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LAW OFFICES

MILES & STOCKBRIDGE

A PROFESSIONAL CORPORATION

10 LIGHT STREET

BALTIMORE, MARYLAND 21202-1487

TELEPHONE 410-727-6464

FAX 410-385-3700

300 ACADEMY STREET
CAMBRIDGE, MD 21613-1865

101 BAY STREET
EASTON, MD 21601-2718

11350 RANDOM HILLS ROAD
FAIRFAX, VA 22030-7429

30 WEST PATRICK STREET
FREDERICK, MD 21701-6903

22 WEST JEFFERSON STREET
ROCKVILLE, MD 20850-4286

600 WASHINGTON AVENUE
TOWSON, MD 21204-3965

1450 G STREET, N.W.
WASHINGTON, D.C. 20005-2001

JOHN A. STALFORT
410-385-3424

November 21, 1994

RECORDED
NOV 22 1994 12:41 PM

via FEDERAL EXPRESS

Interstate Commerce Commission
12th and Constitution Avenues, N.W.
Washington, D.C. 20423
Attention: Ms. Janice M. Fort

Re: Our File No. 258-1442

Dear Ms. Fort:

Enclosed herewith for recordation in your office as a primary document pursuant to the provisions of U.S.C. §11303 are one original and one notarized copy of the following document:

Lease Agreement entered as of July 7, 1988 between Railcar Management, Inc. (Suite 303, 1819 Peachtree Road, N.E., Atlanta, Georgia 30309-1847) and Georgia-Pacific Corporation (Transportation Division, 133 Peachtree Street, N.E., Atlanta, Georgia 30348-5605).

Also enclosed is a check in the amount of \$21.00 to cover the costs of recordation. Once this document has been recorded, please return the same to:

John A. Stalfort, Esquire
Miles & Stockbridge
10 Light Street - 9th Floor
Baltimore, Maryland 21202

Thank you for your prompt attention to this matter. If you have any questions, please call me at (410) 385-3425.

Sincerely,

Michele E. Sperato

Michele E. Sperato,
Secretary to John A. Stalfort

Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

11/22/94

OFFICE OF THE SECRETARY

Michele E. Sperato
Miles & Stockbridge
10 Light Street
Baltimore, MD. 21202-1487

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 11/22/94 at 2:40PM, and assigned recordation number(s). 19071.

Sincerely yours,



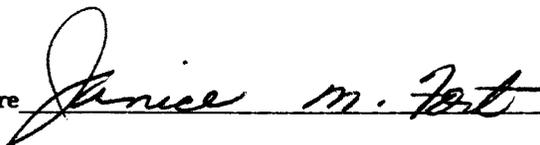
Vernon A. Williams
Secretary

Enclosure(s)

(0100438022)

\$ 21.00 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 typed 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



REGISTRATION NO. 19071

NOV 22 1994 - 2 19 PM

STATE OF MARYLAND, COUNTY OF ANNE ARUNDEL, TO WIT:

I HEREBY CERTIFY that the attached Lease Agreement is a true and complete copy of said Lease Agreement.

WITNESS my hand and seal this 21st day of November.

Tracey S. Little
Notary Public

My Commission Expires:

TRACEY S. LITTLE
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires February 10, 1998

their assignees, pledgees, mortgagees, secured parties and lenders to enter into this Lease on behalf of said parties, and this Lease constitutes the legal, valid and binding obligation of the aforesaid, enforceable in accordance with its terms except to the extent that enforcement may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditor's rights generally and except to the extent that enforcement is subject to general principles of equity (including but not limited to all matters of public policy) regardless of whether such enforceability is considered in a proceeding in equity or at law;

- (iii) the Cars shall be rebuilt to qualify as "Rebuilt" woodchip hopper cars under Rule 88 of the Interchange Rules;
- (iv) each Car shall be as stated in clause (iii) above and in conformity with all applicable Interchange Rules on the date of its delivery hereunder;
- (v) the owners of the Cars, as identified on any Schedule or Amendment hereto, have valid legal title to their respective Cars free and clear of any liens or encumbrances of any nature whatsoever except for the security interest of Funding Agent; and
- (vi) the Cars will be kept free and clear of any and all liens and encumbrances of any nature whatsoever (other than the security interest of Funding Agent) during the term of this Lease.

