

NEW NUMBER

LAW OFFICES

ALVORD AND ALVORD

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

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD*
CARL C. DAVIS*
CHARLES T. KAPPLER
JOHN H. DOYLE*
GEORGE JOHN KETO*
MILTON C. GRACE*
JAMES C. MARTIN, JR.*

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

OF COUNSEL
JESS LARSON
JOHN L. INGOLDSBY
URBAN A. LESTER

CABLE ADDRESS
"ALVORD"

TELEPHONE
AREA CODE 202
393-2266

TELEX
440367 A AND A

RECORDATION NO. 14948 Filed 1425

APR 28 1986 - 11 10 AM

INTERSTATE COMMERCE COMMISSION
April 28, 1986

No. 6-1184060
APR 28 1986

Date

Fee \$ 10.00

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

ICC Washington, D. C.

Dear Mr. Bayne:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. § 11303 are four fully executed and acknowledged counterparts of a Security Agreement dated as of April 22, 1986, a "primary document" as defined in the Commission's Rules for the Recordation of Documents.

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

Ten (10) five-unit well type intermodal container cars manufactured by Gunderson, Inc. of Portland, Oregon bearing reporting marks and numbers SFLC 254000 through SFLC 254009, both inclusive.

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

Secured Party: California Group Services
One Walnut Creek Center
100 Pringle Avenue
Walnut Creek, California 94596

Debtor: Greenbrier Leasing Corporation
One Centerpoint Drive
Lake Oswego, Oregon 97034

Also enclosed is a check in the amount of \$10 covering the required recordation fee.

C.T. Kappler
Quantity

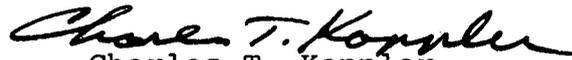
Mr. James H. Bayne
Secretary
Interstate Commerce Commission
April 28, 1986
Page Two

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

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

Security Agreement dated as of April 22, 1986 between California Group Services, Secured Party, and Greenbrier Leasing Corporation, Debtor, covering ten intermodal container cars marked SFLC 254000 - SFLC 254009.

Very truly yours,


Charles T. Kappler

Interstate Commerce Commission
Washington, D.C. 20423

4/29/86

OFFICE OF THE SECRETARY

Charles T. Kappler, Esq.
Alvord & Alvord
918 16th Street N.W.
Washington, D.C. 20006

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 4/28/86 at 11:10am and assigned re-
recording number(s). 14948

Sincerely yours,


Secretary

Enclosure(s)

APR 28 1986 - 11 10 AM

SECURITY AGREEMENT

INTERSTATE COMMERCE COMMISSION

THIS SECURITY AGREEMENT (the "Security Agreement") dated as of April 22, 1986, is entered into between GREENBRIER LEASING CORPORATION, a Delaware corporation having its principal place of business at One Centerpointe Drive, Suite 200, Lake Oswego, Oregon 97034 (hereinafter called the "Debtor"), and CALIFORNIA GROUP SERVICES, a California corporation having its principal place of business at One Walnut Creek Center, 100 Pringle Avenue, Suite 225, Walnut Creek, CA 94596 (hereinafter called the "Secured Party").

WITNESSETH:

Secured Party and Debtor have entered into an agreement providing for the issuance by Debtor of a secured note (the "Note") not exceeding One Million Five Hundred Twenty-Three Thousand One Hundred Thirty Dollars and 50/100 (\$1,523,130.50).

1. Grant of Security Interest. In consideration of the purchase of the Notes by Secured Party and other good and valuable consideration, receipt of which is hereby acknowledged, Debtor hereby assigns to Secured Party, its successors and assigns, the collateral described in Section 2 below and grants to Secured Party, its successors and assigns, a security interest in the collateral described in Section 2 below (such collateral herein referred to as the "Collateral"), subject always to the rights, powers, privileges and interests of Lessee under one or more leases, subleases or use agreements entered into between Debtor, or an affiliate of Debtor, as lessor, and a lessee, sublessee or other user of the Collateral (the "Lease").

2. Collateral. The collateral of this Security Agreement is:

(a) Ten (10) five-unit well-type intermodal container cars manufactured by Gunderson, Inc. of Portland, Oregon, and bearing reporting marks as follows: SFLC 254000 - 254009, inclusive ("Equipment") together with all accessories, equipment, parts and appurtenances appertaining or attached to any thereof, whether now owned or hereafter acquired, and all substitutions, renewals or replacements of and additions, improvements, accessions and accumulations to any and all thereof, except such thereof as remain the property of lessee under the Lease, together with all the rents, issues, income, profits and avails therefrom.

