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April 18, 1995

19358

**VIA HAND DELIVERY**

Mr. Vernon A. Williams  
Secretary  
Interstate Commerce Commission  
Twelfth St. and Constitution Ave., N.W.  
Washington, D.C. 20423

Dear Secretary:

I have enclosed two originals of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a Non-Recourse Assignment of Lease Schedule, a primary document, dated December 25, 1994; the original lease schedule was not filed with the ICC.

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

Lessor/Assignee: MetLife Capital Corporation  
10900 N.E. 4th Street  
Suite 500  
Bellevue, Washington 98009

Assignor: Lease Plan U.S.A., Inc.  
180 Interstate North  
Suite 400  
Atlanta, GA 30339

A description of the equipment covered by the document is set forth in Exhibit A attached to this letter and made a part hereof.

A fee of \$21.00 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to:

Halpin J. Burke, Thompson & Mitchell, 700 14th Street,  
N.W., Suite 900, Washington, D.C. 20005.

*Countrypart - Halpin J. Burke*

RECORDED  
INDEXED  
APR 19 1995  
ST. CHARLES, MO  
12 50 PM '95

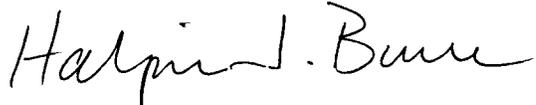
April 18, 1995  
Page 2

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

Non-Recourse Assignment of Lease Schedule, dated  
December 25, 1994 between the Lessor/Assignee and the  
Assignor covering 40 railroad tank cars, identification  
numbers FLIX 953200 through FLIX 953239 inclusive.

Very truly yours,

THOMPSON & MITCHELL

By   
Halpin J. Burke

## EXHIBIT A

<u>No. Items</u>	<u>Manufacturer</u>	<u>Serial No.</u>	<u>Unit No.</u>
1	Trinity Industries, Inc.	507850	FLIX 953200
1	Trinity Industries, Inc.	507851	FLIX 953201
1	Trinity Industries, Inc.	507852	FLIX 953202
1	Trinity Industries, Inc.	507853	FLIX 953203
1	Trinity Industries, Inc.	507854	FLIX 953204
1	Trinity Industries, Inc.	507855	FLIX 953205
1	Trinity Industries, Inc.	507856	FLIX 953206
1	Trinity Industries, Inc.	507857	FLIX 953207
1	Trinity Industries, Inc.	507858	FLIX 953208
1	Trinity Industries, Inc.	507859	FLIX 953209
1	Trinity Industries, Inc.	507860	FLIX 953210
1	Trinity Industries, Inc.	507861	FLIX 953211
1	Trinity Industries, Inc.	507862	FLIX 953212
1	Trinity Industries, Inc.	507863	FLIX 953213
1	Trinity Industries, Inc.	507864	FLIX 953214
1	Trinity Industries, Inc.	507865	FLIX 953215
1	Trinity Industries, Inc.	507866	FLIX 953216
1	Trinity Industries, Inc.	507867	FLIX 953217
1	Trinity Industries, Inc.	507868	FLIX 953218
1	Trinity Industries, Inc.	507869	FLIX 953219
1	Trinity Industries, Inc.	507870	FLIX 953220
1	Trinity Industries, Inc.	507871	FLIX 953221
1	Trinity Industries, Inc.	507872	FLIX 953222
1	Trinity Industries, Inc.	507873	FLIX 953223
1	Trinity Industries, Inc.	507874	FLIX 953224
1	Trinity Industries, Inc.	507875	FLIX 953225
1	Trinity Industries, Inc.	507876	FLIX 953226
1	Trinity Industries, Inc.	507877	FLIX 953227
1	Trinity Industries, Inc.	507878	FLIX 953228
1	Trinity Industries, Inc.	507879	FLIX 953229
1	Trinity Industries, Inc.	507880	FLIX 953230
1	Trinity Industries, Inc.	507881	FLIX 953231
1	Trinity Industries, Inc.	507882	FLIX 953232
1	Trinity Industries, Inc.	507883	FLIX 953233
1	Trinity Industries, Inc.	507884	FLIX 953234
1	Trinity Industries, Inc.	507885	FLIX 953235
1	Trinity Industries, Inc.	507886	FLIX 953236
1	Trinity Industries, Inc.	507887	FLIX 953237
1	Trinity Industries, Inc.	507888	FLIX 953238
1	Trinity Industries, Inc.	507889	FLIX 953239



Interstate Commerce Commission  
Washington, D.C. 20423-0001

4/18/95

Office Of The Secretary

Halphin J. Burke  
Thompson & Mitchell  
700-14th Street, NW, mSte. 900  
Washington, DC., 20006-2010

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 4/18/95 at 1:00PM, and assigned recordation number(s). 19358.

Sincerely yours,

Vernon A. Williams  
Secretary

Enclosure(s)  
(0100599061)

\$1.00 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

## NON-RECOURSE ASSIGNMENT OF LEASE SCHEDULE

Reference is made to that certain Master Lease Agreement Control Number 40032 by and between **Lease Plan U.S.A., Inc.**, as lessor, and **Farmland Industries, Inc.** as lessee, dated October 1, 1994, a copy of which is attached hereto as Exhibit 1, and more specifically, to that certain Lease Schedule to such Master Lease Agreement numbered 94-1 dated October 1, 1994, having aggregated unpaid rentals of Three Million Seventy-Three Thousand Eight Hundred Ninety dollars and Sixty cents (\$3,073,890.60) and attached hereto as Exhibit 2 (such Lease Schedule, together with the terms of the Master Lease as incorporated therein, are collectively referred to herein as the "Lease").

FOR VALUE RECEIVED, on this 25<sup>th</sup> day of December, 1994 (the "Effective Date"), the undersigned Assignor (the "Assignor") hereby sells and assigns, as an outright assignment and not as an assignment for security, to **MetLife Capital, Limited Partnership** (the "Assignee"), its successors and assigns, the Lease, all Assignor's right, title and interest in, to and under the same, the property leased pursuant thereto (the "Equipment") as evidenced by the execution and delivery of a bill of sale in the form attached hereto as Exhibit 3, all amounts due or to become due under the Lease or in connection with the exercise by the Lessee of an option, if any, to purchase the Equipment, and all guarantees, instruments and documents, if any, pertaining thereto (the Lease, together with all guarantees, instruments and documents pertaining thereto, if any, are collectively referred to herein as the "Lease Documents"), together with the right either in the Assignor's or the Assignee's name to take such actions or institute such proceedings as the Assignor would have been entitled to take or initiate but for this Assignment; provided that the Assignee shall notify and obtain the consent of the Assignor prior to instituting any proceeding or action in the Assignor's name. In consideration of such assignment, pursuant to which this Assignment is made, Assignee hereby assumes the obligations of lessor under the Lease and agrees to observe and perform all of the terms, covenants, conditions and provisions of the Lease therein provided to be observed and performed by lessor thereunder from and after the Effective Date; provided however that Assignee's obligation hereunder or under the Lease shall not extend to any liability of lessor under the Lease to Lessee resulting from any prior lessor's acts, errors or omissions prior to the Effective Date of this Assignment, and Assignor shall indemnify and hold Assignee harmless from and against any claim, liability, charge, cost, expense or fee, including reasonable attorneys' fees, incurred or suffered by Assignee as the result of, in connection with or arising out of any claim by Lessee based on such prior lessor's acts, errors or omissions prior to the Effective Date of this Assignment. Except as otherwise expressly provided herein, this Assignment shall be without recourse against Assignor with respect to any default by the Lessee under the Lease.

