



LITTON INDUSTRIES CREDIT CORPORATION

600 Summer Street, P.O. Box 601, Stamford, Connecticut 06904
203 359-2700

June 18, 1980

Interstate Commerce Commission
12th and Constitutional Avenue, N. W.
Washington, D. C. 20423

REGORDATION NO. **11920** Filed 1425

JUN 23 1980 - 10 45 AM

RECEIVED
JUN 23 10 33 AM '80
T.O.O.
FEE OPERATION BR.

ATTENTION: Mrs. Plunkett, Room 2303 INTERSTATE COMMERCE COMMISSION

SUBJECT: ICC Railcar Filing

Debtor: Superior Castings Corp.
4 Meadow Street
Norwalk, CT 06854

Secured Party: Litton Industries Credit
Corporation, 600 Summer Street,
Stamford, Connecticut 06902

Dear Mrs. Plunkett:

Per our recent telephone conversation, Litton Industries Credit Corporation would like to file its lien on the railcar equipment listed below with the Interstate Commerce Commission in Washington, D. C.

The equipment is as follows:

Five (5) New 100 Ton Roller Bearing Model DOT 111 A100 W1
Interior Coiled noninsulated 21,000 gallon capacity Tanker
Railroad Cars manufactured by ACF Industries.

The units are identified by the following unit numbers:

- CALX 5002
- CALX 5004
- CALX 5005
- CALX 5006
- CALX 5007

0-175A028
No.
Date **JUN 23 1980**
Fee \$ **50.00**
ICC Washington, D. C.

Attached per your requirements is a notarized copy of the Security Agreement and Promissory Note between Superior Castings Corporation, Debtor and Litton Industries Credit Corporation, Secured Party along with our check for \$50.00 to cover the filing fees.

Should you have any questions regarding this ICC filing request, please call me directly at 203-359-2700 ext. 388.

Thank you for your past courtesies and assistance in this matter.

Very truly yours,

R. J. Kershaw
Eastern Regional Operations Manager

RJK:dlp

Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

6/26/80

OFFICE OF THE SECRETARY

R.J. Kershaw
Litton Industries Credit Corporation
600 Summer Street, P.O. Box 601
Stamford, Connecticut 06904

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 **6/23/80** at **10:45am**, and assigned re-recording number(s). **11920**

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

SECURITY AGREEMENT

JUN 23 1980 10 45 AM

AGREEMENT, made this 5th day of May, 1980,
IN INTERSTATE COMMERCE COMMISSION

between Superior Castings Corporation,

with its principal place of business at Four Meadow Street,
South Norwalk, Connecticut 06856 (the

"Company"), and Litton Industries Credit Corporation, a Delaware Corporation, with an office at 600 Summer Street, Stamford, Connecticut 06902.

W I T N E S S E T H :

WHEREAS, the Company has entered into a certain Promissory Note in the amount of \$ 353,301.48* of even date herewith (the "Note"), with Litton Industries Credit Corporation (hereinafter referred to as "LICC") pursuant to which the Company has become obligated to make payments upon the terms set forth therein;

*Payment Schedule to be Determined by Addendum A Attached

WHEREAS, in order to induce LICC to make the loan evidenced by the Note the Company has agreed to grant to LICC a security interest in the assets of the Company to be purchased with the proceeds of the loan, said interest to serve as collateral security for the performance of the Company's obligations under the Note and this Agreement;

NOW, THEREFORE, the Company agrees as follows:

1. Security Interest.

To secure the due payment and performance of all indebtedness and other liabilities and obligations of the Company to LICC under, arising out of or in any way connected with the Note and all instruments, agreements, and documents executed, issued, and delivered pursuant thereto, including without limitation, this Agreement (all hereinafter collectively referred to as the "Obligations"), the Company hereby assigns, mortgages, pledges, hypothecates, transfers and sets over to LICC and hereby grants to LICC a first lien upon a security interest in:

(a) Description of Collateral. The tangible personal property described in Exhibit A hereto. And in any and all additions and accessions thereto, all substitutions and replacements therefor, and all products and proceeds thereof of proceeds of insurance thereon (hereinafter called the "Collateral").

