

LIONEL ALBERSTAT

B.SC., LL.B.  
BARRISTER, SOLICITOR  
NOTARY PUBLIC

602 LANCASTER BUILDING  
304 - 8TH AVENUE S.W  
CALGARY, ALBERTA T2P 1C2

TELEPHONE 263-6741  
AREA CODE 403

PLEASE REFER TO:  
OUR FILE:  
YOUR FILE:

RECORDATION  
OCT 6 1976 3 45 PM  
INTERSTATE COMMERCE COMMISSION

September 23, 1976

Secretary  
Interstate Commerce Commission  
Washington, D. C.  
20423

RECORDATION NO. 8497 Filed & Recorded  
OCT 6 1976 18 45 PM  
INTERSTATE COMMERCE COMMISSION

Dear Sir:

I am enclosing herewith Chattel Mortgage in triplicate for registration. The mortgagor is Canadian Hidrogas Resources Ltd., #1000, 610 - 8th Avenue S.W., Calgary, Alberta, Canada.

The mortgagee is Commercial Credit Corporation Ltd., 95 St. Clair Avenue West, Toronto, Ontario, Canada.

The equity covered by the Chattel Mortgage is as follows:

- 13 Railway Tank Cars - Registration Markings -
- CHRX 1001
- CHRX 1002
- CHRX 1003
- CHRX 1004
- CHRX 1005
- CHRX 1006
- CHRX 1007
- CHRX 1008
- CHRX1016
- CHRX 1022
- CHRX 1024
- CHRX 1028
- CHRX 1029

*Received*  
*Oct 6 3:33 PM 76*  
*I.C.C.*  
*File Operations Branch*

I also enclose my cheque payable to the Department in the amount of \$50.00 U.S. funds. Would you kindly acknowledge receipt of same and registration of same.

Yours truly,

*L. Alberstat*  
L. Alberstat

LA/cb  
enc.

6-280A096  
OCT 6 1976  
50-  
Washington, D. C.

**Interstate Commerce Commission**  
Washington, D.C. 20423

10/7/76

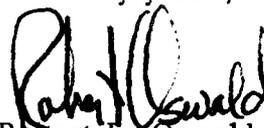
OFFICE OF THE SECRETARY

Lionel Alberstat  
602 Lancaster Building  
304-8th Ave.S.W.  
Calgary, Alberta T2P 1C2

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 20(c) of the Interstate Commerce Act, 49 U.S.C. 20(c), on 10/6/76 at 3:45pm, and assigned recordation number(s) 8497 & 8509

Sincerely yours,

  
Robert L. Oswald  
Secretary

Enclosure(s)

SE-30  
(5/76)

(Equipment and Aircraft)

18H

9 January

19..76

from 18H

By this Indenture made this day between..... Canadian Hidrogas Resources Ltd.....

of... #1000, 600 8th Avenue S.W., Calgary, Alberta..... the mortgagor,

and Commercial Credit Corporation Limited..... the mortgagee.

of 95 St. Clair Avenue West of the Municipality of Metropolitan Toronto Ontario

In consideration of the sum of Three Hundred Sixty One Thousand Four Hundred dollars (\$361,400.00)

of lawful money of Canada paid by the mortgagee to the mortgagor, receipt whereof is hereby acknowledged, the mortgagor

agrees to repay the said amount plus a service charge of One Hundred Four Thousand Eight dollars (\$104,083.00)

the total of which constitutes the Principal Sum hereinafter set out and grants, bargains, sells and assigns unto the mortgagee,

its successors and assigns, the following described chattels:

together with all repairs, parts, accessories, and equipment attached thereto or forming a part thereof (hereinafter collectively referred to as the "chattel").

TO HAVE AND TO HOLD the chattel unto mortgagee, its successors and assigns, forever. Provided always, and these presents are upon this express condition, that if the mortgagor pays to the mortgagee at its office above stated, the Principal Sum in the manner hereinafter provided together with any default charges payable from time to time as hereinafter stated, then these presents shall cease, determine and be void. The said Principal Sum shall be repayable in 50 equal consecutive monthly instalments of \$9,309.66 each, and thereafter in equal consecutive monthly instalments of \$9,309.66 each, the first of such instalments to become due and payable one month from February 1, 1976, and the last of such instalments to become due and payable on the 1st day of April, 1980.

