

RECORDATION NO. **10855** Filed 1425

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8-274A041

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Fee \$ 50.00

Interstate Commerce Commission
Washington, D. C.

INTERSTATE COMMERCE COMMISSION

ICC Washington, D. C

Gentlemen:

Enclosed for recordation under the provisions of 49 U.S.C. §11303 are the original and two counterparts of a Security Agreement dated as of July 31, 1979.

A general description of the railroad rolling stock covered by the enclosed document is set forth in Schedule A attached to this letter and made a part hereof.

The names and addresses of the parties are:

Debtor: Greenbrier Leasing Corporation
708 Main Street
Oregon City, Oregon 97045

Secured Party: O-T-D Corporation
797 Eagle Drive
Bensenville, Illinois 60106

The undersigned is the Secured Party mentioned in the enclosed document and has knowledge of the matters set forth therein.

Please return the original Security Agreement to Thomas W. Heenan, Esq., Chapman and Cutler, 111 West Monroe Street, Chicago, Illinois 60603.

Also enclosed is a check in the amount of \$50.00 covering the required recording fee.

Very truly yours,

O-T-D CORPORATION

By Paul E. Oke
Its President

Enclosures

RECEIVED
OCT 1 2 43 PM '79
I.C.C.
FEE OPERATION BR.

Handwritten signature

SCHEDULE A

DESCRIPTION OF EQUIPMENT:

One hundred seventy-two (172) OTDX 6000 Series railroad container cars, bearing the identifying symbol "OTDX" and bearing car numbers 6000 to 6174, both inclusive, but excluding numbers 6073, 6087, and 6108.

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SECURITY AGREEMENT

INTERSTATE COMMERCE COMMISSION

THIS SECURITY AGREEMENT, made and entered into as of the 31st day of July, 1979, by and between GREENBRIER LEASING CORPORATION, a Delaware corporation (hereinafter referred to as the "Debtor"), and O-T-D CORPORATION, a Delaware corporation (hereinafter referred to as the "Secured Party");

W I T N E S S E T H:

WHEREAS, pursuant to that certain Asset Purchase Agreement dated as of July 31, 1979 (the "Asset Purchase Agreement") between the Debtor and the Secured Party, the Secured Party has agreed to sell to the Debtor, and the Debtor has agreed to buy from the Secured Party, the properties and assets of the Secured Party described therein (the "Assets") and the Secured Party has agreed to render certain services and assistance to the Debtor in consideration of the payments specified therefor in the Asset Purchase Agreement;

WHEREAS, said sale of the Assets pursuant to the Asset Purchase Agreement is to be made subject to the rights of LaSalle National Bank, a National banking association ("LaSalle") as Secured Party under the Note, Loan and Security Agreement dated September 22, 1972, as amended (the "LaSalle Security Agreement"), and subject to the rights of The Goodyear Tire & Rubber Company, an Ohio corporation ("Goodyear"), as Lessee under the Railroad Equipment Lease dated as of November 1, 1971 entered into by Goodyear with the Secured Party as Lessor;

WHEREAS, as part of the consideration for the sale of the Assets to the Debtor by the Secured Party pursuant to the Asset Purchase Agreement, the Debtor has agreed to assume and in due course to pay, perform, fulfill and discharge the Assumed Obligations, as defined in the Asset Purchase Agreement, which Assumed Obligations include, without limitation, the LaSalle Security Agreement; and

WHEREAS, all of the requirements of law have been fully complied with and all other acts and things necessary to make this Agreement a valid, binding and legal instrument have been done and performed by the Debtor;

NOW, THEREFORE, in consideration of the covenants and representations hereinafter set forth and of the sum of Ten Dollars (\$10.00) received by the Debtor from the Secured Party and other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, and in order to secure the performance and observance of all of the obligations, covenants and conditions contained in this Agreement, the Asset Purchase Agreement (including, without limitation, the obligation of the Debtor to pay

for the services and assistance of the Secured Party provided for therein), and the LaSalle Security Agreement, the Debtor hereby grants to the Secured Party, its successors and assigns, a security interest in the following of its assets and properties (hereinafter collectively referred to as the "collateral"):

(a) One hundred seventy-two (172) OTDX 6000 Series railroad container cars, bearing the identifying symbol "OTDX" and bearing car numbers 6000 to 6174, both inclusive, but excluding numbers 6073, 6087, and 6108 (the "Cars");

(b) All right, title and interest of the Debtor as lessor under the Lease, including all payments and other sums due and to become due with respect to the Equipment thereunder, together with the right at any time, without prior written notice thereof, either in Secured Party's or in the Debtor's name, to take all such proceedings, legal, equitable, or otherwise for enforcement of the Lease and collection of sums due thereunder that Debtor might take; and

(c) United States Patent No. 3,690,272 issued September 12, 1972.

