

Cadwalader, Wickersham & Taft

100 Maiden Lane

New York, N.Y. 10038

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WASHINGTON, D.C. 20036
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249 ROYAL PALM WAY
PALM BEACH, FLA. 33480
(305) 655-9500
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REC. DATE NO. 15430-6
Filed 1425

REC. DATE NO. 15430-A
Telephone: (212) 504-6000
Filed 1425

DEC 28 1987-1 15 PM

REC. DATE NO. 1 5430
Filed 1425

DEC 28 1987-1 15 PM

CABLE ADDRESS: LABELLUM

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INTERSTATE COMMERCE COMMISSION

INTERSTATE COMMERCE COMMISSION

DEC 28 1987-1 15 PM

INTERSTATE COMMERCE COMMISSION

REC. DATE NO. 15430
December 22, 1987
Filed 1425

DEC 28 1987-1 15 PM

Ms. Mildred Lee
Secretary
Interstate Commerce Commission
12th and Constitution Avenue, N.W.
Washington, D.C. 20423

Re: Documents for Recordation Pursuant to 49 U.S.C.
§ 11303

Dear Ms. Lee:

I enclose an original and one copy of the following documents to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code:

1. A Mortgage, Security Agreement and Assignment of Leases and Rents, a primary document, dated December 22, 1987;
2. A Loan Agreement, a secondary document, dated December 22, 1987;
3. A Limited Recourse Secured Promissory Note, a secondary document, dated December 22, 1987; and
4. A Bill of Sale, a secondary document, dated December 22, 1987.

The Mortgage, Security Agreement and Assignment of Leases and Rents and the Bill of Sale cover ninety-nine used covered hopper cars with the following road marks:

Eighty-four (84) covered hopper cars bearing reporting marks: WSOR 300102, 300103, 300105 through 300111, 300113 through 300121, 300123, 300124, 300126, 300127, 300129 through 300132, 300134, 300136, 300137, 300139, 300141 through 300157, 300159, 300160, 300162 through 300171, 300173 through 300188, 300190 through 300197 and 300199; and fifteen (15) covered hopper cars bearing reporting marks: GBW 300100, 300101, 300104,

Counterpart - Raymond McElfish

Date 12-23-87
Fee \$ 40.00

300112, 300122, 300125, 300128, 300133, 300135, 300138, 300140, 300161, 300172, 300189 and 300198.

The Loan Agreement, the Limited Recourse Secured Promissory Note and the Bill of Sale are secondary documents relating to the enclosed Mortgage, Security Agreement and Assignment of Leases and Rents, which is a primary document and is being submitted for initial recording and indexing.

The mortgagor, debtor and buyer in the above-described documents is Ridgefield Development Corporation ("Ridgefield"), a Pennsylvania corporation, with its address at 1250 Tower Lane, Erie, Pennsylvania 16505.

The secured party, mortgagee and lender in the above-described documents is Irving Leasing Corporation ("ILC"), a New York Corporation, with its address at 1290 Avenue of the Americas, New York, New York 10104.

The seller pursuant to the Bill of Sale is Greyhound Financial Corporation ("Greyhound"), with its address at Greyhound Tower, Phoenix, Arizona 85077.

A recordation fee of \$40.00 is enclosed. Please return the original copy of the Limited Recourse Promissory Note and the certified copies of the other enclosed documents after they have been recorded and indexed to me, James P. Finnegan, Esq., Cadwalader, Wickersham & Taft, 100 Maiden Lane, New York, New York 10038.

The following is a short summary of each of the enclosed documents which may appear in the index:

1. Mortgage, Security Agreement and Assignment of Leases and Rents, dated December 22, 1987, between Ridgefield and ILC, pursuant to which Ridgefield granted, conveyed, delivered, mortgaged, assigned and transferred over to ILC a first priority mortgage and security interest in, among other things, the 99 covered hopper cars.

2. Loan Agreement, dated December 22, 1987, between Ridgefield and ILC, providing for the making of a secured loan by ILC to Ridgefield in the principal amount of \$2,230,000.00, for the purpose of, among other things, Ridgefield's acquisition of the 99 covered hopper cars.