2. Representations and Warranties; Covenant to Protect Security Interest Hereunder.

The Company hereby represents and warrants to LICC that:

(a) It has the corporate power, and all necessary corporate and other action has been taken to authorize it, to execute and deliver this Security Agreement and to perform fully and completely all of its obligations and liabilities hereunder;

(b) The execution, delivery and performance by the Company of this Security Agreement will not violate any provision of any existing law or regulation or order or decree of any court, governmental authority, bureau or agency, or of the Certificate of Incorporation or By-Laws of the Company or of any mortgage, indenture, contract or other agreement to which the Company is a party or which is or purports to be binding upon the Company or any of its property or assets and will not result in the creation or imposition of any lien, charge or encumbrance on, or security interest in, any of its properties pursuant to the provisions of such mortgage, indenture, contract or other agreement;

(c) No consent of any other party and no consent, license, approval or authorization of, or registration or declaration with, any governmental authority, bureau or agency is required in connection with the execution and delivery of this Security Agreement or performance by the Company hereunder;

(d) This Security Agreement constitutes a valid obligation of the Company, legally binding upon it and enforceable in accordance with its terms;

(e) This Security Agreement constitutes a valid first lien on and security interest in the Collateral subject to no prior liens, security interests or encumbrances of any kind whatsoever;

(f) The Company will promptly notify LICC of any claim, lien, security interest or other encumbrance made against the Collateral and will defend the Collateral against any such claim, lien, security interest or other encumbrance which is adverse to the security interest granted to LICC hereunder.

(g) The Company has selected both the property (the "Equipment") constituting the Collateral and the supplier thereof and agrees that it has fully inspected the Equipment and has not discovered any defect in, or other proper objection to the Equipment and agrees that it shall be conclusively presumed by the Company and LICC that the Company has fully inspected the Equipment, that the Equipment is in full compliance with the terms of the purchase contract, and in good condition and repair, and that the Company has accepted the Equipment. If Equipment is not properly installed, does not operate as represented or warranted by supplier, or is unsatisfactory for any reason, the Company shall make any claim on account thereof solely against supplier, and shall nevertheless continue the payments on the Note during the term thereof.

3. Location of Collateral and Records.

The Company represents and warrants that the collateral will at all times be located at N/A - Rolling Stock and will not be moved without LICC's prior written consent.

4. Perfection of Security Interest.

The Company will join with LICC in executing one or more financing statements pursuant to the Uniform Commercial Code or other notices appropriate under applicable law in form satisfactory to LICC and will pay the cost of filing or recording the same, or filing or recording this Security Agreement or any other instrument, agreement or document executed and delivered pursuant hereto (including the cost of all federal, state or local mortgage, documents, stamp or other taxes) in all public offices where filing or recording is deemed by LICC to be necessary or desirable.

5. General Covenants.

The Company covenants that it will:

(a) Advise LICC promptly, in sufficient detail, of any substantial change in the Collateral, and of the occurrence of any event which would have a material effect on the value of the Collateral or on the security interest created hereunder;

(b) Comply with all acts, rules, regulations and orders of any legislative, administrative or judicial body or official, applicable to the Collateral or any part thereof or to the operation of the Company's business, provided that the Company may contest any acts, rules, regulations, orders and directions of such bodies or officials in any reasonable manner which will not, in LICC's opinion, adversely affect its rights or the priority of its security interest in the Collateral;

(c) Perform and observe all covenants, restrictions and conditions contained in the Note, as if said covenants, restrictions and conditions were fully set forth in this Agreement and specifically directed to the collateral hereunder.

(d) The Company shall use the Equipment solely in the conduct of its business, and in a careful and proper manner, and shall not part with possession thereof or any part thereof without the prior written consent of LICC.

(e) The Company at its own cost and expense shall keep the Equipment in good repair, condition and working order and shall furnish any and all labor and parts required for that purpose.

(f) The Company shall indemnify LICC against and hold LICC harmless from any and all claims, actions, suits, proceedings, costs, expenses, damages and liabilities, including attorneys' fees, claimed by any person, organization, association or otherwise, arising out of, or relating to the Equipment, including without limitation, the design, manufacture, selection, purchase, delivery, possession, use, operation, and/or condition thereof, latent and/or other defects, whether or not discoverable by the Company and any claim for patent, trademark or copyright infringement.

