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May 14, 1987

1 5231

Filed & Recorded

MAY 14 1987 12-1 5 PM

INTERSTATE COMMERCE COMMISSION

100 OFFICE OF
MAY 14 12:11 PM '87
MOTOR CARRIER DIVISION

BY HAND

Honorable Noretta R. McGee
Secretary, Interstate Commerce Commission
Washington, D.C. 20423

\$20.00 filing fee
(has cross indexing)

Dear Ms. McGee:

On behalf of CIS Corporation, I submit for filing and recording under 49 U.S.C. Section 11303(a) and the regulations promulgated thereunder, two (2) enclosed executed counterparts of a primary document, not previously recorded, entitled Security Agreement, dated as of May 11, 1987.

New number

The parties to the said enclosed document are:

CIS Corporation - Borrower/Debtor
909 Montgomery Street
San Francisco, CA 94133

7-134A097

The Provident Bank - Lender/Secured Party
One East Fourth Street
Cincinnati, OH 45202

No. MAY 14 1987

Date

Fee \$ 20.00

The said document grants a security interest in the subject rolling stock to The Provident Bank.

The rolling stock consists of fifty-nine (59) boxcars as listed on Exhibit A attached hereto.

Please cross-index the interest granted by said Security Agreement against that certain Lease dated as of March 31, 1987 between Burlington Northern Railroad Company, as Lessee, and CIS Corporation, as Lessor, to be filed shortly hereafter.*

Enclosed is my check in the amount of ten dollars (\$10.00) in payment of the filing fee, please add \$10 for cross indexing fee.

Once this filing has been made, please return to bearer one (1) stamped counterpart of the document not required for filing purposes, together with the fee receipt, the letter from the ICC acknowledging the filing, and the two extra copies of this letter of transmittal.

* Recordation NO. 15234 Very truly yours,

Bertram C. Izant

Bertram C. Izant

BCI/sa
Enclosures

[Handwritten signature/initials]

EXHIBIT A

IDENTIFICATION OF BOXCARS

ATSF
Reporting Marks
of
Boxcars

Description

625000	625038	100-ton, specially equipped, insulated, shock control, load divider, plate C boxcars
625001	625041	
625002	625042	
625004	625044	
625005	625045	
625007	625046	
625008	625047	
625009	625048	
625010	625049	
625011	625050	
625012	625051	
625013	625052	
625014	625053	
625016	625054	
625018	625055	
625019	625056	
625020	625057	
625022	625058	
625023	625059	
625024	625060	
625026	625061	
625027	625062	
625028	625063	
625029	625064	
625030	625065	
625032	625066	
625033	625067	
625034	625068	
625035	625069	
625037		

1 5231
RECORDATION NO. _____ Filed & Recorded

MAY 14 1987 12-15 PM

INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT

Dated as of May 11, 1987

between

CIS CORPORATION

and

THE PROVIDENT BANK

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SECURITY AGREEMENT

SECURITY AGREEMENT dated as of May 11, 1987, between CIS CORPORATION, a New York corporation (the "Borrower"), and THE PROVIDENT BANK (the "Lender"):

WITNESSETH:

WHEREAS, Borrower is entering into a Purchase Agreement dated as of May 4, 1987 (the "Purchase Agreement") with Itel Rail Corporation ("Itel") for the purchase of 59-100 ton, insulated, shock control, load divider, plate C rebuilt boxcars, which boxcars bear reporting marks from within series ATSF 625000 through 625069 and are listed on Exhibit A attached hereto (collectively, the "Boxcars", and individually a "Boxcar");

WHEREAS, Borrower is lending Itel up to [REDACTED] (the "Principal Sum") to finance Itel's purchase of the Boxcars pursuant to a note (the "Itel Note") which is secured by a security agreement dated as of May 11, 1987 between Itel and Borrower (the "Itel Security Agreement");

WHEREAS, Borrower is entering into a Lease dated as of March 31, 1987 with Burlington Northern Railroad Company ("BN") for the lease of the Boxcars (the "Lease");

WHEREAS, the Borrower desires to borrow up to the Principal Sum from Lender to lend to Itel pursuant to the Itel Note and Itel Security Agreement to finance the purchase of the Boxcars and Lender is willing to lend such sum to the Borrower on the terms and conditions hereof;

NOW THEREFORE, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS; AMOUNT AND TERMS OF LOAN

SECTION 1.01. Definitions. All capitalized terms not defined herein shall have the meanings set forth in the Lease.