(c) The obligation of RMI to lease any of the Cars to Lessee hereunder shall be subject, on or as of the acceptance date for such Cars, to (i) Lessee's acceptance of such Cars, as evidence by RMI's receipt of an acceptance certificate in form and substance acceptable to RMI with respect thereto as provided in Paragraph 3; (ii) Lessee's execution and delivery, at Lessee's expense, of such documents as RMI or Funding Agent may reasonably deem to be necessary or desirable (each in form and substance satisfactory to RMI), including, without limitation, an opinion of Lessee's counsel (limited to not more than one such opinion during the term of this Lease), a certificate(s) of officers of Lessee, Uniform Commercial Code financing statements and other filings and publications as may be appropriate with respect to RMI's interest in the Cars including filings with the United States Interstate Commerce Commission; (iii) there not having occurred, since the date of the most recent financial statements for Lessee, any material adverse change in the financial condition of Lessee or in Lessee's ability to perform its obligations hereunder; (iv) there having occurred no change in applicable law that would have a material adverse impact on the transactions contemplated by this Lease (unless RMI and Lessee shall have agreed upon appropriate adjustments and indemnities to compensate for such change); and (v) Lessee's representations and warranties contained in this Lease being true and accurate as if made on and as of such date, and Lessee's having performed and complied with all of its covenants and obligations hereunder.

2. Delivery of Cars. RMI shall deliver the Cars as promptly as is reasonably possible. RMI's obligations with respect to delivery of all or any of the Cars are hereby made expressly subject to, and RMI shall not be responsible for, failure to deliver or delays in delivering Cars due to labor difficulties, fire, delays and defaults of carriers and material suppliers of Car manufacturers and rebuilders, acts of God, governmental acts, regulations and restrictions or any other causes, casualties or contingencies beyond RMI's control. Delivery shall be f.o.t. Southeastern Railcar Company rebuilding facility Duluth, Georgia. From and after acceptance of a Car, Lessee shall be liable for, and shall pay or reimburse RMI for the payment of, all costs, charges and expenses of any kind whatsoever on account of or relating to switching, demurrage, detention, storage, transportation or movement of a Car, including specifically, but not exclusively, freight and switching charges for movement at any time and from time to time to and from car shops or storage or terminal facilities.

3. Condition of Cars - Acceptance. Lessee has inspected, at Southeastern Railcar Company, Duluth, Georgia, a sample Car and, subject to the satisfactory completion of the repairs contemplated under Exhibit A, made a part hereof, Lessee shall accept the Cars so inspected and the balance of the Cars; provided, however, that Lessee shall inspect the Cars upon completion of such repairs and may reject any thereof, by written notice to RMI, only if such Cars are not in conformity with the requirements and specifications of Exhibit A after completion of such repairs; provided, however, that RMI shall be given the opportunity to rectify within one (1) week any such nonconformity. Lessee shall endeavor in good faith to inspect available rebuilt Cars twice per month, and any such Cars not inspected by Lessee twenty (20) days after initially being made available for inspection shall be deemed accepted by and delivered to Lessee in all respects hereunder and shall be released for service by the rebuilding facility. In all events, this Lease Agreement shall be fully effective with respect to that number of Cars actually and deemed accepted by Lessee, and RMI shall suffer no bias by reason of failure to provide the full number of Cars set forth in Exhibit A. Acceptance of Cars by Lessee shall be evidenced by certificates of acceptance issued by a duly authorized representative of Lessee in the form attached as Exhibit B and made a part hereof, herein referred to as "Certificate(s) of Acceptance," the issuance of which shall constitute conclusive evidence of delivery and acceptance of the Cars identified therein.

4. Use and Possession. Throughout the continuance of this Lease so long as Lessee is not in default hereunder, Lessee shall be entitled to possession of each Car from the date the Lease becomes effective as to such Car and shall use such Car (a) on its own property or lines; or (b) upon the lines of any railroad or other person, firm or corporation in the usual interchange of traffic; provided, however, that Lessee agrees that the Cars shall at all times be used (i) in conformity with all local, state and Federal governmental laws, regulations and requirements relating to the operation and/or use of the Cars, including the Interchange Rules; (ii) in compliance with the terms and provisions of this Lease; (iii) in a careful and prudent manner, solely in the use, service and manner for which they were designed; and (iv) only within the continental limits of the United States of America.

5. Term. This Lease Agreement shall be for a term of ten (10) years, hereinafter referred to as "Lease Year(s)", the first of which years shall commence on the first day of the first month following the date on which the last Car is delivered and accepted hereunder pursuant to Paragraph 3 (the "Commencement Date") and the last of which shall terminate at the expiration of the tenth Lease Year. All of the terms and provisions of this Lease Agreement shall apply and be in full force and effect with respect to Cars delivered to Lessee prior to the Commencement Date. Except as expressly provided in Paragraphs 10, 16 and 18 hereof, this Lease may not be unilaterally cancelled or terminated in whole or in part by either party.

