

SHEARSON EQUIPMENT INVESTORS-II

Suire 1401
521 Fifth Avenue
New York, New York 10175
212 953 4125



2-178A103

No.
Date **MAR 19 1982**
Fee \$ 100.00

ICC Washington, D. C. March 17, 1982

Secretary
Interstate Commerce Commission
Washington, D. C. 20423

Dear Secretary:

We have enclosed an original set, and four counterpart sets (one of which counterpart sets of the lease identified below consists of one executed counterpart and one photocopy), of the documents described below, to be recorded pursuant to section 11303 of title 49 of the U.S. Code.

These documents respectively are, within the classification scheme promulgated as 49 C.F.R. § 1116.1, as follows:

- (1) a lease (consisting of a Lease Agreement and a Rider thereto, each dated as of December 18, 1981, and a Schedule thereto dated December 31, 1981) -- a primary document,
- (2) an assignment of said lease to be filed concurrently therewith (being an Assignment dated March 19 1982, 1982) -- a secondary document to be treated as one along with the foregoing primary document for fee purposes, and
- (3) Security Agreement 58 a mortgage (consisting of Supplement No. 1 to Security Agreement dated as of March 8, 1982, 58 with the Security Agreement dated as of December 9, 1981, that is supplemented thereby attached as Exhibit A thereto) -- a primary document.

We request that the assignment identified as item (2) be cross indexed.

Handwritten signature: Joan J. [unclear]

13600-A
RECORDATION NO. 13600
Filed 1425
MAR 19 1982-2 25 PM
MAR 19 1982-2 25 PM
SHEARSON EQUIPMENT MANAGEMENT CORPORATION
INTERSTATE COMMERCE COMMISSION
General Partner
James A. Carhaus, President
Albert E. Booth, II, Vice President
Charles F. Keating, Vice President

13600-B
RECORDATION NO. 13600
Filed 1425
MAR 19 1982-2 25 PM
MAR 19 1982-2 25 PM
INTERSTATE COMMERCE COMMISSION
INTERSTATE COMMERCE COMMISSION

RECEIVED
MAR 22 1982
MAR 22 1982

The names and addresses of the parties to the documents are as follows:

(1) LEASE

Lessor:

Shearson Equipment Investors-II
c/o Shearson Equipment Management Corporation
Suite 1401
521 Fifth Avenue
New York, New York 10175

Lessee:

North American Car Corporation
33 W. Monroe
Chicago, Illinois 60603

(2) ASSIGNMENT OF LEASE

Assignor:

Shearson Equipment Investors-II
c/o Shearson Equipment Management Corporation
Suite 1401
521 Fifth Avenue
New York, New York 10175

Assignee:

The First National Bank of Maryland,
Trustee
25 South Charles Street
Baltimore, Maryland 21201

(3) MORTGAGE

Mortgagor:

Security Agreement
Shearson Equipment Investors-II
c/o Shearson Equipment Management Corporation
Suite 1401
521 Fifth Avenue
New York, New York 10175

*(4) Supplement No. I to Mortgage
& Security Agreement.*

Mortgagee:

The First National Bank of Maryland,
Trustee
25 South Charles Street
Baltimore, Maryland 21201

A description of the equipment covered by each said document follows:

Eighty-three (83) 4,750 cu. ft. covered hopper cars, with 100-ton trucks, of AAR Mechanical Designation "LO", bearing the following numbers:

488032-488093 (incl.)
488095-488115 (incl.)

The cars' present running numbers are the same as the aforesaid numbers, prefixed by the designation "NAHX" to identify North American Car Corporation as the lessee thereof, i.e.:

NAHX 488032-488093 (incl.)
NAHX 488095-488115 (incl.)

A fee of \$100.00 is enclosed. Please return the original of each document and any extra copies not needed by the Commission for recordation to the legal assistant presenting this letter and its enclosures for filing.

A short summary of each respective document to appear in the index follows:

(1) Lease between SHEARSON EQUIPMENT INVESTORS-II, lessor (address: c/o Shearson Equipment Management Corporation, Suite 1401, 521 Fifth Avenue, New York, N. Y. 10175) and NORTH AMERICAN CAR CORPORATION, lessee (address: 33 West Monroe, Chicago, Illinois 60603), dated as of December 18, 1981 (with a Schedule dated December 31, 1981), and covering eighty-three (83) 4,750 cu. ft. covered hopper cars with 100-ton trucks.

