

NEW NO. - A - B

13727 X
RECORDATION NO. Filed 1425

AUG 16 1982 - 8 50 AM LAW OFFICES

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

ALVORD AND ALVORD

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2000 WORLD CENTER BUILDING
918 SIXTEENTH STREET, N.W.
WASHINGTON, D. C.
20006-2973

CABLE ADDRESS
"ALVORD"

TELEPHONE
AREA CODE 202
393-2266

* NOT A MEMBER OF D.C. BAR
** ALSO A MEMBER OF D.C. BAR

August 16, 1982

AUG 16 1982 - 8 50 AM

13727
RECORDATION NO. Filed 1425
440367 A AND A WSH (INTERNATIONAL)
440348 CDAU UI (INTERNATIONAL)
892482 A AND A WSH (DOMESTIC)

Ms. Sasha L. Mergenovich
Secretary
Interstate Commerce Commission
Washington, D.C.

AUG 16 1982 - 8 50 AM 2-228-1034

INTERSTATE COMMERCE COMMISSION

No. 1
AUG 16 1982
Date.....
Fee \$ 70.00

Dear Madam:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. §11303 are triplicate originals of ICC Washington, D. C.
1) Security Agreement - Railroad Cars dated August 10, 1982, Assignment of Lease (Omya, Inc.) dated August 10, 1982, and 3) Assignment of Lease (Aeropres Corporation) dated August 10, 1982.

Document 1) above is a "primary document" as that term is defined in 49 C.F.R. §1116.1(a); and Documents 2) and 3) above are secondary documents as the term "secondary document" is defined in 49 C.F.R. §1116.1(b).

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

Security Agreement - Railroad Cars

- a) Twenty-one (21) tank cars with 13,650 gallon capacity bearing car identification mark and numbers RTMX 1843 through RTMX 1863, both inclusive.
- b) Nineteen (19) tank cars with 34,000 gallon capacity bearing car identification mark and numbers RTMX 5199 through RTMX 5217, both inclusive.

Assignment of Lease (Omya, Inc.)

Twenty-one tank cars described under a) above.

Assignment of Lease (Aeropres Corporation)

Nineteen tank cars described under b) above.

RECEIVED
AUG 16 8 41 AM '82
FEE OPERATION BR.
I.C.C.

C. T. Kappler
NEW NO.
- A
- B

Ms. Agatha L. Mergenovich
Secretary
August 16, 1982
Page Two

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

Secured Party/

Assignee: SAFECO Credit Company, Inc.
SAFECO Plaza
Seattle, Washington 98185

Debtor/

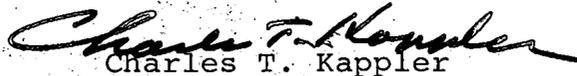
Assignor: Richmond Leasing Company
1700 West Loop South
Houston, Texas 77027

The undersigned is agent for the Secured Party/Assignee for the purpose of submitting the enclosed documents for recordation and has knowledge of the matters set forth therein.

Kindly return the stamped copies of the enclosed documents not needed for your files to Charles T. Kappler, Esq., Alvord and Alvord, 918 Sixteenth Street, N.W. Washington, D.C. 20006-2973.

Also enclosed is a check in the amount of \$70 payable to the order of the Interstate Commerce Commission covering required recordation fees.

Very truly yours,


Charles T. Kappler

8/16/82

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

Charles T. Kappler, Esq.
Alvord & Alvord
200 World Center Building
918 16th Street, N.W.
Washington, D.C. 20006-2973

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 8/16/82 at 8:50am, and assigned recordation number(s). 13727, 13727-A, 13727-B

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

SE-30
(7/79)

AUG 16 1982 8 10 AM

NEW NO.

SECURITY AGREEMENT - RAILROAD CARS INTERSTATE COMMERCE COMMISSION

This Agreement is made this 10th day of August, 1982 by RICHMOND LEASING COMPANY, a Delaware corporation, (herein called "debtor") and SAFECO CREDIT COMPANY, INC., a Washington corporation, (herein called "secured party").

