

LEASE AGREEMENT

THIS AGREEMENT, made and entered into this 31 day of May, 1988, by and among the Port Authority of the City of St. Louis (hereinafter "Lessor") and Beelman River Terminals, Inc. (hereinafter "Lessee"), and Beelman Truck Co. as guarantor of Lessee.

WITNESSETH, THAT:

WHEREAS, pursuant to Ordinance 60235, the City of St. Louis (hereinafter "City") has leased to the Lessor certain land and mooring hereinafter described and commonly known as the City Municipal Terminal; and

WHEREAS, the City by law required the Lessor to obtain proposals for a long term lease; and

WHEREAS, Lessor sought out proposals and Lessee has been chosen as the highest and best,

NOW, THEREFORE, the parties agree as follows:

1. Leasehold. That, for and in consideration of the rents hereinafter reserved to be paid by Lessee to the Lessor, and the mutual covenants and agreements herein contained, the Lessor hereby leases and lets to said Lessee the following described areas and mooring privileges to wit:

Parcel 1

Beginning at a point in the eastern prolongation of the northern right-of-way line of Branch Street, 50 feet wide, being 578.53 feet east of the western wharf line; thence eastwardly along said eastward prolongation of said northern right-of-way

line of Branch Street north 68 degrees 23 minutes 24 seconds east a distance of 94.33 feet to a point near the top of Mississippi River; thence southwardly along said top of the said river bank south 09 degrees 31 minutes 42 seconds east a distance of 920.21 feet to a point in the northern line of property leased to the St. Louis Terminal Company; thence westwardly along said property line south 78 degrees 56 minutes 59 seconds west a distance of 133.00 feet to a point at the bottom of the eastern slope of the earth levee; thence along said bottom of slope north 06 degrees 49 minutes 06 seconds west a distance of 741.59 feet to a point; thence north 85 degrees 58 minutes 06 seconds west a distance of 32.73 to a point; thence paralleling the floodwall north 04 degrees 01 minutes 54 seconds east a distance of 160.00 feet to the point of beginning and containing 104,348.43 square feet or 2.3955 acres more or less.

Also Nine Hundred Twenty Linear Feet and Twenty one Hundredth of a Linear Foot (920.21 L.F.) of mooring privileges directly adjacent to the above described area.

Parcel 2

Commencing at the intersection of the southern right-of-way line of Madison Street, 60 feet wide, and the western wharf line, also said point being the northeastern block corner of City Block 290; thence eastwardly along said southern line of Madison Avenue prolongation eastwardly north 68 degrees 25 minutes 54 seconds east a distance of 193.91 feet to the true point of beginning; thence continuing eastwardly along the southern line of Madison Avenue prolongation eastwardly north 68

degrees 25 minutes 54 seconds east along the northern line Tract No. 2 lease a distance of 42.55 feet to a point; thence south 09 degrees 19 minutes 15 seconds east along said northern lease line a distance of 132.14 feet to a point; thence north 80 degrees 40 minutes 45 seconds east along said northern lease line a distance of 175.77 feet to a point; thence south 45 degrees 09 minutes 15 seconds east along said northern lease line a distance of 113.00 feet to a point in the top of the western bank of the Mississippi River; thence north 42 degrees 13 minutes 28 seconds east along said western bank a distance of 143.68 feet to a point; thence north 09 degrees 54 minutes 11 seconds west along said western bank a distance of 1986.59 feet to a point; thence north 70 degrees 58 minutes 40 seconds west along said western bank a distance of 96.35 feet to a point; thence north 35 degrees 37 minutes 28 seconds west along said western bank a distance of 217.14 feet to a point; thence north 09 degrees 37 minutes 41 seconds west along said western bank a distance 262.33 feet to a point; thence north 78 degrees 59 minutes 26 seconds west along the southern line of lease Tract No. 3 a distance of 175.18 to a point; thence south 04 degrees 11 minutes 14 seconds east a distance of 405.43 feet to a point; thence paralleling the floodwall south 14 degrees 41 minutes 59 seconds east a distance of 445.01 feet to a point; thence paralleling the floodwall south 08 degrees 25 minutes 19 seconds east a distance of 1512.00 feet to the true point of beginning containing 862,908.14 square feet or 19.8096 acres more or less.

Also Two Thousand Seven Hundred Six Linear Feet and Nine Hundredth of a Linear Foot (2706.09 L.F.) of mooring privileges directly adjacent to the above described area.

Parcel 3

Commencing at the intersection of the southern right of way line of Madison Street, 60 feet wide, and the western wharf line, also said point being the north-eastern block corner of City Block 290; thence eastwardly along said southern line of Madison Avenue prolongation eastwardly north 68 degrees 25 minutes 54 seconds east a distance of 193.91 feet to the true point of beginning; thence continuing eastwardly along the southern line of Madison Avenue prolongation eastwardly north 68 degrees 25 minutes 54 seconds east a distance of 42.55 feet along the southern line of property leased to the St. Louis Terminal Company to a point; thence south 9 degrees 19 minutes 15 seconds east a distance of 132.14 feet along the said southern property line to a point; thence north 80 degrees 40 minutes 45 seconds east a distance of 175.77 feet along the said southern property line to a point; thence south 45 degrees 09 minutes 15 seconds east a distance of 113.00 feet along said southern property line to a point in the western bank of the Mississippi River; thence south 4 degrees 27 minutes 15 seconds east a distance of 200.72 feet along said western bank to a point; thence south 4 degrees 10 minutes 15 seconds east a distance of 200.80 feet along western bank to a point; thence south 6 degrees 27 minutes 15 seconds east a distance of 100.12 feet along said western bank to a point; thence south 4 degrees 42 minutes 15 seconds east a

distance of 99.36 feet along said western bank to a point; thence south 4 degrees 19 minutes 15 seconds east a distance of 153.60 feet along said western bank to a point; thence south 81 degrees 09 minutes 06 seconds west a distance of 136.84 feet along the northern line of Tract No. 2B lease to a point; thence north 21 degrees 48 minutes 54 seconds west a distance of 376.19 feet paralleling the floodwall to a point; thence north 16 degrees 08 minutes 54 seconds west a distance of 356.23 feet paralleling the floodwall to a point; thence north 21 degrees 40 minutes 06 seconds east a distance of 37.23 feet to a point; thence north 11 degrees 56 minutes 54 seconds west, a distance of 52.00 feet paralleling the floodwall to a point; thence north 1 degree 38 minutes 34 seconds west a distance of 162.49 feet paralleling the floodwall to the true point of beginning, containing 211,399.36 square feet or 4.8531 acres more or less.

Also Seven Hundred Linear Feet (700 L.F.) of mooring privileges directly adjacent to the above described area.

