

GREENBERG IRWIN PELLMAN & SLADE  
COUNSELORS AT LAW

RECORDATION NO. 9058-C Filed 1425

FEB 23 1979-10 05 AM

INTERSTATE COMMERCE COMMISSION  
NEW YORK, N.Y. 10022

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CABLE: "GLEWIN"

HAROLD GREENBERG  
STEPHEN IRWIN  
STUART M. PELLMAN  
MELVIN S. SLADE  
FREDERICK R. BIEHL

No. RECORDATION NO. 9058 Filed 1425

Date FEB 23 1979 FEB 23 1979-10 05 AM

Fee \$ 60.00 INTERSTATE COMMERCE COMMISSION

JOHN F. TRIGGS  
ELLIOTT D. HEFLER  
FRANK J. HARITON

RECORDATION NO. 9058 Filed 1425 Washington, D. C.

FEB 23 1979-10 05 AM

INTERSTATE COMMERCE COMMISSION

February 15, 1979

RECORDATION NO. 9058 Filed 1425

FEB 23 1979-10 05 AM

INTERSTATE COMMERCE COMMISSION

Office of the Secretary  
Recordation Office  
Interstate Commerce Commission  
Twelfth and Constitution Avenue, N.W.  
Washington, D.C. 20423

FEB 23 1979-10 05 AM

INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 9058-F Filed 1425

FEB 23 1979-10 05 AM

INTERSTATE COMMERCE COMMISSION

Re: Recordation and Filing of documents  
pertaining to 100 General Purpose  
Boxcars Numbered MPA 7200 to MPA 7225  
inclusive, MPA 7227 to MPA 7279 inclu-  
sive (which twenty (20) General Purpose  
Boxcars were formerly numbered MPA 7280  
to 7289 inclusive, MPA 7291 to MPA 7299  
inclusive and MPA 7226) the "Equipment").

See Exhibit A  
to 9058-H  
for car numbers  
left out.

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 herein below, pertaining to the  
granting of a security interest in and assignment of a  
lease of the Equipment, be recorded and filed by the  
Interstate Commerce Commission (the "Commission") pursuant  
to Section 116.5 of said Title 49 of the Code of Federal  
Regulations.

A. Description of the Documents and the Parties Thereto.

Enclosed herein are three originals of the follow-  
ing documents one of which is to be recorded and filed  
against recordation number 9058 of October 31, 1977 in the  
order listed below. We respectfully request that the two  
additional originals be stamped by your office and returned  
to us in the post-paid envelope provided.

Office of the Secretary  
February 15, 1979  
Page Two

(1) Release dated February 13, 1979 with The Chase Manhattan Bank N.A. (Chase as Releasor and Emons Leasing Co., Inc., a New Jersey Corporation (Leasing) as Releasee. This document should be recorded under Recordation Number 9058-C.

(2) Reassignment of Lease dated February 13, 1979 with Chase as Assignor and Leasing as Assignee. This instrument should be recorded under Recordation Number 9058-D. 500/  
4/90

(3) Amendment No. 1 to Lease of Railroad Equipment dated October 7, 1977 entered into February 13, 1979 by and between Leasing and the Maryland and Pennsylvania Railroad Company, a Maryland and Pennsylvania Corporation. This document should be recorded under Recordation Number 9058-E.

(4) Bill of Sale from Leasing to Emons Industries, Inc., a New York Corporation (Emons) dated February 13, 1979. This document should be recorded under Recordation Number 9058-F.

(5) Assignment of Lease from Leasing to Emons dated February 13, 1979. This document should be recorded under Recordation Number 9058-G.