6. Rental. Lessee shall pay rental to RMI as follows:

(a) Interim rental on a pro-rata basis at the rate of _____ per Car per day during the period between the date of acceptance pursuant to Paragraph 3 of each Car hereunder and the Commencement Date; such interim rental shall be payable on the Commencement Date.

(b) Monthly rental at the rate of _____ per Car commencing on the Commencement Date and terminating at the expiration of the tenth Lease Year.

7. Payment. Lessee shall make payment of all sums due hereunder to RMI at the address provided in Paragraph 21 hereof, or such other place as RMI may direct. Rental payments shall be made monthly in advance on or before the 1st day of each month for which such rental is due. The receipt of any check or other item on account of any rental payment will not be considered as payment thereof until such check or other item is honored when presented for payment.

8. Title. Lessee shall not by reason of this Lease or any action taken hereunder acquire or have any right or title in the Cars except the rights herein expressly granted to it as Lessee.

9. Repairs and Expenses. Lessee shall perform or cause to be performed, and shall pay all costs and expenses of, all Repair Work without any abatement in rent or other loss, cost or expense to RMI. Any Repair Work and parts, replacements or additions made to any Car shall be accessions to such Car and title thereto shall be immediately vested in RMI without cost or expense to RMI. Other expenses in connection with the ordinary use of the Cars shall also be borne by Lessee. Lessee acknowledges and agrees that neither RMI nor Funding Agent shall have any responsibility or liability for Repair Work under this Lease.

10. Substitution of Cars. RMI may, at any time and from time to time, replace any Casualty Cars with Replacement Cars and such Replacement Cars shall be deemed to be subject to all terms and conditions of this Lease as if the same had been originally delivered to Lessee at the time and in the place of Cars for which they are substituted. The parties shall execute amendments to this Lease and such other or further documents as may be required by either

party hereto to evidence the termination of this Lease with respect to Casualty Cars, or to include any Replacement Cars within the terms and provisions of this Lease and of any other document under which RMI has assigned its rights hereunder, as permitted in Paragraph 19 hereof.

11. No Abatement of Rent. Rental payments on any Car shall not abate if such Car is out of service for Repair Work nor on account of any other reason whatsoever. Lessee agrees that, upon receipt of written notice from RMI that the Lease has been assigned to the Funding Agent or such other party as is designated by RMI (the "Assignee"), it will pay to Assignee all monies due or to become due under the Lease without regard to any defense, claim (including but not limited to claims for structural defects in the Cars or for patent infringement), counterclaim, recoupment, setoff or right it may have against RMI whether arising under this Lease or any other transaction or otherwise and will not seek to recover any part of the same from Assignee, provided that Lessee shall not be obligated to make any payment or perform any obligation under the Lease in favor of Assignee if, when no Event of Default shall have occurred and be continuing, Assignee interferes with Lessee's right to quiet enjoyment of the Cars. Lessee will not assert against said Assignee any defense, claim (including but not limited to claims for structural defects in the Cars or for patent infringement), counterclaim, recoupment, setoff or right to cancel or terminate the Lease which Lessee may have against RMI. Notwithstanding the foregoing, nothing herein shall be deemed to relieve RMI of any of its obligations to Lessee under the Lease, and Lessee shall retain all of its rights in law or in equity against RMI.

12. Taxes and Insurance. Lessee shall be liable for and promptly pay or reimburse RMI for payment of all Federal, State or other governmental charges or taxes (except for State and Federal income taxes imposed on RMI) assessed or levied against the Cars, including (i) all Federal, State or local sales or use taxes imposed upon or in connection with the Cars, this Lease, or the manufacture, acquisition, or use of the Cars for or under this Lease; (ii) all taxes, duties or imports assessed or levied on the Cars or this Lease by a foreign country; and (iii) all taxes or governmental charges assessed or levied upon its interest as Lessee of Cars. If any levy or assessment is made against RMI or which RMI shall pay on account of any of the foregoing matters or on account of its ownership of the Cars, exclusive, however, of any taxes on the income of RMI therefrom, Lessee will promptly pay or reimburse RMI for same; but the Lessee shall not be required to pay the same so long as it shall in good faith and by appropriate legal or administrative proceedings contest the validity or amount thereof unless a lien for such taxes would attach to any Car during any time the taxes were being contested or unless thereby, in the judgment of RMI, the rights or interest of RMI in and to the Cars will be materially endangered. Lessee agrees not to reduce or offset any rentals due hereunder by the amount of levy or assessment or interest or penalties thereon. In the event any tax reports are required to be made on the basis of individual Cars, the Lessee will promptly either make such reports in such manner as to show the ownership of such Cars by RMI or will notify RMI of such requirements and will make such report in such manner as shall be satisfactory

to RMI. To the extent reasonably requested by RMI, Lessee will promptly supply RMI a copy of any tax reports or returns relating to the Cars filed by Lessee. Neither RMI nor Funding Agent assumes any liability or makes any representation as to the treatment by Lessee of this Lease, the Cars or any rental payments hereunder for financial statement or tax purposes.