SECTION 1.02. The Loan. The Lender agrees, on the terms and conditions hereinafter set forth, to make a loan (the "Loan") to the Borrower in the principal amount of the Principal Sum on or before May 1, 1987. The Loan is equal to [REDACTED] times the number of Boxcars being purchased by Itel.

SECTION 1.03. The Note. The Loan shall be evidenced by a promissory note (the "Note") received by the Lender pursuant to Article II hereof, in form attached hereto as Exhibit B, payable to the order of the Lender in the principal amount of the Principal Sum.

SECTION 1.04. Making the Loan. The Borrower agrees to give to the Lender written or telephone notice (to be confirmed promptly in writing) (the "Borrowing Notice") specifying the date, and the identification of the accounts of the Borrower, into which the proceeds of the Loan are to be made to permit wire transfer. Not later than 3:00 p.m. (New York City time) on or before the Delivery Date (the "Closing Date") and upon fulfillment of the applicable conditions set forth in Article II hereof, the Lender will wire transfer the proceeds of the Loan to the account specified in the Borrowing Notice.

SECTION 1.05. Repayment of Principal of and Interest on the Loan. The Borrower shall pay the principal of and interest on the Loan in the amounts and at the times and rates specified in the Note.

SECTION 1.06. Interest. Interest shall accrue on the unpaid principal amount of the Loan at the rates specified in the Note; provided, however, that notwithstanding any provision of this agreement to the contrary, the rate of interest on the Loan shall at no time exceed the maximum interest rate which Lender is permitted to charge from time to time under applicable laws.

SECTION 1.07. Computation of Interest. Interest hereunder and under the Note shall be computed on the basis of a 360-day year period.

ARTICLE II
CONDITIONS PRECEDENT

SECTION 2.01. Conditions Precedent to the Loan.

(a) The obligation of the Lender to make the Loan on the Closing Date is subject to fulfillment of the following conditions:

(1) The Lender shall have received evidence satisfactory in form and substance to it as to the following:

(A) The Lender has a duly perfected first priority security interest in the Collateral (as defined below) enforceable in accordance with the terms of this Agreement.

(B) Appropriate Uniform Commercial Code financing statements or other documents covering the security interest granted to the Lender hereunder have been duly filed in each jurisdiction necessary or advisable to perfect or protect the security interest granted hereunder and any appropriate documents have been filed with the Interstate Commerce Commission.

(C) Borrower has good and marketable title to the Itel Note and has a duly perfected first priority security interest in the Collateral as defined in the Itel Security Agreement.

(2) Borrower has executed the Note in the face amount of the Principal Sum.

(3) No Event of Default or event which with the giving of notice or the passage of time or both would constitute an Event of Default under the Lease, the Purchase Agreement, the Itel Security Agreement or this Agreement has occurred and is continuing on the Closing Date.

(4) The Lender shall have received certificates of the insurers, satisfactory in form and substance to it, as to the insurance maintained and carried with respect to the Boxcars.

(5) The Lender has received such other documents, certificates and opinions as it or its counsel shall reasonably request.

(6) There shall not have been, in the opinion of the Lender, any material adverse change in the business, financial condition or operations of the Borrower since the date of the last financial statement delivered by Borrower to Lender.

(b) The Lender agrees that the making available to the Borrower of the amount of the Loan on the Closing Date shall constitute, without further action by the Lender, conclusive evidence, as between the Borrower and the Lender, that the conditions set forth in paragraph (a) of this Section have been complied with in a manner satisfactory to the Lender.

ARTICLE III
COLLATERAL SECURITY

SECTION 3.01 Grant of Security. Borrower hereby transfers, assigns and sets over to Lender and grants to the Lender a security interest in the following (the "Collateral"), all whether now owned or hereafter acquired:

(a) The Itel Note and the Itel Security Agreement, including without limitation, all of the collateral in which Itel has granted Borrower a security interest to secure the Itel Note.