3. Limited Recourse Secured Promissory Note, from Ridgefield to the order of ILC in the principal amount of \$2,230,000.00 evidencing Ridgefield's obligations to ILC pursuant to the Loan Agreement and secured by the Mortgage, Security Agreement and Assignment of Leases and Rents.

Ms. Mildred Lee

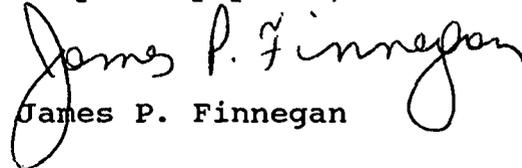
-3-

December 22, 1987

4. Bill of Sale, dated December 22, 1987, from Greyhound transferring title to 99 covered hopper cars to Ridgefield.

If you have any questions concerning this matter, please call me at (212) 504-6227.

Very truly yours,


James P. Finnegan

JPF/eba
Enclosures

BY HAND

DEC 23 1987-1 15 PM

LIMITED RECOURSE
SECURED PROMISSORY NOTE

INTERSTATE COMMERCE COMMISSION

U.S. \$2,230,000

December 12, 1987

RIDGEFIELD DEVELOPMENT CORPORATION (the "Company"), a corporation organized and existing under the laws of the State of Pennsylvania, FOR VALUE RECEIVED, hereby promises to pay to IRVING LEASING CORPORATION, ("ILC"), OR ORDER, on or before March 22 1999, at the principal office of Irving Trust Company ("Bank"), One Wall Street, New York, New York 10015, for the account of ILC, the principal sum of \$2,230,000 (the "Principal Amount"), in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, and to pay interest (computed on the basis of the actual days elapsed on a 360-day year) for the period from the date hereof until December 31, 1988 on the portion of said principal sum remaining unpaid for each day at the rate per annum of eleven percent (11%) and for the period from January 1, 1989 until maturity on the portion of said principal sum remaining unpaid for each day at the rate per annum of twelve percent (12%) (the "Interest Rate"). Notwithstanding the foregoing, this Note shall bear interest at the rate per annum of twelve percent (12%) for the period from the date hereof to December 31, 1988 and thirteen percent (13%) for the period from January 1, 1989 until maturity (the "Overdue Rate") on overdue installments of principal, and, to the extent that the same be lawful, on any overdue interest; provided, however, that interest at the Overdue Rate (rather than at the Interest Rate) shall be payable to the extent and only to the extent of the amount of late charges, if any, paid by lessees or other users of the Cars (as such term is defined in the Loan Agreement). As used herein, the term "Business Day" means a day on which commercial banks are required or authorized to close in New York, New York.

1. This Note is issued pursuant to a Loan Agreement (the "Loan Agreement"), dated the date hereof, between the Company and ILC and is secured by a Mortgage, Security Agreement and Assignment of Leases and Rents from the Company to ILC, dated the date hereof (the "Mortgage") and by certain Collateral (as such term is defined in the Mortgage). Reference is hereby made to the Loan Agreement and the Mortgage for a description of the Collateral, the security afforded thereby and the rights of the holder of this Note with respect thereto. If an Event of Default (as such term is defined in the Loan Agreement) shall occur, the principal hereof and accrued interest hereon and other sums, if any, payable hereunder or in respect hereto may be declared due

and payable by ILC at its option prior to the fixed maturity hereof in the manner, upon the conditions and with the effect provided in the Loan Agreement.

2. The Company covenants and agrees that the principal amount of this Note will be repaid in accordance with the schedule set forth on Annex I hereto.

3. The Company also covenants and agrees that it will pay interest on the unpaid principal amount of this Note in arrears on June 22, 1988, December 22, 1988, June 22, 1989 and thereafter on the twenty-second day of each month, ending March 22, 1999.

4. This Note may be prepaid in accordance with Section 11(a) of the Loan Agreement and shall be prepaid in accordance with Section 10(b) of the Loan Agreement, without penalty or premium, in whole or in part, on not less than 10 Business Days' notice and payment of interest on the amount prepaid to the date of such prepayment. All prepayments under this paragraph or under any of the Collateral shall be applied to the unpaid installments in the inverse order of their maturities.

5. The Company hereby waives presentment for payment, demand, protest and notice of protest and nonpayment hereof and hereby consents that any and all Collateral or other property, if any, held by the holder hereof at any time as security for this Note may be exchanged, released or surrendered, and that the time of payment of this Note may be extended, all in the sole discretion of the holder hereof and without notice to and without affecting in any manner the liability of the Company hereunder.

