHA's Hazard Communication Standard 29 CFR 1910.1200, EPA's Resource Conservation and Recovery Act Standards 40 CFR 260-263 and the Clean Water Act 40 CFR 116-117; and (v) further agree that, no unit of Equipment shall be used in violation of any federal, state or local environmental law or regulation. If the use of any unit of Equipment violates any of the foregoing provisions, Lessee agrees that it shall indemnify and hold Lessor harmless, jointly and severally, from all claims, liabilities, losses, damages, costs and expenses (including attorney's fees and expenses of litigation) arising out of such use of any unit of Equipment.

Lessee agrees to prepare and deliver to Lessor within a reasonable time prior to the required date of filing (or, to the extent possible, file on its behalf) any and all reports (other than income tax returns) to be filed by Lessor with any Federal, state or other regulatory authority by reason of the ownership by Lessor of the units of Equipment or the leasing thereof to Lessee.

**14. MAINTENANCE:** Lessee, at its own cost and expense, will maintain and keep each unit of Equipment (including and parts installed on or replacements made to any unit of Equipment and considered an accession thereto as hereinbelow provided) which is subject to this Lease in good operating order, repair and condition, ordinary wear and tear excepted and in serviceable condition for commercial use and meeting standards prescribed by the interchange rules and eligible for railroad interchange in accordance with the Applicable Guidelines and in the same condition as other similar equipment owned or leased by Lessee.

Any and all parts installed on and additions and replacements made to any unit of Equipment: (i) which are not readily removable without causing material damage to such unit of Equipment, whether or not installed or added to such unit of Equipment in contravention of Section 5 of the Lease and Sections 12 and 14 of this Lease Schedule ; (ii) the cost of which is included in the original Equipment Cost of such unit of Equipment to Lessor; (iii) in the course of ordinary maintenance of the units of Equipment; or (iv) which are required for the operation or use of such unit of Equipment in railroad interchange by the Applicable Guidelines, shall constitute accession to such unit of Equipment and full ownership thereof free from any lien, charge, security interest or encumbrance (except for those created by this Lease) shall immediately be vested in Lessor.

For purposes of this Lease Schedule only, the entire Sections 5(a), 5(b) and 5(g) and the last sentence of Section 5(h) of the Lease shall be deleted.

15. **FILING:** Lessor, at Lessee's expense, shall cause this Lease and any and all documents related thereto needing to be so filed, to be filed with the Surface Transportation Board pursuant to 49 U.S.C. Section 11303 and register the units of Equipment with the AAR, prior to the delivery and acceptance of any unit of Equipment hereunder.

16. **CASUALTY SCHEDULE:** Attached hereto as Exhibit B is a Casualty Schedule pursuant to Section 8 of the Lease.

17. **STIPULATED LOSS VALUE IN THE EVENT OF DEFAULT:** Attached hereto as Exhibit B is a Schedule of Stipulated Loss Values in the Event of Default pursuant to Section 9 of the Lease.

18. **INTERIM FUNDING:** Lessor shall provide funding of the Lease prior to commencement. Interest shall accrue from (and including) the date of any payment made by Lessor, to (but excluding) the Base Term Commencement Date at a per annum rate equal to 30-day LIBOR (London Interbank Offered Rate) plus 150 basis points. Such interim interest shall be due no later than the Base Term Commencement Date.

19. **LESSOR'S OBLIGATION:** Lessor's obligations under this Lease Schedule are subject to: (a) there being no tax legislation enacted prior to the Base Term Commencement Date which would have an adverse effect on the rights or anticipated benefits to Lessor or any assignee of Lessor; and (b) there being no material adverse change, in Lessor's sole discretion, in Lessee's financial condition at any time prior to the Base Term Commencement Date.

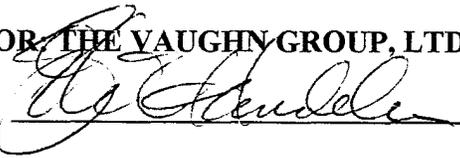
20. **MASTER LEASE AGREEMENT:** All of the terms, covenants and conditions set forth in the Lease, and in any addenda to this Lease Schedule are incorporated herein by reference as if the same had been set forth in full herein.

