

*Revised to show legal
deb mtg Rec 191-1
6-6-99*

COMPUTER
RECORDED
COMPARED

FILED NO. 3172

BOOK 166 PAGE 808

97 MAY 13 AM 11:14

MICHELLE UTSLER
RECORDER
MADISON COUNTY, IOWA

REC \$ 190.00

AUD \$

R.M.F. \$ 1.00

This instrument was prepared by and after recording is to be returned to: T. Scott Bannister, 1300 Des Moines Building, Des Moines, Iowa 50309

INDENTURE OF MORTGAGE
AND SECURITY AGREEMENT

FROM

HEARTLAND RAIL CORPORATION
(the "Mortgagor")

TO

ARCHER-DANIELS-MIDLAND COMPANY
(the "Mortgagee")

TABLE OF CONTENTS

<u>Section</u>	<u>Heading</u>	<u>Page</u>
PARTIES		1
SECURITY AGREEMENT AND FINANCING STATEMENT		1
RECITALS		1
GRANTING CLAUSES		2
SECTION 1.	GENERAL COVENANTS AND WARRANTIES.	4
1.1.	Covenant Regarding Taxes.	4
1.2.	Ownership of Mortgaged Property.	4
1.3.	Further Assurances.	4
1.4.	Performance of Reimbursement Agreement.	5
1.5.	Advances.	5
1.6.	Recordation.	5
1.7.	After-Acquired Property.	5
1.8.	Inspection.	5
1.9.	Liens.	6
1.10.	Loans and Advances	6
SECTION 2.	POSSESSION AND USE OF THE MORTGAGED PROPERTY.	6
2.1.	Mortgagor's Right of Possession.	6
2.2.	Eminent Domain.	7
SECTION 3.	DEFAULTS AND REMEDIES THEREFOR.	7
3.1.	Event of Default Defined.	7
3.2.	Remedies.	8
3.3.	Application of Proceeds.	10
3.4.	Effect of Discontinuance of Proceedings.	10
3.5.	Delay or Omission Not a Waiver.	10
SECTION 4.	AMENDMENTS, WAIVERS AND CONSENTS.	11
SECTION 5.	SECOND MORTGAGE INTEREST.	11
SECTION 6.	MISCELLANEOUS.	11
6.1.	Successors and Assigns.	11
6.2.	Severability.	11
6.3.	Addresses for Notices and Demands.	11
6.4.	Headings and Table of Contents.	12
6.5.	Release of Indenture.	12
6.6.	Counterparts.	12
6.7.	Governing Law.	12
6.8.	Definitions.	12

810

INDENTURE OF MORTGAGE
AND SECURITY AGREEMENT

INDENTURE OF MORTGAGE (the "Indenture") dated as of April 30, 1997 from HEARTLAND RAIL CORPORATION, an Iowa Corporation (the "Mortgagor") to ARCHER-DANIELS-MIDLAND COMPANY, a Delaware Corporation (the "Mortgagee") as Mortgagee.

NOTICE: THIS MORTGAGE SECURES CREDIT IN THE AMOUNT OF \$18,573,000. LOANS AND ADVANCES UP TO THIS AMOUNT, TOGETHER WITH INTEREST ARE SENIOR TO INDEBTEDNESS TO OTHER CREDITORS UNDER SUBSEQUENTLY RECORDED OR FILED MORTGAGES OR LIENS.

This Indenture is also a Security Agreement and Financing Statement under the Uniform Commercial Code of the States of Iowa and Illinois and in compliance therewith, the following information is set forth:

1. The names and address of the Debtor and the Secured Party are:

Debtor: Heartland Rail Corporation
c/o Iowa Interstate Railroad, Ltd.
800 Webster Street
Iowa City, Iowa 52240

Attention: Chief Financial Officer

Secured Party: Archer-Daniels-Midland Company
4666 Faires Parkway
P.O. Box 1470
Decatur, Illinois 62525

2. The property covered by this Financing Statement is described in the Granting Clauses contained herein.

3. Some or all of the equipment, goods and other property described herein is or may become fixtures.

4. The Debtor is the record owner of the real estate described in Annex "A" attached hereto and made a part hereof.

RECITALS

WHEREAS, Mortgagor has entered into that certain Equipment Lease, Tax Indemnity Agreement, Participation Agreement and Trust Agreement (the "Operative Agreements") of even date hereof, with General Electric Capital Corporation ("Owner Participant") and First Security Bank, National Association ("Lessor/Trustee"); and

WHEREAS, Mortgagee has entered into that certain Guaranty of even date hereof (the "Guaranty") by which Mortgagee has agreed to guarantee the payment and performance of Mortgagor's obligations set forth in the Operative Agreements; and

WHEREAS, Mortgagee and Mortgagor have entered into a Reimbursement Agreement of even date hereof ("Reimbursement Agreement") to evidence Mortgagor's agreement to reimburse Mortgagee for any and all of Mortgagor's obligations which Mortgagee pays or performs pursuant to its obligations under the Guaranty as more particularly set forth in the Reimbursement Agreement.

WHEREAS, Mortgagor and Mortgagee in consideration of the Guaranty provided to Mortgagor deem it reasonable and necessary for Mortgagee to be granted a mortgage lien security interest in the Mortgaged Property as defined hereafter junior and subordinate to the lien of the Indenture of Mortgage, as supplemented and amended, granted prior to the date hereof by Mortgagor to the Iowa Railway Finance Authority ("IRFA") (the "IRFA Mortgage").

GRANTING CLAUSES

NOW, THEREFORE, THIS INDENTURE WITNESSETH: The Mortgagor, in consideration of good, valuable and sufficient consideration, receipt of which is hereby acknowledged, and in order to secure the performance of the Reimbursement Agreement including, but not limited to, the payment of principal and interest according to its terms and to secure the performance of all other obligations hereby secured and the performance and observance of all the covenants, agreements and conditions contained in the Reimbursement Agreement and this Indenture, MORTGAGOR DOES HEREBY WARRANT, MORTGAGE, PLEDGE, ASSIGN, HYPOTHECATE AND GRANT A SECURITY INTEREST TO THE MORTGAGEE AND ITS SUCCESSORS AND ASSIGNS, in and to all and singular the following described properties, rights, interests and privileges and all the Mortgagor's estate, right, title and interest therein, thereto and thereunder, including any after acquired title (all of which properties hereby mortgaged, assigned and pledged or intended so to be are hereinafter collectively referred to as the "Mortgaged Property"):

1. The parcels of land described in Annex "A" hereto (the "Mortgaged Parcels"), together with the entire interest of the Mortgagor in and to all buildings, structures, improvements and appurtenances now standing, or at any time hereafter constructed or placed, upon such land, including all right, title and interest of the Mortgagor, if any, in and to all track materials, rails, plates, spikes, ties, ballast, building material, building equipment, switching equipment, industrial sidings, bridges, culverts, right-of-way fences, signal or communication equipment

812

and fixtures of every kind and nature whatsoever on said land or in any building, structure or improvement now or hereafter standing on said land classified as fixtures under applicable law and the reversion or reversions, remainder or remainders, in and to said land and together with the entire interest of the Mortgagor in and to all and singular tenements, hereditaments, easements, rights-of-way, rights, privileges and appurtenances to said land, belonging or in any way appertaining thereto, including without limitation, the entire right, title and interest of the Mortgagor in, to and under any streets, ways, alleys, fores or strips of land adjoining said land, and all claims or demands whatsoever of the Mortgagor either in law or in equity, in possession or expectancy, of, in and to said land, it being the intention of the parties that, so far as may be permitted by law, all property of the character described, which is now owned or is hereafter acquired by the Mortgagor and is affixed or attached or annexed to said land, shall be and remain or become and constitute a portion of said land and the security covered by and subject to the lien of this Indenture, and together with all rents, income, revenues, issues and profits thereof, and the present and continuing right to make claim for, collect, receive and receipt for any and all of such rents, income, revenues, issues and profits arising therefrom or in connection therewith including without limitation at all times after the institution and during the pendency of foreclosure proceedings and after any sale on foreclosure; except the personal property identified collectively as 151 miles of mainline rails, located upon the Mortgaged Parcels generally between Bureau, Illinois (Railroad Milepost 115.0) and Silvis, Illinois (Railroad Milepost 170.5) and between Dexter, Iowa (Railroad Milepost 392.44) and Council Bluffs, Iowa (Railroad Milepost 488.8), together with any and all accessions, additions, improvements and replacements from time to time incorporated or installed on any part thereof which are the property of the Lessor pursuant to the terms of the Lease (including, without limitation, all bolts and joint plates relating or attached or to be attached to the rails, but excluding any tie joints, tie plates, switch ties, turnouts, switches, anchors, cross ties, ballast, spikes and real estate).

2. Any and all other property of every kind and nature from time to time hereafter, by delivery or by writing of any kind, conveyed, pledged, assigned or transferred as and for additional security hereunder by the Mortgagor or by anyone in its behalf to the Mortgagee, which is hereby authorized to receive the same at any time as additional security hereunder.

SUBJECT HOWEVER, as to all such property to Permitted Encumbrances. "Permitted Encumbrances" with respect to any property shall mean (i) liens for the taxes, assessments, levies, fees, charges, duties, imposts, claims and demands which are not at the time due and payable; (ii) easements, rights-of-way,

restrictions and other defects, encumbrances and irregularities in the title to such property; (iii) the lien of this Indenture and any rights granted as provided herein; (iv) the lien of the IRFA Mortgage; and (v) any easements, licenses, rights-of-way or other rights and privileges in the nature of easements which may be granted by the Mortgagor which do not materially impair the use thereof for the purposes for which it is held or materially affect its value.

