

RECORDATION NO. 8891-A Filed & Recorded

8891-A

JAN 19 1978 -9 45 AM

RECEIVED

INTERSTATE COMMERCE COMMISSION

JAN 19 9 38 AM '78

8-0191030
JAN 19 1978

Interstate Commerce Commission
Washington, D. C. CERTIFICATION UNIT

Date _____
Fee \$ 10

Gentlemen:

CC Washington

Enclosed for recordation under the provisions of Section 20c of the Interstate Commerce Act, as amended, are the original and 16 counterparts of a Supplement No. 1 to Security Agreement and Indenture of Trust dated as of January 19, 1978.

Said Security Agreement and Indenture of Trust was recorded on July 19, 1977 at 11:00 A.M. with the Interstate Commerce Commission and assigned Recordation No. 8891.

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

The names and addresses of the parties are:

Debtor: Continental Illinois National Bank
and Trust Company of Chicago, as
Trustee under U. C. Trust No. 13
231 South LaSalle Street
Chicago, Illinois 60693

Secured Party: Harris Trust and Savings Bank,
as Security Trustee
111 West Monroe Street
Chicago, Illinois 60690

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

Please return the original and 14 copies of the Supplement No. 1 to Ronald E. Roden, Chapman and Cutler, 111 West Monroe Street, Chicago, Illinois 60603.

Also enclosed is a check in the amount of \$10.00 covering the required recording fee.

Very truly yours,

CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO, as
Trustee under U. C. Trust No. 13

By [Signature]
Its _____ TRUST OFFICER

Enclosures

DEBTOR AS AFORESAID

*Chapman and Cutler
R. E. Roden*

DESCRIPTION OF RAILROAD EQUIPMENT

<u>Number of Items</u>	<u>Description</u>	<u>Identifying Numbers (both inclusive)</u>
1	85' railroad flat car for hopper van box and van box container service	RAIX 100
11	5250 cu. ft. railroad covered hopper cars	RAIX 60947 through 60957
72	5270 cu. ft. railroad covered hopper cars	RAIX 60875 through 60946

SCHEDULE A

Interstate Commerce Commission
Washington, D.C. 20423

1/19/78

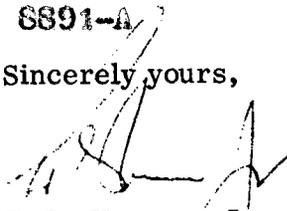
OFFICE OF THE SECRETARY

Ronald E Roden
Chapman and Cutler
111 West Monroe Street
Chicago, Illinois 60603

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 1/19/78 at 9:45am and assigned recordation number(s) 8891-A

Sincerely yours,


H.G. Homme, Jr.
Acting Secretary

Enclosure(s)

SE-30-T
(6/77)

RECORDATION NO. 8891-A Filed & Recorded

JAN 19 1978 -9 45 AM

INTERSTATE COMMERCE COMMISSION

SUPPLEMENT NO. 1

Dated as of January 19, 1978

FROM

**CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO**

As Trustee under
U.C. Trust No. 13

Debtor

TO

HARRIS TRUST AND SAVINGS BANK

As Security Trustee

Secured Party

Re:

SECURITY AGREEMENT AND INDENTURE OF TRUST

Dated as of December 15, 1976

SUPPLEMENT NO. 1

THIS SUPPLEMENT No. 1 dated as of January 19, 1978 from CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not in its individual capacity but solely as Trustee under a Trust Agreement dated as of December 15, 1976 (the "Debtor"), whose Post Office address is 231 South LaSalle Street, Chicago, Illinois 60690, to HARRIS TRUST AND SAVINGS BANK (the "Secured Party"), whose principal office is at 111 West Monroe Street, Chicago, Illinois 60690.

RECITALS:

A. The Debtor and the Secured Party have heretofore entered into that certain Security Agreement and Indenture of Trust dated as of December 15, 1976 (the "Original Security Agreement") as security for the payment in full of all principal of and interest on the 8½% Secured Notes, Series A of the Debtor in the aggregate principal amount of not more than \$14,300,000 (the "Notes") issued under and pursuant to the Participation Agreement dated as of December 15, 1976 (the "Participation Agreement") among Union Carbide Corporation, General Electric Credit Corporation, Manufacturers Hanover Trust Company, the Debtor, the Secured Party and the Note Purchasers named in Schedule 1 thereto.

B. The Debtor desires to reconvey and to confirm the security interest created by the Original Security Agreement in respect of the properties therein described and to convey and create a security interest in the properties further described herein.

C. All of the requirements of law have been fully complied with and all other acts and things necessary to make this Supplement a valid, binding and legal instrument for the security of the Notes have been done and performed. It is the intention of the parties hereto that this Supplement shall constitute a mortgage of the Railroad Equipment and assignment of the Lease for purposes of Section 20c of the Interstate Commerce Act.

