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RECORDATION NO 20230 FILED 1425
OCT 4 1996 10 35 AM
SECRETARY OF TRANSPORTATION BOARD

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September 21, 1996

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1201 Constitution Avenue, N.W.
Washington, D.C. 20423

OCT 4 10 32 AM '96
RECEIVED
TRANSPORTATION
BOARD

Re: *First Union National Bank of Florida - Loans to Seminole Gulf Railway, L.P., a Delaware limited partnership*

Dear Secretary Williams:

I enclose one original and one counterpart original of the documents described below, to be recorded pursuant to Section 11301 of Title 49 of the U.S. Code.

This document is a Term Loan and Security Agreement dated as of September **26**, 1996 between First Union National Bank of Florida and Seminole Gulf Railway, L.P., authorized to transact business in Florida as Seminole Gulf Railway Limited Partnership.

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

Secured Party: First Union National Bank of Florida
5801 Pelican Bay Boulevard
Naples, FL 34108

Debtor: Seminole Gulf Railway, L.P., authorized to
transact business in Florida as Seminole Gulf
Railway Limited Partnership
4110 Centerpointe Drive
Ft. Myers, FL 33916

The description of the equipment covered by the document is set forth in Schedule 1, attached hereto.

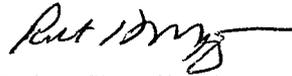
A fee of \$22.00 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to Robert H. Miltenberger, II, RUDEN, MCCLOSKEY, SMITH, SCHUSTER & RUSSELL, P.A., 200 East Broward Boulevard, 15th Floor, Fort Lauderdale, Florida 33301.

The Honorable Vernon A. Williams
September ____, 1996
Page 2

A short summary of the document to appear in the index follows: A Term Loan and Security Agreement dated as of September ~~26~~, 1996, between First Union National Bank of Florida and Seminole Gulf Railway Limited Partnership authorized to transact business in Florida as Seminole Gulf Railway Limited Partnership ("Seminole Gulf"), in which Seminole Gulf grants FUNB a first lien and security interest in all equipment and other personal property of Seminole Gulf, including, but not limited to, the locomotives, boxcars and the other rolling stock that are described in Schedule 1 of the Term Loan and Security Agreement.

Very truly yours,

RUDEN, McCLOSKEY, SMITH,
SCHUSTER & RUSSELL, P.A.



Robert H. Miltenberger, II

RHM/js

Enclosures

cc: Mr. William M. Blevins
Mr Steven J. Marsalona

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20425-0001

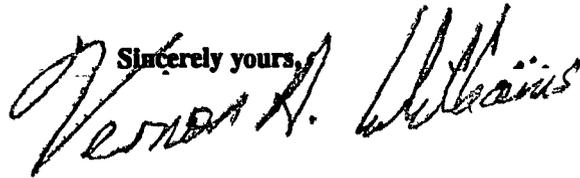
10/4/96

Robert H. Miltenberger, II
Rudon, McClosky, Smith, Schuster &
Russell, P.A.
200 East Broward Boulevard
Fort Lauderdale, Florida 33301

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 10/4/96 at 10:35AM, and assigned recordation number(s) 20290.

Sincerely yours,

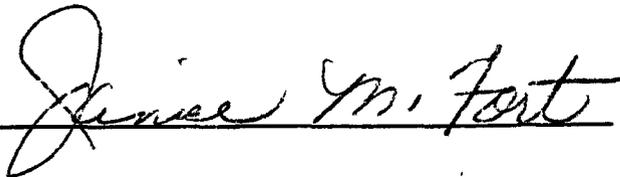


Vernon A. Williams
Secretary

Enclosure(s)

\$ 22.00 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



RECORDATION NO. 20290
FILED NO.
OCT 11 1998 10 34 AM
HILLSBORO COUNTY REC. DEPT.

TERM LOAN AND SECURITY AGREEMENT

between

**SEMINOLE GULF RAILWAY, L.P.
AND
FLORIDA FREEZER LIMITED PARTNERSHIP
“Borrower”**

and

**FIRST UNION NATIONAL BANK OF FLORIDA
“Bank”**

Dated: as of September 26, 1996

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TERM LOAN AND SECURITY AGREEMENT

THIS AGREEMENT (the "Agreement"), dated as of September 26, 1996, between SEMINOLE GULF RAILWAY, L.P., a Delaware limited partnership, with an office and place of business at 4110 Centerpointe Drive, Suite 207, Ft. Myers, Florida 33916, and FLORIDA FREEZER LIMITED PARTNERSHIP, a Delaware limited partnership, with an office and place of business at 7952 Interstate Court, N.E., Bayshore Industrial Park, North Ft. Myers, Florida 33917 (each hereafter individually referred to as a "Borrower" and together hereafter jointly, severally and collectively referred to as the "Borrowers"), and FIRST UNION NATIONAL BANK OF FLORIDA, a national banking association (the "Bank") with an office and place of business at 5801 Pelican Bay Boulevard, Naples, Florida 34108;

WITNESSETH:

In consideration of the premises and of the mutual covenants herein contained and to induce the Bank to extend credit to the Borrowers, the parties agree as follows:

1. Definitions. In addition to terms defined elsewhere in this Agreement, the following terms have the meanings indicated:

- 1.1 Defined Terms.

"Account" shall mean any account receivable, including any rights of payment for goods sold or leased or for services rendered, which is not evidenced by an instrument or chattel paper, whether or not it has been earned by performance, and in addition includes all property included in the definition of "accounts" as used in the Code, together with any guaranties, letters of credit and other security therefor.

"Account Debtor" shall mean a Person who is obligated under any Account, Chattel Paper, General Intangible or instrument (as instrument is defined in the Code).

"Affiliate" of a named Person shall mean (a) any Person owning 5% or more of the voting stock or rights of such named Person or of which the named Person owns 5% or more of such voting stock or rights; (b) any Person controlling, controlled by or under common control with such named Person; (c) any officer or director of such named Person or any Affiliates of the named Person; and (d) any family member of the named Person or any Affiliate of such named Person.

"Business Day" shall mean a weekday on which commercial banks are open for business in Naples, Florida.

"Chattel Paper" shall mean all writing or writings which evidence both a monetary obligation and a security interest in or the lease of specific goods and in addition includes all

property included in the definition of "chattel paper" as used in the Code, together with any guaranties, letters of credit and other security therefor.

"Closing" shall mean the date upon which this Agreement, the Seminole Gulf Note, the Florida Freezer Note, all fully executed, are received by the Bank at its office at 5801 Pelican Bay Boulevard, Naples, Florida 34108.

"Code" shall mean the Uniform Commercial Code, as in effect in Florida from time to time.

"Collateral" shall mean the following property of each Borrower, wherever located and whether now owned by such Borrower or hereafter acquired: (a) all Inventory; (b) all General Intangibles; (c) all Accounts and Chattel Paper and any other instrument or intangible representing payment for goods or services; (d) all Equipment; (e) the collateral of Seminole Gulf described in Exhibit 1.1A hereto; (f) all parts, replacements, substitutions, profits, products and cash and non-cash proceeds of any of the foregoing (including insurance proceeds payable by reason of loss or damage thereto) in any form and wherever located. Collateral shall include all written or electronically recorded records relating to any such Collateral and other rights relating thereto. Collateral shall also include Florida Freezer's fee simple title in the mortgaged premises described in the Florida Freezer Mortgage and Seminole Gulf's leasehold interest in the Seminole Gulf Lease and the Leased Premises, as described in the Leasehold Mortgage.

"Contract Date" shall mean the date upon which an Interest Period begins.

"Debt" shall mean all liabilities of a Person as determined under generally accepted accounting principles and all obligations which such Person has guaranteed or endorsed or is otherwise secondarily or jointly liable, and shall include, without limitation (a) all obligations for borrowed money or purchased assets, (b) obligations secured by assets whether or not any personal liability exists, (c) the capitalized amount of any capital or finance lease obligations, (d) the unfunded portion of pension or benefit plans or other similar liabilities, (e) obligations as a general partner, (f) contingent obligations pursuant to guaranties, endorsements, letters of credit and other secondary liabilities, and (g) obligations for deposits.

"Default" or "default" shall mean any of such events constituting a default, whether or not any such requirement for the giving of notice or the lapse of time or the happening of any further condition, event or act shall have been satisfied.

"Default Rate" shall mean the highest lawful rate of interest per annum specified in any Note to apply after a default under such Note or, if no such rate is specified, a rate equal to the lesser of (a) five (5) percentage points above the rate on the Loan otherwise in effect from time to time, or (b) the highest rate of interest allowed by law.

“Dollars” shall mean the currency of the United States of America.

“Equipment” shall mean all furniture, fixtures, equipment, motor vehicles, locomotives, rolling stock and other tangible property of a Person of every description, except Inventory and in addition includes all property included in the definition of “equipment” as used in the Code.

“Event of Default” shall mean any event specified as such in Section 6.1 hereof (“Events of Default”), provided that there shall have been satisfied any requirement in connection with such event for the giving of notice or the lapse of time, or both, including the grace periods set forth in Section 6.2 hereof and any grace periods specifically set forth in any of the other Loan Documents.

“Florida Freezer” shall mean Florida Freezer Limited Partnership, a Delaware limited partnership, one of the Borrowers.

“Florida Freezer Interest Rate” shall have the meaning set forth in Section 3.1(b) hereof.

“Florida Freezer Loan” shall mean the Term Loan identified in Section 3.1(b) hereof.

“Florida Freezer Loan Maturity Date” shall mean the date which is sixty (60) full calendar months from the date of Closing.

“Florida Freezer Mortgage” shall mean that certain mortgage of even date herewith given by Florida Freezer, as mortgagor, to the Bank, as mortgagee, to secure the Indebtedness and constituting a first Lien upon the fee simple title of Florida Freezer’s real property as more fully described in the Florida Freezer Mortgage.

“Florida Freezer Note” shall mean that certain term note, as defined in Sections 3.1(b) and 3.3(b) hereof and any other promissory note now or hereafter evidencing any Indebtedness of Florida Freezer, and all modifications, extensions and renewals thereof.

“General Intangibles” shall mean all intangible personal property (including things in action) except Accounts, Chattel Paper and instruments (as defined in the Code), but including all contract rights, copyrights, trademarks, trade names, service marks, patents, patent drawings, designs, formulas, rights to a Person’s name itself, customer lists, rights to all prepaid expenses, marketing expenses, rights to receive future contracts, fees, commissions and orders relating in any respect to any business of a Person, all licenses and permits, all computer programs and other software owned by a Person, or which a Person has the right to use, and all rights for breach of warranty or other claims for funds to which a Person may be entitled, and in addition includes all property included in the definition of “general intangibles” as used in the Code.

“Guarantor” shall mean any Person other than Borrowers now or hereafter guaranteeing, endorsing or otherwise becoming liable for any Indebtedness.

“Guaranty Agreement” shall mean any guaranty instrument now or hereafter executed and delivered by any Guarantor to the Bank, as it may be modified.

“Indebtedness” shall mean all obligations now or hereafter owed to the Bank by the Borrowers, or either of them, whether related or unrelated to the Seminole Gulf Loan and/or the Florida Freezer Loan, including, without limitation, amounts owed or to be owed under the terms of the Loan Documents, or arising out of the transactions described therein, including, without limitation, the Loans, sums advanced to pay overdrafts on any account maintained by the Borrowers with the Bank, reimbursement obligations for outstanding letters of credit or banker’s acceptances issued to the account of a Borrower, amounts paid by the Bank under letters of credit or drafts accepted by the Bank for the account of a Borrower together with all interest accruing thereon, all fees, all costs of collection, attorneys’ fees and expenses of or advances by the Bank which the Bank pays or incurs in discharge of obligations of a Borrower or to repossess, protect, preserve, store or dispose of any Collateral, whether such amounts are now due or hereafter become due, direct or indirect and whether such amounts due are from time to time reduced or entirely extinguished and thereafter re-incurred.

“Interest Period” means a period beginning on a Contract Date, and ending one (1) month thereafter as selected by Seminole Gulf for the Seminole Gulf Loan or Florida Freezer for the Florida Freezer Loan, as the case may be, in the manner provided in this Agreement. Use of Interest Periods shall be subject to the following provisions: (i) each Interest Period occurring after the initial Interest Period shall commence on the day on which the next preceding Interest Period expires, (ii) if any Interest Period would otherwise commence or expire on a day which is not a Libodollar Business Day which is also a Business Day, the Interest Period shall commence or expire, as the case may be, on the next succeeding Libodollar Business Day (and interest shall accrue and be payable for the period of such extension), unless, in the case of an expiration of an Interest Period, the next Business Day shall fall in the next succeeding calendar month, in which event the last day of the Interest Period shall be the immediately preceding Libodollar Business Day, which is also a Business Day, (iii) any Interest Period which begins on the last Libodollar Business Day of any calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Libodollar Business Day of a calendar month, (iv) no Interest Period shall extend beyond the Seminole Gulf Loan Maturity Date or the Florida Freezer Loan Maturity Date, as the case may be, and (v) no Interest Period shall extend beyond the date upon which payment or prepayment of a Loan is required hereunder (including, without limitation, mandatory prepayments and voluntary prepayments after notice thereof has been given), unless the aggregate amount of such Loan is equal to or in excess of the amount of any such payment or prepayment.

“Inventory” means all goods, merchandise and other personal property of a Person which is held for sale or lease or furnished or to be furnished under a contract for services or raw

materials, and all work in process and materials used or consumed or to be used or consumed in a Person's business, and in addition, includes all property included in the definition of "inventory" as used in the Code.

"ISDA Master Agreement" shall mean that certain International Swap Dealers Association Master Agreement (with Schedule) and all other reasonable requirements and documents related thereto ("Swap Documents") which may hereafter be executed and delivered at the sole option of a Borrower and constituting a "hedge" for the yield upon a Loan.

"Leasehold Mortgage" shall mean that certain mortgage of even date herewith given by Seminole Gulf, as mortgagor, to the Bank, as mortgagee, securing the Indebtedness and constituting a first Lien upon the leasehold interest of Seminole Gulf in the Seminole Gulf Lease.

"Leased Premises" shall have the meaning set forth in Section 2.24 of this Agreement.

"Libodollar Business Day" shall mean a day on which business is transacted upon the London Interbank Market in London, England.

"Libodollar Rate" means at the time any determination thereof is to be made and for any Interest Period, a simple per annum interest rate equal to the sum of (a) the quotient of (i) LIBOR divided by (ii) a percentage equal to one hundred percent (100%) minus the Libodollar Reserve Requirement. The Libodollar Rate shall be rounded upward to the nearest one-hundredth (1/100th) and shall apply to Interest Periods of one (1) month.

"Libodollar Reserve Requirement" shall, on any day, mean that percentage (expressed as a decimal fraction) which is in effect on such day, as specified by the Board of Governors of the Federal Reserve System (or any successor governmental body), and applied for determining the maximum reserve requirements (including, without limitation, basic, supplemental, marginal and emergency reserves) under Regulation D, as hereafter defined, with respect to "Eurocurrency liabilities" as currently defined in Regulation D, as hereafter defined, or under any similar future regulation with respect to Eurocurrency liabilities or Eurocurrency fundings. Each determination by the Bank of the Libodollar Reserve Requirement shall, in the absence of manifest error, be binding and conclusive.

"LIBOR" or "USD LIBOR-BBA" means that the rate for a Reset Date will be the rate for deposits in U.S. Dollars for a period of one month which appears on the Telerate Page 3750 as of 11:00 a.m. London time, on the day that is two Libodollar Business Days preceding that Reset Date. If such rate does not appear on the Telerate page 3750, the rate for that Reset Date will be determined as if the parties had specified "USD-LIBOR-Reference Banks" as the Libodollar Option. All determinations, estimates, assumptions of allocations and the like required for the determination of the LIBOR shall be made by the Bank in good faith, but determinations thereof shall be final, binding and conclusive on the Borrowers absent manifest error.

“LIBOR-Reference Banks” or “USD-LIBOR-Reference Banks” means that the rate for a Reset Date will be determined on the basis of the rates at which deposits in Dollars are offered by the Reference Banks at approximately 11:00 a.m. London time, on the day that is two Libodollar Business Days preceding that Reset Date to prime banks in the London interbank market for a period of one month commencing on that Reset Date and in a Representative Amount. The calculation agent will request the principal London office of each of the Reference Banks to provide a quotation of its rate. If at least two such quotations are provided, the rate for the “Reset Date” will be the arithmetic mean of the quotations. If fewer than two quotations are provided as requested, the rate for that Reset Date will be the arithmetic mean of the rates quoted by major banks in New York City, selected by the calculation agent, at approximately 11:00 a.m. New York City time, on that Reset Date for loans in Dollars to leading European banks for a period of one month commencing on that Reset Date and in a Representative Amount.

“Lien” (collectively “Liens”) shall mean any mortgage, pledge, statutory lien or other lien arising by operation of law, security interest, trust arrangement, financing lease, collateral assignment or other encumbrance, or any segregation of assets or revenues (whether or not constituting a security interest) with respect to any present or future assets, revenues or rights to the receipt of income of the Person referred to in the context in which the term is used.

“Loans” shall mean the Term Loans identified in Section 3.1(a) and (b) hereof.

“Loan Documents” shall mean this Agreement, any other Security Agreement, the Seminole Gulf Note, the Florida Freezer Note, any Guaranty Agreement, the Florida Freezer Mortgage, the Leasehold Mortgage, the Assignment of Leases, Rents, Profits and Contracts, the Assignment of Life Insurance upon the life of Gordon H. Fay, a Collateral Assignment of the General and Limited Partnership Interests of the Partners (General and Limited) of each Borrower, the ISDA Master Agreement and Swap Documents, UCC-1 financing statements and all other documents and instruments now or hereafter evidencing, describing, guaranteeing or securing the Indebtedness contemplated hereby or delivered in connection herewith, as they may be modified.

“Permitted Debt” shall mean (a) the Indebtedness; and (b) any other Debt listed on Exhibit 1.1B hereto (if any) and any extensions, renewals, replacements, modifications and refundings of any such Debt if, and to the extent, permitted by Exhibit 1.1B; provided, however, that the principal amount of such Debt may not be increased from the amount shown as outstanding on such exhibit; (c) any Debt specifically permitted under this Agreement; and (d) such other Debt as the Bank may consent to in writing from time to time.

“Permitted Liens” shall mean (a) Liens securing the Indebtedness; (b) Liens for taxes and other statutory Liens, landlord’s Liens and similar Liens arising out of operation of law (provided they are subordinate to the Bank’s Liens on Collateral) so long as the obligations secured thereby are not past due or are being contested as permitted herein; (c) Liens described on Exhibit 1.1C hereto (if any), provided, however, that no debt not now secured by such Liens shall become secured by such Liens hereafter and such Liens shall not encumber any other assets; (d) purchase

money security interests; and (e) such other Liens as the Bank may consent to in writing from time to time.

“Person” shall mean any natural person, corporation, unincorporated organization, trust, joint-stock company, joint venture, association, company, limited or general partnership, any government, or any agency or political subdivision of any government.

“Reset Date” means each date specified as such in a LIBOR confirmation, subject to adjustment in accordance with the terms hereof.

“Security Agreement” shall mean this Agreement as it relates to a security interest in the Collateral, and any other mortgage, security agreement, assignment or similar instrument now or hereafter executed by a Borrower or other Person granting the Bank a security interest in any Collateral to secure the Indebtedness.

“Seminole Gulf” shall mean Seminole Gulf Railway, L.P., a Delaware limited partnership, one of the Borrowers.

“Seminole Gulf Interest Rate” shall have the meaning set forth in Section 3.1(a) hereof.

“Seminole Gulf Lease” shall have the meaning set forth in Section 2.23 of this Agreement.

“Seminole Gulf Loan” shall mean the Term Loan identified in Section 3.1(a) hereof.

“Seminole Gulf Loan Maturity Date” shall mean sixty (60) full calendar months from the date of Closing.

“Seminole Gulf Note” shall mean that certain term note, as defined in Sections 3.1(a) and 3.3(a) hereof and any other promissory note now or hereafter evidencing any Indebtedness of Seminole Gulf, and all modifications, extensions and renewals thereof.

“Subordinated Debt” shall mean any obligations of a Borrower to third parties which are subordinated in right of payment and priority of all such indebtedness and any future advances provided therein to the payment and priority of the Bank hereunder.

1.2 Financial Terms. All financial terms used herein shall have the meanings assigned to them under generally accepted accounting principles unless another meaning shall be specified.

2. Representations and Warranties. In order to induce the Bank to enter into this Agreement and to make the Loans provided for herein, each Borrower makes the following representations and warranties related to itself, its assets and its business, all of which shall

survive the execution and delivery of the Loan Documents. Unless otherwise specified, such representations and warranties shall be deemed made as of the date hereof:

2.1 Valid Existence and Power. The Borrowers, Seminole Gulf and Florida Freezer, are both Delaware limited partnerships duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and are duly qualified or licensed to transact business in all places where the failure to be so qualified would have a material adverse effect on it. Each Borrower and each other Person which is a party to any Loan Document (other than the Bank) has the power to make and perform the Loan Documents executed by it and all such instruments will constitute the legal, valid and binding obligations of such Person, enforceable in accordance with their respective terms, subject only to bankruptcy and similar laws affecting creditors' rights generally.

2.2 Authority. The execution, delivery and performance thereof by each Borrower and each other Person other than the Bank) executing any Loan Document has been duly authorized by all necessary action of such Person, and do not and will not violate any provision of law or regulation, or any writ, order or decree of any court or governmental or regulatory authority or agency, including, without limitation, the Surface Transportation Board, or any provision of the respective governing instruments of such Person, and do not and will not, with the passage of time or the giving of notice, result in a breach of, or constitute a default or require any consent under, or result in the creation of any Lien upon any property or assets of any such Person pursuant to, any law, regulation, instrument or agreement to which any such Person is a party or by which any such Person or its respective properties may be subject, bound or affected.

2.3 Financial Condition. Other than as disclosed in financial statements delivered on or prior to the date hereof to the Bank, neither Borrower nor (to the knowledge of the Borrowers) any Guarantor has any direct or contingent obligations or liabilities (including any guarantees or leases) or any material unrealized or anticipated losses from any commitments of such Person except as described on Exhibit 2.3 (if any). Neither Borrower is aware of any material adverse fact (other than facts which are generally available to the public and not particular to a Borrower, such as general economic or industry trends) concerning the conditions or future prospects of a Borrower or any Guarantor which has not been fully disclosed to the Bank, including any adverse change in the operations or financial condition of such Person since the date of the most recent financial statements delivered to the Bank.

2.4 Litigation. Except as disclosed on Exhibit 2.4 (if any), there are no suits or proceedings pending, or to the knowledge of either Borrower threatened, before any court or by or before any governmental or regulatory authority, commission, bureau of agency or public regulatory body against or affecting either Borrower, or (to the Borrowers' knowledge) any Guarantor, or their assets, which if adversely determined would have a material adverse effect on the financial condition or business of a Borrower or Guarantor.

2.5 Agreements, Etc. Neither Borrower is a party to any agreement or instrument or subject to any court order, governmental decree or any charter or other restriction, adversely affecting its business, properties or assets, operations or condition (financial or otherwise) nor is any such Person in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any agreement or instrument to which it is a party, or any law, regulation, decree, order or the like, which would have a material adverse effect on the financial condition or business of Borrower.

2.6 Authorizations. All authorizations, consents, approvals and licenses required under applicable law or regulation for the ownership or operation of the property owned or operated by each Borrower or for the conduct of any business in which either of them is engaged have been duly issued and are in full force and effect, and neither of them is in default, nor has any event occurred which with the passage of time or the giving of notice, or both, would constitute a default, under any of the terms or provisions of any part thereof, or under any order, decree, ruling, regulation, closing agreement or other decision or instrument of any governmental commission, bureau or other administrative agency or public regulatory body having jurisdiction over such Person, which default would have a material adverse effect on such Person. Except as noted herein, no approval, consent or authorization of, or filing or registration with, any governmental commission, bureau or other regulatory authority or agency is required with respect to the execution, delivery or performance of any Loan Document.

2.7 Title. Each Borrower has good title to all of its assets shown in its financial statements free and clear of all Liens, except Permitted Liens. Each Borrower alone has full ownership rights in all of its Collateral.

2.8 Collateral. The security interests granted to the Bank herein and pursuant to any other Security Agreement (a) constitute and, as to subsequently acquired property included in the Collateral covered by the Security Agreement, will constitute, security interests under the Code entitled to all of the rights, benefits and priorities provided by the Code and (b) are, and as to such subsequently acquired Collateral will be fully perfected, superior and prior to the rights of all third persons, now existing or hereafter arising, subject only to Permitted Liens. The Collateral is intended for use solely in each Borrower's respective business.

2.9 Location. The chief executive office of each Borrower where such Borrower's business records are located is the address designated respectively for notices in Section 8.4 ("Notices") and each Borrower has no other places of business except as shown on Exhibit 2.9 (if any).

2.10 Taxes. Each Borrower has filed all federal and state income and other tax returns which, to the best knowledge of such Borrower, are required to be filed, and each has paid all taxes as shown on its returns and all taxes, including ad valorem taxes, shown on all assessments received by it to the extent that such taxes have become due. Except for Permitted Liens, neither Borrower is subject to any federal, state or local tax Liens nor has such Person received any notice of

deficiency or other official notice to pay any taxes. Each Borrower has paid all sales and excise taxes payable by it.

2.11 Withholding Taxes. Each Borrower has paid all of its withholding, FICA and other payments required by federal, state or local governments with respect to any wages paid to employees.

2.12 Labor Law Matters. No goods or services have been or will be produced or rendered by a Borrower in violation of any applicable labor laws or regulations or any collective bargaining agreement or other labor agreements or in violation of any minimum wage, wage-and-hour or other similar laws or regulations. The Borrowers and their respective assets are not subject to any collective bargaining agreements.

2.13 Accounts. Each Account, instrument, Chattel Paper and other writing constituting any portion of the Collateral of each Borrower is (a) genuine and enforceable in accordance with its terms, except for such limits thereon arising from bankruptcy and similar laws relating to creditors' rights; (b) not subject to any defense, set off, claim or counterclaim of a material nature against such Borrower, except as to which such Borrower has notified the Bank in writing; and (c) not subject to any other circumstances that would impair the validity, enforceability or amount of such Collateral, except as to which such Borrower has notified the Bank in writing.

2.14 Use and Location of Collateral. The Collateral is located only, and shall at all times be kept and maintained only, at each Borrower's location or locations as described herein. No such Collateral is attached or affixed to any real property so as to be classified as a fixture unless the Bank has otherwise agreed in writing.

2.15 Judgment Liens. Neither Borrower, nor any of their assets, are subject to any unpaid judgments (whether or not stayed) or any judgment liens in any jurisdiction.

2.16 Intent and Effect of Transactions This Agreement and the transactions contemplated herein (a) are not made or incurred with intent to hinder, delay or defraud any person to whom either Borrower has been, is now, or may hereafter become indebted; (b) do not render either Borrower insolvent nor is either Borrower insolvent on the date of this Agreement; (c) do not leave either Borrower with an unreasonably small capital with which to engage in its business or in any business or transaction in which it intends to engage; and (d) are not entered into with the intent to incur, or with the belief that either Borrower would incur, debts that would be beyond its ability to pay as such debts mature.

2.17 Subsidiaries. Intentionally omitted.

2.18 Hazardous Materials. Neither Borrower's property and the improvements thereon have in the past been used, are not presently being used, and will not in the future be used for, nor does such Borrower engage in, the handling, storage, manufacture, disposition, processing,

transportation, use or disposal of hazardous or toxic materials, other than in the ordinary course of its business and in strict compliance with all laws, ordinances, regulations and other legal requirements related thereto..

2.19 ERISA. Neither Borrower has any pension, profit-sharing or other benefit plan subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”).

2.20 Investment Company Act. Neither Borrower is an “investment company” as defined in the Investment Company Act of 1940, as amended.

2.21 Purpose of Seminole Gulf Loan. The Seminole Gulf Loan is to be used to pay in full obligations owed by Seminole Gulf to NationsBank in the approximate principal sum of One Million Two Hundred Forty-Two Thousand Dollars (\$1,242,000.00); CSXT in the approximate principal sum of Two Million Six Hundred Sixty Thousand Dollars (\$2,660,000.00); miscellaneous payables in the approximate principal sum of Three Hundred Sixty-Five Thousand Dollars (\$365,000.00); and to pay closing costs of approximately Thirty-Three Thousand Dollars (\$33,000.00) at the Closing. To the extent that these payments in full of obligations owed by Seminole Gulf exceed the amount of the Seminole Gulf Loan, Florida Freezer will loan, advance or otherwise make available to Seminole Gulf the principal sum of approximately One Million Six Hundred Thousand Dollars (\$1,600,000.00) out of funds to be received by Florida Freezer from the Florida Freezer Loan.

2.22 Purpose of Florida Freezer Loan. The purpose of the Florida Freezer Loan is to pay in full obligations owed by Florida Freezer to Barnett Bank in the approximate principal sum of Nine Hundred Seventy-Two Thousand and 00/100 Dollars (\$972,000.00) and to pay approximately One Hundred Twenty-Eight Thousand and 00/100 Dollars (\$128,000.00) of closing costs at the Closing. Florida Freezer will loan, advance or otherwise make available to Seminole Gulf the principal sum of approximately One Million Six Hundred Thousand Dollars (\$1,600,000.00) as evidenced by that certain Accommodation Agreement given by Seminole Gulf to Florida Freezer in that amount of even date herewith (the “Florida Freezer Accommodation”).

2.23 Seminole Gulf Lease. Seminole Gulf represents and warrants that (a) that certain Lease Agreement between CSX Transportation, Inc. and The Atlantic Land and Improvement Company, as lessor, and Seminole Gulf, as lessee, dated November 13, 1987 (the “Seminole Gulf Lease”), is in full force and effect; (b) the Seminole Gulf Lease has not been amended, modified, or terminated; (c) the rent thereunder has been paid to the date of the execution and delivery of this Agreement; and (d) Seminole Gulf is not in default thereunder.

2.24 Seminole Gulf Right-of-Way. Seminole Gulf further represents and warrants that (a) it has used exclusively the “Leased Premises” (consisting of approximately one hundred ten (110) miles of right-of-way and other facilities more fully described in the Seminole Gulf Lease and the Leasehold Mortgage) since the date of the Seminole Gulf Lease, excepting for tenants, licensees, and other occupants using portions of the Leased Premises with the permission of Seminole Gulf; (b) no Person, including, without limitation, the Government of the United States, the Government of the

State of Florida and any political subdivision thereof having jurisdiction of the Lease Premises, has made any claim, remonstrance or protest or asserted any right, action, cause of action (criminal or civil), trespass, interest, lease, license or other right or interest in the Leased Premises which would be contrary to, conflict with or otherwise terminate, hinder, adversely affect or determine the rights and privileges of Seminole Gulf to use the Leased Premises as a railroad right-of-way, excepting that the Florida Rock Branch (consisting of about 3.55 miles of right-of-way of the Leased Premises) has been abandoned and may be deleted from the Leased Premises. In such event, all Collateral originally situated upon the Florida Rock Branch will be removed to the remaining Leased Premises.

3. The Loan.

3.1 Description of Seminole Gulf Loan and Florida Freezer Loan.

(a) Simultaneously with the execution and delivery of this Agreement, the Bank will loan to the Borrowers the principal sum of Two Million Seven Hundred Thousand Dollars (\$2,700,000.00) to be used strictly for the purposes set forth in Section 2.21 of this Agreement. The Seminole Gulf Loan shall be evidenced by and payable in accordance with the terms of a promissory note ("Seminole Gulf Note") in the principal sum of Two Million Seven Hundred Thousand Dollars (\$2,700,000.00) together with interest at the Libodollar Rate plus two and one-quarter percent (2.25%) per annum ("Seminole Gulf Interest Rate"), to be computed and payable in accordance with the provisions of this Section 3.

(b) Simultaneously with the execution and delivery of this Agreement, the Bank will loan to the Borrowers an additional principal sum of Two Million Seven Hundred Thousand Dollars (\$2,700,000.00) to be used strictly for the purposes set forth in Section 2.22 of this Agreement. The Florida Freezer Loan shall be evidenced by and payable in accordance with the terms of a promissory note ("Florida Freezer Note") in the principal sum of Two Million Seven Hundred Thousand Dollars (\$2,700,000.00). together with interest at the Libodollar Rate plus two and one-quarter percent (2.25%) per annum ("Florida Freezer Interest Rate"), to be computed and payable in accordance with the provisions of this Section 3.

3.2 Determining the Libodollar Rate. Determining the Libodollar Rate applicable to the Seminole Gulf Loan and the Florida Freezer Loan shall be accomplished in accordance with the following procedures:

(a) At least two (2) Business Days prior to the expiration of the first Interest Period, (which shall be selected at or prior to Closing), the Bank shall select the next succeeding Interest Period, and in like manner, at least two (2) Business Days prior to the expiration of each successive Interest Period, Bank shall select the succeeding Interest Period.

(b) Upon the Contract Date of the new Interest Period, the Bank shall determine (which determination, absent manifest error, shall be final and conclusive) the Libodollar Rate which

shall be applicable for such new Interest Period and shall promptly give notice thereof (in writing, by telex or by telephone promptly confirmed in writing) to the Borrower.

(c) Interest payable and accruing throughout any Interest Period shall be payable monthly by the Borrowers, as provided in their respective Notes. All interest under the Seminole Gulf Note and the Florida Freezer Note shall be calculated on the basis of a 360-day year for the actual number of days elapsed in an interest period (actual/360 method), unless the Bank shall otherwise elect.

(d) The parties acknowledge that any continuation of the Libodollar Rate from one Interest Period to another Interest Period will not involve or require any repayment or readvance under their respective Loans, but is merely an uninterrupted continuation of all Indebtedness outstanding or arising hereunder or under the Loan Documents into the next succeeding Interest Period.

(e) If any payment or repayment upon the principal amount of their respective Loans is made by Borrowers prior to the expiration of the then current Interest Period (whether by annual reductions, upon maturity, demand of Bank, prepayment, Default, an Event of Default, or otherwise), the Borrowers shall indemnify and save the Bank harmless from (and pay to the Bank forthwith upon demand the full amount of) any loss, expense, penalty, charge, cost or premium incurred or suffered by the Bank by reason of Bank redeeming or repaying any matching or offsetting deposits matching or offsetting such Loan in advance of the maturity date of such matching or offsetting deposits or by reason of the Bank maintaining or deploying any such matching or offsetting deposits, all in accordance with such action Bank takes in its sole and absolute discretion (it being agreed that, in the absence of manifest error, the certificate of Bank as to the amount of any such loss, expense, penalty, charge, cost or premium incurred or suffered by the Bank shall be conclusive and binding).

(f) The outstanding principal balance under each Note as of any day shall be the outstanding principal balance as of the beginning of the day (exclusive of interest), and less any payments of principal credited to the account on that day.

(g) Any payment of principal or interest or both not made when due upon either or both of the Seminole Gulf Note or the Florida Freezer Note, as the case may be, shall itself bear interest on the principal and interest amount of each payment at the Default Rate, commencing on the due date, until payment, maturity or the occurrence of an Event of Default. After maturity or Default under either Note or the occurrence of an Event of Default hereunder or under either Note or any other Loan Document, interest shall accrue on the entire outstanding balance of principal of such past due Note at the Default Rate.

3.3 Repayments and Terms of Loans.

(a) The Seminole Gulf Loan shall be evidenced by the Seminole Gulf Note, which shall be repaid by the Borrowers in equal monthly payments of principal in the amount of (i) Thirty-Eight Thousand Three Hundred Thirty-Three Dollars and 33/100 (\$38,333.33) plus interest commencing upon the 23rd day of October, 1996 and upon each month thereafter for the first two (2) years of the term thereof; and then (ii) Twenty-Two Thousand Five Hundred Dollars (\$22,500.00) plus interest during the last three (3) years of the term thereof until the Seminole Gulf Loan Maturity Date, at which time the entire unpaid principal balance of the Seminole Gulf Loan and all unpaid interest, charges, fees and costs shall be due and payable in full.

(b) The Florida Freezer Loan shall be evidenced by the Florida Freezer Note, payable by the Borrowers in equal monthly payments of principal in the amount of Fifteen Thousand Dollars (\$15,000.00) plus interest commencing upon the 23rd day of October, 1996 and upon each month thereafter until the Florida Freezer Loan Maturity Date, at which time the entire unpaid principal balance of the Florida Freezer Loan and all unpaid interest, charges, fees and costs shall be due and payable in full.

3.4 Prepayment: The Loans may be prepaid, but in such event, the Borrowers shall indemnify and save the Bank harmless from (and pay to the Bank forthwith upon demand the full amount of) any loss, expense, penalty, charge or premium incurred or suffered by the Bank by reason of Bank redeeming or repaying or matching or offsetting deposits, matching or offsetting the LIBOR in advance of the maturity date of such matching or offsetting deposits or by reason of the Bank maintaining or deploying any such matching or offsetting deposits or by reason of any early termination of any Interest Rate Swap, all in accordance with such action Bank takes in its sole and absolute discretion. Prepayment shall not affect (a) the Interest Rate Swap; (b) terminate or amend any of the provisions of the ISDA Master Agreement; or (c) require the Bank to refund any portion of the commitment fee.

3.5 Method of Payment. All funds paid to Bank in respect of either Loan shall be paid to Bank in Dollars at its office set forth below in this Section or such other office as may be designated by notice given pursuant to the terms hereof, in actually and finally collected federal funds or equivalent on or before 2:00 P.M. (local time) on the date when due. Payments shall not be deemed made or received until they are received by Bank as actually and finally collected federal funds or equivalent. Should any payment be received after 2:00 P.M. (local time) on any Business Day it shall, for the purposes of determining time of payment under this Agreement as between Borrower and Bank only, be treated as received on the next following Business Day; provided, however, that such treatment shall not postpone the time of receipt for any other purpose or computation, such as, but not limited to, preference periods applicable to bankruptcy laws, or dates relative to priority between creditors. Payments shall be directed to Bank at the following address:

First Union National Bank of Florida
5801 Pelican Bay Boulevard
Naples, Florida 34108
Attention: William M. Blevins, Vice President

4. Conditions Precedent to Borrowing:

4.1 Conditions Precedent to Making the Loans. In addition to any other requirement set forth in this Agreement, the Bank will not fund either Loan unless and until the following conditions shall have been satisfied in the sole opinion of the Bank and its counsel:

(a) Loan Documents. The Borrowers and each other party to any Loan Documents, as applicable, shall have executed and delivered this Agreement, the Seminole Gulf Note, the Florida Freezer Note, the Guaranty Agreements, the Seminole Leasehold Mortgage, the Florida Freezer Mortgage and all other Loan Documents, all in form and substance satisfactory to the Bank.

(b) Supporting Documents. The Borrowers and the Guarantors shall cause to be delivered to the Bank the following documents:

- (i) A copy of the governing instruments of each Borrower, their respective corporate general partners and each corporate Guarantor, and a good standing certificate of each Borrower, their respective general partners and each corporate Guarantor, certified by the appropriate official of its state of incorporation and the State of Florida, if different and if it does business in Florida;
- (ii) Incumbency certificate and certified resolutions of the board of directors (or other appropriate Persons) of each Borrower, their respective corporate general partners and each corporate Guarantor executing any Loan Documents authorizing the execution, delivery and performance of the Loan Documents;
- (iii) UCC searches and other Lien Searches showing no existing security interests in or Liens on the Collateral other than the security interests of the Bank.

(c) Insurance. The Borrower shall have delivered to the Bank satisfactory evidence of insurance meeting the requirements of Section 5.3 ("Insurance").

(d) Perfection of Liens. The Florida Freezer Mortgage, the Leasehold Mortgage, the Security Agreement, UCC-1 financing statements and, if applicable, certificates of title covering the Collateral executed by the Borrowers shall have all been duly forwarded for recording or filing

in the manner and places required by law to establish, preserve, protect and perfect the interests and rights created or intended to be created by this Agreement and any other Security Agreement; and all taxes, fees and other charges in connection with the execution, delivery and filing of this Agreement, the Security Agreement and the financing statements shall duly have been paid. The Florida Freezer Mortgage shall be insured by title insurance in all respects acceptable to the Bank and its counsel.

(e) Subordinations. The Bank shall have received subordinations satisfactory to it from all Guarantors and Affiliates as required by Section 5.20 ("Subordination").

(f) Estoppel and Waiver. The Bank shall have received and approved an Estoppel Certificate, and landlord's lien waiver from CSX Transportation, Inc. and the Atlantic Land and Improvement Company, as lessors of the Seminole Gulf Lease.

(g) Seminole Gulf Lease. The Bank shall have received all agreements related to the Seminole Gulf Lease and other documents and assurances required by the Bank and its counsel which will absolutely assure the Bank that it may obtain possession of the Leased Premises under the Seminole Gulf Lease in the event of a default by the Borrower and that the Bank may realize upon and remove the Collateral from the Leased Premises, including specifically without limitation, the Collateral described in Exhibit 1.1A hereof, subject to the jurisdiction of the Surface Transportation Board of the United States to determine operations of a railroad upon the Leased Premises.

(h) Florida Freezer Accommodation. The Bank shall have received evidence satisfactory to the Bank that the note and other documents constituting the Florida Freezer Accommodation have been executed and delivered and that Seminole Gulf has received the loan proceeds therefrom.

(i) Additional Documents. The Borrowers shall have delivered to the Bank all additional opinions, documents, certificates and other assurances that the Bank or its counsel may require.

5. Covenants of the Borrower. Each Borrower covenants and agrees that from the date hereof and until payment in full of the Indebtedness and the formal termination of this Agreement, unless the Bank shall otherwise consent in writing, such Borrower:

5.1 Use of Loan Proceeds. Shall use the proceeds of each of the Loans only for the commercial purposes permitted for such Loan herein or otherwise permitted by the Bank and furnish the Bank all evidence that it may reasonably require with respect to such use.

5.2 Maintenance of Business and Properties. Shall at all times maintain, preserve and protect all Collateral owned by it or in its possession and all the remainder of its material property used or useful in the conduct of its business, and keep the same in good repair, working order and

condition, and from time to time make, or cause to be made, all material needful and proper repairs, renewals, replacements, betterments and improvements thereto so that the business carried on in connection therewith may be conducted properly and in accordance with standards generally accepted in businesses of a similar type and size at all times and consistent with the needs of its business and as may be required by the Seminole Gulf Lease, and maintain and keep in full force and effect all licenses and permits necessary to the proper conduct of its respective business.

5.3 Insurance. Shall maintain such liability insurance, workers' compensation insurance, business interruption insurance and casualty insurance as may be required by law, customary and usual for prudent businesses in its industry or as may be reasonably required by the Bank and shall insure and keep insured all Collateral and other properties in good and responsible insurance companies satisfactory to the Bank. All hazard insurance covering Collateral shall be in amounts and shall contain co-insurance and deductible provisions approved by the Bank, shall name and directly insure the Bank as secured party and loss payee under a long-form New York standard loss payee clause, or its equivalent, and shall not be terminable except upon 30 days' written notice to the Bank.

5.4 Notice of Default. Shall provide to the Bank immediate notice of (a) the occurrence of a Default, (b) any material litigation or material changes in existing litigation or any material judgment against it or its assets in excess of TEN THOUSAND AND NO/100 DOLLARS (\$10,000.00), (c) any material damage or loss to property, (d) any notice from taxing authorities as to claimed deficiencies or any tax lien or any notice relating to alleged ERISA violations, (e) any Reportable Event, as defined in ERISA, (f) any rejection, return, offset, dispute, loss or other circumstance having a material adverse effect on the Collateral, and (g) any loss or threatened loss of material licenses or permits.

5.5 Inspections. Shall permit inspections of the Collateral and the records of such Person pertaining thereto, at such times and in such manner as may be reasonably required by the Bank and shall further permit such inspection, review and audits of its respective other records and properties (with such reasonable frequency and at such reasonable times as the Bank may desire) by the Bank as the Bank may deem necessary or desirable from time to time. The cost of such audits, reviews and inspections shall be borne by the Borrower.

5.6 Financial Information. Shall maintain books and records in accordance with generally accepted accounting principles and shall furnish to the Bank the following periodic financial information:

(a) Financial Statements. The Borrowers, their respective general partners, Gordon Fay Associates, Inc., GFA Rail Services, Inc., Gordon H. Fay d/b/a Glenridge Leasing Company and Bay Colony Railroad Corp. will annually provide within one hundred twenty (120) days of their respective fiscal year ends, combined financial statements (showing elimination of all inter-company transactions) and tax returns reflecting their operations, including, without limitation, a balance sheet, profit and loss statement and statement of cash flows, with supporting schedules,

all prepared in accordance with generally accepted accounting principles. Each Borrower will also cause the following to be furnished:

- (i) Annual, audited financial statements of such Borrower, within one hundred twenty (120) days of the end of each fiscal year. Such statements shall be prepared in accordance with generally accepted accounting principles and shall include, without limitation, a balance sheet, profit and loss statement and statement of cash flows with supporting schedules.
- (ii) Quarterly, unaudited financial statements of such Borrower, within sixty (60) days of the end of each of their fiscal quarters. Such statements shall be prepared in accordance with generally accepted accounting principles and shall include, without limitation, a balance sheet, profit and loss statement and statement of cash flows with supporting schedules.
- (iii) Each Guarantor will provide financial statements as of December 31 in each calendar year which financial statement shall disclose all of each Guarantor's assets and liabilities, income and contingent liabilities. Each Guarantor will annually provide complete copies of federal and state income tax returns within ten (10) days following the filing thereof with the proper taxing authorities. Borrowers shall also cause each Guarantor where applicable to submit a signed personal financial statement not less frequently than annually, in a form reasonably satisfactory to the Bank.

(b) Accounts Aging--Reports. An accounts receivable aging and listing schedule and a schedule of jobs in progress shall be furnished annually by the Borrowers.

If applicable, the financial statements required above shall be in consolidated, and, if required by the Bank, consolidating form for the Borrowers required by generally accepted accounting principles to be consolidated for financial reporting purposes. In addition to the financial statements required herein, the Bank reserves the right to require other or additional financial or other information concerning the Borrowers, the Guarantors and/or the Collateral.

5.7 Leases. Shall not incur, create, or assume any direct or indirect liability for the payment of rent or otherwise, under any lease or rental arrangement (excluding capitalized leases) if immediately thereafter the sum of such lease and/or rental payments to be made by Borrower during any twelve (12) month period is increased by FIFTY THOUSAND AND NO/100 DOLLARS (\$50,000.00) in the aggregate.

5.8 Limitation on Debt. Shall not, directly or indirectly, create, incur, assume or become liable, contingently or otherwise, for any debt (except payables and accruals which arise in the ordinary course of Borrower's business and unearned revenue booked as liabilities) in excess of FIFTY THOUSAND AND NO/100 DOLLARS (\$50,000.00) in the aggregate without Bank's prior written consent.

5.9 Distributions. Shall be permitted to make partner distributions for the purpose of paying Federal income taxes; provided that Borrower is not in default under a Note or under any of the terms and conditions of any Loan Document. Distributions shall not exceed twenty percent (20%) of each Borrower's net income in any fiscal year, without the Bank's prior written consent.

5.10 Certificate of Full Compliance From Borrower. Shall deliver to Bank, with the annual, audited financial statements required above, a certification by Borrowers' certified public accountants, warranting that no "default" as specified in this Agreement nor any event which, upon the giving of notice or lapse of time or both, would constitute such a default, has occurred. In addition, Borrowers shall deliver to Bank with the quarterly financial statements required above, a certification of each Borrower's general partner warranting as provided in the immediately preceding sentence.

5.11 Consolidations, Mergers & Sales of Assets. Shall not (a) dissolve or liquidate, or become a party to any merger or consolidation, (b) sell, assign, pledge or otherwise transfer its voting power in a single transaction or a series of transactions, or substantially all of its property, assets or business, or a material portion (10% or more) thereof if such a sale is outside Borrower's ordinary course of business, or (c) acquire or purchase, lease or otherwise substantially all of the property, assets or business of or more than 50% of the outstanding voting power of any other entity. For any transaction contemplated above, a Borrower shall be the surviving or continuing entity and, after giving effect to such transaction (x) a Borrower shall be in full compliance with the terms of this Agreement, and (y) the management and control of such Borrower shall be substantially unchanged.

5.12 Change of Control. Shall not make a material change of ownership that effectively changes control of Borrower, Borrower's general partner or the Guarantors.

5.13 Guarantees. Should not guarantee or otherwise become responsible for obligations of any other Person, excepting for the endorsement of negotiable instruments by a Borrower in the ordinary course of business for collection.

5.14 Encumbrances. Shall not create, assume, or permit to exist any mortgage, security deed, deed of trust, pledge, Lien, charge or other lien or encumbrance on any of its assets, whether now owned or hereafter acquire, other than (a) security interests required by Bank in related security instruments; (b) liens for taxes contested in good faith; (c) liens accruing by law for employee benefits; or (d) "Permitted Liens," if any, as defined in this Agreement.

5.15 Prepayment of Other Debt. Shall not retire any long-term debt entered into prior to the date hereof at a date in advance of its legal obligation to do so.

5.16 Change in Fiscal Year. Shall not change its fiscal year without the prior written consent of the Bank.

5.17 Investments. Shall not purchase or hold any stock, securities, or evidence of indebtedness of any other person or entity, except investments in direct obligations of the United States Government and certificates of deposit or money market accounts of United States commercial banks having a tier 1 capital ratio of not less than six percent (6%) and then in an amount not exceeding ten percent (10%) of the issuing lender's unimpaired capital and surplus.

5.18 Defaults Upon Other Obligations. Shall not default when due (subject to a thirty day cure period) on any material contract or obligation with a third party or default in the performance of any obligation to a third party incurred for money borrowed.

5.19 Judgments. Shall not permit the entry of any judgment (as described in Section 6.1(j) hereof) or assessment against a Borrower, the filing of any tax lien, except permitted Liens, or the issuance of any writ of garnishment or attachment against any material portion of the Collateral or other assets of a Borrower or any Guarantor.

5.20 Subordination. Except as permitted in Section 5.25 hereof, shall cause all debt and other obligations now or hereafter owed to any Guarantor or Affiliate, including, without limitation, all obligations owed to Florida Freezer pursuant to the Florida Freezer Accommodation, to be subordinated in right of payment and security to the Indebtedness in accordance with subordination agreements satisfactory to the Bank.

5.21 Depository. Shall maintain its primary depository account and cash management account(s) with the Bank.

5.22 Loans and Other Investments. Shall not make or permit to exist any advances or loans to, or guarantee or become contingently liable, directly or indirectly, in connection with the obligations, leases, stock or dividends of, or own, purchase or make any commitment to purchase any stock, bonds, notes, debentures or other securities of, or any interest in, or make any capital contributions to (all of which are sometimes collectively referred to herein as "Investments") any Person except for (a) purchases of direct obligations of the federal government, (b) deposits in commercial banks, (c) commercial paper of any U.S. corporation having the highest ratings then given by Moody's Investors Service, Inc. or Standard & Poor's Corporation, (d) existing investments or loans to Affiliates, and (e) endorsement of negotiable instruments for collection in the ordinary course of business.

5.23 Change in Business. Shall not enter into any business which is substantially different from the business or businesses in which it is presently engaged.

5.24 Accounts. (a) Shall not sell, assign or discount any of its Accounts, Chattel Paper or any promissory notes held by it other than the discount of such notes in the ordinary course of business for collection; and (b) shall notify the Bank promptly in writing with any discount, offset or other deductions not shown on the face of an Account invoice and any dispute over an Account, and any information relating to an adverse change in any Account Debtor's financial condition or ability to pay its obligations.

5.25 Transactions with Affiliates. Shall not directly or indirectly purchase, acquire or lease any property from, or sell, transfer or lease any property to, or otherwise deal with, in the ordinary course of business or otherwise, any Affiliate; provided, however, that any acts or transactions prohibited by this Section may be performed or engaged in, if upon terms not less favorable to a Borrower than if no such relationship existed. Any such Affiliate may be a director, officer, employee of a Borrower, subject to the limitations on compensation contained in this Section and elsewhere in this Agreement.

5.26 No Change in Name, Offices; Removal of Collateral. Shall not, unless it shall have given sixty (60) days' advance written notice thereof to the Bank, (a) change its name or the location of its chief executive office or other office where books or records are kept or (b) permit any Inventory or other tangible Collateral to be located at any location other than as specified in Section 2.9. ("Location").

5.27 No Sale, Leaseback. Shall not enter into any sale-and-leaseback or similar transaction.

5.28 Margin Stock. Shall not use any proceeds of a Loan to purchase or carry any margin stock (within the meaning of Regulation U of the Board of Governors of Federal Reserve System) or extend credit to others for the purpose of purchasing or carrying any margin stock.

5.29 Payment of Taxes, Etc. Shall pay before delinquent all of its debts and taxes, except that the Bank shall not unreasonably withhold its consent to nonpayment of taxes being actively contested in accordance with law (provided that the Bank may require bonding or other assurances).

5.30 Compliance; Hazardous Materials. Shall strictly comply with all laws, regulations, ordinances and other legal requirements, specifically including, without limitation, ERISA, all securities laws and all laws relating to hazardous materials and the environment. Unless approved in writing by the Bank, neither Borrower shall engage in the storage, manufacture, disposition, processing, handling, use or transportation of any hazardous or toxic materials, other than in the ordinary course of business and in strict compliance with all laws, regulations, ordinances and other legal requirements related thereto.

5.31 Subsidiaries. Intentionally omitted.

5.32 Compliance with Assignment Laws. Shall if required by the Bank comply with the Federal Assignment of Claims Act and any other applicable law relating to assignment of government contracts.

5.33 Further Assurances. Shall take such further action and provide to the Bank such further assurances as may be reasonably requested to ensure compliance with the intent of this Agreement and the other Loan Documents.

5.34 Withholding Taxes. Pay as and when due all employee withholding, FICA and other payments required by federal, state and local governments with respect to wages paid to employees.

5.35 Other Covenants. Shall comply with such additional covenants as may be set forth in Exhibit 5.35 hereto (if any).

6. Default.

6.1 Events of Default. Each of the following shall constitute an Event of Default after expiration of any specific grace period provided in Section 6.2 hereof, but only for subsections 6.1(g), (h), (k) or (l):

(a) Any representation or warranty made by a Borrower or any other party to any Loan Document (other than the Bank) herein or therein or in any certificate or report furnished in connection herewith or therewith shall prove to have been untrue or incorrect in any material respect when made; or

(b) There shall occur any default by a Borrower in the payment, when due, of any principal of or interest on either or both of the Seminole Gulf Note or the Florida Freezer Note, any amounts due hereunder or any other Loan Document or any other Indebtedness (not cured within any grace period provided in such Notes or in the document or instrument evidencing such Indebtedness); or

(c) There shall occur any default by a Borrower or any other party to any Loan Document (other than the Bank) in the performance of any agreement, covenant or obligation contained in this Agreement or such Loan Document not provided for elsewhere in this Section 6, including, without limitation, the ISDA Master Agreement and related Swap Documents and the Seminole Gulf Lease and such default is not cured within any grace period provided in this Agreement or such other Loan Document or the Seminole Gulf Lease; or

(d) Any abandonment by CSX of rail lines which connect the Leased Premises with regional and national railroad lines and facilities and any such abandonment would materially reduce or terminate the business and operations of Seminole Gulf and its ability to meet its repayment and other obligations to the Bank; or

(e) Any other obligation now or hereafter owed by a Borrower or Guarantor to the Bank shall be in default and not cured within any period of grace provided therein or any such Person shall be in default under any obligation in excess of TEN THOUSAND AND NO/100 DOLLARS (\$10,000.00) owed to any other obligee, which default entitles the obligee to accelerate any such obligations or exercise other remedies with respect thereto; or

(f) Either Borrower or any Guarantor shall (i) voluntarily liquidate or terminate operations or apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of such Person or of all or of a substantial part of its assets, (ii) admit in writing its inability, or be generally unable, to pay its debts as the debts become due, (iii) make a general assignment for the benefit of its creditors, (iv) commence a voluntary case under the federal Bankruptcy Code or any laws related specifically to railroad bankruptcy (as now or hereafter in effect), (v) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, or (vi) take any corporate action for the purpose of effecting any of the foregoing; or

(g) Without its application, approval or consent, a proceeding shall be commenced, in any court of competent jurisdiction, seeking in respect of such Person any remedy under the federal Bankruptcy Code, or any laws related specifically to railroad bankruptcy, the liquidation, reorganization, dissolution, winding-up, or composition or readjustment of debt, the appointment of a trustee, receiver, liquidator or the like of such Person, or of all or any substantial part of the assets of such Person, or other like relief under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts; or

(h) Any security interest or Lien of the Bank hereunder or under any other Security Agreement shall not constitute a perfected security interest of first priority in the Collateral thereby encumbered, subject only to Permitted Liens; or

(i) There shall occur any material loss, theft, damage or destruction of any of the Collateral, which loss is not fully insured; or

(j) A judgment in excess of TEN THOUSAND AND NO/100 DOLLARS (\$10,000.00) shall be rendered against a Borrower or Guarantor and shall remain undischarged, undismissed and unstayed for more than ten (10) days (except judgments validly covered by insurance with a deductible of not more than \$25,000.00 or under appeal when covered by a bond) or there shall occur any levy upon, or attachment, garnishment or other seizure of, any material portion of the Collateral or other assets of a Borrower or any Guarantor by reason of the issuance of any tax levy, judicial attachment or garnishment or levy of execution; or

(k) A Borrower or any Guarantor shall fail to pay, on demand, any returned or dishonored draft, check, or other item which has been deposited or otherwise presented to the Bank and for which a Borrower has received provisional credit; or

(l) Any Guarantor shall repudiate or revoke any Guaranty Agreement; or

(m) The Bank, in good faith, shall deem itself insecure; or

(n) Gordon H. Fay shall cease to control, with sole power to vote, at least sixty-six and two-thirds percent (66-2/3%) of the voting stock of the respective general partners of each Borrower or shall cease to own (i) fifty-seven percent (57%) of the limited partner ownership interest in Seminole Gulf; and/or (ii) forty-five and seventy one hundredths percent (45.70%) of the limited partner ownership interest in Florida Freezer.

6.2 Remedies. Should (a) any Event of Default under Sections 6.1(g), (h), (k) or (l) occur and not be cured within thirty (30) days following delivery of written notice thereof by the Bank to the Borrowers (which notice shall be complete upon hand or overnight delivery or upon facsimile delivery or mailing by certified mail, return receipt requested) or (b) any other Event of Default occur, the Bank may declare any or all Indebtedness to be immediately due and payable, bring suit against the Borrowers (or either of them at the Bank's sole option) to collect the Indebtedness, exercise any remedy available to the Bank hereunder and take any action or exercise any remedy provided herein or in any other Loan Document or under applicable law. No remedy shall be exclusive of other remedies or impair the right of the Bank to exercise any other remedies.

6.3 Receiver. In addition to any other remedy available to it, the Bank shall have the absolute right, upon the occurrence of an Event of Default, to seek and obtain the appointment of a receiver to take possession of and operate and/or dispose of the business and assets of each or both Borrowers and any costs and expenses incurred by the Bank in connection with such receivership shall bear interest at the Default Rate and shall be secured by all Collateral.

6.4. Arbitration. Upon demand of any party hereto, whether made before or after institution of any judicial proceeding, any dispute, claim or controversy arising out of, connected with or related to this Agreement and other Loan Documents ("Disputes") between or among parties to this Agreement shall be resolved by binding arbitration as provided herein. Institution of a judicial proceeding by a party does not waive the right of that party to demand arbitration hereunder. Disputes may include, without limitation, tort claims, counterclaims, disputes as to whether a matter is subject to arbitration, claims brought as class actions, claims arising from Loan Documents executed in the future, or claims arising out of or connected with the transaction reflected by this Agreement.

Arbitration shall be conducted under and governed by the Commercial Financial Disputes Arbitration Rules (the "Arbitration Rules") of the American Arbitration Association (the "AAA") and Title 9 of the U.S. Code. All arbitration hearings shall be conducted in the city in which the office of Bank first stated above is located. The expedited procedures set forth in Rule 51 et seq. of the Arbitration Rules shall be applicable to claims of less than \$1,000,000. All applicable statutes of limitation shall apply to any Dispute. A judgment upon the award may be entered in any court having jurisdiction. The panel from which all arbitrators are selected shall be

comprised of licensed attorneys. The single arbitrator selected for expedited procedure shall be a retired judge from the highest court of general jurisdiction, state or federal, of the state where the hearing will be conducted or if such person is not available to serve, the single arbitrator may be a licensed attorney. Notwithstanding the foregoing, this arbitration provision does not apply to disputes under or related to swap agreements.

6.5. Preservation and Limitation of Remedies. Notwithstanding the preceding binding arbitration provisions, Bank and Borrower agree to preserve, without diminution, certain remedies that any party hereto may employ or exercise freely, independently or in connection with an arbitration proceeding or after an arbitration action is brought. Bank and Borrower shall have the right to proceed in any court of proper jurisdiction or by self-help to exercise or prosecute the following remedies, as applicable: (i) all rights to foreclose against any real or personal property or other security by exercising a power of sale granted under Loan Documents or under applicable law or by judicial foreclosure and sale, including a proceeding to confirm the sale; (ii) all rights of self-help including peaceful occupation of real property and collection of rents, set off, and peaceful possession of personal property; (iii) obtaining provisional or ancillary remedies including injunctive relief, sequestration, garnishment, attachment, appointment of receiver and filing an involuntary bankruptcy proceeding; and (iv) when applicable, a judgment by confession of judgment. Preservation of these remedies does not limit the power of an arbitrator to grant similar remedies that may be requested by a party in a Dispute.

Borrower and Bank agree that they shall not have a remedy of punitive or exemplary damages against the other in any Dispute and hereby waive any right or claim to punitive or exemplary damages they have now or which may arise in the future in connection with any Dispute whether the Dispute is resolved by arbitration or judicially.

7. Security Agreement.

7.1 Security Interest.

(a) As security for the payment and performance of any and all of the Indebtedness and the performance of all other obligations and covenants of the Borrowers hereunder and under all of the other Loan Documents, including, without limitation, the ISDA Master Agreement and related Swap Documents and also the Seminole Gulf Lease, certain or contingent, now existing or hereafter arising, which are now, or may at any time or times hereafter be owing by the Borrowers to the Bank, the Borrowers hereby pledge and assign to the Bank and give the Bank a continuing security interest in and general Lien upon and right of set-off against, all right, title and interest of the Borrowers in and to the Collateral, whether now owned or hereafter acquired by the Borrowers.

(b) Except as herein or by applicable law otherwise expressly provided, the Bank shall not be obligated to exercise any degree of care in connection with any Collateral in its possession, to take any steps necessary to preserve any rights in any of the Collateral or to preserve

any rights therein against prior parties, and the Borrowers agree to take such steps. In any case, the Bank shall be deemed to have exercised reasonable care if it shall have taken such steps for the care and preservation of the Collateral or rights therein as a Borrower may have reasonably requested the Bank to take and the Bank's omission to take any action not requested by a Borrower shall not be deemed a failure to exercise reasonable care. No segregation or specific allocation by the Bank of specified items of Collateral against any liability of the Borrowers shall waive or affect any security interest in or Lien against other items of Collateral or any of the Bank's options, powers or rights under this Agreement or otherwise arising.

(c) The Bank may at any time and from time to time, with or without notice to a Borrower, (i) transfer into the name of the Bank or the name of the Bank's nominee any of the Collateral, (ii) notify any Account Debtor or other obligor of any Collateral to make payment thereon direct to the Bank of any amounts due or to become due thereon and (iii) receive and after a default direct the disposition of any proceeds of any Collateral.

7.2 Remedies.

(a) If an Event of Default shall have occurred and be continuing, without waiving any of its other rights hereunder or under any other Loan Documents, the Bank shall have all rights and remedies of a secured party under the Code (and the Uniform Commercial Code of any other applicable jurisdiction) and such other rights and remedies as may be available hereunder, under other applicable law or pursuant to contract. If requested by the Bank, the Borrowers will promptly assemble the Collateral and make it available to the Bank at a place to be designated by the Bank. The Borrowers agree that any notice by the Bank of the sale or disposition of the Collateral or any other intended action hereunder, whether required by the Code or otherwise, shall constitute reasonable notice to a Borrower if the notice is mailed to such Borrower by regular or certified mail, postage prepaid, at least five (5) business days before the action to be taken. The Borrowers shall be liable for any deficiencies in the event the proceeds of the disposition of the Collateral do not satisfy the Indebtedness in full.

(b) If an Event of Default shall have occurred and be continuing, the Bank may demand, collect and sue for all amounts owed pursuant to Accounts, General Intangibles, Chattel paper or for proceeds of any Collateral (either in a Borrower's name or the Bank's name at the latter's option), with the right to enforce, compromise, settle or discharge any such amounts. Each Borrower appoints the Bank as such Borrower's attorney-in-fact to endorse such Borrower's name on all checks, commercial paper and other instruments pertaining to Collateral or proceeds.

7.3 Power of Attorney. Each Borrower authorizes the Bank at the Borrower's expense to file any financing statements relating to the Collateral (without such Borrower's signature thereon) which the Bank deems appropriate and each Borrower irrevocably appoints the Bank as its attorney-in-fact to execute any such financing statements in such Borrower's name and to perform all other acts which the Bank deems appropriate to perfect and to continue perfection of the security interest of the Bank. Each Borrower hereby appoints the Bank as such Borrower's attorney-in-fact

to endorse, present and collect on behalf of such Borrower and in such Borrower's name any draft, checks or other documents necessary or desirable to collect any amounts which such Borrower may be owed.

7.4 Entry. Each Borrower hereby irrevocably consents to any act by the Bank or its agents in entering upon any premises for the purposes of either (i) inspecting the Collateral or (ii) taking possession of the Collateral and each Borrower hereby waives its right to assert against the Bank or its agents any claim based upon trespass or any similar cause of action for entering upon any premises where the Collateral may be located.

7.5 Deposits; Insurance. Upon the occurrence and continuance of an Event of Default, each Borrower authorizes the Bank to collect and apply against the Indebtedness when due any cash or deposit accounts in its possession, and any refund of insurance premiums or any insurance proceeds payable on account of the loss or damage to any of the Collateral and irrevocably appoints the Bank as its attorney-in-fact to endorse any check or draft or take other action necessary to obtain such funds.

7.6 Other Rights. The Borrowers authorize the Bank without affecting the Borrowers' obligations hereunder or under any other Loan Document from time to time (i) to take from any party and hold additional Collateral or guaranties for the payment of the Indebtedness or any part thereof, and to exchange, enforce or release such collateral or guaranty of payment of the Indebtedness or any part thereof and to release or substitute any endorser or guarantor or any party who has given any security interest in any collateral as security for the payment of the Indebtedness or any part thereof or any party in any way obligated to pay the Indebtedness or any part thereof; and (ii) upon the occurrence of any Event of Default to direct the manner of the disposition of the Collateral and the enforcement of any endorsements, guaranties, letters of credit or other security relating to the Indebtedness or any part thereof as the Bank in its sole discretion may determine.

7.7 Accounts. Before or after any Event of Default, the Bank may notify any Account Debtor of the Bank's security interest and may direct such Account Debtor to make payment directly to the Bank for application against the Indebtedness. Any such payments received by or on behalf of a Borrower at any time, whether before or after default, shall be the property of the Bank, shall be held in trust for the Bank and not commingled with any other assets of any Person (except to the extent they may be commingled with other assets of a Borrower in an account with the Bank) and shall be immediately delivered to the Bank in the form received. The Bank shall have the right to apply any proceeds of Collateral to such of the Indebtedness, including, without limitation, either the Seminole Gulf Loan or the Florida Freezer Loan, and in such priority as it may determine.

7.8 Tangible Collateral. Except as otherwise provided herein or agreed to in writing by the Bank, no Inventory, Equipment or other tangible collateral shall be commingled with, or become an accession to or part of, any property of any other Person so long as such property is Collateral. Upon the occurrence of any Event of Default, the Borrowers shall, upon the request of the Bank, promptly assemble all tangible Collateral for delivery to the Bank or its agents. No tangible

Collateral shall be allowed to become a fixture unless the Bank shall have given its prior written authorization.

7.9 Waiver of Marshaling. The Borrowers hereby waive any right it may have to require marshaling of their respective assets.

7.10 Waiver of Automatic Stay. Each Borrower hereby waives the application of the automatic stay of enforcement provided in Section 362 of the United States Bankruptcy Code, or any similar provision in any law related to railroad bankruptcy and agrees that the Bank may proceed with enforcement and collection notwithstanding the filing of a petition in bankruptcy.

8. Miscellaneous.

8.1 No Waiver, Remedies Cumulative. No failure on the part of the Bank to exercise, and no delay in exercising, any right hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and are in addition to any other remedies provided by law, any Loan Document or otherwise. The Collateral owned by each Borrower secures the entire Indebtedness and the ISDA Master Agreement and related Swap Documents and may be applied by the Bank to pay either the Seminole Gulf Loan or the Florida Freezer Loan, which constitute the joint and several obligations of the Borrowers, all as the Bank may determine in its sole and absolute discretion.

8.2 Survival of Representations. All representations and warranties made herein shall survive the making of the Loans hereunder and the delivery of the Notes, and shall continue in full force and effect so long as any Indebtedness is outstanding and until this Agreement is formally terminated in writing.

8.3 Expenses. Whether or not the Loans herein provided for shall be made, the Borrowers shall pay all reasonable costs and expenses in connection with the preparation, execution, delivery, amendment and enforcement of this Agreement and any Loan Document, including the reasonable fees and disbursements of counsel for the Bank in connection therewith, whether suit be brought or not and whether incurred at trial or on appeal, and all costs of repossession, storage, disposition, protection and collection of Collateral. If the Borrower should fail to pay any tax or other amount required by this Agreement to be paid or which may be reasonably necessary to protect or preserve any Collateral or the Borrower's or Bank's interests therein, the Bank may make such payment and the amount thereof shall be payable on demand, shall bear interest at the Default Rate from the date of demand until paid and shall be deemed to be Indebtedness entitled to the benefit and security of the Loan Documents.

In addition, the Borrower agrees to pay and save the Bank harmless against any liability for payment of any state documentary stamp taxes, intangible taxes or similar taxes (including interest or penalties, if any) which may now or hereafter be determined to be payable in respect to the

execution, delivery or recording of any Loan Document, whether originally thought to be due or not, and regardless of any mistake of fact or law on the part of the Bank or the Borrower with respect to the applicability of such tax. The provisions of this section shall survive payment in full of the Loans and termination of this Agreement.

8.4 Notices. Any notice or other communication hereunder to any party hereto shall be by hand delivery, overnight delivery, facsimile, telegram, telex or registered or certified mail and unless otherwise provided herein shall be deemed to have been given or made when delivered, telegraphed, telexed, faxed or three (3) days after deposited in the mails, postage prepaid, addressed to the party at its address specified below (or at any other address that the party may hereafter specify to the other parties in writing):

The Bank: First Union National Bank of Florida
5801 Pelican Bay Boulevard
Naples, Florida 34108
Attention: William M. Blevins, Vice President

The Borrowers: Seminole Gulf Railway, L.P.
4110 Centerpointe Drive, Suite 207
Ft. Myers, Florida 33916
Attention: Gordon H. Fay

and Florida Freezer Limited Partnership
7952 Interstate Court, N.E.
Bayshore Industrial Park
North Ft. Myers, Florida 33917
Attention: Gordon H. Fay

8.5 Governing Law. This Agreement and the Loan Documents shall be deemed contracts made under the laws of the State of Florida and shall be governed by and construed in accordance with the laws of said state except insofar as federal laws and the laws of another jurisdiction may govern the perfection, priority and enforcement of security interests in Collateral located in another jurisdiction.

8.6 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Borrowers and the Bank, and their respective successors and assigns; provided, that the Borrowers may not assign any of their rights hereunder without the prior written consent of the Bank, and any such assignment made without such consent will be void.

8.7 Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original and all of which when taken together shall constitute but one and the same instrument.

8.8 No Usury. Notwithstanding anything contained in this Agreement, the Seminole Gulf Note, the Florida Freezer Note, or in any other Loan Document to the contrary, in no event will interest or other charges deemed to be interest be chargeable against the Borrowers if such amount (combined with any other amounts considered to be in the nature of interest) would exceed the maximum amount permitted by law from time to time while any of the Indebtedness is outstanding, and in the event any amount in excess of the lawful maximum is charged or collected by the Bank or paid by the Borrowers, the Borrowers shall be entitled to the reimbursement of such excess together with interest thereon at the highest lawful rate at the time of such overcharge.

8.9 Powers. All powers of attorney granted to the Bank are coupled with an interest and are irrevocable.

8.10 Approvals. If this Agreement calls for the approval or consent of the Bank, such approval or consent may be given or withheld in the discretion of the Bank unless otherwise specified herein.

8.11 Jurisdiction, Service of Process.

(a) Any suit, action or proceeding against the Borrower with respect to this Agreement, the Collateral or any Loan Document or any judgment entered by any court in respect thereof may be brought in the courts of Collier County, Florida or in the U.S. District Court for the Middle District of Florida as the Bank (in its sole discretion) may elect, and the Borrowers hereby accept the nonexclusive jurisdiction of those courts for the purpose of any suit, action or proceeding. Service of process in any such case may be had against the Borrowers by delivery in accordance with the notice provisions herein or as otherwise permitted by law, and the Borrowers agree that such service shall be valid in all respects for establishing personal jurisdiction over either or both of them.

(b) In addition, the Borrowers hereby irrevocably waive, to the fullest extent permitted by law, any objection which they may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement, the Loan Documents, the Collateral or any Judgment entered by any court in respect thereof brought in Collier County, Florida or the U. S. District Court for the Middle District of Florida, as selected by the Bank, and hereby further irrevocably waive any claim that any suit, action or proceedings brought in Collier County, Florida or in such District Court has been brought in an inconvenient forum.

8.12 Multiple Borrowers. If more than one Person is named herein as the Borrower, all obligations of payment, duties, responsibilities and covenants herein and in other Loan Documents to which the Borrower is a party shall be joint and several, but the representations and warranties herein are made by each Borrower only with respect to its own business.

8.13 Other Provisions. Any other or additional terms and conditions set forth in Exhibit 8.13 (if any) are hereby incorporated herein.

8.14 Waiver of Jury Trial. THE BORROWERS AND THE BANK HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED UPON THIS AGREEMENT OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT AND ANY OTHER LOAN DOCUMENT AND ANY OTHER AGREEMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES ENTERING INTO THIS AGREEMENT.

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

BANK:

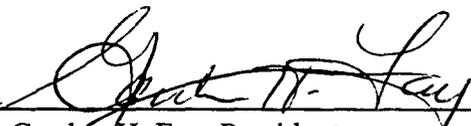
FIRST UNION NATIONAL BANK OF FLORIDA

By: 
Its: Vice President

BORROWER:

SEMINOLE GULF RAILWAY, L.P., a Delaware limited partnership

By: its sole General partner, SEMINOLE GULF RAILWAY, INC., a Delaware corporation

By: 
Gordon H. Fay, President

FLORIDA FREEZER LIMITED PARTNERSHIP, a
Delaware limited partnership

By: its sole General partner, FLORIDA FREEZER,
INC., a Delaware corporation

By: *Gordon H. Fay*
Gordon H. Fay, President

STATE OF FLORIDA)
) SS:
COUNTY OF Collier)

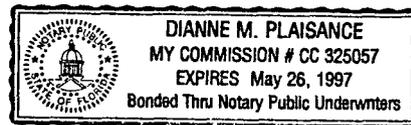
I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, the foregoing instrument was acknowledged before me by William M. Blewins, Vice President of FIRST UNION NATIONAL BANK OF FLORIDA, a national banking association, freely and voluntarily under authority duly vested in him/her by said corporation and that the seal affixed thereto is the true corporate seal of said association. He/She is personally known to me or who has produced _____ as identification.

WITNESS my hand and official seal in the County and State last aforesaid this 20th day of September, 1996.

Dianne M. Plaisance
Notary Public

Typed, printed or stamped name of Notary Public

My Commission Expires:



STATE OF FLORIDA)
) SS:
COUNTY OF Collier)

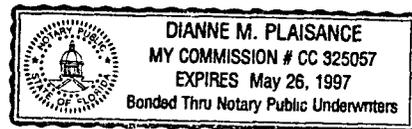
I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, the foregoing instrument was acknowledged before me by Gordon H. Fay, President of SEMINOLE GULF RAILWAY, INC., a Delaware corporation, as the general partner of SEMINOLE GULF RAILWAY, L.P., a Delaware limited partnership, freely and voluntarily under authority duly vested in him by said corporation on behalf of the limited partnership, and that the seal affixed thereto is the true corporate seal of said corporation. He is personally known to me or who has produced FL DL as identification.

WITNESS my hand and official seal in the County and State last aforesaid this 20th day of September, 1996.

Dianne M. Plaisance
Notary Public

Typed, printed or stamped name of Notary Public

My Commission Expires:



STATE OF FLORIDA)
) SS:
COUNTY OF Collier)

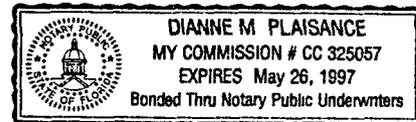
I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, the foregoing instrument was acknowledged before me by Gordon H. Fay, President of FLORIDA FREEZER, INC., a Delaware corporation, as the general partner of FLORIDA FREEZER LIMITED PARTNERSHIP, a Delaware limited partnership, freely and voluntarily under authority duly vested in him by said corporation on behalf of the limited partnership, and that the seal affixed thereto is the true corporate seal of said corporation. He is personally known to me or who has produced FL DL
_____ as identification.

WITNESS my hand and official seal in the County and State last aforesaid this 26th day of September, 1996.

Dianne M Plaisance
Notary Public

Typed, printed or stamped name of Notary Public

My Commission Expires:



SCHEDULE OF EXHIBITS

(If any exhibit is omitted, the information called for therein shall be considered "None" or "Not Applicable")

| <u>EXHIBIT</u> | <u>SECTION REFERENCE</u> | <u>TITLE</u> |
|----------------|-----------------------------|----------------------------|
| 1.1A | 1.1 ("Collateral") | Additional Collateral |
| 1.1B | 1.1 ("Permitted Debt") | Permitted Debt |
| 1.1C | 1.1 ("Permitted Liens") | Permitted Liens |
| 2.3 | 2.3 ("Financial Condition") | Contingent Liabilities |
| 2.4 | 2.4 ("Litigation") | Litigation |
| 2.9 | 2.9 ("Location") | Offices of Borrower |
| 5.35 | 5.35 ("Other Covenants") | Other Additional Covenants |

EXHIBIT 1.1A

ADDITIONAL COLLATERAL

The following shall be additional collateral:

Revised - September 9, 199

Vehicles & Equipment Owned By Seminole Gulf Railway

| <u>CO. VEH. #</u> | <u>YEAR</u> | <u>MAKE/MODEL</u> | <u>VEHICLE ID #</u> | <u>TAG #</u> | <u>OWNER/(FINANCER)</u> |
|-------------------|-------------|---|---------------------|--------------|-------------------------------|
| SGLR 36 | 1989 | Ford F250 Pickup - Hyrail | 1FTHF25H9KNB38802 | QTV24Y | Seminole Gulf Railway, L.P. |
| SGLR 37 | 1988 | Ford F250 Pickup | 2FTTIF25H7JCA38119 | KLZ86A | Seminole Gulf Railway, L.P. |
| SGLR 38 | 1988 | Ford F250 Utility Truck | 1FTHF25H2JNA48714 | KLZ85A | Seminole Gulf Railway, L.P. |
| SGLR 53 | 1981 | International S1800 Boom Truck | 1HT8AA1859BHA31698 | M9303N | Seminole Gulf Railway, L.P. |
| SGLR 77 | 1987 | Lager Beaver Trailer | 1120BD302HS09014 | KMI32P | Seminole Gulf Railway, L.P. |
| SGLR 78 | 1988 | Crosley Trailer | CTL820091JS002236 | NWE55E | Seminole Gulf Railway, L.P. |
| SGLR 103 | 1994 | Case 580K 2WD Loader Back Hoe | JJG0179580 | 103 | (Case Credit Company) |
| SGLR 127 | 1974 | Jackson Tie Crane 950 | 950 | 127 | Seminole Gulf Railway, L.P. |
| SGLR 128 | 1974 | Jackson Tie Insertor 925 | 925 | 128 | Seminole Gulf Railway, L.P. |
| SGLR 129 | 1979 | Kerslaw Ballast Regulator 26-1-12 | 26-1146 | 129 | Seminole Gulf Railway, L.P. |
| SGLR 571 | 1958 | General Motors, Corp. Electro-Motive Div. GP 9 | 571 | 571 | Seminole Gulf Railway, L.P. |
| SGLR 572 | 1957 | General Motors, Corp. Electro-Motive Div. GP 9 | 572 | 572 | Seminole Gulf Railway, L.P. |
| SGLR 573 | 1956 | General Motors, Corp. Electro-Motive Div. GP 9 | 573 | 573 | Seminole Gulf Railway, L.P. |
| SGLR 574 | 1955 | General Motors, Corp. Electro-Motive Div. GP 9 | 574 | 574 | Seminole Gulf Railway, L.P. |
| SGLR 575 | 1956 | General Motors, Corp. Electro-Motive Div. GP 9 | 575 | 575 | Seminole Gulf Railway, L.P. |
| SGLR 576 | 1956 | General Motors, Corp. Electro-Motive Div. GP 9 | 576 | 576 | Seminole Gulf Railway, L.P. |
| SGLR 577 | 1956 | General Motors, Corp. Electro-Motive Div. GP 9 | 577 | 577 | Seminole Gulf Railway, L.P. |
| SGLR 578 | 1957 | General Motors, Corp. Electro-Motive Div. GP 10 | 578 | 578 | Seminole Gulf Railway, L.P. |
| SGLR 6120 | 1955 | Budd RDC (Rail Diesel Car) - Coach | 6120 | 6120 | Seminole Gulf Railway, L.P. |
| SGLR 6122 | 1955 | Budd RDC (Rail Diesel Car) - Coach | 6122 | 6122 | Seminole Gulf Railway, L.P. |
| SGLR 6500 | 1949 | Budd - Kitchen/Dining Car | "MARCO" | 6500 | Seminole Gulf Railway, L.P. |
| SGLR 6501 | 1949 | Pullman Standard - Dining Car | "GASPARILLA" | 6501 | Seminole Gulf Railway, L.P. |
| SGLR 6502 | 1949 | Pullman Standard - Dining Car | "BOCA GRANDE" | 6502 | Seminole Gulf Railway, L.P. |
| SGLR 1731 | 1974 | 70 Ton - 50 foot Box Car | SGLR 1731 | 1731 | Seminole Gulf Railway, L.P. * |
| SGLR 1733 | 1974 | 70 Ton - 50 foot Box Car | SGLR 1733 | 1733 | Seminole Gulf Railway, L.P. |
| SGLR 1737 | 1974 | 70 Ton - 50 foot Box Car | SGLR 1737 | 1737 | Seminole Gulf Railway, L.P. * |
| SGLR 1742 | 1974 | 70 Ton - 50 foot Box Car | SGLR 1742 | 1742 | Seminole Gulf Railway, L.P. * |
| SGLR 1746 | 1974 | 70 Ton - 50 foot Box Car | SGLR 1746 | 1746 | Seminole Gulf Railway, L.P. |
| SGLR 1747 | 1974 | 70 Ton - 50 foot Box Car | SGLR 1747 | 1747 | Seminole Gulf Railway, L.P. * |
| SGLR 1748 | 1974 | 70 Ton - 50 foot Box Car | SGLR 1748 | 1748 | Seminole Gulf Railway, L.P. |
| SGLR 1750 | 1974 | 70 Ton - 50 foot Box Car | SGLR 1750 | 1750 | Seminole Gulf Railway, L.P. |

* Special purpose solid waste cars - Improvements made by Bay Colony Railroad

EXHIBIT 1.1A Continued

Revised - September 9, 1995

| | | | | | |
|-----------|------|---|-----------|------|-------------------------------|
| SGLR 1751 | 1974 | 70 Ton - 50 foot Box Car | SGLR 1751 | 1751 | Seminole Gulf Railway, L.P. |
| SGLR 1758 | 1974 | 70 Ton - 50 foot Box Car | SGLR 1758 | 1758 | Seminole Gulf Railway, L.P. * |
| SGLR 1001 | 1961 | 50 Ton - 50 foot Box Car - for storage only | SGLR 1001 | 1001 | Seminole Gulf Railway, L.P. |
| SGLR 1002 | 1961 | 50 Ton - 50 foot Box Car - for storage only | SGLR 1002 | 1002 | Seminole Gulf Railway, L.P. |
| SGLR 1003 | 1961 | 50 Ton - 50 foot Box Car - for storage only | SGLR 1003 | 1003 | Seminole Gulf Railway, L.P. |
| SGLR 1004 | 1961 | 50 Ton - 50 foot Box Car - for storage only | SGLR 1004 | 1004 | Seminole Gulf Railway, L.P. |
| SGLR 1005 | 1961 | 50 Ton - 50 foot Box Car - for storage only | SGLR 1005 | 1005 | Seminole Gulf Railway, L.P. |
| SGLR 1006 | 1961 | 50 Ton - 50 foot Box Car - for storage only | SGLR 1006 | 1006 | Seminole Gulf Railway, L.P. |

EXHIBIT 1.1B

PERMITTED DEBT

None.

EXHIBIT 1.1C

PERMITTED LIENS

SEMINOLE GULF RAILWAY, L.P.

1. Equipment Lien -- Active

| | |
|-------------------------|--|
| Secured Party (Dealer): | Crews Equipment Co. |
| Assignee (Finance): | Case Credit |
| Equipment: | Case 580 Super K Backhoe 2WD S/N JJGO179580 |
| UCC Filed: | June 27, 1994 |
| File #: | 940000130142 |

FLORIDA FREEZER LIMITED PARTNERSHIP

1. Equipment Lien -- Inactive (to be cleared post closing)

| | |
|---------------------|--|
| Secured Party: | World Omni Leasing, Inc. (now Associated Leasing, Inc.) |
| Equipment: | Baker Forklift Model # B 35 7ES, Serial #: 324B12316316 |
| Final Payment made: | February 22, 1994 |
| UCC Filed: | March 30, 1992 |
| File #: | 92 0000063240 |

2. Equipment Lien - Active

| | |
|----------------|--|
| Secured Party: | United Equipment, Inc. |
| Assignee: | Citicorp Dealer Finance |
| Equipment: | 1995 Linde Baker Model E30B Serial #: 2659-0063 |
| UCC Filed: | January 3, 1996 |
| File #: | 960000001467 |

EXHIBIT 2.3

CONTINGENT LIABILITIES

The following are contingent liabilities of the Borrower, Subsidiaries and/or Guarantors:

None.

EXHIBIT 2.4

LITIGATION

Describe any suit or proceeding pending or threatened.

1. Craig L. Brockington, et al. v. Seminole Gulf Railway, Inc. Etc. D/O/A 1/22/92
Trespasser Accident - Litigation filed 1/21/96 - fully insured.
2. Linda Pearson, et al. v. Seminole Gulf Railway Limited Partnership and Roy Eugene Weir. D/O/A 8/3/94. Minor Accident involving company vehicle - fully insured
3. Seminole Gulf Railway, L.P. v. Wilkinson, Lee County. Action brought to resolve double taxation issue.
4. Several Eminent Domain cases in which Seminole Gulf Railway and CSX Transportation are seeking appropriate compensation for takings of property for public purposes, which property is not necessary, convenient or material to the operation of Seminole Gulf Railway's business.

