

RECORDATION NO. 18917 FILED 1994

TAFT, STETTINIUS & HOLLISTER 0100322006

JUL 27 1994 -3 05 PM

WASHINGTON OFFICE
SUITE 500 - 525 INDIANA AVENUE, N.W.
WASHINGTON, D.C. 20004-2901
202-628-2838
FAX: 202-347-3419

1800 STAR BANK CENTER
425 WALNUT STREET
CINCINNATI, OHIO 45202-3957
513-381-2838
CABLE: TAFTHOL TWX: 810-461-2823
FAX: 513-381-0205

COLUMBUS, OHIO OFFICE
21 EAST STATE STREET
COLUMBUS, OHIO 43215-4221
614-221-2838
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NORTHERN KENTUCKY OFFICE
THOMAS MORE CENTRE
2670 CHANCELLOR DRIVE
CRESTVIEW HILLS, KENTUCKY 41017-3491
606-331-2838
513-381-2838
FAX: 513-381-6613

July 20, 1994

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Interstate Commerce Commission
12th Street & Constitution Ave., N.W.
Washington, D.C. 20423
Attn: Mildred Lee
Room 2303

Dear Ms. Lee:

I have enclosed herewith an original and one copy of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a Railroad Equipment Lease, a primary document, dated January 14, 1994.

The names and address of the parties to the document are as follows:

ASSIGNEE: The David J. Joseph Company
300 Pike Street
Cincinnati, Ohio 45202

ASSIGNOR: Inland Steel Flat Products Company
3210 Watling Street 8-160
East Chicago, IN 46312

The equipment covered by the enclosed document is eighty-eight (88) 100-ton, 4000 cubic, 1976 Greenville built, open top hopper railcars, currently bearing the reporting marks set forth in Exhibit A attached hereto.

A fee of \$18.00 is enclosed. Please return the original executed copy of the enclosed document to:

Philip F. Schultz, Esq.
Taft, Stettinius & Hollister
1800 Star Bank Center
425 Walnut Street
Cincinnati, OH 45202-3957

RECORDED
JUL 20 1994

Ms. Mildred Lee
July 20, 1994
Page 2

A short summary of the document to appear in the index follows:

Railroad Equipment Lease between Inland Steel Flat Products Company, 3210 Watling Street 8-160, East Chicago, IN 46312, as Lessee, and The David J. Joseph Company, 300 Pike Street, Cincinnati, Ohio 45202, as Lessor, dated January 14, 1994, and covering eighty-eight (88) 100-ton, 4000 cubic, 1976 Greenville built, open top hopper railcars.

Please call me if you should have any questions.

Yours truly,



Philip F. Schultz
Attorney for
The David J. Joseph Company

PFS/taj
Enclosure

iccfla8.djj

EXHIBIT A

DESCRIPTION OF UNITS

Eighty-eight (88), 100 ton, 4000 cubic, 1976 Greenville built open top hopper railcars currently bearing reporting marks as follows:

RLMX 3000	RLMX 3030	RLMX 3052	RLMX 3073
RLMX 3001	RLMX 3032	RLMX 3053	RLMX 3074
RLMX 3002	RLMX 3033	RLMX 3054	RLMX 3075
RLMX 3006	RLMX 3034	RLMX 3055	RLMX 3076
RLMX 3008	RLMX 3035	RLMX 3056	RLMX 3077
RLMX 3009	RLMX 3036	RLMX 3057	RLMX 3078
RLMX 3010	RLMX 3037	RLMX 3058	RLMX 3079
RLMX 3011	RLMX 3038	RLMX 3059	RLMX 3080
RLMX 3012	RLMX 3039	RLMX 3060	RLMX 3081
RLMX 3013	RLMX 3040	RLMX 3061	RLMX 3082
RLMX 3014	RLMX 3041	RLMX 3062	RLMX 3083
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RLMX 3019	RLMX 3044	RLMX 3065	RLMX 3086
RLMX 3020	RLMX 3045	RLMX 3066	RLMX 3087
RLMX 3021	RLMX 3046	RLMX 3067	RLMX 3088
RLMX 3023	RLMX 3047	RLMX 3068	RLMX 3089
RLMX 3024	RLMX 3048	RLMX 3069	RLMX 3090
RLMX 3025	RLMX 3049	RLMX 3070	RLMX 3091
RLMX 3026	RLMX 3050	RLMX 3071	RLMX 3092
RLMX 3027	RLMX 3051	RLMX 3072	RLMX 3093
			RLMX 3094
			RLMX 3095
			RLMX 3096
			RLMX 3097

REGISTRATION NO. **18917** ISSUED 1985

JUL 27 1994 -3 05 PM

CERTIFICATE

INTERSTATE COMMISSION COMMISSION

The undersigned, Stephen M. Griffith, Jr., a notary public in and for the County of Hamilton, State of Ohio, hereby certifies that the copy of the document attached hereto has been compared with the original and that the undersigned has found the copy to be complete and identical in all respects to the original document.

