

Nixon, Hargrave, Devans & Doyle

Attorneys and Counselors at Law

Lincoln First Tower

Post Office Box 1051

Rochester, N. Y. 14603

(716) 546-8000

SUITE 701
1666 K STREET, N. W.
WASHINGTON, D. C. 20006
(202) 872-0044

247 ROYAL PALM WAY
POST OFFICE BOX 1027
PALM BEACH, FLORIDA 33480
(305) 659-6255

June 18, 1979

9-170A165

JUN 19 1979

10518

RECORDATION NO. Filed 1425

50.00

JUN 19 1979 - 1 40 PM

Washington, D. C.

Mrs. Mildred Lee
Room 1227
Interstate Commerce Commission
12th and Constitution Avenue
Washington, D. C. 20423

Dear Mrs. Lee:

On behalf of our client, EFH Leasing Corporation, enclosed for filing pursuant to the provisions of Section 20 c of the Interstate Commerce Act are an original and one certified copy of the Security Agreement dated June 14, 1979 between Urbandale Palm Beach Development Corporation having its principal office at 3250 South Ocean Blvd., Palm Beach, Florida, as debtor, and EFH Leasing Corporation having its principal office at One West Main Street, Rochester, New York, as secured party.

The Security Agreement cover 13 34,000 Gallon DOT 105A 300W Non-Coiled and Insulated Tank Cars manufactured by Richmond Tank Car Company. The Tank Cars bear AAR reporting marks BCDX 426-431 and BCDX 446-452. These Tank Cars are subject to a Railcar Equipment Lease dated February 22, 1979 between EFH Leasing Corporation, as lessor, and Borden Chemical, Division of Borden Inc., as lessee, which lease was filed with the Interstate Commerce Commission on March 7, 1979, Recordation No. 10178.

Enclosed is a check in the amount of \$50 payable to the Interstate Commerce Commission in payment of the required recordation fee.

Very truly yours,

Joseph H. Reynolds
Joseph H. Reynolds

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I.C.C.
JUN 19 1 36 PM '79

RECEIVED

JHR:mb
Enclosures

Joseph H. Reynolds
Joseph H. Reynolds

JUN 19 1979 - 1 40 PM

CERTIFICATION

INTERSTATE COMMERCE COMMISSION

I hereby certify that I have compared the attached copy of the Security Agreement dated June 14, 1979 between Urbandale Palm Beach Development Corporation as debtor and EFH Leasing Corporation as secured party, with the original document and that it is a true and correct copy in all respects.

June 18, 1979

Mary Jo Salmon

Notary Public

MARY JO SALMON
Notary Public in the State of New York
MONROE COUNTY, N.Y.
Commission Expires March 30, 1981

Security Agreement

Agreement dated June 14, 1979 between Urbandale Palm Beach Development Corporation, a Florida corporation having its principal office at 3250 South Ocean Blvd., Palm Beach, Florida ("Debtor") and EFH Leasing Corporation having its principal office at One West Main Street, Rochester, New York ("Secured Party").

Debtor and Secured Party have entered into a Loan Agreement of even date ("Agreement") with Marine Midland Bank ("Bank") and have jointly executed a promissory note payable to the order of Bank in the amount of \$620,620.00 ("Note"). Secured Party is joint obligor on the Note as an accommodation to Debtor. As a further accommodation, The E. F. Hutton Group Inc., parent corporation of Secured Party, has guaranteed payment of the Note pursuant to a separate agreement with the Bank.

The proceeds of the loan from the Bank to Debtor evidenced by the Note will be used to pay the purchase price of 13 Railroad Tankcars purchased by Debtor from Richmond Tank Car Company and leased to Borden Chemical, Division of Borden, Inc.

In consideration of the premises, the parties agree as follows:

1. Debtor hereby grants to Secured Party a security interest in the 13 Railroad Tankcars described in Schedule A attached to this Agreement and any and all substitutions, replacements and accessories thereto ("Tankcars").

2. In addition Debtor hereby grants to Secured Party a security interest in all of Debtor's rights under a certain Railcar Equipment Lease ("Lease") dated as of February 22, 1979 between Secured Party and Borden Chemical, Division of Borden, Inc. which rights were acquired by Debtor under an agreement dated May 7, 1979. The Tankcars and Lease are hereinafter collectively referred to as the "Collateral."

3. The Collateral is given to secure the obligations of Secured Party on the Note and of The E. F. Hutton Group Inc., as guarantor.

4. Debtor shall be in default under this Security Agreement upon failure to make any payment on the Note within ten days after the applicable due date or upon the happening of any of the events of default specified in the Note.

5. Upon a default under this Security Agreement, Secured Party shall have all the rights and remedies of a secured party available under law.

6. This Security Agreement shall be subject to the right of the lessee under the Lease to use and possess

the Tankcars so long as such lessee is not in default under the Lease.

IN WITNESS WHEREOF, the parties have caused this Security Agreement to be duly executed as of the date first above written.

URBANDALE PALM BEACH DEVELOPMENT CORPORATION (Debtor)

By *A. L. Green*
Its *Pres*

EFH LEASING CORPORATION (Secured Party)

By *Walter E. Waller*
Its *President*

ACKNOWLEDGEMENTS

On this 12th day of June, 1979 before me personally appeared S. LYON SACHS, to me personally known, who being duly sworn, says he is the PRESIDENT of Urbandale Palm Beach Development Corporation, that this Security Agreement was signed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution thereof was the free act and deed of said corporation.

Luth W. Bundesheim
Notary Public of Florida at Large
My Commission Expires July 14, 1979
Bonded by American Fire & Casualty Co.

On this 13th day of June, 1979 before me personally appeared Walter F. Wallace, to me personally known, who being duly sworn, says he is the President of EFH Leasing Corporation, that this Security Agreement was signed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution thereof was the free act and deed of said corporation.

Mary Jo Salmon
Notary Public

MARY JO SALMON
Notary Public in the State of New York
MONROE COUNTY, N.Y.
Commission Expires March 30, 1981

Schedule A

General Specifications:

34,000 G DOT 105A 300W Non-Coiled and Insulated
Tank Cars manufactured by Richmond Tank Car
Company as per R.T.C. Est. No. 2945-TS.

Quantity

Railroad Identifying Marks

13 Tankcars

BCDX 426-431

BCDX 446-452

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