The leased premises are outlined on Exhibit A, attached hereto.

2. Term. This lease agreement shall be for a period of 6 years, 8 months, 16 days, beginning on the 1st day of July, 1988, and terminating on the 17th day of March, 1995, with three (3) additional five (5) year option periods. Lessee must give six (6) months written notice to the Lessor, 1300 Convention Plaza, Suite 300, St. Louis, Missouri, 63103, prior to the expiration of the agreement or any extension thereof if it wishes to exercise an option to extend for an additional five (5) year period. 16 MAR 10

3. Rent. For the rights and privileges herein granted the Lessee agrees to pay the Lessor the following rental:

An annual rental Two Hundred Sixty Seven Thousand Dollars (\$267,000) payable at a rate of Twenty-Two Thousand Two Hundred Fifty Dollars (\$22,250) monthly in advance upon execution of this Agreement.

27,700.79  
x12  
\$ 332,465.46

The rents to be paid to the Lessor for the rights and privileges leased hereunder shall be subject to adjustments as provided by, and under the terms and conditions as set forth in "Appendix A STANDARD PROVISIONS, LEASES OF WHARF LAND AND MOORING RIGHTS", which is attached hereto and made a part hereof.

The current minimum acceptable annual lease payment is One Hundred Fifty One Thousand Fifty Eight Dollars and Five Cents (\$151,058.05), the current adjusted base rent, computed by using the Standard Provisions requirements subtracted from the annual rental amount of Two Hundred Sixty Seven Thousand Dollars (\$267,000), equals One Hundred Fifteen Thousand Nine Hundred Forty One Dollars and Ninety Five Cents (\$115,941.95) which is the constant. Any future adjustments required by terms and conditions set forth in "Appendix A STANDARD PROVISIONS, LEASES OF WHARF LAND AND MOORING RIGHTS", will be to the base rent only.

4. Repair and Rehabilitation at Commencement of Lease.

The following work shall be commenced as soon as practicable and shall be completed by July 1, 1990.

A. Current capital improvements shall include the items listed on the addendum attached hereto and made a part hereof and the following items, the cost of which will be borne

half and half or 50/50 by the Lessor and Lessee. New construction will be borne totally by Lessee.

(1) The expense of any capital improvements to existing structures on the leased premises shall be shared half and half or 50/50. Any demolition of existing structures on the premises shall be shared equally. Any new construction replacing any or all of the existing structures, except for the dock, would be at the total expense of Lessee.

(2) Repair of existing scale facilities and repair of railroad crossing at terminal entrance with asphalt or concrete will be completed and the cost will be borne by Lessee.

(3) Bumpers or fenders to prevent barges from slapping docks will be installed and the cost will be borne half and half or 50/50.

B. The current operator, St. Louis Terminal, should clean up and remove debris from the premises before vacating the facility. In the event they fail to do so, Lessee will clean up, remove and dispose of the debris.

C. Lessee agrees to repair or replace existing asphalt or oil and chip same. The remainder of the shaded area on Exhibit B will be asphalt, oil and chip or other suitable surface. Outside storage pads will be built at the expense of Lessee. Pads will be built with material that is compatible and practical with the appropriate application. The Lessor agrees to

ask the City to consider resurfacing North Market Street from North Broadway to the flood wall.

D. Lessee will repair or build a new outbound bulk barge loading system including a barge winch system at Lessee's cost.

E. Lessor has represented that the north and south dock are structurally sound. The south dock, currently under repair, will be capped with concrete after settling is complete (this may take more than two years). The north dock, completed in 1985, has a rock cap and will be capped with concrete. The cost of capping both the north and south docks will be borne 50/50 by the Lessor and Lessee. Upon completion of repair of south dock and prior to commencement of this lease, Lessee will conduct an inspection of the dock. Upon signing of this agreement, Lessor agrees to pay the cost of any future structural repairs of the docks, except Lessee will be responsible for and repair damage caused by Lessee or users.

5. General Maintenance and Repair. Lessee agrees to be responsible for all normal maintenance, repairs, general care, cleanliness and neatness of the entire facility including the dock surface. Normal maintenance and repairs as used in this agreement include maintenance and repairs that are needed due to normal wear and tear or aging of buildings or structures. In the event that structures or dock surfaces are damaged due to misuse or negligence by operator's agents, licensees and invitees then operator will repair such damage at its expense. ~~Lessee will not~~

JA  
SBB

~~operate any equipment in excess of \_\_\_\_\_ lbs. GVW unless~~ *TM*  
~~approved in advance in writing by the Lessor.~~ *SB AB*

Lessee agrees to make capital improvements to existing structures as may prove necessary in connection with the operation of a first class terminal facility. Such improvements and Lessor approval thereof (which shall not be unreasonably withheld) will be based upon increased usage and need for improved linkage for truck and rail transportation as deemed necessary by a prudent terminal operator.

Lessor and Lessee shall bear the cost of all structural repair to existing structures on a half and half or 50/50 basis. Structural repairs as used herein shall include the following:

- (1) as to existing warehouses, roof replacement, siding replacement, and sand blasting and painting, attached equipment and fixtures;
- (2) as to liquid tanks and related equipment and controls, sand blasting, painting, insulation relining; and
- (3) installation of any retaining dikes for existing tanks.

Any additional costs of new buildings or improvements shall be borne by Lessee. Contracts for capital improvements and structural repairs on which costs are to be split shall be let only after obtaining three bids, and Lessee reserves the right to

furnish such work at a cost at or below the lowest acceptable bid. Said bids shall be obtained by the Lessee.

6. Development. Lessee agrees the business to be conducted within said premises is to be that of a public river-rail-truck terminal for the handling of waterborne cargo, storage incidental to the transportation of waterborne cargo or incidental to the development of waterborne commerce, and all other activities that contribute to the development of the Port of St. Louis and terminal distribution operations as would be undertaken by a prudent terminal operator.

7. No Discrimination. Lessee agrees to provide and furnish the waterway users without discrimination or favoritism all adequate terminal services. Rates and charges for the aforesaid services shall apply indiscriminately to those who may desire to use said facilities and services.

8. Operations. Lessee, at its expense, will provide, operate and maintain the necessary merchandise and cargo handling equipment and such other equipment as may be necessary for the proper operation of the terminal.

9. Publications. Lessee shall file Operation... Circulars with the Lessor upon request, or at least annually outlining in general all services offered, terms and conditions, charges and rates for these services rendered.