At all times during the term of this Lease, Lessee shall, at its own cost and expense:

(a) insure each Car leased hereunder against any physical damage in an amount equal to the payment required to be made under Paragraph 16 in the event such Car becomes a Casualty Car; and

(b) maintain and furnish RMI with evidence of financial responsibility and ability acceptable to RMI to self-insure against bodily injury and property damage claims.

All insurance policies shall be issued by a company licensed to do business in the State of Georgia and shall name RMI as an additional insured with respect to this Lease only and shall provide coverage for Lessee's obligations under Paragraph 14 hereof. Any policy under subparagraph (a) shall be made payable to RMI and Funding Agent (with priority over RMI) as loss payee. Lessee shall furnish certificates to RMI and Funding Agent as proof of such insurance and shall provide for at least thirty (30) days written notice of cancellation to RMI and Funding Agent.

Lessee's obligation to maintain insurance with respect to each Car shall commence on the delivery date of such Car and shall continue until the lease term thereof terminates and, if such Car is required hereunder to be returned to RMI, until such return. Lessee shall cooperate and, to the extent possible, cause others to cooperate with RMI and all companies providing any insurance to Lessee or RMI or both with respect to the Cars.

13. Liens. Lessee shall keep the Cars free from any and all encumbrances or liens in favor of anyone claiming by, through or under Lessee which may be a cloud upon or otherwise affect RMI's title including, but not limited to, liens or encumbrances which arise out of any suit involving Lessee, or any act, omission or failure of Lessee to comply with the provisions of this Lease, and Lessee shall promptly notify RMI of and discharge any such lien, encumbrance or legal process.

14. Indemnity. Lessee shall bear all risk of and will indemnify RMI and its agents, employees, officers, directors, successors and assigns against any loss, damage, claim, liability, obligation, demand, penalty, action, cost, expense (including attorneys' fees and expenses of litigation) or injury imposed on, incurred by or asserted against RMI arising out of Lessee's, its consignee's or shipper's use, lease, condition, possession or operation of the Cars occurring during the term of this Lease (from acceptance through return of the Cars), or by the contents of such Cars, however occurring, except any

loss, liability, claim damage or expense which is directly attributable to the gross negligence of RMI, or for which a railroad or railroads have assumed full responsibility and satisfied such responsibility. RMI shall give Lessee prompt notice of any claim or liability hereby indemnified against, and Lessee shall be entitled to control the defense thereof, at Lessee's expense. All indemnities contained in this Lease shall survive the termination hereof, provided notice of same shall have been given to Lessee within the period equal to the applicable statute of limitations for the underlying claims but in no event later than five (5) years after the occurrence of the event giving rise to the claim or liability.

15. Lettering - Inventory. RMI shall be permitted to display notice of ownership of the Cars by affixing to each Car an identifying stencil or plate or any other indicia of ownership, and Lessee shall not alter, deface, cover or remove such ownership identification. Except for renewal and maintenance of lettering indicating the rights of RMI or any assignee of RMI or that the Car is leased to the Lessee or to a sublessee, no lettering or marking shall be placed upon any of the Cars by Lessee except upon the written direction or consent of RMI. RMI or Funding Agent may at its own cost and expense inspect the Cars from time to time wherever they may be, and Lessee shall, upon request of RMI or Funding Agent, but no more than once every year, furnish to RMI or Funding Agent its certified inventory of all Cars then covered by this Lease.

16. Risks of Loss.

(a) All risk of loss, damage, theft or destruction to any Car shall be borne by the Lessee. No such loss, damage, theft or destruction of the Cars, in whole or in part, shall impair the obligations of Lessee under this Lease all of which shall continue in full force and effect, and Lessee, at RMI's option, shall either (i) place the affected Cars in good repair, condition and working order at Lessee's sole expense or (ii) arrange for payment to RMI in accordance with paragraph (b) below.

