

96 13

NEW NUMBER

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

ROBERT W. ALVORD*
CHARLES T. KAPPLER
JOHN H. DOYLE*
GEORGE JOHN KETO*
RICHARD N. BAGENSTOS
JAMES C. MARTIN, JR.*

* ALSO ADMITTED IN NEW YORK
* ALSO ADMITTED IN OHIO
* ALSO ADMITTED IN MARYLAND

LAW OFFICES
ALVORD AND ALVORD

200 WORLD CENTER BUILDING
918 SIXTEENTH STREET, N.W.
WASHINGTON, D.C.
20006-2973
(202) 393-2266

OF COUNSEL
URBAN A. LESTER

CABLE ADDRESS
"ALVORD"

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440367 A AND A

TELEFAX
(202) 393-2156

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RECORDATION NO _____ FILED 1423

March 9, 1989

MAR 9 1989 - 12 20 PM

INTERSTATE COMMERCE COMMISSION

Ms. Noretta R. McGee
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

9-068A034

Date 3/9/89

Fee \$ 13

ICC Washington, D.C.

Dear Ms. McGee:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two (2) fully executed original copies of a Security Agreement and Assignment dated as of February 28, 1989, a primary document as defined in the Commission's Rules for the Recordation of Documents, 49 C.F.R. Section 1177.1(a).

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

Secured Party: IBJ Schroder Leasing Corporation
One State Street
New York, New York 10004

Debtor: Greenbrier Railcar, Inc.
One Centerpointe Drive, Suite 200
Lake Oswego, Oregon 97035

A description of the railroad equipment covered by the enclosed document is set forth in Schedule I attached hereto and made a part hereof.

Also enclosed is a check in the amount of \$13 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return a stamped copy of the enclosed document to Charles T. Kappler, Esq., Alvord and Alvord, 918 Sixteenth Street, N.W., Washington, D.C. 20006.

CT. Kappler

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Ms. Noreta R. McGee
Secretary
Interstate Commerce Commission
March 9, 1989
Page Two

A short summary of the enclosed primary document to appear in the Commission's Index is:

Security Agreement and Assignment dated as of February 28, 1989 between IBJ Schroder Leasing Corporation, Secured Party, and Greenbrier Railcar, Inc., Debtor, covering 14 70-ton, 50-foot single door high cube boxcars, AAR Mechanical Designation XP, bearing VCY marks and numbers 659504, 659506, 659507, 659514, 659538, 659572, 659573, 659597, 61143 and 61145 through 61149, both inclusive.

Very truly yours,


Charles T. Kappler

Enclosures

SCHEDULE I

DESCRIPTION OF CARS

14 70-ton, 50-foot single door high cube boxcars with center of car cushioning. Mechanical description XP. AAR clearances Plate F cars built during 1967, bearing the following numbers:

VCY 659504	VCY 659597
VCY 659506	VCY 61143
VCY 659507	VCY 61145
VCY 659514	VCY 61146
VCY 659538	VCY 61147
VCY 659572	VCY 61148
VCY 659573	VCY 61149

SECURITY AGREEMENT AND ASSIGNMENT

ICC Copy
16233
RECORDATION NO. _____ FILED MAR 9 1989 - 12 20 PM
INTERSTATE COMMERCE COMMISSION

GREENBRIER RAILCAR, INC., a Delaware Corporation, having its principal place of business at One Centerpointe Drive, Suite 200, Lake Oswego, Oregon 97035 (hereinafter called the "Debtor"), and IBJ SCHRODER LEASING CORPORATION, having its principal place of business at One State Street, New York, New York 10004 (hereinafter called the "Secured Party"), agree as follows:

I. Creation of Security Interest. Debtor hereby assigns and grants to Secured Party a continuing first mortgage and security interest in the collateral described in paragraph II hereof to secure payment and performance of Debtor's obligations and indebtedness to Secured Party under the Loan Agreement of even date herewith (the "Loan Agreement") between the Debtor and the Secured Party, whether now existing or hereafter incurred.

II. Collateral. The collateral is:

(a) the railroad cars described on Schedule I attached hereto ("Equipment");

(b) the Lease Agreement between the Debtor, as lessor, and Ventura County Railway Company, as lessee (the "Lessee") relating to the Equipment (the "Lease"), as the same may be amended, all rentals and other sums payable thereunder, and the right to exercise Lessor's remedies under the Lease;

(c) any and all proceeds from the Collateral as set forth in paragraphs (a) and (b) of this Article II.

