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ICC Washington, D. C.

RECORDATION NO. 9983 Filed 1425

JAN 3 1979-9 15 AM

INTERSTATE COMMERCE COMMISSION

THE FIRST NATIONAL BANK OF BOSTON
100 Federal Street
Boston, Massachusetts 02110

December 29, 1978

Secretary
Interstate Commerce Commission
Washington, D.C. 20423

RECORDATION NO. 9983 Filed 1425

JAN 3 1979-9 15 AM

INTERSTATE COMMERCE COMMISSION

Re: Recordation and Filing of Documents Pertaining to the Mortgage and the Management of Ten Covered-Hopper Railroad Freight Cars Owned by Mitchell K. Rudnick

Dear Sir:

In accordance with the provisions and procedures of Section 11303 of the Revised Interstate Commerce Act, 49 U.S.C. §11303, and Part 1116 of Title 49 of the Code of Federal Regulations, it is hereby respectfully requested that the documents enclosed with this letter of transmittal, and more fully described hereinbelow, pertaining to the mortgage and the management of ten (10) covered-hopper railroad freight cars owned by Mitchell K. Rudnick, be recorded and filed by the Interstate Commerce Commission (the "Commission") pursuant to Section 1116.5 of said Title 49 of the Code of Federal Regulations.

A. Description of the Documents and the Parties Thereto.

Enclosed herewith are the following original documents to be recorded by the Commission and two certified true copies of each of said original documents to be recorded and filed by the Commission:

(i) Promissory Note and Security Agreement, dated December 21, 1978, made by Mitchell K. Rudnick, an individual residing at Meadowbrook Road, Lincoln, Massachusetts, and accepted by The First National Bank of Boston, 100 Federal Street, Boston, Massachusetts 02110 (said Promissory Note and Security Agreement being hereinafter called the "Note"); and

(ii) Management Agreement, dated December 4, 1978, by and between States Marine Corporation, doing business through its division, States Rail Services, 280 Park Avenue, New York, New York 10017, and Mitchell K. Rudnick, an individual residing at Meadowbrook Road, Lincoln, Massachusetts (said Management Agreement being hereinafter called the "Management Agreement").

1. The Note.

The First National Bank of Boston (the "Bank") has agreed, upon the terms and subject to the conditions contained in the Note, to make a loan in the principal amount of Two Hundred Sixty-Six Thousand Two Hundred and Fifty Dollars ($266,250.00) (the "Loan") to Mitchell K. Rudnick (the "Investor"). The entire proceeds of the Loan will be applied by the Investor towards the payment of the purchase price of ten (10) covered-hopper railroad freight cars purchased by the Investor from National Steel Car Corporation, Limited, a Canadian corporation located in Hamilton, Ontario, Canada (the "Manufacturer"). Further particulars of the ten (10) covered-hopper railroad freight cars so purchased by the Investor from the Manufacturer (the said ten (10) covered-hopper railroad freight cars being hereinafter called the "Investor's Covered-Hopper Railroad Cars") are set forth below.

In order to secure the payment and performance by the Investor of all of his obligations to the Bank under the Note, the Investor has, pursuant to Section 7 of the Note, granted to the Bank a mortgage over and in respect of each of the Investor's Covered-Hopper Railroad Cars.

Each of the Investor's Covered-Hopper Railroad Cars is a 100-ton, 4,550 cubic feet capacity, steel covered-hopper railroad freight car, lined for use in the transport and shipping of grain products and select minerals, including salt. Each of the Investor's Covered-Hopper Railroad Cars was manufactured by, and was purchased by the Investor from, the Manufacturer.

The Identifying Marks, the Serial Numbers and the A.A.R. Mechanical Designation of the Investor's Covered-Hopper Railroad Cars are as follows:

Number of Cars	Identifying Marks	Serial Numbers	A.A.R. Mech. Desig.
10	GNWR	810030 to and including 810039	LO

Reference is hereby also made to a Fiscal Agency Agreement, dated as of December 21, 1978, among (a) States Marine Corporation, acting in its individual capacity directly or by and through its division, States Rail Services, 280 Park Avenue, New York, New York 10017, (b) States Marine Corporation, acting as agent for the Investor by and through its division, States Rail Services, 280 Park Avenue, New York, New York 10017, (c) the Bank, and (d) the Investor (said Fiscal Agency Agreement being hereinafter called the "Fiscal Agency Agreement").

States Marine Corporation, acting in its individual capacity directly ("SMC"), has, upon the terms and subject to the conditions and limitations contained in the Fiscal Agency Agreement, guaranteed to the Bank the payment of the obligations of the Investor to the Bank under the Note. The maximum

liability of SMC to the Bank under the SMC guarantee is limited to the sum of $35,500.00.

2. The Management Agreement.

Pursuant to the terms of the Management Agreement, States Marine Corporation, doing business through its division, States Rail Services ("SMC/SRS"), has agreed to manage, on behalf of and as agent for the Investor, the ten (10) Investor's Covered-Hopper Railroad Cars purchased by the Investor from the Manufacturer and mortgaged by the Investor to the Bank pursuant to Section 7 of the Note. In accordance with the terms of the Management Agreement, SMC/SRS took possession of each of the Investor's Covered-Hopper Railroad Cars at the Manufacturer's plant in Hamilton, Ontario, Canada, for the purpose of managing such railroad cars as agent for the Investor and as provided by the Management Agreement.

Although SMC/SRS has the right under the Management Agreement to manage each of the Investor's Covered-Hopper Railroad Cars, SMC/SRS does not have title to, and is not the owner of, any of the Investor's Covered-Hopper Railroad Cars.

B. Description of Other Documents Previously Submitted to the Commission for Recording.

Reference is also hereby made to the following two documents, an original of each of which has been recorded by the Commission and two certified true copies of each of which have been recorded and filed by the Commission under the recordation numbers, and on the date and at the hour set forth below:

DOCUMENT	RECORDATION NUMBER	DATE	HOUR
(i) Agreement, dated as of November 7, 1978, by and between the Genesee and Wyoming Railroad Company, 3846 Retsof Road, Retsof, New York 14539, and States Marine Corporation, doing business through its division, States Rail Services, 280 Park Avenue, New York, New York 10017 (said Agreement being hereinafter called the "GWRR Use Agreement"); and	#9946	12/27/78	1:35 p.m.
(ii) Subcontractor Agreement, dated as of November 7, 1978, by and between States Marine Corporation, doing business through its division, States Rail Services, 280 Park Avenue, New York, New York 10017, and GWI Rail Management Corp., 3846 Retsof Road, Retsof, New York 14539 (said Subcontractor Agreement being hereinafter called the "Subcontractor Agreement")	#9946A	12/27/78	1:35 p.m.

1. The GWRR Use Agreement.

Pursuant to the terms of the GWRR Use Agreement, SMC/SRS, acting in its capacity as agent for the Investor under the Management Agreement, has delivered to the Genesee and Wyoming Railroad Company ("GWRR"), for the latter's use in the ordinary course of its operations, each of the Investor's Covered-Hopper Railroad Cars.

2. Subcontractor Agreement.

Pursuant to the terms of the Subcontractor Agreement, SMC/SRS has subcontracted to GWI Rail Management Corp. ("GWIRM") certain operational and managerial responsibilities which have been assumed by SMC/SRS under the Management Agreement and the GWRR Use Agreement in respect of each of the Investor's Covered-Hopper Railroad Cars.

Reference is also hereby made to the letter of transmittal, dated December 21, 1978, from States Rail Services to the Commission, for a more complete description of the arrangements and transactions contemplated by the GWRR Use Agreement and the Subcontractor Agreement.

C. Rights and Interests in the Cars.

The rights and interests in and to the Investor's Covered-Hopper Railroad Cars of each of the parties named herein may be briefly summarized as follows:

Party	Rights and Interests in the Cars
Mitchell K. Rudnick	Owner and Mortgagor of the Cars
The First National Bank of Boston	Mortgagee of the Cars
States Marine Corporation/States Rail Services	Manager of the Cars
Genesee and Wyoming Railroad Company	User or Bailee of the Cars
GWI Rail Management Corp	Manager of the Cars

D. Procedural Matters.

It is hereby respectfully requested that each of the following names be inserted in the Commission index established pursuant to Section 1116.5(c) of Title 49 of the Code of Federal Regulations:

(1) The First National Bank of Boston;

(2) Mitchell K. Rudnick;

(3) States Marine Corporation;

(4) States Rail Services;

(5) Genesee and Wyoming Railroad Company; and

(6) GWI Rail Management Corp.

It is also hereby respectfully requested that the recordation number of each of the following documents be noted in the Commission index under the name of each of the parties shown above:

(a) the Note;

(b) the Management Agreement;

(c) the GWRR Use Agreement (Recordation Number: 9946); and

(d) the Subcontractor Agreement (Recordation Number: 9946A).

A check in the amount of One Hundred Dollars ($100.00) has been enclosed with this letter of transmittal to cover the recordation fee prescribed by Section 1116.3(d) of Title 49 of the Code of Federal Regulations.

Kindly stamp the enclosed copy of this letter of transmittal and return such copy and the original documents enclosed herewith to Louis J. Duval, Esq., Bingham, Dana & Gould, 100 Federal Street, Boston, Massachusetts 02110.

If there are any questions with respect to the Note, the Management Agreement, the GWRR Use Agreement, the Subcontractor Agreement or the transactions described therein please feel free to telephone Louis J. Duval, Esq., collect, at (617) 357-9300.

The undersigned hereby declares that he is an Assistant Vice President of The First National Bank of Boston, and that he has knowledge of the matters set forth in the documents enclosed herewith.

Very truly yours,

James F. Notman, Jr.

