

TAFT, STETTINIUS & HOLLISTER 3-050A143

1800 STAR BANK CENTER
425 WALNUT STREET
CINCINNATI, OHIO 45202-3957

WASHINGTON, D.C. OFFICE
SUITE 500 — 625 INDIANA AVENUE, N. W.
WASHINGTON, D.C. 20004-2901
202-628-2838
FAX: 202-347-3419

513-381-2838
CABLE: TAFTHOL TWX: 810-461-2623
FAX: 513-381-0205

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

February 9, 1993

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

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

RECORDATION NO. 18129 LED 1425

FEB 19 1993 2-25 PM

INTERSTATE COMMERCE COMMISSION

Dear Ms. Lee:

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

This document is a Railroad Equipment Lease Agreement, a primary document, dated December 16, 1992.

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

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

LESSEE: Arkansas and Missouri Railroad Company
107 North Commercial
Springdale, Arkansas 72764

The equipment covered by the enclosed document is fifty (50) 100 ton, 65 foot gondola railcars currently bearing the reporting marks set forth in Exhibit A hereto.

A fee of \$16.00 is enclosed. Please return the original executed copy of the enclosed document to:

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

RECORDED
FEB 11 1993

TARIFF PÉTRI (MUR) DE HOLLANDE

1900-1901

DE LA VENTE EN GROS

DES MARCHANDISES DIVERSES

1900-1901
DE LA VENTE EN GROS
DES MARCHANDISES DIVERSES

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DES MARCHANDISES DIVERSES

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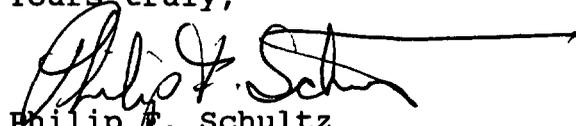
Ms. Mildred Lee
February 9, 1993
Page 2

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

Railroad Equipment Lease Agreement between Arkansas and Missouri Railroad Company, 107 North Commercial, Springdale, Arkansas 72764, as Lessee, and The David J. Joseph Company, 300 Pike Street, Cincinnati, Ohio 45202, as Lessor dated December 16, 1992 and covering fifty (50) 100 ton, 65 foot gondola railcars.

Please call me if you should have any questions.

Yours truly,

A handwritten signature in cursive script, appearing to read "Philip F. Schultz", with a long horizontal line extending to the right from the end of the signature.

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

PFS/taj
Enclosure

iccf1a8.djj

EXHIBIT A

DESCRIPTION OF UNITS

Fifty (50) 100 ton, 65 foot gondola railcars rebuilt in 1992, bearing reporting marks as follows:

AM 800	AM 825
AM 801	AM 826
AM 802	AM 827
AM 803	AM 828
AM 804	AM 829
AM 805	AM 830
AM 806	AM 831
AM 807	AM 832
AM 808	AM 833
AM 809	AM 834
AM 810	AM 835
AM 811	AM 836
AM 812	AM 837
AM 813	AM 838
AM 814	AM 839
AM 815	AM 840
AM 816	AM 841
AM 817	AM 842
AM 818	AM 843
AM 819	AM 844
AM 820	AM 845
AM 821	AM 846
AM 822	AM 847
AM 823	AM 848
AM 824	AM 849

Interstate Commerce Commission
Washington, D.C. 20423

2/24/93

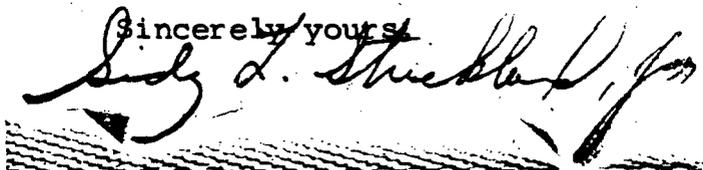
OFFICE OF THE SECRETARY

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

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 2/19/93 at 2:25pm, and assigned re-
recording number(s). 18129

Sincerely yours,



Secretary

SIDNEY L. STRICKLAND, JR.

Enclosure(s)

SE-30
(7/79)

CERTIFICATE

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

RECORDATION NO. **18129** FILED 1425

FEB 19 1993 2-25 PM

Stephen M. Griffith, Jr.
Notary Public

INTERSTATE COMMERCE COMMISSION

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

• 18129
RECORDATION NO. _____ FILED 1425

FEB 19 1993 2-25 PM

INTERSTATE COMMERCE COMMISSION

RAILROAD EQUIPMENT LEASE
BY AND BETWEEN
THE DAVID J. JOSEPH COMPANY
AND
ARKANSAS AND MISSOURI RAILROAD COMPANY
DATED AS OF:
DECEMBER 16, 1992

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RAILROAD EQUIPMENT LEASE

THIS RAILROAD EQUIPMENT LEASE (the "Lease"), dated as of the 16th day of December, 1992 is made and entered into by and between The David J. Joseph Company, a Delaware corporation (hereinafter referred to as "Lessor") and Arkansas and Missouri Railroad Company, a Virginia corporation (hereinafter referred to as "Lessee").