III. Debtor's Obligations.

(a) without the prior written consent of the Secured Party, Debtor shall not sell, secrete, mortgage, assign, transfer, lease, sublet, lend, part with possession of or encumber the Collateral or any portion thereof, or permit liens or charges to be effective thereon, or permit or attempt to do any of the acts aforesaid except as provided for in the Loan Agreement.

(b) Debtor shall procure and maintain at its expense such physical loss, public liability and other insurance as Secured Party may require, for the duration of this Security Agreement, which policies shall name Secured Party as its interest may appear.

(c) Debtor will pay and perform when due all its obligations with respect to all of the Collateral, including those referred to in Section 4 of the Lease ("Maintenance, Repairs and Administration").

IV. Default; Remedies. If Debtor defaults in any of the terms or conditions of this Security Agreement or if an Event of Default under the Loan Agreement shall have occurred and be continuing,

(a) Secured Party shall have all the rights and remedies afforded by applicable law, including the Uniform Commercial Code, including, without limitation, the right to sell, or transfer title to, the Equipment, and the Debtor hereby grants to Secured Party an irrevocable power of attorney, coupled with an interest, to convey title to the Equipment, in the name and on behalf of the Debtor, upon the occurrence of any such Event of Default.

(b) Without limiting the foregoing, Secured Party may, in Secured Party's sole discretion, (i) notify the Lessee to pay directly to Secured Party all rentals and other amounts then and thereafter payable to Debtor under the Lease (and so notify any other agency or party who is responsible to make any such payments whether as obligor, paying agent or otherwise), and (ii) negotiate, compromise, sue for and settle any claims for such sums.

(c) The Debtor hereby appoints the Secured Party the Debtor's attorney-in-fact, with full authority in the place and stead of the Debtor and in the name of the Debtor or otherwise, from time to time in the Secured Party's discretion, if an Event of Default shall have occurred hereunder or under the Loan Agreement, to take any action and to execute any instrument which the Secured Party may deem necessary or advisable to accomplish the purposes of this Security Agreement.

V. Miscellaneous.

(a) None of the provisions of this Agreement may be changed, modified or waived except by a writing signed by the Debtor and the Secured Party.

(b) If any covenant or other provisions of this Agreement shall be invalid, illegal or incapable of enforcement by reason of any rule or law or public policy, all other covenants and provisions hereof shall nevertheless remain in full force and effect and no covenant or provision shall be deemed dependent upon any other covenant or provision.

(c) Terms used in this Agreement which are defined in the Uniform Commercial Code in force in the State of New York at the date of the execution of this Agreement shall have the same meaning as set forth therein.

(d) This Agreement has been executed in conformity with and shall be governed by the laws of the State of New York.

(e) This Agreement shall inure to and be binding upon the successors and assigns of the respective parties hereto.

(f) The Secured Party is hereby authorized to file Financing Statements to perfect its security interest in the Collateral without execution by the Debtor.

(g) Notice sent to the Debtor at his address as it appears herein by Federal Express or other overnight delivery service or by FAX or similar medium ten days before any sale of the Collateral shall constitute reasonable notice to the Debtor;

(h) Secured Party's reasonable attorney's fees and other expenses incurred in pursuing, searching for, receiving, storing, advertising, refurbishing, and selling, leasing or otherwise disposing of the Collateral shall be payable by the Debtor and may also be recovered from the proceeds of the sale or other disposition of the Collateral.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the 28 day of FEBRUARY, 1989.

GREENBRIER RAILCAR, INC. ("DEBTOR")

By: Wopius M. Webb
Title: Vice President

IBJ SCHRODER LEASING CORPORATION
("Secured Party")

By: Michael C. Lewis
Title: PRESIDENT

ACKNOWLEDGMENT

State of Oregon)
) ss:
County of Clackamas)

On this February 24, 1989 before me personally appeared Norriss M. Webb, to me personally known, who being by me duly sworn, says that he is the Vice President of Greenbrier Railcar, Inc., that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Seal)

Jane E. Hudson
Signature of Notary Public

My commission expires 5/28/90

ACKNOWLEDGMENT

State of New York)
)
County of New York) SS:

On this FEBRUARY 28, 1989 before me personally appeared Michael C. Quadro, to me personally known, who being by me duly sworn, says that he is the President and Chief Executive Office of IBJ Schroder Leasing Corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Seal)

Helen B. Emmerich
Signature of Notary Public

My commission expires _____

HELEN B. EMMERICH
NOTARY PUBLIC, State of New York
No. 41-485608
Qualified in Queens County
Certificate Filed in New York County
Commission Expires March 31, 1990

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SCHEDULE I

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