10. Reporting. Lessee shall furnish Lessor statements of commodities and tonnages handled by mode of transportation through the terminal monthly. Lessor shall have the right, at all reasonable times, through its duly authorized agents, to

inspect the books and records of Lessee for the purpose of verifying the commodities and tonnage handled. Commodity inventories will be taken on the effective date of the lease and on the expiration date of the lease. Lessee will not be responsible for any inventory shortage or cargo damage prior to the effective date of the lease. The information supplied to Lessor under paragraphs 9 and 10 hereof shall be held Confidential and for Lessor use only.

11. Sublease. Lessee subleasing any portion(s) of the existing office, buildings, facilities or property shall be approved by the Lessor and City's Board of Estimate and Apportionment in advance, but however, will not result in an increase in the rent paid by the Lessee to the Lessor if additional employment occurs as a result thereof. Such approval shall not be unreasonably withheld.

12. Audits. All books and records of the Lessee shall be subject to audit by the Lessor or an independent auditor designated by the Lessor, at reasonable times and upon reasonable notice given by the Lessor to the Lessee. Any such audit will be at the expense of the Lessor and shall be held as confidential information for Lessor use only.

13. Schedules. Operator shall provide quarterly to Lessor:

- A. List of Services
- B. Marketing Plan
- C. Capital Improvement Schedule
- D. Maintenance Items of Previous 3 Months

The Lessor will inspect the facility for all maintenance and repairs of the entire facility as well as the general care of the entire leased premises as is required of the Lessee; including the dock and dock surface and all improvements thereto. The Lessor will conduct quarterly inspections.

The Lessor will conduct an annual meeting with the operator to review operations and marketing strategies as well as maintenance schedule and capital improvements. The Lessee will be required to perform the necessary maintenance and/or capital improvements as required by the lease. The Lessee agrees to respond to reasonable suggestions and requirements to marketing plan.

14. Improvements. Lessee agrees that all permanent capital improvements and facilities installed on the premises shall become the property of the Lessor, and become a part of the terminal facilities. All site plans for improvements must be coordinated with and approved by the Lessor and the City's Board of Public Service in advance. Permanent capital improvements as used in this paragraph applies to structures that cannot be removed. Objects, facilities and equipment that are portable or moveable are not a permanent capital improvement and will remain the property of the Lessee.

15. Use. Lessee covenants that it will carry out a full scale terminal operation at all time and that it will utilize the premises to the fullest extent possible, in accordance with good operative procedures of a prudent Lessee.

16. Representations by Lessee. Lessee understands and agrees that it serves as a representative of the Lessor and shall conduct itself accordingly. As the Lessor's representative, Lessee shall carry out its operations in the best interest of the City. In so doing, it will cooperate with the authorities of the St. Louis Office of Business Development to (1) encourage business to expand and locate in the City of St. Louis; and (2) effect the efficient and harmonious development of the St. Louis Port District.

17. Insurance. Lessee shall maintain a policy of insurance for fire and extended coverage for the value of the replacement cost for capital improvements (excluding the docks) within the leasehold. Further, the Lessee, on said policy, shall name the City of St. Louis and the Lessor as additional insureds, as their interests may appear.

In the event flood insurance is not available at reasonable cost, Lessee shall not be required to obtain such coverage.

18. Security. On the first day of each year beginning with the first day of this Lease, the Lessee shall deposit with the Lessor the sum of \$2,500.00 in escrow to guarantee that the leasehold shall, on the termination date of this Lease, be left in a condition as required by this Lease. No further payments need be made when the principal and accumulated interest reaches a total of \$50,000. The principal sum plus interest earned shall be paid over to the Lessee within thirty days of the termination of this Lease upon request of the Lessee and the satisfaction of

the said director. In the event that the director has reasonable grounds, necessary damages may be deducted from the escrow.

19. Incorporation. The terms of this lease will incorporate by reference the Beelman Truck Co. proposal submitted March 11, 1988, and the City of St. Louis Port Authority Request for Proposal to Lease and Operate the City Municipal Terminal. Any inconsistencies shall be governed by lease terms.

20. Letter of Credit. Lessee shall provide an irrevocable letter of credit to secure all lease payments, in satisfactory form.

21. Financing. Lessor shall use its best efforts to assist Lessee in obtaining low interest financing for capital improvements to the extent available.

22. Representations by Lessor. Lessor covenants, warrants and agrees that: (i) Lessor has received no written notice from anyone stating, or from which it reasonably may be inferred, that any "hazardous substance" as defined in Section 101(14) of the Comprehensive Environmental Response, Compensation and Liability Act, as amended [42 U.S.C. §9601(14)] is present at the leased premises; and (ii) Lessor shall see to it that cleanup or removal of any hazardous substance takes place and Lessor shall indemnify, defend and hold Lessee harmless from any claims or actions by any governmental authority or other third party with respect to (i) cleanup or removal costs associated with any hazardous substances, including asbestos or PCB's, at the Premises, except for any claims or actions resulting from any hazardous substance contamination caused by Lessee and (ii) any

claim or cause arising from the ownership or operation of the premises or terminal prior to the commencement of this lease.

23. Standard Provisions. This lease includes Appendix A, Standard Provisions, which are attached hereto and made a part hereof.

24. No Constructive Waiver. No waiver of any forfeiture, by acceptance of rent or otherwise, shall waive any subsequent cause of forfeiture, or breach of any condition of this lease; nor shall any consent by the Lessor to any assignment or subletting of said premises, or any part thereof, be held to waive or release any assignee or sub-lessee from any of the foregoing conditions or covenants as against him or them; but every such assignee and sub-lessee shall be expressly subject thereof.

25. Non-appropriation. The parties agree that Lessor, being a governmental entity, has the limitation of appropriation on its financial obligations herein.

26. Successors. Whenever the word "Lessor" is used herein it shall be construed to include the heirs, executors, administrators, successors, assigns or legal representatives of the Lessor; and the word "Lessee" shall include the heirs, executors, administrators, successors, assigns or legal representatives of the Lessee and the words Lessor and Lessee shall include single and plural, individual or corporation, subject always to the restrictions herein contained, as to subletting or assignment of this lease.

IN WITNESS WHEREOF, the said parties aforesaid have  
duly executed the foregoing instrument or caused the same to be  
executed the day and year first above written.

THE PORT AUTHORITY COMMISSION  
OF THE CITY OF ST. LOUIS

BEELMAN RIVER TERMINALS, INC.

Thomas R. Nash, Chairman      Sam Beelman V.P.

The obligations of Lessee under the aforesaid lease (excluding  
any obligation which arises from a casualty loss which is not  
fully insured) are hereby guaranteed by the undersigned.

BEELMAN TRUCK CO.

By Frank Beelman Pres.