MORTGAGE STATEMENT	
Amount of Loan	\$361,400.00
Service Charge (Cost of Borrowing)	\$104,083.00
Annual Rate	12.5%
Principal Sum (Total Indebtedness)	\$465,483.00

DEFAULT CHARGE: Where any instalment or amount payable hereunder is unpaid five days after it becomes due, all remaining instalments and/or amounts payable hereunder shall, at the option of the mortgagee and subject to the rights of the mortgagor to relief as provided under any applicable provincial law, immediately become due and payable without notice together with expenses incurred by the mortgagee as a result of such default. The entire balance of the remaining instalments after deduction of the unearned Service Charge shall thereafter bear an additional charge equivalent to the Annual Rate as herein disclosed. Total additional charges, other than court costs, to be paid in the event of default on all or any instalments in arrears from the date of default to the date of payment shall be calculated at the said Annual Rate.

The mortgagor warrants to the mortgagee that the said chattel is mortgagor's property, free and clear of all liens, mortgages, contracts, debts, charges and encumbrances. Any repair, part, accessory or equipment placed in or added to the chattel shall forthwith become part of the chattel and shall be the property of the mortgagee hereunder and shall be subject to the provisions hereof to the same extent as if originally a part of the chattel. The mortgagee may pay off in whole or any part of any lien, mortgage, contract, debt, charge or encumbrance claimed, whether validly or not, in respect of the chattel or any part thereof and may pay any money requisite to be paid, in the sole opinion of the mortgagee, to secure possession of the chattel without litigation, and may pay money to compromise and settle any litigation in respect of the chattel or the possession thereof, and all monies so paid by the mortgagee together with all expenses of the mortgagee in connection with any such payment shall be forthwith added to the principal sum hereby secured and shall bear interest at the said Annual Rate and shall be forthwith due and payable by the mortgagor to the mortgagee. The mortgagor agrees that he will not sell or transfer any interest in the said chattel without the written consent of the mortgagee.

The mortgagor shall provide safe storage for the chattel and properly care for the said chattel and make all proper repairs thereto. The mortgagee shall be at liberty at any time to pay any or all monies owing to any person in respect of work done or repairs to the chattel or in respect of storage thereof or in respect of any repair, part, accessory, or equipment added or attached thereto and all monies so advanced by the mortgagee shall forthwith be added to the principal sum hereby secured and shall bear interest at the said Annual Rate and shall be forthwith due and payable by the mortgagor to the mortgagee. The mortgagor agrees that he will not use the chattel for hire, nor sell, dispose of or part with possession of same, nor remove the same for a consecutive period of more than thirty days from the County in which the mortgagor's address as above set out is situated, nor decide to or attempt to do any of such acts without the written consent of the mortgagee, and shall keep the same free and clear of all taxes, assessments, liens and encumbrances and shall promptly notify the mortgagee of any loss or damage of or to the said chattel and the mortgagor shall at all times use, operate and enjoy the same strictly in accordance with all laws from time to time in force. The mortgagor shall keep the said chattel insured against loss and damage by fire and theft in a sum not less than the amount secured by this mortgage and the proceeds of any insurance whether paid by reason of loss, injury, return premium or otherwise shall be applied towards the repair or replacement of the chattel or payment of this obligation at the option of the mortgagee. The mortgagee may require any insurance on said chattel to be cancelled and new insurance effected in an office to be named by it and may also of its own accord effect or maintain such insurance and all monies paid by it in respect thereof shall be forthwith added to the principal sum hereby secured and shall bear interest at the said Annual Rate and shall be forthwith due and payable by the mortgagor to the mortgagee.