James F. Notman, Jr.
Assistant Vice President

Enclosures

RECORDATION NO. 9983 Filed 1425

JAN 3 1979-9 15 AM

INTERSTATE COMMERCE COMMISSION

COMMONWEALTH OF MASSACHUSETTS)
)
COUNTY OF SUFFOLK)

I, the undersigned, do hereby certify that I have compared the document attached hereto with an executed original of the Promissory Note and Security Agreement made by Mitchell K. Rudnick and accepted by THE FIRST NATIONAL BANK OF BOSTON, and that the document attached hereto is a true, correct, and complete copy of such Promissory Note and Security Agreement.

[Notarial Seal]

Notary Public

My commission expires:
ARTHUR J. POTTIE, Notary Public
My Commission Expires: June 2, 1983

PROMISSORY NOTE

AND

SECURITY AGREEMENT

$266,250.00 Date: December 21, 1978

FOR VALUE RECEIVED, the undersigned, MITCHELL K. RUDNICK, by this Promissory Note and Security Agreement, hereby unconditionally promises to pay to the order of THE FIRST NATIONAL BANK OF BOSTON the principal sum of TWO HUNDRED AND SIXTY-SIX THOUSAND TWO HUNDRED AND FIFTY DOLLARS ($266,250.00) and to pay interest on the principal sum outstanding hereunder from time to time from the date on which the said principal sum shall be advanced to the undersigned hereunder until the said principal sum or the unpaid portion thereof shall have been paid in full, such interest to be payable, as provided herein, at the rate of TEN AND ONE-HALF PERCENT (10-1/2%) PER ANNUM. Interest only on the principal sum outstanding hereunder shall be payable on December 31, 1978 and on April 20, 1979. Thereafter, principal and interest shall be payable in SIXTY EQUAL CONSECUTIVE QUARTER-ANNUAL INSTALMENTS OF EIGHT THOUSAND EIGHT HUNDRED AND SIXTY-ONE DOLLARS ($8,861.00) EACH on the twentieth day of each April, July, October and January in each year beginning July 20, 1979, until the entire indebtedness evidenced hereby is fully paid, except that any remaining indebtedness, if not sooner paid, shall be due and payable on April 20, 1994, the date of final maturity of this Promissory Note. This Security Agreement shall remain in full force and effect until such later date as all of the Obligations are paid and satisfied in full. The full amount of each of such quarter-annual instalments shall be applied first to interest as it accrues and then to principal.

Section 1. Interpretation. As used in this Promissory Note and Security Agreement:

(a) "Bank" means The First National Bank of Boston, the Head Office of which is located at 100 Federal Street, Boston, Massachusetts, and includes its successors in title and assigns.

(b) "Borrower" means the undersigned, Mitchell K. Rudnick, and includes the successors, assigns, heirs, executors, administrators and other legal representatives of Mitchell K. Rudnick.

(c) "Cars" means, collectively, (i) the ten (10) covered hopper railroad freight cars to be purchased from the National Steel Car Corporation, Limited (the "Manufacturer"), pursuant to an Agreement, dated as of June 16, 1978, between the Manager and the Manufacturer, as amended on August

28, 1978 and on October 12, 1978, all of the Manager's rights to purchase such freight cars from the Manufacturer having been assigned by the Manager to the Borrower pursuant to an instrument of assignment, dated December 4, 1978, between the Manager and the Borrower, (ii) all appliances, parts, instruments, accessories, appurtenances and other equipment of whatever nature which shall, at any time or times, become incorporated or installed in or attached to any of such freight cars, and (iii) all additions, improvements, renewals and replacements made at any time or times to any of the foregoing. All of the Cars are to be identified in Exhibit A annexed hereto promptly after all of the Cars have been delivered by the Manufacturer to the Manager as agent for the Borrower, as contemplated by the Management Agreement.

(d) "Collateral" means, collectively, all of the rights, title and interests, all of the agreements, contracts, instruments, property, assets and moneys, and all of the income and proceeds of any thereof, in, to, under or in respect of which the Bank, by this Note, acquires or shall from time to time acquire a security interest.

(e) "Event of Default" means any event or condition described in Section 11 hereof.

(f) "Event of Loss" means, in relation to any Car, any of the following events: (i) the loss or total destruction of such Car; (ii) damage to such Car to an extent which makes the repair of such Car uneconomical or which renders such Car unfit for normal use; or (iii) any condemnation, confiscation, seizure, requisition or other taking of title to or use of such Car which shall result in the loss of title to or use of such Car for a period of thirty days or more.

(g) "Event of Loss Proceeds" means all compensation, damages or other payments (including, but not limited to, recoveries under any policies of insurance payable in respect of any Event of Loss with respect to any of the Cars) which shall at any time or times become and be due and payable to the Borrower, to the Manager, as agent for the Borrower, or to the Bank by any governmental authority or by any other person as a consequence or in respect of any Event of Loss with respect to any of the Cars.

(h) "Financing Fee" means the fee in the amount of $922 per Car which was paid by the Borrower to the Bank upon the execution and delivery to the Bank of this Note.

(i) "Fiscal Agency Agreement" means the Fiscal Agency Agreement, dated December , 1978, among States Marine Corporation, acting in its individual capacity directly or by and through its division, States Rail Services, States Marine Corporation, acting as agent for the Borrower by and through its division, States Rail Services, the Borrower and the Bank, pursuant to which (among other things) States Marine Corporation, acting as agent for the Borrower by and through its division States Rail Services, has

agreed to pay or to cause to be paid directly to the Bank the moneys which will become and be due and payable by the Manager to the Borrower upon the terms of the Management Agreement, as such Fiscal Agency Agreement was originally executed, or, if varied or supplemented from time to time, as so varied or supplemented.

(j) "Freights" has the meaning given to that expression in Section 7(d) hereof.

(k) "Instalment Payment Dates" means, collectively, the dates on which the sixty quarter-annual instalments of combined principal and interest shall become and be due and payable by the Borrower to the Bank in accordance with the terms hereof, and "Instalment Payment Date" means any one of such dates.

(l) "Insurances" has the meaning given to that expression in Section 7(f) hereof.

(m) "Leases" has the meaning given to that expression in Section 7(c) hereof.

(n) "Loan" means the loan in the principal amount of TWO HUNDRED AND SIXTY-SIX THOUSAND TWO HUNDRED AND FIFTY DOLLARS ($266,250) to be made by the Bank to the Borrower upon the terms and subject to the conditions contained in Sections 2 and 3 hereof.

(o) "Management Agreement" means the Management Agreement, dated as of December 4, 1978, between the Manager and the Borrower upon the terms of which the Manager has agreed to manage the Cars as agent for the Borrower, as such Management Agreement was originally executed, or, if varied or supplemented from time to time, as so varied or supplemented, and "Management Agreements" has the meaning given to that expression in Section 7(b) hereof.

(p) "Manager" means States Marine Corporation, a New York corporation, acting as agent for the Borrower under the Management Agreement, whether directly or by and through its division, States Rail Services, the principal offices of which division are located at 280 Park Avenue, New York, New York, and includes the successors in title and assigns of States Marine Corporation.

(q) "Manufacturer" has the meaning given to that expression in Section 1(c) hereof.

(r) "Note" means this Promissory Note and Security Agreement as originally executed and includes the Exhibits annexed hereto, or if this Promissory Note and Security Agreement shall be varied or supplemented from time to time, as the same shall be so varied or supplemented.

(s) "Obligations" means, collectively, all indebtedness, obligations and liabilities existing on the date of this Note or arising from time to time thereafter, whether matured or unmatured, certain or contingent, liquidated or unliquidated, arising by contract, operation of law or otherwise, of the Borrower to the Bank (i) in respect of the Loan, or (ii) under or in respect of this Note, and "Obligation" means any one of the Obligations.

(t) "Purchase Price" means the total purchase price payable by the Borrower for all of the Cars, which price includes estimated import duties, transit fees, inspection charges and all other fees necessary to place the Cars in service.

(u) "Sales Proceeds" means all moneys, property and assets which shall at any time or times become and be due and payable to or otherwise receivable by the Borrower or by the Manager, as agent for the Borrower, or by the Bank from any person in consideration for the sale, transfer or other disposition of all or any of the Cars.

Section 2. Making The Loan, Etc.

(a) This Note evidences the obligations of the Borrower to the Bank (i) to repay the Loan which will be made to the Borrower by the Bank upon the terms and subject to the conditions contained in Sections 2 and 3 hereof, and (ii) to pay interest on the Loan and to pay other amounts in accordance with the provisions set forth herein.

(b) The entire proceeds of the Loan will be applied by the Borrower towards the payment of the Purchase Price. The Loan will be made by the Bank to the Borrower on the date on which the Purchase Price is to be paid to the Manufacturer. The Borrower has, upon the terms of the Fiscal Agency Agreement, directed the Manager to deliver to the Bank, on behalf of the Borrower, a written application for the Loan, which application (hereinafter called the "Loan Application") shall (i) notify the Bank that each of the Cars has been delivered to and accepted by the Manager as agent for the Borrower, (ii) specify the date (hereinafter called the "Drawdown Date") on which the Purchase Price is to be paid to the Manufacturer, (iii) specify the bank account of the Manager to which payment of the proceeds of the Loan is to be made by the Bank, (iv) be received by the Bank not later than the fourth business day prior to the Drawdown Date, and (v) be substantially in the form of Exhibit B annexed hereto, appropriately completed and signed on behalf of the Manager by one of its duly authorized officers. The Borrower hereby irrevocably directs the Bank (A) to make the Loan to the Borrower on the Drawdown Date specified in the Loan Application received by the Bank hereunder, and (B) on behalf of the Borrower, to pay the entire proceeds of the Loan to the Manager on the Drawdown Date by crediting the bank account specified in the Loan Application received by the Bank pursuant to this paragraph (b).