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

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

1. Lease of Units. Lessor hereby leases to Lessee and Lessee hereby rents from Lessor the Units for the period (the "Term") commencing on the date upon which Lessee accepts or uses the Units, or any Unit, as provided in Section 3 below (the "Commencement Date"); and ending on the latter of the last day of the eighty-fourth (84th) full calendar month following the acceptance of the last Unit under this Lease (the "Expiration Date") or the date upon which all of Lessee's obligations hereunder have been met (the "Termination Date").

2. Base Rental. Lessee agrees to pay to Lessor the amount of rent specified in Exhibit B attached hereto (the "Base Rental") in advance on the first day of each calendar month during the Term. The Lessee shall also pay, as additional rent, all such other sums of money as shall become due and payable by Lessee to Lessor under this Lease (the Base Rental and any additional rent due hereunder are sometimes hereinafter referred to as "Gross Rental"). If the Commencement Date is not the first day of the month, a pro-rated monthly installment shall be paid at the then current rate for the fractional month during which the Commencement Date occurs, such installment or installments so pro-rated shall be paid in advance on or before the Commencement Date. Except as otherwise expressly provided for in Section 4(e), Lessee shall not be entitled to any abatement of Gross Rental, reduction thereof or setoff against Gross Rental, it being the intention of the parties hereto that Gross Rental shall continue to be payable in all events in the manner and at the times herein provided unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease. All past due installments of Gross Rental shall bear interest from date due until paid at the rate of twelve percent (12%) per annum.

3. Delivery and Acceptance of Units. Lessor will cause each Unit to be tendered to the Lessee at such point or points as are set forth on Exhibit C attached hereto. Within ten (10) calendar days of such tender, Lessee will cause its authorized inspectors or representatives to inspect the Units, and if such Units are found to be in good operating order and repair, to accept delivery of such Units (or so many of such Units as are acceptable to Lessee) and to execute and deliver to the Lessor a certificate in the form of Exhibit D hereto, and such Lessee's certificate shall be absolutely binding upon Lessee. If any Unit is not deemed by Lessee to be in good operating order and repair, Lessee shall so notify Lessor in a writing that specifies the nature of the defect in the Unit, and Lessor, at its option, may either (i) repair such Unit; (ii) substitute a piece of equipment that is substantially similar to the defective Unit; or (iii) delete the defective Unit. If Lessee has not notified Lessor of any defect in any Unit within ten (10) calendar days of the date such Unit was tendered by Lessor, or if Lessee uses any Unit prior to delivering a Lessee's certificate of acceptance with respect thereto, ten (10) calendar days after such tender or on the date such Unit is used by Lessee, as the case may be, such Unit or Units shall be conclusively deemed to be accepted by Lessee and to conform in all respects with the standards of condition and repair set forth in this Lease.

4. Maintenance and Repairs.

(a) Lessor shall, at its expense, perform, arrange, and pay for all maintenance and repairs made necessary by ordinary wear and tear during the Term of the Lease. Lessee shall not repair, or authorize the repair of, any of the Cars without Lessor's prior written consent, except that running repairs (as specified in the Association of American Railroads rules for interchange and the Canadian Transport Commission regulations governing interchange (together "Interchange Rules")) may be performed by railroads or hauling carriers without prior written consent. The amount Lessor will pay for such running repairs shall not be in excess of the schedule of standard costs, in effect at the time the repair is made, provided by the Association of American Railroads and the Canadian Transport Commission, respectively.

(b) It is the intent of this Lease Agreement that Lessor shall have all the rights and obligations of an owner of the Units except for any rights or obligations given or assigned to Lessee herein. Lessor shall have the right, but not the obligation, to conduct such inspections and preventative maintenance programs as Lessor deems necessary. Lessee will provide freight and switching services to and from any Lessor selected interchange on Lessee's railroad at no cost to Lessor. Lessor will undertake such programs on a rotation basis and in a manner which minimizes the interruptions of service to Lessee.

(c) Lessee shall not make any alteration, improvement or addition to any Unit without the prior written consent of Lessor thereto.

