

CHEMLEASE WORLDWIDE, INC.

55 Water Street, Suite 1822
New York, NY 10041

RECORDATION NO. 11508-A Filed 1425

FEB 19 1980 - 3 15 PM February 15, 1980

INTERSTATE COMMERCE COMMISSION

Interstate Commerce Commission
Room 2303
Constitution Avenue at 12th Street, N.W.
Washington, D.C. 20023

RECORDATION NO. 11508 Filed 1425

FEB 19 1980 - 3 15 PM

INTERSTATE COMMERCE COMMISSION

Attention: Ms. Lee

Re: Terminal Grain Corporation

Dear Sirs:

Pursuant to Section 20c of the Interstate Commerce Act and the Commission's rules and regulations thereunder, as amended, I enclose herewith for filing and recordation three copies of each of the following documents:

(1) Security Agreement dated February 15, 1980 between Chemical Business Credit Corp. and Terminal Grain Corporation.

(2) Assignment dated February 13, 1980 between Chemical Business Credit Corp. and ChemLease Worldwide, Inc.

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

(1) Security Agreement:

(a) Secured Party:

Chemical Business Credit Corp.
55 Water Street
New York, N.Y. 10041; and

(b) Debtor:

Terminal Grain Corporation
615 Benson Building
Sioux City, Iowa 51101

(2) Assignment:

(a) Assignor:

Chemical Business Credit Corp.
55 Water Street
New York, N.Y. 10041; and

Handwritten signature: Terminal Grain

(b) Assignee:

ChemLease Worldwide, Inc.
55 Water Street
New York, N.Y. 10041

Pursuant to the Security Agreement, the Debtor has granted to the Secured Party a security interest in the following units of equipment and in certain other collateral described in the Security Agreement:

Twenty-five (25) Trinity Industries Inc. Grain Railroad Hopper Cars, numbered:

TRGX 1051	TRGX 1059	TRGX 1067	TRGX 1075
TRGX 1052	TRGX 1060	TRGX 1068	
TRGX 1053	TRGX 1061	TRGX 1069	
TRGX 1054	TRGX 1062	TRGX 1070	
TRGX 1055	TRGX 1063	TRGX 1071	
TRGX 1056	TRGX 1064	TRGX 1072	
TRGX 1057	TRGX 1065	TRGX 1073	
TRGX 1058	TRGX 1066	TRGX 1074	

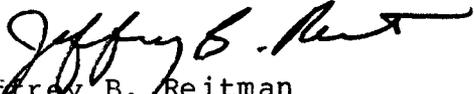
Pursuant to the Assignment, the Assignor has assigned to the Assignee the Assignor's right, title and interest in, to and under the Security Agreement, including its security interest in the above described units of railroad equipment.

Please file and record the Security Agreement and the Assignment, assigning the Assignment the same recordation number as the Security Agreement, cross-indexing said documents one to the other and indexing said documents under the names of the Secured Party, the Assignee, the Debtor and certain lessees of the above described units of railroad equipment.

The enclosed documents are being presented for recordation concurrently with the presentation for recordation of certain other documents to which the Secured Party and the Assignee are also parties, and checks are being presented for the fees for recording all such documents pursuant to 49 CFR 1116.1.

Please stamp all three copies of each of the two enclosed documents and the attached copy of this transmittal letter with your official recording stamp. You will wish to retain two copies of each of the two documents and the original of this transmittal letter for your files. It is

requested that the one remaining copy of each of the two documents and of this transmittal be delivered to the bearer of this letter.


Jeffrey B. Reitman
Vice President and Secretary

JBR:dd
encs.

