-$60

LAW OFFICES
ALVORD AND ALVORD
200 WORLD CENTER BUILDING
918 SIXTEENTH STREET, N.W.
WASHINGTON, D.C.
20006

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

ROBERT W. ALVORD
ALBERT H. GREENE
CARL C. DAVIS*
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MILTON C. GRACE*
GEORGE JOHN KETO**
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* NOT A MEMBER OF D.C. BAR
** ALSO A MEMBER OF OHIO BAR

OF COUNSEL
JESS LARSON
URBAN A. LESTER

CABLE ADDRESS
"ALVORD"

TELEPHONE
AREA CODE 202
393-2266

TELEX
440348 CDAA UI

No. 179 [illegible]
Date JUN 27 1980
Fee $ 60.00
ICC Washington, D. C.

June 27, 1980

11941
RECORDATION NO. ..... Filed 1425

JUN 27 1980 -11 20 AM
INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 11274-C Filed 1425
JUN 27 1980 -11 20 AM
INTERSTATE COMMERCE COMMISSION

RECORDATION NO. [illegible] Filed 1425
JUN 27 1980 -11 20 AM
INTERSTATE COMMERCE COMMISSION

Agatha L. Mergenovich, Secretary
Interstate Commerce Commission
Washington, D.C. 20434

Dear Madam:

Enclosed for recordation pursuant to the provisions of Section §11303(a) of Title 49 of the United States Code and the regulations thereunder are 1) Limited Recourse Promissory Note-Security Agreement dated June 27, 1980 and 2) Amendment to Agreement of Lease dated June 27, 1980.

A general description of the railroad equipment covered by the enclosed document is, as follows:

Forty-five (45) rebuilt railroad boxcars
Type XM bearing reporting mark and numbers
HCRC 1047 through 1050, 1053, 1059 and
1062 through 1100.

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

<u>Limited Recourse Promissory Note-Security Agreement</u>

| | |
|---|---|
| PAYOR or DEBTOR: | Refco Transport Equipment, Inc.<br>39 South LaSalle Street<br>Chicago, Illinois 60603 |
| PAYEE or SECURED PARTY: | Comet Leasing Corp.<br>130-30 31st Avenue<br>Flushing, New York 11354 |

NEW NO

RECEIVED
JUN 27 11 13 AM '80
I.C.C.
FEE OPERATION BR.

C. T. Kappler

Amendment to Agreement of Lease

NOTE: The Agreement of Lease dated December 28, 1979 between Refco Transport Equipment, Inc. and Funding Systems Railcars, Inc. to which this document is an Amendment was recorded at 12:30 p.m. on December 28, 1979 and assigned Recordation Number 11274 and subsequently amended by Recordation Numbers 11274-A and 11274-B.

11274-C

LESSOR: Refco Transport Equipment, Inc.
39 South LaSalle Street
Chicago, Illinois 60603

LESSEE: Funding Systems Railcars, Inc.
1000 RIDC Plaza
Pittsburgh, Pennsylvania 15238

The undersigned is agent for the Payee and Lessee mentioned in the enclosed documents for the purpose of submitting the enclosed documents for recordation and has knowledge of the matters set forth therein.

Also enclosed is a remittance in the amount of $60 in payment of the required recordation fee.

Very truly yours,

ALVORD AND ALVORD

By Charles T. Kappler
Charles T. Kappler

# Interstate Commerce Commission

Washington, D.C. 20423

6/27/80

OFFICE OF THE SECRETARY

Charles T. Kappler, Esq.
Alvord & Alvord
200 World Center Building
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 6/27/80 at 11:20am, and assigned re-recordation number(s). 11941 & 11274-C, 11942 & 11596-C

Sincerely yours,

Agatha L. Mergenovich

Agatha L. Mergenovich
Secretary

Enclosure(s)

SE-30
(7/79)

809/A-19

RECORDATION NO. 11941 Filed 1425
JUN 27 1980 -11 20 AM
RECORDATION NO. Filed 1425
INTERSTATE COMMERCE COMMISSION
JUN 27 1980 -11 20 AM
INTERSTATE COMMERCE COMMISSION

ITEL - HCRC

COPY #2
NEW NO.