NOW, THEREFORE, in consideration of the premises and of the sum of Ten Dollars received by the Debtor from the Secured Party and other good and valuable consideration, the receipt whereof is hereby acknowledged, and in order to secure the equal and pro rata payment of both the principal of and interest and premium, if any, upon Series A Notes and such other Notes as may at any time be issued and outstanding under the Original Security Agreement, as supplemented hereby, according to their tenor and effect, and to secure the payment of all other Indebtedness Hereby Secured and the performance and observance of all the covenants contained in the Notes, the Original Security Agreement, as supplemented hereby, and the Participation Agreement, the Debtor does hereby sell, convey, warrant, mortgage, assign, pledge and grant a security interest in, and hypothecate unto the Secured Party, its successors in trust and assigns, forever, all and singular the following described properties, rights, interests and privileges (all of which properties hereby mortgaged, assigned and pledged or intended so to be are hereinafter collectively referred to, together with the Collateral under the Original Security Agreement, as the "Collateral"):

DIVISION A

All right, title, interest, claims and demands of the Debtor as owner in, to and under the Charter, including all extensions of the term of the Charter, together with all rights, powers, privileges, options and other benefits of the Debtor as owner under the Charter, including, without limitation, but subject to Excepted Rights in Collateral:

(i) the immediate and continuing right to receive and collect all Basic Charter Hire (excepting and reserving, however, all Interim Charter Hire), insurance proceeds, condemnation awards and other payments, tenders and security now or hereafter payable to or receivable by the owner under the Charter pursuant thereto,

(ii) the right to make all waivers and agreements and to give and receive duplicate copies of all notices and other instruments or communications (provided that so long as no Event of Default hereunder shall have occurred and be continuing the Secured Party shall not exercise such right without the prior or concurrent written approval of the Debtor), and

(iii) to take such action upon the occurrence of an Event of Default under the Charter, including the commencement, conduct and consummation of legal, administrative or other proceedings, as shall be permitted by the Charter or by law, and to do any and all other things whatsoever which the Debtor or any owner is or may be entitled to do under the Charter;

but only insofar as the Charter and such rights, powers, privileges, options and other benefits of the Debtor, as owner thereunder, extend or relate to the Vessels specifically described in Schedule A attached hereto, as said Schedule A may from time to time be supplemented pursuant to Section 10.01 of the Original Security Agreement. It is the intent and purpose hereof that, subject always to Excepted Rights in Collateral, the grant to the Secured Party of a security interest in said rights, powers, privileges, options and other benefits shall be effective and operative immediately and shall continue in full force and effect, and the Secured Party shall have the right to collect and receive said Basic Charter Hire and other sums for application in accordance with the provisions of Section 5 of the Original Security Agreement at all times during the period from and after the date of this Supplement until the Indebtedness Hereby Secured has been fully paid and discharged.

DIVISION B

The Railroad Equipment described in Schedule B attached hereto and made a part hereof constituting a part of the railroad equipment leased or to be leased under the Lease, together with all accessories, equipment, parts and appurtenances appertaining or attached to any of the Railroad Equipment hereinabove described, whether now owned or hereafter acquired, and all substitutions, renewals, or replacements of and additions, improvements, accessions and accumulations to any and all of said Railroad Equipment (other than additions, modifications and improvements which are owned by the Lessee under the terms of Section 8 of the Lease) together with all the rents, issues, income, profits and avails therefrom, *subject, however,* to Permitted Encumbrances.

DIVISION C

All right, title, interest, claims and demands of the Debtor as lessor in, to and under the Lease, including all extensions of the term of the Lease, together with all rights, powers, privileges, options and other benefits of the Debtor as lessor under the Lease, including, without limitation, but subject always to Excepted Rights in Collateral:

(i) the immediate and continuing right to receive and collect all Basic Rent (excepting and reserving, however, all Interim Rent), insurance proceeds, condemnation awards and other payments, tenders and security now or hereafter payable to or receivable by the lessor under the Lease pursuant thereto,

(ii) the right to make all waivers and agreements and to give and receive duplicate copies of all notices and other instruments or communications (provided that so long as no

Event of Default hereunder shall have occurred and be continuing the Secured Party shall not exercise such right without the prior or concurrent written approval of the Debtor), and

(iii) to take such action upon the occurrence of an Event of Default under the Lease, including the commencement, conduct and consummation of legal, administrative or other proceedings, as shall be permitted by the Lease or by law, and to do any and all other things whatsoever which the Debtor or any lessor is or may be entitled to do under the Lease;

but only insofar as the Lease and such rights, powers, privileges, options and other benefits of the Debtor, as lessor thereunder extend or relate to the Items of Railroad Equipment specifically described in Schedule B attached hereto, as said Schedule B may from time to time be supplemented pursuant to Section 10.01 of the Original Security Agreement. It is the intent and purpose hereof that subject always to Excepted Rights in Collateral, the assignment and transfer to the Secured Party of said rights, powers, privileges, options and other benefits shall be effective and operative immediately and shall continue in full force and effect, and the Secured Party shall have the right to collect and receive said Basic Rent and other sums for application in accordance with the provisions of Section 5 of the Original Security Agreement at all times during the period from and after the date of this Supplement until the Indebtedness Hereby Secured has been fully paid and discharged.