SUBJECT, HOWEVER to (a) the right, title and interest of Goodyear under the Lease, (b) the rights of Lasalle under the LaSalle Security Agreement, (c) the lien of current taxes and assessments not in default (but only if such taxes are entitled to priority as a matter of law), or, if delinquent, the validity of which is being contested in good faith (collectively "Permitted Encumbrances"), and (d) this Security Agreement and any rights granted hereunder.

1. COVENANTS AND WARRANTIES. The Debtor covenants, warrants and agrees as follows:

1.1. Ownership. The Debtor is lawfully seized and possessed of the collateral and has good right, full power and authority to convey, transfer and grant a security interest in such collateral to the Secured Party for the uses and purposes herein set forth. Except for Permitted Encumbrances, the Debtor is, as to collateral now owned, and will be, as to all collateral hereafter acquired, the owner thereof free from any liens, security interests, encumbrances or other right, title or interest of any other person, firm or corporation. Without limiting the foregoing, there is no financing statement in which the Debtor is named as debtor or has signed as debtor now on file in any public office

covering any of the collateral except the financing statement filed or to be filed in respect of the security interest provided for herein.

1.2. Further Acts. The Debtor will do, execute, acknowledge and deliver all and every further acts, deeds, coveyances, transfers and assurances necessary or proper for the better assuring, conveying, assigning and confirming of the security interest of the Secured Party in the collateral. Without limiting the foregoing, the Debtor covenants and agrees that it will cause this Agreement and all agreements supplemental hereto and all financing statements, continuation statements, renewal affidavits and notices required by applicable law at all times to be kept recorded and filed at its own expense in such manner and in such places as may be required by the Secured Party in order fully to preserve and protect the perfection and priority of the security interest herein granted and the rights of the Secured Party hereunder.

1.3. Performance of Obligations. The Debtor will promptly pay, perform, fulfill and discharge its obligations and agreements under the Asset Purchase Agreement and under the LaSalle Security Agreement.

1.4. Non-compliance. If the Debtor shall fail to comply with any covenant contained in the Asset Purchase Agreement or the LaSalle Security Agreement with respect to the procuring of insurance, the payment of taxes, assessments and other charges, or the keeping of the collateral in repair and free of other liens, the Secured Party may make advances to perform the same; and the Debtor agrees to repay all sums so advanced upon demand, with interest at the highest rates permitted by law after demand, and all sums so advanced together with the interest thereon shall become so much additional indebtedness hereby secured; but no such advance shall be deemed to relieve the Debtor from any default hereunder.

2. POSSESSION AND USE OF COLLATERAL. While the Debtor is not in default hereunder it shall be suffered and permitted to remain in full possession, enjoyment and control of the collateral and to manage, operate and use the same and each part thereof with the rights and franchises appertaining thereto; provided always, that the possession, enjoyment, control and use of the collateral shall at all times be subject to the observance and performance of the terms of this Agreement and the LaSalle Security Agreement.

3. EVENTS OF DEFAULT AND REMEDIES.

3.1. Nature of Events. An "Event of Default" shall exist if any of the following occurs and is continuing:

3.1.1. Principal, Interest and Other Payments-- the Debtor fails to make any payment required under the Asset Purchase Agreement or any payment of principal, interest or premium on the Note under the La Salle Security Agreement and on the Note under the Asset Purchase Agreement;

3.1.2. Covenant of Defaults-- the Debtor fails to comply with any provision of the Asset Purchase Agreement, the LaSalle Security Agreement or this Security Agreement, and such default shall not have been waived by the Secured Party under the LaSalle Security Agreement or by the Secured Party hereunder (as appropriate) or remedied within ten (10) days after receipt by Debtor of written notice from the Served Party under the LaSalle Security Agreement or from the Secured Party hereunder (as appropriate);

3.1.3. Warranties or Representations-- any warranty, representation or other statement by or on behalf of the Debtor contained in the Asset Purchase Agreement or this Security Agreement or in any instrument furnished in compliance with or in reference to the Asset Purchase Agreement or this Security Agreement or the La Salle Security Agreement is false or misleading in any material respect;

3.1.4. Involuntary Bankruptcy Proceedings-- a receiver, liquidator or trustee of the Debtor or all or substantially all of its property, is appointed by court order and such order remains in effect for more than 60 days; or the Debtor is adjudicated bankrupt or insolvent; or all or substantially all of its property is sequestered by court order and such order remains in effect for more than 60 days; or a petition is filed against the Debtor under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within 60 days after such filing;

3.1.5. Voluntary Petitions--Debtor files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under any such law;

3.1.6. Assignment for Benefit of Creditors, etc.-- the Debtor makes an assignment for the benefit of its creditors, or admits in writing its inability to pay its debts generally as they become due, or consents to the appointment of a receiver, trustee or liquidator of the Debtor or of all or substantially all of its property; and

3.1.7. Undischarged Final Judgments--final judgment or judgments for the payment of money aggregating in excess of \$50,000

is or are outstanding against the Debtor and such judgment has been outstanding for more than 60 days from the date of its entry and has not been discharged in full, paid in full or stayed.