TO HAVE AND TO HOLD the Mortgaged Properties, whether now owned or held or hereafter acquired; to the Mortgagee its successors and assigns, forever:

PROVIDED, NEVERTHELESS, with power of sale, for the benefit and security of the Reimbursement Agreement from time to time outstanding hereunder, without preference, priority or distinction of any thereof over any other by reason of difference in time of issuance, sale, authentication, delivery or otherwise, and for the enforcement of the payment of the principal of, premium, if any, and interest pursuant to the Reimbursement Agreement in accordance with its terms, and all other sums payable under this Indenture or pursuant to the Reimbursement Agreement, and the observance and performance of the provisions of this Indenture, all as herein provided.

AND IT IS FURTHER COVENANTED, DECLARED AND AGREED as follows:

SECTION 1. GENERAL COVENANTS AND WARRANTIES.

The Mortgagor covenants, warrants and agrees as follows:

1.1. Covenant Regarding Taxes. The Mortgagor agrees to pay all taxes, assessments and governmental charges or levies imposed upon this Indenture or any other indebtedness secured hereby.

1.2. Ownership of Mortgaged Property. The Mortgagor covenants and warrants that it is lawfully seized and possessed of all the right, title and interest in the Mortgaged Property conveyed to it and the Mortgagor will warrant and defend such title thereto against all claims and demands of any Person claiming under the Mortgagor; and the Mortgagor has good right, full power and authority to convey, transfer and mortgage the same to the Mortgagee for the uses and purposes in this Indenture set forth;

1.3. Further Assurances. The Mortgagor will do, execute, acknowledge and deliver all and every further act, deed, conveyance, transfer and assurance necessary or proper for the

87

better assuring, conveying, assigning and confirming unto the Mortgagee all of the Mortgaged Property or property intended so to be, whether now owned or hereafter acquired.

1.4. Performance of Reimbursement Agreement. The Mortgagor will duly and punctually perform the terms of the Reimbursement Agreement including, but not limited to, the payment of principal and interest outstanding thereunder or secured hereby according to the terms thereof.

1.5. Advances. If the Mortgagor shall fail to comply with the covenants contained herein or shall fail to keep the Mortgaged Property free of other liens, the Mortgagee may make advances to perform the same; and the Mortgagor agrees to repay all sums so advanced upon demand with interest thereon at a rate per annum of one percent (1.0%) in excess of the highest interest rate then applicable to principal outstanding on the Reimbursement Agreement or under the Agreement after demand; and all sums so advanced, with interest, shall be secured hereby in priority to the indebtedness evidenced by the Reimbursement Agreement or any of them; but no such advance shall be deemed to relieve the Mortgagor from any default hereunder.

1.6. Recordation. The Mortgagor will cause this Indenture, all supplemental indentures and any financing statements and continuation statements required by Illinois or Iowa law, including the Uniform Commercial Code of such States, in respect thereof at all times to be kept recorded and filed at its own expense in such manner and in such places as may be required by law in order to fully preserve and protect the rights of the Mortgagee hereunder.

1.7. After-Acquired Property. Any and all property located on the Mortgaged Parcels or described in Granting Clause No. 2 hereof that is hereafter acquired and that is of the kind or nature herein provided to be and become subject to the lien hereof shall ipso facto, and without any further conveyance, assignment or act on the part of the Mortgagor or the Mortgagee become and be, subject to the lien of this Indenture as fully and completely as though specifically described herein; but nevertheless the Mortgagor shall from time to time, if requested by the Mortgagee, execute and deliver any and all such further assurances, conveyances and assignments thereof as the Mortgagee may reasonably require for the purpose of expressly and specifically subjecting to the lien of this Indenture any and all such property.

1.8. Inspection. The Mortgagor shall permit the Mortgagee or its assigns by their representatives and agents, to inspect any of the properties, corporate books and financial records of the Mortgagor, to examine and make copies of the books of accounts and other financial records of the Mortgagor, and to

discuss the affairs, finances and accounts of the Mortgagor with, and to be advised as to the same by, their respective officers at such reasonable times and intervals as the Mortgagee or its assigns may designate.

1.9. Liens. Other than Permitted Encumbrances, the Mortgagor will not pledge, mortgage or otherwise encumber or subject to or permit to exist upon or be subjected to any lien, charge or security interest of any kind (including any conditional sale or other title retention agreement and any lease in the nature thereof), any assets or property of any kind or character at any time owned by the Mortgagor other than:

(a) liens, pledges or deposits for workmen's compensation, unemployment insurance, old age benefits or social security obligations, taxes, assessments, statutory obligations or other similar charges, good faith deposits made in connection with tenders, contracts or leases to which the Mortgagor is a party or other deposits required to be made in the ordinary course of business, provided in each case the obligation secured is not overdue or, if overdue, is being contested in good faith by appropriate proceedings and adequate reserves have been provided therefor in accordance with generally accepted accounting principles and that the obligation is not for borrowed money;

(b) The pledge of assets for the purpose of securing an appeal or stay or discharge in the course of any legal proceedings, provided that the aggregate amount of liabilities of the Mortgagor so secured by a pledge of assets permitted under this subsection (b) including interest and penalties thereon, if any, shall not be in excess of \$10,000 at any one time outstanding; and

(c) liens, pledges, mortgages, security interests or other charges granted to the Mortgagee and its assigns to secure the Reimbursement Agreement.

1.10. Loans and Advances. Mortgagor specifically acknowledges and agrees that any and all obligations which Mortgagee pays or performs pursuant to the Guaranty and/or which may be owed to Mortgagee by Mortgagor pursuant to the Reimbursement Agreement are and shall be deemed to be loans and advances made under this Indenture of Mortgage and as such senior to indebtedness to other creditors under subsequently recorded mortgages and other subsequently recorded or filed liens as provided by Section 654.12A of the Iowa Code.

SECTION 2. POSSESSION AND USE OF THE MORTGAGED PROPERTY.

2.1. Mortgagor's Right of Possession. While no Event or Default shall have occurred and be continuing, the Mortgagor

shall be suffered and permitted to remain in full possession, enjoyment and control of the Mortgaged Property subject always to the observance and performance of the terms of this Indenture.

2.2. Eminent Domain. Should any of the Mortgaged Property be taken by the exercise of the power of eminent domain, the Mortgagor shall pay any award or consideration stated in a certificate of the President and the Treasurer to the Mortgagee. The Mortgagee shall release the property so taken upon being furnished with an opinion of counsel satisfactory to the Mortgagee to the effect that such property has been taken by the exercise of the power of eminent domain. In the event of such proceeding, the Mortgagee may be represented by counsel and the Mortgagee may or may not become a party thereto as the Mortgagee in its discretion may determine. The proceeds of all property so taken shall be paid over to the Mortgagee and shall be held and disbursed or applied upon the terms and conditions provided in the succeeding Section 3 hereof.

SECTION 3. DEFAULTS AND REMEDIES THEREFOR.

3.1. Event of Default Defined. Any one or more of the following shall constitute an Event of Default:

- (a) Default in the performance of the terms and conditions of the Reimbursement Agreement including, but not limited to, payment when due of any principal or interest, whether at the stated maturity thereof or at any other time provided in this Indenture;
- (b) Default in the observance or performance of any covenant set forth in Section 1.5 through 1.9 hereof;
- (c) Default in the observance or performance of any other covenant, condition, agreement or provision hereof by the Mortgagor;
- (d) Any Event of Default as defined in the Reimbursement Agreement;
- (e) Default shall occur under any evidence of indebtedness for borrowed money issued or assumed or guaranteed by the Mortgagor or under any mortgage, agreement or other similar instrument under which the same may be issued and such default shall continue for a period of time sufficient to permit the acceleration of maturity of any Indebtedness evidenced thereby or outstanding thereunder without the Mortgagor securing a waiver of any such default;
- (f) Any representation or warranty made by the Mortgagor herein or in any statement or certificate furnished by it pursuant hereto, proves untrue in any

material respect as of the date of the issuance or making thereof;

(g) The Mortgagor shall (i) have entered involuntarily against it an order for relief under the Bankruptcy Code of 1978, as amended, (ii) not pay, or admit in writing its inability to pay, its debts generally as they become due or suspend payment of its obligations, (iii) make an assignment for the benefit of creditors, (iv) apply for, seek, consent to, or acquiesce in, the appointment of a receiver, custodian, trustee, conservator, liquidator or similar official for it or any substantial part of its property, (v) institute any proceeding seeking to have entered against it an order for relief under the Bankruptcy Code of 1978, as amended, to adjudicate it insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, marshalling of assets, adjustment or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors or fail to file an answer or other pleading denying the material allegations of any such proceeding filed against it, (vi) fail to contest in good faith any appointment or proceeding described in Section 3.1(i) or (vii) take any corporate action in furtherance of any of the foregoing purposes; or

(h) A custodian, receiver, trustee, conservator, liquidator or similar official shall be appointed for the Mortgagor or any substantial part of its property, or a proceeding described in Section 3.1(h)(v) shall be instituted against the Mortgagee and such appointment continues undischarged or any such proceeding continues undismissed or unstayed for a period of sixty (60) days.