(b) All security interests, claims, rights, powers, privileges and remedies on the part of the Borrower, with respect to the Boxcars, whether arising by statute, at law, in equity or otherwise;

(c) All rights of the Borrower, in and to the Purchase Agreement, the Bills of Sale issued thereunder, together with all estates and interests of Borrower therein and thereto, and all rights, powers and privileges of Borrower thereunder or in respect thereof;

(d) All rights and powers of Borrower, in and to the Lease, together with all estates and interests of Borrower therein and thereto, and all rights, powers and privileges of Borrower thereunder or in respect thereof; and

(e) All proceeds from the sale, loan, exchange, lease or other disposition of any of the foregoing including, without limitation, proceeds of any involuntary dispositions of any of the foregoing (including any insurance proceeds).

together with full power and authority, in the name of the Lender or Borrower or otherwise, should an Event of Default have occurred and be continuing, as attorney-in-fact of Borrower hereby irrevocably constituted, to enforce, collect, receive and receipt for any and all of the foregoing sums assigned, or entitled to be received pursuant to other rights assigned.

SECTION 3.02. Security for Note. This Agreement is made for the benefit of the Lender and any subsequent holder of the Note to secure the payment of the principal of and interest on all outstanding indebtedness under the Note, and the performance of and compliance with all the terms of the Note and of this Agreement, and all costs and expenses of the Lender incurred in connection with enforcing performance of and compliance with all the terms of the Note and of this Agreement (all such obligations of the Borrower hereafter referred to as the "Obligations").

SECTION 3.03. Protection of Security. Further to preserve and protect the security afforded the Lender by this Agreement, Borrower agrees:

(a) To perform and comply with each and every term of the Purchase Agreement, the Lease and this Agreement to be performed or complied with by Borrower.

(b) Unless the prior written consent (such consent not to be unreasonably withheld) of the Lender is obtained, the Borrower shall not waive, amend, modify, or in any way alter any of the terms of the Lease, Purchase Agreement, Itel Note or Itel Security Agreement, or cancel or terminate the Lease, Purchase Agreement, Itel Note or Itel Security Agreement or consent to or accept any cancellation, termination or surrender thereof, or waive any default under or breach of the Lease, Purchase Agreement, Itel Note or Itel Security Agreement or make any agreement with BN or Itel with respect to the Lease, Purchase Agreement, Itel Note or Itel Security Agreement.

(c) If Borrower shall fail to make any payment or do any act as provided herein, then the Lender may (but shall not be obligated to), without prior notice to or demand on Borrower and without releasing Borrower from any obligation hereunder, make or do the same in such manner and to such extent as the Lender may deem necessary or advisable to preserve and protect the Collateral secured hereby, including specifically, without limiting the Lender's general powers, the right to appear in and defend any action or proceeding purporting to affect the security interest in the Collateral created by this Agreement or the rights or powers of the Lender hereunder, and the right to perform and discharge each and every obligation, covenant and agreement of Borrower contained in the Lease, Purchase Agreement or Itel Security Agreement; and in exercising any such powers, Lender may incur reasonable costs and expenses (including, but not limited to, the reasonable fees and actual expenses of counsel), for which costs and expenses the Lender shall be reimbursed by Borrower from the Collateral. Lender shall give Borrower notice of any action taken by it pursuant to this paragraph.

(d) Borrower agrees that it will use its best efforts to assist the Lender in verifying the location and condition of the Collateral and Borrower agrees that the Lender may at any reasonable time during ordinary business hours at its option, whether or not Borrower is in default, inspect the books and records of Borrower upon reasonable notice and make copies thereof or extracts therefrom, which inspection shall be reasonably related to the transactions contemplated hereunder.

SECTION 3.04. Prepayment of Note. The Note may be prepaid at any time without penalty. With respect to any prepayment attributable to Boxcars being purchased by Borrower and leased to the BN, Lender shall release its security interest on such Boxcars at the time of prepayment.

SECTION 3.05. Protection of Security Interest. Upon an Event of Default, Borrower hereby appoints the Lender its true and lawful attorney, with full power of substitution in the premises, to enforce the Borrower's rights under the Lease, Purchase Agreement, Itel Note and Itel Security Agreement, and to take any other action which the Lender may deem necessary or appropriate to protect and preserve the security interest of the Lender in the Collateral.

SECTION 3.06. No Assumption by the Lender. Anything contained herein or in the Lease, Purchase Agreement and Itel Security Agreement to the contrary notwithstanding: (a) Borrower shall at all times remain liable to BN and Itel under the Lease, Purchase Agreement and Itel Security Agreement to perform all its duties and obligations thereunder, to the same extent as if this Agreement had not been executed; (b) the exercise by Lender of any of the rights assigned to it hereunder shall not release Borrower from any of its duties or obligations under the Lease, Purchase Agreement and Itel Security Agreement and (c) the Lender shall not have any obligation or liability under the Lease, Purchase Agreement and Itel Security Agreement by reason of, or arising out of, this Agreement, or be obligated to perform any of the obligations or duties of Borrower under these agreements.