(c) If all of the conditions contained in Section 3 hereof are satisfied on or prior to the Drawdown Date specified in the Loan Application received by the Bank pursuant to Section 2(b) hereof, the Bank will advance the Loan to the Borrower on such Drawdown Date in accordance with Section 2(b) hereof.

(d) The Borrower hereby agrees that (i) the Bank shall not have any responsibility to the Borrower or to any other person for the authorization, execution, validity or genuineness of any Loan Application received by the Bank pursuant to Section 2(b) hereof or for the truth or accuracy of any recitals, statements or representations contained therein, even if such Loan Application should in fact be invalid, unauthorized, fraudulent or forged, (ii) the Bank shall be entitled to rely conclusively upon, and shall be fully protected in acting upon, any Loan Application received by the Bank pursuant to Section 2(b) hereof which is believed by the Bank to be genuine and correct in form and to have been signed by the proper party or parties, and (iii) any action taken by the Bank in reliance upon a Loan Application received by the Bank pursuant to Section 2(b) hereof shall be binding upon the Borrower and shall not place the Bank under any liability to the Borrower.

Section 3. Conditions Of Lending. The obligation of the Bank to make the Loan to the Borrower in accordance with Section 2 hereof shall be subject to the satisfaction, prior thereto or concurrently therewith, of each of the following conditions precedent:

(a) The Bank shall have received from the Manager the Loan Application in accordance with Section 2(b) hereof.

(b) No event shall have occurred and be continuing on the Drawdown Date specified in such Loan Application and no condition shall exist on such Drawdown Date which constitutes an Event of Default.

(c) The Fiscal Agency Agreement shall have been duly authorized, executed and delivered to the Bank by States Marine Corporation, acting in its individual capacity, by States Marine Corporation, acting as agent for the Borrower, and by the Borrower, shall be in form and substance satisfactory to the Bank and shall be in full force and effect on the Drawdown Date. The Financing Fee shall have been paid in full by the Borrower to the Bank.

(d) The Bank shall have received evidence, in form and substance satisfactory to it, that: (i) each of the Cars has been duly delivered to and accepted by the Manager as agent for the Borrower; (ii) the Borrower has good title to each of the Cars subject to no mortgages, security interests or other encumbrances other than the security interests in respect of the Cars granted to the Bank hereby; (iii) insurance coverage satisfactory to the Bank is in effect in respect of each of the Cars; (iv) the security interests of the Bank, as secured party, in and to each of the Cars have been duly endorsed upon all policies of insurance issued in respect of the Cars; (v) Uniform Commercial Code financing statements, in form and substance satisfactory

to the Bank, have been duly executed and delivered by the Borrower, as debtor, and by the Bank, as secured party, and duly filed in all appropriate places; and (vi) a counterpart original of this Note and two certified true copies thereof have been duly filed with the Interstate Commerce Commission, and there has also been filed with the Interstate Commerce Commission all such other agreements, instruments and documents as shall, in the opinion of the Bank, be necessary in order to maintain, preserve and safeguard at all times all of the rights, title and interests in and to the Cars of the Borrower, as owner, and the Bank, as secured party.

(e) The Bank shall have received all such information as shall be required by the Bank in order to identify each of the Cars and to complete Exhibit A annexed hereto. The Borrower hereby irrevocably authorizes the Bank to complete Exhibit A promptly after the Bank's receipt of such information. The Bank will furnish the Borrower with a copy of Exhibit A as so completed. The said Exhibit A, as so completed by the Bank, shall become and be a part of this Note with the same full force and effect as if the said Exhibit A had been completed at the time of the execution and delivery to the Bank of this Note and the acceptance thereof by the Bank.

(f) All proceedings in connection with the transactions contemplated hereby and all documents incidental thereto shall be satisfactory in form and substance to the Bank, and the Bank shall have received all such counterpart originals or certified or other copies of such documents as the Bank may request.

Section 4. Mandatory Prepayments, Etc.

(a) If any Event of Loss shall at any time occur in respect of any one or more of the Cars, then there shall become and be absolutely due and payable to the Bank on the ninetieth day following the date on which such Event of Loss occurred (such ninetieth day being in this paragraph (a) called the "Mandatory Prepayment Date"), and the Borrower hereby promises to pay to the Bank on such Mandatory Prepayment Date, that portion of the principal amount of this Note outstanding on such Mandatory Prepayment Date as shall be equal to the amount obtained by subtracting (i) the aggregate amount of all Event of Loss Proceeds paid in respect of such Event of Loss and applied by the Bank, at any time or times on or prior to such Mandatory Prepayment Date, towards the prepayment of the unpaid principal of this Note, from (ii) the amount obtained by multiplying the number of Cars in respect of which such Event of Loss occurred by the amount obtained by dividing (A) the difference between (x) the principal amount of this Note outstanding on the date on which such Event of Loss occurred, and (y) the aggregate amount of the principal portion of all instalments which shall have become due and payable in accordance with the terms of this Note after the date on which such Event of Loss occurred but prior to such Mandatory Prepayment Date, by (B) the total number of Unaffected Cars immediately prior to the occurrence of such Event of Loss. For the purposes of this paragraph (a), the term "Unaffected Cars" means, in relation to the Cars at any particular time, Cars which have not

been sold, transferred or otherwise disposed of at or prior to such time and in respect of which no Event of Loss has occurred at or prior to such time.

(b) If any Event of Loss shall at any time occur in respect of any one or more of the Cars and any Event of Loss Proceeds shall at any time or times become and be due and payable to the Borrower from any person or persons as a consequence of the occurrence of such Event of Loss, there shall become and be absolutely due and payable to the Bank on the date on which such Event of Loss Proceeds are paid to or for the account of the Borrower, and the Borrower hereby promises to pay to the Bank on such date, the full amount of the Event of Loss Proceeds so paid. The Bank will, promptly after its receipt of any Event of Loss Proceeds in respect of any Event of Loss, apply the full amount thereof in the manner hereinafter provided by this paragraph (b):

(i) if such Event of Loss Proceeds shall have been paid to the Bank at any time or times on or prior to the ninetieth day following the date on which such Event of Loss occurred (such ninetieth day being in this paragraph (b) called the "Mandatory Prepayment Date"), then the Bank will apply the full amount of such Event of Loss Proceeds in or towards the prepayment of the unpaid principal of this Note; and

(ii) if such Event of Loss Proceeds shall have been paid to the Bank at any time or times after the Mandatory Prepayment Date relating to such Event of Loss, then the Bank will (A) apply, in or towards the prepayment of the unpaid principal of this Note, that part of such Event of Loss Proceeds as shall be equal to the difference between (x) the full amount of such Event of Loss Proceeds, and (y) the amount of the unpaid principal of this Note which shall, as a consequence of the occurrence of such Event of Loss, have been paid by the Borrower to the Bank on such Mandatory Prepayment Date in accordance with Section 4(a) hereof, (B) apply the balance (if any) of such Event of Loss Proceeds remaining after the application referred to in clause (A) of this paragraph (b) in or towards the payment of all (if any) sums which are then due and payable by the Borrower to the Bank hereunder, and (C) remit to the Manager for payment to the Borrower the balance (if any) of such Event of Loss Proceeds remaining after the applications referred to in clauses (A) and (B) of this paragraph (b).

(c) If any cash Sales Proceeds shall at any time or times become and be due and payable to the Borrower there shall become and be absolutely due and payable to the Bank on the date on which such cash Sales Proceeds are paid to or for the account of the Borrower, and the Borrower hereby promises to pay to the Bank on such date, the full amount of such cash Sales Proceeds. The Bank will, promptly after its receipt of such cash Sales Proceeds, apply the full amount thereof in or towards the prepayment of the unpaid principal of this Note. If any non-cash Sales Proceeds shall at any time or times be receivable by the Borrower from any person or persons, the Borrower will

cause such non-cash Sales Proceeds to be delivered to the Bank. The Bank shall have the immediate and continuing right to sell or otherwise dispose of any non-cash Sales Proceeds so received by it. The entire proceeds of any such sale or disposition shall be applied by the Bank in or towards the prepayment of the unpaid principal of this Note.

(d) In the event that any partial prepayment of the unpaid principal of this Note is made pursuant to paragraph (a), (b) or (c) of Section 4 hereof, the Bank will, in order to reflect the change in the principal amount of this Note which will be outstanding from and after the date of such partial prepayment, recompute the amount of the quarter-annual instalments of combined principal and interest which shall become and be due and payable by the Borrower to the Bank on each Instalment Payment Date falling after the date of such partial prepayment, and the Bank will promptly thereafter notify the Borrower in writing of the amount of the quarter-annual instalments which shall be payable on each such Instalment Payment Date. No partial prepayment of the unpaid principal of this Note made pursuant to paragraph (a), (b) or (c) of Section 4 hereof shall discharge the obligation of the Borrower to pay any quarter-annual instalment of combined principal and interest falling due on any Instalment Payment Date subsequent to such partial prepayment, operate to extend or postpone the due date of any subsequent quarter-annual instalment or, except as hereinabove provided, change the amount of any such instalment.