STATE OF MISSOURI    )  
                                  )    SS.  
CITY OF ST. LOUIS    )

On this 31st day of May, 1988, before me  
personally appeared Thomas R. Nash, Chairman to me  
known to be the person described in and who executed the  
foregoing instrument, and acknowledged that he  
executed the same as Chairman, his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and  
affixed my official seal in the City and State aforesaid, the day  
and year first above written.

William A. Bake  
Notary Public

WILLIAM A. BAKE  
NOTARY PUBLIC, STATE OF MISSOURI  
MY COMMISSION EXPIRES 3/17/92  
ST. LOUIS COUNTY

STATE OF MISSOURI    )  
                                  )    SS.  
CITY OF ST. LOUIS    )

On this 31st day of May, 1988, before me  
appeared Sam Beelman to me personally  
known, who, being by me duly sworn, did say that he is the  
Vice President of Beelman River Terminals, Inc. a  
Corporation of the State of Missouri, and that the seal  
affixed to the foregoing instrument is the corporate seal of said  
corporation, and that said instrument was signed and sealed in  
behalf of said corporation, by authority of its Board of  
Directors; and said he acknowledged said  
instrument to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the City and State aforesaid, the day and year first above written.

William A. Bake  
Notary Public

WILLIAM A. BAKE  
NOTARY PUBLIC, STATE OF MISSOURI  
MY COMMISSION EXPIRES 3/17/92  
ST. LOUIS COUNTY

STATE OF MISSOURI )  
                                  ) SS.  
CITY OF ST. LOUIS )

On this 31<sup>st</sup> day of May, 1988, before me appeared Frank Beelman to me personally known, who, being by me duly sworn, did say that he is the President of Beelman Truck Co. a Corporation of the State of Delaware, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation, by authority of its Board of Directors; and said he acknowledged said instrument to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the City and State aforesaid, the day and year first above written.

William A. Bake  
Notary Public

WILLIAM A. BAKE  
NOTARY PUBLIC, STATE OF MISSOURI  
MY COMMISSION EXPIRES 3/17/92  
ST. LOUIS COUNTY

Approved: May 19, 1988  
BOARD OF ESTIMATE AND APPORTIONMENT  
Gene C. Ryan  
SECRETARY

APPENDIX "A"

STANDARD PROVISIONS

LEASES OF WHARF LAND AND MOORING RIGHTS

1. The base rate of \$.09375 per square foot of land and \$9.375 per linear foot of mooring may be adjusted at five year intervals beginning January 1, 1989 upon recommendation of the Lessor and approval of the City. No such recommendation may be made by the Lessor unless within 180 days before January 1, on which the adjusted rates are to become effective, the Lessor shall conduct a public hearing with due notice to the public and to the users of City owned land and mooring rights. The maximum adjustment which can be recommended and approved shall be 25% of the base rates set out in the first sentence of this section. Each adjustment shall be added to the base rate plus any previous adjustments and the resultant rate shall be called the current adjusted base rate. If the recommended adjustment to the base rate by the City is in excess of 15%, the recommended raise of rate shall be approved by resolution of the Board of Aldermen. If the City Board of Aldermen fails to act before the effective date of the rate, the rate then shall be automatically adjusted by 15%.

2. The above mooring area or leased parcel shall be used by Lessee only for purposes consistent with the lawful use of said area. Structures or major alterations shall be made in accordance with plans and specifications approved by Lessor through the City Board of Public Service. Upon the expiration, termination, or cancellation of the lease agreement, the Lessee shall remove all and any vessels, boats, watercraft or other practical movable structures from the mooring, without expense to the Lessor, unless authorized by Section Eleven (11). In the event said vessels, boats, watercraft or other practical movable structures are not removed within ninety (90) days after receipt of notice by the Lessee, the Lessor may take possession of said vessels, boats, watercrafts or other practical movable structures or may cause same to be removed at the expense of the Lessee.

Written notice when required shall be deemed to be sufficient and delivered when deposited in the certified U.S. Mail and sent to Lessee's last known address.

3. During the term of this lease or renewal or extension thereof, the Lessee agrees to abide by all City Ordinances, State Laws, Federal Laws, Coast Guard, Corps of Engineers and any other properly applicable governmental regulatory requirements and to call to the attention of the proper enforcement authorities, any violation thereof by others on the leased premises of which Lessor has actual knowledge. Failure to do so on the part of the Lessee shall be considered a breach of this contract.

4. Lessee agrees to hold Lessor harmless for all limits of liability and to defend the Lessor from any and all claims for injuries or damages resulting from or rising out of Lessee's use of the leased premises or mooring area described herein; and that it will at all times during the term of this lease at its own cost, and for the benefit of the Lessor, protect the Lessor with Public Liability and Property Damage Insurance, issued in the name of Lessee and naming the City and Lessor as named insureds, covering each person up to \$500,000 with an overall limit as to all persons for each accident of \$1,000,000 and \$1,000,000 for property damage, approved by the City Counselor as to form and by the Comptroller as to surety and reserving the right of recovery by the Lessor in the event of damage to City owned property, which shall be filed with the Lessor before the lease is issued. Said insurance coverage must be maintained during the life of this lease, and any renewal or extension thereof.

Included in the insurance policy shall be coverage requiring immediate removal of the vessel when the vessel is damaged or sunken from any cause whatsoever. This clause shall be expressed as a specific warranty by the insurance company regardless of cause.

The Lessee shall notify or cause the insurance company to notify the Lessor of the renewal of said insurance or cancellation of same. Failure to do so shall be considered a breach of this lease.

5. Upon the nonpayment of said rent at the time when the same becomes due, or upon the nonperformance by the Lessee of any of the substantive covenants hereinbefore or hereinafter mentioned, or those specifically covered herein, the Lessor, at its election may terminate this lease, provided that the Lessee shall, after notice of nonpayment or default, have thirty (30) days to cure any such nonpayment and ninety (90) days to cure any other default. The failure and omission of the Lessor to declare this lease forfeited upon the default of said Lessee in the payment of said rents as the same become due, or the nonperformance of any of the substantive covenants to be performed by the Lessee, shall not operate to bar, abridge, or destroy the right of the Lessor to declare this lease null and void upon any subsequent breach, forfeiture or cause therefore by the Lessee.

6. Lessee agrees to pay ad valorem taxes on boats, vessels, aircraft or watercraft and on operation of same that may be moored on said leased area or any operations within said leased area, including all other owned property and equipment, and it is agreed that the Lessee will not deny the authority of the proper assessing agency to assess ad valorem taxes on said improvements. The Lessee reserves the right to question the amount of such assessment in any court of competent jurisdiction or other tribunal established by law to correct the valuation of the property on which the assessment of such tax is based. Failure to do so shall be considered a breach of the terms of this lease. All barges in the transit shall be exempt.

