

RECORDATION NO. 11864 Filed 1425

MAY 30 1980 - 12 05 PM

SLADE PELLMAN & BIEHL
INTERSTATE COMMERCE COMMISSION COUNSELORS AT LAW

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SIDNEY M. SEGALL
MICHAEL W. STAMM

No. 0-151A086

Date MAY 30 1980

Fee \$ 300.00 *plus*

ICC Washington, D. C.

Office of the Secretary
Recordation Office
Interstate Commerce Commission
Twelfth St. and Constitution Ave., N.W.
Washington, DC 20423

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INTERSTATE COMMERCE COMMISSION

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INTERSTATE COMMERCE COMMISSION
Dear Sirs:

In accordance with the provisions 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, we request that the enclosed documents be recorded and filed by the Interstate Commerce Commission (the "Commission").

A. Description of the Documents and the Parties Thereto

Enclosed herewith are three originals of the documents listed below. We request that one original of each document be recorded and filed in the order listed below. We request that the additional original be stamped by your office and returned to us.

1. LEASE AGREEMENT (the "Lease") dated as of May 1980, between Seafirst Leasing Corporation, as lessor the ("Lessor"), and Emons Industries, Inc., as lessee the ("Lessee");

2. GONDOLA CAR AGREEMENT NO. 4, dated September 7, 1979, between the Lessee and South Buffalo Railway Company ("South Buffalo");

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INTERSTATE COMMERCE COMMISSION

540 MADISON AVENUE
NEW YORK, N. Y. 10022
TEL: (212) 838-6670

FEE OPERATION BR.
I.C.C.

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INTERSTATE COMMERCE COMMISSION

David H. Cox
[Signature]

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3. SUPPLEMENT NO. 1 dated May 23, 1980, to ^B
Gondola Car Agreement No. 4, between the Lessee
and South Buffalo;

4. ASSIGNMENT OF RENTS AND SECURITY AGREEMENT ^C
dated as of May 27, 1980, among the Lessor and the
Lessee relating to South Buffalo Gondola Car Agree-
ment No. 4, together with South Buffalo's Acknowledgement
of Notice of Assignment;

5. GONDOLA CAR AGREEMENT NO. 2, dated September ^D
7, 1979, between the Lessee and Patapsco & Back
Rivers Railroad Company ("Patapsco");

6. SUPPLEMENT AND AMENDMENT NO. 1, dated April ^E
23, 1980, to Gondola Car Agreement No. 2 between the
Lessee and Patapsco;

7. ASSIGNMENT OF RENTS AND SECURITY AGREEMENT ^F
dated May 27, 1980, between the Lessor and the Lessee
relating to Patapsco Gondola Car Agreement No. 2,
together with Patapsco's Acknowledgement of Notice
of Assignment;

8. GONDOLA CAR AGREEMENT NO. 1, dated September ^G
7, 1979, between the Lessee and Philadelphia, Bethlehem
& New England Railroad Company ("PBNE");

9. SUPPLEMENT AND AMENDMENT NO. 1, dated May 23, ^H
1980, to Gondola Car Agreement No. 1 between the Lessee
and PBNE; and

10. ASSIGNMENT OF RENTS AND SECURITY AGREEMENT, ^I
dated May 27, 1980, between the Lessor and the Lessee,
relating to PBNE Gondola Car Agreement No. 1, together
with PBNE's Acknowledgement of Notice of Assignment.

The names and addresses for the parties to the transaction
are:

EMONS INDUSTRIES, INC.
490 East Market Street
York, Pennsylvania 17403

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SEAFIRST LEASING CORPORATION
P.O. Box 3586
Seattle, Washington 98124

SOUTH BUFFALO RAILWAY COMPANY
1275 Daly Avenue
Bethlehem, Pennsylvania 18015

PATAPSCO & BACK RIVERS RAILROAD COMPANY
1275 Daly Avenue
Bethlehem, Pennsylvania 18015

PHILADELPHIA, BETHLEHEM & NEW ENGLAND
RAILROAD COMPANY
1275 Daly Avenue
Bethlehem, Pennsylvania 18015

B. Procedural Matters

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. Seafirst Leasing Corporation
2. Emons Industries, Inc.
3. South Buffalo Railway Company
4. Patapsco & Back Rivers Railroad Company
5. Philadelphia, Bethlehem & New England Railroad Company

A check in the amount of \$ has been enclosed with this letter of transmittal to cover the recordation fee.

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Please stamp and return the enclosed copy of this letter of transmittal.

If there are any questions with respect to the enclosed or the transactions described therein, please telephone Melvin S. Slade or Michael W. Stamm of this office, collect.

Very truly yours,

A handwritten signature in cursive script that reads "Slade Pellman & Biehl". The signature is written in dark ink and is positioned above the typed name.

SLADE PELLMAN & BIEHL

SP&B:ab
Encl.