(d) Lessee shall be responsible for the cost of and pay for all damage to a Unit, including but not limited to, any damage caused by cornering, sideswiping, derailment, improper or abusive loading or unloading methods, unfair usage or similar occurrences while under this Lease, whether such damage to a Unit is direct, indirect, incidental or consequential, but excluding the maintenance and repairs made necessary by ordinary wear and tear which is the Lessor's responsibility as provided in Section 4 (a) herein. Lessee shall promptly notify Lessor of the location and condition of any Unit which has been damaged or destroyed and shall thereafter continue to give Lessor any additional information which the Lessor has a need to obtain about such Unit. Lessee shall pass through to Lessor any payment received by Lessee from any third parties as reimbursement for costs or expenses which are the responsibility of Lessor pursuant to this Lease.

(e) If any Unit shall be ordered to a contract shop by Lessor in order to perform maintenance which is the responsibility of Lessor under this Section 4 and such Unit shall not be returned to Lessee's service within five (5) calendar days, Lessee's obligation to pay Base Rentals shall be abated from the sixth day after the Unit is delivered to the contract shop until the day upon which Lessor notifies Lessee that such Unit is repaired and has been placed on the lines of the carrier serving such contract shop.

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

5. Disclaimer of Warranties. LESSOR, NOT BEING THE MANUFACTURER OF THE UNITS, NOR THE MANUFACTURER'S AGENT, HEREBY EXPRESSLY DISCLAIMS AND MAKES TO LESSEE NO WARRANTY OR REPRESENTATION, EXPRESSED OR IMPLIED, OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO: THE FITNESS FOR USE, DESIGN OR CONDITION OF THE UNITS; THE QUALITY OR CAPACITY OF THE UNITS; THE WORKMANSHIP IN THE UNITS; THAT THE UNITS WILL SATISFY THE REQUIREMENT OF ANY LAW, RULE, SPECIFICATION OR CONTRACT PERTAINING THERETO; AND ANY GUARANTEE OR WARRANTY AGAINST PATENT INFRINGEMENT OR LATENT DEFECTS, IT BEING AGREED THAT ALL SUCH RISKS, AS BETWEEN LESSOR AND LESSEE, ARE TO BE BORNE BY LESSEE. LESSOR IS NOT RESPONSIBLE OR LIABLE FOR ANY

DIRECT, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGE TO OR LOSSES RESULTING FROM THE INSTALLATION, OPERATION OR USE OF THE UNITS OR ANY UNIT. Lessor hereby acknowledges that any manufacturers and/or sellers warranties are for the benefit of both Lessor and Lessee. Lessee's acceptance of delivery of the Units shall be conclusive evidence as between Lessor and Lessee, that each Unit described in any Lessee's certificate sent pursuant to Section 3 above and confirming such acceptance, is in all of the foregoing respects satisfactory to the Lessee and the Lessee will not assert any claim of any nature whatsoever against Lessor based on all or any one of the foregoing matters.

6. Use of the Units. Lessee agrees, for the benefit of Lessor, to comply in all respects with all laws of the jurisdictions in which operations involving any Unit subject to this Lease may extend, with the Interchange Rules and the Codes of Car Hire and Car Service Rules of the Association of American Railroads, if applicable, and with all rules and regulations of the Interstate Commerce Commission, the Department of Transportation, and any other legislative, executive, administrative, judicial or governmental body or officer exercising any power or jurisdiction over any such Unit, to the extent such laws and rules affect the ownership, possession, operations or use of such Unit; and Lessee shall and does hereby indemnify and hold harmless Lessor from and against any and all liability that may arise from any infringement or violation of any such laws or rules by Lessee, its agents, employees, or any other person. Lessee agrees to use the Units in a careful and prudent manner, solely in the use, service and manner for which they were designed and predominately in the United States of America. Lessee shall not use the Units, or any Unit, for the loading, storage or hauling of any corrosive, hazardous, toxic or radioactive substance or material.

Lessee shall be permitted to place the Units in interchange service, provided, however, that Lessee shall not suffer or permit the use of the Units in a manner or for a purpose that is prohibited by or inconsistent with the terms and provisions of this Lease, and Lessee shall in all events continue to be fully liable and responsible in accordance with the terms and provisions of this Lease for the possession, use, condition and operation of such Units, notwithstanding that such Units are being used in interchange by any third party.