SUBJECT, HOWEVER, to (a) the interest of the Lessee under the Lease and the Charter, and (b) Permitted Encumbrances.

EXCEPTING AND RESERVING, HOWEVER, Excepted Rights in Collateral.

TO HAVE AND TO HOLD the Collateral unto the Secured Party, its successors and assigns, forever; IN TRUST NEVERTHELESS, upon the terms and trust herein set forth, for the equal and proportionate benefit, security and protection of all present and future holders of the Notes outstanding under the Original Security Agreement, as supplemented hereby, from and after the issuance of the Notes, without preference, priority or distinction of any Note over any other Note by reason of priority of time of issue, sale, negotiation, date of maturity thereof or otherwise for any cause whatsoever; provided, always, however, that these presents are upon the express condition that if the Debtor shall pay or cause to be paid all the Indebtedness Hereby Secured and shall observe, keep and perform all the terms and conditions, covenants and agreements in the Original Security Agreement, as supplemented hereby, and in the Participation Agreement and the Notes contained, then these presents and the estate hereby granted and conveyed shall cease and the Original Security Agreement, as supplemented hereby, shall become null and void; otherwise the Original Security Agreement, as supplemented hereby, shall remain in full force and effect.

SECTION 1. WARRANTY.

Subject to the limitations contained in the Original Security Agreement, the Debtor covenants, warrants and agrees that (i) the Debtor has the right, power and authority under the Trust Agreement to grant a security interest in the Collateral to the Secured Party for the uses and purposes set forth in the Original Security Agreement, as supplemented hereby, and (ii) the Debtor will warrant and defend the title to the Collateral against all claims and demands of persons claiming by, through or under the Debtor (excepting only Permitted Encumbrances).

SECTION 2. MISCELLANEOUS.

2.01. Subject to the limitations contained in the Original Security Agreement, the Debtor further covenants and agrees to perform and observe duly and punctually all of the covenants and agreements on its part contained in the Original Security Agreement, all such covenants and agreements being hereby ratified, approved and confirmed.

2.02. The capitalized terms used herein shall, except as otherwise provided herein, have the meanings therefor set forth in the Original Security Agreement.

2.03. This Supplement may be executed, acknowledged and delivered in any number of counterparts, each of such counterparts constituting an original but all together only one agreement.

2.04. This Supplement shall be construed in connection with and as part of the Original Security Agreement, and all terms, conditions and covenants contained in the Original Security Agreement except as herein modified shall be and remain in full force and effect.

2.05. Any and all notices, requests, certificates and other instruments executed and delivered after the execution and delivery of this Supplement may refer to the "Security Agreement and Indenture of Trust dated as of December 15, 1976" without making specific reference to this Supplement, but nevertheless all such references shall be deemed to include this Supplement unless the context shall otherwise require.

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

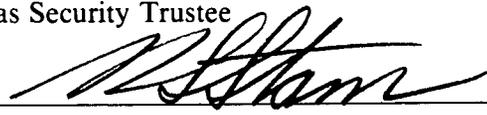
CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO,
as Trustee under U. C. Trust No. 13

By 
Vice President Debtor

[CORPORATE SEAL]
Attest:

Trust Officer

HARRIS TRUST AND SAVINGS BANK,
as Security Trustee

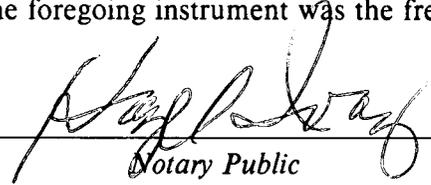
By 
Vice President Secured Party

[CORPORATE SEAL]
Attest:

Assistant Secretary

STATE OF ILLINOIS }
COUNTY OF COOK } ss.:

On this 11 day of January, 1978, before me personally appeared DONALD W. ALFVIN, to me personally known, who being by me duly sworn, says that he is the Vice President of CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Notary Public

[NOTARIAL SEAL]

My Commission Expires: December 6, 1981

STATE OF ILLINOIS }
COUNTY OF COOK } ss.:

On this 17th day of January, 1978, before me personally sworn, appeared R. S. STAM, to me personally known, who being by me duly sworn, says that he is the Vice President of HARRIS TRUST AND SAVINGS BANK, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Notary Public

[NOTARIAL SEAL]

My Commission Expires: NOVEMBER 29, 1980

DESCRIPTION OF VESSELS

<u>Number of Vessels</u>	<u>Description</u>	<u>Names</u>
2	192' 9" long X 52' 6" wide X 12' 6" deep two tank, carbon steel hull inland river tank barges	USL-145 and USL-146

SCHEDULE A
(to Supplement No. 1)

DESCRIPTION OF RAILROAD EQUIPMENT

<u>Number of Items</u>	<u>Description</u>	<u>Identifying Numbers (both inclusive)</u>
1	85' Flat Cars for Hopper Van Box and Van Box Container Service	RAIX 100
11	5250 cubic feet Railroad Covered Hopper Cars	RAIX 60947 through 60957
72	5270 cubic feet Railroad Covered Hopper Cars	RAIX 60875 through 60946

SCHEDULE B
(to Supplement No. 1)