LIMITED RECOURSE PROMISSORY NOTE - SECURITY AGREEMENT

$1,414,750 Date: June 27, 1980

FOR VALUE RECEIVED, the undersigned, REFCO TRANSPORT EQUIPMENT, INC., a Delaware corporation having an office and place of business at 39 South LaSalle Street, Chicago, Illinois 60603 ("Payor or "Debtor"), promises to pay to COMET LEASING CORP., a Delaware corporation having its principal office and place of business at 16-16 Whitestone Expressway, Whitestone, New York 11357 ("Payee" or "Secured Party"), the principal sum of $1,414,750, together with interest thereon at the rate of 16% per annum commencing on the date hereof. Subject to the provisions with respect to acceleration contained in Section 6 below and the provisions with respect to prepayment and deferral set forth in Section 5 below, this Note shall be payable in 144 consecutive combined monthly payments of principal and interest in the amount of $22,152.51 each, with the first monthly payment due and payable on January 31, 1984 and each subsequent monthly payment due and payable on the last day of each month thereafter up to and including December 31, 1995. Interest on the principal of this Note for the period from the date hereof through June 30, 1980 in the amount of $6,916.56 shall be payable on June 30, 1980 and interest from July 1, 1980 through December 31, 1982 shall be payable in 42 consecutive installments of $18,863.33 each payable on the last day of each month commencing July 31, 1980 (it being hereby acknowledged, however, that $4,189.80 of the June 30, 1980 interest payment and $11,801.70 of each of the next six interest payments have been paid simultaneously herewith by cashier's or certified check or by wire transfer); provided, however, that $8,333.33 of each such interest payment to be made hereunder on January 31, 1981 and on the last day of each of the eleven months thereafter shall be paid to Payee, simultaneously with the execution and delivery of this Note, by the delivery to Payee on the date hereof of a promissory note of even date of Payor to the order of Payee in the principal amount of $100,000 (the "First Recourse Note") (it being understood and agreed that, as a result of this proviso, and in addition to the payments to be made by Payor to Payee pursuant to the First Recourse Note, on January 31, 1981 and on the last day of each of the eleven months next following January 31, 1981, Payor shall only be obligated to pay to Payee $10,530); provided further, however, that $7,500 of each such interest payment to be made hereunder on January 31, 1982 and on the last day of each of the eleven

months thereafter shall be paid to Payee, simultaneously with the execution and delivery of this Note, by the delivery to Payee on the date hereof of a promissory note of even date of Payor to the order of Payee in the principal amount of $90,000 (the "Second Recourse Note") (it being understood and agreed that, as a result of this proviso, and in addition to the payments to be made by Payor to Payee pursuant to the Second Recourse Note, on January 31, 1982 and on the last day of each of the eleven months next following January 31, 1982, Payor shall only be obligated to pay to Payee $11,363.33); provided further, however, that $7,275 of each such interest payment to be made hereunder on January 31, 1983 and on the last day of each of the eleven months thereafter shall be paid to Payee, simultaneously with the execution and delivery of this Note, by the delivery to Payee on the date hereof of a promissory note of even date of Payor to the order of Payee in the principal amount of $87,300 (the "Third Recourse Note") (it being understood and agreed that, as a result of this proviso, and in addition to the payments to be made by Payor to Payee pursuant to the Third Recourse Note, on January 31, 1983 and on the last day of each of the eleven months next following January 31, 1983, Payor shall only be obligated to pay to Payee $11,588.33). Except for payments under the Recourse Notes, each payment under this Note shall first be applied to interest which shall have accrued, but not have been paid hereunder at the time of the making of such payment, and the balance, if any, of each such payment shall be applied to reduce the then outstanding principal balance hereof. Each of the payments to be made under the Recourse Notes shall be deemed to have been made, in equal proportionate amounts, on the last day of each of the months in respect of which such payment is to be made.