7. If the Lessee remains in possession of the leased premises after the expiration of the terms for which it is leased and the Lessee pays rent and the Lessor accepts said rent, such possession shall be construed as creating a month-to-month tenancy and not a renewal or extension of this lease but such month-to-month tenancy shall not continue for more than one (1) year.

8. The Lessor reserves the right to modify, amend, or cancel said lease as set forth in paragraph 9 hereof in the event the premises are needed for right-of-way, sewer or Floodwall construction purposes or any other municipal purposes or uses. Municipal purposes or uses shall include economic development in the Port District, but shall exclude any proposed use or purpose directly or indirectly relating to the fleeting of barges. "Fleeting of barges" is defined as the temporary mooring or storage of barges regardless of duration, for redeployment to a river tow or to a dock.

9. In the event that any portion of the leased parcel or mooring area shall be needed for any municipal purpose, subject to the same exclusion set forth in paragraph 8 above, sewer, right-of-way, Floodwall or Floodwall construction, as set forth in paragraph 8 hereof, the Lessor shall have the right to modify, amend, or cancel this lease upon one (1) year's written notice thereof to Lessee and eliminate such portion of the leased or mooring area as shall be needed for such purpose. In such event, it is agreed and understood by Lessee that no claim or action for damages or other compensation shall arise or be allowed by reason of such termination or modification. Written notice when required shall be deemed to be sufficient and delivered when deposited in the Certified U.S. Mail and sent to Lessee's last known address.

10. If this lease is amended or modified under the provisions of Sections Eight (8) or Nine (9), the current rent shall be adjusted in direct proportion to the change made in the leased area. If the remaining area is not suitable to the Lessee, Lessee shall have the right to terminate this lease without penalty by written notice within 90 days after receipt of the notice to amend provided by Section Nine (9).

11. In the event this lease is cancelled, modified or amended under the provisions of Sections Eight (8) or Nine (9), the Lessor shall cause the Lessee to be reimbursed for the undepreciated cost of the capital improvements (not removable) the Lessee has made and paid for and not prorated to the Lessee's

customer or paid for by Lessee's customer. Such capital improvement being only those which have been made pursuant to the written approval of the Lessor and those improvements in place on the date hereof whether or not approved by the above. It is agreed and understood that the term capital improvements shall not include wharf boats, vessels or other floating or transferable stationary improvements. Such reimbursement shall be made by or as a part of the cost of the intended new use. Reimbursement will not be based on anticipated profits, and no funds from City general revenue shall be used for this purpose.

In the event that the rate for service to the customer has been increased to cover the cost of the capital improvements, this accumulated increased cost shall be deducted before the undepreciated cost of the capital improvements is determined.

12. The Lessee shall have the right to terminate this lease upon service of one (1) year's written notice and the payment of an additional one (1) year's rental which shall accompany such notice. The payment of the additional year's rental shall not relieve Lessee of the obligation to pay the current year's rental as provided herein.

13. Any sublease or assignment of this lease, change in corporate structure, or any rights thereunder, shall be valid only with the approval of the Lessor. If approved, all parts of this lease are binding on sublessor or assigns.

14. This lease may be cancelled at the option of the Lessor if, at any time during the term of this lease, the person or persons who on the date of execution of this lease own or owns a majority of the Lessee's voting shares of stock, ceases or cease to own majority of such shares, except as the result of transfer(s) by gift or inheritance, or public work offering pursuant to the Securities and Exchange Act of 1934, as amended, or merger into or consolidation with another corporation.

Sale of a portion or all of the assets of the Lessee, or sale or transfer of the lease by the Lessee, without Lessor approval makes this lease subject to cancellation at the option of the Lessor.

If sale, transfer or assignment of Lessee's stock is approved, all parts of this lease are binding on the purchaser, transferee or assignee.

15. The Lessee agrees not to erect any barrier, fence or supporting structures or store any materials on the Floodwall itself or twenty-five (25) feet on either side of the Floodwall.

16. Any delinquent payment shall bear interest from the date due at prime rate plus two (2%) percent. Prime rate shall be that average rate as established by Mercantile Trust, Boatmen's Bank and Centerre National Bank of the City of St. Louis.

17. The Lessee shall not store any garbage or trash on the Wharf or mooring area, but must keep the area neat and free of all trash and rubble. Further, the Lessee shall prohibit and enforce the ruling that no trash or articles of any sort shall be thrown overboard or into the river. The Lessee shall enforce this clause on any craft or vehicle servicing the Lessee. Failure to do shall be considered a breach of this lease.

The Lessee shall have responsibility for the housekeeping on the Improved Wharf immediately in front of the mooring area. Failure to maintain this area as required by this lease and all other City ordinances when directed by the Board of Public Service with the approval of the Port Commission shall result in the cancellation of this lease.

18. Upon execution of this lease, the Lessee shall, at his own expense, have this lease recorded by the City's Recorder of Deeds and have the City Register make a microfilm of the lease.

19. AFFIRMATIVE ACTION PROGRAM TO INSURE NON-DISCRIMINATION AND FAIR EMPLOYMENT PRACTICES.

Lessee agrees that in performing under this contract neither it nor anyone under his control will permit discrimination against any employee, worker, or applicant for employment because of race, creed, color, religion, national origin or ancestry, sex, age, handicap, or veteran's status.

If Lessee is unable to conform to the approved positive employment program submitted to determine eligibility under the fair employment practice provisions of the City code, Lessee will notify the Civil Rights Enforcement Agency, Civil Courts Building, St. Louis, Missouri, to determine steps to be taken by the Lessee to achieve the provisions of the City's program.

20. After expiration of this lease and the Lessee operates on a month-to-month basis, all articles of the lease continue to apply for one year only.

21. Annually, the Lessee must present to the Lessor a marine survey of the safety of the facilities operated by them.

22. All vessels must be moored in line parallel to the Floodwall and there shall be no mooring in such number as to violate any applicable permits obtained by Lessee from the U.S. Corps of Engineers without approval of the Lessor.

23. No auxiliary craft shall be moored to any craft covered by this lease except for public safety reasons and maintenance. Maintenance craft may be moored during the period maintenance is taking place.

24. Other than as to installations in existence on the date hereof which shall not be subject to the requirements set forth herein, after notice to the Lessor, Lessee shall have the right to install, or modify the installation or use of, deadmen and mooring cells on the bank adjacent to Lessee's mooring area in accordance with plans and specifications approved by a licensed marine engineer for such installation, or modification of the installation or use thereof. Lessee must obtain the proper permits from the City, State and Federal regulatory agencies. Lessee shall have the right to ingress and egress to the mooring facilities over the land between the Floodwall and the mooring area leased herein.

