

Citicorp (USA), Inc.  
Private Banking Division  
Two Allen Center  
1200 Smith Street  
Houston, TX  
77002

11505

RECORDATION NO. \_\_\_\_\_ Filed 1425

February 11, 1980

**FEB 19 1980 -2 20 PM**

INTERSTATE COMMERCE COMMISSION

Interstate Commerce Commission  
12 & Constitution Avenue, N.W.  
Room 2303  
Washington, D.C. 20423  
ATTN: Ms. Mildred Lee

No. **0-050A085**

Date **FEB 19 1980**

Fee \$ **50.00**

ICC Washington, D. C.

Dear Ms. Lee:

Please find enclosed an original and two certified copies of documents relating to a loan secured by railroad rolling stock as follows:

Debtor/Owner: Scott, Morin M., Jr.  
2505 Addison  
Houston, Texas 77030

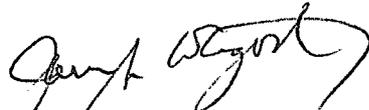
Lender/Secured Party: Citibank, N.A.  
c/o Citicorp (USA), Inc.  
Two Allen Center, Suite 2100  
1200 Smith Street  
Houston, Texas 77002

Date of Loan: 11/19/79

Description of Equipment: 2 Railroad boxcars with  
AAR Nos.: Y&S 2127 and 2128

Also enclosed is a check in the amount of \$50.00 to effect recordation.

Sincerely,



James S. D'Agostino, Jr.  
As Agent for Citibank, N.A.

JSD:td

Enclosures

REC'D  
FEB 19 1980

**Interstate Commerce Commission**  
Washington, D.C. 20423

2/20/80

OFFICE OF THE SECRETARY

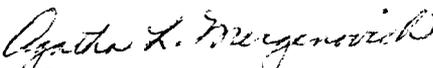
James S. D'Agostino, Jr.  
Citibank, N.A.  
c/o Citicorp (USA), Inc.  
Two Allen Center, Suite 2100  
1200 Smith Street  
Houston, Texas 77002

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 2/19/80 at 2:20pm, and assigned re-  
recording number(s). 11505

Sincerely yours,

  
Agatha L. Mergenovich  
Secretary

Enclosure(s)

SE-30  
(7/79)

# GENERAL SECURITY AGREEMENT

RECORDATION NO. 11505 Filed 1425

FEB 19 1980 - 2 20 PM

INTERSTATE COMMERCE COMMISSION

Citibank, N.A.

388 PARK AVENUE

NEW YORK, NEW YORK 10022

## GENTLEMEN:

1. From time to time the undersigned expects to become or has become indebted or otherwise obligated or liable to you in connection with letter of credit or acceptance transactions, trust receipt transactions, or other loan or financial accommodations (such indebtedness, obligations and liabilities being hereinafter referred to as the "Obligation(s)"). In consideration of the Obligations, the undersigned agrees that, in order to provide you with security for payment and performance of all the Obligations, you shall have a security interest in Railroad boxcars numbered Youngstown & Southern (Y&S) 2127 and 2128

(all of the foregoing being hereinafter referred to collectively as the "Collateral"). The undersigned agrees that should the aggregate market value of the Collateral at any time suffer any decline in value or should any property be deemed by you to be unsatisfactory or inadequate, or should such property fail to conform to legal requirements, the undersigned will upon request deliver to you additional Collateral or will make one or more payments on account of the Obligations to your satisfaction. To the extent that the aforesaid Collateral may consist of capital stock, it is further agreed that, in event of any new or additional certificate(s) of stock being issued (as stock dividends or otherwise) relative to any such capital stock, held at the time as Collateral hereunder, such certificate(s) shall be deemed an increment to the stock so held and under pledge to you and that, therefore, such certificate(s) will—to the extent received by or placed under the control of the undersigned—be held or controlled in trust for you and will be promptly delivered to you (in form for transfer) to be held hereunder if you so request.

2. You shall have no duty of care with respect to the Collateral, except that you shall exercise reasonable care with respect to Collateral in your custody, but shall be deemed to have exercised reasonable care if such property is accorded treatment substantially equal to that which you accord your own property, or if you take such action with respect to the Collateral as the undersigned shall request in writing, but no failure to comply with any such request nor any omission to do any such act requested by the undersigned shall be deemed a failure to exercise reasonable care, nor shall your failure to take steps to preserve rights against any parties or property be deemed a failure to have exercised reasonable care with respect to Collateral in your custody.

3. In addition to the rights and security interest elsewhere herein set forth, you may, at your option at any time(s) and with or without notice to the undersigned, appropriate and apply to the payment or reduction, either in whole or in part, of the amount owing on any one or more of the Obligations, whether or not then due, any and all moneys now or hereafter with you, on deposit or otherwise, to the credit of or belonging to the undersigned, it being understood and agreed that you shall not be obligated to assert or enforce any rights or security interest hereunder or to take any action in reference thereto, and that you may in your discretion at any time(s) relinquish your rights as to particular Collateral hereunder without thereby affecting or invalidating your rights hereunder as to all or any other Collateral hereinbefore referred to.