It is agreed that every article, whether severable or not, covered hereby shall stand charged with the whole of the principal money and interest hereby secured and that no person shall have any right to require that the mortgage monies be apportioned. The mortgagee may from time to time release or discharge any article or any other security from these presents without any or sufficient consideration as it shall see fit. No such release or discharge shall release or diminish or prejudice its security as against any article remaining undischarged or released or prejudice any covenant herein contained or release any insurer or guarantor or any other person whomsoever.

This mortgage and all of its covenants, promises, conditions and stipulations shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns of the parties hereto, and these presents shall be read with all grammatical changes made necessary by the context.

The Undersigned mortgagor hereby acknowledges the receipt from the mortgagee of a duplicate original copy of this Chattel Mortgage.

THE ADDITIONAL PROVISIONS APPEARING ON THE REVERSE SIDE HEREOF ARE INCORPORATED HEREIN AS A PART OF THIS CHATTEL MORTGAGE.

EXECUTED IN THE PRESENCE OF:

CANADIAN HIDROGAS RESOURCES LTD.

(Witness)

(Mortgagor's Corporate or Trade Name) (If Individual—Print Name and Sign Below)

RECORDATION NO. 3497 Filed & Recorded

Per: Exec Vice-President

Per: Larry D. Steward Secretary

OCT 6 1976 8 45 PM

INTERSTATE COMMERCE COMMISSION

C765-1

The mortgagor covenants, promises and agrees to pay to the mortgagee the said Principal Sum, charges and interest at the time and in the manner hereinbefore provided. In the event of default by the mortgagor in complying with the terms of payment hereof or if the mortgagor shall default in the observance of any of the promises, stipulations or conditions herein contained or should it appear that any representation or statement of the mortgagor to the mortgagee is untrue or should the mortgagee at any time have reasonable cause to believe that the chattel is in jeopardy or should the mortgagor be declared bankrupt or make an authorized assignment or suffer or permit the said chattel to be seized or taken in execution, or should any action or suit be taken or instituted in any court against the mortgagor whether with good cause or not, all of the unpaid instalments on this mortgage shall become immediately due and payable at the option of the mortgagee, and the mortgagee may take immediate possession of said chattel including any equipment or accessories thereto and for this purpose may enter upon any premises where same may be and remove the same and thereupon the mortgagee may sell said chattel at public auction or private sale with or without notice to the mortgagor and upon such terms and in such manner as the mortgagee may determine and the proceeds of any such sale less all expenses incurred by the mortgagee in re-taking said chattel including a reasonable solicitor's fee shall be appropriated to the payment of the balance then owing hereunder and the surplus remaining over shall be paid to the mortgagor and in case of deficiency the mortgagor shall be liable therefor, and further, in the event of default as aforesaid, the mortgagee may employ a collection agent and the mortgagor shall pay a reasonable collection fee. It is agreed that the mortgagee may at any such sale, and in its absolute discretion, accept as payment on account of the purchase money any other chattel and may repair the same and make alterations and additions thereto, it being agreed that the mortgagor shall not be entitled to credit upon the principal money and interest hereby secured until such chattel shall have been resold by the mortgagee, at which time credit shall be given for the monies received for such chattel after deducting therefrom all expenses in connection with the possession thereof, its storage and repair, the cost of all repairs, accessories or attachments thereto, advertising, commission and discount in respect of the sale by the mortgagee of any security given by the purchaser thereof. It is further agreed that the mortgagee and any officer, agent, or bailiff thereof may retake the said chattel hereunder as aforesaid at any time during the day or night. The mortgagee shall have the right to enforce one or more remedies hereunder, successively or concurrently, and any re-possession and re-taking or sale or judgment shall not operate to release the mortgagor until full payment has been made in cash.

It is agreed that every term, condition, clause or provision of this Chattel Mortgage shall be severable from every other term, condition, clause or provision thereof. Any term, condition, clause or provision of this Chattel Mortgage which is not in conformity with the requirements of, or is prohibited by, the law of any province shall be ineffective in that province, to the extent of such non-conformity or prohibition, without invalidating the remaining terms, conditions, clauses and provisions of this Chattel Mortgage.

