

FEB 8 - 1971 - 3 35 PM

INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT RE LEASES AND LEASED EQUIPMENT

COAST TO COAST LEASING, INC., an Illinois corporation (the "Debtor"), whose post office address is 4625 West 55th Street, Chicago, Illinois 60632, in order to secure the payment of the indebtedness described below of the Debtor to HARRIS TRUST AND SAVINGS BANK (the "Secured Party"), whose address is 111 West Monroe Street, Chicago, Illinois, hereby mortgages and pledges to the Secured Party, and grants to the Secured Party a security interest in, the following:

(a) All of the equipment described in Schedule A attached hereto and made a part of this Agreement, being property leased and delivered under that certain Car Service Agreement dated December 6, 1968 (the "Lease") by and between the Debtor, as Lessor, and ANACONDA WIRE AND CABLE COMPANY, as Lessee (the "Lessee"), and all substitutions for or replacements of any such equipment and all accessories, attachments, accessions or equipment now or hereafter attached or appertaining to such equipment or used in connection therewith; and

(b) All rents and other sums due and to become due to the Debtor under and pursuant to the Lease and/or any schedule or schedules executed pursuant thereto, together with all other contract rights or privileges or remedies of the Debtor under the Lease with respect to, and all other proceeds of, the equipment, accessories, attachments and accessions referred to in item (a) above. The Debtor warrants that the aggregate amount of fixed rents which will accrue and become payable over the term of the Lease for the equipment described in item (a) is not less than \$ 63,535.00.

All of the equipment, accessories, accessions and attachments described or referred to in item (a) above are hereinafter sometimes referred to as "Equipment" and all of the rentals and other sums and proceeds described or referred to in item (b) above are hereinafter sometimes collectively referred to as "proceeds", and such Equipment and proceeds are hereinafter sometimes collectively referred to as "collateral".

The collateral shall at all times constitute and be security for the payment of:

(i) the promissory note(s) of the Debtor payable to the order of the Secured Party, bearing the date(s) and being in the original principal or face amount(s), respectively, as set forth below:

<u>Date</u>	Original Face or <u>Principal Amount</u>
12-19-68	\$23,000.00

(ii) any and all other indebtedness, liabilities and obligations of the Debtor to the Secured Party, whether now existing or hereafter arising, whether direct or indirect, absolute or contingent or joint or several or joint and several and howsoever held, owned or acquired.

All of the foregoing described indebtedness, liabilities and obligations of the Debtor to the Secured Party are hereinafter referred to as the "secured indebtedness."

The Debtor further warrants and agrees:

1. The Equipment has been delivered to and accepted by the Lessee and the Lease is the valid and subsisting obligation of the Lessee in accordance with its terms. Except for the security interest granted herein and the right of the Lessee to the use and possession of the Equipment under the Lease, the Debtor is the owner of the collateral, free from any liens, security interests, encumbrances or other right, title or interest of any other person, firm or corporation. The Debtor has not granted any option to the Lessee to purchase the Equipment, except: (If none, so state.)

None

2. The Debtor will do and perform such other acts and things and execute and deliver such further instruments as may be deemed necessary or appropriate by the Secured Party to preserve, protect and renew the security interest herein provided, including any and all financing statements or supplements thereto or amendments thereof. Without limiting the foregoing, the Debtor will, at its own expense, take such action to enforce the remedies of the Lessor under the Lease and to collect the rentals as may from time to time be reasonably requested by the Secured Party. There is no financing statement now on file in any public office in which the Debtor is named as or signs as a secured party or assignor or debtor covering any of the collateral, except the financing statement filed or to be filed in respect of the security interest provided for herein and the financing statement, if any, which has been executed by the Debtor and the Lessee to protect and preserve the rights of the Debtor, as a secured party, in and to the Equipment leased to the Lessee under the Lease. There has been delivered to the Secured Party a true and correct executed copy of the Lease and such copies so delivered to the Secured Party are, for the purposes of Article 9 of the Uniform Commercial Code, the original copies of the Lease. Any executed copies of the Lease retained by the Debtor have an appropriate legend thereon disclosing the security interest granted to the Secured Party hereunder.