1. Grant of a Security Interest. Debtor hereby grants to Secured Party a security interest in:

(a) The Railroad tank cars described on the attached Schedule A, whether now owned by Debtor or hereafter acquired, together with all accessories, equipment and parts attached to or used in connection with the described railroad cars, and to the extent owned by Debtor, all substitutions and replacements of and additions and accessions to any of the described railroad cars (all hereinafter referred to as "the Equipment") and any proceeds of the Equipment; and

(b) All right, title and interest of Debtor as Lessor under any leases, rental agreements or other such agreements pertaining to the use and operation of the Equipment by third parties, (hereafter referred to as "the Leases"), together with all rents and other sums due or to become due under the Leases, including any extensions or renewals of the Leases and any other cash or non-cash proceeds.

This security interest is given to secure the payment of a certain Promissory Note with the same date as this Agreement in the principal

amount of \$2,495,619 executed by Debtor in favor of Secured Party, together with interest as provided in the Promissory Note and further to secure the performance of each and every other obligation and agreement of Debtor to Secured Party.

2. Maintenance; Compliance with Laws and Rules. Debtor will at all times maintain the equipment or cause the equipment to be maintained in good order and repair at Debtor's own expense.

During the term of this Agreement, Debtor will at all times comply, and cause all lessees of Debtor to comply, in all respects with the laws of the jurisdictions in which its operations involving the equipment may extend, with the interchange rules of the Association of American Railroads and with all lawful rules of the Department of Transportation, Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the equipment. To the extent that such laws and rules affect the title, operation or use of the equipment, and in the event that such laws or rules require any alteration, replacement of or addition to any part of the equipment, Debtor will conform with them, at its own expense; provided, however, Debtor may, in good faith, contest the validity or application of any such rule or law in any reasonable manner which does not, in the opinion of Secured Party, adversely affect the property or rights of the Secured Party under this Agreement.

3. Possession and Use. So long as an event of default shall not have occurred under this Agreement and be continuing, Debtor shall be

entitled to the possession and use of the equipment. Debtor agrees that the equipment will be used solely in the conduct of its business either by Debtor, or by others pursuant to a lease, bailment or permit from Debtor except that Debtor shall not permit the use of the equipment outside the continental United States except de minimis use in Canada and Mexico, unless Debtor first obtains the written consent of Secured Party, which shall not be unreasonably withheld.

4. Ownership and Liens. Debtor represents and warrants to Secured Party that Debtor owns all the equipment and the equipment is free and clear of all liens and encumbrances of every kind, except the security interest created by this Agreement. Debtor will not create or permit the existence of any lien or security interest on the equipment other than that created by this Agreement without the written consent of Secured Party. Debtor will pay or discharge any sums claimed by any party from, through or under Debtor, or its successors or lessees, which if unpaid might become a lien, charge or security interest on the equipment, or any part of it, equal or superior to the security interest granted by this Agreement; provided, however, Debtor shall be under no obligation to pay or discharge any such claim so long as it is contesting the claim in good faith and by appropriate legal proceedings and the nonpayment of the claim does not, in the opinion of the Secured Party, adversely affect the equipment or the rights of the Secured Party under this Agreement.

5. Reports and Inspections. Debtor shall maintain accurate and complete records regarding the leases affecting the equipment including the

name and address of lessees and the condition and approximate locations of the equipment and shall permit Secured Party at reasonable times to inspect these records and the Equipment.

6. Indemnity of Debtor. Debtor agrees to indemnify, protect and hold harmless Secured Party from any losses, damages, injuries, liabilities, claims and expenses, regardless of the cause, arising out of the security interest granted by this Agreement or the use and operation of the equipment by Debtor, its successors or lessees.

7. Insurance. Debtor will at all times prior to the payment of any indebtedness secured by this Agreement, at its own expense, cause to be carried and maintained, with independent insurance carriers, insurance covering the equipment in amounts customarily insured against by companies such as Debtor on similar equipment, with a loss payable endorsement in favor of Secured Party. The amount, types of coverage and insurers must be satisfactory to Secured Party. Debtor shall provide Secured Party certificates and other evidence of insurance that Secured Party shall require.

8. Casualty Occurrences. In the event that any of the equipment shall be lost, stolen, destroyed, irreparably damaged or otherwise rendered permanently unfit for use from any cause whatsoever or taken or requisitioned by condemnation or otherwise (such occurrences hereinafter called "casualty occurrences"), Debtor shall promptly and fully inform Secured Party after it has knowledge of such casualty occurrence. Debtor, within 30 days after knowledge of such event,

shall promptly pay to Secured Party a sum equal to the casualty value of the equipment which suffered a casualty occurrence.