(g) The Company shall pay all license fees, registration fees, assessments, charges, permit fees and taxes (municipal, state and federal) which may now or hereafter be imposed upon the ownership, leasing, renting, possession, sale or use of the Equipment, excluding however, all taxes on or measured by LICC's income. In case of failure of the Company to pay said license fees, registration fees, assessments, charges, permit fees and taxes (municipal, state and federal), LICC may at its option pay same on behalf of the Company. If LICC pays any such sums, the Company shall immediately remit the amount thereof, as an addi-

tional required payment hereunder, to LICC upon the receipt of a written statement from LICC.

(h) LICC has the right from time to time during reasonable business hours to enter upon the Company's premises, or elsewhere, where the Equipment is located for the purpose of inspection, but LICC shall have no duty to make any such inspection and shall incur no liability by reason of not making same. The Company agrees to cause the Equipment to be operated in accordance with any manufacturer's manuals or instructions by competent and duly qualified personnel only, and in accordance with applicable governmental regulations.

(i) Promptly execute and deliver to LICC such further deeds, mortgages, assignments, security agreements and other instruments, documents, certificates and assurances and take such further action as LICC may from time to time in its discretion deem necessary to perfect, protect or enforce the security interest hereunder in the Collateral or otherwise to effectuate the intent of this Security Agreement and the Note.

6. Assignment of Insurance.

At or prior to the closing of the loan provided for in the Note, the Company shall deliver to LICC copies of, or certificates of the issuing companies with respect to, endorsements of any and all policies of insurance owned by the Company covering or in any manner relating to the Collateral, in amounts, form and substance satisfactory to LICC, naming LICC as an additional insured party as its interest may appear and indicating that the policy will not be terminated, or reduced in coverage or amount, without at least ten (10) days' prior written notice from the insurer to LICC. As further security for the due payment and performance of the Obligations, the Company hereby assigns to LICC, all sums, including returned or unearned premiums, which may become payable under or in respect of any such policy of insurance owned by the Company and the Company hereby directs each insurance company issuing any such policy, at the request of LICC, to make payment of such sums directly to LICC and the Company hereby appoints LICC the Company's attorney in fact and in the Company's or in LICC's name to endorse any check or draft representing any such payment and to execute any proof of claim, subrogation, receipt

and any other document required by such insurance company as a condition to or otherwise in connection with such payment, and (upon the occurrence or continuance of an Event of Default defined in the Note or in this Agreement) to cancel, assign or surrender any such policies. All such sums received by LICC shall be credited by LICC to the Obligations or as otherwise required by applicable law (including without limitation payment of indebtedness owing to holders of subordinate security interest therein if written notification of demand is received before distribution of such sums is completed) and any remainder shall be paid over to the Company.

7. Fixtures.

It is the intent of the Company and LICC that none of the Collateral is or shall be fixtures, as that term is used or defined in Article 9 of the Uniform Commercial Code, and the Company represents and warrants that it has not made and is not bound by any lease or other agreement which is inconsistent with such intent. Nevertheless, if the Collateral or any part thereof is or is to become attached or affixed to any real estate which is not owned by the Company, the Company will, upon request, furnish LICC with a disclaimer or subordination in form satisfactory to LICC of their interests in the Collateral from all persons having an interest in the real estate to which the Collateral is or will be attached or affixed, and the names and addresses of the record owners of, and all other persons interested in, and a general description of the real estate.

8. Events of Default.

Upon the happening or occurrence of any one or more of the following events (hereinafter called Events of Default), LICC shall be entitled to pursue the remedies set forth in Paragraph 9 of this Agreement:

(a) If the Company shall fail or refuse to make any payment under the Note or make any other payment hereunder when due, or

(b) If the Company shall fail or refuse to perform or observe any other covenant herein, for five (5) days after written notice thereof is sent to the Company by LICC, or

(c) If the Company and/or guarantor of any of the Company's obligations shall become insolvent or make an assignment for the

benefit of creditors or apply for or consent to the appointment of a receiver, trustee or liquidator of all or a substantial part of the assets of the Company or any such guarantor, or if such guarantor, or if such receiver, trustee or liquidator is appointed without the application or consent of LICC and/or any such guarantor, or

(d) If the Company and/or any guarantor of the Company's obligations file or suffer the filing against it of a Petition under the Bankruptcy Act or any amendment thereto (including without limitation a petition for reorganization, arrangement or extension) or under any other insolvency law or law providing for the relief of debtors, or

(e) If the Company shall have made or intends to make a bulk transfer of furniture, furnishings, fixtures or other Equipment or inventory, or

(f) If the Company shall suffer the issuance against it of any execution or other writ of process in any action or proceeding whereby the Equipment may be taken or levied upon, or

(g) If any representation or warranty made by the Company in any document or certificate furnished by the Company or any guarantor of any of the Company's obligations hereunder shall prove to be incorrect at any time in any material respect.