3. The Debtor hereby irrevocably constitutes and appoints the Secured Party as the true and lawful attorney, with full power of substitution, for the Debtor and in the name of the Debtor and in place and stead of Debtor to make, collect, sue for, receive, receipt for, compound and give acquittance for any and all rentals and other sums due and to become due under the Lease and for all other proceeds, with full power to settle, adjust or compromise any claim therefor as fully as the Debtor could itself do, and to endorse the name of the Debtor on all commercial paper given in payment

or in part payment thereof and in its discretion to file any claim or to take any action or proceeding in the name of the Debtor or its own name or otherwise which the Secured Party may deem necessary or appropriate to collect any and all sums which may become due or payable under the Lease or which may be necessary or appropriate to protect and preserve the security interest of the Secured Party hereunder in and to such proceeds and the Equipment. The Secured Party may, whether before or after any default hereunder, notify the Lessee or any other person owing or obligated in respect of any proceeds of the security interest of the Secured Party hereunder and require payment directly to the Secured Party of all rentals and other sums and proceeds. In the event the Debtor shall for any reason receive any proceeds, then the Debtor shall forthwith account for and transmit the same to the Secured Party in the same form as received by the Debtor and the Debtor will not commingle such proceeds with any other property or assets of the Debtor.

4. The collateral is used or bought for use and will be used primarily for business use. The Debtor's chief place of business and place where the Debtor keeps its records regarding the proceeds is the address of the Debtor shown at the beginning of this Agreement.

5. The Debtor will not, without prior written consent of the Secured Party:

(a) sell or offer to sell any of the collateral or any part thereof or attempt so to do, except pursuant to purchase option, if any, in respect of the Equipment heretofore granted by the Debtor to the Lessee and described in Section 1 hereof and then only upon payment to the Secured Party of the full amount of the purchase price of such Equipment;

(b) terminate, modify or accept the surrender of, or offer or permit any termination, modification or surrender of the Lease, except pursuant to and in full compliance with the present provisions, if any, of the Lease with respect to the Lessee's right to terminate the Lease as to any or all of the units of Equipment and then only upon the payment to the Secured Party of the full amount of the settlement provided for in respect to such termination; and

(c) permit any substitution of the Equipment under the Lease, except pursuant to and in full compliance with the provisions, if any, for such substitution now contained in the Lease and then only if in connection with and prior to any such substitution the Debtor shall have executed and delivered to the Secured Party an agreement supplemental hereto describing such Equipment so to be substituted and making such Equipment subject to security interest provided herein and all the terms hereof.

In the event of any termination sale, or substitution permitted under this Section 5, the Secured Party will, so long as no default hereunder has occurred and is continuing and subject to due compliance with all terms and provisions of this Section 5, execute and deliver to Debtor a release or termination of the security interest of the Secured Party in and to the unit or units of Equipment so sold, in respect of which the Lease was so terminated or for which other Equipment was substituted, as the case may be.

6. The Debtor (a) will not use or permit any of the Equipment to be used in violation of any statute or ordinance, (b) will from time to time pay and discharge or cause to be paid and discharged all taxes, assessments and governmental charges imposed upon or against the collateral or any part thereof and will not suffer to exist any mechanic's, laborer's statutory lien, or other charge or encumbrance of any kind on the collateral or any part thereof (other than such taxes, assessments, charges and liens, the validity and amount of which is being contested in good faith by the Debtor and by appropriate proceedings), (c) will maintain, preserve and keep the Equipment in safe and good repair, working order and condition, (d) will keep, or cause the Lessee to keep, the Equipment insured to full insurable value thereof against fire, theft, windstorm, and other hazards, as the Secured Party may require (with loss payable to Secured Party as its interest may appear), and shall furnish and deposit with the Secured Party such insurance policies or certificates or other satisfactory evidence of maintenance of such insurance. If the Debtor shall fail to comply with any of the covenants contained in this Section 6, the Secured Party may advance funds to, and may perform the same and any and all amounts expended by the Secured Party shall, with interest thereon at 8% per annum, constitute a part of the secured indebtedness hereunder and shall be payable forthwith; but no such act or expenditure by the Secured Party shall relieve the Debtor from the consequence of such default.