Stephen M. Griffith, Jr.

Notary Public

STEPHEN M. GRIFFITH, JR., Attorney at Law
NOTARY PUBLIC - STATE OF OHIO
My Commission has no expiration
Date: Section 147.03 O.R.C.

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

JULY 28, 1994

PHILIP F. SCHULTZ
TAFT, STETTINIUS & HOLLISTER
1800 STAR BANK CENTER
425 WALNUT STREET
CINCINNATI OHIO 45202-3957

Dear MR. SCHULTZ:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 7/27/94 at 3:05PM, and assigned recordation number(s). 18917 and 18918.

Sincerely yours,

Sidney L. Strickland, Jr.
Secretary

Enclosure(s)

\$ 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 your document.

Signature

Suledia M. Stokes

18917

RECORDATION NO. _____ FILED 1425

JUL 27 1994 -3 05 PM

INTERSTATE COMMERCE COMMISSION

RAILROAD EQUIPMENT LEASE

THIS RAILROAD EQUIPMENT LEASE (the "Lease"), dated as of the 14th day of January, 1994 is made and entered into by and between The David J. Joseph Company, a Delaware corporation (hereinafter referred to as "Lessor") and Inland Steel Flat Products Company, a division of Inland Steel Company, a Delaware corporation (hereinafter referred to as "Lessee").

WHEREAS, Lessee desires to lease from Lessor and Lessor desires to lease to Lessee all of the items of equipment specified in Exhibit A attached hereto (hereinafter collectively referred to as the "Units" and singularly referred to as "Unit") on the terms and conditions stated herein.

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements set forth herein, the parties hereby agree as follows:

1. **LEASE OF UNITS:** Lessor hereby leases to Lessee and Lessee hereby rents from Lessor the Units for the period (the "Term") commencing on the date upon which Lessor delivers the Units, as provided in Section 2 below (the "Commencement Date"); and ending following the delivery of the last Unit under this Lease (the "Expiration Date") or the date upon which all of Lessee's obligations hereunder have been met (the "Termination Date"), provided no event of default exists,

2. **DELIVERY AND ACCEPTANCE:** Lessor, at its expense, will cause each Unit to be delivered to the Lessee at Neville Island, Pennsylvania. Each Unit has been inspected by Lessee and upon Lessee's execution of this Lease, Lessee accepts the Units as being suitable for coke or coal service except for latent defects that would not have been discoverable by visual inspection.

3. **MAINTENANCE AND REPAIRS:** Lessor shall, at its expense, perform, arrange, and pay for all maintenance and repairs made necessary by ordinary wear and tear; provided, however, that Lessee shall first be required to notify Lessor of any Unit in need of repair. Lessee shall not repair, or authorize the repair of, any of the Units without Lessor's prior written consent, except that running repairs (as specified in the Association of American Railroads rules for Interchange and the Canadian Transport Commission regulations) may be performed without prior written consent. The amount Lessor will pay for such running

repairs shall not be in excess of the basis, in effect at the time the repair is made, provided by the Association of American Railroads.

Lessee shall be responsible for the cost of and pay for all damage to a Unit, including but not limited to, any damage caused by cornering, sideswiping, derailment, improper or abusive loading or unloading methods including any damage which may result from the use of thaw sheds or any other heat application used in unloading, unfair usage or similar occurrences while under this Lease, whether such damage to a Unit is direct, indirect, incidental or consequential, but excluding the maintenance and repairs made necessary by ordinary wear and tear which is the Lessor's responsibility. Lessee shall promptly notify Lessor of the location and condition of any Unit which has been damaged or destroyed and shall thereafter continue to give Lessor any additional information which the Lessor has a need to obtain about such Unit. Lessee shall pass through to Lessor any payment received by Lessee from any third parties as reimbursement for costs or expenses which are the responsibility of Lessor pursuant to this Lease.

[REDACTED]

4. DISCLAIMER OF WARRANTIES: LESSOR HEREBY EXPRESSLY DISCLAIMS AND MAKES TO LESSEE NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE CONDITION OF THE UNITS OR OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR OTHERWISE. LESSOR IS NOT RESPONSIBLE OR LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OR LOSSES RESULTING FROM THE INSTALLATION, OPERATION OR USE OF THE UNITS OR ANY UNIT. LESSEE'S ACCEPTANCE OF ANY UNIT SHALL BE CONCLUSIVE AS BETWEEN LESSOR AND LESSEE THAT SAID UNIT IS IN ALL OF THE FOREGOING RESPECTS SATISFACTORY TO LESSEE EXCEPT FOR LATENT DEFECTS THAT WOULD NOT HAVE BEEN DISCOVERABLE BY VISUAL INSPECTION.