1. Background.

Payee has agreed to finance Payor's costs in acquiring and causing to be rebuilt the equipment (the "Equipment") described in the Schedule attached hereto. In order to induce Payee to undertake such financing and to accept this Note, Payor is granting to Payee hereunder a lien with respect to the Equipment, pursuant to which payment of this Note is secured on the terms and conditions hereinafter provided.

2. Definitions.

Unless the context of this Note indicates otherwise, all terms defined in that certain Purchase Agreement dated July 20, 1979 between Payor and Funding Systems Railcars, Inc. ("Funding") or the Lease (as hereinafter defined) shall have the same meanings as are ascribed to such terms therein.

3. Security Interest.

To secure the payment when due of principal and interest under this Note and the payment and performance by Payor, when due, of all obligations and liabilities of Payor to Payee under this Note (such payment under this Note, and such payment and performance of such obligations and liabilities are hereinafter referred to collectively as the "Obligations"), Payor shall and hereby does grant, convey, assign and transfer to Payee, subject and subordinate, however, to (i) the rights of the holders of the Bank Lien (the "Senior Lienholders"), and (ii) the rights of the Underlying User under the Existing Underlying Agreement and future Underlying Agreements, a purchase money security interest in and to the Equipment, and all additions, replacements and attachments thereto, all leases covering the same, all other contracts calling for the disposition of the Equipment or its use, and all proceeds (collectively, the "Collateral"), including any Rent (as defined in the agreement of lease (the "Lease") of even date between Payor and Funding) in excess of $375 per month; provided, however, that any Rent theretofore received by Payor as lessor under the Lease shall not be deemed part of Collateral. The foregoing security interest is hereby made subject to the consent and approval of the Senior Lienholders to the extent required under the Bank Lien and the Payor hereby agrees to take such steps and execute such documents as may be necessary to obtain such consent and approval and, upon the obtaining thereof, to take such steps and execute such documents as may be necessary to perfect and continue the perfection of such security interests.

Payor shall not cause or permit any claim, lien, security interest or other encumbrance to be imposed upon the Equipment except (i) the security interest created hereby, (ii) the Lease, (iii) the Bank Lien and Existing Underlying Agreement, and (iv) any claim, lien, security interest or other encumbrance arising from liabilities of or claims against Payee.

4. Prepayment.

Except as provided in Section 5 below, this Note may not be prepaid in whole, or in part, at any time.

5. Deferral, etc.

5.1 Payment of Lien. Payee does hereby agree to cause to be paid all amounts due or to become due in respect of the Bank Lien to the holders thereof, as and when required thereunder, whether as constant payments, by acceleration or otherwise. In the event Debtor or, after termination of the Lease, any lessee or other party (except Payee, the Existing Underlying Lessee or Funding) pays the Bank Lien or any other debt of Payee whether pursuant to the terms of the Bank Lien or otherwise, all amounts so paid shall be deemed to be prepayments under this Note in reduction of (i) the amount of the "Section 7.1 Recourse Obligations" set forth on Schedule A annexed hereto for the period in which such payment is made, which reduction shall likewise reduce by the same amount the "Section 7.1 Recourse Obligations" in all subsequent periods, or, if subsequent to the Determination Date (as hereinafter defined), the amount of the "Section 7.1 Recourse Obligations" as defined in and determined under Section 7 hereof, and (ii) principal and interest then due under the Note in such respective amounts thereof as Payor shall elect. Nothing contained herein shall require Debtor to pay the Bank Lien or any other debts of Payee.

5.2 Deferral. Payor shall have in addition to all other rights and remedies it may have in such event the right to defer payment of principal and interest as the same becomes due hereunder if and to the extent any amount of Rent or other sums becoming due to Payor under the Lease is not received by Payor as the same becomes due (the "Past Due Sum"). The amount of principal and interest so deferred will become due and payable at such time as, and to the extent that, Payor receives the Past Due Sum; provided, however, that no interest shall accrue on the principal and interest payments so deferred; provided, further, however, that the amount of interest and principal so deferred shall become due and payable on December 31, 1995, whether or not Payor shall have received the Past Due Sum on or before such date.

