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OF COUNSEL  
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RECORDATION NO. 20809-B, C FILED

August 8, 1997

AUG 11 '97 11-20 AM

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

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies each of an Addendum to Master Equipment Lease Agreement, dated as of July 1, 1997 and an Assignment of Lease, dated as of July 24, 1997, both documents being secondary documents as defined in the Board's Rules for the Recordation of Documents.

The enclosed documents relate to the Master Equipment Lease Agreement previously filed with the Board under Recordation Number 20809.

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

Addendum to Master Equipment Lease Agreement

Lessor: NationsBanc Leasing Corporation  
2300 Northlake Centre Drive  
Tucker, Georgia 30084

Lessee: Grace Trust  
1661 Beach Boulevard  
Jacksonville, Florida 32250

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SURFACE TRANSPORTATION  
BOARD  
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*Kim Bartman*

Mr. Vernon A. Williams  
August 8, 1997  
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Assignment of Lease

Assignor: Grace Trust  
1661 Beach Boulevard  
Jacksonville, Florida 32250

Assignee: NationsBanc Leasing Corporation  
2300 Northlake Centre Drive  
Tucker, Georgia 30084

A description of the railroad equipment covered by the enclosed documents is:  
fifteen (15) open hopper cars MMMX 200 through MMMX 214, inclusive

Also enclosed is a check in the amount of \$48.00 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

As security for the full and timely performance of our obligations under that certain Master Equipment Lease Agreement 03622-00300 dated July 1, 1997 (collectively, the "Agreement"), between NationsBanc Leasing Corporation, as ("Lessor") and the undersigned, Grace Trust, as ("Lessee") we hereby assign, transfer and convey to NationsBanc Leasing Corporation ("Assignee"), its successors and assigns, that certain Lease Agreement (the "Lease") dated July 1, 1997 between Grace Trust as assigned to the undersigned, as lessor, and Minnesota Mining and Manufacturing Company. ("Lessee"), covering various rail cars as more fully described in the Lease (the "Property") leased and all payments due and to become due thereunder and all our right, title, and interest in and to the Property and all our rights and remedies thereunder, and the right either in Assignee's own behalf or in our name to take all such proceedings, legal, equitable, or otherwise, that we might take, save for this assignment.

The original Lease is certified by us to be counterpart number one of one serially numbered, manually executed counterparts. To the extent, if any, that said Lease constitutes chattel paper under the Uniform Commercial Code, no security interest may be created through the transfer and possession of any counterpart other than counterpart number one. We warrant that the Lease and all related instruments are genuine and enforceable; the Lease with respect to the Property has been delivered to, and accepted by, the Lessee in condition satisfactory to the Lessee, and we will comply with all our warranties and other obligations to the Lessee.

We hereby agree to indemnify, hold safe and harmless from and against and covenant to defend Assignee against any and all claims, costs, expenses, damages and all liabilities arising from or pertaining to the use, possession or operation of the Property.

We warrant and represent that the Lease is in full force and effect and that we have not assigned nor pledged, and hereby covenant that we will not assign nor pledge, so long as this instrument of assignment shall remain in effect, the whole or any part of the rights hereby assigned, to anyone other than Assignee, its successors or assigns.

Assignee shall have none of our obligations under the Lease.

All our right, title and interest assigned hereunder may be reassigned by Assignee and any subsequent assignee, but only in conjunction with an assignment of the Agreement. It is expressly agreed that, anything herein contained to the contrary notwithstanding, our obligation under the Lease may be performed by Assignee or any subsequent assignee without releasing us therefrom, and Assignee shall not, by reason of this assignment, be obligated to perform any of our obligations under the Lease or to file any claim or take any other action to collect or enforce any payment assigned hereunder.

The covenants, representations and warranties herein set forth are in addition to and not in lieu of those set forth in the Agreement, which are incorporated herein by reference as though fully set forth.

We hereby constitute Assignee, its successors and assigns, our true and lawful attorney, irrevocable, with full power (in our name or otherwise) to ask, require, demand, receive, compound and give acquittance for any and all rents and claims for money due and to become due under, or arising out of the Lease, to endorse any checks or other instruments or orders in connection therewith to file any claims or take any action or institute any proceedings which to Assignee or any subsequent assignee seem necessary or advisable, all without affecting our liability in any manner whatsoever.