In order to induce the Assignee to accept this Assignment, the Assignor hereby represents, warrants and covenants:

- (i) that the Lease Documents are the only guarantees, instruments, documents or other writings relating to the Lease as now in effect and the amounts due or to become due thereunder, and the Lease Documents constitute the exclusive statement of the agreement between the Assignor and the Lessee and among the Assignor and any other party or parties with respect to the subject matter of the Lease and the Equipment;
- (ii) that original counterparts of the Lease Documents (other than the Master Lease Agreement), and a true, correct and complete copy of the Master Lease Agreement, each as now in effect, have been or contemporaneously herewith are being delivered by the Assignor to the Assignee;
- (iii) that each of the Lease Documents is genuine, is the legal, valid and binding obligation of the Lessee or other parties thereto, and is enforceable in accordance with its terms, subject to bankruptcy, insolvency or other similar laws affecting the enforcement of creditor's rights generally and subject to general principles of equity (the subsequent existence of any such



stamped "ORIGINAL" on its face and signature pages, and all others are so stamped "DUPLICATE." Assignor has given or contemporaneously herewith shall give possession of said "ORIGINAL" Lease Schedule to Assignee; and

- (xi) Assignor shall keep the Equipment and Lease Documents free and clear of any security interest, lien or encumbrance of any kind made or suffered by, through, or under Assignor and Assignor shall not sell, assign (by operation of law or otherwise) exchange or otherwise dispose of any of the Equipment or the Lease Documents.

Assignor shall indemnify and hold Assignee harmless from and against any and all loss, cost, damage, injury or expense (including court costs and reasonable attorney's fees) wheresoever and howsoever arising which Assignee may incur by reason of any breach by Assignor of any warranty, representation or covenant set forth herein.

If (a) Assignor breaches any of its representations and warranties made in subparagraphs (i) through (v) or (viii) through (xi) above, or such representations and warranties prove to be inaccurate or untrue when made, or (b) Assignor's representations and warranties made in subparagraph (vii) above prove to be inaccurate or untrue when made and the Lease is terminated, the rents thereunder reduced, or Assignee's rights as lessor under the Lease are otherwise materially impaired as the result of such inaccuracy or untruth, then, at the Assignee's request, the Assignor shall repurchase the Lease, the Equipment, and all other rights and property previously assigned to Assignee hereunder, and shall assume all obligations with respect thereto. The repurchase price (the "Repurchase Price") shall be the Stipulated Loss Value for the Equipment as of the repurchase date as set forth on Exhibit 4 attached hereto, plus any expenses of collection, repossession, transportation and storage incurred by Assignee (including reasonable attorney's fees). Assignee shall provide written notice of the Repurchase Price and its method of calculation at the time Assignee requests Assignor to repurchase the Lease and Equipment. Payment of the Repurchase Price shall be made at Assignee's office not later than 15 days following Assignee's repurchase request. In the event Assignor fails to repurchase as herein provided, Assignee may liquidate the Lease Documents and (subject to the rights of the Lessee under the Lease) Equipment, and Assignor shall be and remain liable for any costs or expenses incurred thereby and for any deficiency resulting therefrom. The Lease Documents and Equipment repurchased pursuant to this paragraph shall be reassigned to Assignor WITHOUT RECOURSE TO AND WITHOUT WARRANTIES (EXPRESS OR IMPLIED) by Assignee. At the time of repurchase, Assignee shall deliver to Assignor (i) the Lease Documents, (ii) bills of sale for and titles to the Equipment being repurchased, and (iii) all other business and maintenance records held by Assignee relating to the Equipment being repurchased.

If (a) Assignor breaches any of its representations and warranties made in subparagraphs (vi) above, or such representations and warranties prove to be inaccurate or untrue when made, Assignor shall have ninety (90) days (the "Assignor Cure Period") to cure such default or misrepresentation. Should Assignor fail to cure within the Assignor Cure Period, Assignee may attempt to cure such default or misrepresentation, at Assignor's expense, and Assignor hereby appoints Assignee, and executes and delivers to Assignee a power of attorney in form attached hereto as Exhibit 5 to evidence such appointment, its attorney-in-fact to execute all documents and take all actions to effect such cure. Shall Assignee be unable to cure the default or misrepresentation within one-hundred eighty (180) days from the end of the Assignor Cure Period by appropriate actions properly initiated and diligently pursued, Assignor shall repurchase the Lease, the Equipment and all other rights and property previously assigned to Assignee hereunder in accordance with the preceding paragraph, provided the Repurchase Price shall be MetLife's stipulated loss value calculated using MetLife's booked residual assumption with respect to the Equipment, plus costs, expenses and fees, including reasonable attorneys' fees, if any, incurred by Assignee while attempting to cure Assignee's default or misrepresentation.

The parties agree that "Lease" as used herein refers to the Lease Schedule named above, which incorporates the Master Lease Agreement by reference. Other schedules also incorporate such Master

Lease Agreement, and such schedules and the Master Lease Agreement (other than as so incorporated) are not assigned hereby.

Following the assignment and assumption hereunder, Assignor shall continue to administer and perform certain functions with respect to the Lease Documents and the Equipment assigned hereunder on behalf of and as the agent for Assignee pursuant to that certain Agency Agreement, dated as of August 1, 1993, by and between Assignor and Assignee. Assignor and Assignee have also entered into that certain Re-Marketing Agreement, dated as of August 1, 1993, wherein Assignor has agreed to assist Assignee in remarketing Equipment assigned by Assignor to Assignee upon the terms and conditions set forth therein. The residual sharing calculations under the Re-Marketing Agreement with respect to the specific Lease and Equipment assigned hereunder are attached hereto as Exhibit 6.

Any modification or amendment of this Assignment or any waiver of any provision hereof shall not be valid unless in writing and signed by the parties hereto or their authorized representatives. Waiver of any provision of this Assignment or failure to require strict performance of the provisions of this Assignment shall not be a waiver of future compliance therewith and such provision shall remain in full force and effect.

This Assignment and all rights and obligations of the parties hereunder shall be governed by and construed in accordance with the laws of Washington.

IN WITNESS WHEREOF, the parties execute this Assignment as of the date first written above.

**ASSIGNOR:**

**Lease Plan U.S.A., Inc.**

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

Donald F. Kreft

Title \_\_\_\_\_

President

(Corporate Seal, if any)

*Bertie Ward*

Attest

Notary Public, Cobb County, Georgia.  
My Commission Expires June 13, 1995

The foregoing Assignment is hereby agreed to and accepted.