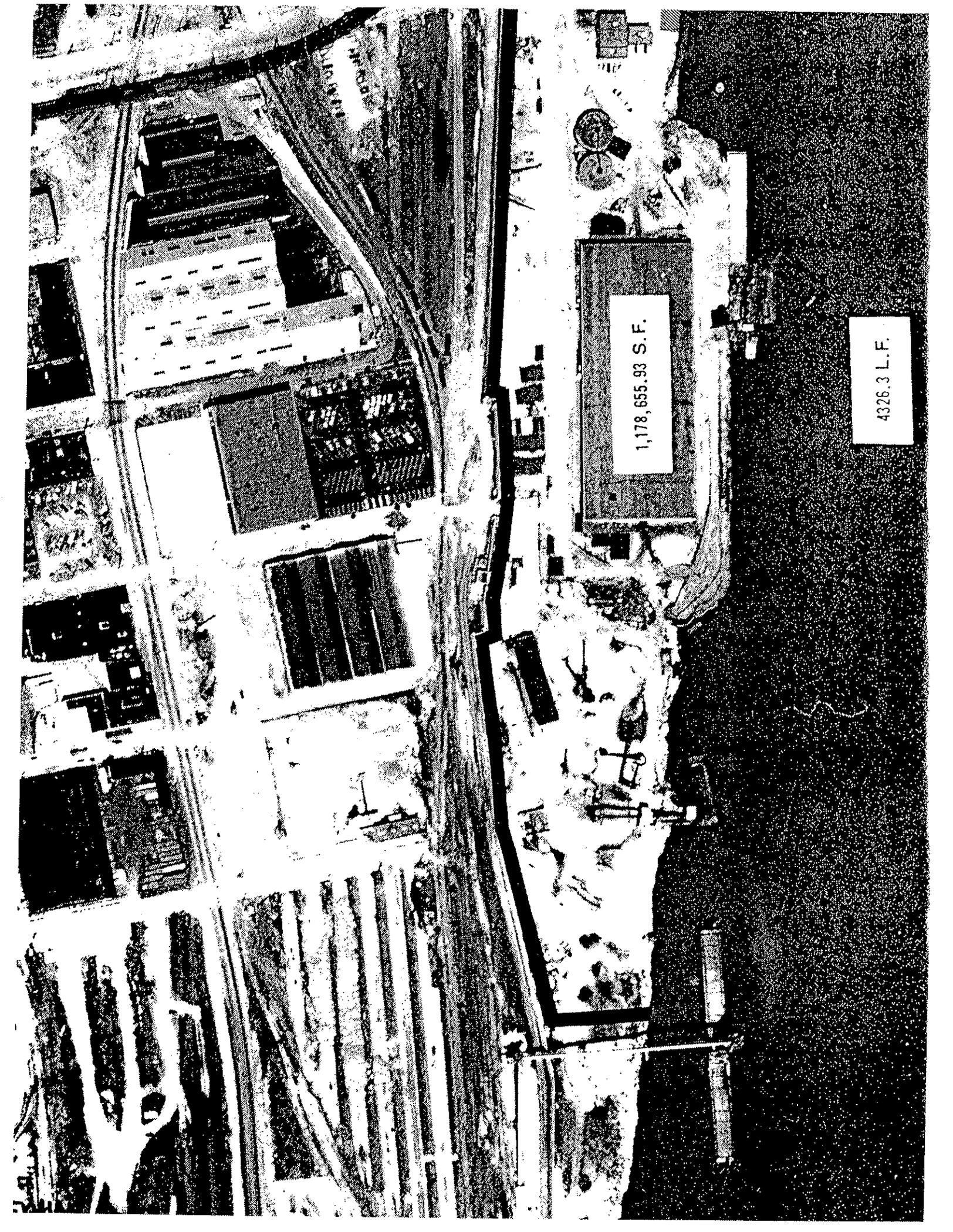
25. This lease in its entirety covers all the covenants and agreements between the Lessor and Lessee and can only be changed, renewed, or extended in writing signed by the Lessor and Lessee. The lease of Wharf property may not be extended to cover a period of time exceeding a total of 25 years as provided by Article I, Section 1(16), City Charter.