MAY 30 1980 - 12 05 PM

INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF RENTS AND SECURITY AGREEMENT

This Assignment of Rents and Security Agreement is entered into as of May 27, 1980, between EMONS INDUSTRIES, INC., a New York corporation (the "Assignor"), and SEAFIRST LEASING CORPORATION, a Washington corporation (the "Assignee").

RECITALS

The Assignee and Assignor have entered into a Lease Agreement (the "Lease Agreement") dated as of May 27, 1980, whereby the Assignee has agreed to lease to the Assignor 100-Ton Railroad Gondola Cars (the "Cars") to which Lease Agreement reference is hereby made for a more complete description of the Equipment.

The Assignor and South Buffalo Railway Company, a New York corporation (the "Railroad"), with its principal place of business at 1275 Daly Avenue, Bethlehem, Pennsylvania, have entered into a Gondola Car Agreement No. 4 dated as of September 7, 1980¹⁹⁷⁹, as supplemented on May 23, 1980 (the "Agreement"), whereby the Assignor has granted to Railroad the right to use 50 of the Cars.

The Assignee's consent to the use of such Cars by the Railroad is conditioned upon the Assignor's assigning to the Assignee, as security for the Assignor's obligations to the Assignee under the Lease Agreement, all of the Assignor's right, title and interest in and to the Agreement and the proceeds deriving therefrom.

It is mutually agreed as follows:

1. Assignment of Rents and Grant of Security Interest.

The Assignor, in order to secure the prompt performance of its obligations to the Assignee under the Lease Agreement, does hereby assign and transfer to and grant a security interest in favor of the Assignee in the Agreement, and all proceeds thereof, including, without limitation, all rentals, insurance and insurance proceeds, indemnity payments, termination payments, and all other monies due or to become due thereunder, and all rights of the Assignor to execute any election or option or to give any notice, consent, waiver or approval under or in respect of the Agreement, as well as all rights, powers or remedies on the part of the Assignor whether arising under the Agreement or by statute, at law, in equity or otherwise, arising out of any event of default (as defined in the Agreement).

Bruce
Blaylock

2. No Assignment of Assignor's Obligation. It is expressly agreed, notwithstanding anything herein to the contrary, that the Assignor shall remain liable under the Agreement to perform all of the obligations assumed by it thereunder, all in accordance with and pursuant to the terms and provisions of the Agreement, and Assignor does hereby covenant with the Assignee that it will keep and perform all of the obligations to be performed on the part of the Assignor under the Agreement and will save the Assignee harmless from any failure to do so. The Assignee shall have no obligation or liability under the Agreement by reason of or arising out of this Assignment of Rents and Security Agreement, nor shall the Assignee be required or obligated in any manner, except as herein expressly provided, to perform or fulfill any obligation of the Assignor under or pursuant to the Agreement, or except as herein expressly provided, to make any payment, or to make any inquiry as to the nature or sufficiency of any payment received by it, or to present or file any claim, or to take any action to collect or enforce the payment of any amounts which may have been assigned to it or to which it may be entitled at any time.

3. Assignee May Act for Assignor. The Assignor does hereby constitute the Assignee the true and lawful attorney of the Assignor, irrevocably, with full power (in the name of the Assignor or otherwise) to ask, require, demand, receive, compound and give acquittance for any and all monies and claims for monies due and to be come due from the Railroad under or arising out of the Agreement, or any document contemplated thereby, to endorse any checks or other instruments or orders in connection therewith and to file claims or take any actions or to institute any proceedings which the Assignee may deem to be necessary or advisable in the premises. Assignor authorizes and empowers the Assignee to collect and receive directly from the Railroad all monies now due or to become due from the Railroad. If any assigned monies are received by the Assignor, the same will be received by the Assignor as trustee for the Assignee and will be immediately delivered in kind to the Assignee without commingling. In addition, the Assignee shall have all of the rights and remedies afforded a secured party under the Uniform Commercial Code.

4. Representations, Warranties and Covenants of the Assignor. The Assignor hereby warrants and represents that it has not assigned, pledged, or otherwise encumbered, and hereby covenants that it will not assign, pledge, or otherwise encumber so long as this Assignment of Rents and Security Agreement shall remain in effect, any of its right, title or interest hereby assigned to anyone other than the Assignee, and that it has full right and authority to enter into and perform this Assignment of Rents and Security Agreement in accordance with its terms. The Assignor will not, without the prior written consent of the Assignee, agree to, consent to or permit any amendment,

modification, waiver, termination or assignment with respect to the Agreement. Assignor covenants to reimburse the Assignee upon demand for any expense, including legal fees reasonably incurred by the Assignee in the exercise of the powers conferred upon Assignee hereunder, together with interest thereon at the rate of twelve percent (12%) per annum, or the highest lawful rate, whichever is the lesser, from the date upon which such expenses are paid.

