

REGISTRATION NO. Filed 1425

APR 16 1980 2:00 PM

RECORDATION NO. 11676 Filed 1425

APR 16 1980 -2 00 PM

INTERSTATE COMMERCE COMMISSION

Mellon National Leasing Corporation

Suite 3629
Mellon Bank Building
Pittsburgh, Pennsylvania 15219
412/232-5061

INTERSTATE COMMERCE COMMISSION

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INTERSTATE COMMERCE COMMISSION

April 14, 1980

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INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 11676 No. 0-107A031 Filed 1425

APR 16 1980 -2 00 PM

INTERSTATE COMMERCE COMMISSION

Date APR 16 1980

Fee \$ 200.00

ICC Washington, D. C.

Secretary of the Interstate Commerce Commission
12th and Constitution Avenue, N.W.
Washington, D.C. 20423

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INTERSTATE COMMERCE COMMISSION

Dear Sir:

Please find enclosed three multiple originals of each of the following:

1. Agreement and Lease dated as of March 1, 1980 between Mellon National Leasing Corporation, a Pennsylvania corporation ("Mellon"), as lessor, and Emons Industries, Inc., a New York corporation ("Emons"), as lessee, of 100 new gondola railroad cars bearing identification numbers SB 6000 to 6099 inclusive and the name of Mellon.

11676

2. Gondola Car Agreement No. 1 dated as of September 7, 1979 between Emons and South Buffalo Railway Company ("Railroad"), pursuant to which Emons shall make gondola cars SB 6000 through 6049 available for use by Railroad.

11676-B

3. Gondola Car Agreement No. 2 dated as of September 7, 1979 between Emons and Railroad, pursuant to which Emons shall make gondola cars SB 6050 through 6099 available for use by Railroad.

11676-C

4. Supplement No. 1 to Gondola Car Agreement No. 1 dated April 9, 1980 between Emons and Railroad.

11676-D

5. Supplement No. 1 to Gondola Car Agreement No. 2 dated April 9, 1980 between Emons and Railroad.

11676-E

6. Assignment and Security Agreement dated as of March 1, 1980 among Emons, as debtor, Mellon, as secured party, and Railroad covering all of Emons' right, title and interest in and to the Gondola Car Agreements.

11676-A

Also enclosed is a check in the amount of \$180 for recording said documents. Please record the documents in the following order: Agreement and Lease, Assignment and Security Agreement, Gondola Car Agreement No. 1, Gondola Car Agreement No. 2, Supplement No. 1 to Gondola Car Agreement No. 1 and Supplement No. 1 to Gondola Car Agreement No. 2.

Nancy Clayton

RECEIVED
2 00 PM '80
I.C.C.
OPERATION BR.

April 14, 1980

The addresses of the parties to the documents are
as follows:

Mellon National Leasing Corporation
3629 Mellon Bank Building
Pittsburgh, Pennsylvania 15219

Emons Industries, Inc.
490 East Market Street
York, Pennsylvania 17403

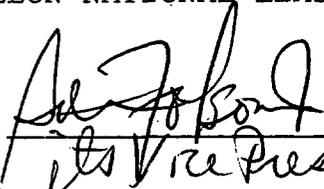
South Buffalo Railway Company
1275 Daly Avenue
Bethlehem, Pennsylvania 18015

Please return one copy of each document and official
recording receipt to the undersigned at Mellon's address.
Thank you.

Very truly yours,

MELLON NATIONAL LEASING CORPORATION

By


Vice President

✓
11676A
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INTERSTATE COMMERCE COMMISSION

ASSIGNMENT AND SECURITY AGREEMENT

ASSIGNMENT AND SECURITY AGREEMENT dated as of March 1, 1980 among EMONS INDUSTRIES, INC., a New York corporation ("Lessee"), MELLON NATIONAL LEASING CORPORATION, a Pennsylvania corporation ("Lessor"), and South Buffalo Railway Company, a New York corporation ("Railroad").

WHEREAS, Lessor has leased certain personal property to Lessee pursuant to an Agreement and Lease dated the date hereof (the "Lease"), and Lessee has made the equipment available to Railroad for its use pursuant to two Gondola Car Agreements dated September 7, 1979 (the "Car Agreements"); and

WHEREAS, in order to induce Lessor to enter into the Lease, Lessee and Railroad have agreed to enter into this Assignment and Security Agreement for the purpose of better securing the performance of Lessee's obligations under the Lease;

NOW, THEREFORE, in consideration of the premises, and of the mutual covenants contained herein and the due performance thereof, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Assignment. Lessee hereby sells, assigns, transfers, pledges and sets over unto Lessor, all of Lessee's right, title and interest in and to the Car Agreements and in and to all rent and other moneys of whatever nature due and

payable and to become due and payable from time to time under the Car Agreements, and the proceeds thereof, as collateral security for the payment and performance of all obligations and duties of Lessee to Lessor arising under or by virtue of the Lease ("Lease Obligations").

2. Security Interest. Lessee agrees that Lessor shall have, and does hereby grant to and create in favor of Lessor, a security interest in the Car Agreements and the proceeds thereof.

3. Manner of Payment. Lessee may direct Railroad to pay directly to Lessor the money payable to Lessee under the Car Agreements. Any such money received by Lessor shall be applied by Lessor to the payment of amounts due or coming due under the Lease.