(b) the Collateral also includes all right, title, interest, claim and demands of Debtor in, to and under the Lease, including any extensions of the term of the Lease with respect to the Equipment,

together with all rights, powers, privileges, options and other benefits of Debtor under the Lease, including, without limitation:

(i) the immediate and continuing right to receive and collect all rental and loss value payments, insurance proceeds, condemnation awards and other payments, tenders and security now or hereafter payable to or receivable by Debtor under the Lease pursuant thereto;

(ii) in the case of an Event of Default hereunder, the right to make all waivers and agreements and to enter into any amendments relating to the Lease or any provision thereof; and

(iii) the right to take such action upon the occurrence of an Event of Default under the Lease or an event which, with the lapse of time or the giving of notice, or both, would constitute an Event of Default under the Lease, including the commencement, conduct and consummation of legal, administrative or other proceedings, as shall be permitted by the Lease or by Debtor or any lessor is or may be entitled to do under the Lease;

It being the intent and purpose hereof that the assignment and transfer to Lender of said rights, powers, privileges, options and other benefits shall, except as herein provided, be effective and operative immediately and shall continue in full force and effect, and Lender shall have the right to collect and receive all rental and loss value payments and other sums for application in accordance with the provisions of the Note at all times during the period from and after the date hereof until the indebtedness hereby secured has been fully paid and discharged.

(c) any and all proceeds from the collateral as set forth in paragraph (a) and (b) of this Section 2, including rental proceeds, casualty and insurance proceeds.

3. Covenants and Warranties of Debtor. Debtor covenants, warrants and agrees as follows:

3.1 Further Assurances. Debtor will, upon written request from Secured Party, at its expense, do, execute, acknowledge and deliver all and every further acts, deeds, conveyances, transfers and assurances reasonably necessary or proper for the better assuring, conveying, assigning, confirming and perfecting unto Secured Party its security interest in all of the Collateral, whether now owned or hereafter acquired.

3.2 Recordation and Filing. Debtor will, at its expense and after consulting with Secured Party, cause such financing, continuation statements and similar notices as are required by applicable law

to be kept, recorded and filed, at all times until Debtor's obligations to Secured Party (the "Secured Obligations") have been fully discharged, in such manner and in such places within the United States as may be designated by Secured Party, including but not limited to, the Interstate Commerce Commission and the State of Oregon, in order to preserve and protect the rights of Secured Party hereunder (including, without limitation, the perfection and priority of the security interest of Secured Party herein granted).

3.3 Actions of Debtor in Respect of the Lease. Debtor:

(a) will perform and observe all covenants and agreements on Debtor's part to be performed and observed under the Lease;

(b) will not mortgage, pledge or hypothecate (other than to Secured Party hereunder) its interest in the Collateral or in any amount to be received by it from the use or disposition of the Collateral; will not sell, assign or otherwise transfer its interest in the Collateral except as permitted by the Secured Party in writing; will not receive or collect any rents prior to the date for payment thereof provided in the Lease; and will not take, suffer or omit any action for the purpose or with the effect of impairing the security interest granted, or the assignment made, to Secured Party hereunder, or otherwise of adversely affecting the Collateral; and

(c) will pay, or satisfy and discharge, all liens, charges, encumbrances, security interests or claims (other than the security interest created herein) (i) created by, through or under Debtor which, if unpaid, will constitute or become a lien or charge upon the Collateral, or any part thereof, or (ii) which may be levied against or imposed upon any unit of Equipment as a result of the failure of Debtor to perform any of its covenants or agreements hereunder or under the Note, which, if allowed to remain, would affect or endanger the Secured Party's rights therein. Debtor shall not be required to pay or discharge any such claims so long as it shall, in good faith and by appropriate legal proceedings, contest the validity thereof in any reasonable manner which will not affect or endanger the Secured Party's rights in the Equipment.

3.4 Subordination of Debtor's Interests. All right, title and interest of the Debtor into the Collateral and the payments with respect thereto are and shall be subject and subordinate to all the right, title and interest of the Secured Party therein.

3.5 Action With Respect to Collateral. Debtor shall not take any material action with respect to its right, title and interest in and to the Collateral without the prior written consent of the Secured Party, which shall not be unreasonably withheld.

