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June 22, 1994

RECORDATION NO. 18854 FILED 1426

JUN 22 1994 -9 05 AM

INTERSTATE COMMERCE COMMISSION

New Recordation No.

Dear Mr. Strickland:

On behalf of Atlantic & Western Railway, Limited Partnership, 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, which is a lease ("Lease") dated as of March 23, 1994.

The parties to the enclosed Lease are:

Atlantic & Western Railway, Limited Partnership - LESSOR
Suite 302
100 Professional Park
Carrolton, GA 30117

Meridian & Bigbee - LESSEE
Railroad Comany
Meridian, MS 39302

The said Lease, among other things, acts to lease fifty (50) boxcars by the Lessor to the Lessee.

The equipment covered by the instant Lease is identified in the Lease as "seventy ton" plug door boxcars equipped with belt rails end of car cushioning thereto.

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

"Covers 50 boxcars, M&B 9001-9050."

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.

Very truly yours,

Allen H. Harrison, Jr.
Allen H. Harrison, Jr.
Attorney for Atlantic & Western Railway, Limited Partnership 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 A. H. Harrison

JUN 22 1994 -9 05 AM

INTERSTATE COMMERCE COMMISSION

This lease dated as of March 23, 1994 is by and between Atlantic & Western Railway, Limited Partnership, (Lessor) and Meridian & Bigbee Railroad, Co., (Lessee).

1. Capitalization and Titles: Capitalized words are used herein for the convenience of the parties. The specific definitions or uses of such words are contained in the body of the lease. All titles to the paragraphs are for the information and convenience of the parties and are not substantive.

2. Cars: Lessor agrees to furnish and Lessee agrees to accept, subject to the provisions of this lease, up to sixty five (65) "seventy ton" plug door boxcars equipped with belt rails and end of car cushioning.

3. Term: The term of this lease is for five years, beginning June 1, 1994, or the date of acceptance for the Cars that are accepted earlier, and continuing through May 31, 1999 or the end of the storage period, as provided herein, whichever occurs later. Thereafter Lessee may extend the Lease for four (4) additional periods of two (2) years each, provided that notice of renewal is extended to Lessor not less than ninety (90) days prior to the expiration of the then current term.

4. Transfer and Use: Lessor agrees to deliver the cars to Lessee and Lessee agrees to return the cars to Lessor, at mutually agreed interchange points on Lessee's lines. Lessor is solely responsible for all line haul, switching and accessorial charges applicable to the charges movement of the cars to and from the interchange points. Lessee is responsible for all similar charges incurred in returning the cars to the designated interchange points. Lessee agrees to use the Cars exclusively in its own service and interchange service with other railroads, and shall have full authority to direct the movement of the Cars to any location in the continental United States, Mexico and Canada.

5. Payment: Lessee shall pay Lessor \$260 per car per month for each Car accepted by Lessee. Payment shall cease and be prorated as of the date of withdrawal of any car from this lease pursuant to the Destruction of Car.

6. Incorporation of Documents: Except as otherwise expressly provided herein, the parties agree to incorporate and be governed by the provisions of the Field Manual of the AAR Interchange Rules, AAR Circular No. OT-5 and 49 CFR parts 215, 231 and 232, all as amended, supplemented or superseded through out the term of this Lease.

7. Maintenance and Repair: The Cars are leased to Lessee on a "net lease" basis. Lessee shall perform all required maintenance and repairs to the Cars during the Lease term at the expense of Lessee. At the end of the lease term the cars shall be returned to Lessor in the same condition as they were given, normal wear and tear

excepted.

8. Inspection: Each of the cars will be inspected by the parties at the beginning and ending of this lease at times and locations mutually agreed upon by the parties. The condition of each car will be noted on a joint inspection certificate (JIC). Should either party waive inspection, the records of the other party shall control. (A) All Cars shall be delivered to Lessee in the following condition: (1) empty, (2) in good operating status, (3) acceptable as being capable of immediate loading and transportation of the intended commodities, and (4) suitable for interchange in accordance with the Interchange Rules of the Association of American Railroads (AAR Rules). (B) All cars will be returned in interchange condition subject to reasonable wear and tear and possible cleaning. (C) If a car is in need of repair prior to acceptance for delivery or return, a separate inspection will be held after repairs have been made. Should either party waive inspection, the records of the other party will control regarding the condition of the Cars on that date.

9. Car Hire Charges: Lessee shall collect and retain the car hire charges (time and Mileage) earned by the cars, subject to all applicable tariffs, circular and contracts.

10. Destruction of Car: Any car that is damaged or destroyed beyond economic repair will be deleted from this Agreement as of the date Lessor has received payment under the attached casualty schedule, if such destruction occurs on the line of Lessee, or under Rule 107 of the AAR Interchange Rules if destruction occurs on lines other than Lessee's. Rental payments will continue until payment has been received by Lessor. No replacement car will be furnished unless agreed upon by both parties.

11. Disclaimer of Warranties: Lessor, not being the manufacturer of the cars, nor the manufacturer's agent, hereby expressly disclaims and makes to Lessee no warranty or representation, expressed or implied, of merchantability or fitness for any particular purpose or otherwise. Lessor hereby acknowledges that any manufacturers and/or sellers warranties are for the benefit of both Lessor and Lessee.

12. Lettering: Lessee, at its expense, shall apply its own reporting marks and numbers, including AEI tags, to all Cars that are accepted. Lessor, at its expense, shall remove Lessee's reporting marks and AEI tags once this lease has expired.

13. Sublease: Lessee may sublease any of the cars to any third party of its choosing. Notwithstanding any such sublease, Lessee shall continue to remain liable to Lessor under all conditions and terms of this lease and such sublease shall be subject and subordinate to this lease. Except for the rights contained in this lease, no right, title, or interest in any of the Cars shall vest in Lessee by reason of this Lease.

14. Default: If Lessee shall fail to perform any of its obligations hereunder, Lessor shall provide written notice to Lessee, specifying the alleged failure. If such failure has not been corrected within: (A) ten (10) days for payment of rent or (B) forty five (45) days for any other alleged failure, Lessor, at its sole election, may terminate this Lease upon three (3) days written notice, such notice however will not relieve Lessee of its obligations for the rental payment on such cars.

15. Assignment of Lease: This Lease shall be assignable by Lessor and by its assigns without the consent of Lessee, but Lessee shall not be obligated to any assignee of Lessor except upon written notice of such assignment from Lessor or such assignee. Notwithstanding anything to the contrary contained herein, the obligation of Lessee to pay Rental to such assignee shall be absolute and unconditional and shall not be affected by any circumstance whatsoever and such payment shall be made without interruption or abatement notwithstanding any event or circumstance whatsoever, including, without limitation, the deprivation or limitation of the use of the equipment, the bankruptcy or insolvency of Lessor or Lessee or any disaffirmance of this Lease by or on behalf of Lessee, and notwithstanding any defence, setoff, recoupment or counterclaim or any other right whatsoever, whether by reason of breach of this Lease or otherwise which Lessee may now or hereafter have against Lessor and whether any such event shall be by reason of any act or omission of Lessor or otherwise; provided however, that nothing herein contained shall effect any right of Lessee to enforce against Lessor any claim which Lessee may have against Lessor in any manner other than by abatement, attachment, or recoupment of interference with, or set-off, counterclaim or defense against, the aforementioned payments to be made to such assignee. Lessee's undertaking herein to pay the Rental to and to perform the other obligations of Lessee hereunder for the benefit of an assignee of Lessor shall constitute a direct, independent and unconditional obligation of Lessee to said assignee. Lessee also acknowledges and agrees that any assignee of Lessors's interest in this lease shall have the right to exercise all rights, privileges and remedies (either in its own name or in the name of Lessor) which by the terms of this lease are permitted to be exercised by Lessor.

16. Return Tender and Storage: Lessee shall gather the Cars at the end of the term of this Lease and shall notify Lessor that the Cars are available for inspection. The aforementioned notice shall: (A) constitute the return tender of the Cars; (B) terminate any rental payments; and (C) begin the storage period. Lessee shall provide free storage for the cars for up to sixty (60) days from the date of return tender, after which a charge of \$3.00 per car per day shall apply until receipt of forwarding instructions from Lessor. Lessee shall not be responsible for loss or damage sustained to the Cars during the storage period, unless due to the negligence of Lessee.

17. Taxes: Lessee agrees to assume responsibility for and to pay

any applicable sales, use or similar taxes resulting from the lease or use of the cars. Lessee may protest or otherwise contest against the taxes for which it is responsible for payment to the taxing authority, and agrees to pay any penalty or interest, if unsuccessful. Notwithstanding any other provision of this Lease, Lessor is solely responsible for the payment of all income taxes assessed against it for any Rental payments or other income received or deductions taken by it in connection with this lease.

18. Title, possession and Assignment: Lessor is aware of and acknowledges the importance of Lessee's right of sole possession and quiet enjoyment of the cars for the entirety of this Lease. Lessor represents: (A) that it is either the sole owner of the cars or has the sole right and authority to lease the cars as provided herein, (B) that Lessee is entitled to receive all car hire charges and/or mileage allowance payments that accrue when such cars are off the lines of Lessee and, (C) no other party has any rights that might affect Lessee's rights to possession and peaceful enjoyment of the Cars under this Lease as long as Lessee is in compliance with its obligations.

19. Car Modifications: Should any car require modification pursuant to a regulation of the U.S. Department of Transportation or other agency having jurisdiction over the operation or use of the Cars, Lessor may elect to do either of the following: (A) permanently delete the affected cars from this Lease upon ninety (90) days' notice or (B) arrange to make the appropriate modifications at its expense. If the modifications are made by Lessor's expense, the Term for the cars will be extended, without additional expense, by the number of days the cars are out of Lessee's service. If Lessor elects option (A), Lessee has forty five (45) days from receipt of Lessors notice within which to notify Lessor that Lessee will perform the appropriate modifications at its expense. If the modifications are made by Lessee at its expense the term for the cars will be extended, at existing rental rates, by the number of days, rounded to the nearest whole, obtained by dividing the Lessee's total charges for performing the modification by the proportional daily rate for the Cars.

20. Notices: Unless otherwise provided, any notice sent pursuant to this Lease must be in writing and addressed as follows:

To Lessor: Atlantic & Western Railway, Limited Partnership
2605 Thomas Drive
Panama City Beach, FL 32408

To Lessee: Meridian & Bigbee Railroad
P.O. Box 551
Meridian, MS 39301

21. Non-Waiver: The failure of either party to enforce any provision of this Lease or to prosecute any default shall not be considered as a waiver of that provision or as a bar to the prosecution of that default unless so indicated in writing.

22. Insurance: The Lessee will at all times during the term of this lease, and until return of the Cars to Lessor, at its own expense, cause to be carried and maintained insurance or self insurance retention in respect to its obligations assumed under this lease in amounts and against such risks customarily insured against by comparable railroad companies. Lessee will annually furnish Lessor with a schedule of such coverage', upon written request.

23. UMLER: Lessee will be shown as the Lessee of the Cars in the AAR UMLER file.

24. Casualty Statement: The amounts contained on the attached casualty schedule will apply when Lessee is responsible for the payment of a car that is destroyed or damaged beyond economic repair, as described in the Destruction of Car paragraph.

25. Entire Agreement: This Lease constitutes the entire understanding of the parties, has been drafted on a basis of mutual input, shall be construed pursuant to the laws of the State of Florida, and shall be binding upon the parties, their respective successors, assigns and legal representatives. It shall remain in full force and effect until all Cars have been tendered at the appropriate interchange point for return to Lessor. Any modification to this Lease must be in writing and signed by both parties.

In witness whereof, the parties have caused this Lease to be executed by their duly authorized officials.

Meridian & Bigbee Railroad, Co.
(Lessee)

Atlantic & Western Railway,
Limited Partnership by Rail
Management and Consulting
Corp. It's General Partner
(Lessor)

By: J. Chaich Jr.

By: D. Duden

Title: President & CEO

Title: President

Date: 3/29/94

Date: 4/6/94

STATE OF Florida)
COUNTY OF Bay)SS

Before me this date personally appeared K. Earl Durden, to me personally known, who being by me duly sworn, says that he is the President of Rail Management & Consulting Corporation, General Partner of Atlantic & Western Railway, L.P., the Lessor named in the foregoing Lease, that said Lease was signed on behalf of Rail Management & Consulting Corporation, General Partner of Atlantic & Western Railway, L.P. by him as President and he acknowledged that the execution of the foregoing Lease was his free act and deed and the free act and deed of said limited partnership.

In witness whereof, I have hereunto set my hand and affixed my official seal at Panama City, Florida, this 26th day of May, 1994.



Notary Public



DAVID SCOTT HELMS
My Commission CC326324
Expires Oct. 25, 1997
Bonded by HAI
800-422-1555

STATE OF Mississippi)
COUNTY OF Lauderdale) SS

Before me this date personally appeared John Chaich, Jr., to me personally known, who being by me duly sworn, says that he is the President and Chief Executive Officer of Meridian & Bigbee Railroad Company, the Lessee named in foregoing Lease, that said Lease was signed on behalf of Meridian & Bigbee Railroad Company and he acknowledged that the execution of the foregoing Lease was his free act and deed and the free act and deed of said Company.

In witness whereof, I have hereunto set my hand and affixed my official seal at Meridian, Mississippi, this 7th day of June, 1994.

Patricia M. Bassley
Notary Public

My Commission Expires: November 13, 1996

Initial Casualty Value: \$16,000

Casualty Value After
Payment Number:

Casualty Value After
Payment Number:

1	15,883	31	12,384
2	15,767	32	12,287
3	15,660	33	12,150
4	15,533	34	12,034
5	15,417	35	11,917
6	15,300	36	11,800
7	15,183	37	11,884
8	15,067	38	11,567
9	14,950	39	11,450
10	14,833	40	11,334
11	14,717	41	11,217
12	14,600	42	11,100
13	14,483	43	10,984
14	14,367	44	10,867
15	14,250	45	10,750
16	14,133	46	10,634
17	14,017	47	10,517
18	13,900	48	10,400
19	13,783	49	10,284
20	13,667	50	10,167
21	13,550	51	10,050
22	13,433	52	9,934
23	13,317	53	9,817
24	13,200	54	9,700
25	13,084	55	9,584
26	12,967	56	9,467
27	12,850	57	9,350
28	12,734	58	9,234
29	12,617	59	9,117
30	12,600	60	9,000

(NUMERIC ORDER BY NEW M&B NUMBER)
FINAL LIST OF ALL 50 BOXCARS GIVEN BY WASHINGTON RAILCAR
AS OF THIS DATE
TO CSXT FOR DELIVERY TO M&B
(50 CARS)

<u>M&B NO.</u>	<u>OLD SOO NO.</u>	<u>DATE GIVEN TO CSXT</u>
9001	17500	5/26/94
9002	17504	6/8/94
9003	17506	5/26/94
9004	17518	5/20/94
9005	17528	5/25/94
9006	17530	4/29/94
9007	17536	5/20/94
9008	17546	4/29/94
9009	17548	5/31/94
9010	17550	4/29/94
9011	17558	5/13/94
9012	17560	5/13/94
9013	17564	6/6/94
9014	17576	6/8/94
9015	17586	5/24/94
9016	17590	4/29/94
9017	17600	4/29/94
9018	17608	4/29/94
9019	17618	5/20/94
9020	17622	4/29/94
9021	17636	5/24/94
9022	17638	5/13/94
9023	17640	5/13/94
9024	17648	4/29/94
9025	17652	5/27/94
9026	17678	5/27/94
9027	17682	5/20/94
9028	17684	5/20/94
9029	17708	5/13/94
9030	17728	6/16/94
9031	17736	4/29/94
9032	17742	4/29/94
9033	17746	4/29/94
9034	17748	4/29/94
9035	17754	6/1/94

Page 2. Final list of all 50 Cars given to CSXT for delivery to M&B (as of 6/16/94 3:00 p.m. EDST (NUMERIC ORDER BY NEW M&B NUMBER):

9036	17770	6/3/94
9037	17784	5/20/94
9038	17790	6/1/94
9039	17800	5/13/94
9040	17804	4/29/94
9041	17808	5/31/94
9042	17812	4/29/94
9043	17820	6/2/94
9044	17828	6/3/94
9045	17834	5/20/94
9046	17836	6/9/94
9047	17840	6/2/94
9048	17846	5/25/94
9049	17764	6/6/94
9050	17570	6/3/94

(NUMERIC ORDER BY OLD SOO LINE NUMBER)
FINAL LIST OF ALL 50 BOXCARS GIVEN BY WASHINGTON RAILCAR
AS OF THIS DATE
TO CSXT FOR DELIVERY TO M&B
(50 CARS)

<u>M&B NO.</u>	<u>OLD SOO NO.</u>	<u>DATE GIVEN TO CSXT</u>
9001	17500	5/26/94
9002	17504	6/8/94
9003	17506	5/26/94
9004	17518	5/20/94
9005	17528	5/25/94
9006	17530	4/29/94
9007	17536	5/20/94
9008	17546	4/29/94
9009	17548	5/31/94
9010	17550	4/29/94
9011	17558	5/13/94
9012	17560	5/13/94
9013	17564	6/6/94
9050	17570	6/3/94
9014	17576	6/8/94
9015	17586	5/24/94
9016	17590	4/29/94
9017	17600	4/29/94
9018	17608	4/29/94
9019	17618	5/20/94
9020	17622	4/29/94
9021	17636	5/24/94
9022	17638	5/13/94
9023	17640	5/13/94
9024	17648	4/29/94
9025	17652	5/27/94
9026	17678	5/27/94
9027	17682	5/20/94
9028	17684	5/20/94
9029	17708	5/13/94
9030	17728	6/16/94
9031	17736	4/29/94
9032	17742	4/29/94
9033	17746	4/29/94
9034	17748	4/29/94
9035	17754	6/1/94

Page 2. Final list of all 50 Cars given to CSXT for delivery to M&B (as of
6/16/94 3:00 p.m. EDST (NUMERIC ORDER BY OLD SOO LINE
NUMBER):

9049	17764	6/6/94
9036	17770	6/3/94
9037	17784	520/94
9038	17790	6/1/94
9039	17800	5/13/94
9040	17804	4/29/94
9041	17808	5/31/94
9042	17812	4/28/94
9043	17820	6/2/94
9044	17828	6/3/94
9045	17834	5/20/94
9046	17836	6/9/94
9047	17840	6/2/94
9048	17846	5/25/94