7. Filings and Marks. Lessee agrees to prepare and deliver to Lessor within a reasonable time prior to the required date of filing (or, to the extent permissible, file on behalf of, and furnish a copy to, Lessor) any and all reports required to be filed by Lessor, provided Lessor shall be responsible for filing this Lease with the Interstate Commerce Commission pursuant to 49 U.S.C. Sec. 11303. Lessee will cause each Unit to be kept numbered with the identifying numbers as set forth in Exhibit A hereto and all other markings and

stencilling required by the Interchange Rules and the Codes of Car Hire and Car Service Rules of the Association of American Railroads, as the same may be amended time to time, and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each Unit, in letters not less than one inch in height, the following words: "Owned by The David J. Joseph Company", or other appropriate words designated by Lessor. Lessee will replace promptly any such words which may be removed, defaced or destroyed. Lessee will not change, or permit to be changed, the reporting marks on any Unit, except in accordance with a statement of new reporting marks to be submitted therefor which previously shall have been filed with Lessor by the Lessee and filed in all public offices where this Lease will have been filed.

On or before February 15 of each year during the Term of this Lease, the Lessee will furnish to Lessor, in such number of counterparts or copies as may reasonably be requested by Lessor, a Lessee's certificate, as of the preceding December 31, reporting total miles travelled by all Units during the preceding calendar year summarized by state.

8. Taxes and Other Assessments. Lessee shall be responsible for, and shall indemnify and hold Lessor harmless from, all taxes (including, without limitation, sales, use, excise, import, domestication, personal property, ad valorem, withholding, stamp, documentary and other taxes, and excluding only any federal income taxes of Lessor or any state or local taxes imposed upon or measured by net income of Lessor), license fees, assessments, charges, duties, fines and penalties, currently or hereafter levied or imposed by any state, local, federal or foreign authority (all such expenses, taxes, license fees, assessments, charges, fines, penalties, being hereinafter called "Assessments") upon or in connection with or measured by this Lease or imposed upon the Units or for the possession, rental, shipment, delivery, use or operation thereof or on the earnings arising therefrom (except as provided above), all of which Assessments Lessee assumes and agrees to pay on demand as additional rent hereunder.

9. Indemnification. Except as otherwise provided in this Lease, Lessee assumes liability for, and hereby agrees to indemnify, protect and keep harmless Lessor, its employees, agents, successors and assigns from and against any and all liabilities, obligations, losses, damages, injuries, claims, demands, penalties, actions, costs and expenses, including reasonable attorney's fees, of whatsoever kind and nature, arising out of any breach of this Lease by Lessee, or arising out of the possession, use, condition (including but not limited to, latent and other defects and whether or not discoverable by Lessee or Lessor), operation, selection, delivery, leasing or return of the Units or any Unit, regardless of where, how and by whom operated, and regardless of any failure on the part of Lessor to perform or comply with any conditions of this

Lease provided, however, that Lessee shall not be responsible to Lessor for any loss, destruction, or damage to the cars or parts thereof caused solely by the active gross negligence or willful misconduct of Lessor. The indemnities and assumptions of liabilities and obligations herein provided for shall continue in full force and effect notwithstanding the expiration or other termination of this Lease.

10. Lessor'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 Units, Lessor shall have the option, but not the obligation, to perform any act or make any payment which Lessor deems necessary for the maintenance and preservation of the Units and Lessor's title thereto, and all sums so paid or incurred by Lessor shall be additional rent under this Lease payable by Lessee to Lessor on demand. The performance of any act or payment by Lessor as aforesaid shall not be deemed a waiver or release of any obligation or default on the part of the Lessee.

11. Insurance. Lessee will, at its expense, carry insurance with respect to all of the Units (and the use and operation thereof) at all times in such amounts and with respect to such risks as are described in Exhibit E hereto. Lessee shall from time to time, upon Lessor's request, furnish certificates, policies, or endorsements to Lessor as proof of such insurance. The proceeds of any fire, theft and extended coverage insurance with respect to the Units shall be payable solely to Lessor and shall be applied by Lessor in accordance with Section 12 hereof. Such policies shall name Lessor as loss payee. The proceeds of any public liability or property damage insurance shall be payable first to Lessor to the extent of its liability, if any, and the balance to Lessee. All such liability insurance shall name Lessor as an additional insured. All policies, whether property damage or liability, shall require the insurer to give Lessor at least ten (10) days prior written notice of any cancellation or modification of such insurance.