6. Default.

6.1 Event of Default. The term "Event of Default" as used herein (except where expressly referring to an Event of Default as defined in the Lease), shall mean the occurrence and continuation of any one or more of the following events:

(a) The failure of Debtor to promptly pay when due any payment due and payable under any of the Notes which failure continues for 10 days after notice, subject however to the provisions of Section 5 hereof;

(b) The failure of Debtor to promptly and faithfully pay, observe, and perform when due any of the Obligations other than those referred to in subsection (a) above or the material breach by Debtor of any material representations, warranties or covenants of Debtor herein or in any of the other Documents, which failure or material breach continues for 30 days after notice;

(c) If Debtor shall:

(i) admit in writing its inability to pay debts generally as they become due;

(ii) file a petition in bankruptcy or a petition to take advantage of any insolvency act;

(iii) make an assignment for the benefit of its creditors;

(iv) consent to the appointment of a receiver for itself or for the whole or substantially all of its property;

(v) on a petition in bankruptcy filed against it, be adjudicated a bankrupt; or

(vi) file a petition or answer seeking reorganization or arrangement or other aid or relief under any bankruptcy or insolvency laws or any other law for the relief of debtors;

(d) If a court of competent jurisdiction shall enter an order, judgment or decree appointing, without the consent of Debtor, a receiver for Debtor or the whole or substantially all of its property, or approving a petition filed against it seeking reorganization or arrangement of Debtor under any bankruptcy or insolvency laws or any other law for the relief of debtors, and such order, judgment or decree shall not be vacated or set aside or stayed within sixty (60) days from the date of entry thereof; or

(e) If, under the provisions of any law for the relief of debtors, any court of competent jurisdiction shall assume custody or control of Debtor or of the whole or any substantial part of its property without the consent of Debtor, and such custody or control shall not be terminated or stayed within sixty (60) days from the date of assumption of such custody or control;

(f) If Debtor shall sell, transfer or otherwise dispose of Collateral in violation of Section 10 below.

6.2 Acceleration. Upon the occurrence of an Event of Default the entire unpaid principal balance and all accrued but unpaid interest under each Note and all other amounts payable to Secured Party pursuant to the Obligations shall, at Payee's option, be accelerated and become and be immediately due and payable and Secured Party shall have all the rights and remedies with respect to the Collateral of a secured party holding a purchase money security interest under the Uniform Commercial Code; provided, however, that such rights and remedies shall be subject and subordinate to the security and other interests and the rights and remedies of all Senior Lienholders and further provided that Secured Party shall not exercise any rights or options under this Section, and an Event of Default shall not be deemed to exist, so long as an Event of Default, as defined in the Lease, by Funding as lessee has occurred and is continuing and for five (5) days after the curing thereof. The Secured Party shall give Debtor reasonable notice of the time and place of any public or private sale or other intended disposition of all or any portion of the Collateral. Debtor agrees that the requirements of reasonable notice shall be met if notice is mailed to Debtor at its address first above written not less than five (5) business days prior to the sale or other disposition. Expenses of retaking, holding, preparing for sale, selling or the like, shall

include, without limitation, Secured Party's reasonable attorneys' fees and other legal expenses. Subject to the provisions of Section 7 hereof, Secured Party's rights and remedies, whether pursuant hereto or pursuant to the Uniform Commercial Code or any other statute or rule of law conferring rights similar to those conferred by the Uniform Commercial Code, shall be cumulative and not alternative. Secured Party hereby agrees that it shall not, without the prior written consent of the Senior Lienholders (not to be unreasonably withheld), enforce any remedies with respect to the Equipment which it may have hereunder upon an Event of Default by Payor.