4. The undersigned further agrees and covenants, (a) that, if you so demand in writing at any time, all proceeds shall be delivered to you promptly upon their receipt in a form satisfactory to you; (b) that, if you so demand in writing at any time, all chattel paper, instruments, and documents shall be delivered to you at the time and place and in the manner in which specified by your demand; (c) to execute and deliver, upon request, any notice, statement, instrument, document, agreement or other papers and/or to perform any act requested by you which may be necessary to create, perfect, preserve, validate or otherwise protect any security interest granted pursuant hereto or to enable you to exercise and enforce your rights hereunder or with respect to such security interest; (d) that during the period that any Obligation is outstanding, the undersigned will not, without obtaining your prior written approval, create, incur, assume, or suffer to exist any security agreement subject to the Uniform Commercial Code or any similar law of any jurisdiction, except as herein provided, and the undersigned will not sign or file or authorize the signing or filing of a financing statement under the said Uniform Commercial Code of any jurisdiction with respect to the Collateral or any portion thereof, except as herein provided. The undersigned further agrees to provide you with such information as you may from time to time request with respect to the location of any of its places of business. In addition, you will be notified promptly in writing of any change in location of any office where records concerning any of the accounts that constitute a portion of the Collateral are maintained or of a change in location of the undersigned's principal place of business.

5. In the event of the happening of any one or more of the following events of default, to wit: (a) the non-payment of any of the Obligations; (b) the failure of the undersigned forthwith, with or without notice, to furnish satisfactory additional collateral, or to make payments on account as may be agreed in any of the Obligations or herein; (c) the death, failure in business, dissolution or termination of existence of the undersigned, (d) any petition in bankruptcy being filed by or against the undersigned or any endorser or guarantor of any obligation, or any proceedings in bankruptcy, or under any Acts of Congress relating to the relief of debtors, being commenced for the relief or readjustment of any indebtedness of the undersigned or any endorser or guarantor of any Obligation, either through reorganization, composition, extension or otherwise; (e) the making by the undersigned or any endorser or guarantor of any Obligation of an assignment for the benefit of creditors or for taking advantage by any of the same of any insolvency law; (f) any seizure, vesting or intervention by or under authority of a government, by which the management of the undersigned, and or any endorser or guarantor of an Obligation, is displaced or its authority in the conduct of its business is curtailed; (g) the appointment of any receiver of any property of the undersigned, or of any endorser or guarantor of any Obligation; (h) the attachment or distraint of any of the Collateral or of the same becoming subject at any time to any mandatory court order or other legal process (i) the failure of the undersigned to perform any of its duties as specified either in this agreement or in any other agreement(s) with respect to the Obligations—then or at any time after the happening of such event of default, or at any time thereafter, any or all of the Obligations then existing shall become immediately due and payable forthwith upon declarations to such effect delivered by you to the undersigned without any other presentment, demand, protest, or notice of any kind, without further demand or notice to the undersigned. Furthermore, upon the occurrence of any such event of default, your obligation(s) to make further loans or extensions of credit or other financial accommodations to the undersigned shall thereupon be terminated and you shall also have all of the rights and

remedies provided to a secured party by the Uniform Commercial Code in effect in New York State at that time. In addition thereto the undersigned further agrees that (i) in the event that notice is necessary under applicable law, written notice mailed to the undersigned at the address given below three (3) business days prior to the date of public sale of any of the Collateral subject to the security interest created herein or prior to the date after which private sale or any other disposition of said Collateral will be made shall constitute reasonable notice, but notice given in any other reasonable manner or at any other time shall be sufficient; (ii) in the event of sale or other disposition of any such Collateral, you may apply the proceeds of any such sale or disposition to the satisfaction of your reasonable attorneys' fees, legal expenses, and other costs and expenses incurred in connection with your taking, re-taking, holding, preparing for sale, and selling of the Collateral; (iii) without precluding any other methods of sale, the sale of Collateral shall have been made in a commercially reasonable manner if conducted in conformity with reasonable commercial practices of banks disposing of similar property but in any event you may sell on such terms as you may choose, without assuming any credit risk and without any obligation to advertise or give notice of any kind; and (iv) you may require the undersigned to assemble the Collateral, taking all necessary or appropriate action to preserve and keep it in good condition, and make such available to you at a place and time convenient to both parties, all at the expense of the undersigned. Furthermore, in any such event, to the extent permitted under applicable law, full power and authority are hereby given you to sell, assign, and deliver the whole of the Collateral or any part(s) thereof, at any time(s) at any broker's board, or at public or private sale, at your option, and no delay on your part in exercising any power of sale or any other rights or options hereunder, and no notice or demand, which may be given to or made upon the undersigned by you with respect to any power of sale or other right or option hereunder, shall constitute a waiver thereof, or limit or impair your right to take any action or to exercise any power of sale or any other rights hereunder, without notice or demand, or prejudice your rights as against the undersigned in any respect.