(2) Assignment between SHEARSON EQUIPMENT INVESTORS-II, assignor (address: c/o Shearson Equipment Management Corporation, Suite 1401, 521 Fifth Avenue, New York, N. Y. 10175) and THE FIRST NATIONAL BANK OF MARYLAND, as Trustee, assignee (address: 25 South Charles Street, Baltimore, Maryland 21201), dated _____, 1982, and covering eighty-three (83) 4,750 cu. ft. covered hopper cars with 100-ton trucks, and connected to a lease being concurrently recorded.

(3) Mortgage between SHEARSON EQUIPMENT INVESTORS-II, mortgagor, (address: c/o Shearson Equipment Management Corporation, Suite 1401, 521 Fifth Avenue, New York, N. Y. 10175) and THE FIRST NATIONAL BANK OF MARYLAND, as Trustee, mortgagee (address: 25 South Charles Street, Baltimore, Maryland 21201), dated as of _____, 1982 (relating to and confirming a mortgage dated as of December 9, 1981), and covering eighty-three (83) 4,750 cu. ft. covered hopper cars with 100-ton trucks.

Very truly yours,

SHEARSON EQUIPMENT INVESTORS-II

By SHEARSON EQUIPMENT MANAGEMENT CORPORATION, its General Partner

By Alfred B. Burt
Title: Vice President

MAR 19 1982 - 2 25 PM

77:03/10/82

INTERSTATE COMMERCE COMMISSION
SUPPLEMENT NO. 1 TO SECURITY AGREEMENT

+ Mortgage

THIS SUPPLEMENT NO. 1 TO SECURITY AGREEMENT dated as of March 19, 1982, (the "Supplement") by and between SHEARSON EQUIPMENT INVESTORS-II, a New York Limited Partnership (the "Company") and THE FIRST NATIONAL BANK OF MARYLAND, a United States national banking association, not in its individual capacity but as trustee (the "Trustee").

RECITALS

WHEREAS, on December 9, 1981, the Company executed and delivered to The First National Bank of Maryland, as Lender (the "Lender") a certain Promissory Note in the face amount of Seventeen Million Dollars (\$17,000,000) (the "Credit Note") payable to the order of the Lender on or before December 31, 1988, in accordance with the terms of that certain Credit Agreement dated as of December 9, 1981 (the "Credit Agreement"), under which Credit Agreement the Lender made available to the Company a credit facility in the maximum principal amount outstanding at any time of \$17,000,000; and

WHEREAS, to secure the Credit Note and all other Obligations, the Company executed a Security Agreement dated as of December 9, 1981 (the "Security Agreement") in favor of the Trustee under the terms of which the Company granted a security interest to the Trustee in certain Equipment described in Schedule A thereto, a counterpart of which Security Agreement is annexed hereto as Exhibit A and to which this Supplement forms a part; and

WHEREAS, the Company has purchased additional equipment, the cost of which it wishes to have included in the computation of the Borrowing Base for the purpose of obtaining additional Credit Advances under the Credit Agreement; and

WHEREAS, the execution and delivery of this instrument is a condition precedent to the inclusion of the cost of such additional equipment in the Borrowing Base computation and the making of such Credit Advances;

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereby agree that the Security Agreement is hereby supplemented as follows:

1. Capitalized terms used herein without definition shall have the meanings respectively set forth in the Credit Agreement.

2. The equipment described in Schedule B hereto shall be and is deemed to be Equipment included in the security interest granted by the Company to the Trustee under the Security Agreement and Schedule B is hereby deemed to be one of the "supplemental or separate schedules" referred to in Section 2(a)(i) of the Security Agreement.