3.6 Liens, Etc. Debtor shall keep the Collateral free and clear of, or discharge within 45 days of the creation of, all mortgages, pledges, liens, charges, security interests and all other encumbrances whatsoever, except those created by this Security Agreement; provided, however, that a property tax lien may remain on the Collateral in excess of the 45-day period set forth above so long as the Debtor discharges the lien on or before the date a penalty attaches for nonpayment of such tax; provided, further, the following liens, mortgages, pledges, charges, security interests and other encumbrances may remain on the Collateral in excess of said 45-day period:

(a) Liens for taxes (other than property taxes), assessments or similar charges, incurred in the ordinary course of business, but which are not yet due and payable;

(b) Liens of mechanics, materialmen, warehousemen, carriers, or their like liens, securing obligations incurred in the ordinary course of business that are not yet due and payable;

(c) Liens existing at the date hereof or of which the Secured Party has knowledge of and has consented to in writing;

(d) The following, if the validity or the amount thereof is being contested in good faith by appropriate and lawful proceedings, so long as levy and execution thereon have been stayed and continue to be stayed and they do not in the aggregate materially detract from the value of the Collateral, or materially impair the use thereof in the operation of Debtor's business:

(i) Claims or liens for taxes, assessments or charges due and payable and subject to interest or penalties;

(ii) Claims, liens or encumbrances upon the Collateral including any attachment of the Collateral or other legal process prior to adjudication of the dispute on the merit;

(iii) Claims or liens of merchants, materialmen, warehousemen, carriers or other like liens; and

(iv) Adverse judgments on appeal.

3.7 Condition of Equipment. Debtor shall cause the Equipment to be kept in good repair and in operating condition without any cost or liability to Secured Party.

3.8 Accessions. All accessions which are or will become attached to or part of the Equipment are and shall become subject to the terms of this Security Agreement.

3.9 Sale, Etc. of Collateral. Debtor shall not sell, assign, transfer, mortgage or in any way encumber the Collateral, nor secrete or abandon the Equipment without the prior written consent of the Secured Party.

3.10 Access. Debtor shall allow Secured Party and its representatives free access and right of inspection of the Equipment at all reasonable times, or shall cause the Lessee to grant such access, and in the event of loss or damage to the Equipment, shall send written notification thereof to the Secured Party.

3.11 Records. Debtor shall not remove its records except to a jurisdiction where the Uniform Commercial Code shall be in effect, and upon 30 days' prior written notice to the Secured Party, and will permit Secured Party and its representatives to examine Debtor's books and records with respect to the Collateral and make extracts therefrom and copies thereof at any reasonable time and from time to time.

3.12 Fixtures. Debtors shall not permit the Equipment to become fixtures under applicable law.

3.13 Insurance. Debtor shall keep or cause the Lessee to keep the Equipment insured against public liability, casualty and loss from fire, theft or other cause, by insurers in form, amount and coverage customary for such Equipment, and any such policy or policies of insurance shall contain an endorsement naming Secured Party as additional insured and additional loss payees and shall provide that such insurance may not be cancelled or amended except on 30 days' prior written notification to Secured Party and further providing that Secured Party shall not be liable for payment by way of a setoff for premiums for any breach of any representations or warranties of Debtor in connection with obtaining any such insurance.

3.14 Payment of Taxes. Debtor shall pay all charges, including without limitation, taxes and assessments, levied or assessed against Debtor which if unpaid would constitute an attachment on the Collateral or any portion thereof.

3.15 Advances by Secured Party. If Debtor shall fail to perform any of Debtor's covenants contained in this Section 3, Secured Party may make advances to perform and observe the same in its behalf (giving notice thereof to Debtor prior to or concurrently with the making of any such advance), but shall be under no obligation so to do; and all sums so advanced shall be forthwith repaid by Debtor, and shall bear interest (to the extent lawful) at the rate of 18% per annum until paid, and any such sums advanced shall constitute part of the Secured Obligations; but no such advance shall be deemed to relieve Debtor from any default hereunder.

4. Use and Release of Collateral.

4.1 Possession of Equipment. So long as no Event of Default shall have occurred and be continuing hereunder, Debtor shall be permitted to remain in full possession, enjoyment and control of the Equipment and each unit thereof and to manage, operate and use the same with the rights and franchises appertaining thereto; provided always that the possession, enjoyment, control and use of the Equipment shall at all times be subject to the observance and performance of the terms of this Security Agreement. It is expressly agreed that the use and possession of the Equipment by Lessee from Debtor under and in accordance with a lease and the performance by Debtor of its obligations under such lease, shall not constitute a violation of this Section 4.1.