So long as Debtor is not then in default on its obligations to Secured Party, a casualty payment shall be used as Debtor shall direct in writing toward the cost of a unit of equipment of the same type to replace units suffering a casualty occurrence; or to prepay a portion of the unpaid principal balance of the Promissory Note. Any unit of replacement equipment shall have a current market value equal to or greater than that which the equipment being replaced would have had, but for the casualty occurrence.

The casualty value of each unit of the equipment (other than a replacement unit) shall be deemed to be 110% of that amount which bears the same ratio to its original purchase price as the unpaid balance of the Promissory Note bears to the original unpaid balance of the Promissory Note. Debtor shall cause any replacement unit to be marked as provided in paragraph 10. of this Agreement. Any replacements of equipment shall be subject to all appropriate terms and conditions of this Agreement as though part of the original equipment and shall be included in the term "the equipment" as used in this Agreement. Title to all such replacement equipment shall be free and clear of all liens and encumbrances and Debtor shall execute, acknowledge, deliver, file, record or deposit all such documents and do whatever may be necessary to make such replacement units subject to this Agreement.

If Debtor is then in default on its obligations to Secured Party, all money held by or paid to the Secured Party pursuant to this paragraph may be applied by Secured Party to the unpaid principal balance of the Promissory Note.

9. Assignment; Sale; Lease. Debtor shall not sell, assign, transfer or otherwise dispose of the equipment or Debtor's rights this Agreement without the written consent of Secured Party, except that Debtor may lease or rent the equipment in the ordinary course of Debtor's business on such terms and for such consideration as Debtor shall, in its best business judgment, determine. All leases of the equipment in force on the date of this Agreement of a term of six months or more and all leases of the equipment entered into after the date of this agreement of a term of one year or more shall be individually assigned to Secured Party by Debtor as further security. Debtor shall deliver the original of each assigned lease or rental agreement to Secured Party, and Secured Party may hold them until all obligations secured by this Agreement have been fully satisfied. Notwithstanding the assignment of such leases and rental agreements to Secured Party, Debtor shall be entitled to collect all rents or other sums due on said leases and rental agreements so long as Debtor is not in default on this Agreement.
10. Marking of the Equipment. Debtor will cause each unit of the equipment to be kept numbered with its identifying number as set forth in the attached schedule A, or, in the case of equipment not listed, the identifying number set forth in any amendment or supplement

extending this Agreement to cover such equipment, and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each unit, in letters not less than one inch in height, the words "Ownership subject to a Security Agreement filed under the Interstate Commerce Act", or other appropriate markings approved by Secured Party with appropriate changes and additions as from time to time may be required by law in order to protect the security interest of Secured Party in the equipment and its rights under this Agreement.

11. Default. In the event that any one or more of the following events of default shall occur and be continuing, to wit:

- (a) Debtor shall fail to pay in full any indebtedness secured by this Agreement or any other sum payable by Debtor as provided in this Agreement within ten days after the due date of such payment; or
- (b) Debtor shall, for more than 30 days after the Secured Party shall have demanded performance in writing, fail or refuse to comply with any covenant, agreement or provision of this Agreement or of any agreement entered into in connection with this Agreement, relating to the financing of the equipment; or
- (c) Any proceedings shall be commenced by or against Debtor for any relief under any bankruptcy or insolvency law, or law relating to the relief of debtors, readjustments of

indebtedness, reorganizations, arrangements, compositions or extensions.

- (d) Debtor shall make any unauthorized assignment or transfer of the equipment or any interest therein or its rights under this Agreement;

Then at any time after the occurrence of such an event of default Secured Party may, upon written notice to Debtor and upon compliance with any mandatory legal requirements applicable to such action by Secured Party, declare the entire indebtedness secured by this Agreement, together with interest thereon then accrued and unpaid, immediately due and payable, without further demand, and thereafter the unpaid principal balance of such indebtedness shall bear interest at the default rate of interest specified in the Promissory Note. Secured Party shall then be entitled to recover judgment for the entire unpaid balance of the indebtedness with interest due thereon and to collect such judgment out of any property of Debtor wherever situated. Debtor shall promptly notify the Secured Party of any event which has come to its attention which constitutes, or which with the giving of notice or lapse of time could constitute, an event of default under this Agreement. It is expressly understood and agreed by Debtor that time is of the essence of this Agreement.