**ASSIGNEE:**

**MetLife Capital, Limited Partnership**

By METLIFE CAPITAL CORPORATION, a Delaware corporation

By \_\_\_\_\_

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

Vice President

Attachments

- Exhibit 1 - Master Lease Agreement
- Exhibit 2 - Lease Schedule
- Exhibit 3 - Form Bill of Sale
- Exhibit 4 - Stipulated Loss Values
- Exhibit 5 - Form Power of Attorney
- Exhibit 6 - Residual Sharing Calculations



**EXHIBIT 1 TO NON-RECOURSE ASSIGNMENT OF LEASE SCHEDULE**

**MASTER LEASE AGREEMENT**

**MASTER LEASE AGREEMENT****ORIGINAL**

Master Lease Agreement (the "Agreement") Control Number #40032 commencing on the 1st day of October, 1994 between Lease Plan U.S.A., Inc. ("Lessor") having its principal place of business at 180 Interstate North, Suite 400, Atlanta, GA 30339, and Farmland Industries, Inc. ("Lessee") having its chief executive office at 3315 N. Oak Traffic Way, Kansas City, MO, 64116.

In consideration of the rents to be paid and the covenants to be performed by Lessee, Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Equipment described in each Schedule executed by Lessee and Lessor incorporating this Agreement. The Equipment is leased for the term as set forth in each Schedule (the "Term"), subject to the provisions hereof. The first day of the Term is referred to as the Commencement Date and the last day is referred to as the Expiration Date. This Agreement shall commence on the date set forth above and shall not expire until fulfillment by Lessee of all obligations set forth herein and in any Schedule. Lessee agrees that each such Schedule shall be characterized as a "finance lease" within the meaning of Article 2A of the Uniform Commercial Code.

**1. MASTER LEASE; SCHEDULES; ACCEPTANCES.** This Agreement is intended to be incorporated by reference into one or more Schedules from time to time. As to Equipment leased pursuant to any such individual Schedule, the terms of such Schedule shall prevail over the terms hereof in case of conflict. Each Schedule shall constitute a separate and distinct individual lease contract and the manually executed copy of such Schedule marked "Original" shall be the instrument in which a security interest may be acquired by any assignee of Lessor. The rights, remedies, powers and privileges of Lessor or its assignee, and Lessee, respectively, under each such Schedule shall be interpreted separately and apart from any other Schedule. Notwithstanding any other provision hereof or of any other document involving a transfer, assignment, financing, granting of a security interest, or otherwise, any reference to this Agreement shall mean, shall be deemed to mean, and shall be limited to, this Agreement as the same is incorporated under any particularly identified specific Schedule. Certificates of Acceptance executed by Lessee shall conclusively evidence that Lessee has had the opportunity to inspect, examine and test the Equipment, that the Equipment is in all respects accepted by and satisfactory to Lessee, and that to the extent Lessee has any right to revoke, reject or return the Equipment as non-conforming, in breach of any warranty or otherwise, or to cancel or repudiate the Schedule, Lessee waives all such rights (provided, so long as no Event of Default has occurred and is continuing, Lessor hereby assigns to Lessee for the Term of the Schedule (to the extent permitted) all Manufacturer's warranties relating to the Equipment). To the extent that such warranties are not assignable, Lessor agrees to use best efforts to enforce such warranties at Lessee's request and expense.

**2. RENT.** Lessee shall pay periodic rent ("Basic Rent") stated in each Schedule on the payment dates ("Payment Dates") stated in each Schedule, and all other amounts due hereunder, to Lessor at its address set forth above, or at such other address as Lessor may designate from time to time. This is an absolutely net lease, and any present or future law to the contrary notwithstanding, Lessee's obligation to pay Lessor or its assignee all amounts due hereunder is absolutely unconditional and this Agreement shall not terminate by operation of law or otherwise, nor shall Lessee be entitled to any abatement, reduction, setoff, counterclaim, defense or deduction with respect to any Basic Rent or any other sum payable hereunder, nor shall any obligations of Lessee hereunder be affected for any reason whatsoever, no matter how, when, or against whom asserted, arising or claimed.

**3. DISCLAIMER.** LESSEE ACKNOWLEDGES THAT THE EQUIPMENT IS OF THE TYPE, DESIGN, SIZE, CAPACITY AND MANUFACTURE SELECTED BY LESSEE; THAT LESSOR IS NOT A MANUFACTURER OR REPRESENTATIVE THEREOF IN, OR DEALER IN, THE EQUIPMENT; THAT LESSOR HAS NO DUTY TO ENFORCE ANY MANUFACTURER'S

WARRANTIES ON BEHALF OF LESSEE EXCEPT AS SPECIFICALLY PROVIDED HEREIN; THAT LESSOR WILL NOT AND HAS NO OBLIGATION TO INSPECT THE EQUIPMENT PRIOR TO DELIVERY TO LESSEE AND THAT LESSOR HAS NOT MADE AND WILL NOT MAKE ANY REPRESENTATION, WARRANTY OR COVENANT, EXPRESS OR IMPLIED, ON WHICH LESSEE MAY RELY, WITH RESPECT TO: THE MERCHANTABILITY, FITNESS, SAFETY, CONDITION, QUALITY, DURABILITY OR SUITABILITY FOR LESSEE'S PURPOSES OF THE EQUIPMENT IN ANY RESPECT, THE EQUIPMENT'S COMPLIANCE WITH ANY LAW, RULE, SPECIFICATION OR CONTRACT PERTAINING THERETO, PATENT OR COPYRIGHT INFRINGEMENT, LATENT DEFECTS, OR ANY OTHER REPRESENTATION, WARRANTY OR COVENANT, EXPRESS OR IMPLIED. LESSOR SHALL NOT BE LIABLE TO LESSEE FOR ANY LIABILITY, LOSS OR DAMAGE CAUSED OR ALLEGED TO BE CAUSED DIRECTLY OR INDIRECTLY BY THE EQUIPMENT OR BY ANY INADEQUACY THEREOF OR DEFICIENCY OR DEFECT THEREIN, WHETHER DIRECT, INDIRECT, EXEMPLARY OR PUNITIVE, WHETHER OR NOT LESSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

**4. LOCATION; USE AND OPERATION.** Lessee may operate and domicile the Equipment throughout the United States. Unless sublet in accordance with the provisions of Section 5 hereof, Lessee shall use the Equipment only in its possession and control and in the conduct of its business. Lessee shall comply with and cause the Equipment to comply with all legal requirements applicable thereto or to the use thereof and with all contracts (including insurance policies) and agreements to which Lessee is a party applicable thereto or to the ownership or use thereof. The operation, maintenance, repair, relocation, Alterations and surrender of the Equipment, any actions permitted to or required by Lessee hereunder, and all amounts payable with respect to the Equipment shall be at the sole risk and expense of Lessee and in accordance with the specifications of the manufacturer(s) of the Equipment (the "Manufacturer").

**5. SUBLEASE.** After notice to and compliance with the then-current documentation requirements of Lessor, and provided Lessee is not in default, Lessee may sublease the Equipment in whole or in part, to any end user ("Permitted Sublease") provided (i) the term of such sublease may extend to, but does not include, the Expiration Date; (ii) the sublease conforms in all respects to any legal, administrative, or other requirements set forth by any governmental authority having jurisdiction over the Equipment or such subleasing; and (iii) the sublessee acknowledges that the sublease is subject and subordinate to this Agreement and that such sublessee will return the Equipment to the Lessor hereunder upon notice that an Event of Default has occurred and is continuing under this Agreement. Notwithstanding any Permitted Sublease or any other Transfer, Lessee shall continue to be liable hereunder as primary obligor and not as a surety.