4. Rights After Default. Upon the occurrence of an Event of Default (as defined in the Lease), unless such Event of Default shall have been waived by Lessor, or upon the default by Lessee or Railroad in the observance or performance of any of its covenants or agreements under this Assignment and Security Agreement, Lessor may, upon giving Railroad written notice of such default (Railroad being entitled to rely upon the declaration stated in the notice whether or not an Event of Default has occurred), but without notice to or consent of Lessee, proceed to exercise one or more of the rights and remedies accorded to a secured party by the Uniform Commercial Code and such other rights and remedies as it may have at law or in equity or under the Lease or under this Assignment and Security Agreement, all of which rights and remedies shall be cumulative, and in such event, without limiting the generality of

the foregoing, Lessor shall have the right, upon giving Railroad written notice of such default, but without notice to or consent of Lessee:

a. To instruct Railroad to pay directly to Lessor or its designee all moneys payable to Lessee under the Car Agreements, when and as the same become due and payable, for the entire duration of the Car Agreements and any renewals or extensions thereof; and/or

b. To demand, collect, receive and sue in its own name or in the name of Lessee for all such moneys due and payable and to become due and payable under the Car Agreements to the extent necessary to discharge in full the obligations of Lessee under the Lease, to give all necessary receipts and acquittances therefor and to take all such other action as Lessor may deem necessary or proper in connection therewith; and/or

c. To take possession of the Car Agreements and all of the proceeds thereof and to enforce and exercise all other rights and remedies of the Lessee arising thereunder or by virtue thereof.

All of the proceeds received by Lessor shall be applied first to the payment of the reasonable costs and expenses incurred by Lessor in connection with Lessee's default, including reasonable attorney's fees and legal expenses, then to the payment of all amounts then due and unpaid under the Lease, and then to pay the balance, if any, as required by law.

5. Amendment of Car Agreements. Lessee and Railroad will not amend, modify or cancel either Car Agreement in any respect without the prior written consent of Lessor.

6. Subordination of Car Agreements. The Car Agreements are subject to, and Railroad's rights thereunder are subordinate in all respects to, the Lease and the rights and remedies of Lessor contained therein including, without limitation, the provisions of Articles XIII and XIV thereof.

7. Delay or Partial Exercise. No failure or delay on the part of Lessor in exercising any right, power or privilege hereunder shall operate as a waiver thereof or of any other right, power or privilege of Lessor hereunder, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies of Lessor hereunder are cumulative and not exclusive of any rights or remedies which it may otherwise have.

8. Miscellaneous. Nothing in this Assignment and Security Agreement shall obligate Lessor to perform any duty, covenant, or condition required to be performed by Lessee under the terms of either Car Agreement or enlarge the obligations of Lessee under the Lease. If any provision of this Assignment and Security Agreement shall for any reason be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, but this Assignment and Security Agreement shall be construed as if such invalid or unenforceable provision had never been contained herein. The rights and privileges of Lessor here-

under shall inure to the benefit of its successors and assigns and the obligations and duties of Lessee and Railroad shall bind their respective successors and assigns. This agreement shall be governed by the laws of the Commonwealth of Pennsylvania, and the reference to the Uniform Commercial Code shall mean such Code as in effect in Pennsylvania from time to time. All notices or instructions required to be given hereunder shall be given in the manner provided in the Lease. The address of Railroad for the purpose of receiving notices or instructions hereunder shall be 1275 Daly Avenue, Bethlehem, Pennsylvania 18015.

WITNESS the due execution hereof as of the 1st day of March, 1980.

Attest:

Edyga Howatnowic
[Corporate Seal] *asst. Secy.*

EMONS INDUSTRIES, INC.
Lessee

By *Robert Grossman*
Title *Chief Executive Officer*

Attest:

Joseph C. Morris
[Corporate Seal] *Assistant Secretary*

SOUTH BUFFALO RAILWAY COMPANY
Railroad

By *Robert Haney*
Title *Vice President*

Attest:

Robert Skelly
[Corporate Seal] *Assistant Secretary*

MELLON NATIONAL LEASING CORPORATION
Lessor

By *John J. [Signature]*
Title *Vice President*

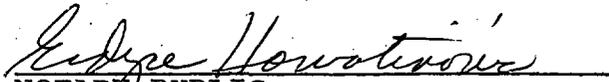
COMMONWEALTH OF PENNSYLVANIA)

SS:

COUNTY OF YORK)

On this, the 10th day of April, 1980, before me, a Notary Public, the undersigned officer, personally appeared Robert Grossman, who acknowledged himself to be the Chief Executive Officer of EMONS INDUSTRIES, INC., a corporation and that he as such Chief Executive Officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as Chief Executive Officer.

IN WITNESS WHEREOF, I hereto set my hand and official seal.


NOTARY PUBLIC

My commission expires:

MY COMMISSION EXPIRES
JANUARY 31, 1981
YORK, YORK COUNTY, PA.

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF NORTHAMPTON)

On this, the 9th day of April, 1980, before me, a Notary Public, the undersigned officer, personally appeared R. O. Hancox, who acknowledged himself to be the Vice President of SOUTH BUFFALO RAILWAY COMPANY, a corporation, and that he as such Vice President, being authorized to do so executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as Vice President.

IN WITNESS WHEREOF, I hereto set my hand and official seal.


Notary Public

My Commission Expires:

NOTARY PUBLIC
BETHLEHEM, NORTHAMPTON COUNTY, PA.
My Commission expires January 20, 1982

COMMONWEALTH OF PENNSYLVANIA)
COUNTY OF Allegheny)

SS:

On this, the 11th day of April, 1980, before me, a Notary Public, the undersigned officer, personally appeared Arthur Tolson Jr., who acknowledged himself to be the Vice President of MELLON NATIONAL LEASING CORPORATION, a corporation, and that he as such Vice President, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as Vice President.

IN WITNESS WHEREOF, I hereto set my hand and official seal.

Nancy R. Lewis
Notary Public

My Commission Expires:

NANCY R. LEWIS, Notary Public
Pittsburgh, Allegheny County, Pa.
My Commission Expires Jan. 29, 1984