(e) The Borrower shall have the right to prepay the unpaid principal of this Note in full (but not in part) on any Instalment Payment Date falling after April 20, 1989, provided that the Borrower's right to make such a prepayment is subject to the condition that the Borrower shall have given the Bank at least seven (7) days' prior written notice of the Borrower's intention to make such a prepayment and is also subject to the condition that the Borrower shall pay to the Bank, on the date of such prepayment, a premium equal to (i) five and one-half percent (5-1/2%) of the principal amount being prepaid if such prepayment is made after April 20, 1989, but prior to July 20, 1990, (ii) four percent (4%) of the principal amount being prepaid if such prepayment is made after April 20, 1990, but prior to July 20, 1991, (iii) two and one-half percent (2-1/2%) of the principal amount being prepaid if such prepayment is made after April 20, 1991, but prior to July 20, 1992, and (iv) one percent (1%) of the principal amount being prepaid if such prepayment is made after April 20, 1992, but prior to July 20, 1993. No premium shall be payable by the Borrower to the Bank upon the prepayment of the unpaid principal of this Note in full on any Instalment Payment Date falling after April 20, 1993. If notice of the prepayment of the unpaid principal of this Note is given to the Bank by the Borrower pursuant to this paragraph (e), there shall become and be absolutely due and payable to the Bank on the date of prepayment specified by such notice, and the Borrower hereby promises to pay to the Bank on such date of prepayment, the entire unpaid principal amount of this Note, all of the unpaid interest accrued on the unpaid principal of this Note to such date of prepayment and all (if any) other sums

then due and payable by the Borrower to the Bank on or in respect of this Note or the indebtedness evidenced hereby.

(f) Anything in paragraph (e) of Section 4 hereof to the contrary notwithstanding, the Borrower or the Borrower's legal representatives shall have the right to prepay the unpaid principal of this Note in full (but not in part), without premium or penalty, (i) within sixty (60) days after the death of Mitchell K. Rudnick, or (ii) if the Bank shall have consented in writing to the Borrower's sale or disposition of all of the Cars (which consent shall not be unreasonably withheld by the Bank), upon or in connection with such sale or disposition of all of the Cars by or on behalf of the Borrower.

(g) Except as otherwise expressly provided by paragraphs (a), (b), (c), (e) and (f) of Section 4 hereof, the Borrower shall have no right to prepay all or any part of the unpaid principal of this Note.

Section 5. Place Of Payment; Computations, Etc.

(a) All payments of principal, interest and other amounts payable on or in respect of this Note or the indebtedness evidenced hereby shall be made to the Bank at its Head Office located at 100 Federal Street, Boston, Massachusetts 02110, in funds immediately available to the Bank as it may direct.

(b) All payments on or in respect of this Note or the indebtedness evidenced hereby shall be made to the Bank without set-off or counterclaim and free and clear of, and without deduction for, any taxes, levies, imposts, duties, charges, fees, deductions, withholdings, restrictions or conditions of any nature whatever.

(c) All computations of interest payable as provided in Section 5(d) of this Note shall be made by the Bank on the basis of the number of days elapsed divided by 360. Whenever any payment to be made on or in respect of this Note or the indebtedness evidenced hereby becomes due and payable on a day which is not a business day, the maturity thereof shall be extended to the next succeeding business day and interest thereon shall accrue at the applicable rate during such extensions.

(d) Anything in this Note express or implied to the contrary notwithstanding, each overdue payment on or in respect of this Note or the indebtedness evidenced hereby shall bear interest, from the date on which such payment shall have become due and payable to the Bank in accordance with the terms hereof to the date on which such payment shall be paid by the Borrower to the Bank (whether before or after judgment), at the rate of ELEVEN PERCENT (11%) PER ANNUM. The unpaid interest accrued on any overdue payment in accordance with this paragraph (d) will become and be absolutely due and payable by the Borrower to the Bank on demand by the Bank. Interest on each overdue payment will continue to accrue as provided by this paragraph (d) and

will be compounded monthly until the obligations of the Borrower in respect of the payment of such overdue payment are discharged (whether before or after judgment).

Section 6. Application of Moneys Received by Bank, Obligations Absolute and Unconditional, etc.

(a) The Manager has agreed, in accordance with the terms of the Fiscal Agency Agreement, to pay or to cause to be paid directly to the Bank, for the account of the Borrower, on each Instalment Payment Date, that portion of the Distributable Net Earnings (as hereinafter defined) relating to such Instalment Payment Date as shall be equal to the sum (such sum being in this paragraph (a) called the "Debt Service") of (i) the amount of the instalment of combined principal and interest due and payable by the Borrower to the Bank hereunder on such Instalment Payment Date, and (ii) the aggregate amount of all (if any) other sums then due and payable by the Borrower to the Bank on or in respect of this Note or the indebtedness evidenced hereby. In the event that the Debt Service due and payable by the Borrower to the Bank on any Instalment Payment Date shall be equal to or greater than the Distributable Net Earnings relating to such Instalment Payment Date, the Manager has agreed, in accordance with the terms of the Fiscal Agency Agreement, to pay or to cause to be paid directly to the Bank, for the account of the Borrower, on such Instalment Payment Date, the full amount of the Distributable Net Earnings relating to such Instalment Payment Date. Upon the receipt by the Bank from the Manager of all or any part of the Distributable Net Earnings relating to any Instalment Payment Date, the Bank will, upon such Instalment Payment Date, apply the full amount of the Distributable Net Earnings actually received by the Bank from the Manager in or towards the payment of the Debt Service due and payable by the Borrower to the Bank on such Instalment Payment Date. For the purposes of this paragraph (a), the term "Distributable Net Earnings" means, in relation to any Instalment Payment Date, the Net Earnings (as defined in the Management Agreement) which shall become and be due and payable by the Manager to the Borrower, in accordance with the terms of the Management Agreement, within twenty days after the end of the calendar quarter ending on the last day of the calendar month immediately preceding the calendar month in which such Instalment Payment Date falls.

(b) If the Bank shall at any time or times change, in accordance with Section 4(d) hereof, the amount of the quarter-annual instalments of combined principal and interest due and payable by the Borrower to the Bank hereunder on each Installment Payment Date, the Bank will notify the Manager in writing of such change. If, in addition to the instalment of combined principal and interest which shall become and be due and payable by the Borrower to the Bank hereunder on any Instalment Payment Date, any other sums are due and payable by the Borrower to the Bank hereunder on such Instalment Payment Date, the Bank will, on or prior to such Instalment Payment Date, notify the Manager in writing of the aggregate amount of such other sums.

(c) The Manager has agreed, in accordance with the terms of the Fiscal Agency Agreement, to pay or to cause to be paid directly to the Bank, for the account of the Borrower, the full amount of all Event of Loss Proceeds which will become and be due and payable by the Manager to the Borrower at any time or times in accordance with the terms of the Management Agreement. Promptly after the receipt by the Bank from the Manager of any Event of Loss Proceeds, the Bank will apply the full amount of such Event of Loss Proceeds in or towards the prepayment of the principal amount of this Note then outstanding, as provided by Section 4(b) hereof.

(d) The Manager has agreed, in accordance with the terms of the Fiscal Agency Agreement, to pay or deliver or to cause to be paid or delivered directly to the Bank, for the account of the Borrower, the full amount of all Sales Proceeds which will become and be due and payable by the Manager to the Borrower at any time or times in accordance with the terms of the Management Agreement. Promptly after the receipt by the Bank from the Manager of any Sales Proceeds, the Bank will apply the full amount of such Sales Proceeds in or towards the prepayment of the principal amount of this Note then outstanding, as provided by Section 4(c) hereof.

(e) In addition to the distributions of Net Earnings, the Event of Loss Proceeds and the Sales Proceeds which will or (as the case may be) may become and be due and payable from time to time by the Manager to the Borrower in accordance with the terms of the Management Agreement, other sums may from time to time become and be due and payable by the Manager to the Borrower in accordance with the terms of the Management Agreement (such other sums being in this paragraph (e) collectively called the "Additional Sums"). The Manager has agreed, in accordance with the terms of the Fiscal Agency Agreement, to pay or to cause to be paid directly to the Bank, for the account of the Borrower, the full amount of all Additional Sums which will become and be due and payable by the Manager to the Borrower at any time or times in accordance with the terms of the Management Agreement. Promptly after the receipt by the Bank from the Manager of any Additional Sums, the Bank will apply the full amount of such Additional Sums in or towards the payment of all amounts which are then due and payable by the Borrower to the Bank hereunder. The balance (if any) remaining after such application will be held by the Bank until the first Instalment Payment Date following the Bank's receipt of such Additional Sums. Upon such Instalment Payment Date, the Bank will apply the said balance in or towards the payment of the instalment of combined principal and interest due and payable by the Borrower to the Bank hereunder on such date and the payment of any other amounts then due and payable by the Borrower to the Bank hereunder. The surplus (if any) remaining after such applications will be remitted by the Bank to the Manager for payment to the Borrower.

(f) The Bank will apply the full amount of the Financing Fee received by the Bank from the Borrower in or towards the payment of (i) up to but not exceeding $2,200.00 of the fees and disbursements of lawyers which have been or which will be incurred or sustained by the Bank in connection

with the preparation, execution and delivery of this Note and the Fiscal Agency Agreement and the making of the Loan, and (ii) the interest on the principal sum outstanding hereunder payable by the Borrower to the Bank on December 31, 1978, and on April 20, 1979, in accordance with the terms of this Note. The balance (if any) remaining after such applications will be remitted by the Bank to the Manager for payment to the Borrower. If the Bank shall determine that the Financing Fee is not sufficient to cover the payment of such interest in full and the payment of up to but not exceeding $2,200.00 of such fees and disbursements, the Bank will promptly notify the Borrower (through the Manager) of the amount of such deficiency. The Borrower shall be obligated to pay the amount of such deficiency to the Bank in full on April 20, 1979.