3.2. Remedies. When any Event of Default has occurred and is continuing, the Mortgagee may exercise any one or more or all, and in any order, of the remedies hereinafter set forth, it being expressly understood that no remedy herein conferred is intended to be exclusive of any other remedy or remedies; but each and every remedy shall be cumulative and shall be in addition to every other remedy given herein or now or hereafter existing at law or in equity or by statute:

(a) The Mortgagee or its assigns may by notice in writing to the Mortgagor declare the entire unpaid balance of the Reimbursement Agreement to be immediately due and payable; and thereupon all such unpaid balance, together with all accrued interest thereon, shall be and become immediately due and payable;

(b) The Mortgagee or its assigns personally or by agents or attorneys may enter into and take possession of all or any part of the Mortgaged Property, and may forthwith

872

operate and manage the Mortgaged Property, collect the earnings and income therefrom, pay all principal charges including taxes and assessments levied thereon and operating and maintenance expenses and all disbursements and liabilities of the Mortgagee or its assigns hereunder and apply the net proceeds arising from any such operation of the Mortgaged Property as provided in Section 3.3 hereof in respect of the proceeds of a sale of the Mortgaged Property;

(c) The Mortgagee or its assigns may, if at the time such action may be lawful and always subject to compliance with any mandatory legal requirements, either with or without taking possession and either before or after taking possession and without instituting any legal proceedings whatsoever and having first given notice of such sale by registered mail to the Mortgagor or its assigns once at least ten (10) days prior to the date of such sale, and any other notice which may be required by law, sell and dispose of said Mortgaged Property or any part thereof, at public auction or private sale to the highest bidder, in one lot as an entirety or in separate lots, and either for cash or on credit and on such terms as the Mortgagee or its assigns may determine and at any place (whether or not it be the location of the Mortgaged Property or any part thereof) designated in the notice above referred to. Any such sale or sales may be adjourned from time to time by announcement at the time and place appointed for such sale or sales or for any such adjourned sale or sales, without further published notice. The Mortgagor for itself and for all who may claim by, through or under it hereby expressly waives and releases all rights to have the property covered by the lien of this Indenture marshalled;

(d) The Mortgagee or its assigns may proceed to protect and enforce its rights by a suit or suits in equity or at law, or for the specific performance of any covenant or agreement contained herein or in the Notes, or in aid of the execution of any power herein or therein granted, or for the foreclosure of this Indenture, or for the enforcement of any other appropriate legal or equitable remedy. Upon the bringing of any suit to foreclose this Indenture or to enforce any other remedy available hereunder, the plaintiff shall be entitled as a matter of right, without notice and without giving bond to the Mortgagor or anyone claiming under, by or through it, and without regard to the solvency or insolvency of the Mortgagor or the then value of the premises, to have a receiver appointed of all the Mortgaged Property and of the earnings, income, rents, issues, profits and proceeds thereof, with such power as the court making such appointment shall confer, and the Mortgagor does hereby irrevocably consent to such appointment; and

(e) If at any foreclosure or sale proceedings the Mortgaged Property shall be sold for a sum less than the total amount of indebtedness for which judgment is therein given, the judgment creditor shall be entitled to the entry of a deficiency decree against the Mortgagor and against the property of the Mortgagor for the amount of such deficiency.

3.3. Application of Proceeds. The proceeds of any sale of the Mortgaged Property, or any part thereof, and the proceeds of any remedy hereunder shall be paid to and applied as follows:

(a) To the payment of costs and expenses of foreclosure or suit, if any, and of such sale, and to the extent permitted by applicable law, the reasonable compensation of the Mortgagor, its agents, attorneys and counsel, and of all proper expenses, liability and advanced incurred or made hereunder by the Mortgagee, and of all taxes, assessments or liens superior to the lien of these presents, except any taxes, assessments or other superior lien subject to which said sale may have been made;

(b) To the payment to the holder or holders of the Reimbursement Agreement of the amount then owing or unpaid on the Reimbursement Agreement for principal and interest; and in case such proceeds shall be insufficient to pay in full the whole amount so due, owing or unpaid upon the Reimbursement Agreement, then first, to the unpaid principal thereof, and second, to unpaid interest thereon; and

(c) To the payment of the surplus, if any, to the Mortgagor, its successors and assigns, or to whomsoever may be lawfully entitled to receive the same.

3.4. Effect of Discontinuance of Proceedings. In case the Mortgagee shall have proceeded to enforce any right under this Indenture by foreclosure, sale, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely, then and in every such case, the Mortgagor and the Mortgagee shall be restored to their former position and rights hereunder with respect to the property subject to the lien of this Indenture.

3.5. Delay or Omission Not a Waiver. No delay or omission of the Mortgagee to exercise any right or power arising from any default on the part of the Mortgagor shall exhaust or impair any such right or power or prevent its exercise during the continuance of such default. No waiver by the Mortgagee of any such default, whether such waiver be full or partial, shall extend to or be taken to affect any subsequent default, or to impair the rights resulting therefrom, except as may be otherwise provided herein. No remedy hereunder is intended to be exclusive of any other remedy but each and every remedy shall be cumulative

and in addition to any and every other remedy given hereunder or otherwise existing; nor shall the giving, taking or enforcement of any other or additional security, collateral or guaranty for the payment of the indebtedness secured under this Indenture operate to prejudice, waive or affect the security of this Indenture or any rights, power or remedies hereunder; nor shall the Mortgagee be required to first look to, enforce or exhaust such other or additional security, collateral or guaranties.

SECTION 4. AMENDMENTS, WAIVERS AND CONSENTS.

Any term, covenant, agreement or condition of this Indenture may, with the consent of the Mortgagor, be amended or compliance therewith may be waived (either generally or in a particular instance and either retroactively or prospectively), if the Mortgagor shall have obtained the consent in writing of the Mortgagee.

SECTION 5. SECOND MORTGAGE INTEREST.

The lien of this Indenture of Mortgage shall, as to all of the Mortgaged Property shall be junior and subordinate to the lien of the IRFA Mortgage which covers the same Mortgaged Property.

SECTION 6. MISCELLANEOUS.

6.1. Successors and Assigns. Whenever any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all the covenants, promises and agreements in this Indenture contained by or on behalf of the Mortgagor, or by or on behalf of the Mortgagee, shall bind and inure to the benefit of the respective successors and assigns of such parties, whether so expressed or not.

6.2. Severability. The unenforceability or invalidity of any provision or provisions of this Indenture shall not render any other provision or provisions herein contained unenforceable or invalid.

6.3. Addresses for Notices and Demands. All communications provided for herein shall be in writing and shall be deemed to have been given (unless otherwise required by the specific provisions hereof in respect of any matter when delivered personally or when deposited in the United States mail, registered or certified, postage prepaid, addressed as follows:

If to the Mortgagor: Heartland Rail Corporation
c/o Iowa Interstate Railroad, Ltd.
800 Webster Street
Iowa City, Iowa 52240

Attention: Chief Financial Officer

If to the Mortgagee: Archer-Daniels-Midland Company
4666 Faries Parkway
Post Office Box 1470
Decatur, Illinois 62525

or as to any such party at such other address as such party may designate by notice duly given in accordance with this Section to the other party.

6.4. Headings and Table of Contents. The headings of the sections of this Indenture and the Table of Contents are inserted for purposes of convenience only and shall not be construed to affect the meaning or construction of any of the provisions hereof.

6.5. Release of Indenture. The Mortgagee shall release this Indenture and the lien hereof by proper instrument or instruments upon presentation of satisfactory evidence that all indebtedness secured hereby has been fully paid or discharged.

6.6. Counterparts. This Indenture may be executed, acknowledged and delivered in any number of counterparts, each of such counterparts constituting an original but all together only one Indenture.

6.7. Governing Law. Depending upon the filing location of this Indenture of Mortgage and location of the Mortgaged Property, this Indenture of Mortgage shall be governed by and construed in accordance with the laws of either the State of Iowa or the State of Illinois.

6.8. Definitions. All capitalized terms used herein shall have the meanings set forth in Section 4 of the Agreement unless expressly defined herein or if the context hereof shall require otherwise.

IN WITNESS WHEREOF, the Mortgagor has caused this Indenture to be executed and attested by its duly authorized officer, all as of the day and year first above written.

HEARTLAND RAIL CORPORATION

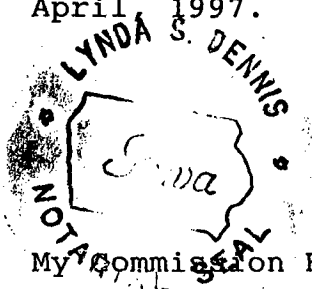
By: 

Donald C. Byers
Its President

STATE OF IOWA)
) ss.
COUNTY OF POLK)

On this 30th day of April, A.D. 1997, before me, a Notary Public in and for said county, personally appeared Donald C. Byers, to me personally known, who being by me duly affirmed did say that that person is President of said corporation and that said instrument was signed on behalf of the said corporation by authority of its board of directors and the said Donald C. Byers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

GIVEN under my hand and notarial seal this 30th day of April 1997.



Lynda S. Dennis
Notary Public

My Commission Expires:

0960/1/Othr/44572

LEGAL DESCRIPTION AND
DESCRIPTION OF MORTGAGED PROPERTY

Being a description of parcels of land and strips of land of varying widths constituting a continuous line of railroad property:

SECTION ONE

Blue Island Yard (Four Outfreight Yard Tracks)

Cook County, Illinois

The Point of Beginning being on a line 6.5 feet westerly of and parallel to the centerline of Grantor's former yard track #5 (local #47) and also being 6.5 feet easterly of Grantor's yard track #22 as presently laid out and located and on a line normal to Grantor's former main track #4 centerline located 735.6 feet northerly of the east/west centerline of Section 30, as measured along a line 50 feet westerly of and parallel to said main track #4 centerline; thence southwesterly from said Point of Beginning on a line 6.5 feet easterly of and parallel to the centerline of said yard track #22 to a line 71.5 feet westerly of and parallel to said main track #4 centerline; thence southerly along said line to a line 7.0 feet westerly of and parallel to the centerline of track #10; thence southerly along said line to a line normal to said track #10 centerline located at the southerly headblock of said track #10; thence southeasterly along said line to a line 6.5 feet westerly of and parallel to the centerline of Grantor's former yard track #5 (local #47); thence northerly along said line approximately 6,000 feet to said line 735.6 feet northerly of said east/west centerline; thence westerly along the last line intersected to the Point of Beginning; Also granting to the Grantee that nonexclusive easement easterly of said line 6.5 feet westerly of and parallel to said yard track #5 (local #47) centerline reserved to the Chicago, Rock Island and Pacific Railroad Company, Debtor, Grantor's predecessor in interest, by the Regional Transportation Authority in its condemnation in the United States District Court for the Northern District

ANNEX "A"

of Illinois, Eastern Division (No. 81 C 0431), and a nonexclusive easement westerly of a line 7.0 feet westerly of and parallel to said yard track #10 centerline and a nonexclusive easement easterly of a line 6.5 feet easterly of and parallel to said yard track #22 from said Point of Beginning to a point opposite the point of switch for yard track #8 (local #45) as presently laid out and located in said outfreight lead (ladder) track, said nonexclusive easements being solely for railroad operating clearance purposes in order to comply with Illinois Commerce Commission General Order No. 22 effective November 1, 1920, as amended May 14, 1969, more particularly General Rules 10.1 through 10.5 inclusive, and Steam Railroad Rules 101.1 through 121.1 inclusive; Reserving to the Grantor an easement easterly of a line 7.0 feet westerly of and parallel to said yard track #10 centerline and an easement easterly of and parallel to said line being 6.5 feet easterly of said yard track #22, both easements being solely for railroad clearance purposes in order to comply with Illinois Commerce Commission General Order No. 22 effective November 1, 1920, as amended May 14, 1969, more particularly General Rules 10.1 through 10.5 inclusive, and Steam Railroad Rules 101.1 through 121.1 inclusive; all in the Southwest Quarter of the Northeast Quarter of Section 30, the West Half of the Southeast Quarter of Section 30, the East Half of the Southwest Quarter of Section 30 and the Northwest Quarter of Section 31, both Sections 30 and 31 in Township 37 North, Range 14 East of the 3rd P.M.