6. Any and all of your rights with respect to the security interest hereunder shall continue unimpaired, and the undersigned shall be and remain obligated in accordance with the terms hereof, notwithstanding the release or substitution of any Collateral at any time(s), or of any rights or interests therein, or any delay, extension of time, renewal, compromise or other indulgence granted by you in reference to any of the Obligations, or any promissory note, draft, bill of exchange or other instrument given in connection therewith, the undersigned hereby waiving all notice of any such delay, extension, release, substitution, renewal, compromise or other indulgence, and hereby consenting to be bound thereby as fully and effectually as if the undersigned had expressly agreed thereto in advance. No delay on your part in exercising any power of sale, option or other right hereunder, and no notice or demand which may be given to or made upon the undersigned by you, shall constitute a waiver thereof, or limit or impair your right to take any action or to exercise any other power of sale, option or any other right hereunder, without notice or demand, or prejudice your rights as against the undersigned in any respect.

7. You are authorized at your option and without any obligation to do so, to transfer or register in the name of your nominee(s) all or any part of the securities that constitute a portion of the Collateral, and to do so before or after the maturity of any of the Obligations, and with or without notice to the undersigned.

8. You are authorized, at your option, to file Financing Statement(s) or amendments thereto without the signature of the undersigned with respect to any of the Collateral; the undersigned agrees to reimburse you for the expense of any such filing.

9. You may assign or otherwise transfer this Agreement, or any instrument(s) evidencing all or any of the Obligations, and any agreement relating thereto and may deliver all or any of the Collateral to the transferee(s), who shall thereupon become vested with all the powers and rights in respect thereto given to you herein or in the instrument(s) transferred, and you shall thereafter be forever relieved and fully discharged from any liability or responsibility with respect thereto, all without prejudice to the retention by you of all rights and powers hereby given with respect to any and all instruments, rights or property not so transferred.

10. This is a continuing agreement and shall remain in full force and effect until written notice shall have been received by you that it has been revoked, but any such notice shall not release the notifying party (or parties) from liability with respect to such of the Obligations as may have been theretofore incurred. Furthermore, if this Agreement is terminated, or revoked by operation of law as against the undersigned, the undersigned will indemnify and save you, your successors or assigns, harmless from any loss which may be suffered or incurred by you in making, giving, granting or extending any loans or other credit, or otherwise acting, hereunder prior to receipt by you of notice in writing of such termination or revocation.

11. If this agreement is executed by two or more parties, they shall be severally bound and committed hereunder and the word "undersigned" whenever used herein shall be construed to refer to such parties separately and collectively to all such parties and this agreement shall not be revoked or impaired as to one or more of the parties hereto by the revocation or release of any Obligations hereunder of any other(s) of the parties hereto.

12. This agreement shall be governed by the laws of the State of New York in all respects, including matters of construction, validity and performance; none of its terms or provisions may be waived, altered, modified, limited or amended except by an agreement expressly referring hereto and to which you consent in writing duly signed for you and on your behalf; the rights granted to you herein shall be supplementary and in addition to those granted in any other agreements with respect to the Obligations.

Very truly yours,

*Morin M. Scott, Jr.*  
Morin M. Scott, Jr.  
2505 Addison

Houston, Texas (MAILING ADDRESS)  
77030

*Tammie Dorman*  
TAMMIE DVORMAN  
Notary Public in and for Harris  
County, Texas  
(MAILING ADDRESS)  
My Commission Expires 8/22/81

STATE OF TEXAS  
COUNTY OF Harris

On this 4 day of February 1980, before me personally, appeared Morin M. Scott, Jr. to me known to be the person described in and who executed the foregoing instrument and he acknowledged that he executed the same as his free act and deed.

(SEAL) *Gail M. Bateman*  
Notary Public

GAIL M. BATEMAN  
Notary Public in Harris County, Texas  
My Commission Expires April 9, 1980  
Bonded by Alexander Lovett, Lawyers Surety Corp.

CERTIFICATE OF COMPARISON

I, Tammie Dvorman, a notary in the State of Texas, Harris County, have compared the attached copies of the General Security Agreement dated February 4, 1980 (pertaining to railroad boxcars numbered Youngstown and Southern (Y&S) 2127 and 2128) with the original and find that they are full and complete in all respects.



Tammie Dvorman  
2/11/80

TAMMIE DVORMAN  
Notary Public in and for Harris  
County, Texas  
My Commission Expires 8/22/81