12. Risk of Loss. Lessee assumes all risk of loss, damage, theft, condemnation or destruction of the Units. Except as provided in this Section 12, no such loss, damage, theft, condemnation or destruction of the Units, or any Unit, in whole or in part, shall impair the obligations of Lessee under this Lease, all of which shall continue in full force and effect. Whenever any Unit shall be or become worn out, lost, stolen, destroyed or damaged, from ordinary use, neglect, abuse, fire, the elements or any other cause whatsoever, or taken or requisitioned by condemnation or otherwise (such occurrences being hereinafter called "Casualty Occurrences") during the Term of this Lease, Lessee shall, promptly after it shall have been determined that such Unit has suffered a Casualty Occurrence, but in any event within thirty (30) calendar days after such Casualty Occurrence, notify Lessor in writing of such Casualty Occurrence and shall thereafter continue to

give Lessor any additional information which the Lessor has as a need to obtain about such Unit. In the event any of the Units suffer a Casualty Occurrence, Lessee at its' sole cost and expense shall pay to Lessor an amount equal to the accrued Gross Rental for such Units to the date of payment plus a sum equal to the Casualty Settlement Value of such Units, as specified on Exhibit F attached hereto, in which case such Units shall thereafter be deleted from this Lease. Base Rental and other Unit obligations cease upon payment of the Casualty Settlement Value to Lessor by the Lessee.

13. Lessee Default. Lessee shall be in default under this Lease upon the happening of any of the following events or conditions (hereinafter referred to as "Events of Default"): (a) If Lessee fails to pay any sum required to be paid hereunder on or before the due date and such failure continues for a period of ten (10) consecutive days; (b) If Lessee fails at any time to procure or maintain any insurance coverage required by this Lease; (c) If Lessee fails to observe or perform any of the covenants, conditions and agreements on the part of Lessee to be observed or performed and contained herein (other than the payment of any sums required to be paid hereunder and other than the obligation to procure and maintain any insurance coverage required by this Lease) or any schedule or any supplement or rider hereto, and such default shall continue for thirty (30) days after receipt by Lessee of written notice of such default; (d) The appointment of a receiver, trustee or liquidator of Lessee or of a substantial part of its property, or the filing by Lessee of a voluntary petition in bankruptcy or other similar insolvency laws or for reorganization; or (e) If a petition against Lessee in a proceeding under bankruptcy laws or other similar insolvency laws shall be filed and shall not be withdrawn or dismissed within thirty (30) days thereafter.

14. Lessor's Remedies. Upon the occurrence of any one or more of the Events of Default specified in Section 13 above, and at any time thereafter (unless such Event of Default shall have been waived in writing by Lessor), Lessor may without any further notice exercise any one or more of the following remedies: (i) Declare all unpaid Gross Rental under this Lease to be immediately due and payable; (ii) Terminate this Lease as to any or all Units without relieving Lessee of any of its obligations hereunder; (iii) Take possession of the Units and for this purpose enter upon any premises of Lessee and remove the Units, without any liability or suit, action or other proceeding by Lessee and without relieving Lessee of any of its obligations hereunder; (iv) Cause Lessee, at its sole expense, to promptly return the Units to Lessor in accordance with the terms and provisions of Section 15 hereof; (v) Proceed by appropriate action either at law or in equity to enforce performance by Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof; or (vi) Exercise any other right available to Lessor at law or in equity. No right or remedy conferred on or reserved to Lessor by this Lease shall be exclusive

of any other right or remedy herein or by law provided. All rights and remedies of Lessor conferred on Lessor by this Lease or by law shall be cumulative and in addition to every other right and remedy available to Lessor. No failure on the part of Lessor to exercise and no delay in exercising any right or remedy hereunder shall operate as a waiver thereof unless specifically waived by Lessor in writing; nor shall any single or partial exercise by the Lessor of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right or remedy.