(6) Chattel Mortgage, Assignment and Security Agreement dated February 13, 1979 between Emons and Chase with an Acknowledgement of Notice of Chattel Mortgage, Assignment and Security Agreement by the M&P. This document should be recorded under Recordation Number 9058-H. -H

B. The Transaction

(1) Documents Previously Filed. Leasing leased Equipment to the M&P under a lease of Railroad Equipment, dated as of October 7, 1977 (the "Lease"). The Lease was recorded with the Interstate Commerce Commission on October 13, 1977 under Recordation Number 9058-A. In connection with a borrowing under a Revolving and Term Loan Agreement dated as of May 2, 1977 between Leasing and Chase (the "1977 Agreement") Leasing assigned the Lease to Chase pursuant to an Agreement and Assignment dated October 21, 1977 and recorded with the

Office of the Secretary  
February 15, 1979  
Page Three

Interstate Commerce Commission on October 31, 1977 under Recordation Number 9058-B. Leasing also granted Chase a security interest in the Equipment under a Chattel Mortgage and Security Agreement dated October 21, 1977, which was recorded with the Interstate Commerce Commission on October 31, 1977 under Recordation Number 9058.

(2) Documents Filed with this Letter. Leasing has repaid all borrowings under the 1977 Agreement which agreement has been terminated. In connection with the termination of the 1977 Agreement, Chase executed a Release of its security interest (Document 9058-C) and a Reassignment of Lease (Document 9058-D) Leasing and the M&P then Amended the Lease to reflect the renumbering of certain of the boxcars comprising the Equipment (Document 9058-E). Leasing then conveyed the Equipment to Emons pursuant to a Bill of Sale (Document 9058-F). Leasing also assigned the Lease to Emons (Document 9058-G). Emons, in connection with a borrowing under a Loan Agreement dated as of September 1, 1978 by and between Emons and Chase, entered into a Chattel Mortgage, Assignment and Security Agreement granting Chase a security interest in the Equipment and assigning the Lease to Chase. The priority of Chase's interest in the Equipment was acknowledged by the M&P (Document 9058-H).

C. Procedural Matter.

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 Chase Manhattan Bank, N.A.
- (2) Emons Industries, Inc.
- (3) Emons Leasing Co., Inc.
- (4) Maryland and Pennsylvania Railroad Company

It is also hereby respectfully requested that Recordation Numbers 9058, 9058-A, 9058-B, 9058-C, 9058-D, 9058-E, 9058-F, 9058-G and 9058-H be noted in the Commission index under the name of each of the parties shown above.

GREENBERG IRWIN PELLMAN & SLADE

Office of the Secretary  
February 15, 1979  
Page Four

A check in the amount of \$60.00 has been enclosed with this letter of transmittal to cover the recordation fee prescribed by Section 116.3(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 the undersigned in the envelope provided.

If there are any questions with respect to the enclosed or the transactions described therein, please feel free to telephone Melvin Slade of this office, or the undersigned, collect.

Yours truly,



Frank J. Hariton

FJH:jd

Enclosures

RECORDATION NO. 9058-H Filed 1425

FEB 23 1979 - 10 05 AM  
INTERSTATE COMMERCE COMMISSION

CHATTEL MORTGAGE,  
ASSIGNMENT AND  
SECURITY AGREEMENT

EMONS INDUSTRIES, INC., a New York corporation, (hereinafter called the "Company"), in consideration of the granting by THE CHASE MANHATTAN BANK (NATIONAL ASSOCIATION) (hereinafter called the "Bank") of a credit facility up to, but not exceeding, in the aggregate principal amount at any one time outstanding the lesser of (a) \$8,000,000, or (b) 80% of the Borrowing Base (as defined in the Agreement dated as of September 1, 1978 between the Company and the Bank), and in order to secure the payment of the principal of and interest on the Notes (as defined in the aforementioned Agreement) and to secure the payment of all other indebtedness hereby secured and the performance and observance of all the covenants and conditions in the aforementioned Agreement; does hereby sell, convey, warrant, mortgage, assign, pledge, grant a security interest in, and hypothecate unto the Bank, its successors and assigns, the following described properties, rights, interest and privileges (all of such properties hereby mortgaged, assigned and pledged or intended so to be are hereinafter collectively referred to as the "Collateral"):