(g) The Borrower hereby irrevocably directs the Bank to apply, in the manner hereinabove provided in this Section 6, all of the moneys which shall at any time or times be paid by the Manager to the Bank, for the account of the Borrower, in accordance with the terms of the Fiscal Agency Agreement. The Borrower hereby irrevocably appoints the Bank the attorney-in-fact of the Borrower with power of substitution, in the name of the Borrower or of the Bank, to execute and do all such assurances, acts and things as shall, in the opinion of the Bank, be necessary in order to accomplish all or any of the foregoing acts and things referred to in paragraphs (a), (b), (c), (d), (e) and (f) of this Section 6, the Borrower hereby ratifying and confirming all that the Bank may do in pursuance of the power hereby granted which, being given for security, is irrevocable.

(h) The Obligations of the Borrower to the Bank under or in respect of this Note and the indebtedness evidenced hereby are absolute, unconditional and irrevocable under any and all circumstances, it being the express intention of the Borrower and the Bank that the Obligations shall not be to any extent or in any way or manner whatsoever satisfied, discharged, released, impaired, diminished or otherwise affected except by payment to the Bank by or on behalf of the Borrower and then only to the extent of such payment. Without any limitation whatsoever of the generality of the foregoing, the Obligations of the Borrower are in no way conditional upon any requirement that the Bank first (i) attempt to collect from the Manager any moneys which will become and be due and payable by the Manager to the Borrower at any time or times in accordance with the terms of the Management Agreement, (ii) attempt to collect from States Marine Corporation any moneys which will become and be due and payable by States Marine Corporation (whether in its individual capacity or in its capacity as agent for the Borrower) to the Bank (whether for the account of the Borrower or for the account of the Bank) at any time or times in accordance with the terms of the Fiscal Agency Agreement, (iii) proceed to protect and enforce all or any of the rights, remedies, powers or privileges of the Borrower under the Management Agreement or under or in respect of any of the Collateral by action at law or other appropriate proceedings, (iv) proceed to protect and enforce all or any of the rights, remedies, powers or privileges of the Bank under the Fiscal Agency

Agreement or under or in respect of any of the Collateral by action at law or other appropriate proceedings, or (v) attempt to take possession of, sell, transfer or otherwise dispose of or otherwise realize upon or resort to any of the Collateral or otherwise enforce any of the security interests granted to the Bank hereby.

(i) Without any limitation whatsoever of the generality of the provisions contained in Section 6(h) hereof:

(A) if, on the date on which any Obligation shall become and be due and payable by the Borrower to the Bank hereunder, the moneys which (1) shall have been paid by the Manager to the Bank for the account of the Borrower in accordance with the terms of the Fiscal Agency Agreement, and (2) shall be freely available to the Bank for application in or towards the payment of such Obligation on the due date hereof, shall be less than the amount of such Obligation, the Borrower shall be absolutely and unconditionally obligated to pay to the Bank, on the due date of such Obligation, the full amount of such deficiency;

(B) the failure, refusal or inability of the Manager to make any payment or payments to the Bank for the account of the Borrower in accordance with the terms of the Fiscal Agency Agreement shall not to any extent or in any way or manner whatsoever discharge, release, impair or diminish any of the Obligations; and

(C) if (1) any payment (in this clause (C) called the "Manager Payment") shall at any time be made by the Manager to the Bank in accordance with the terms of the Fiscal Agency Agreement, (2) the Bank shall credit such Manager Payment as paid by the Borrower in or towards the satisfaction of any Obligation, and (3) such Manager Payment or any part thereof shall at any time be recovered from the Bank by any person or persons, then the Borrower shall be absolutely and unconditionally obligated to pay to the Bank, on the date on which such Manager Payment or any part thereof shall be recovered from the Bank, an amount equal to the Manager Payment or the part thereof so recovered from the Bank.

(j) The maximum liability of the Borrower to the Bank on or in respect of this Note or the indebtedness evidenced hereby is not limited to any extent or in any way or manner whatsoever. Without limitation of the generality of the foregoing sentence of this paragraph (j), if the proceeds of any sale, transfer or other disposition by the Bank of all or any part of the Collateral shall not be sufficient to satisfy and discharge all of the Obligations then due and payable by the Borrower to the Bank hereunder, the Borrower shall be absolutely and unconditionally liable to the Bank for the deficiency.

Section 7. Grant of Security Interest. In order to secure the payment and performance of all of the Obligations and each and every part thereof,

the Borrower hereby mortgages and assigns to the Bank, and hereby grants to the Bank a continuing security interest in, all of the Borrower's rights, title and interests in, to, under or in respect of all of the following:

(a) each of the Cars, the Agreement between the Manager and the Manufacturer referred to in Section 1(c) hereof and the instrument of assignment between the Manager and the Borrower referred to in such Section 1(c);

(b) the Management Agreement and each (if any) other management agreement which shall at any time or times hereafter be made or otherwise entered into by the Borrower in respect of the Cars or any of them (the Management Agreement and such other management agreements being herein collectively called the "Management Agreements"), including, without limitation, all of the contract rights, accounts, powers, privileges, options, guarantees, indemnities, claims and remedies and all other interests and benefits whatever existing on the date hereof or arising from time to time thereafter of the Borrower under or in respect of the Management Agreements or any of them;

(c) all leases, contracts for employment or other contracts or agreements of any nature whatsoever pursuant to or under which the Borrower or the Borrower's agents or representatives or the Manager or any of its designees, agents or representatives shall, at any time or times, lease, hire, bail or let the Cars or any of them to any person or persons or otherwise permit or authorize the Cars or any of them to be used or employed by or on behalf of any person or persons (such leases, contracts or other agreements being herein collectively called the "Leases");

(d) all moneys (other than any Sales Proceeds or Event of Loss Proceeds) which shall, at any time or times, become and be due and payable to the Borrower or to the Borrower's agents or representatives under or in respect of the Management Agreements or any of them or under or in respect of the Leases or any of them, including, without limitation, all damages and claims for damages for or in respect of any breach of any of the Management Agreements or any of the Leases, and all other earnings and revenues of the Cars or any of them of any kind whatever which shall at any time or times become and be due and payable to the Borrower or to the Borrower's agents or representatives (all such moneys, earnings and revenues being herein collectively called the "Freights") and all accounts which shall, at any time or times, arise under or in respect of all or any of the Management Agreements, the Leases or the Freights;

(e) all Sales Proceeds, all Event of Loss Proceeds and all accounts which shall, at any time or times, arise in respect of all or any of the Sales Proceeds or the Event of Loss Proceeds;

(f) all policies or contracts of insurance which shall at any time or times be obtained or otherwise entered into by the Borrower or by any other persons in the joint names of such persons and the Borrower in respect of

the Cars or any of them or in respect of the Freights or otherwise howsoever in connection with any of the Cars or the Freights (all of such policies and contracts of insurance being herein collectively called the "Insurances"), including, without limitation, all of the benefits of the Insurances and all accounts and claims arising in respect thereof of whatsoever nature; and

(g) all of the proceeds and products of all of the foregoing.

Section 8. Bank's Rights In Respect Of The Collateral, Etc.

(a) The rights granted by the Borrower to the Bank pursuant to Section 7 hereof include, without limitation, the immediate and continuing rights to give notices, requests, consents, approvals and waivers under any of the Management Agreements, the Leases or the Insurances, to make demands upon any party or parties thereto, to execute and/or deliver any instruments or documents required to be executed and/or delivered by the Borrower thereunder, to compel performance by any party or parties thereto of all or any of the obligations thereunder of any such party or parties, to receive notices or other communications from any parties thereto, to request or agree to any amendments or modifications thereof or any supplements or additions thereto, to receive or collect by legal process or otherwise and to give receipts for all Freights, Sales Proceeds or Event of Loss Proceeds which may at any time or times become payable to the Borrower by, and for all other moneys which may at any time or times become recoverable by the Borrower from or payable to the Borrower by, any party or parties to any of the Management Agreements, the Leases or the Insurances, and, generally, to do all of the things which the Borrower is or may hereafter become entitled to do under or in respect of any of the Management Agreements, the Leases, the Insurances or the Cars, the Borrower hereby appointing the Bank the attorney-in-fact of the Borrower with power of substitution, in the name of the Borrower or of the Bank or its nominees, to do all or any of the foregoing, the Borrower hereby ratifying and confirming all that the Bank or any substitute attorney may do in pursuance of the powers granted by this Note which, being given for security, are irrevocable. Anything hereinbefore to the contrary notwithstanding, but without any prejudice whatsoever to the provisions of Section 8(b) hereof, the Bank hereby agrees with the Borrower that the Bank will not exercise any of the foregoing rights until the Bank shall furnish the Borrower with a written notice advising the Borrower of the Bank's decision (which shall be conclusive and binding on the Borrower) to exercise any one or more of the foregoing rights. Notices pursuant to the foregoing sentence of this paragraph (a) may be furnished by the Bank to the Borrower at any time and from time to time, whether before or after any Event of Default shall occur. The Borrower hereby absolutely and irrevocably agrees with the Bank that, from and after the date of any such notice from the Bank to the Borrower, the Bank shall have the sole and exclusive right, power and privilege to exercise such of the foregoing rights as shall have been specified by the Bank in such notice.

(b) The Bank shall have the right (but shall have no obligation) at any time or times to take, in its own name or in the name of the Borrower, or otherwise, such action as the Bank may determine to be necessary to cure any default, or to protect or enforce any rights of the Borrower, under or in respect of any of the Management Agreements, the Leases, the Insurances or the Cars. Any action, suit or proceeding brought by the Bank pursuant to any provision hereof may be compromised, withdrawn or otherwise dealt with by the Bank without the approval of the Borrower or any other person or persons.