9. Rights and Remedies on Default.

(a) In the event of the occurrence of an Event of Default defined in the Note or under this Agreement, LICC shall at any time thereafter, with or without notice to the Company, have the right to foreclose LICC's security interest created herein, as to any or all of the Collateral, by any available judicial procedure, or to take possession of the Collateral without judicial process, and without liability for trespass to enter any premises where the Collateral may be located for the purpose of taking possession of or removing the Collateral, and, generally, to exercise any and all rights afforded to a secured party under the Uniform Commercial Code and other applicable law. Without limiting the generality of the foregoing, LICC shall have the right to sell, lease, or otherwise dispose of all or any part of the Collateral whether in its then condition or after further preparation or

processing, either at public or private sale or at any broker's board, in lots or in bulk, for cash or for credit, with or without warranties or representations, and upon such terms and conditions, all as LICC in its discretion may deem advisable, and it shall have the right to purchase at any such sale; and, if any Collateral shall require rebuilding, repairing, maintenance, preparation, or is in process or other unfinished state, LICC shall have the right, at its option, to do such rebuilding, repairing, preparation, processing or completion of manufacturing, for the purpose of putting the Collateral in such saleable or disposable form as it shall deem appropriate. The Company shall, at LICC's request, assemble the Collateral and make it available to LICC at places which LICC shall select, whether at the Company's premises or elsewhere, and make available to LICC, without rent, all of the Company's premises and facilities for the purpose of LICC's taking possession of, removing or putting the Collateral in saleable or disposable form. The proceeds of any such sale, lease, or other disposition of the Collateral shall be applied as follows:

First, to the expenses of retaking, holding, storing, processing and preparing for sale, selling, and the like, and to the reasonable attorneys' fees and legal expenses incurred by LICC.

Second, to the satisfaction of the Company's Obligations;

Third, to the Company to the extent of the surplus proceeds, if any.

(b) If, in the event of the sale, lease or other disposition of the Collateral, the proceeds thereof are insufficient to pay all amounts to which LICC is legally entitled, the Company will be liable for the deficiency, in accordance with the terms of the Note and this Agreement, and the reasonable fees of any attorneys employed by LICC to collect such deficiency.

(c) To the extent permitted by applicable law, the Company waives all claims, damages and demands against LICC arising out of the repossession, removal, retention or sale of the Collateral.

10. Other Security.

To the extent that the Obligations are now or hereafter secured by property other than the Collateral or by the guarantee, endorsement or property other than the Collateral or by the guarantee, endorsement or property of any other person, firm, corporation, or other entity, LICC shall have the rights, in its discretion, to pursue, relinquish, subordinate, modify or take any other action with respect thereto, without in any way modifying or affecting any of LICC's rights and remedies hereunder.

11. Miscellaneous.

(a) Beyond the safe custody thereof, LICC shall have no duty as to the collection of any Collateral in its possession or control or in the possession or control of any agent or nominee of LICC, or any income thereon or as to the preservation of rights against prior parties or any other rights pertaining thereto.

(b) No course of dealing between the Company and LICC nor any failure to exercise, nor any delay in exercising, on the part of LICC, any right, power or privilege hereunder or thereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

(c) The rights and remedies herein provided and provided in the Note, and all other agreements, instruments, and documents delivered pursuant to the Note are cumulative and are in addition to, and not exclusive of, any rights or remedies provided by law, including, without limitation, the rights and remedies of a secured party under the Uniform Commercial Code. The provisions of this Security Agreement are severable, and if any clause or provision shall be held invalid or unenforceable in whole or in part, then such invalidity or unenforceability shall attach only to such clause or provision, or part thereof, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Security Agreement in any jurisdiction.

12. Successors.

This Security Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of LICC and upon prior written consent of LICC, the successors and assigns of the Company.

13. Term of Agreement.

The term of this Security Agreement shall commence with the date hereof and shall continue in full force and effect and be binding upon the Company until all of the Obligations have been fully paid and performed and such payment and performance has been acknowledged in writing by LICC, whereupon this Security Agreement shall terminate.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed and delivered the day and year first above written.

