

RECORDATION NO. 13442-A

JAN 21 1982 -1 50 PM

INTERSTATE COMMERCE COMMISSION DE PELLMAN & BIEHL

850 THIRD AVENUE
NEW YORK, N. Y. 10022

RECORDATION NO. 13442

\$ 100
New No. " " - A

MELVIN S. SLADE
STUART M. PELLMAN
FREDERICK R. BIEHL
JEFFREY A. MOROSS
JOHN F. TRIGGS

JEFFREY L. GLATZER
MONA L. LIPP
J. ANDREW RAHL, JR.
RONALD B. RISDON
MICHAEL W. STAMM

2-021A053

No. JAN 21 1982

Date
Fee \$ 100.00

ICC Washington, D. C.

JAN 21 1982 -1 50 PM

INTERSTATE COMMERCE COMMISSION

January 19, 1982

TELEPHONE (212) 371-2600
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TELEX: 640336
CABLE: TRILAW-NYK

Office of the Secretary
Recordation Office
Interstate Commerce Commission
Twelfth and Constitution Avenue, N.W.
Washington, DC 20423

Re: Recordation and Filing of Lease of Railroad Equipment between Walter E. Heller & Company and Emons Industries, Inc. and Related Documents pertaining to 99 Boxcars Numbered CAAA 208676 through 208774, inclusive (the "Equipment")

Dear Sir:

In accordance with the provisions of Section 11303 of the Revised Interstate Commerce Act, 49 U.S.C. §11303, and Part 1116 of Title 49 of the Code of Federal Regulations, we request that the enclosed documents be recorded and filed by the Interstate Commerce Commission (the "Commission").

A. Description of the Documents and the Parties Thereto

Enclosed herewith is one original of the documents listed below. We request that each document be recorded and filed in the order listed below.

1. Lease of Railroad Equipment, dated as of July 28, 1981, between Walter E. Heller & Co., as lessor ("Heller"), and Emons Industries, Inc., as lessee ("Emons").
2. Security Agreement, dated as of July 28, 1981, between Heller and Emons.

Counterpart - for CT Kappeler

JAN 21 1982

January 19, 1982

Office of the Secretary
Interstate Commerce Commission
Page 2

The names and addresses for the parties to the transaction are:

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

Walter E. Heller & Company
105 West Adams Street
Chicago, Illinois 60603

B. Procedural Matters

It is hereby respectfully requested that each of the following names be inserted in the Commission Index established pursuant to Section 1116.5(c) of Title 49 of the Code of Federal Regulations.

1. Emons Industries, Inc.
2. Walter E. Heller & Co.

A check in the amount of \$100 has been enclosed with this letter of transmittal to cover the recordation fee.

Please stamp and return the enclosed copy of this letter of transmittal.

If there are any questions with respect to the enclosed or the transactions described therein, please telephone Michael W. Stamm of this office.

Very truly yours,

SLADE PELLMAN & BIEHL

Enclosures

REGISTRATION NO. 13442 ¹⁰⁵ A
JAN 21 1982 - 1 50 PM
INTERSTATE COMMERCE COMMISSION

ICC

SECURITY AGREEMENT

SECURITY AGREEMENT dated as of July 28, 1981, between WALTER E. HELLER COMPANY, a Delaware corporation, (herein called "Secured Party"), and EMONS INDUSTRIES, INC., a New York corporation, (herein called "Debtor").

W I T N E S S E T H:

Pursuant to a Lease Agreement dated as of June 24, 1981, between the Debtor, as lessor, and North American Car Corporation, Canadian Railcar Division, as lessee ("NAC"), (the "NAC Sublease"), the Debtor has agreed to lease to NAC, and NAC has agreed to hire from the Debtor, two hundred seventy-five (275) Class "XP" boxcars.

Pursuant to a Lease Agreement dated as of July 18, 1981 between the Secured Party, as lessor, and the Debtor, as lessee, (the "Lease"), the Secured Party has agreed to lease to the Debtor, and the Debtor has agreed to hire from the Secured Party, ninety-nine (99) Class "XP" boxcars, with the understanding that such boxcars will be subleased to NAC pursuant to the NAC Sublease.

NOW THEREFORE, the parties hereto agree:

NAC
SUB

(1) In consideration of and as an inducement to Secured Party to enter into the Lease the Debtor hereby sells, assigns, transfer, pledges and sets over unto the Secured Party the Debtor's right, title and interest in and to the Lease and in and to rent to become due and payable from time to time under the Lease, and the proceeds thereof, as collateral security for the payment and performance of all obligations and duties of Debtor to Secured Party arising under or by virtue of the Lease; provided, however, that the Secured Party's right to receive any funds payable by NAC to Secured Party pursuant to the NAC Sublease shall be a right to receive a portion (the "Pro-rated Portion") of any such funds which bears the same relation to the total amount of such funds as the number of boxcars then owned by Secured Party and subject to the NAC Sublease bears to the total number of boxcars then subject to the NAC Sublease.

NAC
SUB

(2) Upon the occurrence of any Event of Default (as defined in the Lease), unless such Event of Default shall have been waived by the Secured Party, the Secured Party may, upon giving written notice to NAC of such default, but without notice to or consent of Debtor, proceed to exercise one or more of the

rights and remedies accorded to a secured party by applicable law, all of which rights and remedies shall be cumulative, and in such event, without limiting the generality of the foregoing, the Secured Party shall have the right, upon giving NAC written notice of such default, but without notice to or consent of Debtor:

(i) To instruct NAC to pay directly to the Secured Party or its designee a portion of the moneys payable to Debtor under the NAC Sublease equal to the Pro-rated Portion, when and as the same become due and payable, for the entire duration of the NAC Sublease and any renewals or extensions thereof, provided, however, that Secured Party shall provide notice to Debtor of such instruction; and

(ii) To demand, collect, receive and sue for a portion of such moneys due and payable and to become due and payable under the Lease equal to the Pro-rated Portion to the extent necessary to discharge in full the obligations of Debtor under the Lease, to give all necessary receipts and acquittances therefor and to take all such other action as Secured Party may deem necessary or proper in connection therewith.

All of the proceeds received by Secured Party shall be applied first to the payment of the reasonable costs and expenses incurred by Secured Party in connection with Debtor'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.

IN WITNESS WHEREOF, the parties have duly executed this Lease the day and year first above written.

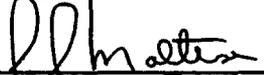
ATTEST:



WALTER E. HELLER & COMPANY

By: D. E. Bayston
Title: Asst. Vice President

ATTEST:


_____ Secy.

EMONS INDUSTRIES, INC.

By: John H. O'Neil
Title: V.P.

STATE OF ILLinois)
 : ss.:
COUNTY OF Cook)

On the 28th day of July, 1981, before me personally appeared D.E. Bayston, to me personally known, who, being by me duly sworn, says that he is the ~~Asst. Vice President~~ Vice President of WALTER E. HELLER & COMPANY, Lessor in the foregoing Lease of Railroad Equipment, that one of the seals 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 he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Notary Public

ILLinois
STATE OF ~~MISSOURI~~)
 : ss.:
COUNTY OF Cook)
~~COOK~~

On the 28th day of July, 1981, before me personally appeared John H. Rubel, to me personally known, who, being by me duly sworn, says that he is the Vice President of EMONS INDUSTRIES, INC., Lessee in the foregoing Lease of Railroad Equipment, that one of the seals 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 he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Notary Public