4.2 Release. So long as no Event of Default, or an event which, with the passage of time or the giving of notice, or both, would become an Event of Default hereunder, has occurred and is continuing, Secured Party shall execute a release of the Collateral solely in respect of any Item of Equipment suffering an Event of Loss upon (a) receipt of written notice from Debtor designating the Items of Equipment suffering such loss, and (b) receipt by Secured Party of proceeds to which Secured Party is entitled under Section 5 hereof as settlement for such Equipment. Secured Party shall, upon the request of Debtor and at Debtor's expense, execute and deliver all additional documents and instruments to discharge and cancel all of Secured Party's interests in any Item of Equipment in respect of which Secured Party is required to execute a release under this Section 4.2, including, without limitation, all documents and instruments required to be recorded under the Uniform Commercial Code in effect in any jurisdiction to release any such Item of Equipment from any financing statements theretofore filed in such jurisdiction pursuant to this Security Agreement.

4.3 Payments Received by Debtor Released. Any portion of any payment made in accordance with the provisions of any lease and paid over to Debtor pursuant to the provisions of Section 5 hereof shall be released from the security interest created hereby at the time of payment to Debtor without the necessity for the execution of any release or the performance of any other act by Secured Party and Debtor shall be entitled to retain such amount free and clear of the security interest created hereby.

5. Application of Monies. In the event the Secured Party shall receive any proceeds of insurance maintained by the Debtor or any lessee in respect of the Equipment, the same shall be held by the Secured Party as part of the Collateral.

6. Defaults and Related Provisions.

6.1 Event of Default. Any of the following events or conditions shall constitute an Event of Default hereunder:

(a) Debtor shall fail to pay, when due, any part of the principal of, or interest on, the Note; or

(b) Default in the due observance or performance by Debtor of any covenant, condition or agreement to be observed or performed by Debtor under this Security Agreement; or

(c) Any representation or warranty made by Debtor herein, or in any report, shall prove to be false or misleading in any material respect.

6.2 Secured Party's Rights. Debtor agrees that when an Event of Default has occurred and is continuing, Secured Party shall have the rights, options, duties and remedies of a secured party and Debtor shall have the rights and duties of a debtor under the Uniform Commercial Code in effect in each jurisdiction where the Collateral or any part thereof is located and, without limiting the foregoing, Secured Party may exercise one or more or all, and in any order, of the remedies hereinafter set forth:

(a) Secured Party may, by notice in writing to Debtor, declare the entire unpaid principal balance of the Note to be immediately due and payable; and thereupon all such unpaid balance, together with all accrued and unpaid interest thereon, shall be immediately due and payable.

(b) Subject always to the then existing rights, if any, of any lessee under a lease, Secured Party personally, or by agents or attorneys, shall have the right (subject to compliance with any applicable mandatory legal requirements) to take immediate possession of the Collateral or any portion thereof and for that purpose may pursue the same wherever it may be found and may enter any of the premises of Debtor and Lessee (to the extent not prohibited by the Lease), with or without notice, demand, process of law or legal procedure, and search for, take possession of, remove, keep and store the same, or use and operate, or lease the same until sold and may otherwise exercise any and all of the rights and powers of Debtor in respect thereof.

(c) Secured Party may collect and receive any and all rents, revenues and other cash and non-cash proceeds from the Collateral.

(d) Subject always to the then existing rights, if any, of any lessee under a lease, Secured Party may, if at any time such

action may be lawful (and always subject to compliance with any mandatory legal requirements), either with or without taking possession, either before or after taking possession, and without instituting any legal proceedings whatsoever, and having first given notice of such sale by registered mail to Debtor once at least ten (10) calendar days prior to the date of such sale, and any other notice which may be required by law, if said notice is sufficient, sell and dispose of the Collateral or any part thereof at public auction(s) to the highest bidder, or at a private sale(s), in one lot as an entirety or in several lots, and either for cash or for credit and on such terms as Secured Party may determine, and at any place (whether or not it is the location of the Collateral or any part thereof) designated in the notice above referred to. Any such sale or sales may be adjourned from time to time by announcement at the time and place appointed for such sale or sales, or for any such adjourned sale or sales without further notice, and Secured Party or the holder or holders of the Note, or any interest therein, may bid and become the purchaser at any such sale.