Attest:

SUPERIOR CASTINGS CORPORATION

(Corporate Seal)

by

C E Aussenhofer
C E Aussenhofer
President

Attest:

LITTON INDUSTRIES CREDIT CORPORATION

Rudaw Best Press

(C. E. Aussenhofer)
Subscribed and sworn to before me in Norwalk, Connecticut this sixteenth day of June 1980.

Ralph B. Sperry
Ralph B. Sperry, Notary Public

My commission expires March 31, 1982

PROMISSORY NOTE

DATE 5/5/80

FOR VALUE RECEIVED, the undersigned promises to pay to the order of Litton Industries Credit Corporation Three hundred fifty-three thousand three hundred one dollars and 48/100*
(Total Balance to Be Paid)

Dollars (\$353,301.48*).

Payable at the office of Litton Industries Credit Corporation (hereinafter called Payee) 600 Summer Street, P. O. Box 601, Stamford, Connecticut. 06904 or at such other place as Payee or the holder hereof may designate, in 84 consecutive monthly instalments of Four thousand two hundred five dollars and 97/100*

Dollars (\$4,205.97*) each except the final instalment which shall be _____ Dollars

(\$ _____) the first instalment being payable June 1
(Month) (Day)
1980 with the balance of instalments payable on even date
(Year)

of each succeeding month thereafter until this note is fully paid. If any instalment is not paid within ten (10) days after due date, Maker agrees to pay a late charge of five cents (5¢) per dollar on, and in addition to the amount of said instalment, but not exceeding the maximum lawful charges.

The obligation evidenced by this note is secured by a security agreement of even date herewith, made by the Maker and encumbering certain property described therein.

Maker agrees that the entire unpaid balance of this note shall become due and payable at the option of the holder hereof with interest thereon at the rate of twelve per cent (12%) per annum from such accelerated maturity until paid, but not exceeding the lawful maximum if any, upon the failure of the Maker to make payment of any amount due hereunder within 10 days after same becomes due and payable or upon the happening of any of the events of default or other breach of any terms and conditions contained in the security agreement of even date herewith, and all of the provisions of such instrument are incorporated herein by this reference and form a part hereof.

The undersigned and all endorsers or any others who may at any time become liable for the payment hereof hereby consent to any and all extensions of time, renewals, waivers or modifications or substitutions or releases of security that may be granted or consented to by the Payee or holder hereof with regard to time of payment of this note or any other provision hereof. The undersigned and all endorsers hereby severally waive presentment, demand for payment, protest and notice of protest, notice of dishonor and all other notices in connection with this note and agree to pay, if permitted by law, all expenses incurred in collection, including an attorney's fee of 15 per cent of the amount then due if placed with an attorney for collection, or if prohibited by law, such lesser sum as may not be so prohibited and hereby waive all benefits of valuation, appraisal and exemption laws.

*Payment Schedule to be Determined by Addendum A Attached

By [Signature] (Seal)

Witness _____

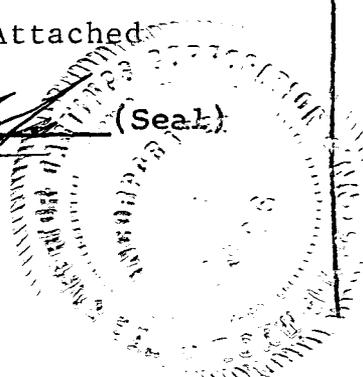


EXHIBIT A
DESCRIPTION OF COLLATERAL

Exhibit A to Promissory Note dated May 5 1960
between Litton Industries Credit Corporation and Superior
Castings Corporation attached hereto and made a part hereof.

Five (5) New 100 Ton Roller Bearing Model DOT 111 A100 W1
Interior Coiled Non-insulated 21,000 Gallon Capacity Tanker
Railroad Cars manufactured by ACF Industries.

The units shall be identified by the following unit numbers:

- CALX 5002
- CALX 5004
- CALX 5005
- CALX 5006
- CALX 5007

LITTON INDUSTRIES CREDIT CORPORATION

BY: [Signature]

TITLE: [Signature]

DATE: 5/12/60

SUPERIOR CASTINGS CORPORATION

BY: [Signature]

TITLE: President

DATE: 5/5/60