6. No course of dealing between the Company and the holder hereof or delay on the part of the holder hereof in exercising any rights hereunder or under any of the Collateral shall operate as a waiver of any right of any holder hereof except to the extent expressly waived in writing by such holder.

7. Whenever any payment to be made hereunder shall be due on a day which is not a Business Day, such payment may be made on the next succeeding Business Day and any extension of time shall be included in computing interest with respect to such payment.

8. All payments of the principal, interest and other amounts payable upon or in respect of this Note or the indebtedness evidenced hereby shall be made to the account of ILC (Account No. 8011541756), at Irving Trust Company at One Wall Street, New York, New York 10015, U.S.A., in immediately available funds. All such payments shall be made without setoff 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 herebefore or hereafter imposed by any domestic or foreign governmental authority or by any political subdivision thereof, or taxing authority therein, unless the Company is compelled by law to make such deduction or withholding. In the event that any such obligation is imposed upon the Company, the Company will pay to the holder hereof such additional amount as may be necessary to enable the holder hereof to receive the same net amount (after taking into account any credit, repayment, relief or rebate in respect of taxation by the taxing authority imposing any such tax or duty which the holder hereof may be entitled to claim, as reasonably determined by the holder, arising directly or indirectly as a result of any such deduction as aforesaid) which said holder would have received if no such obligation had been imposed; provided that the foregoing provisions of this sentence shall not apply in the case of amounts deducted from interest in respect of taxes charged upon or by reference to the income, profits or gains of such holder and imposed by the United States of America or the State or City of New York. The Company agrees that it will pay from the Collateral and save the holder hereof harmless from all liabilities with respect to or resulting from any delay or omission to pay any such tax, levy, impost, duty, charge or fee or to make any such deduction or withholding required by law.

9. Should the indebtedness represented by this Note or any part thereof be collected by action at law, or in bankruptcy, receivership or other court proceedings, or should this Note be placed in the hands of attorneys for collection after default, the Company agrees to pay from the Collateral, in addition to principal and interest due and payable hereon, court costs and reasonable attorneys' fees and other collection charges, unless prohibited by law.

10. As used herein the term "holder" means ILC or any other person who is at the time the holder in possession of this Note.

11. Notwithstanding anything contained in the Loan Agreement or this Note to the contrary, but subject to the proviso set forth below, (x) ILC shall not have recourse against the Company for the payment of any amount payable hereunder and (y) upon the occurrence of an Event of Default, ILC's remedy shall be limited to the repossession, liquidation, foreclosure, sale, assignment or other disposition of the Collateral and the application of the proceeds thereof in payment of the amounts payable hereunder or under the Loan Agreement; provided, however, that (i) this Section 11 shall not release the Company from its liability, for which ILC shall have full recourse against the Company, for the Company's failure to perform its obligations under Section 5(i) of the Loan Agreement or the Company's violation of Section 6(a) or 6(d) of the Loan Agreement; (ii) ILC

shall have full recourse against the Company for any amount payable by the Company under Section 14(a) of the Loan Agreement; and (iii) nothing in this Section 11 shall affect ILC's rights against the Collateral to recover any amounts for which ILC shall have no recourse against the Company.

12. This Note shall be deemed to have been made under and governed by the laws of the State of New York as to all matters of construction, validity, effect and performance.

IN WITNESS WHEREOF, the Company has caused this Limited Recourse Secured Promissory Note to be duly executed on the date first above written.

RIDGEFIELD DEVELOPMENT
CORPORATION

By 

DUPLICATE
ORIGINAL

COUNTY OF NEW YORK)

: ss.:

STATE OF NEW YORK)

On this 21st day of December, 1987, before, me James P. Finnegan, a Notary Public for the State of New York, duly commissioned and sworn, personally appeared Norman W. Seep President, duly known to me to be President of RIDGEFIELD DEVELOPMENT CORPORATION, a Pennsylvania corporation, described in and that executed the within instrument and acknowledged to me that the seal affixed to said instrument is such corporation's seal; that it was so affixed by authority set forth in the By-laws of said corporation, and that he signed his name thereto by like authority.