(e) Secured Party may proceed to protect and enforce this Security Agreement and the Note by suit or suits or proceedings in equity, at law or in bankruptcy, and whether for the specific performance of any covenant or agreement herein contained, or execution or aid of any power herein granted; or for foreclosure hereunder, or for the appointment of a receiver or receivers for the Collateral, or any part thereof, or for the enforcement of any proper legal or equitable remedy available under applicable law.

6.3 Application of Proceeds. If an Event of Default shall occur and be continuing and the Secured Party shall exercise any of the powers conferred upon it by Sections 6.1 and 6.2 hereof, all payments made by Debtor to Secured Party hereunder after such Event of Default, and the proceeds of any judgment collected hereunder from the Debtor by the Secured Party, and the proceeds of every sale by the Secured Party of any of the Collateral, together with any other sums which may then be held by the Secured Party under any of the provisions hereof, shall be applied by the Secured Party to the payment in the following order of priority:

(a) First, to the payment of the costs or expenses of foreclosure or suit, if any, and of such sale, and of all costs, expenses, liability and advances, including legal expenses and attorneys' fees, incurred or made hereunder, or in connection herewith or with the collection of the Note, by Secured Party, or by the holder or holders of the Note, and to the payment of all taxes, assessments, liens or security interests superior to the lien of these presents, except any taxes, assessments or other superior liens or security interests subject to which said sale may have been made;

(b) Second, to the payment or discharge of any unpaid Secured Obligations.

(c) Third, to the payment of the balance remaining, if any, to Debtor.

6.4 Waiver by Debtor. To the full extent permitted by law, Debtor hereby waives all statutory or other legal requirements for any notice of any kind, notice of intention to take possession of or to sell or lease the Collateral, or any portion thereof, and any other requirements as to the time, place and terms of the sale or lease thereof, except as specifically required under this Security Agreement.

6.5 Discontinuance of Remedies. In the case Secured Party shall have proceeded to enforce any right or power under this Security Agreement by foreclosure, sale, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely, then and in every such case Debtor, Secured Party and the holders of the Note shall be restored to their former positions, rights and powers hereunder with respect to the Collateral.

6.6 Exercise of Rights. No delay or omission of Secured Party or the holder of the Note to exercise any right or power arising from any default shall exhaust or impair any such right or power or prevent its exercise during the continuance of such default. No waiver by Secured Party or the holder of the Note of any such default, whether such waiver be full or partial, shall extend to or be taken to affect any subsequent default, or to impair the rights resulting therefrom except as may be otherwise provided therein. The giving, taking or enforcement of any other or additional security, collateral or guaranty for the payment of the Secured Obligations shall not operate to prejudice, waive or affect the security of this Security Agreement or any rights, powers or remedies hereunder, and neither Secured Party nor the holder of the Note shall be required to look first to enforce or exhaust such other additional security collateral or guaranties. All rights, remedies and options of Secured Party hereunder or by law shall be cumulative.

6.7 Payment of Note Prior to Sale. If Secured Party proceeds to avail itself of any of the remedies set forth in Section 6.2 hereof, then any Event of Default hereunder shall be deemed cured and not continuing if, prior to any sale by Secured Party of the Collateral pursuant to Section 6.2 hereof, Debtor shall pay or cause to be paid to the holders of the Note the entire unpaid principal balance of the Note, together with all accrued and unpaid interest thereon, and shall pay or cause to be paid to Secured Party its reasonable expenses incurred in exercising its rights pursuant to Section 6.2 hereof and any other unpaid Secured Obligations due and owing.

7. Power of Attorney. The Debtor hereby irrevocably constitutes and appoints Secured Party and any officer thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Debtor or in its own name, for the purpose of carrying out the terms of this Security Agreement to take any and all appropriate action and to execute any all documents and instruments which may be necessary or desirable to accomplish the purposes of this Security Agreement, and without limiting the generality of the foregoing, the Debtor hereby gives Secured Party the power and right, on behalf of the Debtor, to endorse any lost payment or returned premium check and to make, settle and release any claim under any insurance policy with respect to the Collateral, and to do, at the Secured Party's option, at any time or from time to time, all acts and things which the Secured Party deems necessary to protect, preserve and realize upon the Collateral and the Secured Party's security interest therein in order to effect the intent of this Security Agreement, all as fully and effectively as the Debtor might do. The Debtor hereby ratifies all its said attorney shall lawfully do or cause to be done by virtue thereof except for actions taken in which the Secured Party is grossly negligent or which involve the willful misconduct of the Secured Party. This power of attorney is a power coupled with an interest and shall be irrevocable and shall terminate only upon payment in full of all obligations secured by the security interest granted hereunder. The powers conferred upon the Secured Party hereunder are solely to protect the Secured Party's interest in the Collateral and shall not impose any duty upon it to exercise such powers. Secured Party shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its officers, directors, employees or agents shall be responsible to the Debtor for any action taken or admitted to be taken in good faith or in reliance on the advice of counsel except for its own gross negligence or willful misconduct.