7. Limited-Recourse.

7.1 Recourse Obligations. Anything in this Note, to the contrary notwithstanding, Payor hereunder shall be personally liable only for (a) the interest and principal due under this Note during the times (and only during the times) and in the amounts (and only to the extent of such amounts) set forth in Schedule A annexed hereto (the "Section 7.1 Recourse Obligations") and (b) the Recourse Notes. Moreover, the total amount of the Section 7.1 Recourse Obligations shall be determined in accordance with Schedule A, without giving effect to any deferral provisions of Section 5.2 hereof which might otherwise then apply, so that, as to any occurrence which, without giving effect to such provisions of Section 5.2, would otherwise constitute an Event of Default (as defined herein), the Section 7.1 Recourse Obligations shall be determined as of the date of such occurrence (the "Determination Date"); provided, however, that payment may be deferred to the extent provided for in Section 5.2 hereof.

7.2 Non-Recourse Obligations. With respect to any sums due hereunder or under any other Document other than or in excess of the Section 7.1 Recourse Obligations and the Recourse Notes, Payor's obligations shall be non-recourse ("Non-Recourse Obligations") and Payee shall look solely and only to the Collateral for the payment and performance of all of such Non-Recourse Obligations of Payor, and, with respect to such Non-Recourse Obligations, Payee, for itself and its successors and assigns, hereby expressly waives any right to enforce payment and performance by Payor in respect thereof other than to proceed against the Collateral as provided herein.

8. Replacement.

Effective upon any replacement under Section 6.2 of the Lease (i) all incidents of Secured Party's security interest in the Replaced Equipment (as defined in the Lease), ipso facto, shall cease and terminate automatically; and (ii) the schedule attached to the Purchase Agreement (the "Schedule") shall be amended, ipso facto, to delete therefrom the Replaced Equipment, as defined in the Lease (and all other information contained therein relating to the Replaced Equipment) and to add thereto the Replacement Equipment, as defined in the Lease (and other information relating to the Replacement Equipment called for by the Schedule), so that the Collateral shall include the Replacement Equipment and not the Replaced Equipment.

9. Notices.

Any notice, request or other communication required or permitted to be given under any of the provisions of this Agreement, shall be in writing and shall be deemed given on the date the same is sent by certified or registered mail, return receipt requested, postage prepaid and addressed to the party for which intended at its address set forth at the head of this Agreement together with a copy to one additional addressee as may be requested by notice hereunder or at such other address as such party may hereafter designate to the other in a like notice.

10. Restrictions on Transfer.

Except in connection with any modification, extension, replacement, exchange or increase in the Bank Lien permitted by Debtor, Debtor shall not sell, transfer or otherwise convey all or any portion of the Collateral unless it (i) first delivers to Secured Party an acknowledgement executed by the transferee to the effect that the transferee's interest in the Collateral transferred is subject and subordinate to the rights and interests of Secured Party and the Senior Lienholder, (ii) delivers to Secured Party an acknowledgment executed by the transferee to the effect that the transferee assumes the Obligations (to the extent that they are recourse Obligations), (iii) delivers

to Secured Party such documents and instruments of the transferee as Secured Party may reasonably request to effectuate provisions (i) and (ii) above, and (iv) delivers such additional documents and acknowledgments as the Senior Lienholders shall reasonably require. In addition, Secured Party must be reasonably satisfied that no lien by or against such transferee will attach to the Equipment which is superior to those of the Senior Lienholders and Secured Party. Further, Debtor shall not sell, transfer or otherwise convey any portion of the Collateral if the documents creating the Bank Lien prohibit such transfer, unless it first obtains the written consent of the Senior Lienholders, as provided for in such documents.

11. Miscellaneous.

11.1 Financing Statements. Debtor hereby agrees from time to time to execute any financing or other statements in such form as may be necessary to evidence, perfect, and continue the perfection of, a security interest in the Collateral in favor of Secured Party in any and all jurisdictions.

11.2 Course of Dealing. No course of dealing between Payor and Payee, or any delay in exercising any rights or remedies hereunder or under any communication, report, notice or other document or instrument referred to herein, shall operate as a waiver of any of the rights and remedies of Payor or Payee.