15. Return of Units. At the expiration of this Lease, or at the direction of Lessor pursuant to Section 14 of this Lease, Lessee shall forthwith deliver possession of the Units to the Lessor. Each Unit returned to the Lessor pursuant to this Section 15 shall (i) be empty, free from residue, suitable for loading, and in the same or better operating order, repair and condition as when originally delivered to the Lessee, reasonable wear and tear excepted, (ii) meet the standards then in effect under the Interchange Rules of the Association of American Railroads, the Interstate Commerce Commission, the Department of Transportation, and any other legislative, administrative, judicial, regulatory or governmental body having jurisdiction in the matter, and (iii) be jointly inspected by representatives of Lessor and Lessee. In the event that any Unit is not delivered to Lessor in compliance with this Section 15 on or before the Expiration Date, the Unit shall remain on rental and obligations of Lessee under this Lease with respect to such Unit shall remain in full force and effect until such Unit is so delivered to Lessor and jointly inspected; provided, however, in the event that any Unit is not delivered to Lessor in compliance with this Section 15 and within the time frames established below, the Base Rental shall be effected as follows: (A) if Lessee has not marshalled a minimum of thirty (30) Units within sixty (60) days after the Expiration Date, the Base Rental for thirty (30) Units shall, upon the expiration of such sixty (60) day period, be set at one and one-half times the Base Rental, except that when Lessee has marshalled a minimum of (30) Units and has notified Lessor of same in writing, Lessor shall have seven (7) days to inspect the marshalled Units or the Base Rental shall cease to accrue on said marshalled Units; and (B) if Lessee has not marshalled a minimum of fifteen (15) Units, in addition to the thirty (30) Units referred to in Section 15 (A) above, within ninety (90) days after the Expiration Date, the Base Rental for fifteen (15) Units shall, upon the expiration of such ninety (90) day period, be set at one and one-half times the Base Rental, except that when Lessee has marshalled a minimum of fifteen (15) Units, in addition to the thirty (30) Units referred to in Section 15 (A), and has notified Lessor of same in writing, Lessor shall have seven (7) days to inspect the marshalled Units or the Base Rental shall cease to accrue on said marshalled Units; and (C) if Lessee has not marshalled the remaining five (5) Units, in addition to the forty-five (45) Units referred to in Sections 15 (A) and 15 (B) above,

within one hundred twenty (120) days after the Expiration Date, the Base Rental for five (5) Units shall, upon the expiration of such one hundred twenty (120) day period be set at one and one-half times the Base Rental, except that when Lessee has marshalled the remaining five (5) Units, in addition to the forty-five (45) Units referred to in Sections 5(A) and 15 (B) above, and has notified Lessor of same in writing, Lessor shall have seven (7) days to inspect the marshalled Units or the Base Rental shall cease to accrue on such marshalled Units. Lessor shall have the right to inspect each Unit when marshalled at the end of the Term of this Lease and Lessee shall remain liable for any damage found at such inspection, even though Lessee's obligation to pay rental may cease pursuant to this Section 15. Nothing in this Section shall give Lessee the right to retain possession of any Unit after expiration or termination of this Lease with respect to such Unit.

For the purpose of delivering possession of the Units to the Lessor as above required, Lessee shall, at its own cost, expense and risk: (a) Place the Units upon such storage tracks as Lessor may reasonably designate for marshalling and joint inspection; (b) Permit Lessor to store such Units on such tracks free of charge to Lessor and at the risk of Lessee until such Units have been sold, leased or otherwise disposed of by the Lessor, provided, however, that Lessor shall be entitled to continued storage of the Units on such tracks beyond the free ninety (90) calendar days at a storage rate not to exceed ██████████ per car per day; (c) Transport the Units to the Arkansas and Missouri Railroad interchange with any other railroad within the United States as directed by Lessor and Lessee will cooperate with Lessor to load the Unit out into the railroad system with new lessee's reporting marks; and (d) At Lessor's option, either prior to or after such movement(s) of the Units, with Lessor arranging for the restencilling of and removal of Lessee's logo decal from the Units, reimburse Lessor for the costs of such restencilling, removal of decals and, if necessary, related repainting. Lessee's obligations in this Section 15 shall survive the Termination Date of this Lease. The assembly, delivery, storage and transporting of the Units as hereinbefore provided shall be at the cost, expense and risk of Lessee and are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the matter, Lessor shall be entitled to a decree against Lessee requiring specific performance of the covenants of Lessee so to assemble, deliver, store and transport the Units. During any storage period, Lessee will permit Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser of the Units or any Unit, to inspect the same.

16. Notices. Any notice required or permitted to be given by either party hereto to the other shall be in writing and shall be deemed given when actually received or five (5) days after deposited

in United States Certified or Registered Mail, Return Receipt Requested, postage prepaid, addressed as follows:

TO LESSOR: The David J. Joseph Company
300 Pike Street
Cincinnati, Ohio 45202
Attention: Douglas F. McMillan

TO LESSEE: Arkansas and Missouri Railroad
107 North Commercial
Springdale, AR 72764
Attention: Mr. Tony Hannold

or at such other place as the parties hereto may from time to time designate by notice, each to the other.

17. Miscellaneous Provisions.

(a) This Lease exclusively and completely states the rights of the Lessor and the Lessee with respect to the Units and supersedes all other agreements, oral or written, with respect to the Units. This lease may be amended or supplemented, whether through addition of any schedule and/or rider or otherwise only by the written consent of both parties.

(b) This Lease may be executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

(c) The terms of this Lease and all rights and obligations hereunder shall be governed by the substantive internal laws of the State of Ohio. The invalidity or unenforceability of any particular provision of this Lease shall not affect the remaining provisions hereof.

