

NEW No.

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ALVORD AND ALVORD

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200 WORLD CENTER BUILDING

918 SIXTEENTH STREET, N.W.

WASHINGTON, D.C.

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APR 23 1986 - 1 15 PM

\*NOT A MEMBER OF D.C. BAR  
\*ALSO ADMITTED IN NEW YORK  
\*ALSO ADMITTED IN OHIO  
\*ALSO ADMITTED IN MARYLAND

INTERSTATE COMMERCE COMMISSION

APR 23 1986 - 1 15 PM

INTERSTATE COMMERCE COMMISSION, April 23, 1986

No. 6-113A042  
Date APR 23 1986

Date .....

Fee \$ 20.00

ICC Washington, D. C.

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

Dear Mr. Bayne:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303 are two fully executed copies each of a Fleet Rental Security Agreement dated April 18, 1986 and an Assignment of Lease - Full Recourse dated April 18, 1986, both of which are primary documents as defined in the Commission's Rules for the Recordation of Documents.

The railroad equipment covered by the enclosed documents is:

One (1) Used EMD SW-9 1200 Horsepower 120 ton diesel-electric Locomotive, Unit #1216, S/N 4114-4

One (1) Used EMD SW-9 1200 Horsepower 120 ton diesel-electric Locomotive, Unit #1236, S/N 4074-5

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

Debtor/  
Assignor: Inman Service Company, Inc.  
115 North Main Street  
Baytown, Texas 77520

Secured Party/  
Assignee: C.I.T. Corporation  
1333 West Loop South  
Houston, Texas 77027

*Countersigned by C. Kappler*

100 JUNE 06  
TH 5:07 PM  
APR 23 1 05 PM '86  
MOTOR VEHICLE UNIT

Mr. James H. Bayne  
Secretary  
Interstate Commerce Commission  
April 23, 1986  
Page Two

Also enclosed is a check in the amount of \$20 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

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

A short summary of the enclosed primary documents to appear in the Commission's Index is:

Fleet Rental Security Agreement dated April 18, 1986 and Assignment of Lease - Full Recourse dated April 18, 1986 between Inman Service Company, Inc., Debtor/Assignor, and C.I.T. Corporation, Secured Party/Assignee, covering two(2) Used EMD SW-9 1200 Horsepower 120 ton diesel-electric Locomotives.

Very truly yours,

  
Charles T. Kappler

Assignment of Lease - Full Recourse

14947/A  
Filed 1425

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TO: CIT CORPORATION

APR 23 1986 - 1 15 PM

Locomotive Lease Agreement and Rail Car Switching Agreement (hereinafter collectively referred to as the lease) between Union Carbide Corporation as lessor and undersigned, dated April 1 & 15, 1986, respectively, INTERSTATE COMMERCE COMMISSION, as lessee having aggregate unpaid rentals of \$ 205,620.00

For value received undersigned ("Assignor") hereby sells, assigns, transfers and sets over to CIT Corporation, its successors and assigns ("Assignee"), the ~~annexed above named~~ lease (~~"lease"~~), together with all rental payments due and to become due thereunder, and all moneys due and to become due in connection with the exercise by lessee of an option, if any, to purchase the property described in the lease.

Assignor also assigns to Assignee all of Assignor's rights and remedies under the lease and any guaranty thereof, including the right to take, in Assignor's or Assignee's name, any and all proceedings, legal, equitable or otherwise, that Assignor might otherwise take, save for this assignment.

As security for all amounts due to Assignor under the lease, and all other present and future indebtedness or obligations of Assignor to Assignee of every kind and nature whatsoever, Assignor hereby grants to Assignee a security interest in all property covered by and described in the lease. Title to all such property shall remain in the Assignor and is not transferred to Assignee for any purpose.

Assignee shall have no obligation of Assignor as lessor under the lease.