11.3 Amendments. This Agreement may be amended or varied only by a document, in writing, of even or subsequent date hereto executed by Payor and Payee.

11.4 Governing Law. This Note shall be governed by and interpreted under the laws of the State of New York applicable to contracts made and to be performed therein without giving effect to the principles of conflict of laws thereof; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. §11303 (formerly Section 20c of the Interstate Commerce Act) and such additional rights arising out of the filing, recording or deposit hereof or of any financing statement or other document relating hereto, if any, as shall be conferred by the laws of the jurisdictions in which this Agreement or such financing statement or other document shall be filed, recorded or deposited.

11.5 Successors and Assigns. This Note shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and transferees.

11.6 Severability. The invalidity or unenforeceability of any provision of this note shall not affect the validity or enforceability of any other provision.

11.7 Headings. The descriptive headings in this note are for convenience of reference only, and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

11.8 Counterparts. This Note shall be executed in three counterparts to be labeled Copy 1, 2 and 3, respectively. Copy 1 shall be deemed an original for all purposes and shall be Payee's copy. Copy 2 shall be deemed an original only for recording purposes under 49 U.S.C. §11303 (formerly Section 20c of the Interstate Commerce Act). Copy 3 shall be deemed an original for the purpose of indicating Payee's acceptance of the terms of this Note and shall be Payor's copy.

IN WITNESS WHEREOF, the Payor has executed this instrument as of the date and year first above written.

PAYOR: REFCO TRANSPORT EQUIPMENT, INC.

By: _____ [SEAL]
Vice President

AGREED TO:

COMET LEASING CORP.

By: _____ [SEAL] Pres.

STATE OF ILLINOIS )
: ss.:
COUNTY OF COOK )

On this 23rd day of June, 1980, before me personally appeared Allan P. Palles, to me personally known, who being by me duly sworn, did depose and say that he is the Vice President of Refco Transport Equipment, Inc., the corporation which executed the foregoing Agreement, 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.

Notary Public

My Commission Expires Feb. 1, 1984

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

On this 24th day of June, 1980, before me personally appeared Jacques Pomeroy to me personally known, who being by me duly sworn, did depose and say that he is the President of Comet Leasing Corp., the corporation which executed the foregoing Agreement, 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.

Marilyn Bendl
Notary Public

MARILYN BENDL
Notary Public, State of New York
No. 41-4707977
Qualified in Queens County
Certificate Filed in New York County
Commission Expires March 30, 1981

Schedule A

To

Limited Recourse Promissory
Note-Security Agreement dated
June , 1980 between
Refco Transport Equipment, Inc. and
Comet Leasing Corp.

| Payor's Maximum Aggregate Amount of Section 7.1 Recourse Obligations | Period of Section 7.1 Recourse Obligation |
|---|---|
| 1. $975,000 | From the date hereof through December 31, 1987 (inclusive) |
| 2. 970,000 | For the period from January 1, 1988 through December 31, 1988 (inclusive). |
| 3. 930,000 | For the period from January 1, 1989 through December 31, 1989 (inclusive). |
| 4. 870,000 | For the period from January 1, 1990 through December 31, 1990 (inclusive). |
| 5. 760,000 | For the period from January 1, 1991 through December 31, 1991 (inclusive). |
| 6. 620,000 | For the period from January 1, 1992 through December 31, 1992 (inclusive). |
| 7. 450,000 | For the period from January 1, 1993 through December 31, 1993 (inclusive). |
| 8. 240,000 | For the period from January 1, 1994 through December 31, 1994 (inclusive). |
| 9. -0- | For the period from January 1, 1995 and thereafter. |

## SCHEDULE

The Equipment consists of forty-five (45) type XM railroad boxcars bearing identifying marks and numbers as follows:

HCRC 1047 through 1050, inclusive;

HCRC 1053, HCRC 1059; and

HCRC 1062 through HCRC 1100, inclusive.