(d) No recourse shall be had in any respect of any obligation due under this Lease, or referred to herein, against any incorporator, stockholder, director or officer (past, present or future) of the Lessor.

(e) Lessee may not, by operation of law or otherwise, assign, transfer, pledge, hypothecate or otherwise dispose of this Lease or any interest herein, or sublet any of the Units, without Lessor's prior written consent. This Lease is freely assignable by Lessor, in whole or in part, and upon delivery to Lessee of notice of any assignment, the term "Lessor" as used herein shall refer to such assignee, and The David J. Joseph Company shall thereafter be relieved of all of its liabilities and obligations under this Lease.

(f) Nothing contained herein shall give or convey to Lessee any right, title or interest in and to the Units leased hereunder except as a lessee thereof, and the Units are and shall at all times be and remain the sole and exclusive property of Lessor.

(g) Any cancellation or termination of this Lease by Lessor, pursuant to the terms and provisions hereof, or any schedule, supplement, rider or amendment hereto, or any termination of the Term by lapse of time, shall not release Lessee from any then outstanding obligations and/or duties to Lessor hereunder.

(h) Time is of the essence of this Lease.

(i) Notwithstanding anything contained in this Lease to the contrary, Lessor shall not be liable for its failure to perform any obligations of Lessor herein contained by reason of labor disturbances (including strikes and lockouts), war, riots or civil commotion, acts of God, fires, floods, explosions, storms, accidents, governmental regulations or interference, or any cause whatsoever beyond Lessor's reasonable control.

(j) It is expressly understood and agreed by the parties hereto that this instrument constitutes a lease of the Units only, and that no joint venture or partnership is being created.

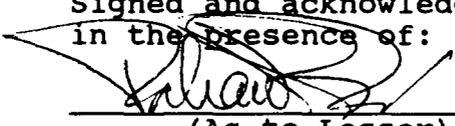
(k) To the extent there exists any conflict between the terms and provisions of this Lease and the terms and provisions of the Interchange Rules or the Codes of Car Hire and Car Service Rules of the Association of American Railroads as noted in this contract, this Lease shall control.

(l) Lessee hereby authorizes Lessor, and agrees that Lessor shall be entitled, to access UMLER and receive all information thereon with respect to the Units, or the use and operation thereof, together with all other information as may be available from the Association of American Railroads, and Lessee agrees to execute such instruments or consents as may be necessary or required in order to carry out the intent of this paragraph (l).

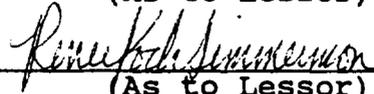
(m) In the event that the Interstate Commerce Commission approves and implements deprecation of Car Hire earnings on railcars with an effective date or other requirements that mandate that the Car Hire earnings on the Units under this Lease be depreciated and if the Lessee is unable to negotiate earnings on the Units of approximate values to those earnings published by the Association of American Railroads under the Car Hire Rule 1A.1 prior to such deprecation which would have been in effect for the Units had deprecation of Car Hire earnings not been implemented, then the Base Rental under this Lease shall be subject to mutually agreeable renegotiation between Lessor and Lessee or the Lease shall terminate pursuant to the terms and provisions hereof.

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

Signed and acknowledged
in the presence of:

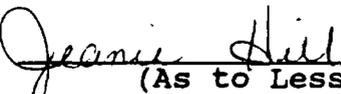


(As to Lessor)



(As to Lessor)

Signed and acknowledged
in the presence of:



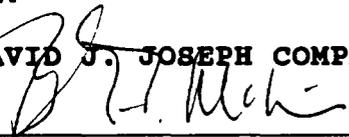
(As to Lessee)



(As to Lessee)

LESSOR:

THE DAVID J. JOSEPH COMPANY

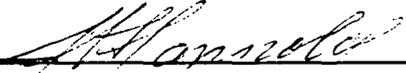
BY: 

NAME: DOUGLAS F. McMillan

TITLE: VICE PRESIDENT

LESSEE:

ARKANSAS AND MISSOURI RAILROAD CO.

BY: 

NAME: F. H. Honnold

TITLE: Pres

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

The foregoing instrument was acknowledged before me this 23rd day of DECEMBER, 1992, by DOUGLAS F. McMillan, the VICE PRESIDENT of The David J. Joseph Company, a Delaware corporation, on behalf of the corporation.