(c) It is the express intention of the Borrower and the Bank that, except as otherwise expressly provided by this Note and the Fiscal Agency Agreement, all of the Freights, Event of Loss Proceeds and Sales Proceeds and all other moneys which shall at any time or times become and be due and payable to the Borrower under or in respect of the Management Agreements, the Leases or the Insurances or otherwise howsoever in respect of the Cars shall (in each case) be paid directly to the Bank in full for the account of the Borrower and applied by the Bank in or towards the payment of the Obligations in accordance with the terms of Section 6 hereof. The Borrower will (except as otherwise expressly provided by this Note and the Fiscal Agency Agreement) at all times cause all of the Freights, Event of Loss Proceeds and Sales Proceeds and all such other moneys to be paid directly to the Bank in full for the account of the Borrower. If any of the Freights, Event of Loss Proceeds or Sales Proceeds or any such other moneys are received at any time by the Borrower, the Borrower shall hold all of the moneys so received in trust for the Bank without commingling the same with any other funds of the Borrower, and, promptly after the Borrower's receipt of any such moneys, the Borrower shall pay the same directly to the Bank.

(d) The security interests created by this Note shall be held by the Bank as a continuing security for the payment and performance of all of the Obligations and each and every part thereof and shall be held by the Bank, and shall not be discharged or otherwise terminated, until such time as all of the Obligations are paid and satisfied in full. This Note, the rights, remedies, powers and privileges of the Bank hereunder and the security interests created hereby shall be in addition to, and shall not in any way be prejudiced or affected by, any other collateral or any other security now or at any time or times hereafter held by the Bank for all or any part of the Obligations. Each and every right, remedy, power and privilege conferred on or reserved to the Bank hereunder shall be cumulative and in addition to, and not in limitation of, each and every other right, remedy, power or privilege conferred on or reserved to the Bank under this Note or under any other collateral. All of the rights, remedies, powers and privileges vested in the Bank hereunder may be exercised by the Bank at such time or times and in such order and manner as the Bank may, in its absolute discretion, deem expedient.

(e) The Obligations and the security interests granted hereby shall not be to any extent or in any way or manner whatsoever discharged, impaired, diminished, released or otherwise affected by any of the following,

whether or not the Borrower shall have had any notice or knowledge of any thereof: (i) any extension or postponement of the time for the payment or performance of any of the Obligations, the acceptance of any partial payment thereon, any and all other indulgences by the Bank in respect of any of the Obligations, the taking, addition, substitution or release, in whole or in part, at any time or times, of any security for any of the Obligations or the addition, substitution or release, in whole or in part, of any person or persons primarily or secondarily liable in respect of any of the Obligations; (ii) any action or delay in acting or failure to act on the part of the Bank hereunder or in respect of any of the Obligations or any of the Collateral or under the Fiscal Agency Agreement or otherwise, including, without limitation, any failure strictly or diligently to assert any right or to pursue any remedy against the Borrower hereunder or to mitigate damages or to assert any right or to pursue any remedy under any of the agreements, instruments or documents for the time being comprising the Collateral against any other party or parties thereto or to assert any right or to pursue any remedy against States Marine Corporation (whether in its individual capacity or in its capacity as agent for the Borrower) under the Fiscal Agency Agreement; (iii) any waiver, consent or other action or acquiescence by the Bank at any time or times in respect of (A) any default by the Borrower in the performance of or the compliance with any term, covenant, condition or provision contained herein, or (B) any default under any of the agreements, instruments or documents for the time being comprising the Collateral by any other party or parties thereto, or (C) any default by States Marine Corporation (whether in its individual capacity or in its capacity as agent for the Borrower) in the performance of or the compliance with any term, covenant, condition or provision contained in the Fiscal Agency Agreement; or (iv) the existence or creation at any time or times of any claim, defense, right of set-off or counterclaim of any nature whatsoever of the Borrower against the Bank. The Borrower hereby irrevocably assents to and waives notice of any and all events, conditions, matters and things hereinabove specified in clauses (i) through (iv), inclusive, of the foregoing sentence of this paragraph (e) and further hereby irrevocably waives presentment, demand, notice, protest and all other demands and notices in connection with the delivery, acceptance, performance, default or enforcement of this Note or of any Collateral.

Section 9. Borrower's Representations and Warranties. The Borrower hereby represents and warrants to the Bank that:

(a) The Borrower is an individual residing on the date hereof at Meadowbrook Road, Lincoln, Massachusetts.

(b) Except for the security interests granted hereby, the Borrower is the absolute and lawful owner of the Collateral. No part of the Collateral is subject to any mortgage, assignment, lien, pledge, charge, security interest or other encumbrance of kind whatever other than the security interests granted to the Bank hereby. No financing statements, mortgages, assignments, security agreements or deeds of trust have been filed with respect to

all or any part of the Collateral other than such as relate to the security interests granted to the Bank hereby.

(c) This Note has been duly executed and delivered to the Bank by the Borrower, and the agreements of the Borrower contained herein constitute legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their respective terms.

(d) The Borrower has furnished the Bank with a personal financial statement of the Borrower, dated December 4, 1978. Such financial statement is materially accurate and complete and presents fairly the financial condition of the Borrower as of December 4, 1978. The Borrower did not have, as of December 4, 1978, any material liabilities or obligations, secured or unsecured (whether certain, contingent or otherwise), which were not reflected in the financial statement referred to above. No changes have occurred in the assets, liabilities or financial condition of the Borrower from that reflected in the financial statement referred to above which, individually or in the aggregate, have been materially adverse.

Section 10. Further Covenants of the Borrower. The Borrower hereby further covenants and agrees with the Bank that, from the date hereof and until such later date as all of the Obligations are paid and satisfied in full:

(a) The Borrower will not at any time or times, without the express prior written consent of the Bank, (i) take any action to cancel, terminate or rescind, or agree or consent to any cancellation, termination or rescission of, the Fiscal Agency Agreement, the Management Agreement or any other Management Agreements or any Leases which shall at any time hereafter be made or otherwise entered into by the Borrower, (ii) waive, release or discharge, or agree or consent to any waiver, release or discharge of, any obligation or liability of the Manager or States Marine Corporation to the Borrower under the Fiscal Agency Agreement, the Management Agreement or any obligation or liability of any person to the Borrower under any other Management Agreements or any Leases which shall at any time hereafter be made or otherwise entered into by the Borrower, (iii) agree or consent to any act or omission by the Manager or States Marine Corporation which would constitute a default by the Manager or States Marine Corporation in the performance of or compliance with any term, covenant or provision of the Fiscal Agency Agreement or the Management Agreement, (iv) agree or consent to any act or omission by any person which would constitute a default by such person in the performance of or compliance with any term, covenant or provision of any other Management Agreements or any Leases which shall at any time hereafter be made or otherwise entered into by the Borrower, (v) agree or consent to any modification or amendment of, or any supplement or addition to, the Fiscal Agency Agreement, the Management Agreement or any other Management Agreements or Leases which shall at any time hereafter be made or otherwise entered into by the Borrower, (vi) make or otherwise enter into any Management Agreements

(other than the Management Agreement) or any Leases, or (vii) extend or renew, or agree to any extension or renewal of, any Management Agreements or any Leases.

(b) The Borrower will not at any time or times, without the express prior written consent of the Bank, (i) use or employ any of the Cars or knowingly permit or authorise any of the Cars to be used or employed in any way or for any purpose which might impair the security interests granted to the Bank hereby, (ii) sell, offer for sale or agree to sell any of the Cars or otherwise authorize or permit any person or persons (including the Manager) to sell, offer for sale or agree to sell any of the Cars, (iii) transfer or dispose of any of the Cars or otherwise agree or consent to any transfer or disposition of any of the Cars, (iv) refuse to permit or otherwise object to the making of any alterations, modifications, improvements or additions to the Cars or any of them of the kind described in Section 8(c) of the Management Agreement, or (v) take or omit to take any action, the taking or omission of which shall result in the withdrawal of all or any of the Cars from the Management Program (as defined in the Management Agreement) or the termination of the Management Agreement or the Fiscal Agency Agreement. If any of the Borrower's legal representatives shall, within sixty days after the death of Mitchell K. Rudnick, request the Bank's consent for the sale or other disposition of all of the Cars, then the Bank will grant such consent; provided, however, that the Bank's obligation to grant such consent is subject to the condition that arrangements satisfactory to the Bank shall be made for the payment by or on behalf of the Borrower of all of the Obligations in full upon or in connection with such sale or other disposition of all of the Cars.

(c) The Borrower will not at any time or times (i) create, assume or incur, or suffer to be created, assumed or incurred, or permit to exist, any mortgage, lien, pledge, charge, security interest or other encumbrance of any kind in respect of the Collateral or any part thereof, excluding, however, from the operation of this paragraph (c), (A) the security interests granted to the Bank hereby, and (B) materialmen's, mechanics', workmen's, repairmen's or other like liens arising in respect of the Cars in the ordinary course of the use or operation of the Cars, provided, that the Borrower will pay and discharge, or otherwise cause to be paid and discharged, as required by Section 10(f) hereof, all debts, damages and liabilities which have given rise to any such liens referred to in this clause (B) and that any such liens so referred to shall be permitted to exist only so long as there shall exist no danger that any such liens will be asserted or otherwise enforced against any of the Cars, or (ii) take or knowingly omit to take any action, the taking or omission of which would prejudice, delay or impair in any way whatsoever all or any of the rights, remedies, powers and privileges of the Bank hereunder.

(d) The Borrower will duly perform and comply with all of the agreements and conditions to be performed and complied with by it under the Fiscal Agency Agreement, under the Management Agreement and under any other Management Agreements or any Leases which shall at any time hereafter be made or otherwise entered into by the Borrower.

