

**ITEL**

**Pullman**

November 27, 1989

16634

RECORDATION NO. FILED 1428

NOV 30 1989 - 11 50 AM

**Istel Rail Corporation**

55 Francisco Street  
San Francisco, CA 94133  
(415) 984-4000  
(415) 781-1035 Fax

**INTERSTATE COMMERCE COMMISSION**

9-334A010

Hon. Noreta R. McGee  
Secretary  
Interstate Commerce Commission  
Washington, DC 20423

Re: Master Lease Agreement dated as of October 23, 1989,  
between Rex Leasing, Inc. and Sisseton Milbank Railroad,  
Inc.

Dear Ms. McGee:

On behalf of Istel Rail Corporation, the above instrument, in three (3) counterparts, is hereby submitted for filing and recording pursuant to 49 U.S.C. Section 11303(a), along with the \$15 recordation fee.

Please record this Master Lease Agreement under a new recordation number.

The parties to the aforementioned instrument are listed below:

Rex Leasing, Inc. (Lessor)  
55 Francisco Street  
San Francisco, California 94133

Sisseton Milbank Railroad, Inc. (Lessee)  
101 West Oak  
Sisseton, South Dakota 57262

This Master Lease Agreement sets forth the terms and conditions by which equipment is leased.

Please return to the undersigned the stamped counterparts, not required for filing purposes, together with the ICC fee receipt and acknowledgment letter.

Very truly yours,

*Patricia Schumacker*

Patricia Schumacker  
Legal Assistant

NOV 30 1989 -11 50 AM  
INTERSTATE COMMERCE COMMISSION

MASTER LEASE

THIS LEASE AGREEMENT ("Agreement") is made as of this 23rd day of October, 1989 by and between REX LEASING, INC., a Delaware corporation located at 55 Francisco Street, San Francisco, California 94133 as lessor ("Lessor") and SISSETON MILBANK RAILROAD, INC., a South Dakota corporation, located at 101 West Oak, Sisseton, South Dakota 57262 as lessee ("Lessee").

1. Scope of the Agreement

Lessor agrees to lease to Lessee and Lessee agrees to lease from Lessor, upon the terms and conditions set forth herein and in the Schedule(s) attached hereto, a number of items of equipment bearing the reporting marks and of the type, construction and other description set forth in any Schedules attached hereto and executed by the parties concurrently herewith or hereafter. The word "Schedule" includes the schedules executed herewith and any schedules and amendments which are subsequently executed by both parties. When any such Schedule or amendment is so executed it shall become part of this Agreement. "Cars" shall mean all items of equipment subject to this Agreement and "Car" shall mean an individual item of equipment. The terms and provisions of each Schedule shall control, as to the Cars listed on such Schedule, over any inconsistent or contrary terms and provisions in the body of this Agreement.

2. Provisions of the Agreement

Lessee leases from Rex Railways, Inc. (hereinafter referred to as "Rex") a number of items of railroad equipment subject to the Lease Agreement dated as of September 15, 1989, between Rex and Lessee ("Rex Lease"). Lessee desires to lease from Lessor, and Lessor agrees to lease to Lessee, the Cars subject to this Agreement on the same terms and conditions as those in the Rex Lease, except as specifically provided otherwise in this Agreement or any Schedule hereto. The parties therefore incorporate the ITEL Lease by reference as if fully set forth herein, with the following changes for the purposes of this Agreement:

- A. All references in the Rex Lease to "Lessor" shall mean Rex Leasing, Inc.
- B. All references in the Rex Lease to "Agreement" shall mean this Agreement.
- C. All references in the Rex Lease to "Cars" shall mean "Cars" as defined in Section 1 above and shall not

refer to any railcars leased to Lessee by Rex Railways, Inc. or its subsidiaries.

3. Notices

Any notices required or permitted to be given pursuant to the terms of this Agreement shall be deemed given when given by telecopy or telex or made in writing, deposited in United States mail, registered or certified, postage prepaid, addressed to:

Lessor: Rex Leasing, Inc.  
55 Francisco Street  
San Francisco, California 94133  
Attn: President

Lessee: Sisseton Milbank Railroad, Inc.  
101 West Oak  
Sisseton, South Dakota 57262  
Attn: President

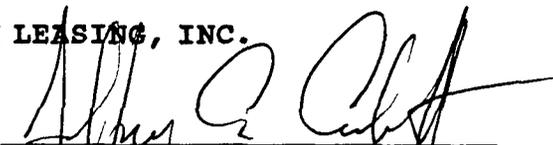
or to such other addresses as Lessor or Lessee may from time to time designate.

REX LEASING, INC.

BY:

TITLE:

DATE:

  
\_\_\_\_\_  
President  
October 23, 1989

SISSETON MILBANK RAILROAD, INC.

BY:

TITLE:

DATE:

  
\_\_\_\_\_  
Director  
10/12/89

STATE OF CALIFORNIA )  
 ) ss:  
COUNTY OF SAN FRANCISCO )

On this 23rd day of October, 1989, before me personally appeared Jeffrey C. Corbett, to me personally known, who being by me duly sworn says that such person is President of Rex Leasing, Inc, that the foregoing Lease Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Sharon L. Van Fossan  
Notary Public



STATE OF South Dakota )  
 ) ss:  
COUNTY OF Roberts )

On this 12 day of Oct, 1989, before me personally appeared John Merschlag, to me personally known, who being by me duly sworn says that such person is Director of Sisseton Milbank Railroad, Inc., that the foregoing Lease Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Mary J. Helling  
Notary Public