12. Remedies. At any time during the continuance of a default, Secured Party may, subject to compliance with any mandatory legal requirements applicable to the action to be taken by the Secured Party,

take immediate possession of the equipment, without liability to Debtor, and may remove the same from possession and use of Debtor or any other person and for such purpose may enter upon the Debtor's premises or any other premises where the equipment may be located.

In case Secured Party shall demand possession of the equipment pursuant to this Agreement and shall reasonably designate a point or points for delivery of the equipment to Secured Party, Debtor shall, at its own expense, forthwith and in the usual manner cause the equipment to be moved to such location designated by Secured Party and shall there deliver the equipment to Secured Party.

At any time during the continuance of any default, Secured Party, with or without retaking possession, at its election and upon reasonable notice to Debtor of the time and place, may sell the equipment, or any individual unit, free from any claims of Debtor or any other party claiming from, through or under Debtor, at public or private sale and with or without advertisement as Secured Party may determine; provided, however, that if prior to sale Debtor should tender full payment of the unpaid balance of the indebtedness, together with interest thereon accrued and unpaid and all other payments due under this Agreement as well as the expenses of the Secured Party in retaking possession of, removing, storing, holding and preparing the equipment for sale and the Secured Party's reasonable attorneys' fees, then the right to possession of the equipment shall pass to Debtor. The proceeds of such sale, less the attorneys' fees and any other expenses incurred by Secured Party

in retaking possession of, removing, storing, holding, preparing for sale and selling the equipment, shall be credited on the amount due to Secured Party under this Agreement and the Promissory Note.

Any sale may be held or conducted at such place and at such time as Secured Party may specify, in one lot or in separate lots and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as Secured Party may determine. Secured Party or Debtor may bid for and become the purchaser of the equipment, or any individual unit offered for sale. Debtor shall be given written notice of such sale not less than ten days prior to the sale date, by telegram or registered mail addressed to Debtor at the address set forth in this Agreement. If the sale shall be a private sale, it shall be subject to the right of Debtor to purchase or provide a purchaser, within ten days after notice of the proposed sale price, at the same price offered by the intending purchaser or a better price.

Each remedy hereby given to Secured Party shall be in addition to every other remedy now or hereafter existing at law or in equity, and each and every remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by Secured Party. All such remedies shall be cumulative, and the exercise of one shall not be deemed a waiver of the right to exercise any other. No delay or omission of Secured Party in the exercise of any such remedy and no renewal or extension of any payments due under the Promissory Note shall impair any such remedy

or shall be construed to be a waiver of any default. Any extension of time for payment under the Promissory Note or other indulgence duly granted to Debtor shall not otherwise alter or affect the secured party's rights or the debtor's obligations. The acceptance by the Secured Party of any payment after it is due shall not be deemed to affect the Debtor's obligations or the Secured Party's rights with respect to any subsequent payments or defaults.

If, after applying all sums of money realized by Secured Party under the remedies provided in this Agreement, there remains any amount due to Secured Party under the provisions of this Agreement, or the Promissory Note, Debtor shall pay the amount of such deficiency to Secured Party upon demand, together with interest from the date of such demand to the date of payment by Debtor at the rate set forth in the Promissory Note. If Debtor shall fail to pay any such deficiency, the Secured Party may bring suit and shall be entitled to recover a judgment against Debtor in that amount. If, after applying all sums realized by Secured Party, there remains a surplus in the possession of the Secured Party, such surplus shall be paid to Debtor. Debtor shall pay all reasonable expenses, including attorneys' fees, incurred by Secured Party in enforcing its remedies under this Agreement. In the event that Secured Party shall bring any suit to enforce any of its rights and shall be entitled to the judgment, then in such suit the Secured Party may recover reasonable expenses, including attorneys' fees, and that amount shall be included in the judgment.