EXHIBIT 2.9

OFFICES OF BORROWER

List any offices of Borrowers not listed in Section 8.4.

| <u>NAME</u> | <u>LOCATION</u> | <u>TYPE OF FACILITY</u> |
|-----------------------------|--|--|
| Seminole Gulf Railway, L.P. | Suite 207 4110 Centerpointe Drive Fort Myers, FL 33916 | Main Business Office and office of Gordon Fay Associates, Inc. |
| | 2502 Tara Lee Street Fort Myers, FL 33916 | Maintenance Facility Office |
| | 420 Washington Street Braintree, MA 02184 | Office of Gordon Fay Associates, Inc. con- taining payroll, personnel, traffic, certain accounting and tax records. |

Note: Material and other collateral may be found all along the rail lines in Florida on the property covered by the Leasehold Mortgage.

| <u>NAME</u> | <u>LOCATION</u> | <u>TYPE OF FACILITY</u> |
|-------------------------------------|--|--|
| Florida Freezer Limited Partnership | Suite 207 4110 Centerpointe Drive Fort Myers, FL 33916 | Main Business Office and office of Gordon Fay Associates, Inc. |
| | 7952 Interstate Court North Fort Myers, FL 33917 | Warehouse Facility containing sales records and customer inventory |
| | 420 Washington Street Braintree, MA 02184 | Office of Gordon Fay Associates, Inc. con- taining payroll, personnel, traffic, certain accounting and tax records. |

EXHIBIT 5.35

OTHER COVENANTS

FINANCIAL COVENANTS OF SEMINOLE GULF:

- A. **Tangible Net Worth Plus Subordinated Debt.** Seminole Gulf shall at December 31, 1996, maintain Tangible Net Worth plus Subordinated Debt of at least TWO MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$2,500,000.00). At each fiscal year end thereafter, Tangible Net Worth plus Subordinated Debt shall increase by not less than TWO HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$250,000.00). "Tangible Net Worth" means the total assets of Seminole Gulf minus its total liabilities, including debt fully subordinated to the Loan, after subtracting therefrom the aggregate amount of any intangible assets, including, without limitation, goodwill, franchises, licenses, patents, trademarks, trade names, copyrights, service marks and brand names. "Subordinated Debt" means all of Seminole Gulf's liabilities owing to any person or entity which have been properly subordinated to the Loans in a manner satisfactory to Bank. This covenant shall be tested quarterly.
- B. **Senior Liabilities to Effective Tangible Net Worth Ratio.** Seminole Gulf shall at December 31, 1996, and at all times thereafter maintain a Senior Liabilities to Effective Tangible Net Worth Ratio of not more than 1.75 to 1.00. "Senior Liabilities" means all liabilities, including capitalized leases and all reserves for deferred taxes and other deferred sums appearing on the liabilities side of a balance sheet, in accordance with generally accepted accounting principles ("GAAP") applied on a consistent basis minus Subordinated Debt. "Effective Tangible Net Worth" means Tangible Net Worth plus Subordinated Debt. This covenant shall be tested quarterly.
- C. **Debt Service Coverage Ratio.** Beginning with the fiscal year ending December 31, 1997, Seminole Gulf shall maintain a Debt Service Coverage Ratio of not less than 1.50 to 1.00. "Debt Service Coverage Ratio" means the sum of net income, interest expense, income taxes, depreciation and amortization divided by the sum of interest expense and current maturities of long-term debt (including capitalized lease obligations). This covenant shall be tested quarterly based on 'rolling four quarter' results.
- D. **Capital Expenditures.** Seminole Gulf shall not, during any fiscal year, expend on gross fixed assets (including gross leases to be capitalized under GAAP and leasehold improvements) an amount exceeding FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$500,000.00) in the aggregate.

FINANCIAL COVENANTS OF FLORIDA FREEZER:

- A. **Tangible Net Worth Plus Subordinated Debt.** Florida Freezer shall at December 31, 1996, maintain Tangible Net Worth plus Subordinated Debt of at least ONE MILLION SIX HUNDRED THOUSAND AND NO/100 DOLLARS (\$1,600,000.00). At each fiscal year end thereafter, Tangible Net Worth plus Subordinated Debt shall increase by not less than ONE HUNDRED THOUSAND AND NO/100 DOLLARS (\$100,000.00). "Tangible Net Worth" means the total assets of Florida Freezer minus its total liabilities, including debt fully subordinated to the Loan, after subtracting therefrom the aggregate amount of any intangible assets, including, without limitation, goodwill, franchises, licenses, patents, trademarks, trade names, copyrights, service marks and brand names. "Subordinated Debt" means all of Florida Freezer's liabilities owing to any person or entity which have been properly subordinated to the Loans in a manner satisfactory to Bank. This covenant shall be tested quarterly.
- B. **Senior Liabilities to Effective Tangible Net Worth Ratio.** Florida Freezer shall at December 31, 1996, and at all times thereafter maintain a Senior Liabilities to Effective Tangible Net Worth Ratio of not more than 1.75 to 1.00. "Senior Liabilities" means all liabilities, including capitalized leases and all reserves for deferred taxes and other deferred sums appearing on the liabilities side of a balance sheet, in accordance with generally accepted accounting principles ("GAAP") applied on a consistent basis minus Subordinated Debt. "Effective Tangible Net Worth" means Tangible Net Worth plus Subordinated Debt. This covenant shall be tested quarterly.
- C. **Debt Service Coverage Ratio.** Beginning with the fiscal year ending December 31, 1997, Florida Freezer shall maintain a Debt Service Coverage Ratio of not less than 1.10 to 1.00. For the fiscal year ending December 31, 1998 and thereafter, Florida Freezer shall maintain a Debt Service Coverage Ratio of not less than 1.20 to 1.0. "Debt Service Coverage Ratio" means the sum of net income, interest expense, income taxes, depreciation and amortization divided by the sum of interest expense and current maturities of long-term debt (including capitalized lease obligations). This covenant shall be tested quarterly based on "rolling four quarter" results.
- D. **Capital Expenditures.** Florida Freezer shall not, during any fiscal year, expend on gross fixed assets (including gross leases to be capitalized under GAAP and leasehold improvements) an amount exceeding FIFTY THOUSAND AND NO/100 DOLLARS (\$50,000.00) in the aggregate.

Vehicles & Equipment Owned By Seminole Gulf Railway

| <u>CO. VEH. #</u> | <u>YEAR</u> | <u>MAKE/MODEL</u> | <u>VEHICLE ID #</u> | <u>TAG #</u> | <u>OWNER/(FINANCER)</u> |
|-------------------|-------------|---|---------------------|--------------|------------------------------|
| SGLR 36 | 1989 | Ford F250 Pickup - Hyrail | 1FTHF25H9KNB38802 | QTV24Y | Seminole Gulf Railway, L P |
| SGLR 37 | 1988 | Ford F250 Pickup | 2FTUHF25H7JCA38119 | KLZ86A | Seminole Gulf Railway, L P |
| SGLR 38 | 1988 | Ford F250 Utility Truck | 1FTHF25H2JNA48714 | KLZ85A | Seminole Gulf Railway, L P |
| SGLR 53 | 1981 | International S1800 Boom Truck | 1HT8AA1859BHA31698 | M9303N | Seminole Gulf Railway, L P |
| SGLR 77 | 1987 | Eager Beaver Trailer | 1120BD302HS09014 | KMI32P | Seminole Gulf Railway, L P |
| SGLR 78 | 1988 | Crosley Trailer | CTL820091JS002236 | NWE55E | Seminole Gulf Railway, L P |
| SGLR 103 | 1994 | Case 580K 2WD Loader Back Hoe | JJG0179580 | 103 | (Case Credit Company) |
| SGLR 127 | 1974 | Jackson Tie Crane 950 | 950 | 127 | Seminole Gulf Railway, L P |
| SGLR 128 | 1974 | Jackson Tie Insertor 925 | 925 | 128 | Seminole Gulf Railway, L P |
| SGLR 129 | 1979 | Kershaw Ballast Regulator 26-1-12 | 26-1146 | 129 | Seminole Gulf Railway, L P |
| SGLR 571 | 1958 | General Motors, Corp. Electro-Motive Div. GP 9 | 571 | 571 | Seminole Gulf Railway, L P |
| SGLR 572 | 1957 | General Motors, Corp. Electro-Motive Div. GP 9 | 572 | 572 | Seminole Gulf Railway, L P |
| SGLR 573 | 1956 | General Motors, Corp. Electro-Motive Div. GP 9 | 573 | 573 | Seminole Gulf Railway, L P |
| SGLR 574 | 1955 | General Motors, Corp. Electro-Motive Div. GP 9 | 574 | 574 | Seminole Gulf Railway, L P |
| SGLR 575 | 1956 | General Motors, Corp. Electro-Motive Div. GP 9 | 575 | 575 | Seminole Gulf Railway, L P |
| SGLR 576 | 1956 | General Motors, Corp. Electro-Motive Div. GP 9 | 576 | 576 | Seminole Gulf Railway, L P |
| SGLR 577 | 1956 | General Motors, Corp. Electro-Motive Div. GP 9 | 577 | 577 | Seminole Gulf Railway, L P |
| SGLR 578 | 1957 | General Motors, Corp. Electro-Motive Div. GP 10 | 578 | 578 | Seminole Gulf Railway, L P |
| SGLR 6120 | 1955 | Budd RDC (Rail Diesel Car) - Coach | 6120 | 6120 | Seminole Gulf Railway, L P |
| SGLR 6122 | 1955 | Budd RDC (Rail Diesel Car) - Coach | 6122 | 6122 | Seminole Gulf Railway, L P |
| SGLR 6500 | 1949 | Budd - Kitchen/Dining Car | "MARCO" | 6500 | Seminole Gulf Railway, L P |
| SGLR 6501 | 1949 | Pullman Standard - Dining Car | "GASPARILLA" | 6501 | Seminole Gulf Railway, L P |
| SGLR 6502 | 1949 | Pullman Standard - Dining Car | "BOCA GRANDE" | 6502 | Seminole Gulf Railway, L P |
| SGLR 1731 | 1974 | 70 Ton - 50 foot Box Car | SGLR 1731 | 1731 | Seminole Gulf Railway, L P * |
| SGLR 1733 | 1974 | 70 Ton - 50 foot Box Car | SGLR 1733 | 1733 | Seminole Gulf Railway, L P |
| SGLR 1737 | 1974 | 70 Ton - 50 foot Box Car | SGLR 1737 | 1737 | Seminole Gulf Railway, L P * |
| SGLR 1742 | 1974 | 70 Ton - 50 foot Box Car | SGLR 1742 | 1742 | Seminole Gulf Railway, L P * |
| SGLR 1746 | 1974 | 70 Ton - 50 foot Box Car | SGLR 1746 | 1746 | Seminole Gulf Railway, L P |
| SGLR 1747 | 1974 | 70 Ton - 50 foot Box Car | SGLR 1747 | 1747 | Seminole Gulf Railway, L P * |
| SGLR 1748 | 1974 | 70 Ton - 50 foot Box Car | SGLR 1748 | 1748 | Seminole Gulf Railway, L P |
| SGLR 1750 | 1974 | 70 Ton - 50 foot Box Car | SGLR 1750 | 1750 | Seminole Gulf Railway, L P |

SCHEDULE 1

| | | | | | |
|-----------|------|---|-----------|------|------------------------------|
| SGLR 1751 | 1974 | 70 Ton - 50 foot Box Car | SGLR 1751 | 1751 | Seminole Gulf Railway, L.P |
| SGLR 1758 | 1974 | 70 Ton - 50 foot Box Car | SGLR 1758 | 1758 | Seminole Gulf Railway, L.P * |
| SGLR 1001 | 1961 | 50 Ton - 50 foot Box Car - for storage only | SGLR 1001 | 1001 | Seminole Gulf Railway, L.P |
| SGLR 1002 | 1961 | 50 Ton - 50 foot Box Car - for storage only | SGLR 1002 | 1002 | Seminole Gulf Railway, L.P. |
| SGLR 1003 | 1961 | 50 Ton - 50 foot Box Car - for storage only | SGLR 1003 | 1003 | Seminole Gulf Railway, L.P. |
| SGLR 1004 | 1961 | 50 Ton - 50 foot Box Car - for storage only | SGLR 1004 | 1004 | Seminole Gulf Railway, L.P |
| SGLR 1005 | 1961 | 50 Ton - 50 foot Box Car - for storage only | SGLR 1005 | 1005 | Seminole Gulf Railway, L.P. |
| SGLR 1006 | 1961 | 50 Ton - 50 foot Box Car - for storage only | SGLR 1006 | 1006 | Seminole Gulf Railway, L.P. |

SCHEDULE 1 Cont'd.

EXHIBIT "A"

DESCRIPTION OF LEASED PROPERTY

The Leased Property consists of (1) that portion of CSX Transportation, Inc.'s real property extending from: (a) Arcadia, at Milepost SVC 883.0, to Vanderbilt Beach, at Milepost AX 990.689; and (b) Oneco, at Milepost SW 875.0 to Venice at Milepost SW 904.425, consisting of the parcels described in Schedule 1 hereto, all being located in the State of Florida; and (2) two parcels of The Atlantic Land and Improvement Company's land, designated as Parcel Nos. 41 and 42, a total of 250 feet in width and 1,805 feet in length, located immediately adjacent to and east of the east right-of-way line of CSX Transportation, Inc. (which line is located 65 feet east of and parallel to the center line of the main track of CSX Transportation, Inc.), between points opposite Valuation Station 87+53 and Valuation Station 105+60 at Fort Myers, Florida, as shown on Valuation Map V18Fla/2.

SCHEDULE 1

(Part 1)

ARCADIA TO VANDERBILT BEACH - PROPERTY DESCRIPTION

| <u>MAP NO.</u> | <u>R/W OR STA/LAND</u> | <u>COUNTY</u> | <u>DESCRIPTION</u> |
|----------------|----------------------------|---------------|--|
| V11 Fla/L2/13 | R/W | DeSoto | All Property beginning at MP SVC 883, Eng Sta 2603+90 to and including Eng Sta 2473+65 |
| V11 Fla/L2/S13 | STA | DeSoto | All Property (Eng Sta 2505+00 to Eng Sta 2560+00) |
| V11 Fla/L2a/1 | R/W | DeSoto | All Property (Eng Sta 0+00 to Eng Sta 56+36) |
| V6 Fla/S-16c | R/W | DeSoto | All Property (Eng Sta 3274+06 to Eng Sta 3296+30) NOTE: (Sta SVX 56+36=Sta 3278+94) |
| V6 Fla/16 | STA | DeSoto | All Property (Eng Sta 3296+30 to Eng Sta 3379+20, incl.) |
| V6 Fla/17 | R/W | DeSoto | All Property (Eng Sta 3379+20 to Eng Sta 3590+40, incl.) |
| V6 Fla/S17 | STA | DeSoto | All Property (Eng Sta 3470+00 to Eng Sta 3509+60, incl.) |
| V6 Fla/SL17 | STA/LAND | DeSoto | All Property (Eng Sta 3379+20 to Eng Sta 3470+00, incl.) |
| V6 Fla/18 | R/W | DeSoto | All Property (Eng Sta 3590+40 to Eng Sta 3801+60, incl.) |
| V6 Fla/19 | R/W | DeSoto | All Property (Eng Sta 3801+60 to Eng Sta 4012+80, incl.) |
| V6 Fla/S-19 | STA | DeSoto | All Property (Eng Sta 3801+60 to Eng Sta 3850+80, incl.) |

Arcadia - Vanderbilt Beach
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| <u>MAP NO.</u> | <u>R/W OR STA/LAND</u> | <u>COUNTY</u> | <u>DESCRIPTION</u> |
|----------------|----------------------------|----------------------|--|
| V6 Fla/SL19 | STA/LAND | DeSoto | All Property (Eng Sta 3850+80 to Eng Sta 3956 40, incl.) |
| V6 Fla/20 | R/W | DeSoto/ Charlotte | All Property (Eng Sta 4012+80 to Eng Sta 4224 00, incl.) |
| V6 Fla/21 | R/W | Charlotte | All Property (Eng Sta 4224+00 to Eng Sta 4435 20, incl.) |
| V6 Fla/S-21 | STA | Charlotte | All Property (Eng Sta 4802+70 to Eng Sta 4855 50, incl.) |
| V6 Fla/22 | R/W | Charlotte | All Property (Eng Sta 4435+20 to Eng Sta 4646 40, incl.) |
| V6 Fla/S-22a | STA | Charlotte | All Property (Eng Sta 4510+00 to Eng Sta 4562 80, incl.) |
| V6 Fla/S-22b | STA | Charlotte | All Property (Eng Sta 4527+21 to Eng Sta 4569 52, incl.) |
| V6 Fla/S-22c | STA | Charlotte | All Property (Eng Sta 18+00 to End) |
| V6 Fla/S-22d | R/W | Charlotte | All Property (No Eng St Shown) |
| V6 Fla/23 | R/W | Charlotte | All Property (Eng Sta 4646+40 to Eng Sta 4857 60, incl.) |
| V6 Fla/24 | R/W | Charlotte | All Property (Eng Sta 4857+60 to Eng Sta 5068 80, incl.) |
| V6 Fla/25 | R/W | Charlotte | All Property (Eng Sta 5068+80 to Eng Sta 5280 00, incl.) |

Arcadia - Vanderbilt Beach

Page 3

| <u>MAP NO.</u> | <u>R/W OR STA/LAND</u> | <u>COUNTY</u> | <u>DESCRIPTION</u> |
|-----------------|----------------------------|-------------------|--|
| V6 Fla/26 | R/W | Charlotte/ Lee | All Property (Eng Sta 5280+00 to Eng Sta 5491 20, incl.) |
| V6 Fla/27 | R/W | Lee | All Property (Eng Sta 5491+20 to Eng Sta 5702 40, incl.) |
| V6 Fla/28 | R/W | Lee | All Property (Eng Sta 5702+40 to Eng Sta 5913 60, incl.) |
| V6 Fla/S-28 | STA | Lee | All Property (Eng Sta 5812+40 to Eng Sta 5865 20, incl.) |
| V6 Fla/29 | R/W | Lee | All Property (Eng Sta 5913+60 to Eng Sta 6020 84, incl.) |
| V6 Fla/S28-S29a | STA | Lee | All Property (Eng Sta 5865+20 to Eng Sta 5918 00, incl.) |
| V6 Fla/S-29b | STA | Lee | All Property (Eng Sta 5918+00 to Eng Sta 5961 61, incl.) |
| V6 Fla/S-29c | STA | Lee | All Property (Eng Sta 5961+61 to Eng Sta 5974 29.3 incl.) |
| V6 Fla/S-29d | STA | Lee | All Property (Eng Sta 5974+29.3 to Eng Sta 6020+84, incl.) |
| V6 Fla/S-29e | R/W | Lee | All Property (No Eng St Shown) |
| V18 Fla/1 | R/W | Lee | All Property (Eng Sta 0+00 to Eng Sta 105+60, incl.) <u>NOTE:</u> (Sta 0+00= 6020+84) |

| <u>MAP NO.</u> | <u>R/W OR STA/LAND</u> | <u>COUNTY</u> | <u>DESCRIPTION</u> |
|----------------|----------------------------|---------------|--|
| V18 Fla/S-1 | R/W | Lee | All Property (Eng Sta 61+49 to Eng Sta 76+50, incl.) |
| V18 Fla/2 | R/W | Lee | All Property (Eng Sta 105+60 to Eng Sta 211+20, incl.) |
| V18 Fla/3 | R/W | Lee | All Property (Eng Sta 211+20 to Eng Sta 316+80, incl.) |
| V18 Fla/4 | R/W | Lee | All Property (Eng Sta 316+80 to Eng Sta 422+40, incl.) |
| V18 Fla/4a | R/W | Lee | All Property (Eng Sta 377+00 to Eng Sta 405+00, incl.) |
| V18 Fla/5 | R/W | Lee | All Property (Eng Sta 405+00 to Eng Sta 525+65.6, incl.) |
| V18 Fla/6 | R/W | Lee | All Property (Eng Sta 525+65.6 to Eng Sta 631+25.6, incl.) |
| V18 Fla/S-6 | R/W | Lee | All Property (Eng Sta 0+00 to Eng Sta 266+51.52, incl.) |
| V18 Fla/7 | R/W | Lee | All Property (Eng Sta 631+25.6 to Eng Sta 736+85.6, incl.) |
| V18 Fla/8 | R/W | Lee | All Property (Eng Sta 736+85.6 to Eng Sta 830+25.3, incl.) |
| V18 Fla/9 | R/W | Lee | All Property (Eng Sta 830+25.3 to Eng Sta 935+85.3, incl.) |

Arcadia - Vanderbilt Beach
Page 5

| <u>MAP NO.</u> | <u>R/W OR STA/LAND</u> | <u>COUNTY</u> | <u>DESCRIPTION</u> |
|----------------|----------------------------|-----------------|--|
| V18 Fla/10 | R/W | Lee | All Property (Eng Sta 935+85.3 to Eng Sta 1118+62.4, incl.) |
| V18 Fla/11 | R/W | Lee | All Property (Eng Sta 1118+62.4 to Eng Sta 1224+22.4, incl.) |
| V18 Fla/12 | R/W | Lee/ Collier | All Property (Eng Sta 1224+22.4 to Eng Sta 1329+82.4, incl.) |
| V18 Fla/13 | R/W | Collier | All Property (Eng Sta 1329+82.4 to Eng Sta 1384+56, incl.) END OF TRACK |

SCHEDULE 1

(Part 1)

ONECO TO VENICE - PROPERTY DESCRIPTION

| <u>MAP NO.</u> | <u>R/W OR STA/LAND</u> | <u>COUNTY</u> | <u>DESCRIPTION</u> |
|-----------------|----------------------------|---------------------|---|
| V 2 Fla/L24/13 | R/W | Manatee | All property beginning at MP SW 875, Eng Sta 2483+05 to and including Eng Sta 2651+20 |
| V2 Fla/L24/14 | R/W | Manatee Sarasota | All property (Eng Sta 2651+20 to Eng Sta 2862+40) |
| V2 Fla/L24/15 | R/W | Sarasota | All Property (Eng Sta 2862+40 to Eng Sta 3074+00) |
| V2 Fla/L24/S15a | STA | Sarasota | All Property (Eng Sta 2877+00 to Eng Sta 2899+20) |
| V2 Fla/L24/S15b | STA | Sarasota | All Property (Eng Sta 2899+20 to Eng Sta 2954+40) |
| V2 Fla/L24/16 | R/W | Sarasota | All Property (Eng Sta 3074+00 to Eng Sta 3284+50, incl.) |
| V2 Fla/L24/17 | R/W | Sarasota | All Property (Eng Sta 3284+50 to Eng Sta 3494+35, incl.) |
| V2 Fla/L24/18 | R/W | Sarasota | All Property (Eng Sta 3494+35 to Eng Sta 3765+20, incl.) |
| V2 Fla/L24/19 | R/W | Sarasota | All Property (Eng Sta 3765+20 to Eng Sta 3916+50, incl.) |
| V2 Fla/L24/20 | R/W | Sarasota | All Property (Eng Sta 3916+50 to End of Track, located at Eng Sta 4036+80) |
| V19 Fla/13 | R/W | Manatee | All Property (Eng Sta 2496+48 to Eng Sta 2512+46.3, incl.) |
| V19 Fla/14 | R/W | Manatee Sarasota | All Property (Eng Sta 2512+46.3 to Eng Sta 2618+06.3, incl.) |

Oneco - Venice
Page 2

| <u>MAP NO.</u> | <u>R/W OR STA/LAND</u> | <u>COUNTY</u> | <u>DESCRIPTION</u> |
|----------------|----------------------------|---------------|---|
| V19 Fla/15 | R/W | Sarasota | All Property (Eng Sta 2618+06.3 to Eng Sta incl.) |
| V19 Fla/16 | R/W | Sarasota | All Property (Eng Sta to Eng Sta , incl.) |
| V19 Fla/17 | R/W | Sarasota | All Property (Eng Sta to Eng Sta , incl.) |

SCHEDULE 1

(Part 2)

ARCADIA TO VANDERBILT BEACH

EXCLUDING THE FOLLOWING:

1. There is excluded from this lease all of CSXT's and/or its subsidiary's property, being a portion of Parcel No. 4 (Block No. 88), shown on Valuation Map V-6 Fla./S-22a, lying east of a line twenty-five (25) feet southeast of and parallel to the center line of the main track between the south line of Myrtle Street and the north line of Burland Street at Punta Gorda, Florida.
2. There is excluded from this lease all of CSXT's and/or its subsidiary's property designated as Parcel Nos. 7 and 9, along with all right, title and interest that CSXT may have in and to that portion of Helen Street (closed) located between said parcels, shown on Valuation Map V-6 Fla./S-22b, lying east of U.S. Highway 41; north-northwest of Track No. 1 and southwest of King Street at Punta Gorda, Florida.
3. There is excluded from this lease all of CSXT's and/or its subsidiary's property, designated as Parcel No. 12, shown on Valuation Map V-6 Fla./27, lying northeast of a line fifty (50) feet northeast of and parallel to the center line of the main track approximately 2,600 feet southeast of Mile Post AX-958 at Bayshore, Florida.
4. There is excluded from this lease all of CSXT's and/or its subsidiary's property, designated as Parcel No. 13, shown on Valuation Map V-6 Fla./27, lying east of a line fifty (50) feet east of and parallel to the center line of the main track in the vicinity of Mile Post AX-959 at Bayshore, Florida.
5. There is excluded from this lease all of CSXT's and/or its subsidiary's property, designated as Parcel No. 14, shown on Valuation Map V-6 Fla./27, lying west of a line fifty (50) feet west of and parallel to the center line of the main track in the vicinity of Mile Post AX-959 at Bayshore, Florida.
6. There is excluded from this lease all of CSXT's and/or its subsidiary's property, lying east of North Palm Avenue; north of Stella Street and south of Edison Street, shown on Valuation Map V-6 Fla./S-29e, at Fort Myers, Florida.

Seminole Gulf Railway is hereby granted a railroad right-of-way during the term of this Lease Agreement, extending fifteen (15) feet on either side of and parallel to the center line of any or all existing tracks, for so much of the length thereof, as may be located upon, over and/or across any or all of the above described excluded parcels; however, the right-of-way so granted shall revert to CSXT, and/or its subsidiary, if, when and to the extent that the track, or tracks, or any portion thereof, to which the right-of-way pertains, is removed.

7. There is excluded from this lease all of CSXT's and/or its subsidiary's property, designated as Parcel Nos. 16 through 40 and Parcel No. 43, shown on Valuation Map V-18 Fla./1, lying east of a line sixty-five (65) feet east of and parallel to the center line of the main track between Hanson Street and Winkler Avenue at Fort Myers, Florida.

Seminole Gulf Railway is hereby granted a railroad right-of-way during the term of this Lease Agreement, extending fifteen (15) feet on either side of and parallel to the center line of any or all existing tracks, for so much of the length thereof, as may be located upon, over and/or across any or all of the above-described excluded parcels; however, the right-of-way so granted shall revert to CSXT, and/or its subsidiary, if, when and to the extent that the track, or tracks, or any portion thereof, to which the right-of-way pertains, is removed.

8. There is excluded from this lease all of CSXT's and/or its subsidiary's property, designated as Parcel No. 6, shown on Valuation Map V-18 Fla./2, lying east of a line sixty-five (65) feet east of and parallel to the center line of the main track, with the center of such parcel being approximately 1,675 feet north of Mile Post AX-968, at Fort Myers, Florida.

SCHEDULE 1

(Part 3)

ONECO TO VENICE

AND EXCLUDING THE FOLLOWING:

1. There is excluded from this lease all of CSXT's and/or its subsidiary's property, containing approximately 0.63-acre, shown on Valuation Map V-2 Fla./L-24/S-15a, between Central Avenue and Industrial Avenue, if extended, with the center of such parcel being approximately opposite the end of Track No. SV-11, at Sarasota, Florida.
2. There is excluded from this lease all of CSXT's and/or its subsidiary's property, being Parcel No. 10, in its entirety, and a portion of Parcel No. 4, shown on Valuation Map V-2 Fla./L-24/S-15a, lying west of a line fifty (50) feet west of the center line of the main track; south of the south line of 14th Street, and north of the north line of the property that CSXT conveyed to Mid-Florida Service Corporation, by deed dated August 21, 1986, at Sarasota, Florida.
3. There is excluded from this lease all of CSXT's and/or its subsidiary's property, designated as Parcel No. 10, shown on Valuation Map V-2 Fla./L-24/16, lying between a line fifty (50) feet east of and parallel to the center line of the main track and the west line of Madison Street and north of the north line of 1st Street at Bee Ridge, Florida.
4. There is excluded from this lease all of CSXT's and/or its subsidiary's property, being a portion of Parcel No. 3, shown on Valuation Map V-2 Fla./L-24/20, lying west of a line twenty-five (25) feet west of and parallel to the center line of Track No. 1 between a point 1,141.52 feet southeast of Mile Post SW-904 and Center Road at Venice, Florida.

CSXT hereby grants to Seminole Gulf Railway an easement for the term of this Lease Agreement to enter upon the above excluded Parcel No. 3 for the sole purpose of ingress to and egress from Track No. 1, as may be necessary for the operation and maintenance of said track and its roadbed.

SUBJECT, HOWEVER, TO THE RIGHTS OF WAY GRANTED TO SEMINOLE GULF RAILWAY, L.P. IN ITEMS 6 AND 7 OF PART 2 OF SCHEDULE 1 AND THE EASEMENT GRANTED IN ITEM 4 OF PART 3 OF SCHEDULE 1.