3. 2. Remedies on Default. When any such Event of Default has happened and is continuing, the Secured Party shall, subject to the rights of Goodyear under the Lease and to the rights of LaSalle under the LaSalle Security Agreement, have the rights options and remedies of a secured party, and the Debtor shall have the duties of a debtor, under the Illinois Uniform Commercial Code (regardless of whether such Code or a law similar thereto has been enacted in the jurisdiction wherein the rights or remedies are asserted), and, without limiting the foregoing, the Secured Party may exercise any one or more or all, and in any order, of the remedies hereinafter set forth, it being expressly understood that no remedy herein conferred is intended to be exclusive of any other remedy or remedies, and that each and every remedy shall be cumulative and shall be in addition to every other remedy given herein or now or hereafter existing at law or in equity or by statute:

3.2.1. The Secured Party, personally or by agents or attorneys, shall have the right to take immediate possession of the collateral, or any portion thereof, and for that purpose may pursue the same wherever it may be found and may enter any of the premises of the Debtor with or without notice, demand, process of law or legal procedure and search for, take possession of, remove, keep and store the same, or use and operate or lease the same until sold, or use and operate the same in its sole discretion and retain all sums received in connection with said use and operation until the Secured Party shall have received an amount sufficient to discharge the indebtedness hereby secured and any and all collection and other expenses incurred by the Secured Party in enforcing this Agreement;

3.2.2. The Secured Party may, if at the time such action may be lawful and always subject to compliance with any mandatory legal requirements, either with or without taking possession and either before or after taking possession, and without instituting any legal proceedings whatsoever, and after having first given notice of such sale by registered mail to the Debtor once at least ten (10) days prior to the date of such sale, and any other notice which may be required by law, sell and dispose of the collateral, or any part thereof, at public auction to the highest bidder, in one lot as an entirety or in separate lots, and either for cash or on credit and on such terms as the Secured Party may determine, and at any place (whether or not it be the location of the collateral or any part thereof) designated in the notice above referred

to. Any such sale or sales may be adjourned from time to time by announcement at the time and place appointed for such sale or sales, or for any such adjourned sale or sales, without further published notice, and the Secured Party may bid and become the purchaser at any such sale;

3.2.3. The Secured Party may proceed to protect and enforce this Agreement by suit or suits or proceedings in equity, at law or in bankruptcy, and whether for the specific performance of any covenant or agreement herein contained or in execution or aid of any power herein granted, or for foreclosure hereunder, or for the appointment of a receiver or receivers for the collateral or any part thereof, or for the recovery of judgment for the indebtedness hereby secured, or for the enforcement of any other proper legal or equitable remedy available under applicable law; and

3.2.4. Subject always to the rights of Goodyear under the Lease, the Secured Party may proceed to exercise all rights, privileges and remedies of the Debtor under the Lease, and may exercise all such rights and remedies either in the name of the Secured Party or in the name of the Debtor for the use and benefit of the Secured Party.

3.3. Waiver of Stay, Extension, etc. The Debtor covenants that it will not at any time insist upon or plead, or in any manner whatever claim or take any benefit or advantage of, any stay or extension law now or at any time hereafter in force, nor claim, take, nor insist upon any benefit or advantage of or from any law now or hereafter in force providing for the valuation or appraisal of the collateral or any part thereof, prior to any sale or sales thereof to be made pursuant to any provision herein contained, or to the decree, judgment or order of any court of competent jurisdiction, nor, after such sale or sales, claim or exercise any right under any statute now or hereafter made or enacted by any state or otherwise to redeem the property so sold or any part thereof, and hereby expressly waives for itself and on behalf of each and every person, except decree or judgment creditors of the Debtor acquiring any interest in or title to this Agreement, all benefit and advantage of any such law or laws, and covenants that it will not invoke or utilize any such law or laws or otherwise hinder, delay or impede the execution of any power herein granted and delegated to the Secured Party, but will suffer and permit the execution of every such power as though no such law or laws had been made or enacted. Any sale, whether under any power of sale hereby given or by virtue of judicial proceedings, shall operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of the Debtor in and to the property sold and

shall be a perpetual bar, both at law and in equity, against the Debtor, its successors and assigns, and against any and all persons claiming property sold or any part thereof under, by or through the Debtor, its successors and assigns.