13. Applicable State Laws. Any provision of this Agreement prohibited by any applicable law of any jurisdiction (which is not overridden by applicable federal law) shall as to such jurisdiction be ineffective, without modifying the remaining provisions of this Agreement. Where, however, the conflicting provisions of any such applicable law may be waived, they are hereby waived by Debtor to the full extent permitted by law, it being the intention of Debtor and Secured Party that this Agreement shall be deemed to be a security agreement and enforced as such.
14. Recording. This Agreement and any amendments or supplements to it shall be filed and recorded with the Interstate Commerce Commission in accordance with 49 U.S.C. Section 11303 of the Interstate Commerce Act. Debtor will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, deposit and record any and all further instruments required by law or reasonably requested by Secured Party for the purposes specified in the immediately preceding sentence of this paragraph. Debtor will promptly furnish to Secured Party certificates or other evidence satisfactory to secured party of such filing, registering, depositing and recording. Debtor will furnish to Secured Party from time to time an opinion of counsel for Debtor to the effect that all necessary filings and recordings have been made to protect the interests of Secured Party in and to the equipment.

15. Payment of Expenses. Debtor will pay all reasonable costs and expenses incident to this Agreement, including all fees and expenses incurred by Secured Party.

16. Notice. Any notice under this Agreement to any of the parties designated below shall be deemed to be properly served if delivered or mailed to it at its chief place of business at the following addresses:

(a) To Debtor at Richmond Leasing Company, 1700 West Loop South, Houston, Texas 77027.

(b) To Secured Party at SAFECO Credit Company, Inc., SAFECO Plaza, Seattle, Washington 98185.

Or at such other addresses as may have been furnished in writing by such party to the other parties to this Agreement.

17. Effect and Modification of Agreement. This Agreement, including the schedules attached hereto, exclusively states the rights of the Secured Party and the Debtor with respect to the equipment and supersedes all other agreements, oral or written, with respect to the equipment. No variation or modification of this Agreement and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of Secured Party and Debtor.

18. Law Governing. Debtor warrants that its chief place of business and its chief executive offices are located in the state of Texas. The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the state of Texas; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. Section 11303 of the Interstate Commerce Act and such additional rights arising out of the filing or recording of this Agreement.

19. Execution. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and such counterparts together shall constitute one contract, which shall be sufficiently evidenced by any such original counterpart.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by their officers, thereunto duly authorized, and their respective corporate seals to be hereunto affixed, duly attested, all as of the date first above written.

RICHMOND LEASING COMPANY
By *James W. Harkin* Title
President

SAFECO CREDIT COMPANY, Inc.
By *D. Harrison* Title
Senior Vice Pres.



STATE OF TEXAS

County of Harris, ss:

On this 10th day of August, 1982, before me personally appeared Kenneth W. Warbin, to me personally known, who being by me duly sworn, says that he is the President of RICHMOND LEASING COMPANY, that the seal affixed to the foregoing agreement is the corporate seal of said corporation, that said agreement 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 agreement was the free act and deed of said corporation.

Reuel C. Kernan
Signature of Notary Public



My commission expires: 12/12/86

STATE OF WASHINGTON

County of King, ss:

On this 11th day of August, 1982, before me personally appeared A. T. Pearson, to me personally known, who being by me duly sworn, says that he is the Senior Vice President of SAFECO CREDIT COMPANY, INC., that the seal affixed to the foregoing agreement is the corporate seal of said corporation, that said agreement 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 agreement was the free act and deed of said corporation.

Michael J. McBride
Signature of Notary Public



My commission expires: 10-1-85

"SCHEDULE A"

This Schedule is incorporated by this reference and made a part of the Security Agreement - Railroad Cars between SAFECO Credit Company, Inc. as Secured Party and Richmond Leasing Company as Debtor.

Collateral Description

- 19 - Tank cars with 34,000 gallon capacity
Specification No. DOT 105J300W
Car Identification Nos. RTMX 5199, 5200, 5201
5202, 5203, 5204, 5205, 5206, 5207, 5208,
5209, 5210, 5211, 5212, 5213, 5214, 5215,
5216, and 5217.
- 21 - Tank cars with 13,650 gallon capacity,
Specification No. DOT 111A10W,
Car Identification Nos. RTMX 1843, 1844, 1845
1846, 1847, 1848, 1849, 1850, 1851, 1852, 1853,
1854, 1855, 1856, 1857, 1858, 1859, 1860, 1861,
1862 and 1863.



Richmond Leasing Company - Debtor