(b) In the event any Car is lost, stolen, destroyed or damaged beyond economic repair, Lessee shall, by notice, promptly and fully advise RMI of such occurrence, and Lessee shall, within 45 days after demand by RMI, promptly make payment to RMI in the amount of the casualty loss set forth in Exhibit C attached hereto and made a part hereof reduced by any payment received by RMI for such Casualty Car from a handling railroad or other party under and pursuant to the Interchange Rules. This Lease shall terminate with respect to a Casualty Car on the date RMI shall receive notice of a casualty occurrence with respect thereto, and thereafter Lessee shall have no further liability to RMI hereunder with respect thereto excepting liabilities arising or existing under Paragraphs 6, 12, 13 and 14 hereof and the liability, if any, of Lessee to make payments pursuant to this Paragraph.

17. Return of Cars. Upon the expiration or upon the termination of this Lease with respect to any Car (other than pursuant to Paragraph 16 hereof), Lessee shall at its sole risk, cost and expense forthwith surrender possession of such Car to RMI by delivering same to RMI at such car shop, storage or

terminal facility as RMI may designate by notice to Lessee on railroad tracks owned by CSX Transportation, Inc. Each Car so surrendered shall be in the same or as good condition, order and repair as when delivered to Lessee, wear and tear from ordinary use and the passage of time excepted, and shall be in need of no repairs for which Lessee is liable under Paragraph 9. Until the delivery of possession to RMI pursuant to this Paragraph 17, Lessee shall continue to be liable for and shall pay rental at the rate being paid immediately prior to termination or expiration, and Lessee shall in addition make all other payments and keep all obligations and undertakings required of Lessee under any and all provisions of this Lease as though such termination or expiration had not occurred.

18. Default. An Event of Default shall occur under this Lease if Lessee shall fail to make any payment required hereunder within ten (10) days after written notice has been mailed to Lessee stating that such payment is due and unpaid; or if Lessee shall continue to fail to observe or perform any condition, covenant or agreement required to be observed or performed on its part hereunder thirty (30) days after written notice of such failure; or if Lessee shall make or permit any unauthorized assignment or transfer of this Lease or of possession of any of the Cars; or if Lessee shall fail to maintain insurance as required by Paragraph 12 hereof; or if any representation or warranty made by Lessee herein or in any statement or certificate furnished to RMI or Funding Agent in connection with this Lease is untrue in any material respect as of the date of issuance or making thereof; or if any proceedings shall be commenced by or against Lessee for any relief which includes, or might result in, any modification of the obligations of Lessee hereunder, under any bankruptcy or insolvency law or laws relating to the relief of debtors, readjustments of indebtedness, reorganization, arrangements, compositions or extensions (other than a law which does not permit any readjustments of the obligations of Lessee hereunder), and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of Lessee shall not have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed for Lessee or for the property of Lessee in connection with any such proceeding in such manner that such obligations shall have the same status as obligations incurred by such trustee or trustees or receiver or receivers, within thirty (30) days after such appointment, if any, or sixty (60) days after such proceedings shall have been commenced, whichever shall be earlier; or if a petition for reorganization under the Bankruptcy Code, as now in effect or hereafter amended, shall be filed by or against Lessee and, unless such petition shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of Lessee under this Lease shall not have been duly assumed in writing, pursuant to a court order or decree, by such trustee or trustees appointed in such proceedings in such manner that such obligations shall have the same status as obligations incurred by such trustee or trustees, within thirty (30) days after such appointment, if any, or sixty (60) days after such petition shall have been filed, whichever shall be earlier. If an Event of Default has occurred, RMI or the Funding Agent to the extent of any interest in the Cars or the Lease may at its election --

(a) Terminate this Lease by written notice to such effect, and enter upon the premises of Lessee or other premises where any of the Cars are located and retake possession of the Cars and thereafter recover any and all damages sustained by reason of Lessee's default in addition to all rental unpaid as of the date specified in such notice (which date shall not be earlier than five (5) days after the date of the notice), which damages sustained may, at RMI's or Funding Agent's election, be deemed to equal the sum of (i) a liquidated damages amount (for loss of the bargain and not as a penalty) equal to the casualty loss of the Cars as determined under Exhibit C attached hereto and made a part hereof reduced by the fair market sale value of the Cars as of such date and (ii) all reasonable legal fees and other costs and expenses incurred by reason of the occurrence of any default or the exercise of RMI's remedies with respect thereto, including but not limited to all costs and expenses incurred in connection with the resale, re-lease or other placing of the Cars. For purposes of the preceding sentence, if Lessee fails to return any Car, the fair market sale value of that Car shall be deemed to be zero. RMI or Funding Agent may sell the Cars at public or private sale, with or without notice, advertisement or publication, as RMI or Funding Agent may determine, or otherwise dispose of, hold, use, operate, lease to others, or keep idle the Cars as RMI or Funding Agent in its sole discretion may determine, all free and clear of any rights of Lessee and without any duty to account to Lessee with respect to such action or inaction or for any proceeds with respect thereto.

(b) Exercise any other right or remedy which may be available under applicable law or proceed by appropriate court action to enforce the terms hereof or to recover damages for the breach hereof (including attorneys' fees) or to rescind this Lease.

Upon the occurrence of any Event of Default, RMI or Funding Agent may demand that, and Lessee shall at its expense upon such demand, return the Cars promptly to RMI or Funding Agent at such place in the continental United States of America as RMI or Funding Agent shall specify.

Any amounts owing pursuant to subparagraphs (a) and (b) above shall accrue interest at the rate of _____ per annum from the date first owing until the date paid. The remedies set forth in subparagraphs (a) and (b) above are exercisable by RMI or by any assignee of RMI only upon the occurrence of an Event of Default, and in the absence of an Event of Default, neither RMI nor any assignee of RMI shall disturb or impair the peaceable use and possession and quiet enjoyment of each Car during the term of this Lease. The remedies in this Lease shall not be deemed exclusive, but shall be cumulative and shall be in addition to all other remedies existing at law or in equity.

19. Sublease and Assignment. The right to assign this Lease by either party and the Lessee's right to sublease shall exist only as follows:

(a) Lessee shall have the right to assign or sublease or loan any of the Cars subject to the prior written consent of RMI, which consent shall not be unreasonably withheld.

(b) All rights of RMI hereunder and in the Cars may be assigned, pledged, mortgaged, transferred or otherwise disposed of either in whole or in part without notice to Lessee. This Lease and Lessee's rights hereunder are and shall be subject and subordinate to any chattel mortgage, security agreement or equipment trust or other security instrument covering the Cars or the Lease heretofore or hereafter created by RMI. If RMI or Funding Agent shall have given written notice to Lessee stating the identity and post office address of any assignee, pledgee, mortgagee or other transferee entitled to receive future rentals and any other sums payable by Lessee hereunder, Lessee shall thereafter make such payments to the person so designated, and RMI shall indemnify and hold Lessee harmless from and against any liability for payments actually made by Lessee and received by the person so designated in the written notice.

The making of an assignment or sublease by Lessee or an assignment or pledge by RMI shall not serve to relieve such party of any liability or undertaking hereunder nor to impose any liability or undertaking hereunder upon any such assignee, pledgee or sublessee except as otherwise provided herein or unless expressly assumed in writing by such sublessee, pledgee or assignee.

20. Opinion of Counsel. Upon the request of RMI or its assignees not more than once at or within a reasonable time after execution of this Lease by both parties hereto, Lessee will deliver to RMI a favorable opinion of counsel for Lessee, addressed to RMI or its assignee in form and substance satisfactory to counsel for RMI or its assignee, which opinion shall be to the effect that:

(a) Lessee is a corporation duly organized and validly existing in good standing under the laws of the state of its incorporation, and has corporate power to and has taken all corporate action necessary validly to enter into this Lease and carry out its obligations hereunder;

(b) this Lease has been duly executed on behalf of Lessee and constitutes the legal, valid and binding obligation of Lessee, enforceable in accordance with its terms;

(c) the Cars which are then subject to the Lease are held by Lessee under and subject to the provisions of this Lease prior to any lien, charge or encumbrance in favor of anyone claiming by, through or under Lessee; and all of the Cars were, upon delivery to Lessee, in condition satisfactory to Lessee and were accepted by Lessee in accordance with the terms of this Lease; and

(d) no governmental, administrative or judicial authorization, permission, consent or approval is necessary on the part of Lessee in connection with this Lease or any action contemplated on its part hereunder.

Lessee hereby represents and warrants that the above are true and correct as of the date of execution of this Lease.

21. Notice. Any notice required or permitted to be given pursuant to the

terms of this Lease shall be properly given on the day personally delivered in writing or on the third business day after same is made in writing, deposited in the United States mail, registered or certified, postage prepaid, addressed to:

RMI at: 1819 Peachtree Road, N.E.
Suite 303
Atlanta, Georgia 30309

Lessee at: Transportation Division
133 Peachtree Street, N. E.
Atlanta, Georgia 30348-5605

or at such other address as either party may from time to time designate by such notice in writing to the other.

22. Warranty - Representations. RMI MAKES NO WARRANTY OR REPRESENTATION OF ANY KIND, EITHER EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING SPECIFICALLY BUT NOT EXCLUSIVELY, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE EXTENDING BEYOND THE DESCRIPTION IN EXHIBIT A, OR DESIGN, WORKMANSHIP, CAPACITY, CONDITION OR QUALITY OF THE CARS OR PARTS THEREOF WHICH CARS HAVE BEEN ACCEPTED BY LESSEE HEREUNDER; and RMI shall have no liability nor shall Lessee assert any claim against RMI hereunder for damages of any kind, including specifically but not exclusively, special, indirect, incidental or consequential damages on account of any matter which might otherwise constitute a breach of warranty or representation. RMI agrees to assign to Lessee such rights as it may have under warranties, if any, which it may have received from the rebuilder of any Cars or parts therefor and shall at Lessee's expense cooperate with Lessee and take such action as may be reasonably requested to enable Lessee to enforce such rights. Lessee represents that all of the matters set forth in Paragraph 20(a) through and including (d) shall be and are true and correct at all times that any Car is subject to this Lease.

23. Governing Law - Writing. The terms of this Lease and all rights and obligations hereunder shall be governed by the laws of the State of Georgia. The terms of this Lease and the rights and obligations of the parties hereto may not be changed or terminated orally, but only by agreement in writing signed by the party against whom enforcement of such change or termination is sought.

24. Counterparts. This Lease may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which may be evidenced by any such signed counterpart.

25. Severability - Waiver. If any term or provision of this Lease or the application thereof to any persons or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease or the application of such term or provision to persons or circumstances other than those as to

which it is invalid or unenforceable shall not be affected thereby, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law. Failure of RMI to exercise any rights hereunder shall not constitute a waiver of any such right upon the continuation or recurrence of the situation or contingency giving rise to such right.

26. RMI's Agency Role. It is understood and agreed between the parties that RMI in executing this Lease is acting as agent for the owners of the Cars and that all references herein to RMI shall be construed to bind only the owners of the Cars and not RMI as a principal.

27. Past Due Payments. Any nonpayment of rentals or other sums or reimbursements due hereunder, whether during the period within which a default may be cured or for a longer period, and whether or not deemed a default or violation of this Lease, shall result in the obligation on the part of the Lessee to pay also interest in an amount equal to ten percent (10%) per annum (or if such rate may not lawfully be charged, then the highest rate which may lawfully be charged) of such overdue sum for the period of time during which overdue and unpaid.

28. Definitions. For all purposes of this Lease the following terms shall have the following meaning:

(a) "Cars" -- railroad cars of the type, construction and such other description as is set forth in Exhibit A.

(b) "Interchange Rules" -- all codes, rules, interpretations, laws or orders governing hire, use, condition, repair and all other matters pertaining to the interchange of freight traffic reasonably interpreted as being applicable to the Cars, adopted and in effect from time to time by the Association of American Railroads (or any successor thereto) and any other organization, association, agency, or governmental authority, including the Interstate Commerce Commission and the United States Department of Transportation, which may from time to time be responsible for or have authority to impose such codes, rules, interpretations, laws or orders.

(c) "Repair Work" -- all repairs, maintenance, modifications, additions or replacements required to keep and maintain the Cars in good working order and repair in accordance with, and on the effective date of, the requirements of all Interchange Rules, such Repair Work to include, without limitation, satisfaction of the following tests:

(i) All damaged or broken parts will be repaired according to specifications of the Interchange Rules;

(ii) Exterior sides will be free of rust and corrosion, except for minor surface rust, and will be painted according to a standard paint scheme, free of any and all advertising and notices other than receiving numbers and Lessee's corporate identification;

(iii) The Cars will conform to United States Department of Transportation regulations or those of any other government agency having jurisdiction over the use and operation of the Equipment; and

(iv) The Cars will be returned with undercarriage systems, including any related tracks and rollers of a type, size, and quality standard according to rebuilt manufacturing specifications, and will be in good repair and operating condition.

(d) "Casualty Cars" -- Cars which are lost, stolen, destroyed or damaged beyond economic repair.

(e) "Replacement Cars" -- Cars of substantially similar description and specifications to that set forth in Exhibit A which are substituted for Casualty Cars.

(f) "Funding Agent" -- Such person, entity or institution as is the principal source of financing to RMI in connection with the Cars and the Lease.

29. Benefit. Except as otherwise provided herein the covenants, conditions and agreements contained in this Lease shall bind and inure to the benefit of the parties and (to the extent permitted in Paragraph 19 hereof) their successors and assigns. Without limiting the generality of the foregoing, the indemnities of the Lessee contained in Paragraph 12 and Paragraph 14 hereof shall apply to and inure to the benefit of any assignee of RMI, and if such assignee is a trustee or secured party under an indenture under which evidence of indebtedness has been issued in connection with the financing of the Cars, then also to the benefit of any holder of such evidence of indebtedness.