7. Any one of the following shall constitute an event of default for the purposes hereof:

(a) Default for a period of 10 days in the payment when due (whether at maturity or at a date fixed for prepayment, or by acceleration or otherwise) of the secured indebtedness or of any part or installment thereof;

(b) Default in the due observance or performance by the Debtor of any other covenant, condition or agreement required to be observed or performed by the Debtor by the terms of any instrument evidencing any of the secured indebtedness, or this Agreement, and such default shall continue for 10 days after written notice thereof to the Debtor by the Secured Party;

(c) Default in the due observance or performance by the Lessee of any covenant, condition or agreement required to be observed or performed by the Lessee under the terms of the Lease and such default shall continue for a period of time sufficient to permit the Lessor thereunder to exercise any one or more of the remedies of the Lessor set forth in the Lease;

(d) Any representation or warranty made by the Debtor to the Secured Party in writing herein, or in any statement or certificate furnished by the Debtor to the Secured Party pursuant to any terms of this Agreement or in connection with the creation of any of the secured indebtedness evidenced by the promissory note(s), proves untrue in any material respect as of the date of the issuance or making thereof;

(e) The Debtor becomes insolvent or bankrupt or admits in writing its inability to pay its debts as they mature, or makes an assignment for the benefit of creditors or

applies or consents to the appointment of a trustee or receiver for the Debtor or for the major part of its property;

(f) A trustee or receiver is appointed by the Debtor or for the major part of its property and is not discharged within 30 days after such appointment;

(g) Bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other proceedings for relief under any bankruptcy law or similar law for the relief of debtors, are instituted by or against the Debtor and, if instituted against the Debtor, are consented to or are not dismissed within 30 days after such institution.

8. Debtor agrees that upon the occurrence of any of the events of default set forth in Section 7 hereof, the full amount remaining unpaid on the secured indebtedness shall at the option of the Secured Party, by notice in writing to the Debtor, be and become due and payable forthwith, and the Secured Party shall (subject to the rights, if any, of the Lessee under the Lease) then have the rights, options, duties and remedies of a secured party under, and the Debtor shall have the rights and duties of a debtor under the Uniform Commercial Code (regardless of whether such Code or a law similar thereto has been enacted in the jurisdiction where the rights or remedies are asserted), including without limitation the right in the Secured Party to exercise all of the rights, privileges and remedies of the Debtor as lessor under the Lease as may be provided for under the Lease or by applicable law, whether in the name of the Secured Party or the name of the Debtor for the use and benefit of the Secured Party, or to take possession of the Equipment and of anything found therein, and the right for that purpose without legal process to enter any premises where the Equipment may be found. Any requirement of said Code for reasonable notification of the time and place of any public sale, or of the time after which any private sale or other intended disposition is to be made, shall be met by giving the Debtor at least 5 days' prior written notice of the time and place of any public sale or the time after which any private sale or any other intended disposition is to be made. The proceeds of disposition of the collateral upon a default shall be applied first to the reasonable expenses of retaking, holding, preparing for sale, selling and the like, including the reasonable attorneys' fees and legal expenses incurred by the Secured Party in connection therewith or in collecting or protecting any of the secured indebtedness, and then to the satisfaction of the secured indebtedness or such part thereof as the Secured Party may deem proper. Each and every one of the remedies provided for herein shall be cumulative and shall be in addition to every other remedy or right given herein or in any other instrument evidencing, or related to, the secured indebtedness, or any part thereof, or now or hereafter existing at law or in equity or by statute. The failure of the Secured Party to exercise any right or remedy hereunder shall not be a waiver thereof nor preclude the later exercise thereof.