Interstate Commerce Commission
Washington, D.C. 20423

2/19/80

OFFICE OF THE SECRETARY

Jeffery B. Reitman
Chemlease Worldwide Inc.
55 Water Street Suite 1822
New York, N.Y. 10041

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 3:15pm, and assigned re-
recording number(s). 11508 † 11508-A

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

SE-30
(7/79)

SECURITY AGREEMENT

FEB 19 1980 -3 45 PM

This Security Agreement, dated this 5th day of Feb INTERSTATE COMMERCE COMMISSION
 from TERMINAL GRAIN CORPORATION, Sioux City, Iowa, an Iowa corporation ("Debtor")
 to Chemical Business Credit Corp., formerly ChemLease, Inc., ("Secured Party");

The Debtor and the Secured Party have entered into an Agreement providing for the Secured Party to make a loan to Debtor in the maximum aggregate principal amount of One Million Sixty-Two Thousand Dollars (\$1,062,000.00) to be evidenced by a Secured Note (the "Note" or "Notes") of the Debtor to be dated the date of issue and to be payable in Ninety-six (96) equal successive principal installments of Five Thousand Nine Hundred Dollars (\$5,900.00), plus a final payment of Four Hundred Ninety-Five Thousand Six Hundred Dollars (\$495,600.00). The aforesaid installments shall commence on the _____ day of _____, 1980, and shall be payable on the same day each month thereafter with interest at a rate of 14% per annum, until the note is fully paid.

GRANT OF SECURITY

1.1 The undersigned, TERMINAL GRAIN CORPORATION, Debtor, hereby grants to Chemical Business Credit Corp., formerly ChemLease, Inc., (Secured Party) a security interest in the following described property and all substitutions for, and additions and accessions thereto, and the proceeds thereof (the "Collateral").

Twenty-five (25) Trinity Industries Inc. Grain Railroad Hopper Cars, numbered:

TRGX 1051	TRGX 1059	TRGX 1067	TRGX 1075
TRGX 1052	TRGX 1060	TRGX 1068	
TRGX 1053	TRGX 1061	TRGX 1069	
TRGX 1054	TRGX 1062	TRGX 1070	
TRGX 1055	TRGX 1063	TRGX 1071	
TRGX 1056	TRGX 1064	TRGX 1072	
TRGX 1057	TRGX 1065	TRGX 1073	
TRGX 1058	TRGX 1066	TRGX 1074	

1.2 This Security Agreement is given to secure the payment of the Note or Notes hereinabove described and any future advances made by Secured Party to Debtor on this same Collateral.

DEBTOR HEREBY COVENANTS, REPRESENTS AND WARRANTS AS FOLLOWS:

2.1 The Debtor is the sole owner of the Collateral and the same is free and clear of all security interests, liens, or encumbrances of every nature except the security interest created hereby. Debtor will defend the Collateral against the claims and demands of all persons. Debtor will not create or permit the existence of any lien or security interest or encumbrance other than that created hereby on the Collateral without prior written consent of Secured Party.

2.2 The Debtor's chief place of business is Sioux City, Iowa, and Debtor will immediately advise Secured Party in writing of any change in Debtor's place or places of business, or the opening of any new place of business.

2.3 The proceeds of the indebtedness secured hereby will be used to finance the Collateral, and the Secured Party is hereby authorized to disburse proceeds to Trinity Industries, Inc. in the amount of One Million Sixty-Two Thousand Dollars (\$1,062,000.00) in care of Republic National Bank of Dallas, Dallas, Texas.

2.4 Debtor shall execute from time to time, alone or with Secured Party, any financing statements or other documents and do such other act or acts considered by Secured Party to be necessary or desirable to perfect or protect the security interest herein created, and shall pay all costs and expenses (including, without limitation, reasonable fees and expenses of counsel and filing fees) related to the preparation and filing of any financing statements, continuation statements, or other documents as may be required for the perfection or protection of the security interest hereby created.

2.5 Any and all property described or referred to in the granting clause hereof which is hereafter acquired, shall ipso facto and without any further conveyance, assignment or act on the part of the Debtor or the Secured Party, become and be subject to the security interest herein granted as fully and completely as though specifically described herein.

2.6 Debtor is a resident of Woodbury County, State of Iowa. The Collateral consists of grain railroad hopper cars with its home shop to be Trinity Industries Inc., Dallas, Texas; said equipment shall be used exclusively in Debtor's business and solely in the United States; and Debtor will not permit any substitutions or interchange of the Collateral.