3. In addition to the representations, warranties and covenants made by the Company to the Trustee in the Security Agreement (each of which is hereby restated and confirmed with respect to all of the Equipment, including the Equipment described in Schedule B), the Trustee represents, warrants and covenants that:

(a) The Company shall only permit the Equipment described in Schedule B to be used in the contiguous United States; provided, however, that such Equipment may be used in Canada in the event that those conditions precedent to such use contained in Section 29 of that certain Lease Agreement ("Lease Agreement") dated as of December 18, 1981, by and between the Company, as lessor, and North American Car Corporation, as lessee, have been satisfied and the Company shall have provided the Trustee with an opinion of lessee's counsel that lessee has complied with such conditions, which opinion shall either be addressed to the Trustee or the Company upon which the Trustee is entitled to rely;

(b) The Company shall, at its own cost and expense, maintain and keep the Equipment described in Schedule B (or cause such Equipment to be maintained and kept) suitable for use in interchange (if and to the extent permitted by the Interchange Rules or supplements thereto of the Association of American Railroads (the "AAR"));

(c) The Owner shall comply with all governmental laws, regulations, requirements and rules (including, without limitation, the rules of the United States Department of Transportation, the Interstate Commerce Commission and, if and to the extent permitted thereby, the current Interchange rules or supplements thereto of the Mechanical Division, AAR) as the same may be in

effect from time to time with respect to the use, maintenance and operation of the Equipment. In case any equipment or appliance is reasonably interpreted as being required to be installed on any equipment in order to comply with such laws, regulations, requirements and rules, the Company agrees to make (or cause to be made) such changes, additions and replacements at its own expense; provided, however, that the Company may, in good faith and by appropriate legal proceedings, contest the validity or application of any such law, regulation, requirement or rule in any reasonable manner which does not in the opinion of the Trustee adversely affect the security interest of the Trustee hereunder;

(d) The Company shall cause to be maintained on the Equipment described in Schedule B hereto all identification marks required under Section 25 of the Lease Agreement.

4. Except as amended hereby, all provisions of the Security Agreement are hereby restated and confirmed and shall remain unchanged and in full force and effect.

WITNESS THE DUE EXECUTION HEREOF under seal by the Company this 19 day of March, 1982.

ATTEST:

SHEARSON EQUIPMENT INVESTORS-II

By: SHEARSON EQUIPMENT MANAGEMENT CORPORATION, General Partner

C. F. Kulp
Assistant Secretary

By: Arthur B. Boase
Authorized Officer

THE FIRST NATIONAL BANK
OF MARYLAND, Trustee

By: T. B. McCall
Title v. p.

ACKNOWLEDGMENTS

STATE OF *New York*)
COUNTY OF *New York*) ss:

On this *19* day of *March* 1982, before me personally came and appeared *Albert E. Booth II*, to me personally known, who being by me duly sworn, says that he is the of Shearson Equipment Management Corporation, general partner of Shearson Equipment Investors-II, a New York limited partnership, that the seal affixed to the foregoing instrument is the seal of said corporation, that said instrument was signed and sealed on behalf of said corporation (acting on behalf of said partnership) by authority of its Board of Directors and he acknowledges that the execution of said foregoing instrument was the free act and deed of said corporation.

Angela V. Lawrence

Notary Public

ANGELA V. LAWRENCE
Notary Public, State of New York
No. 034715081
Qualified in Bronx County
Commission Expires March 30, 1982

Maryland
STATE OF ~~NEW YORK~~)
City Baltimore) ss:
COUNTY OF ~~NEW YORK~~)

On this *19th* day of *March* 1982, before me personally appeared *Bruce McCall*, to me personally known, who, being by me duly sworn, says that he is a of THE FIRST NATIONAL BANK OF MARYLAND, a United States national banking association, that the seal affixed to the foregoing instrument is the seal of said corporation and 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 each said foregoing instrument was the free act and deed of said corporation.

Carolyn D. Gray

Notary Public

[Notarial Seal]
My Commission expires *July 1, 1982*

SCHEDULE B

to

Security Agreement
Dated as of December 9, 1981 from
Shearson Equipment Investors-II in favor of
The First National Bank of Maryland, Trustee

Eighty-three (83) 4,750 cu. ft. covered hopper cars, with
100-ton trucks, of AAR Mechanical Designation "LO", bearing the
following serial numbers:

488032-488093 (incl.)
488095-488115 (incl.)

The running numbers of the lessee, North American Car Corporation,
are the same as the aforesaid serial numbers, prefixed by the
designation "NAHX."