SECTION TWO

Bureau to Rock Island and Milan

Bureau County, Illinois

Beginning at the intersection of the centerline of the Grantor's westbound (northerly) main track and a line normal to said centerline located 842.4 feet southerly of the North line of Section 18, as measured along said track centerline (E.P.S. 6064+97, M.P. 114.85), Township 15 North, Range 10 East of the 4th P.M.; thence northwesterly along said centerline through Sections 18 and 7, Township 15 North, Range 10 East of the 4th P.M.; thence westerly

through Sections 12, 1, 11, 10, 9, 8, 17, 18 and 7, Township 15 North, Range 9 East of the 4th P.M.; thence continuing westerly through Sections 12 and 1, Township 15 North, Range 8 East of the 4th P.M.; thence continuing westerly through Sections 36, 35, 34, 26, 27, 28, 21, 20 and 19, Township 16 North, Range 8 East of the 4th P.M.; thence continuing westerly through Sections 24, 23, 22, 21, 20 and 19, Township 16 North, Range 7 East of the 4th P.M.; thence continuing westerly through Sections 24, 23, 14, 15, 16, 17, 8 and 7, Township 16 North, Range 6 East of the 4th P.M.;

Henry County, Illinois

Thence continuing westerly along said main track centerline through Sections 12, 11, 2, 3, 4, 5 and 6, Township 16 North, Range 5 East of the 4th P.M.; thence continuing westerly through Section 31, Township 17 North, Range 5 East of the 4th P.M.; thence continuing westerly through Sections 36, 35, 34, 27, 28, 29 and 30, Township 17 North, Range 4 East of the 4th P.M.; thence continuing westerly through Sections 25, 24, 23, 22, 21, 16, 17 and 18, Township 17 North, Range 3 East of the 4th P.M.; thence continuing westerly through Sections 13, 14, 11, 10, 9, 8 and 7, Township 17 North, Range 2 East of the 4th P.M.; thence continuing westerly through Sections 12, 11, 10 and 3 to the westerly line of Henry County, Illinois, Township 17 North, Range 1 East of the 4th P.M.;

Rock Island County, Illinois

Beginning at the intersection of the Grantor's main track centerline and the Easterly line of Rock Island County; thence westerly along said track centerline, through Sections 3 and 4, Township 17 North, Range 1 East of the 4th P.M.; thence northwesterly through Sections 33, 32, 30 and 31, Township 18 North, Range 1 East of the 4th P.M.; thence westerly through Fractional Section 25, Township 18 North, Range 1 West of the 4th P.M.; thence westerly through Lots 9, 8, 7, 6, 5, 4, 3 and 2, LeClaire's Reserve, and Sections 33, 32 and 31, (Including Grantor's right-of-way in Sylvan's Island in said Section 31), Township 18 North,

82.

Range 1 West of the 4th P.M.; thence westerly through Sections 36, 35 and 34, Township 18 North, Range 2 West of the 4th P.M.; thence southerly through Sections 3, 10, 15, 14, 23 and 24 to a termination at a line normal to said main track centerline located 1191.4 feet easterly of the north/south centerline of said Section 24 (E.P.S. 4436+63.6), as measured along said track centerline, and westerly through Sections 23, 26, 27, 28 and 29 to a termination at a line normal to said track centerline located 1793.2 feet westerly of the East line of said Section 29 (E.P.S. 177+31), as measured along said track centerline, all in Township 17 North, Range 2 West of the 4th P.M.

SECTION THREE

Davenport to E. Des Moines

Scott County, Iowa

Beginning at the intersection of the centerline of the Grantor's Colorado West Bound (northerly) main track and a line oriented at right angles to said track centerline located seven hundred ninety-eight feet, more or less, southeasterly of the North line of Section 36, as measured along said track centerline (M.P. 182.35, E.P.S. 9634+00), also being the East end of Grantor's Bridge No. 1825 over Third Street as located in Block 74 of LeClaire's Addition to the City of Davenport, Township 78 North, Range 3 East of the 5th P.M.; thence westerly along Grantor's Davenport to Iowa City West Bound (northerly) main track centerline through said Section 36 and through Sections 25, 26, 27, 22, 21, 16, 17, 18 and 7 (Excluding all of Grantor's interest in his East Davenport Yard located East of the East line of Pershing (Rock Island) Street in the Southwest Quarter of Section 25, and located East of the East line of Iowa Street and located northerly of the northerly line of Third Street in the Northwest Quarter of Section 36), all in Township 78 North, Range 3 East of the 5th P.M.; thence continuing westerly through Sections 13, 12, 11, 10, 9, 4, 5 and 6, to the Westerly line of Scott County, Township 78 North, Range 2 East of the 5th P.M.

5.

ALSO: Beginning at the intersection of the centerline of the Grantor's West Bound (northerly) main track and a line two hundred sixty-four feet, more or less, westerly of and parallel to the East line of Section 27, (M.P. 183.61, E.P.S. 9700+45), Township 78 North, Range 3 East of the 5th P.M.; thence westerly and southerly along Grantor's Davenport to Muscatine main track centerline through said Section 27 and Section 34 to the intersection of said main track centerline with the south line of Third Street, as laid out and located in the City of Davenport (M.P. 184.25, E.P.S. 9732+05), Township 78 North, Range 3 East of the 5th P.M.

Muscatine County, Iowa

Beginning at the intersection of the centerline of the Grantor's West Bound (northerly) main track and the East line of Muscatine County, being also the East line of Section 1, Township 78 North, Range 1 East of the 5th P.M.; thence westerly along said centerline through said Section 1 and through Sections 2, 3, 4, 5 and 6 (Excluding that part of the Northeast Quarter of Section 5 lying northerly of a line fifty feet northerly of and parallel to the centerline of said northerly main track; Excluding all of Grantor's right-of-way located southerly of a line fifty feet southerly of and parallel to said northerly main track centerline located in said Sections 4 and 5 and being a part of Grantor's abandoned Black Hawk yard to Cedar Rapids line), Township 78 North, Range 1 East of the 5th P.M.; thence continuing westerly through Section 31, Township 79 North, Range 1 East of the 5th P.M. (being in Scott County); thence continuing westerly through Sections 36, 35, 34 and 33, Township 79 North, Range 1 West of the 5th P.M. (being in Cedar County); thence continuing westerly through Sections 4, 5 and 6, Township 78 North, Range 1 West of the 5th P.M.; thence continuing westerly through Sections 1, 2, 11, 10, 9, 8, 5 and 6, Township 78 North, Range 2 West of the 5th P.M.; thence continuing westerly through Section 1, 12, 11, 10, 15, 16, 17 and 18, Township 78 North, Range 3 West of the 5th P.M.; thence continuing westerly through Sections 13, 12, 11, 2, 3 and 4 to the northerly line of Section 4, being the northerly line of Muscatine County, (excluding Grantor's personal property and track fixtures and appurtenances thereto, in said Section 12, pertaining to its Cedar Rapids to Columbus Jct. line of railroad), Township 78

Cedar County, Iowa

Beginning at the intersection of the centerline of the Grantor's main track and the south line of Section 33, Township 79 North, Range 4 West of the Fifth Principal Meridian, being also the southerly line of Cedar County; thence westerly through Sections 33, 32, 29 and 30 to the westerly line of Section 30, being the westerly line of Cedar County, Township 79 North, Range 4 West of the 5th P.M.

Johnson County, Iowa

Beginning at the intersection of the centerline of the Grantor's main track and the East line of Section 25, Township 79 North, Range 5 West of the 5th P.M., being the easterly line of Johnson County; thence westerly through Sections 25, 26, 27, 28, 29, 20 and 19, Township 79 North, Range 5 West of the 5th P.M., continuing westerly through Sections 24, 13, 14, and 15 (Excluding that part of Grantor's former Elmira to Iowa City line lying northerly of the northerly line of Des Moines Street extended easterly, said street as laid out and located in the County Seat Addition of the City of Iowa City; Excluding all of Grantor's interest in Maiden Lane lying southerly of the south line of Lot 1, of Block 22 of County Seat Addition to the City of Iowa City, extended easterly, and lying northerly of the north line of Benton Street, as laid out and located in Lyon's First Addition to the City of Iowa City; Excluding all of Grantor's interest in Block 4 of Lyon's First Addition to the City of Iowa City; Township 79 North, Range 6 West of the 5th P.M.;

ALSO: All of Grantor's Iowa City to Hills branch line in the East Half of Section 15 lying easterly of a line eight feet easterly of and parallel to the centerline of Grantor's former Iowa City to Elmira main track, as located in or near Maiden Lane, all in Section 15, Township 79 North, Range 6 West of the 5th P.M.

