



SECURITY AGREEMENT

FEB 10 1971 - 11 00 AM

Made on September 17, 1970, between
(Date)

INTERSTATE COMMERCE COMMISSION

Reading Company 12th and Market Streets, Philadelphia, Penna. 19107
(Names of all Debtors) (Street and No.) (City) (State) (Zip Code)

(herein called "Debtor"), and

THE PHILADELPHIA NATIONAL BANK Broad and Chestnut Streets, Philadelphia Pa.
(Street and No.) (City)

(herein called "Bank"), said address being Bank's address at which information concerning Bank's security interest hereunder may be obtained.

SECURITY INTEREST: Debtor hereby grants to Bank a security interest in (i) the following described property, which is to be purchased with the proceeds of the loan being made by Bank of even date herewith:

DESCRIPTION OF PROPERTY (State whether new or used)	MAKE OR MANUFACTURER	SERIAL NUMBER	MODEL NO. OR YEAR
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See attached Exhibit A.

and all replacements thereof and all accessories, parts and equipment now or hereafter affixed thereto or used in connection therewith; and (ii) the following described property, now owned or hereafter acquired by the Debtor:

all said property being hereinafter collectively called the "Collateral". Said security interest secures the payment of the obligation of the Debtor to the Bank of even date herewith and all future advances and all other existing and future liabilities whether absolute or contingent, of the Debtor to the Bank of any nature whatsoever and out of whatever transactions arising.

APPLICATION OF LOAN: If the Collateral is being purchased with a loan being made by Bank of even date herewith, Debtor will apply the proceeds of said loan delivered to him in full or partial payment of such purchase price and for no other purposes, and Debtor hereby authorizes Bank to disburse the proceeds of said loan directly to the seller of the Collateral.

DEBTOR WARRANTS AND AGREES THAT:

- (i) The Collateral is used, or to be used, primarily:
 - check in Debtor's business
 - one for personal, family, household or farm purposes, and the Debtor's residence is the address stated after the name of the Debtor above.
- (ii) The Collateral will be located at:
 - check the address stated after the name of the Debtor above
 - one Attached to railroad freight cars moving throughout United States
(describe realty if item (iii) is applicable)
- applicable only if checked (iii) The Collateral is affixed or is to be affixed to the real estate described in item (ii) above.
- (iv) If the Collateral is to be used primarily in Debtor's business, the chief place of business of the Debtor is:
 - check the address stated after the name of the Debtor above
 - one _____
 - if applicable

The additional terms on the reverse side hereof are hereby made a part hereof.

APPROVED
AT 11:00 AM

THE PHILADELPHIA NATIONAL BANK
(Secured Party)

READING COMPANY
(Debtor) (SEAL)

By John X. Howson, Jr.
(Name and Title)
John X. Howson, Jr. Vice President

By: [Signature]
(Debtor) Vice President (SEAL)

Attest: Dennis J. Callaghan
COMMERCIAL OFFICER

Attest: [Signature]
By: [Signature]
(Name and Title) Secretary

Exhibit A

New tie-down equipment attached to railroad flat cars to provide the means of securing automobile frames for transportation by such flat cars. The tie-down equipment has been attached to the following cars leased or owned by Reading Company (all numbers are inclusive):

- (a) Equipment for General Motors Corporation 1971 "B" frames to 79 Trailer-Train cars Nos. FTTX 940397, 940406, 940408-9, 940411, 940415, 940427, 940430, 940434-5, 940438, 940440, 940444, 940450, 940459-60, 940464, 940473, 940478, 940484, 940495, 940500-04, 963177, 963183, 963186, 963191-200, 963203-5, 963209-13, 963215-20, 963223-4, 963226, 963229, 963232, 963238, 963241, 963244-6, 963250-3, 963255, 963279, 963285, 963317-22, 963332, 963347 and 963349.
- (b) Equipment for 1971 Oldsmobile and Buick Rivera frames to 4 Trailer-Train cars Nos. FTTX 940401, 940447, 940451 and 940587.
- (c) Equipment, including deck extensions, for 1971 Thunderbird frames to 9 Trailer-Train cars Nos. FTTX 940522-3, 940526-30, 940533 and 961048.
- (d) Equipment for 1971 Chevrolet frames to 38 Reading Company cars Nos. 9400-2, 9404-5, 9407-8, 9410-24, 9426-8, 9430-40 and 9442-3.
- (e) Equipment for 1971 Cadillac frames to 8 Reading Company cars Nos. 9454-5 and 9457-62.

COMMONWEALTH OF PENNSYLVANIA:

: ss.

COUNTY OF PHILADELPHIA :

On this ^{22nd} day of September, 1970, before me personally appeared *J R GREENE*, to me personally known, who being by me duly sworn, says that he is a Vice President of Reading Company; 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.

Arthur H. Williams
Notary Public
Philadelphia, Philadelphia Co.
My Commission Expires

(Notarial Seal)

Notary Public, Philadelphia Co.
My Commission Expires January 17, 1974