3.4. Application of Proceeds of Sale. The purchase money proceeds and/or avails of any sale of the collateral, or any part thereof, and the proceeds and the avails of any remedy hereunder shall be paid to and applied as follows:

3.4.1. To the payment of costs and expenses of foreclosure or suit, if any, and of such sale, and of all proper expenses, liability and advances incurred or made hereunder by the Secured Party, including, without limitation, all court costs and attorneys' fees, and of all taxes, assessments or liens superior to the lien of the Secured Party; except any taxes, assessments or other superior lien subject to which said sale may have been made;

3.4.2. To the payment to the holder or holders of the indebtedness secured by the LaSalle Security Agreement of the amount then owing or unpaid on such indebtedness for principal and interest; and, in case any such proceeds shall be insufficient to pay the whole amount so due upon such indebtedness, then to the payment firstly of all interest then owing and unpaid on such indebtedness and secondly to the payment of all principal then owing and unpaid on such indebtedness; and

3.4.3. To the payment of the surplus, if any, to the Debtor, its successors and assigns, or to whomsoever may be lawfully entitled to receive the same.

3.5. Discontinuance of Proceedings. In case the Secured Party shall have proceeded to enforce any right under this Agreement by foreclosure, sale, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely, then and in every such case the Debtor and the Secured Party shall be restored to their former positions and rights hereunder with respect to the property subject to the lien of this Agreement.

3.6. No Remedy Exclusive, etc. No delay or omission of the Secured Party to exercise any right or power arising from any default on the part of the Debtor shall exhaust or impair any such right or power to prevent its exercise during the continuance of such default. No waiver by the Secured Party of any such default, whether such waiver be full or partial, shall extend to or be taken to affect any subsequent default, or to impair the rights resulting therefrom, except as may be otherwise provided herein. No remedy hereunder is intended to be exclusive of any other remedy but each

and every remedy shall be cumulative and in addition to any and every other remedy given hereunder or otherwise existing; nor shall the giving, taking or enforcement of any other or additional security, collateral or guaranty for the payment of the indebtedness secured under this Agreement operate to prejudice, waive or affect the security of this Agreement or any rights, powers or remedies hereunder; nor shall the Secured Party or the holder of any of the indebtedness hereby secured be required to first look to, enforce or exhaust such other or additional security, collateral or guaranties.

4. PARTIES IN INTEREST. Whenever any of the parties hereto is referred to such reference shall be deemed to include the respective heirs, successors and assigns of such party; and all the covenants, promises and agreements contained in this Agreement by or on behalf of the Debtor or the Secured Party shall bind and inure to the benefit of the respective heirs, successors and assigns of such parties whether so expressed or not.

5. PARTIAL INVALIDITY. If any term or provision of this Agreement, or the application thereof to any person or circumstance, shall to any extent be invalid or unenforceable, as finally determined by a court of competent jurisdiction, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

6. NOTICE. All communications provided for herein shall be in writing and shall be deemed to be given when delivered personally or when deposited in the United States mail, registered or certified, postage prepaid and addressed as follows:

If to the Secured Party:

O-T-D Corporation
797 Eagle Drive
Bensenville, Illinois 60106

If to the Debtor:

Greenbrier Leasing Corporation
708 Main Street
Oregon City, Oregon 97045

or to either party at such other address as such party may designate from time to time by notice duly given in accordance with this Section to the other party.

7. RELEASE. The Secured Party shall release this Agreement and the security interest herein provided for by proper written instrument upon presentation of satisfactory evidence that all obligations secured hereby have been fully paid or discharged.

8. ENTIRE AGREEMENT. This Agreement supersedes all prior agreements and understandings of, and constitutes the entire agreement between, the parties hereto with respect to the subject matter hereof and cannot be modified or amended except in a writing expressly referring hereto signed by the party to be bound thereby.

9. APPLICABLE LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

10. COUNTERPARTS. This Agreement may be executed simultaneously in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

11. HEADINGS. The headings of the sections and paragraphs of this Agreement have been inserted for convenience of reference only and shall in no way restrict or modify any of the terms or provisions hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

DEBTOR:

GREENBRIER LEASING CORPORATION

(Seal)

Attest:

By W. J. J. J. J.
Its Vice President

By Robin B. B.
Its Assistant Secretary

SECURED PARTY:

O-T-D CORPORATION

(Seal)

Attest:

By Paul E. G.
Its President

By Louis H. H.
Its Secretary

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

Thomas W. Heenan, Esq.
Chapman & Cutler
111 West Monroe Street
Chicago, Illinois 60603

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 10/1/79 at 2:45PM, and assigned recordation number(s). 10855

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)