Dated \_\_\_\_\_ 19\_\_\_\_  
CANADIAN HIDROGAS RESOURCES LTD.

TO  
COMMERCIAL CREDIT CORPORATION  
LIMITED

**Chattel Mortgage**  
TO SECURE THE SUM OF

Registered with Clerk of the County  
or District Court at

..... Time ..... Date

as number.....

by.....  
ALBERSTAT & COMPANY  
602, 304 - 8th Avenue S.W.  
Calgary, Alberta

**AFFIDAVIT OF BONA FIDES**  
(For Use In Province Of Ontario Only)

CANADA, PROVINCE OF ONTARIO ..... OF THE ..... OF .....  
COUNTY OR DISTRICT OF ..... TO WIT: ..... IN THE PROVINCE OF ONTARIO MAKE OATH AND SAY THAT:

I AM ..... AND THE AGENT OF THE MORTGAGEE NAMED IN THE WITHIN MORTGAGE, AND I AM AWARE OF ALL THE CIRCUMSTANCES CONNECTED WITH MORTGAGE AND HAVE PERSONAL KNOWLEDGE OF THE FACTS HEREIN DEPOSED TO.

THE MORTGAGOR NAMED IN THE WITHIN MORTGAGE IS JUSTLY AND TRULY INDEBTED TO THE MORTGAGEE NAMED HEREIN IN THE SUM OF \$..... MENTIONED THEREIN.

THE AMOUNT SET FORTH IN THE WITHIN MORTGAGE AS BEING THE CONSIDERATION THEREFOR IS JUSTLY DUE OR ACCRUING DUE FROM THE MORTGAGOR THEREIN NAMED TO THE MORTGAGEE HEI NAMED AND THE SAID MORTGAGE WAS EXECUTED IN GOOD FAITH FOR VALUABLE CONSIDERATION AND FOR THE EXPRESS PURPOSE OF SECURING TO THE MORTGAGEE THEREIN NAMED PAYMENT OF S AMOUNT SO JUSTLY DUE OR ACCRUING DUE AND NOT FOR THE MERE PURPOSE OF PROTECTING, OR ENABLING THE MORTGAGEE TO HOLD THE GOODS AND CHATTELS THEREIN MENTIONED AGAINST CREDITORS OF THE MORTGAGOR THEREIN NAMED, OR FOR THE PURPOSE OF PREVENTING SUCH CREDITORS FROM RECOVERING OR OBTAINING PAYMENT OF ANY CLAIM WHICH THEY HAVE AGAINST THE S MORTGAGOR.

SWORN BEFORE ME AT THE ..... OF ..... IN THE COUNTY DISTRICT OF ..... THIS ..... DAY OF ..... A.D. 19.....

A NOTARY PUBLIC IN AND FOR THE PROVINCE OF ONTARIO.  
A COMMISSIONER FOR TAKING AFFIDAVITS WITHIN.....

**AUTHORITY OF OFFICER OR EMPLOYEE**—a resolution duly passed at a meeting of the Board of Directors of Commercial Credit Corporation Limited as follows:— BE IT RESOLVED THAT: THE PRESIDENT, EXECUTIVE VICE PRESIDENT, ANY VICE-PRESIDENT, ASSISTANT VICE-PRESIDENT, SECRETARY, TREASURER, ANY REGIONAL MANAGER, ANY BRANCH MANAGER, ASSISTANT BRANCH MANAGER, ANY FINANCE MANAGER, ANY CUSTOMER SERVICE MANAGER, ANY COLLECTION MANAGER, OR ANY CREDIT MANAGER BE AND ANY ONE OF THEM ARE HEREBY AUTHORIZED FOR AND ON BEHALF OF THE CORPORATION TO TAKE AND RENEW ALL BILLS OF SALE, CHATTEL MORTGAGES, ASSIGNMENT OF BOOK DEBTS AND CONDITIONAL SALE CONTRACTS NECESSARY OR EXPEDIENT TO BE TAKEN AND/OR RENEWED FROM TIME TO TIME AND TO MAKE SUCH AFFIDAVITS AS MAY BE REQUIRED FOR THE REGISTRATION OR FILING THEREOF AND FOR THE PURPOSES AFORESAID, EACH OF THE SAID PERSONS IS HEREBY GIVEN FULL POWER AND AUTHORITY TO DO, PERFORM AND EXECUTE ALL SUCH ACTS, THINGS, DEEDS, AND MATTERS NECESSARY OR EXPEDIENT IN CONNECTION THEREWITH.