(a) Railroad equipment consisting of One Hundred (100) freight cars (said freight cars and equipment to be more specifically

described in Exhibit A attached hereto) and together with all accessories, equipment, parts and appurtenances attached to any of the railroad equipment, whether now owned or hereafter acquired, and all substitutions, renewals and replacements of, and additions, improvements to, any and all of said railroad equipment;

(b) All right, title and interest of the Company, as Lessor in any Lease or Leases or Conditional Sales Agreements, to any and all rents and other sums due and to become due pursuant to the said Lease or Leases or Conditional Sales Agreements, including any and all extensions and renewals thereof, insofar as the same cover or relate to the railroad equipment described in Exhibit A; it being the intent and purpose hereof that the assignments and transfer to the Bank of said rents and other sums to become due under the Lease or Leases or Conditional Sales Agreements, shall be effective and operative immediately and shall continue in full force and effect and the Bank shall have the right to collect and receive said rents and other sums and to apply same in payment of the Notes hereinbefore mentioned;

The Company represents and warrants: (1) Company has title to the Collateral free and clear of all liens and encumbrances; (ii) no financing statement covering any of the

Collateral is on file in any public office; and (iii) its certificate of incorporation does not prohibit the security interest granted herein and the execution of this Agreement will not violate any law or any agreement to which it is a party.

The Company covenants and agrees that Company:

- (i) will keep the Collateral or cause the Collateral to be kept in good working order, repair and running condition, and will replace any worn, broken or defective parts;
- (ii) will promptly pay all taxes levied or assessed against the Collateral and will keep the Collateral free and clear of all liens, attachments and encumbrances;
- (iii) will allow the Bank and its representatives free access to the Collateral at all reasonable times for the purpose of inspection;
- (iv) will promptly notify the Bank in writing of any loss to the Collateral;
- (v) will indemnify the Bank against all claims arising out of or connected with the ownership or use of the Collateral;
- (vi) will reimburse the Bank upon demand for all expenses incurred in connection with perfecting the security interest granted herein or the satisfaction thereof;
- (vii) will not abandon the Collateral;
- (viii) will not sell, assign, lease, mortgage or otherwise dispose of any interest in the Collateral unless said sale, lease, assignment, mortgage or other document is subordinate to the Bank; and
- (ix) will not use or permit the Collateral to be used for any unlawful purpose or in violation of any Federal, state or municipal law, statute or ordinance.

The Company hereby assigns to the Bank any and all moneys (including, but not limited to, proceeds of insurance, return or unearned premiums) which may become due under any policy or agreement insuring the Collateral against any loss due to destruction, and directs the insurance company issuing such policy or other party to make payment thereof directly to the Bank. The Bank may, at its option, apply any insurance or other moneys so received to the cost of repairs to the Collateral and/or to payment of any of the Notes, in any order the Bank may determine, whether or not due, and shall remit any surplus to the Company. The Company irrevocably appoints the Bank as the Company's attorney-in-fact, with full power of substitution, to receive all such moneys, to execute proof of claim, to endorse drafts, checks and other instruments for the payment of money payable to the Company in payment of such insurance moneys, to adjust and compromise any claim, to execute releases, to cancel any insurance policy covering the Collateral when such policy is not required to protect Company's or the Bank's interest and to do all other acts and things that may be necessary or required to carry into effect the power herein granted.