James P. Finnegan
Notary Public

[Notarial Seal]

ANNEX I

SCHEDULE OF PRINCIPAL PAYMENTS

<u>22nd Day Occurring In</u>	<u>Percent of Original Principal Amount Due</u>
JUNE 1989	\$31.986
JUL 1989	\$10.916
AUG 1989	\$10.116
SEP 1989	\$10.217
OCT 1989	\$10.319
NOV 1989	\$10.422
DEC 1989	\$10.527
JAN 1990	\$10.632
FEB 1990	\$10.738
MAR 1990	\$10.846
APR 1990	\$10.954
MAY 1990	\$11.064
JUN 1990	\$11.174
JUL 1990	\$11.286
AUG 1990	\$11.399
SEP 1990	\$11.513
OCT 1990	\$11.628
NOV 1990	\$11.744
DEC 1990	\$11.862
JAN 1991	\$11.980
FEB 1991	\$12.100
MAR 1991	\$12.221
APR 1991	\$12.343
MAY 1991	\$12.467
JUN 1991	\$12.591
JUL 1991	\$12.717
AUG 1991	\$12.844
SEP 1991	\$12.973
OCT 1991	\$13.103
NOV 1991	\$13.234
DEC 1991	\$13.366
JAN 1992	\$13.500
FEB 1992	\$13.635
MAR 1992	\$13.771
APR 1992	\$13.909
MAY 1992	\$14.048
JUN 1992	\$14.188
JUL 1992	\$14.330
AUG 1992	\$14.473
SEP 1992	\$14.618
OCT 1992	\$14.764
NOV 1992	\$14.912
DEC 1992	\$15.061

22nd Day
Occurring In

Percent of Original
Principal Amount Due

JAN 1993	\$15,212
FEB 1993	\$15,364
MAR 1993	\$15,517
APR 1993	\$15,673
MAY 1993	\$15,829
JUN 1993	\$15,988
JUL 1993	\$16,148
AUG 1993	\$16,309
SEP 1993	\$16,472
OCT 1993	\$16,637
NOV 1993	\$16,803
DEC 1993	\$16,971

JAN 1994	\$17,141
FEB 1994	\$17,312
MAR 1994	\$17,485
APR 1994	\$17,660
MAY 1994	\$17,837
JUN 1994	\$18,015
JUL 1994	\$18,195
AUG 1994	\$18,377
SEP 1994	\$18,561
OCT 1994	\$18,747
NOV 1994	\$18,934
DEC 1994	\$19,124

JAN 1995	\$19,315
FEB 1995	\$19,508
MAR 1995	\$19,703
APR 1995	\$19,900
MAY 1995	\$20,099
JUN 1995	\$20,300
JUL 1995	\$20,503
AUG 1995	\$20,708
SEP 1995	\$20,915
OCT 1995	\$21,124
NOV 1995	\$21,336
DEC 1995	\$21,549

JAN 1996	\$21,764
FEB 1996	\$21,982
MAR 1996	\$22,202
APR 1996	\$22,424
MAY 1996	\$22,648
JUN 1996	\$22,875
JUL 1996	\$23,103
AUG 1996	\$23,334
SEP 1996	\$23,568
OCT 1996	\$23,803
NOV 1996	\$24,042

22nd Day
Occurring In

Percent of Original
Principal Amount Due

DEC 1996	\$24,252
JAN 1997	\$24,525
FEB 1997	\$24,770
MAR 1997	\$25,018
APR 1997	\$25,268
MAY 1997	\$25,521
JUN 1997	\$25,776
JUL 1997	\$26,034
AUG 1997	\$26,294
SEP 1997	\$26,557
OCT 1997	\$26,822
NOV 1997	\$27,091
DEC 1997	\$27,361
JAN 1998	\$27,635
FEB 1998	\$27,911
MAR 1998	\$28,191
APR 1998	\$28,472
MAY 1998	\$28,757
JUN 1998	\$29,045
JUL 1998	\$29,335
AUG 1998	\$29,629
SEP 1998	\$29,925
OCT 1998	\$30,224
NOV 1998	\$30,526
DEC 1998	\$30,832
JAN 1999	\$31,140
FEB 1999	\$31,451
MARCH 1999	\$22,900