**6. MAINTENANCE; REPAIR.** Lessee will cause the Equipment to be maintained in good and efficient operating repair and condition, ordinary wear and tear excepted. In addition, Lessee shall maintain the Equipment as prescribed and recommended by the Manufacturer and, with respect to railcars, in accordance with AAR Interchange requirements. Upon surrender of the Equipment, the Equipment shall be in the condition required by Section 6 and shall further meet the following conditions: (i) All parts and accessories originally furnished with each item, or the substantial equivalent thereof, shall be installed and intact; (ii) All decals, numbers and other customer identification shall be removed from vehicle(s) by Lessee in a good and workmanlike manner without damage to the Equipment; (iii) the cost of physical damage and abuse, both internal and external, shall have an allowance of \$750.00, and there shall be no broken or inoperative parts and (iv) As to trucks and tractors only: (a) the cost of physical damage and abuse, both internal and external, shall have an allowance of \$250.00, and there shall be no broken glass; (b) Brake drums shall not be cracked and shall not exceed Manufacturer's recommended

wear limits, and brake linings shall have an average of 50% remaining wear with no less than 35% on any one lining; (c) Tires shall be of matched generic type and tread design as originally supplied and have a minimum of 10/32nds remaining tread, and front tires will be original casings (recapped casings are acceptable for the rear tires); (d) the engine shall pull its rated load without excessive exhaust or oil leakage; (e) there shall be no water in the oil supply nor oil in the cooling system and (f) the engine shall be in efficient operating condition as determined by a general health test or similar evaluation procedure performed by the engine Manufacturer, or other competent person as mutually agreed to by Lessee and Lessor. Upon surrender Lessee shall return to Lessor with each item, registration certificates, certificates of title, maintenance and repair records, and similar documents in the Lessee's possession or under its control. Any replacement parts (including any replacements made in connection with Alterations) shall be of equivalent or better quality than the original parts replaced and shall be consistent with the specifications of the Manufacturer. Lessee shall indemnify Lessor for any loss of warranty coverage by the Manufacturer due to Lessee's use or installation of replacement parts.

**7. TITLING AND REGISTRATION.** Lessee will promptly apply for a certificate of title for each item of Equipment, reflecting the Lessor or its nominee as owner, and for a certificate of registration issued in the name of Lessee or, if required by the titling authority, in the name of Lessor in care of Lessee. Certificates of title shall be delivered to Lessor or to whomever Lessor shall designate. Lessee shall take such action as shall be necessary from time to time to avoid suspension or revocation of any certificates of title and to renew and maintain all certificates of registration. If Lessee is required to obtain any new certificate of title or of registration, Lessee shall after prior written notice to Lessor, obtain such new certificate of title or of registration in the manner provided herein. Upon request, Lessee will cause the titling authority to list Lessor's assignee ("Assignee") as first lienholder on the certificates and to furnish the certificates to Assignee. Lessee shall notify Lessor of the state in which each item is delivered, titled and registered, and upon request where garaged, and the license plate number of each item.

**8. ALTERATIONS.** Lessee shall not modify, reconfigure, alter, add-on, disable, or change the function of any item or part of the equipment; provided, Lessee may make Alterations to the Equipment. Any part, attachment, appurtenance or accessory which is essential to the operation of the Equipment, or which cannot be detached from the Equipment without materially interfering with the operation or value of the Equipment shall be part of the Equipment, with title thereto in Lessor.

**9. RISK OF LOSS; INSURANCE.** Lessee shall bear the risk of damage, loss, theft or destruction, partial or complete, foreseen and unforeseen of the Equipment. If the Equipment shall be lost, stolen, destroyed, damaged, or shall be condemned or requisitioned for a period exceeding its Expiration Date by any governmental authority (any such occurrence being called a Casualty and the item of Equipment so affected a Casualty Item), Lessee shall promptly and fully inform Lessor thereof in writing. Within 30 days after such Casualty, Lessee shall either repair the Casualty Item or substitute therefor equipment having at least equivalent value and utility, as reasonably determined by Lessor, or pay the Stipulated Loss Value thereof if provided in the Schedule for such item. Substitution shall be accomplished by Lessee providing to Lessor a bill of sale conveying good and marketable title to the substitute equipment, free and clear of all liens and such other documentation as Lessor shall reasonably require. Until the Equipment is surrendered to Lessor pursuant hereto, Lessee will maintain all risk insurance in at least the amount of the Stipulated Loss Value of the Equipment and liability insurance on an occurrence basis (not claims made) in the amount of \$5,000,000, in every case (i) naming Lessor and its assignee(s) as loss payee as their interests may appear and additional insured, (ii) requiring 30-day prior written notice to Lessor and its assignee(s) of cancellation by the insurance company, and (iii) such other risks with such limits, deductibles, and endorsements as would prudently be carried by a commercially reasonable business in operations similar to those of Lessee, which are financed by national

banks or other institutional lenders. With respect to any Schedule covering over-the-road tractor or trailer equipment liability insurance shall include general comprehensive and automobile liability coverage. Notwithstanding the foregoing, Lessee may self insure for physical loss and damage.

**10. SURRENDER OF EQUIPMENT; HOLDING OVER.** Lessee shall surrender the Equipment to Lessor on the Expiration Date, immediately on request by Lessor if Lessee is in default or on such other date as may be applicable. The Equipment shall be surrendered to Lessor at the location of original acceptance by Lessee or other location as mutually agreed to by Lessor and Lessee. At Lessor's option, Lessee shall store the Equipment in a safe location, at Lessee's expense, for not more than ninety (90) days. Upon such delivery to, inspection by, and written acceptance of Equipment by Lessor, risk of loss shall pass to Lessor and the Schedule shall terminate with respect to the Equipment so surrendered, except for any unfulfilled Lessee obligations hereunder. In the event that Lessee fails to surrender the Equipment in the condition required hereby on the Expiration Date, the Schedule shall continue, at Lessor's option, and Lessee shall pay rent in the amounts and at the intervals equivalent to the Basic Rent and Payment Dates in the period immediately prior to the Expiration Date.

**11. TAXES; COMPLIANCE WITH LAW.**

(a) Monetary Responsibility. Lessee shall have monetary responsibility hereunder for all Imposts and agrees to timely pay the same, and will hold Lessor harmless on an after-tax basis calculated in accordance with Section 16 (c) (ii) from and against any such Impost. Lessee shall reimburse Lessor within thirty days of Lessor's written notice thereof for any Impost paid by Lessor. The two preceding sentences shall be applicable whether any payment, filing, return, or other paperwork relating to such Impost is made, formally or informally, or not made, by Lessee, Lessor, or any other person or entity. "Impost" shall mean (i) all taxes, assessments, levies, fees and all other governmental charges, general and special, ordinary and extraordinary, foreseen and unforeseen, which are, at any time prior to or during the Term, imposed or levied upon or assessed against (A) the Equipment, (B) any Basic Rent or other sum payable hereunder or (C) this Agreement or the leasehold interest created herein, or which arise in respect of the operation, possession or use of the Equipment; (ii) all sales, use, value added, rental, gross receipts or similar taxes imposed or levied upon, assessed against or measured by any Basic Rent, or other sum payable hereunder; and (iii) except as caused by Lessor, all penalties and interest with respect to any item set forth in clause (i) or clause (ii) of this sentence for which the Lessee is responsible; provided any franchise, estate, inheritance or tax based solely on the net income of Lessor shall not be considered an "Impost".

(b) Filings; payments accompanying filings. Unless otherwise agreed in writing, in case any report or return is required to be filed with respect to any obligation of Lessee under this Section 11 or arising out of this Section 11, Lessee will timely make such report or return in such manner as will show the ownership of the Equipment in Lessor, or, where Lessee is not permitted by law to file, will notify Lessor of such requirement and make such report or return in such manner as shall be satisfactory to Lessor within a reasonable time prior to the time such report or return is to be filed by Lessor. Notwithstanding the foregoing, unless Lessee shall have provided Lessor with a valid direct pay permit, or other valid authorization from the relevant taxing authority, any return including Imposts which are in the nature of sales, use, rental, or value-added taxes will be filed by Lessor, who shall be reimbursed for the payment of such Imposts to the extent Lessee is liable under this Section 11.

(c) Information; contest. Lessee shall provide Lessor with (i) any information Lessor may reasonably request to enable Lessor to fulfill any tax filing obligations and with (ii) copies of all filed documents (including, with respect to ad valorem, property or similar taxes, any rendition, similar document, or request for revaluation of assessment) and evidences of payment with respect to any filings or payments

made by Lessee, in each case regarding the Equipment or this Agreement. If any Impost may legally be paid in installments, Lessee may pay same in installments; provided, any Impost assessed, levied or imposed during the Term shall be paid in full by Lessee prior to the Expiration Date. Lessee shall not be required to pay or discharge any claim or demand referred to in this Section imposed in the name of Lessee, so long as the validity or the amount thereof shall be contested in good faith and by appropriate legal proceedings in any reasonable manner except that Lessee shall take all steps necessary to avoid the forfeiture, order of attachment, foreclosure, seizure, confiscation or sale of the Equipment.

(d) Ownership. Except as stated in any Schedule, all tax benefits, deductions or credits arising out of ownership of the Equipment are and shall remain vested in Lessor.

**12. INDEMNIFICATION.** Lessee understands that the Basic Rent to be charged by Lessor under the Schedule is less than it would otherwise be because Lessee is assuming certain risks and payments. In furtherance thereof, Lessee agrees to pay, and shall protect, indemnify, defend and save harmless Lessor and every assignee of Lessor on an after-tax basis calculated in accordance with Section 16(c)(ii) from and against all liability, losses, damages, costs, expenses (including reasonable attorneys fees and expenses), causes of action, suits, claims, demands or judgments of any nature arising from (i) injury to or death of any person, or damage to or loss of property, from the ownership, management, control, use, possession, operation, environmental, hazardous waste or pollution, storage, leasing, subleasing of, relocations of, or any defect in, the Equipment (latent or otherwise, discoverable or otherwise, or asserted under any "strict liability" theory or otherwise), (ii) any breach of this Agreement, and (iii) any damage to the premises wherein the Equipment may be located caused by the installation, use or removal thereof; provided, however, the foregoing indemnity shall not apply to matters accruing solely prior to the time when Lessee has possession or control of the Equipment or after the time when risk of loss has passed to Lessor or to losses or claims arising out of Lessor's negligence or willful misconduct. The foregoing indemnification shall commence immediately, and shall continue in full force and effect notwithstanding the termination, cancellation, or expiration hereof. "Equipment," as used in this Section 12, includes equipment which has not been formally accepted in writing by Lessee but contemplated by a written Lease Proposal furnished by Lessor and agreed to by Lessee covering such Equipment, it being intended that this Section shall apply to any equipment owned by Lessor and used by Lessee regardless of the formal documentation thereof. The foregoing indemnification is not for the benefit of any Manufacturer and Lessee retains all rights against each Manufacturer.

**13. EVENTS OF DEFAULT; REMEDIES.**

(a) Lessee shall be in default as provided by applicable law, and additionally: (i) if Lessee shall fail to pay any monies due hereunder by the earlier of (A) ten days after the due date thereof or (B) five days after written notice; (ii) if proceedings are instituted by Lessee, or after 60 days if proceedings are instituted against Lessee and not terminated during such time, in each case: under any provision of Title 11 of the United States Code, insolvency laws or similar laws relating to the relief of debtors, or if Lessee makes an assignment for the benefit of creditors, or if a receiver, trustee or custodian or similar official for Lessee or for all or any substantial part of its assets shall be appointed; (iii) if the guarantor, if any, defaults under any provision of its guaranty; (iv) if, other than as specified in clause (i) above, Lessee fails to perform or observe any other term, covenant or condition hereof and such failure continues for 5 days after written notice; or (v) if Lessee makes or suffers a Transfer of this Agreement or any Rent, Schedule or the Equipment other than a Permitted Transfer. Lessee acknowledges that its continued possessory interest hereunder is material to the Lessor and that any cessation of possession or use by a third party, other than a Permitted Transfer, will substantially impair the value of a Schedule to Lessor.

(b) Upon the occurrence of a Lessee default as defined in Section 13(a), Lessor shall have all remedies

provided by applicable law (including all remedies under section 2A-523(1) of the Uniform Commercial Code), and additionally may: (i) take possession of the Equipment wherever found, and for this purpose enter upon any premises of Lessee and remove the Equipment without any liability to Lessee, or, rather than take possession of the Equipment, render any and all of the Equipment unusable without removing it from the premises, again without liability to Lessee; or (ii) sell or lease the Equipment or any part thereof at public auction or private sale or lease at such time or times upon such terms as Lessor may determine, free and clear of any rights of Lessee, and if notice thereof is required by law, any notice in writing of any such sale or sales by Lessor to Lessee not less than 5 days prior to the date thereof shall constitute reasonable notice thereof. None of the remedies hereunder is deemed to be exclusive, but each shall be cumulative and in addition to any other remedies referred to herein or otherwise available to Lessor in law and equity. The repossession or subsequent sale or lease by Lessor of any item of Equipment shall not bar an action for deficiency as herein provided and the bringing of an action or the entry of judgment against the Lessee shall not bar the Lessor's rights to repossess any or all items of Equipment. In computing any Lessor damages hereunder, the present value of unpaid rentals due hereunder shall be determined at seven percent per annum, and the present value of a new lease or market rent shall be determined using commercial discounting rates current at the time of such determination.

(c) Lessor shall be entitled to recover immediately, as liquidated damages for unpaid rent and not as a penalty, a sum equal to the aggregate of the following: (i) All rentals or other sums due and owing for any item of Equipment up to the date of re-delivery to or repossession by Lessor; (ii) Any expenses and losses incurred by Lessor in connection with the repossession, holding, repair, subsequent sale or lease, or disposition of the Equipment, including reasonable attorney's fees if collected by law or through an attorney at law or upon advice therefrom; (iii) The Stipulated Loss Value for any item of Equipment which Lessee fails to return to Lessor as provided above, or converts or destroys or which Lessor is unable to repossess; and (iv) The Stipulated Loss Value for any item of Equipment returned to Lessor less (A) the present value, as determined in Section 13 (b), of the proceeds of reletting the Equipment for the remaining term of the Agreement or (B) if the Equipment is sold, the net proceeds of such sale. Any re-lease will be at sole discretion of the Lessor.

**14. SEPARABILITY; BINDING EFFECT.** Each provision hereof shall be independent and the breach of any provision by Lessor shall not discharge or relieve Lessee from its obligations to perform each and every covenant to be performed by Lessee hereunder. If any provision hereof or its application to any person or circumstance shall to any extent be invalid or unenforceable, the remaining provisions hereof, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby. All provisions hereof shall be binding upon, inure to the benefit of, and be enforceable by the respective successors and assigns of Lessor and Lessee to the same extent as if each such successor and assign were named as a party hereto. Lessee agrees that any time, and from time to time, after the execution and delivery of this Agreement, it shall, upon request of Lessor, execute and deliver such further documents and do such further acts and things as Lessor may reasonably request in order to fully effect the purposes of this Agreement, including but not limited to, providing information or documents relating to the status, location and use of the Equipment and executing such UCC-1 lease notification statements as Lessor may reasonably request in order to perfect Lessor's rights hereunder.

**15. QUIET ENJOYMENT; LESSEE'S REMEDIES.** So long as no default has occurred and is continuing, neither Lessor nor any party claiming by, through or under Lessor shall interfere with the possession, use and quiet enjoyment of the Equipment by the Lessee during the Term applicable to such Equipment. Lessor may sell the Equipment and/or assign the Schedule and all sums due hereunder, in whole or in part, at any time and from time to time, in its sole discretion. Lessee agrees to cooperate

with Lessor in respect thereto and to furnish such documents as may be reasonably requested by Lessor or its assignee(s) including, but not limited to, an acknowledgment of assignment. Lessee agrees that any Lessor assignment or grant of a security interest in this Agreement, the Equipment and/or any Schedule does not change the duty of nor materially increase the burden or risk imposed upon Lessee, and is not a delegation of a material performance unless and until Lessee's quiet possession and enjoyment is actually disturbed by a third party lawfully claiming by, through or under Lessor. Lessee's sole and exclusive remedy with respect to any claim against Lessor shall be to institute an independent action at law against Lessor for such alleged claim. Damages with respect to any such claim shall be limited to proximate and direct damages. LESSEE WAIVES SPECIFIC PERFORMANCE, REPLEVIN, ADEQUATE ASSURANCE OF PERFORMANCE, THE RIGHT TO DEDUCT OR OFFSET DAMAGES FROM CURRENT AMOUNTS DUE, INDIRECT, CONSEQUENTIAL, PUNITIVE, SPECIAL AND INCIDENTAL DAMAGES AND INTERFERENCE BASED ON PATENT OR COPYRIGHT. Upon the sale or absolute assignment of any Schedule hereunder, unless expressly reserved all rights of Lessor shall pass to the assignee and no such right shall remain vested in Lessor by reason of being characterized as both "personal" or otherwise. No collateral assignee shall be liable to perform any covenant of Lessor. The provisions of this Section are made expressly for the benefit of Lessor and any assignee of Lessor.

#### **16. INCOME TAX INDEMNITY-LESSEE'S ACTS OR OMISSIONS.**

(a) Indemnity. In entering into this Agreement, Lessor has assumed that it is entitled to depreciation deductions for Federal and State income tax purposes under the most accelerated method described in the Internal Revenue Code of 1986, as amended (the "Code"), over the shortest depreciable life (recovery period) allowed thereby and based upon 100% of the Lessor's Cost of the Equipment (the "Depreciation Deduction"). If, (i) as a result of an act, omission or election (including without limitation, substitution, replacement, termination or the exercise of any option hereunder) of Lessee or any sublessee, assignee, or other lawful user of the Equipment, or the incorrectness of any warranty or representation by Lessee herein, Lessor, in determining its Federal income tax liability for any taxable year, shall lose, shall not have, shall lose the right to claim, or shall suffer a disallowance or recapture of, or delay in claiming, all or any portion of the Depreciation Deduction or if, (ii) for Federal Income tax purposes, any item of income, loss or deduction with respect to the Equipment is treated as derived from sources outside the United States, or if (iii) there shall be included in Lessor's gross income for Federal income tax purposes any amount on account of any addition, modification or improvement to or in respect of the Equipment (an "Inclusion") (the matters stated in clauses (i) (ii) and (iii) being referred to a "Tax Loss"), Lessee shall pay to Lessor within 30 days of Lessor's invoice an amount which, after deduction of all taxes required to be paid by Lessor as a result of Lessor's receipt of such payment, will maintain Lessor's after-tax economic yield in respect of the Equipment at the same level that would have been available if such Tax Loss had not occurred, plus penalties and interest payable in connection with such Tax Loss.

(b) Timing of Tax Loss. A Tax Loss shall be deemed to occur upon the earliest of (i) the filing of any tax return, including any statement of estimated tax, in which Lessor reasonably and in good faith takes the position that a Tax Loss has occurred, (ii) the receipt by Lessor from the Internal Revenue Service of notice of proposed adjustments to Lessor's tax returns which adjustments are based upon the occurrence of a Tax Loss, or (iii) the determination by a court of competent jurisdiction that a Tax Loss has occurred.

(c) Calculation of Indemnity. (i) All calculations of Lessor's after-tax economic yield with respect to a Tax Loss under this Section shall be determined using the highest marginal Federal corporate income tax rate and the weighted average of the highest marginal state and local corporate income tax rates effective on the Commencement Date of each Schedule. (ii) All calculations regarding the amount of any

additional taxes payable by Lessor as a result of Lessor's receipt of any payment hereunder, or of any inclusion will be determined on the basis of the assumptions that Lessor will be subject to the highest marginal Federal corporate income tax rate, the weighted average of the highest marginal state and local corporate income tax rates effective on the date of such payment and for the purposes of both clause (i) and clause (ii) of this Section 16 (c) that state or local adjustments shall mirror Federal adjustments .

(d) Representation. Lessee represents and warrants that, for Federal income tax purposes, Lessee is not the owner of the Equipment and will not assert tax, accounting or legal positions indicating or implying such ownership.

**17. DEFINITIONS.** The phrases used in the text in parentheses and each of the following definitions apply throughout this Agreement. "Alterations" are modifications, alterations or additions to the Equipment, provided each (i) is required or permitted by the Manufacturer, (ii) is necessary or desirable for the maintenance or improvement of the Equipment, and (iii) does not reduce the value or impair the capabilities or efficiency of the Equipment. "Equipment" refers to the items named on each Schedule, all attachments and accessions now and hereafter made thereon, and all substitutions and replacements therefor. Any separately identifiable item leased hereunder is referred to as Equipment and references to "Equipment" mean all the Equipment and each item of Equipment. "Hereunder," "under this Agreement," or similar phraseology means pursuant to the terms of this instrument together with the applicable Schedule now or hereafter outstanding at any time and from time to time. "Lessor's Cost" means the total amount paid by Lessor or any assignee to purchase the Equipment, including without limitation amounts paid to vendors, liabilities assumed with or without recourse, taxes, fees and charges if applicable, and all other direct out of pocket expenses related to the acquisition of any particular item(s) of Equipment; provided, changes or modifications to original equipment specifications may be separately charged to Lessee and if so shall be reimbursed to Lessor as an expense. "Lessee" includes any corporation succeeding the named Lessee by consolidation, merger or acquisition of its assets substantially as an entity. "Permitted Transfer" means a Permitted Sublease as set forth in Section 5, an Imposition contested as set forth in Section 11, and any other Transfer (except a Transfer of Rent) which is being contested by Lessee in good faith and by appropriate legal proceedings in a reasonable manner, provided Lessee shall be taking all steps necessary to avoid the forfeiture, foreclosure, seizure, confiscation or sale of the subject of such Transfer. "Transfer" means any Permitted Transfer and the existence of any lien, encumbrance, security interest, assignment, sale, or sublease, on or of this Agreement, any Schedule, any Rent, or the Equipment, other than lawfully made by or through Lessor. "Stipulated Loss Value" for an item of Equipment means the amount determined by multiplying the Lessor's cost for such item by the percentage specified on the applicable Schedule opposite the Payment Date for Basic Rent then due; provided, for the purpose of Section 13, Stipulated Loss Value shall mean the foregoing amount or, if none be so stated, the present value of all remaining rents and the Lessor's reasonable anticipated residual value, discounted at seven percent per annum. "Written" notice or approval includes telegraph, telex, mailgram and facsimile or telecopy.