The Company agrees that whenever a default shall be existing, the Bank shall have the following rights and remedies to the extent permitted by applicable law: (a) to enter the forgoing premises or such place or places where any of the Collateral may be located and take and carry away the same by

any of its representatives, with or without legal process, to Company's place of storage; (b) to sell the Collateral at public or private sale, whether or not the Collateral is present at such sale and whether or not the Collateral is in the constructive possession of the Bank or the person conducting the sale, in one or more sales, as an entirety or in parcels, for the best price that the Bank can obtain and upon such terms as the Bank may deem desirable; (c) to be the purchaser at any such sale; (d) to require the Company to pay all expenses of such sale, taking, keeping and storage of the Collateral, including reasonable attorneys fees; (e) to apply the proceeds of such sale to all expenses in connection with the taking and sale of the Collateral, and any balance of such proceeds toward the payment for the Notes in such order of application as the Bank may from time to time elect; (f) to require the Company to assemble the Collateral upon the Bank's demand, at the Company's expense and make it available to the Bank at a place designated by the Bank which is reasonably convenient to both parties; and (g) to exercise any one or more rights or remedies accorded by the Uniform Commercial Code. If the proceeds of any such sale are insufficient to pay the expenses, as aforesaid, and the Notes, the Company agrees to pay any deficiency to the Bank upon demand and if such proceeds are more than sufficient to pay such expenses and Notes, the Bank agrees to pay the surplus to the Company.

If at the time of repossession any of the Collateral, the Collateral contains other personal property not included in

the Collateral, the Bank may take such personal property into custody and store it at the risk and expense of the Company. The Company agrees to notify the Bank within 48 hours after repossession of the Collateral of any such other personal property claimed and that failure to do so will release the Bank or representatives from any liability for loss or damage thereto.

At the request of the Bank, the Company will join with the Bank in filing this Chattel Mortgage, Assignment, and Security Agreement. The Company hereby authorizes Bank to file a financing statement signed only by the Bank in all places where necessary to perfect the Bank's security interest in the Collateral. Without limiting the foregoing, the Company agrees that whenever a Lease or Conditional Sales Agreement requires the Company to sign a financing statement for filing purposes, the Company hereby appoints the Bank or any of the Bank's representatives as the Company's attorney and agent, with full power of substitution, to sign or endorse the Company's name on any such financing statement or other document and authorizes the Bank to file such a financing statment in all places where necessary to perfect the Bank's security interest in the Collateral; and the Company hereby ratifies all acts of said attorney and said substitute and agrees to hold the Bank and said attorney harmless from any acts of commission or omission or any error or judgment or mistake of fact or law pertaining thereto.

This Chattel Mortgage, Assignment and Security Agreement is in addition to, and not in limitation of, any other right and remedy the Bank may have by virtue of any other instrument or agreement heretofore, contemporaneously herewith or hereafter executed by the Company or by law or otherwise. If any provision of this Chattel Mortgage, Assignment and Security Agreement is contrary to applicable law, such provision shall be deemed ineffective without invalidating the remaining provisions hereof. If and to the extent that applicable law confers any right or imposes any duty inconsistent with or in addition to any of the provisions hereof the affected provision shall be considered amended to conform thereto. The Bank shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder. A waiver by the Bank of any right or remedy hereunder on any one occasion, shall not be construed as a bar to or waiver of any such right or remedy which the Bank would have had on any future occasion nor shall the Bank be liable for exercising or failing to exercise any such right or remedy. It is expressly understood and agreed that whenever the service of any notice to the Company is required hereby or is otherwise required, such notice may be sent to the Company by ordinary mail to the address shown in the aforementioned Agreement, and if so mailed, such notice shall be deemed sufficient notice thereof.

This Chattel Mortgage, Assignment and Security Agreement shall be construed in accordance with the laws of the State of New York.

This Chattel Mortgage, Assignment and Security Agreement shall be binding upon and shall inure to the benefit of the Company, the Bank and their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be duly executed as of the 13 day of February, 1979. ~~first above written.~~

EMONS INDUSTRIES, INC.

