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RECORDATION NO. 10828 Filed 1425

SEP 18 1979 - 3 40 PM

September 10, 1979

INTERSTATE COMMERCE COMMISSION

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

9-261A077

SEP 18 1979

50.00

Washington, D.C.

Dear Mrs. Lee:

On behalf of our client, EFH Leasing Corporation, enclosed for filing pursuant to the provisions of Section 11303 of the Interstate Commerce Act are an original and one certified copy of the Security Agreement dated August 27, 1979 between Urbandale Palm Beach Development Corporation No. 2 having its principal office at 3440 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 covers 19 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 453, 454, 456, 458, 468, 472, 474, 477, 478, 480, 486, 487, 488, 489, 490, 491, 492, 497, 499. 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

FEE OPERATION
I.C.C.
SEP 18 3 37 PM '79
RECEIVED

JHR/bjs
Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

9/21/79

OFFICE OF THE SECRETARY

Joseph H. Reynolds
Nixon, Hargrave, Devans, & Doyle
Lincoln First Tower
P.O. Box 1051
Rochester, N.Y. 14603

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 9/18/79 at 3:40pm, and assigned recordation number(s) 10828.

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

SE-30
(7/79)

10828
RECORDATION NO. Filed 1425

SEP 18 1979 - 3 40 PM

INTERSTATE COMMERCE COMMISSION

CERTIFICATION

I hereby certify that I have compared the attached copy of the Security Agreement dated August 27, 1979 between Urbandale Palm Beach Development Corporation No. 2 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.

September 11, 1979

Joseph H. Reynolds

Notary Public

JOSEPH H. REYNOLDS

Notary Public in the State of New York

MONROE COUNTY, N.Y.

My commission expires March 30, 1981

RECORDATION NO. 10828 Filed 1425

SEP 18 1979 - 3 40 PM

INTERSTATE COMMERCE COMMISSION

Security Agreement

Agreement dated August 27, 1979 between Urbandale Palm Beach Development Corporation No. 2, a Florida corporation having its principal office at 3440 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 \$926,000.00 ("Note"). Secured Party is joint obligor on the Note as an accomodation 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 19 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 19 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 July 4, 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 NO. 2 (Debtor)

By H. Nadolny
Its CHAIRMAN

EFH LEASING CORPORATION
(Secured Party)

By Walter F. Williams
Its President

ACKNOWLEDGEMENTS

On this 17 day of August, 1979 before me personally appeared H. Nadolny, to me personally known, who being duly sworn, says he is the Chairman of Urbandale Palm Beach Development Corporation No. 2, 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.

[Signature]
Notary Public

On this 27th day of August, 1979 before me personally appeared Warren 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.

Joseph H. Reynolds
Notary Public

JOSEPH H. REYNOLDS
Notary public in and state of New York
MONROE COUNTY, N.Y.
My 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 RTC Est. No. 2945-75.

<u>Quantity</u>	<u>Railroad Identifying Marks</u>
19 Tankcars	BCDX 453, 454, 456, 458, 468, 472, 474, 477, 478, 480, 486, 487, 488, 489, 490, 491, 492, 497, 499