(Part of Section Three has been deliberately omitted)

SECTION FOUR

Altoona to Pella

Polk County, Iowa

Beginning at the intersection of the centerline of Grantor's Altoona to Pella branch line main track and the West line of the East Half of the Southeast Quarter of Section 13 (K.D. E.P.S. 18701+20 ±), Township 79 North, Range 23 West of the 5th P.M.; thence easterly through said Section 13, Township 79 North, Range 23 West of the 5th P.M.; thence southeasterly along Grantor's Altoona to Pella branch line main track centerline through Sections 18, 17, 16, 9, 10, 11, 14 and 13, Township 79 North, Range 22 West of the 5th P.M.

Jasper County, Iowa

Thence southeasterly through Sections 18, 19, 20, 21, 28, 27, 34 and 35, Township 79 North, Range 21 West of the 5th P.M.; thence southeasterly through Fractional Sections 3, 2 and 1, Township 78 North, Range 21 West of the 5th P.M.; thence southeasterly through Sections 6, 5, 8, 9, 10, 15, 14, 23, 24, 25 and 36, Township 78 North, Range 20 West of the 5th P.M.; thence southeasterly through Section 31, (Excluding all that part of said Section 31 lying northerly of a line fifty feet northeasterly of and parallel to said track centerline), Township 78 North, Range 19 West of the 5th P.M.

Marion County, Iowa

Thence southeasterly through Sections 6, 5, 8, 9, 16, 15, 22, 23, 26, 25 and 36, Township 77 North, Range 19 West of the 5th P.M.; thence southeasterly through Section 31, Township 77 North, Range 18 West of the 5th P.M.; thence southeasterly through Sections 6, 5, 4, 3, 10 and 11 to a termination at the east/west centerline of said Section 11 (E.P.S. 6056+50 ±, M.P. 114.60), Township 76 North, Range 18 West of the 5th P.M.

(Section Five has been deliberately omitted)

83

SECTION SIX

Audubon to Atlantic

Audubon County, Iowa

Beginning at the intersection of the centerline of the Grantor's branch line main track and a line normal to said centerline located 112.5 feet northerly of the east/west centerline of Section 20, as measured along said track centerline, Township 80 North, Range 35 West of the 5th P.M.; thence southerly along said track centerline through Sections 20, 21, 28, 33 and 34, Township 80 North, Range 35 West of the 5th P.M.; thence southerly through Sections 3, 10, 15, 22, 27, 34 and 35, Township 79 North, Range 35 West of the 5th P.M.; thence southerly through Lot 1 of that un-named Fractional Section northerly of Section 5, and through Lot 4, Lot 5 and Lot 12 of that un-named Fractional Section north of Section 4, and southerly through Sections 4, 5, 8, 17, 18 and 19, Township 78 North, Range 35 West of the 5th P.M.; thence southerly through Sections 24, 25 and 36, Township 78 North, Range 36 West of the 5th P.M.

Cass County, Iowa

Thence southerly through Sections 1, 2, 11, 14, 23, 22, 21, 28, 29, 32 and 31, (Excluding all of said Section 31 lying westerly of a line fifty feet westerly of and parallel to said branch line main track centerline), Township 77 North, Range 36 West of the 5th P.M.; thence southerly through the Northwest Quarter of the Northeast Quarter of Section 6 to a termination at the intersection with the centerline of Grantor's main W. Des Moines to Council Bluffs track being at a line normal to said branch line main track centerline located 1,454 feet southerly of the North line of said Section 6, as measured along said branch line main track centerline, Township 76 North, Range 36 West of the 5th P.M.

4

SECTION SEVEN

Hancock to Oakland

Pottawattamie County, Iowa

Beginning at the intersection of the centerline of the Grantor's former branch line main track and the east/west centerline of Section 8, (E.P.S. 24539+75, M.P. 464.77), Township 79 North, Range 39 West of the 5th P.M.; thence southerly along Grantor's branch line main track centerline through Sections 8, 17, 18, 19 and 30, Township 76 North, Range 39 West of the 5th P.M.; thence southerly through Sections 25 and 36, to the south line of said Section 36 (E.P.S. 24794+15, M.P. 469.59), Township 76 North, Range 40 West of the 5th P.M.

EXCEPTING AND EXCLUDING THE FOLLOWING DESCRIBED PARCELS OF LAND:

Silvis Yard

Parcel 1: The Point of Beginning being on the west line of the East Half of the Southwest Quarter of Section 29, Township 18 North, Range 1 East of the 4th P.M., and that southerly property line between the C.R.L& P. and Deere & Company established in an instrument from C.R.L& P. to Deere & Company dated September 22, 1966, said Point of Beginning also being approximately 950 feet northerly of the south line of said Section 29; thence South $10^{\circ} 34' 23''$ West, 414.81 feet to a point 15 feet north of the North rail of track #170; thence South $79^{\circ} 25' 37''$ East along a line parallel with and 15.0 feet distant from said track #170, 24.50 feet; thence South $10^{\circ} 34' 23''$ West 9.40 feet; thence South $79^{\circ} 25' 37''$ East, 61.0 feet; thence North $10^{\circ} 34' 23''$ East, 9.40 feet to a point 15.00 feet north of the North rail of said track #170; thence South $79^{\circ} 25' 37''$ East along a line parallel with and 15.0 feet distant from said track #170, 826.41 feet; thence North $10^{\circ} 34' 23''$ East, 58.00 feet; thence South $79^{\circ} 25' 37''$ East, 135.00 feet; thence South $10^{\circ} 34' 23''$ West, 58.00 feet to a point 15.00 feet north of the North rail of said track #170; thence along parallel with and 15.00 feet distant from said track #170 on the following courses and distances; South $79^{\circ} 25' 37''$ East, 29.07 feet; southeasterly along the arc of a curve, 158.90 feet, said curve having a radius of

553.90 feet and a long chord which bears South 71° 12' 31" East, 158.36 feet; South 62° 59' 24" East, 815.58 feet; southeasterly along the arc of a curve, 218.44 feet said curve having a radius of 749.58 feet and a long chord which bears South 54° 38' 30" East, 217.69 feet; thence South 46° 17' 35" East, 341.02 feet to the point where said line intersects track #229; thence North 43° 42' 25" East, 15.00 feet to a point 15.00 feet north of the North rail of said track #229; thence along, parallel with and 15.00 feet distant from said track #229 and #170 on the following courses and distances; South 46° 17' 35" East, 101.30 feet; southeasterly along the arc of a curve, 170.79 feet, said curve having a radius of 580.94 feet and a long chord which bears South 54° 42' 55" East, 170.17 feet; South 63° 08' 14" East, 348.53 feet to the east line of the Northwest Quarter of the Northeast Quarter of Section 32; thence continuing South 63° 08' 14" East, 250.00 feet; thence South 26° 51' 46" West, 40.00 feet; thence North 63° 08' 14" West, 225.27 feet to said east line; thence South 04° 51' 55" East along said line, 34.67 feet; thence North 63° 05' 54" West, 78.87 feet; thence northwesterly along the arc of a curve, 129.12 feet, said curve having a radius of 452.86 feet and a long chord which bears North 71° 15' 59" West, 128.68 feet to a point on a line 15.00 feet distant from and parallel with the Southerly rail of track #118; thence North 79° 26' 04" West along said line, 1846.56 feet to the point of intersection with a line 15.00 feet distant from and parallel with track #119; thence North 87° 33' 55" West along said line, 113.83 feet; thence North 02° 26' 05" East, 62.63 feet to a point on a line 12.50 feet southerly of and parallel with the centerline of track #123; thence North 79° 16' 00" West along said line 2104.81 feet; thence along said line, northwesterly along the arc of a curve 389.54 feet, said curve having a radius of 2499.55 feet and a long chord which bears North 74° 48' 07" West, 389.15 feet; thence along said line, northwesterly along the arc of a curve, 305.51 feet, said curve having a radius of 698.19 feet and a long chord which bears North 82° 27' 45" West, 293.31 feet to a point on a line 12.50 feet distant from and parallel with the centerline of track #185; thence South 85° 24' 44" West along said line, 261.29 feet; thence North 00° 00' 00" West, 224.58 feet; thence South 79° 43' 15" West along the common boundary line between

Iowa-Illinois Gas & Electric Co. and the C.R.L& P. 500 feet; thence North $82^{\circ} 33' 39''$ West along said common boundary 418.56 feet; thence South $75^{\circ} 6' 00''$ West 711 feet, more or less, to a line 30 feet easterly of and parallel to the north/south centerline of Section 30; thence southerly along said line to a line 12 feet northerly of and parallel to the centerline of C.R.L& P. track #24; thence easterly along said line approximately 6,842 feet, more or less, to the west line of the East Half of the Northeast Quarter of Section 32; thence southerly along said west line to a line 15 feet northerly of and parallel to the centerline of the C.R.L& P. westbound/northerly main track; thence southeasterly along said line approximately 10,759 feet to a line oriented normally to said main track centerline located 927.5 feet southeasterly of the east/west centerline of Section 4, as measured along said main track centerline, Township 17 North, Range 1 East of the 4th P.M.; thence normal northeasterly to a line 40 feet northerly of and parallel to said westbound/north main track centerline; thence easterly along said line to the West Bank of the Rock River; thence northerly along said bank to the east/west centerline of Section 3; thence westerly along said east/west centerline to a point 479.5 feet northerly of said westbound/northerly main track centerline, as measured normally to said centerline; thence northwesterly and parallel to said track centerline to the north line of Section 4; thence easterly along said north line approximately 84 feet to the east line of Wiershing's First Addition; thence northerly along said line 422.73 feet; thence North $68^{\circ} 45'$ West, more or less, for 152.85 feet; thence South $25^{\circ} 15'$ West, more or less, for approximately 267 feet; thence North $65^{\circ} 15'$ West, more or less, for approximately 46 feet; thence North $30^{\circ} 15'$ West, more or less, for 377.4 feet; thence North $74^{\circ} 30'$ East, more or less, for 435 feet; thence North $25^{\circ} 30'$ East, more or less, for 102.9 feet; thence South $72^{\circ} 30'$ West, more or less, for 247.3 feet; thence North $42^{\circ} 45'$ West, more or less, for 645.9 feet; thence North $12^{\circ} 45'$ West, more or less, for 801.8 feet; thence North $31^{\circ} 30'$ West, more or less, for 440.8 feet, to the Indian Boundary Line; thence easterly along said line 550 feet to the north/south centerline of Section 33; thence north along said centerline 1,437.1 feet; thence North $85^{\circ} 45'$ West for 2,453.2 feet; thence