**AFFIDAVIT OF EXECUTION BY LIMITED COMPANY**  
(For use in the Province of Ontario only)

CANADA, PROVINCE OF ..... OF THE ..... OF .....  
COUNTY OR DISTRICT OF ..... TO WIT: ..... MAKE OATH AND SAY THAT:

1. I WAS PERSONALLY PRESENT AND DID SEE THE WITHIN MORTGAGE DULY EXECUTED BY ..... LIM' ONE OF THE PARTIES THERETO, UNDER THE HANDS OF ..... AND .....

2. I KNOW THE SAID ..... AND ..... AND THEY ARE THE ..... AND ..... RESPECTIVELY OF THE SAID COMP,

AND THE SIGNATURES " ..... " AND " ..... TO THE SAID MORTGAGE ARE OF THEIR PROPER HANDWRITING.

3. THE NAME " ..... " SET AND SUBSCRIBED AS A WITNESS TO THE SAID SIGNATURES, IS OF THE PROPER HANDWRITING OF THIS DEPONENT.

4. THE SAID MORTGAGE WAS EXECUTED AT THE ..... OF ..... ON THE ..... DAY OF ..... 19.....

SWORN BEFORE ME AT THE CITY OF ..... IN THE COUNTY DISTRICT OF ..... THIS ..... DAY OF ..... 19.....

A NOTARY PUBLIC IN AND FOR THE PROVINCE OF ONTARIO.  
A COMMISSIONER FOR TAKING AFFIDAVITS WITHIN.....

THIS IS SCHEDULE "A" REFERRED TO IN A CHATELL MORTGAGE MADE  
 BETWEEN: CANADIAN HIDROGAS RESOURCES LTD. and COMMERCIAL CREDIT  
 CORPORATION LIMITED and DATED *9 January 1976* A.D. 1976.

QUANTITY	MAKE AND TYPE	MODEL	SERIAL NUMBER	CANADIAN REGISTRATION MARKINGS (licence No.'s
13	Railway Tank Cars			CHRX 1001 CHRX 1002 CHRX 1003 CHRX 1004 CHRX 1005 CHRX 1006 CHRX 1007 CHRX 1008 CHRX 1016 CHRX 1022 CHRX 1024 CHRX 1028 CHRX 1029

CANADIAN HIDROGAS RESOURCES LTD.

Per: *[Signature]*

Per: *Larry S. Heald*

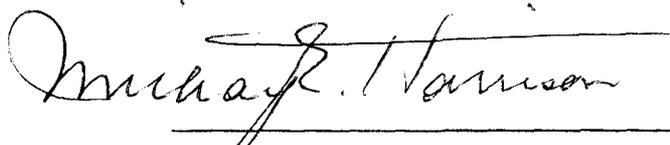
CORPORATE FORM OF ACKNOWLEDGMENT

PROVINCE OF ALBERTA

CANADA

JUDICIAL DISTRICT OF CALGARY

On this *22nd* day of July 1976, before me personally appeared Robert E. McLennan and Larry Spencer Heald, to me personally known, who being by me duly sworn, say that they are the President and Secretary of Canadian Hidrogas Resources Ltd., respectively, and that the seal affixed to the foregoing instrument was signed and sealed on behalf of the said corporation by authority of its Board of Directors on the 9th day of January A.D. 1976 and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



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A Notary Public in and for the  
Province of Alberta  
My Commission is held at the  
pleasure of the Lieutenant  
Governor of the Province of  
Alberta