(e) The Borrower will insure each of the Cars or otherwise cause each of the Cars to be insured in the name of the Borrower or in the joint names of the Borrower and any manager and/or lessee for the time being of the Cars in such amount or amounts as the Bank may from time to time stipulate and against all such risks as the Bank may from time to time stipulate. The Borrower will effect all of such insurances, or otherwise cause all of such insurances to be effected, with such reputable insurance companies or underwriters as the Bank shall approve. All of the insurances required to be carried and maintained on or with respect to the Cars shall name the Bank as a loss payee and shall be taken out in such manner as shall create a first priority security interest in such insurances in the Bank, for which purpose the Borrower shall at all times act in accordance with the requirements of the Bank. All policies or contracts of insurance which shall at any time or times be obtained in respect of the Cars shall be satisfactory to the Bank in form and substance. The Borrower will notify the Bank in writing, and will cause each of the insurers of the Cars to agree with the Bank (each such agreement to be in form and substance satisfactory to the Bank) to notify the Bank in writing, (i) of any cancellation of any of the Insurances, (ii) of any proposed alteration in any of the Insurances, (iii) of any failure to pay, as and when the same shall become and be due and payable, any premium in respect of any of the Insurances, and (iv) of any other act or omission which might invalidate or render unenforceable, in whole or in part, any of the Insurances.

(f) The Borrower will pay and discharge, or otherwise cause to be paid and discharged, when the same shall become due and payable, all debts, damages and liabilities whatsoever which have given or may give rise to any liens on or claims enforceable against the Cars or any of them.

(g) The Borrower will furnish or cause to be furnished to the Bank:

(i) not later than ninety (90) days after the end of each calendar year, the personal financial statement of the Borrower, such personal financial statement to be in the form of the personal financial statement annexed hereto as Exhibit C, appropriately completed and signed by or on behalf of the Borrower and to be materially accurate and complete and to present fairly the financial condition of the Borrower as of the end of such calendar year;

(ii) with reasonable promptness, such other information respecting the assets, liabilities and financial condition of the Borrower as the Bank may from time to time reasonably request;

(iii) with reasonable promptness, all such information regarding the Cars, the Management Agreements, the Leases and the Insurances as the Bank may from time to time reasonably request; and

(iv) immediately upon the occurrence of any such change, written notice of any change in the Borrower's address from that shown in Section 9(a) of this Note.

(h) The Borrower will pay to the Bank, on demand by the Bank at any time or times, all moneys whatsoever which the Bank shall or may reasonably expend, be put to, or become and be liable for, in or about the protection, maintenance or enforcement of the security interests granted to the Bank hereby or in or about the exercise by the Bank of all or any of the rights, remedies, powers and privileges vested in the Bank hereunder.

(i) The Borrower will, at any time or times upon the written request of the Bank, and without any expense to the Bank, execute, acknowledge (if appropriate) and deliver, or cause to be executed, acknowledged and delivered, any and all such further assurances and other agreements, instruments and documents and take or cause to be taken such other action as shall, in the opinion of the Bank, be necessary at any time or times in order (i) to give full effect to this Note and to the Fiscal Agency Agreement, (ii) to maintain, preserve, safeguard and continue all or any of the rights, remedies, powers and privileges of the Bank under this Note and in the Collateral and under the Fiscal Agency Agreement, or (iii) to protect the security interests granted to the Bank hereby.

Section 11. Events of Default and Remedies.

(a) The occurrence of any one or more of the following events shall constitute an "Event of Default":

(i) any principal, interest or other sum payable to the Bank under this Note shall not be paid to the Bank punctually when due; or

(ii) any representation or warranty made by or on behalf of the Borrower in this Note or otherwise in writing in connection with this Note shall prove to have been untrue or incorrect on or as of the date on which such representation or warranty was made; or

(iii) the Borrower shall fail to perform, comply with or satisfy any other covenant, agreement or obligation which is contained in this Note and which is to be performed, complied with or satisfied by the Borrower; or

(iv) the Borrower shall fail to perform, comply with or satisfy any covenant, agreement or obligation which is contained in the Fiscal Agency Agreement, the Management Agreement or in any other Management Agreements or any Leases and which is to be performed, complied with or satisfied by the Borrower; or

(v) States Marine Corporation (acting in its capacity as agent for the Borrower under the Fiscal Agency Agreement) shall fail to perform, comply with or satisfy any covenant, agreement or obligation which is contained in the Fiscal Agency Agreement and which is to be performed, complied with or satisfied by States Marine Corporation; or

(vi) any substantial loss, theft, material damage or destruction of or to the Collateral shall occur which is not adequately covered by the Insurances, or any levy on the Collateral or seizure or attachment thereof by legal process shall occur which is not discharged forthwith upon the Borrower's receipt of notice thereof; or

(vii) all or any part of the Collateral shall be sold, transferred, assigned or disposed of, by operation of law or otherwise, without the prior written consent of the Bank; or

(viii) the death, dissolution, termination of existence, insolvency, business failure, appointment of a receiver for any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against the Borrower shall occur; or

(ix) the Fiscal Agency Agreement shall terminate or otherwise cease to be in full force and effect, or any period of time shall elapse during which no Management Agreements, in form and substance satisfactory to the Bank, shall be in full force and effect; or

(x) anything shall be done or omitted to be done by the Borrower which, in the reasonable opinion of the Bank, shall imperil the security interests granted to the Bank hereby; or

(xi) any event shall occur or any condition shall exist which, in the reasonable opinion of the Bank, shall impair the ability of the Borrower to pay and perform all or any part of the Obligations.

(b) If any Event of Default shall occur:

(i) The Bank may, by giving notice to the Borrower, declare all of the Obligations, including the entire unpaid principal of this Note, all of the unpaid interest accrued thereon and all (if any) other sums payable by the Borrower to the Bank hereunder to be immediately due and payable. Thereupon, all of the Obligations shall forthwith become and be due and payable by the Borrower to the Bank without any other notice and without presentment for payment, demand, protest or notice of protest or any other formalities of any kind, all of which are hereby expressly waived by the Borrower.

(ii) The Bank may proceed to protect and enforce all or any of its rights, remedies, powers or privileges under this Note by action at law,

suit in equity or other appropriate proceedings, whether for specific performance of any covenant contained in this Note, or in aid of the exercise of any power granted to the Bank herein.

(iii) The Bank shall have in any jurisdiction where enforcement is sought, in addition to all other rights and remedies, the rights and remedies of a secured party under the Uniform Commercial Code of Massachusetts, including, without limitation, the right to take possession of the Collateral. The Bank will, at least five days prior to taking possession of any of the Cars, give to the Borrower notice of the Bank's decision to take possession of the Cars. The Borrower will, upon demand by the Bank but at the expense of the Borrower, make the Collateral available to the Bank at a place and time designated by the Bank which is reasonably convenient to both parties. The Bank will give the Borrower at least five days' prior written notice of the time and place of any public sale of the Collateral or of the time after which any private sale or any other intended disposition of the Collateral is to be made.

Section 12. Provisions of General Application.

(a) All notices, requests, applications and other communications pursuant hereto shall be in writing, either delivered in hand or sent by first-class mail, postage prepaid, or by telex or telegraph, addressed as follows: (i) if to the Borrower, at Meadowbrook Road, Lincoln, Massachusetts; (ii) if to the Bank, at 100 Federal Street, Boston, Massachusetts 02110, marked "Attention: James F. Notman, Jr., Assistant Vice President"; or (iii) to such other address as either party hereto shall have designated in a written notice to the other party hereto.

(b) This Note shall be binding upon the Borrower and the successors, assigns, heirs, executors, administrators and other legal representatives of the Borrower. This Note shall inure to the benefit of the Bank and its successors in title and assigns.

(c) Without prejudice to any of the other provisions of this Note, the Borrower shall pay to the Bank, on demand by the Bank at any time or times, any and all costs, charges, expenses and other sums expended, paid or debited in account by the Bank, whether by itself or through any attorney, delegate, sub-delegate, substitute or agent, for any of the purposes referred to in this Note or the Fiscal Agency Agreement or otherwise howsoever in relation to the security interests granted to the Bank hereby, including, without limitation, the remuneration of any such attorney, delegate, sub-delegate, substitute or agent and of any other servants or agents employed by the Bank for any such purposes and any and all other costs, charges and expenses (including, but not limited to, the fees and disbursements of lawyers) which have been or which shall at any time or times hereafter be incurred or sustained by the Bank in connection with the preparation, execution and delivery of this Note and the Fiscal Agency Agreement, the preparation, execution and

delivery of any variations or supplements hereto or thereto or the making of the Loan, or in the maintenance, preservation, protection, realisation or enforcement of, or the collection and recovery of any moneys from time to time arising under, such security interests, or in insuring, inspecting, repairing, maintaining, completing, managing, letting, realising or exercising any other power, authority or discretion in relation to the Collateral or any part thereof, or otherwise incurred under any provision of this Note or the Fiscal Agency Agreement, to the intent that the Bank shall be afforded a full and unlimited indemnity in respect thereof, and, until so repaid, the payment of all such costs, charges, expenses and other sums shall be secured by the Collateral (but without prejudice to any other remedy, lien or security avail able to the Bank).

(d) Regardless of the adequacy of any Collateral, any deposits or other sums at any time credited by or due from the Bank to the Borrower may at any time or times, without notice to the Borrower or compliance with any other condition precedent now or hereafter imposed by statute, rule of law or otherwise (all of which are hereby expressly waived by the Borrower), be applied to or set off against all or any of the Obligations by the Bank.

(e) This Note and the rights and obligations of the parties hereunder shall, except as otherwise expressly provided herein, be governed by and interpreted and determined in accordance with the laws of Massachusetts. This Note is intended to take effect as a sealed instrument.