5. USE: Lessee shall use the Units only for transportation of coal or coke. At the time when Lessor delivers the Units to Lessee, such Units shall be suitable for coke or coal service. Lessee shall have full authority to direct the movement of the Units between the Pittsburgh, Pennsylvania area and East Chicago, Indiana. Lessee agrees, for the benefit of Lessor, to comply in

all respects with all laws of the jurisdictions in which operations involving any Unit subject to this Lease may extend.

6. RENTAL: Lessee agrees to pay to Lessor the amount of rent specified in Exhibit B attached hereto (the "Rental") in ~~advance~~ ^{advance} on the first day of each calendar month during the Term. Except as provided in Section 3 hereof, Lessee agrees to pay such Rental without notice, demand, deduction or set off, with said Rental being pro-rated on a per diem basis for any partial month.

7. TAXES: Lessee shall pay, and shall indemnify and hold Lessor harmless from, all taxes, fees, assessments, charges, duties, fines and penalties imposed by any local, federal or foreign authority upon or in connection with or measured by this Lease or Rental paid hereunder, or imposed upon the Units or for the possession, rental, return, delivery, use or operation thereof or on the earnings therefrom, excluding only, taxes imposed upon or measured by the net income of Lessor.

8. INDEMNIFICATION: Lessee assumes all risk of loss of the Units during the Term, and Lessee shall indemnify and hold Lessor harmless from any and all liabilities, losses, damages, expenses (including attorney's fees) or claims of whatsoever nature arising out of or relating to the possession, use, condition or operation of the Units or any Unit, regardless of where, how, and by whom operated unless such liabilities, losses, damages, expenses or claims are due in whole or in part by the negligence or intentional acts of Lessor or Lessor's agents.

9. INSURANCE: Lessee shall, at its sole expense, carry insurance with respect to all of the Units in such amounts as described in Exhibit C and with respect to such risks as Lessor may reasonably require. Lessee shall, prior to using any Unit and thereafter upon Lessor's request, furnish certificates, policies or endorsements to Lessor as proof of such insurance. Such policies shall name Lessor as loss payee.

10. CASUALTY OCCURRENCES: In the event that any Unit shall become lost, stolen, damaged or destroyed beyond repair or to the extent that it would not be economical to repair said Unit, Lessee shall promptly notify Lessor of same in writing and shall pay Lessor a sum equal to the Casualty Settlement Value of such Unit, as specified on Exhibit D attached hereto, provided, however, that such lost, stolen, damage or destruction (i) is due to the misuse or negligence of Lessee, its consignee or agent, or is caused by any commodity which may be transported or stored in or on such Unit, or (ii) occur while such Unit is on the tracks of Lessee or any private siding or track, or at the loading or unloading facility of Lessee or its consignee or agent, or on the track of any railroad that does not subscribe to the Interchange Rules or any private or industrial railroad. Notwithstanding anything contained herein to the contrary, if the Casualty Settlement Value is not received by Lessor within six (6) months

of the date of destruction, Lessee shall pay Lessor a sum equal to the Casualty Settlement Value. Lessee's obligations to pay Rental with respect to such Unit shall cease on the date the Casualty Settlement Value of said Unit is paid to Lessor.

Notwithstanding anything herein contained, Lessor may notify Lessee that it is withdrawing from this Lease any Unit which in the opinion of Lessor has been destroyed, damaged or needs repairs in excess of its economic value, whereupon this Lease will terminate as to such withdrawn Unit; provided, however, Lessor may, with Lessee's consent, substitute a Unit of like specifications, for such withdrawn Unit, in which case all of the terms and conditions of this Lease shall apply to the substituted Unit.

11. RETURN: At the expiration or earlier termination of the Term, Lessee will return the Units at its sole risk and expense as follows:

- (a) Each Unit shall be empty, free from residue, in good and loadable operating order and shall meet the standards of condition and repair then in effect under the Interchange Rules of the Association of American Railroads, ordinary wear and tear excepted;
- (b) Lessee shall make the Units available for inspection at Lessee's facility or other local facility located in the East Chicago, IN area or the Pittsburgh, PA area; provided, however, that all of the Units are made available for inspection at one location; provided, further, that Lessor shall inspect such Units within thirty (30) days after Lessee has given Lessor written notice that such Units are available for inspection; and
- (c) Lessee shall thereafter transport the Units to any place on the lines of CSXT as directed by Lessor at no cost to Lessor.

In the event that any Unit is not delivered to Lessor in compliance with this Section 11 on or before the Expiration Date, the Unit shall remain on Rental and obligations of Lessee under this Lease with respect to such Unit shall remain in full force and effect until such Unit is so delivered to Lessor.

12. CAR MODIFICATION: Notwithstanding any other provisions of this Lease, should any Unit 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 Units, Lessor may elect to terminate this Lease if such modifications are required to be performed during the Term upon ninety (90) days written notice.

13. NOTICES: Any notice required or permitted to be given by either party hereto to the other shall be in writing and shall be deemed given when actually received or five (5) days after deposited in United States Certified or Registered Mail, Return

Receipt Requested, postage prepaid, addressed as follows:

TO LESSOR: The David J. Joseph Company
300 Pike Street
Cincinnati, Ohio 45202
Attention: Vice President - RELM Division

TO LESSEE: Inland Steel Flat Products
3210 Watling Street 8-160
East Chicago, IN 46312
Attention: Mr. Steve Jeziorski

14. GOVERNING LAW: This Lease is made and entered into in Cincinnati, Ohio, and shall be governed by, and construed and enforced in accordance with the laws of the State of Ohio.

15. ASSIGNMENT: Lessee shall not assign or transfer (by operation of law or otherwise) any of its rights under this Lease, or sublet any of the Units, without Lessor's prior written consent, such consent shall not be unreasonable withheld.

16. DEFAULT AND REMEDIES: In the event Lessee fails to timely perform any of its obligations hereunder, in addition to any and all other remedies available to Lessor at law or in equity for such failure, Lessor shall be entitled to terminate this Lease and to cause Lessee, at its sole expense, to promptly return the Units to Lessor in accordance with the terms and provisions of Section 11 hereof. In the event Lessor fails to timely perform any of its obligations hereunder, in addition to any and all other remedies available to Lessee at law or in equity for such failure, Lessee shall be entitled to terminate this Lease and to promptly return the Units to Lessor in accordance with the terms and provisions of Section 11 hereof.

17. SURVIVAL: Lessee's obligations hereunder shall survive the expiration or earlier termination of this Lease.

IN WITNESS WHEREOF, the parties have caused this Lease to be executed as of the day and year first above written.

Signed and acknowledged
in the presence of:

Steven E. Ward
(As to Lessor)
Linda M. Baughman
(As to Lessor)

Signed and acknowledged
in the presence of:

Stephen P. Gzowski
(As to Lessee)
Carl H. S.
(As to Lessee)

LESSOR:

THE DAVID J. JOSEPH COMPANY

BY: James H. Goetz

NAME: James H. Goetz

TITLE: Division Vice President

LESSEE:

INLAND STEEL FLAT PRODUCTS
COMPANY, A DIVISION OF INLAND
STEEL COMPANY

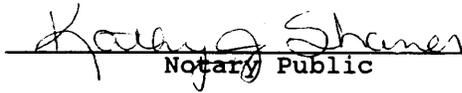
BY: RA Fleming

NAME: RA FLEMING

TITLE: Business Mgr - ISEHRC

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

The foregoing instrument was acknowledged before me this 1st day of February, 1994, by James H. Goetz, the Division Vice President of The David J. Joseph Company, a Delaware corporation, on behalf of the corporation.


Notary Public

KATHY J. SHANER
Notary Public, State of Ohio
My Commission Expires June 7, 1997

STATE OF Indiana)
COUNTY OF Porter) SS:

The foregoing instrument was acknowledged before me this
16th day of February, 1994, by
R. A. Fleming, the Business Mgr., IS&HRC of
Inland Steel Flat Products Company, a division of Inland Steel
Company, a Delaware corporation, on behalf of the corporation.

Judith A. Brunson
Notary Public

JUDITH A BRUNSON
NOTARY PUBLIC STATE OF INDIANA
PORTER COUNTY
MY COMMISSION EXP. JULY 26, 1995

EXHIBIT A

DESCRIPTION OF UNITS

Eighty-eight (88), 100 ton, 4000 cubic, 1976 Greenville built open top hopper railcars currently bearing reporting marks as follows:

RLMX 3000	RLMX 3030	RLMX 3052	RLMX 3073
RLMX 3001	RLMX 3032	RLMX 3053	RLMX 3074
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RLMX 3027	RLMX 3051	RLMX 3072	RLMX 3093
			RLMX 3094
			RLMX 3095
			RLMX 3096
			RLMX 3097

EXHIBIT B

RENTAL

~~RENTAL~~ RAY JK

[REDACTED]

EXHIBIT C

INSURANCE

[REDACTED]

EXHIBIT D

CASUALTY SETTLEMENT VALUE

[REDACTED]