TERMS AND CONDITIONS

3.1 Debtor agrees to comply with any governmental regulation or statute affecting the use of the Collateral and will not commit or permit any act of waste, destruction or injury to the Collateral nor use or permit the use of the Collateral in any unlawful manner. Debtor will keep the Collateral in good repair. Secured Party may inspect the Collateral at reasonable times and intervals and may for this purpose enter the premises upon which the Collateral is located.

3.2 Debtor will not sell, lease or dispose of the Collateral or any interest therein, without the prior written consent of Secured Party.

3.3 Debtor will keep the Collateral continuously insured with such carriers, and in such amounts, and against such risks as shall be reasonably satisfactory to Secured Party, with such form of loss payable clause as designated by, and in favor of, Secured Party. All policies of insurance shall provide for ten days' written notice of cancellation to Secured Party, and Secured Party shall be furnished with duplicate policies or other evidence of compliance with the foregoing provisions. In the event of loss, Secured Party shall have full power to collect any and all insurance upon the Collateral, and then to apply the same at its option to any obligation secured hereby, whether or not matured, or to the restoration or repair of the Collateral.

3.4 Debtor will pay before delinquency all taxes or other governmental charges levied against the Collateral or its operation or use and all assessments upon the Collateral and will pay any tax which may be levied on any obligation secured hereby.

3.5 At its option, and without any obligation to do so, Secured Party may discharge or pay any taxes, assessments, liens, security interests or other encumbrances at any time levied or placed on or against the Collateral or Debtor, and may pay for insurance on the Collateral, and may pay for the Collateral's maintenance and preservation. Any amount so paid, with interest thereon at the maximum rate permitted by law from date of payment until repaid, shall be secured hereby and shall be repayable by Debtor on demand.

3.6 Reference is made to the Note and Security Agreement, dated December 24, 1979, between ChemLease, Inc. and Terminal Grain Corporation, for the financing of railroad cars. Borrower hereby pledges to Chemical Business Credit Corp., formerly ChemLease, Inc., a security interest in the railroad cars described under the Security Agreement, dated December 24, 1979, as further security under this Security Agreement, dated February 5, 1980. In the event that the Note, dated December 24, 1979, is paid in full prior to the repayment in full of the note dated February 5, 1980, or vice versa, the railroad cars set forth in the Security Agreement, dated December 24, 1979 shall be additional collateral security under the Note, dated February 5, 1980, and this Security Agreement.

DEFAULT

4.1 Time is of the essence in this Security Agreement and Debtor shall be in default upon the happening of any of the following: a) Any failure to pay when due the principal and interest, taxes, insurance premiums, or other obligations or charges secured hereby; b) Any failure to perform or observe any term or agreement herein; c) Any representation or warranty made by Debtor herein or any financial statement given by any Obligor (which term includes Debtor, and each signer, endorser, surety and guarantor of the promissory notes secured hereby) to Secured Party as a basis for any extension

of credit secured hereby shall prove to have been incorrect in any material respect;

d) Any obligation of Debtor (other than any obligation secured hereby) for the payment of borrowed money becomes or is declared to be due and payable prior to the express maturity thereof, or any judgment is entered against Debtor exceeding \$250,000.00;

e) Any default in payment or other breach under any obligation due and owing to "Secured Party"; f) If any of Debtor's property shall be seized or levied upon under any legal or governmental process against the Debtor or against his property; or if the Collateral described herein is lost, stolen, substantially damaged, destroyed or unreasonably depreciates in value; or if any equity in the Collateral is assigned without the written consent of Secured Party; g) If any Obligor becomes insolvent or is the subject of a petition in bankruptcy, either voluntary or involuntary, or in any other proceeding under the Federal Bankruptcy Laws; or makes an assignment for the benefit of creditors or is subject to any proceeding for reorganization, arrangement, readjustment of debt, dissolution or liquidation; or if any Obligor is named in, or any of any Obligors' property is subject to, a suit for the appointment of a receiver; or if any Obligor dies or fails to maintain its corporate existence in good standing; or if Secured Party believes that the prospect of payment or performance is impaired.