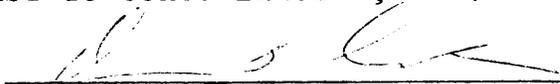
9. This Agreement and all of the rights and liabilities hereunder and the security interest in and to any and all of the collateral shall inure to the benefit of the Secured Party and its successors and assigns and shall be binding upon the Debtor and its successors and assigns. This Agreement and all of the rights and obligations hereunder, including matters of construction, validity and performance, shall be governed by the laws of the State of

Illinois, including the Uniform Commercial Code of Illinois, excepting only that if any of the Equipment is located in any other state or jurisdiction, the law of such state, including the Uniform Commercial Code of that state shall govern the security interest of the Secured Party hereunder in and to the Equipment so located in that state; and wherever reference herein is made to the Uniform Commercial Code, such reference shall be deemed to be the Uniform Commercial Code of the State of Illinois or such other state as may be applicable. To the extent any provisions of this Agreement are prohibited by law of any state such provisions as to such state shall be ineffective to the extent of such prohibition without invalidating or affecting the remaining provisions hereof. To the extent legally possible, the Debtor hereby waives the benefit of any law providing for any exemption or for any stay or for any appraisal whether now or hereafter in force. Whenever any written notice is required under the provisions of this Agreement, such notice shall be deemed to have been given when deposited in the United States mail, postage prepaid, and addressed to the party hereunder to whom such notice is to be given at its address as set forth at the head of this Agreement.

10. This Agreement shall become effective as and when it is executed by the Debtor and delivered to the Secured Party, and it shall not be necessary for the Secured Party to execute any acceptance hereof or otherwise evidence acceptance hereof. However, the Secured Party may execute any copy of this Agreement for the purpose of filing the same as a financing statement under the Uniform Commercial Code of any state at any time and from time to time as the Secured Party may feel it advisable so to do.

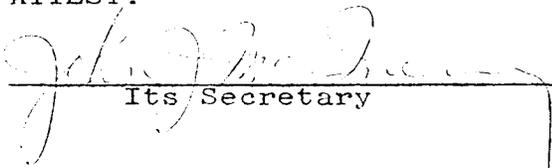
Executed by the Debtor this 1st day of December,
1970.

COAST TO COAST LEASING, INC.

By 
Its President

(CORPORATE SEAL)

ATTEST:


Its Secretary

SCHEDULE A

<u>CLASS OR TYPE OF CAR</u>	<u>APPROXIMATE CAPACITY CUBIC FEET</u>		<u>MONTHLY RENTAL (PER CAR)</u>
Special Cars - Formerly B. F. Goodrich Granu-Flow Rail Car	2,800	3,600	
Rail Car Serial Nos.	CTAX-11003	CTAX-11002	\$655.00 Each
Classification	"LO" Series	"LO" Series	
Load Capacity	100 Tons	100 Tons	
Light Weight	57,400 lbs.	66,700 lbs.	
Tank Width	10'8"	10'8"	
Length Over Strikers	41'9"	52'3"	
Truck Centers	30'9"	41'3"	
Wheels	38" Dia. (Std. 36" Dia.)	36" Dia.	
Discharge	4" & 6" Dia. Either Side	4" Either Side	
Air Inlet	3" Dia. Either Side	3" Dia. Either Side	
Operating Pressure	Up to 25P.S.I.	Up to 25P.S.I.	
Air Requirements	450-600 SCFM	450-700 SCFM	
Interior Lining	{ Lined Per FDA } { Requirements }	{ Lined Per FDA } { Requirements }	
Bearings	Roller Type	Roller Type	

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this 1st day of December, 1970,
before me personally appeared Wuane B. Clark,
to me personally known, who being by me duly sworn, says that he
is the President of COAST TO COAST LEASING, INC., that the
seal affixed to the foregoing instrument is the corporate seal
of said corporation, that said instrument was signed and sealed
on behalf of said corporation by authority of its Board of
Directors, and he acknowledged that the execution of the foregoing
instrument was the free act and deed of said corporation.

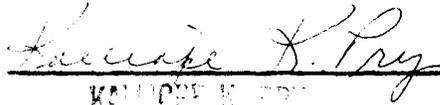
W. B. Clark

(SEAL)

My commission expires: April 20, 1972.

STATE OF ILLINOIS)
)
COUNTY OF COOK) SS

I do hereby certify that I have compared the attached copy of the Security Agreement Re Leases and Leased Equipment between COAST TO COAST LEASING, INCORPORATED and HARRIS TRUST AND SAVINGS BANK, dated as of December 1, 1970 with the original of that agreement, and I further certify that this attached copy is a true and correct copy of said Security Agreement Re Leases and Leased Equipment.


KATHERINE K. PRY

(SEAL)

My commission expires: _____