12

north parallel to the west line of said Section 33 1,952 feet; thence South $42^{\circ} 58'$ West for 438.6 feet; thence northerly and parallel to the east line of Section 32 for 15 feet; thence North $9^{\circ} 39'$ East for 101.4 feet; thence northerly and parallel with said east line of Section 32 to the north line of said section; thence westerly along said north section line 273 feet, more or less; thence northwesterly 270.24 feet along a circular curve concave to the southwest and the radius of which is 1530.86 feet to the most southerly point of that Tract 2 the C.R.L&P. conveyed to Deere & Company in instrument dated September 22, 1966; thence North $80^{\circ} 50' 11''$ West along the southerly line of said Tract 2 for approximately 3,648 feet to a point on said west line of the East Half of the Southeast Quarter of Section 29, being the Point of Beginning; all in the Southeast Quarter of Section 30, the Northeast Quarter of Section 31, the South Half of Section 29, the North Half of Section 32, the West Half of Section 33, the Southwest Quarter of the Southeast Quarter of Section 33, Township 18 North, Range 1 East of the 4th P.M. and all in the Northeast Quarter of the Northwest Quarter of Section 4, the Northeast Quarter of Section 4 and the West Half of Section 3, Township 17 North, Range 1 East of the 4th P.M.

Parcel 2: Commencing at the intersection of the north line of First Avenue, City of Silvis and the west line of 7th Street, City of Silvis; thence North $10^{\circ} 38'$ East along said west line of 7th Street, extended for 140.0 feet to a point on the north line of a recorded alley being 20 feet in width; thence South $79^{\circ} 22'$ East along said north alley line for 722.64 feet to the Point of Beginning; thence North $10^{\circ} 38'$ East for 432.95 feet; thence southerly and on a line parallel with the centerline of Grantor's westbound/northerly main track for 455.21 feet; thence normal southerly 282.95 feet; thence normal westerly 200 feet; thence normal southerly 150 feet; thence normal westerly 255.21 feet to the Point of Beginning; all in the West Half of the Northwest Quarter of the Northwest Quarter of Section 32, Township 18 North, Range 1 East of the 4th P.M.

13.

Parcel 3: Commencing at the intersection of the north line of First Avenue and the west line of 16th Street, as laid out and located in the City of Silvis, Illinois; thence South $79^{\circ} 22'$ East for 218.0 feet; thence North $10^{\circ} 38'$ East for 504.46 feet to a line 30 feet southerly from and parallel to the centerline of Grantor's southerly/eastbound main track; thence southeasterly along said line South $79^{\circ} 23'$ West for 1004.83 feet to the Point of Beginning; thence South $10^{\circ} 37'$ West for 72.5 feet; thence 180 feet along a curve to the left of radius 57.5 feet, and control angle of 180° for an arc distance of 180.63 feet; thence North $10^{\circ} 37'$ East for 72.5 feet to said line 30 feet southerly of said main track centerline; thence westerly along the last line intersected 114 feet, more or less, to the Point of Beginning; all in the Northeast Quarter of Section 32, Township 18 North, Range 1 East of the 4th P.M.

Parcel 4: Commencing at the intersection of the west line of Section 33 and a line 17.1 feet southerly of and parallel to the centerline of Grantor's southerly/eastbound main track; thence easterly along said line southerly of said centerline for 140.5 feet to the Point of Beginning; thence South $19^{\circ} 15'$ East, more or less, for 476.8 feet; thence North $44^{\circ} 15'$ East, more or less, for approximately 150 feet to said line southerly of said main track centerline; thence northwesterly along the last line intersected for 435 feet, more or less, to the Point of Beginning; all in the Northwest Quarter of Section 33, Township 18 North, Range 1 East of the 4th P.M.

Parcel 5: The Point of Beginning being the intersection of the north line of Memory Lane and the east line of Boulevard Avenue, as laid out and located in Carbon Cliff, Illinois; thence westerly along said north line of Memory Lane 83 feet, more or less; thence North $7^{\circ} 45'$ West, more or less, for 318.5 feet to a line 75 feet, more or less, westerly of and parallel to the centerline of said Boulevard Avenue; thence northerly along a curve to the right, being said line westerly of said Boulevard street centerline, to a line 40 feet southwesterly of and parallel to the centerline of Grantor's southerly/eastbound main track; thence

12

2

14

southeasterly along the last line intersected 1415 feet, more or less; thence South $86^{\circ} 45'$ West, more or less, for 318.78 feet to the centerline of First Avenue; thence northerly along the last line intersected, as extended, 400 feet, more or less; thence North $33^{\circ} 45'$ West, more or less, for approximately 470 feet, to the south line of Section 33; thence westerly along said south line for approximately 270 feet to said east line of Boulevard Avenue, extended northerly; thence southerly along the last line intersected 319 feet, more or less, to the Point of Beginning; all in the North Half of the North Half of Section 4, Township 17 North, Range 1 East of the 4th P.M. and the Southeast Quarter of the Southwest Quarter of Section 33, Township 18 North, Range 1 East of the 4th P.M.

ALSO reserving in favor of the Grantor the following easements:

(A) An easement for roadway access across the right-of-way herein conveyed extending from the prolongation of the northwesterly line of Parcel 2 herein southerly 90 feet to a line parallel with said prolonged line; said easement to be maintained at Grantor's expense and utilized in such a way as not to unreasonably interfere with railroad operations; all in the West Half of the Northwest Quarter of the Northwest Quarter of Section 32, Township 18 North, Range 1 East of the 4th P.M.

(B) An easement for roadway access across the right-of-way conveyed herein being thirty feet on each side of an existing roadway centerline which is normal to Grantor's westbound/north main track centerline located 944.7 feet easterly of the west line of Section 33, as measured along said track centerline; said easement to be maintained at Grantor's expense and utilized in such a way as not to unreasonably interfere with railroad operations; all in the Southwest Quarter of the Northwest Quarter of Section 33, Township 18 North, Range 1 East of the 4th P.M.

(C) An easement for roadway and utility access being 50 feet on each side of the centerline of Boulevard Avenue as the centerline of said Avenue crosses the right-of-way conveyed herein or as said Avenue centerline is extended across said right-of-way; said easement to be maintained at Grantor's expense and utilized in such a way as not to unreasonably interfere with railroad operations; all in the Southeast Quarter of the Southwest Quarter of Section 33, Township 18 North, Range 1 East of the 4th P.M.

West Liberty

Parcel 6: All that part of Section 12 lying northeasterly of a line fifty feet northeasterly of and parallel to the centerline of Grantor's E. Des Moines to Davenport main track and lying northerly of a line 1320 feet southerly of and parallel to the east/west centerline of said Section 12, all in Township 78 North, Range 4 West of the 5th P.M.

Parcel 7: All of Grantor's interest in its West Liberty to Cedar Rapids right-of-way being southerly of the south line of the North Half of the Southwest Quarter of Section 12, northerly of a line 50 feet northerly of and parallel to the centerline of Grantor's Davenport to E. Des Moines main track and westerly of a line 15 feet easterly of and parallel to the centerline of Grantor's West Liberty to Cedar Rapids main track; all in the North Half of the West Half of the South Half of the Southwest Quarter of Section 12, Township 78 North, Range 4 West of the 3rd P.M.

Parcel 8: All of Grantor's interest in Outlot No. 10 of the City of West Liberty, and all of Grantor's interest in Grantor's Columbus Junction to Cedar Rapids right-of-way lying easterly of said Outlot No. 10 and lying southerly of a line fifty feet southerly of and parallel to Grantor's Davenport to E. Des Moines main track centerline; all in the Southwest Quarter of the Southwest Quarter of Section 12, Township 78 North, Range 4 West of the 5th P.M.

83.

Parcel 9: All of Grantor's interest in Lots 1 through 16 inclusive of Outlot No. 3 of the City of West Liberty, being in the east four hundred feet of the north five hundred feet of the south one thousand four hundred feet of the west one thousand fifty feet of the Southwest Quarter of Section 12, Township 78 North, Range 4 West of the 5th P.M.

EXHIBIT A
(continued)

Being particular descriptions of certain parcels already described in general terms above and not within any exclusion to the Property conveyed:

BUREAU COUNTY, ILLINOIS

Sheffield

Parcel 1: The Point of Beginning being on a line twenty-five feet northerly of and parallel to the centerline of Grantor's eastbound main track and on the east line of Washington Street, produced southerly; thence northerly along said produced street line twenty-five feet; thence North 56° West, more or less, for two hundred nineteen feet to the southerly line of North Railroad Street; thence westerly along said southerly street line eight hundred eight feet to the easterly line of that tract conveyed to Continental Oil Company via instrument dated July 19, 1968; thence normal southerly along said easterly line to said line twenty-five feet northerly of and parallel to said main track centerline; thence easterly along the last line intersected to the Point of Beginning; all in the South Half of the Northeast Quarter of Section 19, Township 16 North, Range 7 East of the Fourth Principal Meridian.