We acknowledge this Assignment of the Lease with respect to the Property is the only validly existing and enforceable Assignment thereof, hereby replacing any and all other Assignments thereof.

Dated this 24<sup>th</sup> day of July, 1997.

**Witness**, our hand and seal.

RECORDATION NO. 20809-C FILED  
 AUG 11 '97 11-20AM

Grace Trust (Lessee)

By: [Signature]

Printed Name: Gil Gibbs

Title: Trustee

This certifies that this is a true and correct copy of the original [Signature]

On this 7 day of Aug, 1997, personally appeared before me Nanon Excell who being duly sworn by me executed and delivered the foregoing instrument on the day and year therein mentioned.

[Signature]  
 Notary Public, DeKalb County, Georgia  
 My Commission Expires February 20, 1999

Minnesota Mining and Manufacturing Company (3M) ("Lessee") hereby acknowledges notice of the assignment to NationsBanc Leasing Corporation ("NBLC") of that certain Lease Agreement dated July 1, 1997, together with all supplements, annexes, exhibits, and schedules thereto (collectively, the "Lease") between Grace Trust ("Lessor") and Minnesota Mining and Manufacturing Company (3M) Lessee, covering 15 railcars (the "Equipment") and to induce NBLC to accept such assignment, agrees as follows:

1. Lessee acknowledges that Lessor has assigned to NBLC beneficial ownership of the Lease, but that Lessor has not assigned to NBLC (and NBLC has not assumed) any of Lessor's obligations under the Lease. Accordingly, Lessee will continue to look to Lessor, rather than NBLC, for the performance of Lessor's obligations under the Lease. Lessee agrees not to assert against NBLC any defense, setoff, recoupment, claim, or counterclaim which Lessee may have against Lessor, whether arising under the Lease or otherwise.

2. Upon default by Lessor, under that certain Master Equipment Lease Agreement dated July 1, 1997 (the "Agreement"), between NBLC and Lessor, in which Lessor has granted to NBLC a security interest in the Lease, and if notified by NBLC, Lessee agrees to pay the monthly rentals provided for in the Lease directly to NBLC without offset or reduction up to the current amounts due to NBLC by Lessor under the Agreement.

3. Lessee agrees that it shall (i) not terminate the Lease for any reason, (ii) not modify or amend the Lease, (iii) not assign or sublet its rights under the Lease or in the Equipment covered by such Lease, (iv) not exercise any of its rights under the Lease which are exercisable only with the consent of Lessor, or (v) if requested by NBLC, return the Equipment as bailee for NBLC for the purpose of perfecting NBLC's lien, title retention and/or security interest in the Equipment as against Lessor and its creditors.

4. Lessee agrees to Lessor's assignment of the Lease to NBLC, notwithstanding any prohibition in the Lease, and confirms that Lessee has not received notice of any other assignment, or notice of any interest in the leased Equipment other than Lessee's, Lessor's, and NBLC's interests.

5. Lessee understands that NBLC makes no express or implied warranties or representations as to any matter whatsoever, including the condition of the Equipment, its marketability, or its fitness for any particular purpose.

6. Lessee acknowledges that it has finally accepted the Equipment described in the Lease.

7. Lessee represents that it has no purchase or renewal option concerning the Equipment other than as stated in the Lease and Lessee hereby agrees to give NBLC at least thirty (30) days prior written notice of the exercise of any such option.

8. Lessee agrees that, at the same time it sends to Lessor any notice under the Lease, it will send a copy thereof to NBLC at the following address or at such other address as NBLC may specify from time to time in writing: 2300 Northlake Centre Drive, Suite 300, Tucker, Georgia 30084-4007.

9. Lessee agrees during the term set forth in the Lease to furnish promptly to NBLC the annual financial statements of Lessee.

**In Witness Whereof**, Lessee has caused this Lessee Acknowledgment and Agreement to be executed by its duly authorized officer.

Minnesota Mining and Manufacturing Company (3M), (Lessee)

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



Roger A Pogoda

Transportation Planning & Contract Mgr.

July 31, 1997