Attest:

Richard J. Lyons  
Secretary

By:

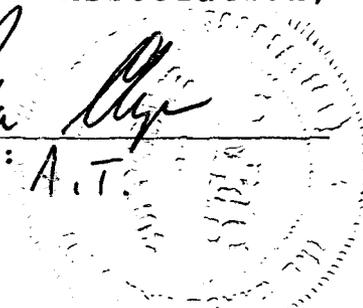
Robert Grossman  
Title: CHAIRMAN OF THE BOARD

THE CHASE MANHATTAN BANK  
(National Association)

Attest

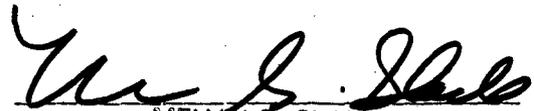
Manu Butch, Secord V.P.

By:

[Signature]  
Title: A.T.  


STATE OF NEW YORK )  
 )  
 ) SS.:  
COUNTY OF NEW YORK )

On the 13<sup>th</sup> day of February, 1978<sup>9</sup>, before me came Robert Grossman, to me known, who, being by me duly sworn, did depose and say that he resides at 855 NICKERY HILL LANE, YORK, PA; that he is CHIEF EXECUTIVE OFFICER of EMONS INDUSTRIES, INC., the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.



MELVIN S. SLADE  
Notary Public, State of New York  
No. 31-3700630  
Qualified in New York County  
Term Expires March 30, 1978

STATE OF NEW YORK )  
 )  
 ) SS.:  
COUNTY OF NEW YORK )

On the 13<sup>th</sup> day of February, 1978<sup>9</sup>, before me came IRA GLAZER, to me known, who, being by me duly sworn, did depose and say that he resides at 1805 METROPOLITAN AVENUE, N. BELLMORE, N.Y.; that he is ASSISTANT TREASURER of THE CHASE MANHATTAN BANK (NATIONAL ASSOCIATION), the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.



FRANK J. HARITON  
Notary Public, State of New York  
No. 31-4618894  
Qualified in New York County  
Commission Expires March 30, 1979

EXHIBIT A

100 - Rebuilt, fifty foot, woodlined, general purpose Rigid Underframe boxcars, Serial Numbers MPA 7200 to MPA 7225 inclusive, MPA 7227 to MPA 7279 inclusive, MPA 7290, MPA 7380 to 7399 inclusive (which twenty (20) boxcars were formerly numbered MPA 7280 to 7289 inclusive, MPA 7281 to 7299 inclusive, and MPA 7226).

↑  
should be 7291

ACKNOWLEDGMENT OF NOTICE  
OF CHATTEL MORTGAGE,  
ASSIGNMENT AND SECURITY  
AGREEMENT

The Maryland and Pennsylvania Railroad Company hereby acknowledges due notice of the foregoing Chattel Mortgage, Assignment and Security Agreement dated as of *February 13*, 1979, from Emons Industries, Inc. to The Chase Manhattan Bank N.A. which is incorporated herein by reference, and shall be deemed a part hereof, and acknowledges that its interest under a certain Lease of Railroad Equipment dated as of the 7th day of October, 1977 between Emons Leasing Co., Inc. as Lessor and the Maryland and Pennsylvania Railroad Company as Lessee (the "Lease"), filed and recorded with the Interstate Commerce Commission on October 31, 1977 under Recordation Number 9058-A and assigned by Emons Leasing Co. Inc. to The Chase Manhattan Bank N.A. ("Chase") on October 21, 1977 which assignment was filed with the Interstate Commerce Commission under Recordation Number 9058-B and reassigned by Chase to Emons Leasing Co. Inc. and assigned by Emons Leasing Co. Inc. to Emons Industries, Inc. by assignment dated 1978 and further assigned by Emons Industries, Inc. to Chase, all of the last three assignments to be filed and recorded with the Interstate Commerce Commission is and shall be subordinate to the interest of Chase under the foregoing Chattel Mortgage,

Assignment and Security Agreement.

MARYLAND AND PENNSYLVANIA RAILROAD COMPANY

By

  
Robert Grossman, Vice President

Dated: February 13, 1979