ROCK ISLAND COUNTY, ILLINOIS

Rock Island

Parcel 2: The Point of Beginning being on a line thirty-three feet northerly of and parallel to the East/West centerline of Section 36 and on the Southeast Corner of Lot 7 of Alvin Hull's Addition to Rock Island; thence northerly along the East line of said Lot 7 to a line eighteen feet southerly of and parallel to the centerline of Grantor's southerly main track; thence southeasterly along the last line intersected to said line thirty-three feet northerly of said East/West centerline; thence westerly along the last line intersected to the Point of Beginning; all in the South Half of the Southwest Quarter of the Northeast Quarter of Section 36, Township 18 North, Range 2 West of the Fourth Principal Meridian.

17

SCOTT COUNTY, IOWA

Davenport

Parcel 3: The Point of Beginning being on the west line of Block 74 and on the north line of the East/West alley of said Block 74; thence easterly along said alley line one hundred fifty feet; thence northwesterly and at an interior angle of 45° to the last-described line to the intersection with said west Block line; thence southerly along said west Block line to the Point of Beginning, all in Block 74 of LeCaire's Addition to the City of Davenport, in the Northwest Quarter of Section 36, Township 78 North, Range 3 East of the Fifth Principal Meridian.

Parcel 4: The Point of Beginning being the intersection of the west line of Division Street and a line fifty feet southerly of and parallel to the centerline of the Grantor's northerly Davenport to Iowa City main track; thence easterly along said southerly line two hundred ninety-six feet, more or less; thence southerly and parallel to said west street line fifty-five feet, more or less, to a line twelve feet northerly of and parallel to the centerline of Grantor's Track #1; thence southwesterly along the last line intersected to the northerly prolongation of a line oriented at right angles to said Track #1 centerline and located at the westerly end of said Track #1; thence southwesterly on an angle of 45° from the last line intersected to the intersection with a line twelve feet northerly of and parallel to the centerline of Grantor's main Davenport to Muscatine track; thence westerly along the last line intersected to said west line of Division Street; thence northerly along the last line intersected to the Point of Beginning; all in the Southwest Quarter of the Southeast Quarter of Section 27, Township 78 North, Range 3 East of the Fifth Principal Meridian.

Walcott

Parcel 5: The Point of Beginning being on the North/South centerline of Section 6 and on a line one hundred fifty feet northerly of and parallel to the centerline of Grantor's northerly main track; thence westerly along said line northerly of said track centerline to the westerly line of Main Street, produced southerly; thence southerly along the last line intersected to a line twenty-five feet northerly of and parallel to said main track centerline; thence easterly along the last line intersected to the easterly line of Henry Street, produced southerly; thence northerly along the last line intersected to said line one hundred fifty feet northerly of said main track centerline; thence westerly along the last line intersected to the Point of Beginning; all in the South Half of Section 6, Township 78 North, Range 2 East of the Fifth Principal Meridian.

Parcel 6: The Point of Beginning being on the centerline of Parker Street, as laid out and located in the Town of Walcott, and on the north line of Block 13, as laid out and located in the Town of Walcott, produced easterly; thence westerly along said northerly Block line to the west line of Lot 2 of said Block; thence southerly along said west Lot line to a line twenty-five feet northerly of and parallel to the centerline of Grantor's northerly main track; thence easterly along the last line intersected to said Parker Street centerline; thence northerly along the last line intersected to the Point of Beginning; all in the East Half of the Southwest Quarter of Section 6, Township 78 North, Range 2 East of the Fifth Principal Meridian.

18

CEDAR COUNTY, IOWA

Durant

Parcel 7: The Point of Beginning being on the west line of Warren Street and on a line fifty feet northerly of and parallel to the centerline of Grantor's northerly main track; thence westerly along said line northerly of said centerline to the westerly line of Howard Street; thence normal northerly for one hundred feet; thence normal westerly one hundred sixty feet; thence normal southerly one hundred feet; thence normal westerly to the east line of Clay Street; thence normal southerly to a line twenty-two feet northerly of and parallel to said main track centerline; thence easterly along the last line intersected to the westerly line of Warren Street; thence normal northerly to the Point of Beginning; all in the South Half of Section 36, Township 79 North, Range 1 West of the Fifth Principal Meridian.

MUSCATINE COUNTY, IOWA

Wilton

Parcel 8: The Point of Beginning being on a line twenty feet northerly of and parallel to the centerline of Grantor's northerly main track and on the east line of Cypress Street; thence easterly along said line northerly of said track centerline to the East/West centerline of Section 6; thence northerly along the last line intersected to a line fifty feet northerly of and parallel to said track centerline; thence westerly along the last line intersected to said east line of Cypress Street; thence southerly along the last line intersected to the Point of Beginning; all in the Southeast Quarter of the Northwest Quarter of Section 6, Township 78 North, Range 1 West of the Fifth Principal Meridian.

Parcel 9: The Point of Beginning being on the westerly line of Chestnut Street and on a line fifty feet northerly of and parallel to the centerline of Grantor's northerly main track; thence westerly along said line northerly of said track centerline to the easterly line of Lot 11 of Block 82 extended southerly; thence southerly along the last line intersected to a line twenty-five feet northerly of and parallel to said track centerline; thence easterly along the last line intersected to said westerly line of Chestnut Street; thence northerly along the last line intersected to the Point of Beginning; all in the Southeast Quarter of Section 1, Township 78 North, Range 2 West and in the Southwest Quarter of Section 6, Township 78 North, Range 1 West of the Fifth Principal Meridian.

Parcel 10: The Point of Beginning being on the easterly line of Public Road and on a line ten feet southerly of and parallel to the centerline of Grantor's Track #4; thence easterly along the last line intersected to the westerly line of Pine Street, produced northerly; thence southerly along the last line intersected to a line fifty feet southerly of and parallel to the centerline of Grantor's northerly main track; thence westerly along the last line intersected to said easterly line of Public Road; thence northerly along the last line intersected to the Point of Beginning; all in the Northeast Quarter of the Southeast Quarter of Section 1, Township 78 North, Range 2 West of the Fifth Principal Meridian.

19

Atalissa

Parcel 11: The Point of Beginning being on the East line of Oak Street and on a line two hundred feet northerly of and parallel to the centerline of Grantor's northerly main track; thence easterly along said line northerly of said centerline three hundred five feet; thence normal southerly one hundred fifty feet; thence normal easterly to the west line of Cherry Street; thence southerly along the last line intersected to a line twenty-five feet northerly of and parallel to said track centerline; thence westerly along the last line intersected to said east line of Oak Street; thence northerly along the last line intersected to the Point of Beginning; all in the Southeast Quarter of the Southwest Quarter of Section 11, Township 78 North, Range 3 West of the Fifth Principal Meridian.

Parcel 12: The Point of Beginning being on a line twenty-five feet southerly of and parallel to the centerline of Grantor's northerly main track and on the west line of Cherry Street; thence westerly along said line southerly of said track centerline to the west line of Linn Street, produced northerly; thence southerly along the last line intersected to a line one hundred feet southerly of and parallel to said track centerline; thence easterly along the last line intersected to said west line of Cherry Street; thence northerly along the last line intersected to the Point of Beginning; all in the Southeast Quarter of the Southwest Quarter of Section 11, Township 78 North, Range 3 West of the Fifth Principal Meridian.

West Liberty

Parcel 13: The Point of Beginning being on a line fifteen feet easterly of and parallel to the centerline of Grantor's Cedar Rapids to Columbus Junction main track and on a line fifteen feet northerly of and parallel to the centerline of the Grantor's northerly Davenport to Iowa City main track; thence northerly along said line easterly of said Cedar Rapids to Columbus Junction main track centerline to the westerly extension of the south alley line of Block 4 of Moorehouse Addition to the Town of West Liberty; thence easterly along the last line intersected one hundred five feet, more or less; thence normal southerly eighty feet, more or less; thence South 36° East, more or less, for eighty-seven feet, more or less, to the north line of Fourth Street; thence South $7^{\circ} 5'$ West, more or less, to a line fifty feet northerly of and parallel to said Davenport to Iowa City northerly main track centerline; thence easterly along the last line intersected to the south line of Fourth Street; thence westerly along the last line intersected to said line fifteen feet northerly of said Davenport to Iowa City northerly main track centerline; thence westerly along the last line intersected to the Point of Beginning; all track and streets as laid out and located in the City of West Liberty; all in the West Half of the Southwest Quarter of Section 12, Township 78 North, Range 4 West of the Fifth Principal Meridian.

POLK COUNTY, IOWA

Altoona

Parcel 26: All of Grantor's interest in the north eight hundred feet of the East Half of the Southeast Quarter of Section 13 lying northerly of the southerly line of Second Street, westerly of the westerly line of Main Street, easterly of a line three hundred fifty feet easterly of and parallel to the west line of said East Half of said Southeast Quarter, and southerly of a line thirty feet southerly of and parallel to the centerline of Grantor's main track; Township 79 North, Range 23 West of the Fifth Principal Meridian.

841

20

JASPER COUNTY, IOWA

Monroe

Parcel 52: All of Grantor's interest in Lots 1, 2, 3, 4, 7, and 8 of Block 17 of the Original Town of Monroe lying northeasterly of a line twenty-five feet northerly of and parallel to the centerline of Grantor's main track; ALSO: an easement for existing buildings and other structures which extend southwesterly of said line northeasterly of said track centerline, said buildings and other structures not to be repaired or rebuilt if substantially damaged or destroyed; all in the Northeast Quarter of the Northeast Quarter of Section 36, Township 78 North, Range 20 West of the Fifth Principal Meridian.

Parcel 53: All of Grantor's interest in Lots 1, 2, 3, and 4 of Block 23 of the Original Town of Monroe lying northeasterly of a line twenty-five feet northeasterly of and parallel to the centerline of Grantor's main track; all in the Northeast Quarter of the Northeast Quarter of Section 36, Township 78 North, Range 20 West of the Fifth Principal Meridian.