**18. MISCELLANEOUS.** If provided by Lessor, Lessee will affix a decal to the Equipment. This Agreement or a copy hereof may be filed by Lessor as a lease notification statement under any applicable Uniform Commercial Code ("UCC"). Lessor may execute UCC lease notification statements on behalf of Lessee and may file same in appropriate offices determined under the UCC (provided such statements shall relate only to notice of lease of the Equipment hereunder). Lessee shall reimburse Lessor for all UCC and other searches, filings, and similar out-of-pocket costs. This is a contract of lease only and nothing herein shall give Lessee any interest in the Equipment other than its leasehold as specifically set forth herein. Lessor may refer to Lessee as a customer in any generic list thereof. Lessee agrees that from time to time Lessor (or its authorized representatives) may inspect the Equipment during normal business hours upon reasonable notice. Lessee agrees to provide on written request such financial

information as it provides its stockholders or files with any governmental authority, except the Internal Revenue Service and state income tax authorities. If Lessee fails to comply with its covenants herein, the Lessor may but shall not be obligated to make advances to perform the same. All sums so advanced and all sums not paid when due hereunder shall be payable to the Lessor upon demand with interest so far as lawful at 1-1/2% per month, or at the highest maximum rate permitted by law, whichever is less.

19. **GOVERNING LAW; CAPTIONS.** This Agreement shall be governed by the laws of the State of Georgia. The captions of the Sections have been inserted for convenience only and are not to be used in the interpretation of the Agreement.

20. **RIDERS.** Any Riders attached to this Agreement are incorporated herein by this reference and the terms of such Riders shall prevail over the terms of this Agreement in case of conflict.

21. **NO AMENDMENTS EXCEPT IN WRITING.**

*The Lease and each Schedule constitute the entire agreement between Lessor and Lessee and no provision therein may be amended, modified or waived except in writing signed by Lessor and Lessee, and any such waiver shall be effective only in the specific instance and for the specific purpose given.*

LESSEE SIGNATURE: Terry M. Campbell

LEASE PLAN U.S.A., INC.  
(Lessor)

FARMLAND INDUSTRIES, INC.  
(Lessee)

By: D. G. [Signature]

By: Terry M. Campbell <sup>EW</sup> <sub>SPM</sub>

Title: SVP

Title: Terry M. Campbell  
Vice President and Treasurer

**EXHIBIT 2 TO NON-RECOURSE ASSIGNMENT OF LEASE SCHEDULE**

**LEASE SCHEDULE**

## SCHEDULE

ORIGINAL

Schedule: 94-1 Dated: October 1, 1994  
to Master Lease Agreement dated October 1, 1994 Control No. 40032.

This Schedule is entered into between Lease Plan U.S.A., Inc., Lessor, and Farmland Industries, Inc., Lessee. Capitalized Words herein have the meaning defined in the Master Lease Agreement referred to above, which is incorporated herein in its entirety by this reference as if set forth in full. The intention of the parties is to create a lease between themselves for the equipment described herein (the "Equipment") on conditions set forth herein and in the referenced Master Lease Agreement.

EQUIPMENT DESCRIPTION

<u>No. Items</u>	<u>Manufacturer</u>	<u>Equipment</u>	<u>Lessor's Cost</u>
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As described in the attached Certificate(s) of Acceptance

RENT AND PAYMENT DATES

Commencement Date: Date of Lessee's Certificate of Acceptance.

Expiration Date: The day on which the 60th Payment of Basic Rent is made.

First Rent Date: The twenty-fifth day of March 1995.

Basic Rent: On each Payment Date, for each item of Equipment, an amount equal to Lessor's Cost multiplied by 2.28676%; plus, on the First Rent Date, a pro rata amount of the initial Basic Rent for the number of days from and including the Commencement Date to December 24, 1994.

Payment Dates: Twenty-fifth day of March, June, September and December of each year, beginning with the First Rent Date as the first and continuing thereafter until all payments have been made.

Adjustment of Rents: The Basic Rent set forth above has been based on Lessor's cost of financing ("Financing Rate") for this Schedule at a rate tied to the Federal Reserve H-15 (10) year treasury constant maturities at 7.15% as of the week ending August 5, 1994. The rate will float until lease commencement and then be fixed for the term. For every .01% basis point movement upward or downward from the base rate, the quarterly rate will adjust, up or down, .00170%.

Delivery Location:	)	
	)	
Principal Place	)	
of Garaging:	)	To be stated on Lessee's
	)	Certificate of Acceptance
Registration and	)	
Titling:	)	

MAINTENANCE AND RETURN CONDITIONS

In furtherance, and not in limitation of, the use, maintenance and return conditions for the Equipment set forth in Section 6 of the Master Lease, Lessee hereby agrees to return the Equipment to Lessor in accordance with all of the terms and conditions of the Master Lease and in compliance with the following special return conditions:

- (1) All cars must meet the interchange requirements of the AAR.
  
- (2) A joint inspection will be performed by the Lessee and the Lessor's authorized representative to evaluate compliance with the above requirement no later than 30 days prior to lease termination or designated storage period. Any un-corrected faults found to exist will be noted for return negotiations; and
  
- (3) All cars will be cleaned and certified that they may be placed in service with other future products without any further cleaning.

STIPULATED LOSS VALUE

Basic Provision. In lieu of substitution for a Casualty Item, Lessee may pay Lessor the Stipulated Loss Value. At such time as a Casualty shall occur with respect to Equipment as to which the Lessee desires to pay the Stipulated Loss Value, Lessee shall notify Lessor thereof within 90 days, and shall pay to Lessor on the Payment Date next following the Casualty, the Stipulated Loss Value, which means the sum of: (i) the amount set forth in Table A attached hereto, (ii) the Basic Rent due on the date of such payment and (iii) any and all accrued and unpaid sums then due and owing hereunder. In such an event, Lessee shall continue to pay the Basic Rent applicable to such

Equipment until the Payment Date on which Lessor receives payment in full of the Stipulated Loss Value of such Equipment, whereupon Lessee's obligations to pay Basic Rent with respect to such Equipment shall terminate.

