

RENT – Guiding Principle

DRAFT - FOR DISCUSSION PURPOSES ONLY

February 27, 2008

Principle Eight: The agreement shall include provisions to complete retirement of the debt used to purchase the Panhandle Line, to continue to maintain and invest in the line, and to compensate the ORDC for its work in administering the agreement.

The lease must include provisions, either through the payment of rent to the ORDC or other mechanisms, to retire the debt used to purchase the line and any other debt that is incurred to defease those bonds or invest in the infrastructure of the line, to maintain the line to certain minimum standards, to provide or contribute to long-term infrastructure improvements, and to reasonably compensate the ORDC for the costs of administering the agreement. At the same time, the rent provisions in the lease will consider the impact that the financial obligations of the agreement will have on the shippers using the line and on the operating railroad.