(f) This Note shall be executed in two counterparts. One of such counterparts shall be filed with the Interstate Commerce Commission.

IN WITNESS WHEREOF, this Note has been duly executed under seal by or on behalf of MITCHELL K. RUDNICK on the day and in the year first above written.

(SEAL)

MITCHELL K. RUDNICK

The foregoing Promissory Note and Security Agreement and all of the terms, conditions and provisions contained therein are hereby accepted by or on behalf of THE FIRST NATIONAL BANK OF BOSTON on the 28th day of December, 1978.

THE FIRST NATIONAL BANK OF BOSTON

By

EXHIBIT A

9983

EXHIBIT A TO THE FOREGOING PROMISSORY NOTE AND SECURITY AGREEMENT, DATED December 31, 1978

IDENTIFICATION OF THE CARS

The Cars referred to in the said Promissory Note and Security Agreement are 100 ton covered-hopper railroad freight cars having a capacity of 4,550 cubic feet each. The Serial Number of each of the Cars and the Reporting Mark (at the date of completion of this Exhibit A) of each of the Cars are set forth below:

SERIAL NUMBERS	REPORTING MARKS
810030	GNWR
810031	GNWR
810032	GNWR
810033	GNWR
810034	GNWR
810035	GNWR
810036	GNWR
810037	GNWR
810038	GNWR
810039	GNWR

EXHIBIT B TO THE FOREGOING PROMISSORY NOTE AND SECURITY AGREEMENT, DATED December 21, 1978

STATES RAIL SERVICES

The First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

_____, 1979

Re: Promissory Note and Security Agreement, dated December 21, 1978, Executed and Delivered to The First National Bank of Boston by MITCHELL K. RUDNICK

LOAN APPLICATION

Dear Sirs:

Pursuant to Section 2(b) of the Promissory Note and Security Agreement, dated December 21, 1978 (the "Note"), executed and delivered to The First National Bank of Boston by MITCHELL K. RUDNICK (terms defined in the Note having the same respective meanings herein as therein), the undersigned, as agent for the Borrower, hereby makes written application to the Bank for the Loan in the principal amount of _____ DOLLARS ($_____).

In accordance with Section 2(b) of the Note and Section 3.2 of the Fiscal Agency Agreement, the undersigned, as agent for the Borrower, also hereby irrevocably directs the Bank to pay the entire proceeds of the Loan to the undersigned (as agent for the Borrower) on _____, 197_, by causing such proceeds to be credited to the account (No._____) of the undersigned with the Bank.

The undersigned does hereby represent and warrant to the Bank (a) that each of the Cars has been delivered to and accepted by the undersigned, as agent for the Borrower, and (b) that the Purchase Price will be paid to the Manufacturer on _____, 197_.

Very truly yours,

STATES MARINE CORPORATION (acting as agent for the Borrower by and through its division, STATES RAIL SERVICES)

By:_____

EXHIBIT C To the Foregoing Promissory Note and Security Agreement,
Dated December 21, 1978 **PERSONAL FINANCIAL STATEMENT**

EXHIBIT C

IMPORTANT: Read these directions before completing this Statement.

- ☐ If you are applying for individual credit in your own name and are relying on your own income or assets and not the income or assets of another person as the basis for repayment of the credit req complete only Sections 1 and 3.
- ☐ If you are applying for joint credit with another person, complete all Sections providing information in Section 2 about the joint applicant
- ☐ If you are applying for individual credit but are relying on income from alimony, child support, or separate maintenance or on the income or assets of another person as a basis for repayment of t requested, complete all Sections, providing information in Section 2 about the person whose alimony, support, or maintenance payments or income or assets you are relying
- ☐ If this statement relates to your guaranty of the indebtedness of other person(s), firm(s) or corporation(s), complete Sections 1 and 3

TO:

SECTION 1 - INDIVIDUAL INFORMATION (Type or Print)	SECTION 2 - OTHER PARTY INFORMATION (Type or Pr
Name	Name
Residence Address	Residence Address
City State & Zip	City State & Zip
Position or Occupation	Position or Occupation
Business Name	Business Name
Business Address	Business Address
City State & Zip	City State & Zip
Res Phone Bus Phone	Res Phone Bus Phone

SECTION 3 - STATEMENT OF FINANCIAL CONDITION AS OF _____ 19. ____

ASSETS (Do not include Assets of doubtful value)	In Dollars (Omit cents)	LIABILITIES	In Dollars (Omit cents
Cash on hand and in banks		Notes payable to banks - secured	
U S Gov't & Marketable Securities - see Schedule A		Notes payable to banks - unsecured	
Non-Marketable Securities - See Schedule B		Due to brokers	
Securities held by broker in margin accounts		Amounts payable to others - secured	
Restricted or control stocks		Amounts payable to others - unsecured	
Partial interest in Real Estate Equities - see Schedule C		Accounts and bills due	
		Unpaid income tax	
Real Estate Owned - see Schedule D		Other unpaid taxes and interest	
Loans Receivable		Real estate mortgages payable - see Schedule D	
Automobiles and other personal property			
Cash value-life insurance-see Schedule E		Other debts - itemize	
Other assets - itemize			
		TOTAL LIABILITIES	
		NET WORTH	
TOTAL ASSETS		TOTAL LIAB AND NET WORTH	

SOURCES OF INCOME FOR YEAR ENDED _____ 19____		PERSONAL INFORMATION
Salary, bonuses & commissions	$	Do you have a will? _____ if so, name of executor
Dividends		
Real estate income		Are you a partner or officer in any other venture? If so, describe
Other income (Alimony, child support, or separate maintenance		
income need not be revealed if you do not wish to have it		Are you obligated to pay alimony, child support or separate maintenance payments? If so, describe
considered as a basis for repaying this obligation)		
		Are any assets pledged other than as described on schedules? If so, des
TOTAL	$	
CONTINGENT LIABILITIES		
Do you have any contingent liabilities? If so, describe		Income tax settled through (date) _____
		Are you a defendant in any suits or legal actions?
As indorser, co-maker or guarantor?	$	Personal bank accounts carried at
On leases or contracts?	$	
Legal claims	$	
Other special debt	$	Have you ever been declared bankrupt? If so, describe
Amount of contested income tax liens	$	

rma
Robert Morris Associates Form C 100RT Rev 5 77
Order from CADWALLADER & JOHNSON, INC
5170 Northwest Highway, Chicago, Illinois 60630

SCHEDULE A - [illegible] MARKETABLE SECURITIES

Number of Shares or Face Value (Bonds)	Description	In Name Of	Are These Pledged?	Market Value

SCHEDULE B - NON-MARKETABLE SECURITIES

Number of Shares	Description	In Name Of	Are These Pledged?	Source of Value	Value

SCHEDULE C - PARTIAL INTERESTS IN REAL ESTATE EQUITIES

Address & Type Of Property	Title In Name Of	% Of Ownership	Date Acquired	Cost	Market Value	Mortgage Maturity	Mortgage Amount

SCHEDULE D - REAL ESTATE OWNED

Address & Type Of Property	Title In Name Of	Date Acquired	Cost	Market Value	Mortgage Maturity	Mortgage Amount

SCHEDULE E - LIFE INSURANCE CARRIED, INCLUDING N.S.L.I. AND GROUP INSURANCE

Name Of Insurance Company	Owner Of Policy	Beneficiary	Face Amount	Policy Loans	Cash Surrend Value

SCHEDULE F - BANKS OR FINANCE COMPANIES WHERE CREDIT HAS BEEN OBTAINED

Name & Address Of Lender	Credit In The Name Of	Secured Or Unsecured?	Original Date	High Credit	Current Balance

The information contained in this statement is provided for the purpose of obtaining, or maintaining credit with you on behalf of undersigned, or persons, firms or corporations in whose behalf the undersigned may either severally or jointly with others, execute a guar in your favor. Each undersigned understands that you are relying on the information provided herein (including the designation made a ownership of property) in deciding to grant or continue credit. Each undersigned represents and warrants that the information provided is and complete and that you may consider this statement as continuing to be true and correct until a written notice of a change is given to yo the undersigned. You are authorized to make all inquiries you deem necessary to verify the accuracy of the statements made herein, an determine my/our creditworthiness. You are authorized to answer questions about your credit experience with me/us.

Signature (Individual) _____

S.S No _____ Date of Birth _____

Signature (Other Party) _____

S S No _____ Date of Birth _____

Date Signed _____ 19____

For Borrower:

State of New Hampshire
~~COMMONWEALTH OF MASSACHUSETTS~~)
) ss.
COUNTY OF Hillsborough)

On this 7th day of December, 1978, before me personally appeared Mitchell K. Rudnick, to me personally known to be the person described in and who executed the foregoing instrument as Borrower, and he acknowledged that he signed and delivered the foregoing instrument as his free act and deed.

Diana L Buchanan
Notary Public

[Notarial Seal] My commission expires: 11/22/83

For The First National Bank of Boston:

COMMONWEALTH OF MASSACHUSETTS)
) ss.
COUNTY OF SUFFOLK)

On this 13th day of December, 1978, before me personally appeared JAMES F. NOTHAN, JR., to me personally known, who being by me duly sworn, says that he is an ASST. VICE PRESIDENT of The First National Bank of Boston and that the form of acceptance on the foregoing instrument was executed by him on behalf of The First National Bank of Boston, and he acknowledged that the execution of the form of acceptance on the foregoing instrument was duly authorized by and was the free act and deed of The First National Bank of Boston.

Arthur J. Pottie
Notary Public

ARTHUR J. POTTIE, Notary Public
My Commission Expires: June 2, 1983

[Notarial Seal] My commission expires: