

A

LAW OFFICES

ALVORD AND ALVORD

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ELLSWORTH C. ALVORD (1964)

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* NOT A MEMBER OF D. C. BAR
** ALSO A MEMBER OF OHIO BAR

200 WORLD CENTER BUILDING
918 SIXTEENTH STREET, N.W.
WASHINGTON, D. C.
20006-2973

June 25, 1984

OF COUNSEL
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URBAN A. LESTER

CABLE ADDRESS
"ALVORD"

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393-2266

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Mr. James H. Bayne
Secretary
Interstate Commerce Commission
Washington, D.C.

14349
RECORDATION NO. Filed 1425

JUN 25 1984 - 11 25 AM

INTERSTATE COMMERCE COMMISSION

4-177A065
Date JUN 25 1984

50.00
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Dear Mr. Bayne:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. §11303 are the original and one copy of a Security Agreement/Chattel Mortgage dated April 22, 1982, a primary document as that term is defined in 49 C.F.R. §1177.1(a).

A description of the railroad equipment covered by the enclosed document is:

One (1) 23,150 gallon Class DOT 111A 100M-1 coil insulated tank car bearing mark and number DRAX 10001

The names and addresses of the parties to the enclosed document are:

Secured Party: GLC Finance Corporation
1385 South Colorado Boulevard
Denver, Colorado 80222

Debtor: Draycutt Corporation
1515 South 1100 East
Salt Lake City, Utah 84105

Kindly return a stamped copy of the enclosed document to Charles T. Kappler, Esq., Alvord and Alvord, 918 Sixteenth Street, N.W., Washington, D.C. 20006.

Also enclosed is a check in the amount of \$50 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

A short summary of the enclosed primary document

RECEIVED

JUN 25 11 47 AM '84

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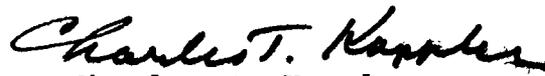
Handwritten signature: C. Kappler

Mr. James H. Bayne
Secretary
Interstate Commerce Commission
June 25, 1984
Page Two

to appear in the Commission's Index is as follows:

Security Agreement/Chattel Mortgage dated
April 22, 1982 between GLC Finance Corporation,
Secured Party, and Draycutt Corporation, Debtor,
covering one (1) 23,150 gallon tank car bearing
mark and number DRAX 10001.

Very truly yours,


Charles T. Kappler

Interstate Commerce Commission
Washington, D.C. 20423

6/25/84

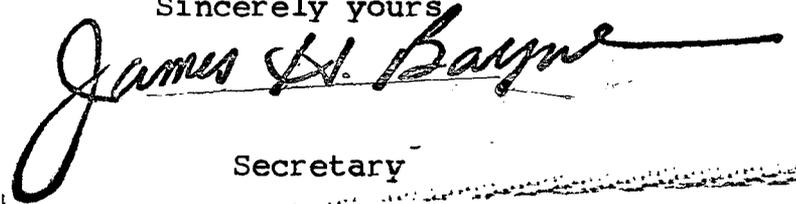
OFFICE OF THE SECRETARY

Charles T. Kappler-Esq.
Alvord & Alvord
918 16th Street N.W.
Washington, D.C. 2006-2973

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 6/25/84 at 11:25am and assigned re-
recording number(s). 14349

Sincerely yours

A handwritten signature in cursive script, reading "James H. Bayne". The signature is written in black ink and is positioned above the typed name "Secretary".

Secretary

Enclosure(s)

SECURITY AGREEMENT/CHattel MORTGAGE



GLC FINANCE CORPORATION

14349

SUBSIDIARY OF GATX LEASING CORPORATION

RECORDATION NO. Filed 1425

DATE April 22, 19 82

JUN 25 1984 11 25 AM

GLC FINANCE CORPORATION, a Delaware corporation, whose address is 1385 South [redacted] Denver, Colorado 80222 (hereinafter referred to as the "Secured Party"), and

Draycutt Corporation

1515 South 1100 East

Salt Lake City, Utah 84105 (Salt Lake County)

a(n) [] Individual [] Partnership [X] Corporation, (herein referred to as the "Debtor"), hereby mutually agree as follows:

1. Security Interest. Debtor hereby grants, transfers and assigns to Secured Party a security interest in the following described personal property, together with all accessories, attachments and accessions now or hereafter affixed thereto or incorporated therein, and all proceeds, substitutions and replacements thereof (hereinafter collectively referred to as the "Collateral"):

New/Used	Quantity	Make/Description	Model No.	Serial No.
New	One (1)	23,150 Gallon Class DOT 111A 100W-1		
		Coil Insulated Tank Car	Tank Stencil Number	DRAX 10001

to secure the performance and payment of a promissory note of even date herewith (the "Note"), executed by Debtor, as maker, payable to the order of Secured Party, as payee, in the amount of \$ 74,784.00 [XX] including [] plus interest, together with any other obligations or indebtedness of Debtor to Secured Party of whatever kind or whenever created or incurred under any other instrument (collectively the "Indebtedness").

2. Indebtedness: Debtor represents, warrants and agrees that: (a) it is justly indebted to Secured Party for the full amount of the Indebtedness described above; (b) the Collateral will be used solely for business purposes; (c) Debtor will pay (i) the Indebtedness when due, (ii) Secured Party's costs of collecting the Indebtedness, of realization on the Collateral, and any expenditures of Secured Party pursuant hereto, including attorneys' fees and expenses, and (iii) any deficiency after realization on the Collateral, and (d) if there is any other indebtedness or obligation outstanding, now existing or hereafter incurred, under any other agreement or instrument between Debtor and Secured Party, Secured Party shall retain its security interest in the Collateral hereunder to secure the payment of such indebtedness or performance of such obligation until all such indebtedness is satisfied in full and Secured Party shall have the right to apply in any order of priority any payments received from Debtor against any such indebtedness. Debtor acknowledges that invoices are sent for its convenience only, that non-receipt of an invoice does not relieve Debtor of its obligation to make payment hereunder on the date due, and at Secured Party's request, Debtor shall pay any installment(s) hereunder by bank wire transfer.

3. Prepayment, Delinquency Charges: Debtor shall be entitled to prepay the Indebtedness hereunder prior to maturity by paying Secured Party an amount equal to the amount of the then outstanding principal balance of the Indebtedness (including all accrued interest) plus a premium equal to three percent (3%) thereof. Debtor shall pay Secured Party interest on any overdue installment(s) hereunder and on any other payments required by Debtor hereunder at the higher of eighteen percent (18%) per annum or the prime rate in effect at Wells Fargo Bank, N.A., San Francisco, California, or its successor, plus three percent (3%) per annum, but in no event to exceed the maximum rate permitted by applicable law.

4. Location. The place of principal location of the Collateral is Milburn, Utah 84629 (Description of Collateral) (Number and Street)

(City) (County) (State)

and Debtor will not remove any of the Collateral therefrom without the prior written consent of Secured Party. (a) If any of the Collateral is to be attached to any real property, such real property is located at

N/A

(Description of Collateral) (Number and Street)

(City) (County) (State)

The Collateral is and will at all times remain removable personal property and Debtor shall not permit the Collateral to become a part of or affixed to any real property of any person without first making arrangements satisfactory to Secured Party to protect its prior security interest therein.

(b) The record owner and/or mortgagee(s) of the above real property are:

N/A

(Name)

(Address)

(City)

(County)

(State)

(c) If the Collateral is used in more than one state (i.e. trucks, road building equipment, etc.) the chief place of business of Debtor is N/A and Debtor will notify Secured Party in writing immediately upon any change of Debtor's chief place of business

(d) Debtor has no other place of business in this or any other state where the Collateral is or will be located except as listed below

N/A

(Description of Collateral)

(Number and Street)

(City)

(County)

(State)

(Description of Collateral)

(Number and Street)

(City)

(County)

(State)

(Description of Collateral)

(Number and Street)

(City)

(County)

(State)

(Description of Collateral)

(Number and Street)

(City)

(County)

(State)

5. No Liens. Debtor represents, warrants and agrees that: Debtor has title to the Collateral free and clear of any liens or encumbrances except for the first, prior and senior security interest and lien in the Collateral which is held by Secured Party; no financing statement, lien under a title certificate(s) or similar instrument covering any of the Collateral will exist or be on file in any public office subsequent to the date hereof; Debtor will not abandon the Collateral nor sell, assign, lease, mortgage, pledge, or otherwise transfer, encumber, or suffer a lien to exist upon or against the Collateral except for the security interest granted herein to Secured Party; and if Debtor is a corporation, it is incorporated in the State of Utah and its certificate of incorporation does not prohibit the security interest granted herein nor will the execution of this Agreement violate any law or agreement to which Debtor is a party, and this Agreement is binding upon and enforceable against Debtor in accordance with its terms.

6. Maintenance. Debtor agrees that, until all obligations under this Agreement have been fulfilled, Debtor shall, at its sole expense: maintain the Collateral in good operating condition, appearance, and in accordance with the manufacturer's specifications; make all replacements of any components or parts with an equivalent type and value as originally supplied on the Collateral; and not make any alterations to the Collateral which would adversely affect its operation, or which would reduce its market value in any way. Any additions, attachments or replacement made to the Collateral by Debtor shall become part of and constitute accessions to the Collateral and become subject to the security interest herein. Debtor will promptly notify Secured Party in writing of any loss or damage to the Collateral, or of the attachment of any lien or other proceeding affecting its value. Secured Party shall be entitled to inspect the Collateral at any time during reasonable business hours.

7. Taxes. Debtor agrees that, at its sole expense, it shall promptly pay all taxes, assessments, license fees and other public or private charges when levied or assessed against the Collateral or the sale, use or operation thereof, including, but not limited to, use, sales, or property taxes.

8. Insurance. Debtor shall insure the Collateral on or before the date hereof at Debtor's sole expense with a company acceptable to Secured Party against all risks of physical damage, theft and, if applicable, combined additional coverage, throughout the term of this Agreement for the full replacement cost of the Collateral (which coverage shall in no event be less than the then outstanding amount of the Indebtedness described herein) upon such terms as are acceptable to Secured Party. Such insurance shall provide that it may be altered or cancelled by the insurer or Debtor only after 30 days prior written notice to Secured Party. Certificates or other evidence satisfactory to Secured Party showing the existence of such insurance, the terms and conditions thereof and payment of the premium therefor shall be delivered promptly to Secured Party as requested from time to time. Debtor further agrees to provide Secured Party with the standard mortgagee's long form endorsement showing loss payable to Secured Party and Debtor as their respective interests may appear.

Debtor shall not under any circumstances permit any item of Collateral to be at risk without all said insurance being in full force and effect. All such insurance shall insure Secured Party's interest regardless of any breach or violation by Debtor of any warranties, declarations or conditions contained in any such insurance. If Debtor fails to procure such insurance or if such insurance is subsequently cancelled or expires, and Debtor fails to timely furnish satisfactory replacement insurance, Secured Party at its election may purchase single interest insurance protecting Secured Party alone against loss, charging same to Debtor without waiving its right to treat such failure as a breach of this Agreement.

9. Indemnity from Liability; Use of Collateral: Debtor does hereby indemnify and hold Secured Party harmless against all claims, expenses (including attorneys' fees), liabilities or demands arising out of or connected with this Agreement or the ownership, use or operation of the Collateral by Debtor or any other person; will pay Secured Party upon demand for all expenses incurred in connection with perfecting the security interest granted herein or the satisfaction thereof, and not use or permit the Collateral to be used for any unlawful purpose or in violation of any applicable federal, state, or municipal law, statute or ordinance. Debtor further shall at its own expense carry in full force and effect public liability and property damage insurance, in kind, form and amount satisfactory to Secured Party, naming Debtor (and, if requested, Secured Party) as named insured(s) thereunder. Debtor will defend the Collateral and Secured Party's rights thereto against all claims and demands of all persons.

10. Secured Party's Rights. Debtor acknowledges that time is of the essence in the performance of Debtor's duties and obligations under this Agreement and no waiver by Secured Party of any breach or default shall constitute a waiver of any other breach or default by Debtor or waiver of any of Secured Party's rights or remedies hereunder at any time. If Debtor shall default hereunder, Secured Party may, in addition to any other rights it may have, take whatever action may be necessary to remedy such default, including without limitation, the expenditure of monies to protect and preserve Secured Party's interest in the Collateral, including payment of insurance premiums, payment of taxes, making of repairs, storage, transportation, removal of liens, etc. If Secured Party takes any such action, Secured Party shall not be liable to Debtor or any other person for damages as a result of delays, temporary withdrawals of the Collateral from service or any other reason whatsoever. Any amounts paid by Secured Party shall be reimbursed by Debtor hereunder, become part of the indebtedness secured hereby and forthwith due and payable, and shall bear interest thereon from date of expenditure or due date thereof at the rate set forth in paragraph 3 hereof.

11. Events of Default. The occurrence of any of the following events shall constitute a default ("event of default" or "default") hereunder: (a) failure of Debtor to pay any installment(s) under the Note on the day the same shall be due, or otherwise fail to pay the indebtedness hereunder or any part thereof or other indebtedness or obligation of Debtor to Secured Party when due under any other instrument; or (b) failure of Debtor to observe or perform any other covenant or condition herein or in the Note or in any other instrument with Secured Party; or (c) failure by Debtor at any time to procure or maintain any of the insurance coverage prescribed herein; or (d) dissolution of any corporate Debtor, death of any Debtor who is a natural person or of any partner of Debtor which is a partnership or of any guarantor, co-signer or endorser of the Indebtedness; or (e) failure of any guarantor, co-signer or endorser of the Indebtedness to observe or perform any covenant or condition hereunder or in any Guarantee with Secured Party; or (f) should Debtor or any of them if more than one, or any such guarantor, co-signer or endorser, become insolvent or commit any act of bankruptcy or make a general assignment for the benefit of creditors, or if any proceeding is instituted by or against any of them for any relief under any bankruptcy or insolvency laws, or if a receiver is appointed with respect to any property of any of them; or (g) termination or suspension by Debtor of its business as a going concern, or if a default be declared on any job contracted by Debtor; or (h) loss, theft, substantial damage, destruction, sale, encumbrance or condemnation of any of the Collateral or the levy of any attachment, execution or other process against Debtor or any of the Collateral; or (i) any obligation of Debtor or any such guarantor, co-signer or endorser for the payment of borrowed money, for the payment of the deferred purchase price of property or for the payment of rent under any lease of property shall not be paid when due and the period of grace, if any, provided with respect thereto shall have elapsed, or any such obligation shall have been accelerated, or Debtor or any such guarantor, co-signer or endorser shall have forfeited its rights in relation to any such obligation; or (j) any litigation or proceeding is commenced or, to the knowledge of Debtor, is threatened against Debtor or any such guarantor, co-signer or endorser which litigation or proceeding if adversely determined against such party would have a materially adverse impact upon the business or financial condition of such party.

12. Remedies. Upon the occurrence of any such event of default, Secured Party may declare the entire outstanding Indebtedness unpaid hereunder immediately due and payable, and shall have all the rights and remedies of a secured party under the Uniform Commercial Code and any other applicable laws, including without limitation the following: Secured Party may recover reasonable attorneys' fees and costs incurred in connection with any default, may take possession of the Collateral wherever found, without notice, demand or legal process, and sell, lease or otherwise dispose of the same in the manner described by applicable law, and may require Debtor to assemble the Collateral and return it to Secured Party in a place to be designated by Secured Party. Secured Party will give Debtor reasonable notice of the time and place of any public sale of the Collateral or the time after which any public sale or any private sale or other intended disposition thereof is to be made. Unless otherwise provided by law, the requirement of reasonable notice shall be met if such notice is mailed, postage prepaid, to the address of Debtor shown herein at least 10 days before the time of any such intended sale or disposition. Secured Party may become the purchaser at any such sale or disposition. Secured Party may deduct from the proceeds of any such sale or disposition all taxes and charges due on the Collateral and all expenses of taking, removing, holding, repairing, preparing for sale, lease, selling, leasing or otherwise disposing of the Collateral, such expenses to include reasonable attorney's fees and other legal expenses, and may apply the net proceeds to satisfy the Indebtedness hereunder, returning to Debtor any surplus or holding Debtor liable for any deficiency. In the event of bankruptcy or other insolvency proceedings, in addition to the above remedies, Secured Party shall be entitled to any rental or other income produced by the Collateral prior to its release to Secured Party.

13. Secured Party Acting on Behalf of Debtor. Debtor hereby assigns to Secured Party any and all monies (including, but not limited to, proceeds of insurance) which may become due to Debtor, whether under any policy insuring the Collateral against any loss or damage, or any lease of the Collateral or any other instrument with any other person, and hereby authorizes and directs any such person to make payment thereof directly to Secured Party as and when so directed by Secured Party. Secured Party may, at its option, apply any monies so received to the cost of repairs to the Collateral and/or to payment of any of the Indebtedness, as Secured Party may determine, and shall remit any surplus to Debtor. In furtherance of the foregoing, Debtor irrevocably appoints Secured Party as Debtor's agent and attorney-in-fact, with full power of substitution, to receive all such monies, to execute proofs of claim, to endorse over to Secured Party drafts, checks and other instruments payable to Debtor, to adjust and compromise any claim, to execute releases, and to do all such things that may be necessary or desirable to carry into effect the authorization herein granted.

14. Other Property. In the event the Collateral shall have affixed or attached to it other personal property not constituting part of the Collateral, Secured Party may, at the time of any repossession thereof, take such personal property into custody and store it at the risk and expense of Debtor. Debtor hereby releases Secured Party from any liability for loss or damage to such other property and does hereby indemnify and hold Secured Party harmless from any claims or damages by any other person arising therefrom.

15. **Financing Statements.** At Secured Party's request, Debtor will join with Secured Party in executing one or more financing statements pursuant to the Uniform Commercial Code or any other instruments or title certificates as may be required to protect the interests of Secured Party in the Collateral hereunder, to be in form satisfactory to Secured Party. Debtor irrevocably appoints Secured Party as Debtor's agent and attorney-in-fact to be hereby authorized to perform, in the place of and in substitution for Debtor, any act which Debtor is obligated to do under the terms of this paragraph, to include without limitation the execution and filing in Debtor's name of any financing statements, amendments thereto, or other instruments required to be filed, recorded or delivered in order to perfect Secured Party's security interest hereunder and in the Collateral.

16. **Financial Information; Joint and Several Liability; Applicable Law.** Debtor agrees to furnish Secured Party promptly with such other documents or information it may request while this Agreement is in effect, including, but not limited to, information as to the value and condition of Collateral and financial information as to Debtor and its operations, including any annual and quarterly financial statements issued by Debtor, as shall be necessary to protect Secured Party's rights hereunder. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado. THE OBLIGATION OF ANY CO-SIGNER SHALL BE THAT OF A PRIMARY OBLIGOR OR CO-MAKER, AND THIS AGREEMENT SHALL BIND JOINTLY AND SEVERALLY ALL SIGNING AS DEBTOR AND/OR CO-SIGNER (THE TERM "DEBTOR" BEING DEEMED TO INCLUDE BOTH DEBTOR AND CO-SIGNER), AND THEIR RESPECTIVE SUCCESSORS, ASSIGNS, HEIRS AND REPRESENTATIVES. Renewal, extension, or assignment of this Agreement shall not release Debtor or Co-signer from any obligations hereunder. All rights and remedies of Secured Party hereunder are cumulative and no delay in the exercise of any right or remedy shall operate as a waiver thereof, and no single or partial exercise by Secured Party of any right or remedy shall preclude any other or further exercise thereof. The exercise of any right or remedy. This Agreement contains the entire agreement between the parties and shall not be varied, supplemented, qualified or interpreted by any prior course of dealing between the parties or by any usage of trade, nor shall any modification thereof be binding unless executed in writing. All notices hereunder shall be mailed by first-class mail, postage prepaid, addressed to the parties as shown in the first paragraph of this Agreement or to such other address as the parties may substitute by written notice.

17. **Additional Provisions.**

NONE

IN WITNESS WHEREOF, the parties have executed this Security Agreement/Chattel Mortgage on the date hereinabove set forth, and Debtor does hereby acknowledge receipt of a true fully executed copy hereof.

SECURED PARTY:

GLC FINANCE CORPORATION

By: [Signature]
Title

DEBTOR:

Draycutt Corporation

By: [Signature] Pres
Title

CO-SIGNER:

THIS IS TO CERTIFY THAT THIS IS A TRUE AND EXACT COPY OF THE ORIGINAL.

[Signature]
Notary Public
My commission expires 10/21/85

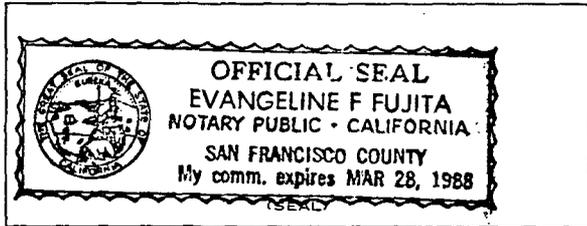
Acknowledgment - Corporation

State of California }
County of San Francisco } ss.

On this 22nd day of June, in the year 1984, before me Evangeline F. Fujita
(HERE INSERT THE NAME)

Notary Public, personally appeared L. D. Giess, personally
AND QUALITY OF THE OFFICER

known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as ^{assistant vice} president (~~or secretary~~) or on behalf of the corporation therein named and acknowledged to me that the corporation executed it



Evangeline F. Fujita
Notary Public for California