SECTION 3.07. Continuing Security Interest; Transfer of Note. This Article III shall create a continuing security interest in the Collateral and shall (i) remain in full force and effect until payment in full of the Obligations, (ii) be binding upon Borrower, its successors and assigns, and (iii) inure, together with the rights and remedies of the Lender hereunder, to the benefit of the Lender, and its successors, transferees and assigns. Without limiting the generality of the foregoing clause (iii), Lender may assign or otherwise transfer the Note held by it to any other person or entity, and such other person or entity shall thereupon become vested with all the benefits in respect thereof granted to Lender herein or otherwise. Upon the payment in full of the Obligations, the security interest granted hereby shall terminate. Upon any such termination, the Lender will, at Borrower's expense, execute and deliver to Borrower such documents as Borrower shall reasonably request to evidence such termination.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

SECTION 4.01. Representations, Warranties and Covenants.

(a) The Borrower represents, warrants and covenants that

(i) The Borrower is a corporation duly organized and validly existing in good standing under the laws of the State of New York and has full power and authority to enter into and perform its obligations under the Basic Documents defined hereafter;

(ii) The execution, delivery and performance by the Borrower of this Agreement, the Lease, the Purchase Agreement, the Itel Security Agreement and the Note (the "Basic Documents") have been duly authorized by all necessary corporate action and under present law do not and will not contravene any law or any governmental rule or regulation or any judgment, decree or order presently binding on Borrower or its Articles of Incorporation or By-laws or contravene the provisions of, or constitute a default under, or result in the creation of any lien, charge or encumbrance upon any property of the Borrower, except for the lien granted to the Lender in the Collateral, under any indenture, mortgage, contract or other agreement or instrument to which it is a party or by which it or its property is bound;

(iii) The execution, delivery and performance by the Borrower of the Basic Documents do not require the consent, approval, authorization or order of, the giving of notice to, the registration or filing with, or the taking of any other action in respect of, any Federal, state or other governmental authority or agency;

(iv) The Basic Documents have been duly authorized, executed and delivered by the Borrower and, assuming the due authorization, execution and delivery hereof by the other parties thereof and thereto, constitute legal, valid and binding agreements of the Borrower enforceable against the Borrower in accordance with their respective terms and the Lease is a legal, valid and binding obligation of BN, assuming due authorization, execution and delivery by BN, enforceable in accordance with its terms, except as enforceability thereof may be limited by the availability of equitable remedies;

(v) There are no actions, suits or proceedings pending or, to the knowledge of the Borrower, threatened, before any court, administrative agency, arbitrator or governmental body which individually or in the aggregate, might materially impair the ability of the Borrower to perform its obligations hereunder and under the Note and the Borrower is not in default under any material indenture, mortgage, contract or other agreement or instrument to which it is a party or by which it or its property is bound which individually or in the aggregate might materially impair the ability of the Borrower to carry on its ordinary business or to perform its obligations hereunder;

(vi) Financing statements under the Uniform Commercial Code in the form requested by the Lender have been executed by the Borrower, and have been or shall be delivered to the Lender for filing against the Borrower in all jurisdictions where such filing is necessary or advisable in order to protect and establish the security interest for the Lender granted hereunder, and upon such filing Lender shall have a first perfected security interest in the Collateral and no further action, including any filing or recording of any document (including any financing statement in respect thereof under the Uniform Commercial Code of any applicable jurisdiction) is necessary in order to establish and perfect the Lender's security interest granted hereunder against any third parties in any jurisdiction or where such further filing or recording is necessary it has or shall have been done;

(vii) The Note will be entitled to the benefits and security of this Agreement;

(viii) The chief executive office of Borrower is in Syracuse, New York and the office where Borrower keeps its records relating to the Boxcars is in San Francisco, California;

(ix) This Agreement creates a valid security interest in favor of the Lender in respect of the Itel Note and the Itel Security Agreement, the Boxcars, the Purchase Agreement and the Lease, which security interest shall be superior in right to all claims of secured and unsecured creditors of Borrower and to all other liens, claims and encumbrances;

(x) The Borrower shall not directly or indirectly create, incur, assume or suffer to exist any lien, encumbrance, lease or security interest in the Collateral except the lien of this Agreement and the interest of the Lessee under the Lease;

(xi) The Borrower agrees to faithfully perform each and every obligation and agreement which the Basic Documents provide is to be performed by the Borrower and notify promptly the Lender of any Default or Event of Default or alleged Event of Default by any party thereto or any termination or alleged termination of any thereof; and

(xii) The Borrower shall maintain, or cause to be maintained, such insurance on the Boxcars as is required to be carried by Itel under the Itel Security Agreement.