4.2 Upon the happening of any of the foregoing events of default, the entire indebtedness secured hereby shall, at the option of Secured Party, become immediately due and payable without notice or demand, and Secured Party shall have the immediate right to pursue all remedies provided by law including remedies under the New York Uniform Commercial Code; and without limiting the generality of the foregoing, Secured Party may exercise the following rights and remedies:

a) Secured Party may peaceably, by its own means, or with judicial assistance, enter Debtor's premises and take possession of the Collateral, or render unusable or dispose of the Collateral on Debtor's premises, and Debtor will not resist or interfere with such action; b) Secured Party may require Debtor to assemble all or any part of the Collateral and make it available to Secured Party at any place designated in a notice sent to Debtor within a sixty (60) day period. The only places designated will be Sioux City, Iowa, or anywhere within the State of Iowa; c) Debtor hereby agrees that a notice sent to it by first class mail ten (10) days before the time of any public sale or the time after which any private sale or other disposition of the Collateral is to be made, shall be deemed to be reasonable notice of such sale or other disposition; d) Secured Party may incur reasonable attorneys' fees and legal expenses in exercising its rights and remedies upon default or in protecting or defending the priorities of Secured Party's interests in the Collateral.

Debtor agrees to pay such reasonable attorney's fees and all court costs, expenses of title search, and cost of public officials, all of which shall become part of Secured Party's reasonable expenses of retaking, holding, preparing for sale, selling or the like and shall be part of the debt secured hereby.

MISCELLANEOUS

No failure on the part of the Secured Party to exercise, and no delay in exercising, any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by Secured Party of any right or remedy hereunder preclude any other or future exercise thereof or the exercise of any other right or remedy. This Security Agreement and the rights and obligations of the parties hereunder, including remedies on default, shall be construed and interpreted in accordance with the laws of the State of New York. Any notice or notification required to be given may be given by mailing such notice by first class mail, postage prepaid, to Debtor's address as it appears after Debtor's signature hereto. All the terms, conditions and covenants of this Security Agreement shall inure to the benefit of and bind the successors and assigns of the respective parties hereto.

This Security Agreement may not be changed orally, but only by an agreement in writing and signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

(CORPORATE SEAL)

TERMINAL GRAIN CORPORATION
615 Benson Building
Sioux City, IA 51101

BY: W. E. Pabrow

Title: President

ATTEST: D. K. P. P.

(CORPORATE SEAL)

CHEMICAL BUSINESS CREDIT CORP., formerly
ChemLease, Inc.
55 Water Street
New York, NY 10041

BY: Jeffrey B. Reitman
Title: Jeffrey B. Reitman
Vice President

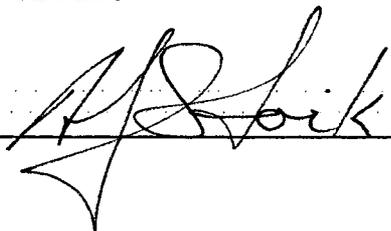
ATTEST: R. D. Zeitlin
R. D. Zeitlin,
Assistant Secretary

CORPORATE ACKNOWLEDGMENT

STATE OF IOWA

COUNTY OF WOODBURY

On this 13 day of February, 1980, before me personally appeared W. E. Palmer, to me known, who, being by me duly sworn, did depose and say that he resides at 3565 Lindenwood, Sioux City, Iowa 51104, that he is the President of Terminal Grain Corporation, the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal, that it was so affixed by authority of the Board of Directors of said corporation, and that he signed his name thereto by like order.



CORPORATE ACKNOWLEDGMENT

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

On this 15th day of February, 1980, before me personally appeared JEFFREY B. REITMAN, to me known, who, being by me duly sworn, did depose and say that he resides at 127 Truxton Road, Dix Hills, New York 11746; that he is a Vice President of CHEMICAL BUSINESS CREDIT CORP., the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal, that it was so affixed by authority of the Board of Directors of said corporation, and that he signed his name thereto by like order.

Dorothy A. Cioffi

DOROTHY A. CIOFFI
Notary Public, State of New York
No. 43-4653996
Qualified in Richmond County
Certificate Filed in New York County
Commission Expires March 30, 1981