8. Miscellaneous.

8.1 Successors and Assigns. Whenever any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such parties, and all the covenants, promises and agreements in this Security Agreement contained by or on behalf of Debtor or Secured Party shall bind and inure to the benefit of the respective successors and assigns of such parties whether so expressed or not.

8.2 Partial Invalidity. The unenforceability or invalidity of any provision(s) of this Security Agreement shall not render any other provision(s) herein contained unenforceable or invalid.

8.3 Communications. All communications provided for herein shall be in writing and shall be deemed to have been given (unless otherwise required by the specific provisions hereof in respect of any matter) when addressed and delivered personally or when deposited in the United States mail, registered or certified, postage prepaid, and addressed as follows:

If to Debtor:

Greenbrier Leasing Corporation
One Centerpointe Drive, Suite 200
Lake Oswego, Oregon 97034
Attention: General Counsel

If to Secured Party:

California Group Services
One Walnut Creek Center
100 Pringle Avenue, Suite 225
P.O. Box 8012
Walnut Creek, California 94596

or as to Debtor or Secured Party at such other address as they may designate by notice duly given in accordance with this Section to the other party.

8.4 Transfer of Debtor's Interest. Debtor shall not assign, convey or otherwise transfer any of its right, title or interest as owner of the Equipment to any person, unless consented to in advance and in writing by Secured Party.

8.5 Notice of Event of Loss. Debtor shall promptly notify Secured Party upon receipt of notice of an Event of Loss under any lease.

8.6 Attorney's Fees. Upon a default hereunder or under the Note, Secured Party's reasonable attorney's fees and the legal and other expenses for pursuing, searching for, receiving, taking, keeping, storing, advertising and selling the Collateral shall be chargeable to the Debtor and payable out of the proceeds of the sale or other disposition of the Collateral.

8.7 Counterpart; Governing Law. This Security Agreement may be executed, acknowledged, and delivered in any number of counterparts, each of such counterparts constituting an original but all together only one Security Agreement. This Security Agreement and the Note shall be construed in accordance with and governed by the laws of the State of California.

IN WITNESS WHEREOF, Debtor and Secured Party have caused this Security Agreement to be executed by their officers thereunto duly authorized as of the day and year first above written.

DEBTOR:
GREENBRIER LEASING CORPORATION

By Norman M. Webb
Its Vice President

SECURED PARTY:
CALIFORNIA GROUP SERVICES

By [Signature]
Its VICE PRESIDENT

G4153.1

STATE OF OREGON)
) ss:
COUNTY OF CLACKAMAS)

On this 24th day of April, 1986, before me personally appeared Norriss M. Webb, to me personally known, who being by me duly sworn, says that he is Vice President of GREENBRIER LEASING CORPORATION, that said instrument was signed on behalf of said corporation, and he acknowledged that the execution of the foregoing instrument was his free act and deed.

Karen M. Cramer
Notary Public

(NOTARIAL SEAL)

My commission expires: 4/27/86

STATE OF CALIFORNIA)
) ss:
COUNTY OF)

On this _____ day of April, 1986, before me personally appeared D. Fred Shieman, to me personally known, who being by me duly sworn, says that he is the President of CALIFORNIA GROUP SERVICES, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

(NOTARIAL SEAL)

My commission expires:

G4153.12

STATE OF CALIFORNIA
COUNTY OF *Contra Costa* ss.



This document is only a general form which may be proper for use in simple transactions and in no way acts, or is intended to act, as a substitute for the advice of an attorney. The printer does not make any warranty either express or implied as to the legal validity of any provision or the suitability of these forms in any specific transaction.

Cowdery's Form No. 28 — Acknowledgement to Notary Public —
Corporation (C. C. Secs. 1190-1190.1) — (Rev. 1/83)

On this 25th day of April, in the year
1986, before me,
Linda N. Painter, a Notary Public, State of California,
duly licensed and sworn, personally appeared Steven M.
Pickens

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as Vice President or on behalf of the corporation therein named and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal in the _____, County of Contra _____
Costa _____, on the date set forth above in this certificate.

Linda N. Painter
Notary Public, State of California
My commission expires 10/14/88