James H. Goetz
Notary Public

JAMES H. GOETZ
Notary Public, State of Ohio
My Commission Expires July 10, 1995

STATE OF Arkansas)
) SS:
COUNTY OF Washington)



The foregoing instrument was acknowledged before me this 21st day of December, 1992, by J. A. Hannold, the President of Arkansas and Missouri Railroad Company, a Virginia corporation, on behalf of the corporation.

Jeanie Hill
Notary Public

EXHIBIT A

DESCRIPTION OF UNITS

Fifty (50) 100 ton, 65 foot gondola railcars rebuilt in 1992, bearing reporting marks as follows:

AM 800	AM 825
AM 801	AM 826
AM 802	AM 827
AM 803	AM 828
AM 804	AM 829
AM 805	AM 830
AM 806	AM 831
AM 807	AM 832
AM 808	AM 833
AM 809	AM 834
AM 810	AM 835
AM 811	AM 836
AM 812	AM 837
AM 813	AM 838
AM 814	AM 839
AM 815	AM 840
AM 816	AM 841
AM 817	AM 842
AM 818	AM 843
AM 819	AM 844
AM 820	AM 845
AM 821	AM 846
AM 822	AM 847
AM 823	AM 848
AM 824	AM 849

EXHIBIT B

BASE RENTAL

Fixed Rental: [REDACTED] dollars
[REDACTED] per Unit per month for each Unit covered by this Lease, payable in advance.

Note: In the event that depreciation of Car Hire earnings is implemented, as provided for in Section 17(m) of this Lease, and Lessee receives Car Hire earnings based on the pre-rebuilt car value of the Units (hereinafter the "Pre-Rebuild Car Hire") then, for a limited 3 month period after such Pre-Rebuild Car Hire earnings go into effect and so long as the Pre-Rebuild Car Hire earnings continue, the Lessee shall pay [REDACTED] Fixed Rental per Unit per month and, thereafter, the Fixed Rental is subject to mutually agreeable negotiation as provided for in Section 17(m) of this Lease. If, during such 3 month period, the Car Hire earnings return to those based on the rebuilt car value of the Units, then the Fixed Rental shall return to [REDACTED] per Unit per month.

Variable Rental: [REDACTED] per mile for all miles in excess of the first 19,000 miles per Unit in each 12 month period for all Units under this Lease Agreement, starting with the Commencement Date of this Lease, payable within 90 days of the end of such 12 month period. Lessee shall furnish Lessor with reports summarizing mileage travelled per Unit during each such 12 month period, to be provided within 60 days of the end of such 12 month period for all Units under this Lease Agreement.

EXHIBIT C

POINTS OF TENDER

Corbin Railway Service Company repair facility
located in Corbin, Kentucky.

EXHIBIT D

ACCEPTANCE CERTIFICATE

The undersigned, _____, the duly authorized representative of Arkansas and Missouri Railroad Company (the "Company"), hereby certifies to The David J. Joseph Company ("DJJ") that the _____ Railcar bearing reporting mark _____ (the "Unit") has been delivered to the Company, has been inspected, and meets all regulatory requirements and is in all respects acceptable to the Company. This certificate is being delivered pursuant to Section 3 of that certain Lease Agreement dated _____ by and between the Company and DJJ.

IN WITNESS WHEREOF, the undersigned, being the _____ of the Company, does hereunto set his hand as of this day of _____ on behalf of the Company.

ARKANSAS AND MISSOURI RAILROAD COMPANY

By: _____

Print Name: _____

Print Title: _____

EXHIBIT E

INSURANCE

Please provide your current scheme of insurance. We will review to confirm the acceptability for lease purposes.

EXHIBIT F

CASUALTY SETTLEMENT VALUE

The Casualty Settlement Value for all Units covered under this Lease on a per Unit basis is in accordance with the following schedule:

<u>CASUALTY SETTLEMENT VALUE PER UNIT</u>	<u>AMOUNT</u>
From Lease Commencement Date through Month 12 of the last Unit accepted under this Lease	[REDACTED]
From Month 13 through Month 24	[REDACTED]
From Month 25 through Month 36	[REDACTED]
From Month 37 through Month 48	[REDACTED]
From Month 49 through Month 60	[REDACTED]
From Month 61 through Month 72	[REDACTED]
From Month 73 through Lease Termination Date	[REDACTED]

EXHIBIT G

According to the Association of American Railroads Car Hire Rule 1A.1 currently in effect, the Car Hire rates for each Unit under this Lease Agreement after rebuild will be as follows for their first year of service:

MILEAGE RATE

a minimum of [REDACTED] per mile

HOURLY

a minimum of [REDACTED] per hour