26. The terms and conditions of this lease shall be binding  
on Lessee's heirs, successors or assigns.



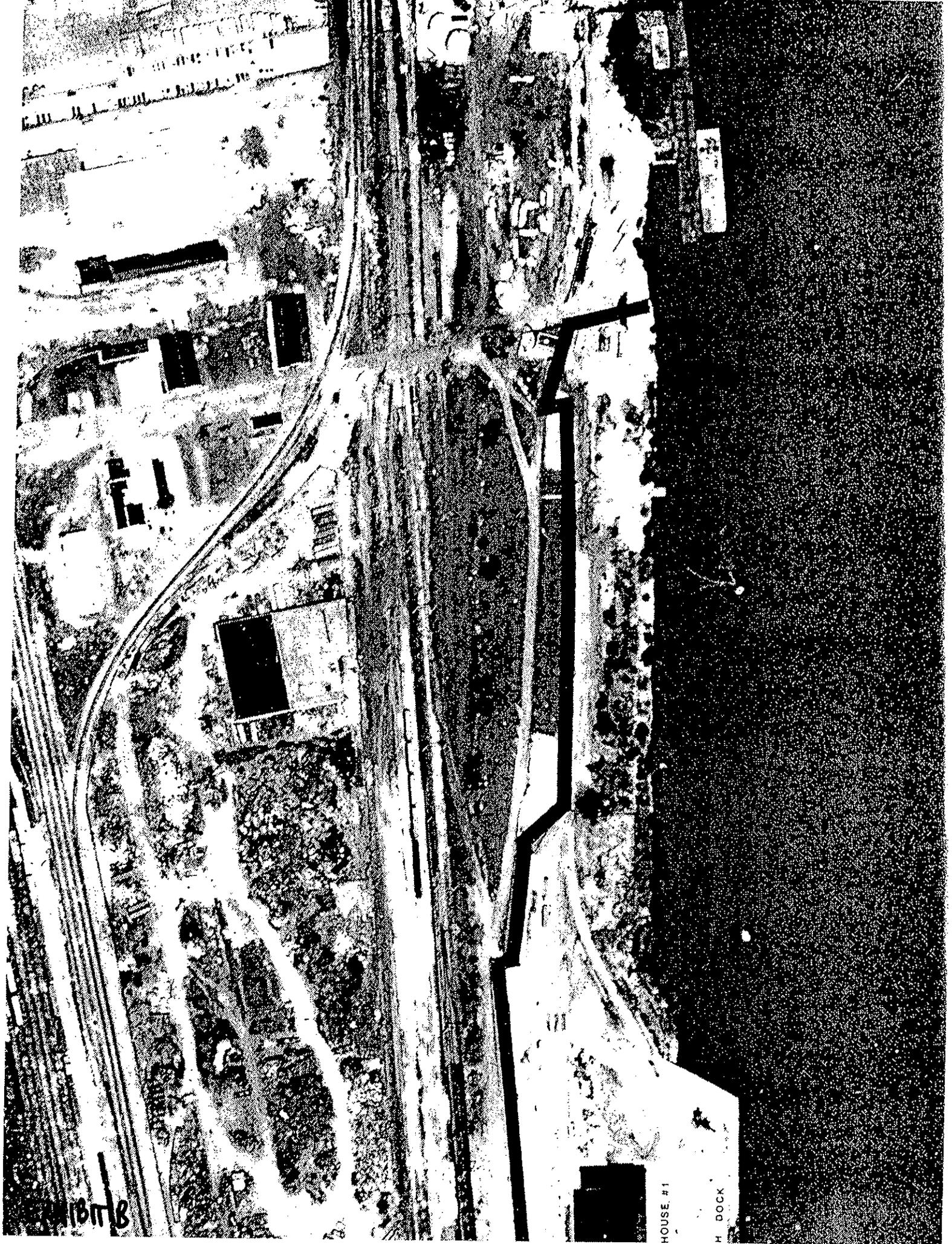
Key

Shaded Area 



1,178, 655.93 S. F.

4326.3 L. F.

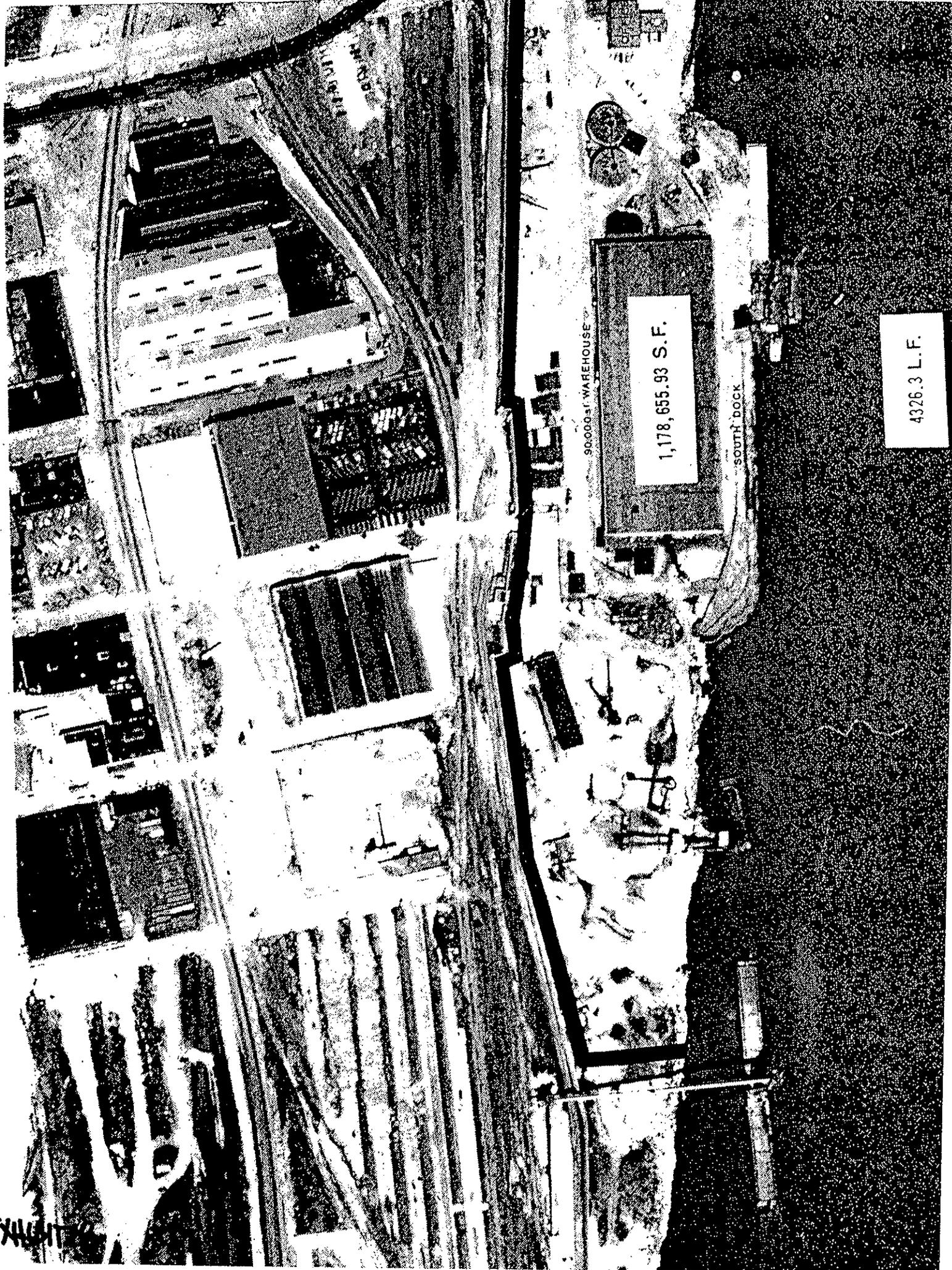


HOUSE #1

H DOCK

118118

EXHIBIT



90,000 sq. ft. WAREHOUSE

1,178,655.93 S. F.

SOUTH DOCK

4326.3 L. F.

ADDENDUM

To lease between Port Authority of the City of St. Louis and Beelman River Terminals, Inc.:

a. Building #1 is estimated to require \$111,300.00 worth of repairs. A building of this age and design with 36 steel posts obstructing storage and access should not be rehabilitated unless a specific customer with a specific need is located and business secured. Only then would a repair budget be formulated and agreed upon.

b. Building #2 is estimated to require \$4,750.00 worth of repairs. This building shall be repaired as recommended.

c. Building #3 is estimated to require \$163,575.00 worth of repairs. A building of this age, design and condition should not be rehabilitated, but shall be used for one or two years then demolition would probably be recommended.

d. There is presently adequate general cargo warehouse space at the facility. Adequate dry storage is available in warehouse #2 on the north dock as well as in the 90,000 sq. ft. warehouse on the south dock. However, judging from the age of the buildings, new roofs and exterior siding panel repair and painting shall be done.

LEASE AGREEMENT

THIS AGREEMENT, made and entered into this 31 day of May, 1988, by and among the Port Authority of the City of St. Louis (hereinafter "Lessor") and Beelman River Terminals, Inc. (hereinafter "Lessee"), and Beelman Truck Co. as guarantor of Lessee.