ARTICLE V

EVENTS OF DEFAULT

SECTION 5.01. Events of Default. If any of the following events ("Events of Default") shall occur and be continuing:

(a) Any installment of principal of or interest on the Note shall not be paid within ten (10) days of the due date thereof;

(b) Any representation or warranty made by Borrower in this Agreement or by Borrower (or any of its officers) in any certificate, agreement, instrument or statement contemplated by or made or delivered pursuant to or in connection with this Agreement which shall prove to have been incorrect in any material respect when made;

(c) Borrower shall fail to perform or observe any other term, covenant or agreement contained in this Agreement on its part to be performed or observed and such failure shall continue for fifteen (15) days after written notice from the Lender;

(d) Borrower shall be adjudicated as bankrupt or insolvent, or admit in writing its inability to pay its debts as they mature, or make an assignment for the benefit of creditors; or shall apply for or consent to the appointment of any receiver or similar officer for it or for all or any substantial part of its property; or such receiver, or similar officer shall be appointed without the application or consent of the Borrower and such appointment shall continue undischarged for a period of 30 days; or the Borrower shall institute (by petition, application, answer, consent or otherwise) any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, liquidation or similar proceeding relating to it under the laws of any jurisdiction; or any such proceeding shall be instituted (by petition, application or otherwise) against the Borrower and shall remain undismissed for a period of 30 days; or any judgment, writ, warrant of attachment of execution or similar process shall be issued or levied against the Collateral, or any part thereof and such judgment, writ or similar process shall not be released, vacated or fully bonded within 30 days after its issue or levy; or

(e) an Event of Default exists under the Lease or the IteI Security Agreement;

then, and in any such event, the Lender may, in addition to the remedies provided for in this Agreement and by written notice to Borrower, declare the entire unpaid principal amount of the Note, all interest accrued and unpaid thereon and all other amounts payable under this Agreement to be forthwith due and payable, whereupon the Note, all such accrued interest and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by Borrower.

ARTICLE VI

REMEDIES

SECTION 6.01. Remedies of Default. If an Event of Default under this Agreement shall occur and be continuing, then the Lender, without the necessity of or the obligation to resort to any other security, shall have, in addition to the rights and remedies granted by this Agreement, the right at any time and from time to time, in its sole discretion, to exercise any rights and remedies granted to a secured party holding a purchase money security interest under the Uniform Commercial Code, and the Lender may reduce its claim hereunder and on the Note to a judgment, foreclose or otherwise enforce the security interest granted hereby by any procedure, judicial or otherwise, as allowed by law. Any sale of the Collateral hereunder may be held in the Lender's discretion, in any of the following locations: where the Collateral is located, at the office of Borrower or at any of the Lender's offices. Upon such sale, the Lender may purchase the Collateral free from any equity or right of redemption, which is hereby waived and released. Upon such sale, after deducting all costs and expenses of every kind for sale or delivery (including, but not limited to, the reasonable fees and expenses of counsel for the Lender) from the proceeds of such sale, the Lender shall apply any residue remaining first to the payment of the liabilities of Borrower first under the Note and then under this Agreement. The balance, if any, remaining after payment in full of any and all such liabilities shall be paid to Borrower. Any right granted to Borrower under the Uniform Commercial Code of any State to redeem the Collateral prior to disposition or discharge of the obligation is expressly conditioned upon receipt of the Lender of all funds then due under this Agreement and all expenses of the Lender in retaking, holding and preparing the Collateral, including, without limitation, reasonable fees and expenses of counsel for the Lender. The rights of the Lender specified in this paragraph shall be cumulative and shall in no event be deemed exclusive of any other right the Lender may have hereunder and pursuant to the laws (including without limitation the Uniform Commercial Code) of the United States or any state of the United States. Notwithstanding the foregoing, the security interests granted hereby are effective immediately and their effectiveness is not contingent upon the occurrence of an Event of Default under this Agreement. Upon the occurrence and during the continuance of an Event of Default, the Lender in its discretion may declare the unpaid principal amount of the Note and accrued interest thereon to be immediately due and payable, upon which declaration such principal amount and such accrued interest shall immediately become due and payable without further act or notice of any kind.