**LESSOR: THE VAUGHN GROUP, LTD.**  
BY:   
NAME: **John V. Handelsman**  
**President and CEO**  
ITS: \_\_\_\_\_  
DATE: 3/21/97

**LESSEE: THE ANDERSONS, INC.**  
BY:   
NAME: GARY SMITH  
ITS: V.P. Finance & Treas.  
DATE: 3/20/97

**CONFIRMATION**

The parties hereby confirm that no covenant, condition or other term or provision hereof or of the Lease may be modified, and that no obligation or default hereunder or under the Lease may be waived, except in writing signed by both parties.

**LESSOR: THE VAUGHN GROUP, LTD.**  
BY: 

**LESSEE: THE ANDERSONS, INC.**  
BY: 

STATE OF Ohio )  
 ) ss.:  
COUNTY OF Butler )

On this 21st day of March, 1997 Kathy J. Voegele, before me personally appeared John V. Handelsman, to me personally known, who being by me duly sworn, says that he is President and CEO of The Vaughn Group, Ltd., an Ohio limited liability company (the "Company"), that the foregoing instrument was signed on behalf of said Company by authority of its Board of Members and he acknowledges that the execution of the foregoing instrument was the free act and deed of said Company.



Kathy J. Voegele  
Notary Public

[Notarial Seal]

My Commission Expires: **KATHY J. VOEGELE**  
Notary Public, State of Ohio  
My Commission Expires Aug. 18, 2000

STATE OF OHIO )  
 ) ss.:  
COUNTY OF LUCAS )

On this 20th day of MARCH, 1997 Julie Ann Dibble, before me personally appeared GARY Smith, to me personally known, who being by me duly sworn says that he is Vice President, Finance & Treasury of The Andersons, Inc., an Ohio (the "Corporation") that the foregoing instrument was signed on behalf of said Corporation by authority of its Board of Directors and he acknowledges that the execution of the foregoing instrument was the free act and deed of said Corporation.



Julie Ann Dibble  
Notary Public

[Notarial Seal]

My Commission Expires: **JULIE ANN DIBBLE**  
Notary Public, State of Ohio  
My Commission Expires 8-20-2000

**Addendum to Lease Schedule No. 002 to  
Master Lease Agreement No. 114 dated  
March 13, 1997 between The Vaughn Group, Ltd, as Lessor  
and The Andersons, Inc., as Lessee**

**Return of Units**

At the expiration of this Lease, or at the direction of Lessor pursuant to Section 9 of the Lease, Lessee shall forthwith deliver possession of the units of Equipment to the Lessor. Each unit of Equipment returned to the Lessor pursuant to this Addendum and Section 10 of the Lease Schedule shall (i) be empty, free from residue, suitable for loading, and be in the same operating order, repair and condition as when originally delivered to the Lessee, including but not limited to fully operational outlet gates, reasonable wear and tear excepted, and (ii) be jointly inspected by representatives of Lessor and Lessee. If any unit of Equipment is not delivered to Lessor on or before the Expiration Date, or is so delivered, but not in compliance with Section 5 of the Lease and Sections 10 (if applicable), 11(b) and 14 of the Lease Schedule and this Addendum within thirty (30) calendar days after the Expiration Date, the Monthly Rental for such unit of Equipment shall, upon the expiration of such thirty (30) day period, be set at one and one-half times the Monthly Rental. Nothing in this Addendum shall be construed as Lessor's authorization of the Lessee's use of the units of Equipment, or any unit of Equipment, after the Expiration Date.

For the purpose of delivering possession of the units of Equipment to the Lessor as above required, Lessee shall, at its own cost, expense and risk: (a) place the units of Equipment upon such storage tracks of Lessee as may be mutually agreeable to Lessee and Lessor for marshaling and joint inspection; (b) permit Lessor to store such units of Equipment on such tracks free of charge to Lessor for thirty (30) calendar days after the Termination Date and at the sole risk of Lessor and not subject to the terms of this Lease, except for (c) and (d) as set forth in this Addendum, until such units of Equipment have been sold, leased or otherwise disposed of by Lessor, provided, however, that Lessor shall be entitled, at its sole risk, to continued storage of the unit of Equipment on such tracks beyond the free thirty (30) calendar days at a storage rate not to exceed \$2.00 per unit of Equipment, per day; (c) transport, one time, the units of Equipment to any place on the lines of Lessee or affiliates as directed by Lessor at no cost to Lessor; and (d) either prior to or after such movement(s) of the units of Equipment, restencil the units of Equipment, and apply new AEI tags, which obligation in this Addendum shall survive the Termination Date of this Lease. The assembly, delivery, first thirty (30) days storage and transporting of the units of Equipment as hereinbefore provided shall be at the cost, expense and risk of the Lessee and are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the matter, Lessor shall be entitled to a decree against Lessee requiring specific performance of the covenants of Lessee so to assemble, deliver, store and transport the units of Equipment. During any storage period, Lessee will permit Lessor or any person designated by it, including the authorized representative or designated by it, including the authorized representative of representatives of any prospective purchaser or lessee of the units of Equipment or unit of Equipment, to inspect the same during normal business hours and accompanied by a representative of Lessee.

**AGREED AND ACKNOWLEDGED:**

THE ANDERSONS, INC.

BY: Greg Smith

NAME: EARLY SMITH  
(Please Type or Print)

ITS: V.P. Finance & Treas.

DATE: 3/20/97

5918 location sketch in name of plan for bridge to be constructed  
GS/

Exhibit A  
to Lease Schedule No. 002  
to Master Lease Agreement No. 114

DOW CORNING CORPORATION 15 Covered Hoppers 199601-DOWR2		
1	AEX	969
2	AEX	970
3	AEX	971
4	AEX	972
5	AEX	973
6	AEX	974
7	AEX	975
8	AEX	976
9	AEX	977
10	AEX	978
11	AEX	1002
12	AEX	1003
13	AEX	1004
14	AEX	1005
15	AEX	1006

AGREED AND ACKNOWLEDGED:  
The Andersons, Inc.

By: Cathy Smith

Date: 3/20/97



Exhibit B

3/14/97 @ 10:06am

Casualty Schedule

File Name: ANDER2

Lessor: The Vaughn Group, Ltd.

Lessee: The Andersons, Inc.

Per	Date	Dollar Amt	% of Cost	% of Rent	Per	Date	Dollar Amt	% of Cost	% of Rent
1	4/30/97	661,152.29	106.2092	90.6930	37	4/30/ 0	556,571.40	89.4091	76.3472
2	5/31/97	658,853.18	105.8399	90.3777	38	5/31/ 0	553,048.30	88.8431	75.8640
3	6/30/97	656,510.56	105.4635	90.0563	39	6/30/ 0	549,495.36	88.2723	75.3766
4	7/31/97	654,145.69	105.0836	89.7319	40	7/31/ 0	545,916.00	87.6973	74.8856
5	8/31/97	651,758.50	104.7002	89.4045	41	8/31/ 0	542,310.13	87.1181	74.3910
6	9/30/97	649,327.53	104.3096	89.0710	42	9/30/ 0	538,674.15	86.5340	73.8922
7	10/31/97	646,874.00	103.9155	88.7344	43	10/31/ 0	535,011.46	85.9456	73.3898
8	11/30/97	644,397.85	103.5177	88.3948	44	11/30/ 0	531,321.96	85.3529	72.8837
9	12/31/97	641,877.64	103.1129	88.0491	45	12/31/ 0	527,602.08	84.7554	72.3734
10	1/31/98	639,334.56	102.7043	87.7002	46	1/31/ 1	523,855.19	84.1534	71.8594
11	2/28/98	636,768.56	102.2921	87.3482	47	2/28/ 1	520,081.21	83.5472	71.3417
12	3/31/98	634,179.54	101.8762	86.9931	48	3/31/ 1	516,280.05	82.9366	70.8203
13	4/30/98	631,518.33	101.4487	86.6280	49	4/30/ 1	512,461.48	82.3231	70.2965
14	5/31/98	628,833.78	101.0175	86.2598	50	5/31/ 1	508,615.56	81.7053	69.7689
15	6/30/98	626,076.75	100.5746	85.8816	51	6/30/ 1	504,752.08	81.0847	69.2390
16	7/31/98	623,296.05	100.1279	85.5001	52	7/31/ 1	500,861.10	80.4596	68.7052
17	8/31/98	620,491.59	99.6774	85.1154	53	8/31/ 1	496,942.53	79.8301	68.1677
18	9/30/98	617,614.29	99.2151	84.7208	54	9/30/ 1	493,006.12	79.1978	67.6277
19	10/31/98	614,712.90	98.7491	84.3228	55	10/31/ 1	489,041.97	78.5610	67.0839
20	11/30/98	611,787.34	98.2791	83.9214	56	11/30/ 1	485,049.98	77.9197	66.5363
21	12/31/98	608,788.58	97.7974	83.5101	57	12/31/ 1	481,039.89	77.2755	65.9863
22	1/31/99	605,765.31	97.3117	83.0954	58	1/31/ 2	477,001.79	76.6268	65.4323
23	2/28/99	602,717.45	96.8221	82.6773	59	2/28/ 2	472,935.60	75.9736	64.8746
24	3/31/99	599,644.90	96.3285	82.2558	60	3/31/ 2	468,841.22	75.3159	64.3129
25	4/30/99	596,525.18	95.8273	81.8279	61	4/30/ 2	464,728.37	74.6552	63.7487
26	5/31/99	593,380.52	95.3222	81.3965	62	5/31/ 2	460,587.16	73.9899	63.1807
27	6/30/99	590,188.46	94.8094	80.9586	63	6/30/ 2	456,427.31	73.3217	62.6101
28	7/31/99	586,971.21	94.2926	80.5173	64	7/31/ 2	452,238.94	72.6488	62.0355
29	8/31/99	583,728.70	93.7717	80.0725	65	8/31/ 2	448,021.95	71.9714	61.4571
30	9/30/99	580,438.47	93.2431	79.6212	66	9/30/ 2	443,786.05	71.2909	60.8760
31	10/31/99	577,122.72	92.7105	79.1664	67	10/31/ 2	439,521.37	70.6058	60.2910
32	11/30/99	573,781.36	92.1737	78.7080	68	11/30/ 2	435,227.81	69.9161	59.7020
33	12/31/99	570,391.97	91.6292	78.2431	69	12/31/ 2	430,915.06	69.2233	59.1104
34	1/31/ 0	566,976.72	91.0806	77.7746	70	1/31/ 3	426,573.26	68.5258	58.5149
35	2/29/ 0	563,535.52	90.5278	77.3025	71	2/28/ 3	422,202.31	67.8237	57.9153
36	3/31/ 0	560,068.28	89.9708	76.8269	72	3/31/ 3	417,802.11	67.1168	57.3117

Note: The date reflects the LAST DAY the Casualty amount is valid.

Percentage of Rent reflects percentage of Gross Rentals (\$729,000.00).

Casualty Schedule

3/14/97 @ 10:06am

File Name: ANDER2

Lessor: The Vaughn Group, Ltd.

Lessee: The Andersons, Inc.

Per	Date	Dollar Amt	% of Cost	% of Rent	Per	Date	Dollar Amt	% of Cost	% of Rent
73	4/30/ 3	413,382.33	66.4068	56.7054	109	4/30/ 6	238,795.79	38.3608	32.7566
74	5/31/ 3	408,933.14	65.6921	56.0951	110	5/31/ 6	233,580.73	37.5230	32.0413
75	6/30/ 3	404,464.19	64.9742	55.4821	111	6/30/ 6	228,374.19	36.6866	31.3270
76	7/31/ 3	399,965.64	64.2515	54.8650	112	7/31/ 6	223,135.49	35.8451	30.6084
77	8/31/ 3	395,437.41	63.5241	54.2438	113	8/31/ 6	217,866.00	34.9986	29.8856
78	9/30/ 3	390,889.13	62.7934	53.6199	114	9/30/ 6	212,604.79	34.1534	29.1639
79	10/31/ 3	386,310.99	62.0580	52.9919	115	10/31/ 6	207,311.24	33.3030	28.4378
80	11/30/ 3	381,702.88	61.3177	52.3598	116	11/30/ 6	201,986.71	32.4477	27.7074
81	12/31/ 3	377,074.43	60.5742	51.7249	117	12/31/ 6	196,670.20	31.5936	26.9781
82	1/31/ 4	372,415.85	59.8258	51.0858	118	1/31/ 7	191,321.16	30.7343	26.2443
83	2/29/ 4	367,727.01	59.0726	50.4427	119	2/28/ 7	185,939.46	29.8698	25.5061
84	3/31/ 4	363,007.82	58.3145	49.7953	120	3/31/ 7	180,525.00	29.0000	24.7634
85	4/30/ 4	358,284.35	57.5557	49.1474					
86	5/31/ 4	353,530.41	56.7920	48.4953					
87	6/30/ 4	348,772.05	56.0276	47.8425					
88	7/31/ 4	343,983.10	55.2583	47.1856					
89	8/31/ 4	339,163.44	54.4841	46.5245					
90	9/30/ 4	334,339.11	53.7091	45.8627					
91	10/31/ 4	329,483.95	52.9291	45.1967					
92	11/30/ 4	324,597.86	52.1442	44.5265					
93	12/31/ 4	319,706.83	51.3585	43.8555					
94	1/31/ 5	314,784.74	50.5678	43.1803					
95	2/28/ 5	309,831.48	49.7721	42.5009					
96	3/31/ 5	304,848.45	48.9716	41.8173					
97	4/30/ 5	299,874.98	48.1727	41.1351					
98	5/31/ 5	294,871.65	47.3689	40.4488					
99	6/30/ 5	289,877.79	46.5667	39.7638					
100	7/31/ 5	284,852.51	45.7594	39.0744					
101	8/31/ 5	279,797.20	44.9473	38.3810					
102	9/30/ 5	274,751.11	44.1367	37.6888					
103	10/31/ 5	269,673.43	43.3210	36.9922					
104	11/30/ 5	264,565.53	42.5005	36.2916					
105	12/31/ 5	259,466.62	41.6814	35.5921					
106	1/31/ 6	254,335.94	40.8572	34.8883					
107	2/28/ 6	249,173.36	40.0278	34.1802					
108	3/31/ 6	243,980.26	39.1936	33.4678					

Note: The date reflects the LAST DAY the Casualty amount is valid.

Percentage of Rent reflects percentage of Gross Rentals (\$729,000.00).

AGREED AND ACKNOWLEDGED:  
The Andersons, Inc.

By: Cary Smith

Date: 3/20/97

Exhibit C

Schedule of Stipulated Loss Values  
in the Event of Default

3/14/97 @ 10:06am  
File Name: ANDER2B

Lessor: The Vaughn Group, Ltd.  
Lessee: The Andersons, Inc.

Per	Date	Dollar Amt	% of Cost	% of Rent	Per	Date	Dollar Amt	% of Cost	% of Rent
1	4/30/97	692,168.81	111.1918	94.9477	37	4/30/ 0	600,216.72	96.4204	82.3343
2	5/31/97	690,227.61	110.8799	94.6814	38	5/31/ 0	597,026.76	95.9079	81.8967
3	6/30/97	688,243.38	110.5612	94.4092	39	6/30/ 0	593,805.37	95.3904	81.4548
4	7/31/97	686,236.35	110.2388	94.1339	40	7/31/ 0	590,555.81	94.8684	81.0090
5	8/31/97	684,206.42	109.9127	93.8555	41	8/31/ 0	587,277.96	94.3418	80.5594
6	9/30/97	682,133.08	109.5796	93.5711	42	9/30/ 0	583,968.30	93.8102	80.1054
7	10/31/97	680,036.55	109.2428	93.2835	43	10/31/ 0	580,630.10	93.2739	79.6475
8	11/30/97	677,916.74	108.9023	92.9927	44	11/30/ 0	577,263.21	92.7330	79.1856
9	12/31/97	675,753.12	108.5547	92.6959	45	12/31/ 0	573,864.14	92.1870	78.7194
10	1/31/98	673,565.92	108.2034	92.3959	46	1/31/ 1	570,436.12	91.6363	78.2491
11	2/28/98	671,355.04	107.8482	92.0926	47	2/28/ 1	566,979.04	91.0810	77.7749
12	3/31/98	669,120.37	107.4892	91.7861	48	3/31/ 1	563,492.77	90.5209	77.2967
13	4/30/98	666,814.82	107.1188	91.4698	49	4/30/ 1	559,986.77	89.9577	76.8157
14	5/31/98	664,485.07	106.7446	91.1502	50	5/31/ 1	556,451.36	89.3898	76.3308
15	6/30/98	662,084.02	106.3589	90.8209	51	6/30/ 1	552,896.00	88.8186	75.8431
16	7/31/98	659,658.35	105.9692	90.4881	52	7/31/ 1	549,311.03	88.2427	75.3513
17	8/31/98	657,207.98	105.5756	90.1520	53	8/31/ 1	545,696.32	87.6621	74.8555
18	9/30/98	654,685.77	105.1704	89.8060	54	9/30/ 1	542,061.31	87.0781	74.3568
19	10/31/98	652,138.43	104.7612	89.4566	55	10/31/ 1	538,396.34	86.4894	73.8541
20	11/30/98	649,565.85	104.3479	89.1037	56	11/30/ 1	534,701.28	85.8958	73.3472
21	12/31/98	646,920.91	103.9230	88.7409	57	12/31/ 1	530,985.58	85.2989	72.8375
22	1/31/99	644,250.30	103.4940	88.3745	58	1/31/ 2	527,239.56	84.6971	72.3237
23	2/28/99	641,553.91	103.0609	88.0047	59	2/28/ 2	523,463.10	84.0905	71.8056
24	3/31/99	638,831.64	102.6236	87.6312	60	3/31/ 2	519,656.07	83.4789	71.2834
25	4/30/99	636,061.79	102.1786	87.2513	61	4/30/ 2	515,827.91	82.8639	70.7583
26	5/31/99	633,265.74	101.7294	86.8677	62	5/31/ 2	511,968.95	82.2440	70.2289
27	6/30/99	630,421.80	101.2726	86.4776	63	6/30/ 2	508,088.64	81.6207	69.6967
28	7/31/99	627,551.33	100.8115	86.0839	64	7/31/ 2	504,177.30	80.9923	69.1601
29	8/31/99	624,654.21	100.3461	85.6864	65	8/31/ 2	500,234.80	80.3590	68.6193
30	9/30/99	621,708.76	99.8729	85.2824	66	9/30/ 2	496,270.59	79.7222	68.0755
31	10/31/99	618,736.35	99.3954	84.8747	67	10/31/ 2	492,274.99	79.0803	67.5274
32	11/30/99	615,736.85	98.9135	84.4632	68	11/30/ 2	488,247.86	78.4334	66.9750
33	12/31/99	612,688.57	98.4239	84.0451	69	12/31/ 2	484,198.65	77.7829	66.4196
34	1/31/ 0	609,612.88	97.9298	83.6232	70	1/31/ 3	480,117.68	77.1273	65.8598
35	2/29/ 0	606,509.65	97.4313	83.1975	71	2/28/ 3	476,004.81	76.4666	65.2956
36	3/31/ 0	603,378.77	96.9283	82.7680	72	3/31/ 3	471,859.91	75.8008	64.7270

Note: The date reflects the LAST DAY the Casualty amount is valid.  
Percentage of Rent reflects percentage of Gross Rentals (\$729,000.00).

Lessor: The Vaughn Group, Ltd.  
Lessee: The Andersons, Inc.

Per	Date	Dollar Amt	% of Cost	% of Rent	Per	Date	Dollar Amt	% of Cost	% of Rent
73	4/30/ 3	467,692.42	75.1313	64.1553	109	4/30/ 6	299,956.31	48.1858	41.1463
74	5/31/ 3	463,492.65	74.4567	63.5792	110	5/31/ 6	294,861.52	47.3673	40.4474
75	6/30/ 3	459,270.06	73.7783	63.0000	111	6/30/ 6	289,770.99	46.5496	39.7491
76	7/31/ 3	455,014.95	73.0948	62.4163	112	7/31/ 6	284,644.17	45.7260	39.0458
77	8/31/ 3	450,727.19	72.4060	61.8281	113	8/31/ 6	279,482.41	44.8968	38.3378
78	9/30/ 3	446,416.22	71.7134	61.2368	114	9/30/ 6	274,324.61	44.0682	37.6303
79	10/31/ 3	442,072.36	71.0156	60.6409	115	10/31/ 6	269,130.24	43.2338	36.9177
80	11/30/ 3	437,695.45	70.3125	60.0405	116	11/30/ 6	263,900.62	42.3937	36.2004
81	12/31/ 3	433,294.95	69.6056	59.4369	117	12/31/ 6	258,674.67	41.5542	35.4835
82	1/31/ 4	428,861.17	68.8934	58.8287	118	1/31/ 7	253,411.86	40.7087	34.7616
83	2/29/ 4	424,393.96	68.1757	58.2159	119	2/28/ 7	248,112.02	39.8574	34.0346
84	3/31/ 4	419,893.17	67.4527	57.5985	120	3/31/ 7	242,775.00	39.0000	33.3025
85	4/30/ 4	415,384.47	66.7284	56.9800					
86	5/31/ 4	410,842.02	65.9987	56.3569					
87	6/30/ 4	406,291.48	65.2677	55.7327					
88	7/31/ 4	401,707.01	64.5312	55.1038					
89	8/31/ 4	397,088.45	63.7893	54.4703					
90	9/30/ 4	392,461.47	63.0460	53.8356					
91	10/31/ 4	387,800.22	62.2972	53.1962					
92	11/30/ 4	383,104.56	61.5429	52.5521					
93	12/31/ 4	378,400.14	60.7872	51.9067					
94	1/31/ 5	373,661.12	60.0259	51.2567					
95	2/28/ 5	368,887.34	59.2590	50.6018					
96	3/31/ 5	364,080.15	58.4868	49.9424					
97	4/30/ 5	359,278.45	57.7154	49.2837					
98	5/31/ 5	354,443.22	56.9387	48.6205					
99	6/30/ 5	349,613.36	56.1628	47.9579					
100	7/31/ 5	344,748.36	55.3813	47.2906					
101	8/31/ 5	339,849.54	54.5943	46.6186					
102	9/30/ 5	334,955.82	53.8082	45.9473					
103	10/31/ 5	330,026.68	53.0163	45.2711					
104	11/30/ 5	325,063.44	52.2190	44.5903					
105	12/31/ 5	320,105.03	51.4225	43.9102					
106	1/31/ 6	315,110.91	50.6202	43.2251					
107	2/28/ 6	310,080.94	49.8122	42.5351					
108	3/31/ 6	305,016.43	48.9986	41.8404					

Note: The date reflects the LAST DAY the Casualty amount is valid.  
Percentage of Rent reflects percentage of Gross Rentals (\$729,000.00).

AGREED AND ACKNOWLEDGED:  
The Andersons, Inc.

By: Gary Smith

Date: 3/20/97

## CERTIFICATION

Personally appearing before me, the undersigned notary public, John V. Handelsman, being duly sworn, deposes and says upon oath as follows:

1. That he is a Member of The Vaughn Group, Ltd., an Ohio limited liability company, created and existing under the laws of the State of Ohio (the "Company"), that this affidavit is given upon his personal knowledge, and that the facts herein stated are true; and
2. That as a Member of the Company he is authorized to act on behalf of the Company; and
3. That attached hereto is a true and correct copy of Lease Schedule No. 002 to Master Lease Agreement No. 114 dated March 13, 1997 (the "Lease") between the Company, as lessor and The Andersons, Inc., as lessee (the "Lessee") and all related documents and any and all amendments thereto, collectively the agreements ("Agreements"); and
4. That said Agreements are in full force and effect, and there have been no amendments or modifications of said articles or Agreements except for such amendment or modification as are attached hereto.

  
\_\_\_\_\_  
John V. Handelsman

Sworn to and subscribed before me this 16th day of April, 1997.

  
\_\_\_\_\_  
Notary Public

KATHY J. VOEGELE  
Notary Public, State of Ohio  
My Commission Expires Aug. 16, 2000