Assignor warrants that: Assignor is the owner of the property described in the lease free of all liens and encumbrances except the lease; the lease and any accompanying guaranties, waivers and/or other instruments are genuine, enforceable, the only lease executed concerning the property described in the lease and is and will continue free from defenses, set-offs and counterclaims; all signatures, names, addresses, amounts and other statements and facts contained therein are true and correct; the aggregate unpaid rentals shown above is correct; the property has been delivered to lessee under the lease on the date set forth below in satisfactory condition and has been accepted by lessee, and that Assignor will comply with all its warranties and other obligations with respect thereto; the lease transaction conforms to all applicable laws and regulations; the lease constitutes and will continue to constitute a valid reservation of unencumbered title to or first lien upon or security interest in the property covered thereby, effective against all persons; if filing, recordation or any other action or procedure is permitted or required by statute or regulation to perfect such reservation of title, lien or security interest, the same has been accomplished. Subject to the terms and provisions of any applicable underlying agreement between Assignor and Assignee, Assignor guarantees the payment promptly when due of the amount of each and every sum payable under the lease and the payment on demand of the entire unpaid balance at the date of default in the event of any default by lessee under the lease, without first requiring Assignee to proceed against lessee or any other person or any security. Assignor agrees that Assignee may audit its books and records relating to all leases and paper assigned to Assignee and may in Assignor's name endorse all remittances received, and Assignor gives express permission to Assignee to release, on terms satisfactory to Assignee, or by operation of law or otherwise, or to compromise or adjust any and all rights against and grant extensions of time of payment to lessee or any other persons obligated on the lease or on any accompanying guaranty, or agree to the substitution of a lessee, without notice to Assignor and without affecting Assignor's obligations hereunder. Assignor waives presentment and demand for payment, protest and notice of non-payment and protest as to all leases and paper heretofore, now or hereafter endorsed or assigned to Assignee and Assignor subordinates to any rights Assignee may now or hereafter have against the lessee, any rights Assignor may now or hereafter have or acquire by reason of payment to Assignee of any rental payments under the lease or otherwise. Unless otherwise agreed under the provisions of any applicable underlying agreement, any amounts retained by Assignee as a reserve or holdback shall be held by Assignee as security for the performance of Assignor's obligations under the underlying agreement and hereunder, and shall be paid to Assignor without interest, when all payments under the lease have been paid in full, provided no obligation of any kind, direct or contingent, of Assignor whether hereunder or otherwise and no other leases or paper acquired by Assignee from Assignor or from any of Assignor's subsidiary or affiliated companies be in default; but in the event of any such default, Assignee may collect any amount owing by making an appropriate charge against any reserve or holdback which otherwise would be payable to Assignor in cash. Assignor shall have no authority to, and will not, without Assignee's prior written consent, accept payments of rents or of option prices, repossess or consent to the return of the property described in the lease or modify the terms thereof or of any accompanying guaranty. Assignee's knowledge at any time of any breach of or non-compliance with any of the foregoing shall not constitute any waiver by Assignee. Assignor waives notice of acceptance hereof.

The property covered by the lease was delivered to lessee on 4/8, 1986.

Dated April 18, 1986

Lessor- Assignor Inman Service Company, Inc.  
Name of Individual, Corporation or Partnership

By [Signature]

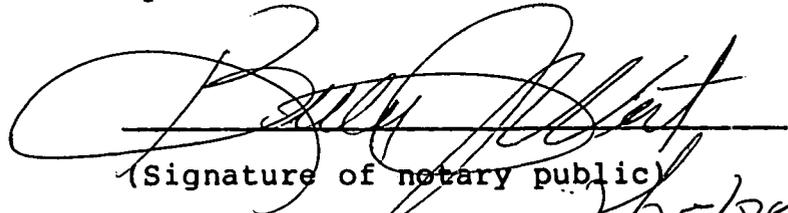
Title Executive Vice President  
If Corporation, have signed by President, Vice President or Treasurer, give official title. If Owner or Partner, state which.

Acknowledgment of Assignment  
of Lease - Full Recourse

STATE OF TEXAS       §  
                               §    SS:  
 COUNTY OF HARRIS   §

On this 18<sup>th</sup> day of April, 1986 before me personally appeared, VINSEN R. INMAN, to me personally known, who being by me duly sworn, says that (s)he is the EXECUTIVE VICE PRES. of Inman Service Company, Inc., 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 (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[SEAL]

  
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 (Signature of notary public)

My Commission expires: 5/25/88