SECTION 6.02. Remedies Cumulative. Each and every right, power and remedy herein specifically given to the Lender shall be cumulative and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or by statute.

ARTICLE VII

MISCELLANEOUS

SECTION 7.01 Further Assurance. Borrower from time to time shall, execute, deliver to the Lender and file, all such instruments and take all such actions as the Lender may reasonably request in order to preserve and protect the security interest granted or intended to be granted to the Lender hereunder, to effectuate the purpose of this Agreement or to carry out the terms hereof, including, without limitation, the execution and filing of financing statements or continuation statements under the Uniform Commercial Code and the filing of any documents, agreements or statements with the Interstate Commerce Commission. Borrower hereby authorizes the Lender to file this Agreement or any such financing statements or continuation statements (and to sign the same on behalf of Borrower) with respect to the Collateral with any appropriate governmental office in order to preserve, protect, perfect or continue the perfection of any and all security interests granted or created hereby.

SECTION 7.02. Assignment by Borrower. Borrower may not sell its interest in the Boxcars nor assign its interest under the Purchase Agreement, Lease, IteI Note or IteI Security Agreement to any person.

SECTION 7.03. Assignment by Lender. All or any of the right, title or interest of Lender in, to or under this Security Agreement and the rights, benefits and advantages of Lender hereunder may be assigned or transferred and may be reassigned or retransferred by any assignee of Lender at any time and from time to time, but such assignment shall not be effective until Borrower has received written notice thereof.

SECTION 7.04. Termination. The assignments made and the security interests created hereunder shall terminate when all the obligations of Borrower under the Note and this Agreement then due and unpaid shall have been discharged and all amounts due hereunder have been paid, and the Lender, at the request of Borrower, will execute termination statements and such other documents as may be necessary or appropriate to make clear upon the public records and otherwise the termination of any and all such assignments and security interests.

SECTION 7.05. Controlling Law; Successors and Assigns. This Agreement shall be governed by and be construed in accordance with the laws of the State of New York (without regard to any conflicts of law rule which might result in the application of the law of any other jurisdiction), including all matters of construction, validity and performance, and shall inure to the benefit of and be binding upon the Borrower and the Lender and their respective successors and assigns.

SECTION 7.06. Changes, Waivers, etc. Neither this Agreement nor any provision hereof may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which the enforcement thereof is sought. No failure or delay by the Lender in exercising any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

SECTION 7.07. Notices. Unless otherwise specifically provided herein, all notices, consents, directions, approvals, instructions, requests and other communications required or permitted by the term hereof shall be in writing, and any such notice shall become effective upon being deposited in the mails, certified or registered, with appropriate postage prepaid for first-class mail, return receipt requested, or, if delivered by hand, when received, and shall be directed (i) if to Lender or Borrower, to the respective addresses set forth opposite the signatures of such parties at the foot of this Agreement, or (ii) if to any assignee or successor in interest of Borrower or Lender, addressed to such assignee or successor in interest at such address as such assignee or successor in interest shall have furnished by notice to the Lender or the other parties hereto, or (iii) to such other address as any such party or any such assignee or successor in interest may designate by notice given to the parties hereto.

SECTION 7.08. Indemnity. Borrower agrees to indemnify Lender and its respective successors, assigns, agents and employees against, and hold such indemnified persons harmless from any and all claims, actions, suits, proceedings, costs, expenses, damages and liabilities at law or in equity, including attorneys' fees ("Impositions"), arising out of, connected with or resulting from this Agreement, the Note, the Itel Note, the Itel Security Agreement, the Lease or the Boxcars, including, without limitation, the manufacture, selection, purchase, delivery, possession, condition, use, operation or return thereof for each Boxcar; provided that Borrower shall not be required to indemnify any such person from Impositions arising out of such person's gross negligence or willful misconduct. The Borrower's obligations hereunder will survive the satisfaction of the Secured Note. All payments due from the Borrower under this Section 7.08 shall be payable 10 days after demand and shall be in an amount which after deduction of the net amount, if any, of all income taxes required to be paid by Lender, or any other indemnified party, as a result of the non-deductibility of any such Impositions and/or the receipt by Lender, or any other indemnified party, of such payments shall equal the Impositions.