IN WITNESS WHEREOF, Lessor and Lessee have each caused this Schedule to be duly executed and delivered, as of the date noted above.

LEASE PLAN U.S.A., INC.  
as Lessor

By: D. G. Dehn

Title: SVP

ORIGINAL

FARMLAND INDUSTRIES, INC.  
as Lessee

By: Terry M. Campbell <sup>hw</sup> <sub>sgm</sub>

Title: Terry M. Campbell  
Vice President and Treasurer

EXHIBIT 3 TO NON-RECOURSE ASSIGNMENT OF LEASE SCHEDULE

BILL OF SALE

LEASE PLAN U.S.A., INC. ("Lease Plan"), in consideration of the covenants and conditions contained in that Non-Recourse Assignment of Lease Schedule (the "Assignment Agreement"), of even date herewith, entered into between Lease Plan and MetLife Capital Limited Partnership, a Delaware limited partnership ("MetLife"), and other valuable consideration, the receipt of which is hereby acknowledged, does hereby sell, assign, transfer and convey and has delivered unto MetLife, its successors and assigns, all of Lease Plan's right, title and interest in and to the herein described personal property (the "Equipment"), to have and to hold unto MetLife and its successors and assigns forever. The Equipment is described as follows:

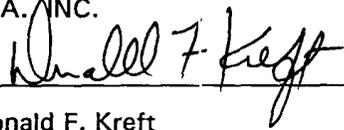
**(40) New Trinity Industries Rail Tank Cars  
S/N: 507850 through and including 507889  
Bearing Car Nos. FLIX953200 through and including FLIX953239**

MetLife shall have the full benefit of the representations and warranties made and the remedies granted by Lease Plan in the Assignment Agreement with respect to the Equipment. LEASE PLAN MAKES NO OTHER WARRANTIES OR REPRESENTATIONS AS TO THE CONDITION OF THE EQUIPMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE, OTHER THAN AS SET FORTH IN SUCH ASSIGNMENT AGREEMENT.

In consideration whereof, Lease Plan has caused this Bill of Sale to be executed on its behalf by its duly authorized officer on this \_\_\_\_\_ day of December, 1994.

LEASE PLAN U.S.A. INC.

By:

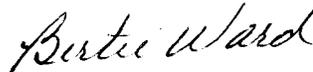


(Print Name) Donald F. Kreft

Title:

President

[ADD NOTARY IF REQUIRED UNDER STATE LAWS WHERE EQUIPMENT IS LICENSED.]

  
Notary Public, Cobb County, Georgia.  
My Commission Expires June 13, 1995

**EXHIBIT 4 TO NON-RECOURSE ASSIGNMENT OF LEASE SCHEDULE**

**STIPULATED LOSS VALUES**

Payment Date	As a Percentage of Lessor's Cost	Payment Date	As a Percentage of Lessor's Cost
DEC94	104.20842	JUN02	87.32239
MAR95	104.17838	SEP02	86.35258
JUN95	104.08837	DEC02	85.36798
SEP95	103.94784	MAR03	84.36254
DEC95	103.75605	JUN03	83.34760
MAR96	103.52257	SEP03	82.31721
JUN96	103.24465	DEC03	81.27112
SEP96	102.92735	MAR04	80.20328
DEC96	102.57011	JUN04	79.12503
MAR97	102.17803	SEP04	78.03038
JUN97	101.75242	DEC04	76.91909
SEP97	101.29519	MAR05	75.78509
DEC97	100.80588	JUN05	74.63969
MAR98	100.28645	SEP05	73.47690
JUN98	99.74105	DEC05	72.29646
SEP98	99.16937	MAR06	71.09229
DEC98	98.57102	JUN06	69.87569
MAR99	97.94567	SEP06	68.64065
JUN99	97.29280	DEC06	67.38689
SEP99	96.61206	MAR07	66.10831
DEC99	95.90304	JUN07	64.81620
MAR00	95.16539	SEP07	63.50453
JUN00	94.39855	DEC07	62.17302
SEP00	93.60216	MAR08	60.81553
DEC00	92.77577	JUN08	59.44335
MAR01	91.91902	SEP08	58.05043
JUN01	91.04315	DEC08	56.63646
SEP01	90.14499	MAR09	55.19530
DEC01	89.22422	JUN09	53.87323
MAR02	88.27762	SEP09	52.63255
		DEC09	51.08911

**EXHIBIT 5 TO NON-RECOURSE ASSIGNMENT OF LEASE SCHEDULE**

**POWER OF ATTORNEY**

THIS POWER OF ATTORNEY authorizes METLIFE CAPITAL LIMITED PARTNERSHIP, a Delaware limited partnership, its agents, general partners, employees, successors and assigns, whose principal place of business is 10900 N.E. 4th Street, Suite 500, Bellevue, Washington 98004, to act as agent and attorney-in-fact for LEASE PLAN U.S.A., INC. in all matters pertaining to the transfer of or the application for original or duplicate title, registration, licenses, and/or renewals, transfer of license plates as well as transfer of ownership for any and all vehicles sold to MetLife Capital Limited Partnership and held in the name of "Lease Plan U.S.A., Inc.", or "Lease Plan U.S.A., Inc. as Agent."

LEASE PLAN U.S.A., INC.

By \_\_\_\_\_  
\_\_\_\_\_  
(print name and title)

SUBSCRIBED AND SWORN TO BEFORE ME ON  
THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 19\_\_\_\_.

\_\_\_\_\_  
\_\_\_\_\_, Notary Public  
(print name)

MY COMMISSION EXPIRES: \_\_\_\_\_

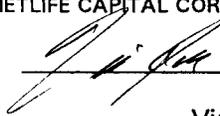
**EXHIBIT 6 TO NON-RECOURSE ASSIGNMENT OF LEASE SCHEDULE**

**RESIDUAL SHARING CALCULATIONS**

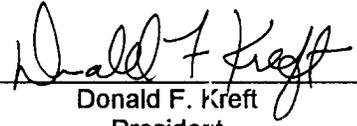
1. Assignee will receive, solely for its own account, the first 51% of the original equipment cost of the Equipment covered by the Non-Recourse Assignment of Lease Schedule to which this Exhibit 6 is attached.
2. Proceeds exceeding the amount described in paragraph 1 above shall be divided 50% to Assignee and 50% to Assignor.
3. The sales proceeds from the sale of the Equipment and/or all rental payment for lease shall be paid directly to Assignee and subject to the terms and conditions of that Re-Marketing Agreement (the "Re-Marketing Agreement), dated as of August 1, 1993, by and between Assignor and Assignee. Assignee shall pay Assignor its residual share promptly upon receiving notice from Assignee's bank that the sales proceeds or the first rental payment on an extension, renewal or new lease have been collected in good funds, all in accordance with the terms and provisions of the Re-Marketing Agreement.

**METLIFE CAPITAL LIMITED PARTNERSHIP**

By METLIFE CAPITAL CORPORATION

By:   
Vince Iaci  
Its: Vice President

**LEASE PLAN U.S.A., INC.**

By:   
Donald F. Krefl  
Its: President

Lessee Name: Farmland Industries, Inc.  
Master Lease No.: 40032      Lease Schedule No.: 94-1

  
Notary Public, Cobb County, Georgia.  
My Commission Expires June 13, 1995