Parcel 54: All of Grantor's interest in Blocks 24, 25, and 29 of the Original Town of Monroe; all in the Northeast Quarter of the Northeast Quarter of Section 36, Township 78 North, Range 20 West of the Fifth Principal Meridian and in the Northwest Quarter of the Northwest Quarter of Section 31, Township 78 North, Range 19 West of the Fifth Principal Meridian.

Parcel 55: All of Grantor's interest in Lots 3 and 4 of Block 31 of the Original Town of Monroe lying southwesterly of a line twenty-five feet southwesterly of and parallel to the centerline of Grantor's main track; all in the Northeast Quarter of the Northeast Quarter of Section 36, Township 78 North, Range 20 West of the Fifth Principal Meridian.

MARION COUNTY, IOWA

Otley

Parcel 56: All of Grantor's interest in the West three hundred feet of the North seven hundred feet of the Northeast Quarter of Section 22 lying southwesterly of a line fifty feet southwesterly of and parallel to the centerline of Grantor's main track and lying northwesterly of the centerline of Keystone Street; all in Township 77 North, Range 19 West of the Fifth Principal Meridian.

Pella

Parcel 57: All of Grantor's interest in the West Half of the West Half of the West Half of the Southeast Quarter of Section 11 and all of Grantor's interest in the East fifty feet of the East Half of the East Half of the East Half of the Southeast Quarter of Section 10, both lying southerly of a line twenty feet southerly of and parallel to the centerline of Grantor's main track and lying westerly of a line one hundred sixty feet easterly of and parallel to the West line of said Southwest Quarter of Section 11; Township 76 North, Range 18 West of the Fifth Principal Meridian.

AUDUBON COUNTY, IOWA

Brayton

Parcel 58: All of Grantor's interest in the Northeast Quarter of the Northwest Quarter of Section 19 and the Northwest Quarter of the Northeast Quarter of Section 19, both lying northerly of the North line of Main Street and lying northwesterly of a line twenty-five feet northwesterly of and parallel to the centerline of Grantor's main track; Township 78 North, Range 35 West of the Fifth Principal Meridian.

Exira

Parcel 59: The Point of Beginning being on the North line of Section 4 and on a line twenty-five feet easterly of and parallel to the centerline of Grantor's main track; thence northerly and parallel to said main track centerline to a line normal to said track centerline located fifteen hundred feet northerly of said North line of Section 4, as measured along said track centerline; thence westerly along the last line intersected one hundred twenty-five feet; thence southerly and parallel to said main track centerline to said North line of Section 4; thence easterly along said North line to the Point of Beginning; all in Lots 4 and 8 of that un-named section north of Section 4, Township 78 North, Range 35 West of the Fifth Principal Meridian.

Parcel 60: The Point of Beginning being on a line twenty-five feet easterly of and parallel to the centerline of Grantor's main track and a line normal to said main track centerline located fifteen hundred feet northerly of the North line of Section 4, as measured along said track centerline; thence easterly one hundred twenty-five feet along said line normal to said track centerline; thence southerly and parallel to said track centerline to the southerly line of Third Street, extended westerly; thence westerly along said extended street line to said line twenty-five feet easterly of said track centerline; thence northerly and parallel with said track centerline to the Point of Beginning; all in Lots 8, 11, and 12 of that un-named section north of Section 4, Township 78 North, Range 35 West of the Fifth Principal Meridian.

Audubon

Parcel 61: All of Grantor's interest in the east two hundred feet of the North Half of the Southeast Quarter of Section 20 and the West Half of the Southwest Quarter of Section 21, both lying westerly of a line twenty-five feet westerly of and parallel to the centerline of Grantor's main track and lying northerly of the northerly line of Broadway Street, produced westerly; Township 80 North, Range 35 West of the Fifth Principal Meridian.

Parcel 62: All of Grantor's interest in the West Half of the Southwest Quarter of Section 21 lying easterly of a line twenty-five feet easterly of and parallel to the centerline of Grantor's main track and lying northerly of the northerly line of Broadway Street; ALSO, an easement for buildings and other structures which extend southwesterly past said line easterly of said track centerline, said buildings and other structures not to be repaired or replaced if substantially damaged or destroyed; Township 80 North, Range 35 West of the Fifth Principal Meridian.

84

Parcel 63: All of Grantor's interest in the Southwest Quarter of the Southwest Quarter of Section 21 lying easterly of a line twenty-five feet easterly of and parallel to the centerline of Grantor's main track, lying northerly of the northerly line of South Street and lying southerly of a line two hundred fifty feet southerly of and parallel to the southerly line of Broadway Street; Township 80 North, Range 35 West of the Fifth Principal Meridian.

Parcel 64: All of Grantor's interest in the North eight hundred feet of the North Half of the Northwest Quarter of Section 28 lying easterly of a line twenty-five feet easterly of and parallel to the centerline of Grantor's main track; Township 80 North, Range 35 West of the Fifth Principal Meridian.

EXHIBIT A
(continued)

Being a description of certain properties including a railroad track, and including all rails, switches, frogs, ties, plates, spikes, ballast, sub-ballast and other appurtenances thereto, beginning near the Town of Bureau in the Northwest Quarter of Section 7, Township 15 North, Range 10 East of the 4th P.M. and terminating in the West Half of Section 12, Township 78 North, Range 4 West of the 5th P.M. near the Town of West Liberty as the centerline of said track is more particularly described below:

Bureau County, Illinois

Beginning at the intersection of the centerline of the Grantor's northerly main track and a line normal to said track centerline located 134 feet northerly of the East/West centerline of Section 7, as measured along said track centerline (E.P.S. 6106+44, M.P. 115.64); thence westerly through said Section 7, Township 15 North, Range 10 East of the 4th P.M.; thence northwesterly along said centerline through Sections 18 and 7, Township 15 North, Range 10 East of the 4th P.M.; thence westerly through Sections 12, 1, 11, 10, 9, 8, 17, 18 and 7, Township 15 North, Range 9 East of the 4th P.M.; thence continuing westerly through Sections 12 and 1, Township 15 North, Range 8 East of the 4th P.M.; thence continuing westerly through Sections 36, 35, 34, 26, 27, 28, 21, 20 and 19, Township 16 North, Range 8 East of the 4th P.M.; thence continuing westerly through Sections 24, 23, 22, 21, 20 and 19, Township 16 North, Range 7 East of the 4th P.M.; thence continuing westerly through Sections 24, 23, 14, 15, 16, 17, 8 and 7, Township 16 North, Range 6 East of the 4th P.M.;

Henry County, Illinois

Thence continuing westerly along said main track centerline through Sections 12, 11, 2, 3, 4, 5 and 6, Township 16 North, Range 5 East of the 4th P.M.; thence continuing westerly through Section 31, Township 17 North, Range 5 East of the 4th P.M.; thence continuing westerly through Sections 36, 35, 34, 27, 28, 29 and 30, Township 17 North, Range 4 East of the 4th P.M.; thence continuing westerly through Sections 25, 24, 23, 22, 21, 16, 17 and 18, Township 17 North, Range 3 East of the 4th P.M.; thence continuing westerly through Sections 13, 14, 11, 10, 9, 8 and 7, Township 17 North, Range 2 East of the 4th P.M.; thence continuing westerly through Sections 12, 11, 10 and 3 to the westerly line of Henry County, Illinois, Township 17 North, Range 1 East of the 4th P.M.;

Rock Island County, Illinois

Beginning at the intersection of the Grantor's northerly main track centerline and the Easterly line of Rock Island County; thence westerly along said track centerline, through Section 3 to a termination at a line normal to said centerline located 646.5 feet southerly of the north line of Section 4, as measured along said track centerline, (E.P.S. 9029+82, M.P. 171.03), Township 17 North, Range 1 East of the 4th P.M.

Scott County, Iowa

Beginning at the intersection of the centerline of the Grantor's Davenport to Iowa City westbound (northerly) main track and a line oriented at right angles to said track centerline located 450 feet, more or less, westerly of the westerly line of Filmore Street, produced northerly, as measured along said track centerline (M.P. 183.84, E.P.S. 9710+00), as located in the South Half of the Southeast Quarter of Section 27, Township 78 North, Range 3 East of the 5th P.M.; thence westerly along said Davenport to Iowa City westbound (northerly) main track centerline through said Section 27 and through Sections 22, 21, 16, 17, 18 and 7; all in Township 78 North, Range 3 East of the 5th P.M.; thence continuing westerly through Sections 13, 12, 11, 10, 9, 4, 5 and 6, to the westerly line of Scott County, Township 78 North, Range 2 East of the 5th P.M.

Muscatine County, Iowa

Beginning at the intersection of the centerline of said westbound (northerly) main track and the East line of Muscatine County, being also the East line of Section 1, Township 78 North, Range 1 East of the 5th P.M.; thence westerly along said centerline through said Section 1 and through Sections 2, 3, 4, 5 and 6, Township 78 North, Range 1 East of the 5th P.M.; thence continuing westerly through Section 31, Township 79 North, Range 1 East of the 5th P.M. (being in Scott County); thence continuing westerly through Sections 36, 35, 34 and 33, Township 79 North, Range 1 West of the 5th P.M. (being in Cedar County); thence continuing westerly through Sections 4, 5 and 6, Township 78 North, Range 1 West of the 5th P.M.; thence continuing westerly through Sections 1, 2, 11, 10, 9, 8, 5 and 6, Township 78 North, Range 2 West of the 5th P.M.; thence continuing westerly through Section 1, 12, 11, 10, 15, 16, 17 and 18, Township 78 North, Range 3 West of the 5th P.M.; thence continuing westerly through Sections 13 and 12 to a line oriented normally to said centerline located 439 feet northerly of the southerly line of Section 12 (E.P.S. 11660+78, M.P. 220.78) Township 78 North, Range 4 West of the 5th P.M.