

12903-B  
REC'D SECTION NO. Filed 1425

FEB 11 1981 - 11 25 AM

INTERSTATE COMMERCE COMMISSION

AMENDMENT NO. 1  
TO  
SECURITY AGREEMENT

THIS AMENDMENT made as of this 7th day of May, 1980, by and between HELEASCO ELEVEN, INC., a Delaware corporation with its principal place of business at Suite 203 Springer Building, 3411 Silverside Road, Wilmington, Delaware, 19810 (the "Debtor") and PROVIDENT NATIONAL BANK (the "Agent"), a national banking association with an office at Seventeenth and Chestnut Streets, Philadelphia, Pennsylvania, 19101, as agent for General American Life Insurance Company, Indianapolis Life Insurance Company, and Continental American Life Insurance Company (collectively the "Lenders" and individually "Lender").

W I T N E S S:

WHEREAS, Debtor and Agent executed a Security Agreement made as of August 10, 1979 to secure the due payment of principal and interest under Debtor's three Non-Recourse Promissory Notes dated August 10, 1979, in the aggregate principal amount of \$4,180,596 and any and all other promissory notes at any time thereafter issued in replacement or extension thereof by Debtor;

WHEREAS, under the Security Agreement Debtor assigned to Agent all of Debtor's right, title and interest in the Lease of certain equipment with National Railway Utilization Corporation and Pickens Railroad Company dated as of May 31, 1979, and further created in favor of Agent a security interest in the equipment leased thereunder ("Equipment");

WHEREAS, National Railway Utilization Corporation and Pickens Railroad Company defaulted their obligations under said Lease and Debtor has repossessed and re-leased the Equipment to Delaware and Hudson Railway Company under a Lease dated as of May 7, 1980; and

WHEREAS, Debtor wishes to confirm that Agent's lien and security interest under the Security Agreement made as of August 10, 1979 extends to the New Lease;

NOW, THEREFORE, the parties hereto, intending to be legally bound, hereby amend the Security Agreement as follows:

(A) The term "Collateral" in the Security Agreement is hereby amended to include the following:

"1. all of Debtor's right, title and interest in and to the Equipment Lease dated as of May 7, 1980 (the "New Lease") in which Delaware and Hudson Railway Company is the Lessee (the "New Lessee") and Debtor is the Lessor, and all rentals and other moneys payable thereunder, including all proceeds of insurance, condemnation and requisition proceedings and sales or other dispositions of the property subject thereto and all of Debtor's rights, powers and remedies herein and therein (but none of its duties or obligations thereunder, if any), including without limitation, all of Debtor's right to give and receive any notice, consent, waiver, demand or approval under or in respect of such Lease, to exercise any election or option thereunder or in respect thereof, to accept any surrender of the property subject to the Lease, to execute and deliver any bill

of sale for any such property and to do all other things which the Debtor is entitled to do under such Lease;

2. subject to the rights of the New Lessee under the New Lease, all of the Equipment which may at any time be leased to the New Lessee pursuant to the Lease as described on Schedule A attached hereto, and all of Debtor's right, title and interest in and to the Equipment and all parts, fittings, accessories, accessions, substitutions, and replacements therefore or thereof, and all contract rights, chattel paper, accounts, rentals, fees, income and proceeds arising from and in connection with the use of the Equipment;"

(B) The Lease Assignment as referred to in the Security Agreement shall mean and include the Lease Assignment dated May 7, 1980 by Debtor to Agent.

(C) Except as set forth herein, Debtor and Agent confirm all of the terms and provisions of the Security Agreement, including without limitation, all representations and warranties which Debtor reconfirms as of the date hereof, except that only those units of Equipment for which Lender has received substituted debt service from Helios Capital Corporation pursuant to its letter undertaking dated May 5, 1980 have been accepted by the New Lessee. Debtor will keep Agent and Lender advised of the actual units accepted by the New Lessee. The term "Lease" shall mean and include the new Lease as referred to herein.

In all other respects the parties hereto confirm the terms and provisions of the Security Agreement.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized officers to execute this Amendment as of the day first above written.

HELEASCO ELEVEN, INC.

By: *A. H. Beckershoff*  
Title: **PRESIDENT**

Attest: *J. W. Turner*  
Secretary  
(Corporate Seal)

PROVIDENT NATIONAL BANK

By: *William E. ...*  
Title: *Vice President*

Attest: *John H. ...*  
*Assistant* Secretary  
(Corporate Seal)



<u>Builder</u>	<u>Description</u>	<u>Quantity</u>	<u>Former Lessee's Road Numbers (Both Inclusive)</u>	<u>Delaware and Hudson's Road Number's (Both Inclusive)</u>	<u>Unit</u>	<u>Lessor's Original Purchase Price</u>
Whittaker Corporation (Berwick Forge and Fabricating Division)	50'6", 70-ton, Plate "C", Rigid Underframe Boxcars with 10' 0" Sliding Doors Type XM	135	HOSC 250065 through 250199	D&H 25500 through 25634	\$39,728	\$5,363,280
Evans Transportation Company (Southern Iron & Equipment Company Division)	50'6", 70-ton, Plate "C", Rigid Underframe Boxcars with 10'0" Sliding Doors (Type XM)	15	NSL 155567 through 155581	D&H 26200 through 26214	\$40,600	\$ 609,000

TOTAL PURCHASE PRICE.....\$5,972,280

Heleasco Eleven, Inc.

May 7, 1980

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and return the fully signed copy to the undersigned.

DELAWARE AND HUDSON RAILWAY COMPANY

By: \_\_\_\_\_  
Vice President

The above terms and conditions  
are accepted this \_\_\_\_\_ day of  
\_\_\_\_\_, 1980

HELEASCO ELEVEN, INC.

By: \_\_\_\_\_  
President

