SUPPLEMENT TO
OFFER TO PURCHASE

DATE: OCTOBER 8, 1990

PARTIES: CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY
("Seller")

REGENTS OF THE UNIVERSITY OF MINNESOTA
("Buyer")

The undersigned, Chicago and North Western Transportation Company ("Seller") and the Regents of the University of Minnesota ("Buyer"), are parties to an Offer to Purchase dated June 11, 1990. This document is a supplement to that Offer to Purchase.

RECITALS:

A. In accordance with the Offer to Purchase, Seller has conducted an environmental study (the "environmental study") of property identified in the Offer to Purchase (hereafter "said premises").

B. The environmental study performed by Seller shows contamination on a portion of said premises which is alleged to have been deposited in an area formerly occupied by Republic Creosoting Company as a creosoting plant. This contamination consists of polynuclear aromatic hydrocarbons and other constituents of creosote as identified in the environmental study (collectively "the PAH contamination").

C. In accordance with the Offer to Purchase, on July 24, 1990, the Buyer notified Seller that the condition of the soil and environmental conditions as indicated by the report would materially interfere with the Buyer's use of said premises.

D. In order to cure this defect, the Seller has agreed to perform further environmental studies, perform appropriate cleanup activities and remediation of the PAH contamination located on said premises to a degree acceptable to the Minnesota Pollution Control Agency. Seller further agrees to defend and indemnify the Buyer in case of any claim arising from the environmental condition of the property.

AGREEMENT:

Therefore, the Seller and Buyer agree to supplement the Offer to Purchase as follows:

1. **Defense and Indemnity.** The Seller agrees to indemnify and defend Buyer and its successors and assigns, including all persons hereafter acquiring an ownership interest in said premises, from and against any and all liability, loss, cost, damage and expense, including witnesses and attorneys' fees, resulting from the PAH contamination or any other environmental contamination identified in the environmental study or any further or subsequent environmental study performed by the Seller, the MPCA, or the U.S.E.P.A. with respect to said premises. This

provision is intended to refer to studies conducted or required to be conducted as a part of the environmental review referred to in this agreement and the notification and review by governmental agencies (hereafter "such studies"). Any such study begun within five years of the date of this agreement will be included within this agreement. Any studies begun after that time will be presumed to be outside the agreement unless the parties can demonstrate to the contrary. This provision shall only apply to PAH contamination or other environmental contamination that was present on said premises prior to closing. This provision is intended for the benefit only of the Buyer and its representatives, successors and assigns and shall give rise to no right or claims against Seller by any other person.

2. **Hazardous Waste Activities.** The Seller agrees to dispose of, remove and clean up and take such measures to remediate the PAH contamination or any other environmental contamination identified in such studies performed by the Seller, MPCA or U.S.E.P.A. with respect to said premises as may be required by the MPCA and is approved by the Buyer, which approval shall not be unreasonably withheld. The Seller agrees to complete the environmental investigations and any remedial action in a timely manner and in a manner which does not delay or hinder Buyer's use of said premises. The Seller further agrees to perform remedial activities to the extent required by State and Federal laws, consistent with any schedules prescribed by MPCA and the agencies

responsible for the enforcement of those laws, and to the satisfaction of the Buyer, whose approval shall not be unreasonably withheld, it being understood that environmental investigation in addition to that contained in the environmental study, and remediation, may require several years to implement and may require the use of a portion of said premises. Seller will provide Buyer access to all future studies, feasibility studies, remedial action plans, or other such documents prepared with respect to said premises.

3. **Access.** Buyer agrees to grant Seller access and, where necessary, easements to perform any necessary environmental studies or remedial actions with respect to the real estate. This provision shall not be construed to include any permanent or long term use of said premises as part of a remedial action, but shall include provisions for any necessary monitoring facilities. For purposes of this agreement, Seller's use shall not, without Buyer's consent, which shall not be unreasonably withheld, extend for more than three years from the date hereof.

4. **Other Rights.** Except as provided herein, this agreement shall not affect any other rights the parties may have against other persons or against each other.

5. **Term.** This supplement to the Offer of Purchase shall survive closing and shall be fully enforceable by either party after transfer of title.

CHICAGO AND NORTH WESTERN
TRANSPORTATION COMPANY

By Richard B Taylor

Its VICE PRESIDENT - REAL ESTATE

REGENTS OF THE UNIVERSITY
OF MINNESOTA

By G.M. Donhowe

G.M. Donhowe, Sr. Vice President
for Finance and Operations