30. Further Assurances. Lessee shall execute and deliver to RMI upon Lessor's request such instruments and assurances as RMI in the reasonable exercise of its discretion deems necessary for the confirmation or perfection of this Lease and RMI's rights hereunder. In furtherance thereof, RMI may file or record this Lease or a summary thereof or a financing statement with respect thereto so as to give notice to any interested parties. RMI is authorized to file a financing statement concerning the equipment signed only by RMI in accordance with the Uniform Commercial Code or one signed by RMI as Lessee's attorney in fact. Any such filing or recording shall not be deemed evidence of any intent to create a security interest under the Uniform Commercial Code. Lessor or its assignee, at its own expense, will cause this Lease or a summary thereof to be filed in accordance with 48 U.S.C. Section 11303(a) with the Interstate Commerce Commission.

31. RMI's Performance of Lessee's Obligations. If Lessee shall fail to duly and promptly perform any of its obligations under this Lease with respect to the Cars, RMI may (at its option) perform any act or make any payment which RMI reasonably deems necessary for the maintenance and preservation of the

RMI reasonably deems necessary for the maintenance and preservation of the Cars and RMI's title thereto, including payments for satisfaction of liens, repairs, taxes, levies and insurance, and all sums so paid or incurred by RMI, shall be additional rent under this Lease and payable by Lessee to RMI on demand. The performance of any act or payment by RMI as aforesaid shall not be deemed a waiver or release of any obligation or default on the part of the Lessee.

IN WITNESS WHEREOF, RMI and Lessee have duly executed this Lease as of the day and year first above written.

RAILCAR MANAGEMENT, INC.

a Georgia corporation

By: Willy E. Pinn
President

(SEAL)

ATTEST:

Nathan C. Dumbled
Secretary

GEORGIA-PACIFIC CORPORATION

a Georgia corporation

By: W. L. [Signature] ⁰⁶
Title: Vice President
Building Products
Transportation

(SEAL)

ATTEST:

[Signature]
Secretary

0014s

EXHIBIT A

Lease dated July 7, 1988, by and between RAILCAR MANAGEMENT, INC. ("RMI") and GEORGIA-PACIFIC CORPORATION ("Lessee")

TYPE AND DESCRIPTION OF CAR: 100 ton, 7,000 cu. ft. open top woodchip hopper cars for either bottom dump or rotary dump service

NUMBER OF CARS: Seventy (70)

PERMITTED LADING USE: Wood Products Only

MARK AND REPORTING NUMBERS: GPSX 4200-4269

OWNER: C. K. Industries, Inc.

0015s

EXHIBIT C

CASUALTY LOSS

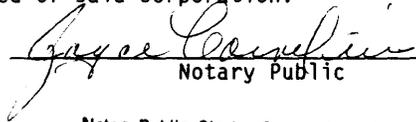
The casualty loss payable per Car shall be the amount corresponding to the month in which notice is given pursuant to Paragraph 16(b) or the month specified in the notice given pursuant to Paragraph 18(a), as the case may be. For the purposes of this table, months are counted beginning with the Commencement Date. Any reference to casualty loss in this table relating to the period prior to the Commencement Date shall be treated as if it related to month number 0-3.

<u>Month Number</u>	<u>Casualty Loss</u>	<u>Month Number</u>	<u>Casualty Loss</u>
0-3		91-93	
4-6		94-96	
7-9		97-99	
10-12		100-102	
13-15		103-105	
16-18		106-108	
19-21		109-111	
22-24		112-114	
25-27		115-117	
28-30		118-120	
31-33			
34-36			
37-39			
40-42			
43-45			
46-48			
49-51			
52-54			
55-57			
58-60			
61-63			
64-66			
67-69			
70-72			
73-75			
76-78			
79-81			
82-84			
85-87			
88-90			

0015s

STATE OF GEORGIA)
) ss
COUNTY OF FULTON)

On this 8th day of July, 1988, before me personally appeared Wilds L. Pierce, to me personally known, who being by me duly sworn says that he is President of Railcar Management, Inc., and Nadean Humbles, to me personally known to be the Secretary of said corporation, 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 they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

Notary Public, Clayton County, Georgia
My Commission Expires May 30, 1992

STATE OF _____)
) ss
COUNTY OF _____)

On this ____ day of _____, 19____, before me personally appeared _____, to me personally known, who being by me duly sworn says that he is _____ of the _____, and _____, to me personally known to be the _____ of said corporation, 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 they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

0015s