SECTION 7.09. Costs. Except as provided for in this Section, each party hereto shall pay its own costs and expenses in connection with the transactions contemplated by this Agreement.

SECTION 7.10. Severability. In case any one or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

SECTION 7.11. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be an original, but all of which shall constitute but one and the same instrument.

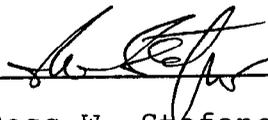
SECTION 7.12. Section Headings. The section headings in this Agreement have been inserted for convenience only and form no part of this Agreement.

SECTION 7.13 Power of Attorney. Borrower does hereby constitute Lender its true and lawful attorney, irrevocable, with full power (in the name of Borrower or otherwise) for the purpose of effectuating any sale, assignment, transfer or delivery for the enforcement of the lien of this Agreement, whether pursuant to foreclosure or power of sale or otherwise, and to execute and deliver all such bills of sale, assignments and other instruments as Lender may reasonably consider necessary or appropriate, with full power of substitution. If so requested by Lender or any purchaser, Borrower shall ratify and confirm any such sale, assignment, transfer or delivery by executing and delivering to Lender or such purchaser all bills of sale, Assignments, Releases and other proper instruments to effect such ratification and confirmation as may be designated in any such request.

SECTION 7.14 Consent to Jurisdiction. The Borrower hereby irrevocably submits to the non-exclusive jurisdiction of any competent court of law sitting in the State of Ohio, in any action or proceedings arising out of or relating to this Agreement and the other agreements of documents herein contemplated and hereby agrees that all claims in respect of such action or proceeding may be heard and determined in such court. The Borrower hereby irrevocably waives, to the fullest extent it may effectively do so, the defense of any inconvenient forum to the maintenance of such action or proceeding.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

CIS CORPORATION

By: 
Name: Ross W. Stefano
Title: Vice President/Treasurer
Address: One CIS Parkway (Carrier Circle)
East Syracuse, New York 13057
Attention: President

THE PROVIDENT BANK

By: _____
Name: _____
Title: _____
Address: One East Fourth Street
Cincinnati, Ohio 45202
Attention: _____

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CIS CORPORATION

By: _____
Name: _____
Title: _____
Address: One CIS Parkway (Carrier Circle)
East Syracuse, New York 13057
Attention: President

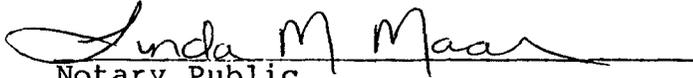
THE PROVIDENT BANK

By: Robert L. Hoverson
Name: Robert L. Hoverson
Title: Executive Vice President
Address: One East Fourth Street
Cincinnati, Ohio 45202
Attention: Robert Hoverson

STATE OF NEW YORK)
) ss:
COUNTY OF ONONDAGA)

On this 11th day of May, 1987, before me personally appeared Ross W. Stefano, to me personally known, who being by me duly sworn says that such person is Vice President/Treasurer of CIS Corporation, that the foregoing Security Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

LINDA M. MAAR
Notary Public in the State of New York
Qualified in Onondaga County No. 4786245
My Commission Expires ~~March 30, 1989~~
July 31, 1989


Notary Public

STATE OF OHIO)
) ss:
COUNTY OF)

On this _____ day of May, 1987, before me personally appeared _____, to me personally known, who being by me duly sworn says that such person is _____ of The Provident Bank, that the foregoing Security Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

STATE OF NEW YORK)
) ss:
COUNTY OF)

On this _____ day of May, 1987, before me personally appeared _____, to me personally known, who being by me duly sworn says that such person is _____ of CIS Corporation, that the foregoing Security Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

STATE OF OHIO)
) ss:
COUNTY OF)

On this 11th day of May, 1987, before me personally appeared Robert L. Hoverson, to me personally known, who being by me duly sworn says that such person is Executive Vice President of The Provident Bank, that the foregoing Security Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Brenda L. Oswald
Notary Public BRENDA L. OSWALD
Notary Public, State of Ohio
My Commission Expires Oct. 15, 1991