WITNESSETH, THAT:

WHEREAS, pursuant to Ordinance <sup>68572</sup>~~60235~~, the City of St. Louis (hereinafter "City") has leased to the Lessor certain land and mooring hereinafter described and commonly known as the City Municipal Terminal; and

WHEREAS, the City by law required the Lessor to obtain proposals for a long term lease; and

WHEREAS, Lessor sought out proposals and Lessee has been chosen as the highest and best,

NOW, THEREFORE, the parties agree as follows:

1. Leasehold. That, for and in consideration of the rents hereinafter reserved to be paid by Lessee to the Lessor, and the mutual covenants and agreements herein contained, the Lessor hereby leases and lets to said Lessee the following described areas and mooring privileges to wit:

Parcel 1

Beginning at a point in the eastern prolongation of the northern right-of-way line of Branch Street, 50 feet wide, being 578.53 feet east of the western wharf line; thence eastwardly along said eastward prolongation of said northern right-of-way

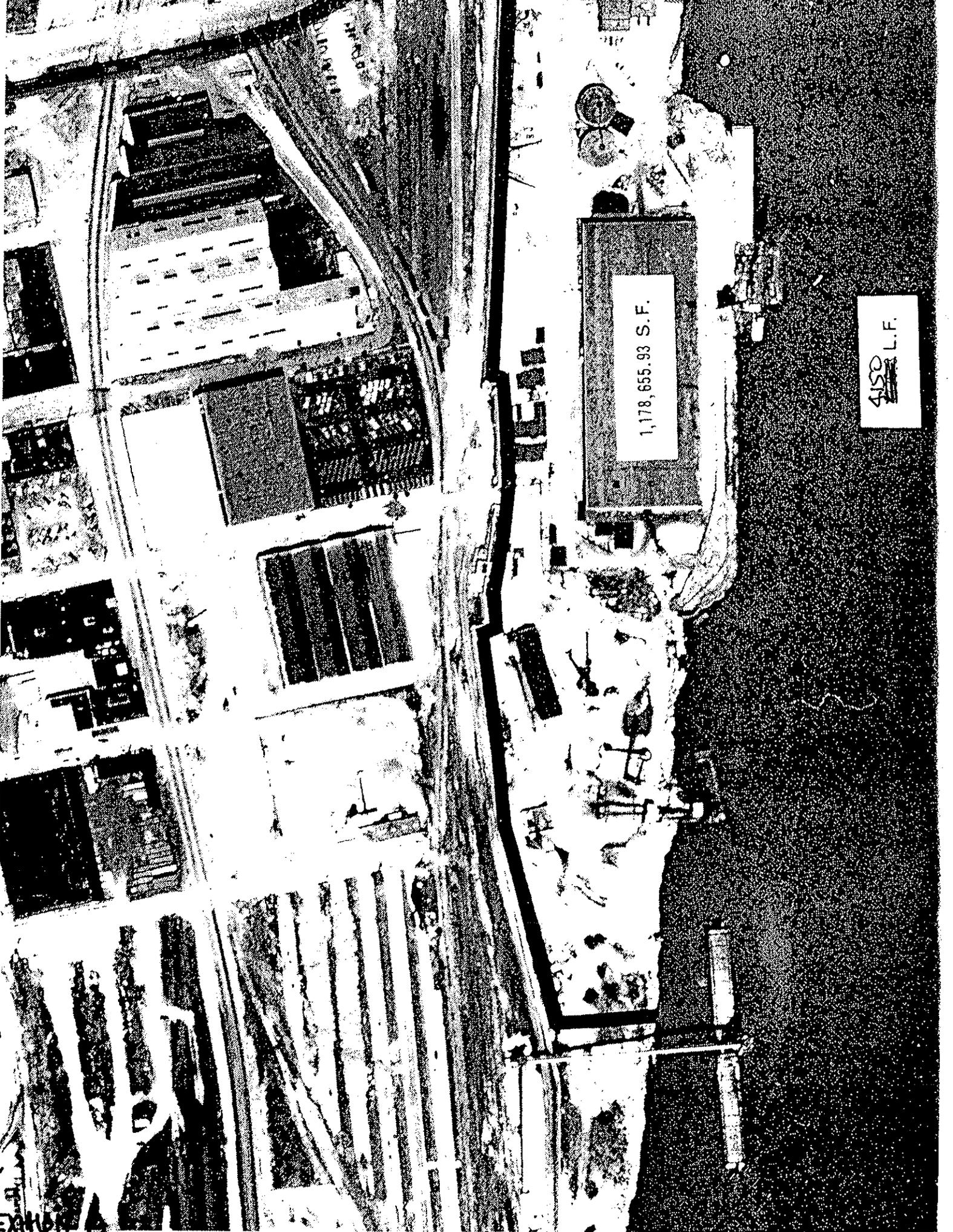
Five Hundred Twenty Three and Seven Tenths

distance of 99.36 feet along said western bank to a point; thence south 4 degrees 19 minutes 15 seconds east a distance of 153.60 feet along said western bank to a point; thence south 81 degrees 09 minutes 06 seconds west a distance of 136.84 feet along the northern line of Tract No. 2B lease to a point; thence north 21 degrees 48 minutes 54 seconds west a distance of 376.19 feet paralleling the floodwall to a point; thence north 16 degrees 08 minutes 54 seconds west a distance of 356.23 feet paralleling the floodwall to a point; thence north 21 degrees 40 minutes 06 seconds east a distance of 37.23 feet to a point; thence north 11 degrees 56 minutes 54 seconds west, a distance of 52.00 feet paralleling the floodwall to a point; thence north 1 degree 38 minutes 34 seconds west a distance of 162.49 feet paralleling the floodwall to the true point of beginning, containing 211,399.36 square feet or 4.8531 acres more or less.

Also ~~Seven Hundred~~ Linear Feet (<sup>523.7</sup>~~700~~ L.F.) of mooring privileges directly adjacent to the above described area.

The leased premises are outlined on Exhibit A, attached hereto.

2. Term. This lease agreement shall be for a period of 6 years, 8 months, 16 days, beginning on the 1st day of July, 1988, and terminating on the 17th day of March, 1995, with three (3) additional five (5) year option periods. Lessee must give six (6) months written notice to the Lessor, 1300 Convention Plaza, Suite 300, St. Louis, Missouri, 63103, prior to the expiration of the agreement or any extension thereof if it wishes to exercise an option to extend for an additional five (5) year period.



1,178,655.93 S. F.

4150  
L.F.



90,000 S.F. WAREHOUSE

1,178,655.93 S.F.

SOUTH DOCK

4150  
L.F.