Assignee covenants and agrees that all of its books and records relating to the Agreement shall at all times be maintained at the address set forth below its signature hereto, unless otherwise agreed to in writing by Assignor and Assignee.

5. Assignee's Rights Prior to Event of Default. So long as no event of default (as defined in Section 16.1 of the Lease Agreement) has occurred and is continuing all amounts which would otherwise be assigned and payable to the Assignee pursuant to Section 1 hereof shall be paid directly to and retained by the Assignor, and Assignor shall have the right to exercise all its rights under the Agreement.

The Railroad shall not be deemed to have knowledge of any event of default under the Lease Agreement unless and until the Railroad shall have received written notice thereof. If Assignee shall have given notice of the occurrence of any event of default under the Lease Agreement, it will give prompt written notice to the Railroad if and when all events of default have been remedied. The Railroad shall not be required to make any investigation as to the existence or non-existence of an event of default under the Lease Agreement, but shall take such action as may be required solely on the basis of written notice by Assignee as specified herein.

6. Notice of Assignment. Assignor shall promptly give Railroad written notice of this Assignment of Rents and Security Agreement and request that Railroad mark all of its copies of the Agreement in a conspicuous place substantially as follows:

This Agreement is subject to an Assignment of Rents and Security Agreement made by Emons Industries, Inc. and Seafirst Leasing Corporation.

and provide Assignee with evidence that it has given such notice and request to Railroad.

Assignor further agrees that it shall conspicuously mark all of its copies of the Agreement with the foregoing legend, that it

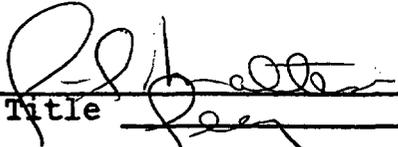
will deliver to Assignee the copy of the Agreement marked "Original," that it will file a copy of this Assignment of Rents and Security Agreement with the Interstate Commerce Commission in accordance with Section 11303 of the Revised Interstate Commerce Act and will file all Uniform Commercial Code financing statements and continuations thereof, and take such other actions, all at its own expense, as may be required from time to time in order to perfect and continue the perfection of this Assignment of Rents and Security Agreement.

7. Miscellaneous. This Assignment of Rents and Security Agreement may be executed by the parties hereto in separate counterparts. Any provision hereof which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition without invalidating the remaining provisions hereof, and any such provision or unenforceability in any jurisdiction shall not invalidate or render unenforceable such a provision in any other jurisdiction. To the extent permitted by applicable law, the Assignor hereby waives any provision of law which renders any provision hereof prohibited or unenforceable in any respect. No provision hereof may be changed, waived, or otherwise modified unless done in writing signed by the party against which the enforcement of the change, waiver or other modification is sought. This Assignment of Rents and Security Agreement shall in all respects be governed by and construed in accordance with the laws of the State of Washington.

IN WITNESS WHEREOF, the parties have executed the foregoing agreement as of the day and year first above written.

EMONS INDUSTRIES, INC.

Attest:



Title _____

By



Title Chairman of the Board

Address: 490 East Market Street
York Pennsylvania 17403

SEAFIRST LEASING CORPORATION

Attest:

Title _____

By

Title _____

will deliver to Assignee the copy of the Agreement marked "Original," that it will file a copy of this Assignment of Rents and Security Agreement with the Interstate Commerce Commission in accordance with Section 11303 of the Revised Interstate Commerce Act and will file all Uniform Commercial Code financing statements and continuations thereof, and take such other actions, all at its own expense, as may be required from time to time in order to perfect and continue the perfection of this Assignment of Rents and Security Agreement.

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IN WITNESS WHEREOF, the parties have executed the foregoing agreement as of the day and year first above written.

EMONS INDUSTRIES, INC.

Attest:

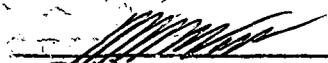
Title _____

By _____
Title _____

Address: 490 East Market Street
York Pennsylvania 17403

SEAFIRST LEASING CORPORATION

Attest:



Title **VICE-PRESIDENT**

BY 

Title **VICE-PRESIDENT**

Notice of the foregoing Assignment of Rents and Security Agreement is hereby acknowledged.

May 27, 1980.

SOUTH BUFFALO RAILWAY COMPANY

By T. H. Semmel
Title President

STATE OF PENNSYLVANIA)
) ss.
COUNTY OF NORTHAMPTON)

On this 27th day of May, 1980, before me personally appeared T. H. Semmel, to me personally known, who being by me duly sworn, says that he is the President of SOUTH BUFFALO RAILWAY 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 acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Donald L. Henn
Notary Public in and for the State
of _____, residing at _____

My Commission expires _____

DONALD L. HENN, Notary Public
Bethlehem, Northampton Co., Pa.
My Commission Expires Feb. 2, 1981