EXHIBIT A

IDENTIFICATION OF BOXCARS - -

ATSF
Reporting Marks
of
Boxcars

Description

625000	625038	100-ton, specially equipped, insulated, shock control, load divider, plate C boxcars
625001	625041	
625002	625042	
625004	625044	
625005	625045	
625007	625046	
625008	625047	
625009	625048	
625010	625049	
625011	625050	
625012	625051	
625013	625052	
625014	625053	
625016	625054	
625018	625055	
625019	625056	
625020	625057	
625022	625058	
625023	625059	
625024	625060	
625026	625061	
625027	625062	
625028	625063	
625029	625064	
625030	625065	
625032	625066	
625033	625067	
625034	625068	
625035	625069	
625037		

SECURED NOTE

\$ _____, 1987

CIS CORPORATION, a New York corporation (the "Company"), hereby promises to pay to the order of THE PROVIDENT BANK, an Ohio corporation (the "Bank"), or its assigns, the principal sum of _____ Dollars (\$ _____), together with interest payable on the due date hereof on the amount of said principal sum remaining unpaid from time to time at an interest rate equal to the Prime Rate (as such term is hereafter defined) plus one and one-quarter percent (1 1/4%) per annum (calculated in arrears on the basis of a 360-day year for the actual number of days elapsed). The interest rate applicable to this Secured Note shall be adjusted from time to time to correspond with the Prime Rate announced by the Bank. Accrued interest shall be due and payable on the first day of each month, and the principal on this Secured Note and accrued interest due shall be payable on November 15, 1987. Interest shall not be charged for any day on which principal and accrued interest on this Secured Note is paid provided that the Bank receives such payment no later than 2:00 p.m., E.S.T., on such date. Prime Rate is that annual percentage rate of interest which is announced by the Bank from time to time as its prime rate, which is in effect until a new rate is announced and which provides the base upon which loan rates may be referenced. Prime Rate is not necessarily the lowest lending rate of the Bank.

This Secured Note shall bear interest (which shall be payable on demand) at an interest rate equal to the lower of (a) the greater of 18% per annum or 5% per annum over the Prime Rate as it exists from time to time at the Bank, or (b) the highest rate permitted by applicable law, on any part of the principal hereof and, to the extent permitted by applicable law, interest accrued hereon not paid when due for the period during which the same shall be overdue.

This Secured Note is a Secured Note authorized by and issued under that certain Security Agreement dated as of the date hereof (the "Security Agreement") executed by the Company and the Bank. Reference is hereby made to the Security Agreement for a description of the other rights of the Bank, the other obligations of the Company, the Collateral securing this Secured Note and the rights of the Company and the Bank in respect of the Collateral. The terms defined in the Security Agreement are used herein with the same meanings.

The principal hereof and interest thereon shall be paid in immediately available funds without presentment of this Secured Note as provided in the Security Agreement; provided, however, that in the event this Secured Note is prepaid in whole it shall be presented to the Company for cancellation, and provided, further, that on the due date hereof, this Secured Note shall be surrendered to the Company for cancellation if duly paid in full as aforesaid.

EXHIBIT B

This Secured Note may be prepaid in whole at the principal amount hereof together with interest thereon, if any, accrued and unpaid to the date fixed for prepayment and without permium as provided in Section 3.04 of the Security Agreement.

The Company agrees to pay all costs and expenses, including reasonable attorneys' fees, expended or incurred by the holder in connection with the successful enforcement of this Secured Note, the collection of any sums due hereunder, any action for declaratory relief in any way related to this Secured Note, or the protection, or preservation of any rights of the holder hereunder.

Upon the occurrence of an Event of Default, the principal amount of this Secured Note may be declared immediately due and payable upon the conditions and in the manner and with the effect provided in the Security Agreement.

No failure on the part of the Bank in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof or the exercise of any other right or remedy hereunder. No modification or waiver of any provision of this Secured Note, nor any departure by the Company therefrom, shall in any event be effective unless the same shall be in writing and then such waiver or consent shall be effective only in the specific instance and for the specific purpose given. Whenever any payment to be made hereunder shall be due on a Saturday, Sunday or public holiday, such payment shall be deemed to be payable on the next following business day and such extension of time in such case, shall be included in computing interest, if any, in connection with such payment.

This Secured Note shall be governed by and construed in accordance with the laws of the State of Ohio.

IN WITNESS WHEREOF, the Company has caused this Secured Note to be duly executed on its behalf by a duly authorized officer.

CIS COPRORATION

By _____

Name _____

Title _____