

SIDLEY & AUSTIN
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

ONE FIRST NATIONAL PLAZA
CHICAGO, ILLINOIS 60603
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TELEX 25-4364

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LOS ANGELES, CALIFORNIA 90067
213: 553-8100 TELEX 18-1391

520 MADISON AVENUE
NEW YORK, NEW YORK 10022
212: 418-2100 TELEX 97-1696

1722 EYE STREET, N.W.
WASHINGTON, D.C. 20006
202: 429-4000 TELEX 89-463

31 ST. JAMES'S SQUARE
LONDON, SW1Y 4JR, ENGLAND
44-1: 930-5596 TELEX 21781

P.O. BOX 190
MUSCAT, SULTANATE OF OMAN
968: 722-411 TELEX 5266

P.O. BOX 4619
DEIRA, DUBAI-U.A.E.
9714-283194 TELEX 47216

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SINGAPORE 0106
65: 224-5000 TELEX 28754

P.O. BOX 8650
RIYADH, SAUDI ARABIA
966-1-463-4160 TELEX 204947

SIDLEY & AUSTIN & NAGUIB
AHMED NESSIM STREET, 3
GIZA, CAIRO, EGYPT
202: 729-499 TELEX 93750

July 6, 1984

14364
RECORDATION NO. _____ Filed 14364

Mr. James H. Bayne
Secretary
Interstate Commerce Commission
Washington, D.C. 20423
JUL 9 1984 12:35 PM
INTERSTATE COMMERCE COMMISSION

Re: Document for Recordation

Dear Secretary:

I have enclosed an original and one copy of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a chattel mortgage, a primary document, dated June 26, 1984.

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

(1) Mortgagor:

Chemical Enterprises, Inc.
8582 Katy Freeway
Suite 202
Houston, Texas 77024
Attn: Gary D. McSwain

(2) Mortgagee:

Security Pacific Business Credit, Inc.
2929 Southland Center
400 North Olive
Dallas, Texas 75201
Attn: William R. Bradford

RECEIVED

JUL 9 12 30 PM '84

FEE OPERATION BR
I.C.C.

4-191A030

No.
Date ... JUL 9 1984 ...
Fee \$... 10.00 ...

CC Washington, D. C.

Mr. James H. Bayne
July 6, 1984
Page Two

The chattel mortgage covers 25 railroad tank cars, all of which are DOT Classification 111A60ALW1. The serial numbers of the equipment covered by the document are the following:

CLEX	10001
CLEX	10002
CLEX	10003
CLEX	10004
CLEX	10005
CLEX	10006
CLEX	10007
CLEX	10008
CLEX	10009
CLEX	10010
CLEX	10011
CLEX	10012
CLEX	10013
CLEX	10014
CLEX	10015
CLEX	10016
CLEX	10017
CLEX	10018
CLEX	10019
CLEX	10020
CLEX	10021
CLEX	10022
CLEX	10023
CLEX	10024
CLEX	10025

A fee of \$50.00 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to the attorneys for the mortgagee, Sidley & Austin, One First National Plaza, Chicago, Illinois 60603, Attention: Thomas P. Brown.

A short summary of the document to appear in the index follows:

Chattel Mortgage between Mortgagor, Chemical Enterprises, Inc., 8582 Katy Freeway, Suite 202, Houston, Texas 77024, Attention: Gary D. McSwain and Mortgagee, Security Pacific Business Credit, Inc. 2929 Southland Center,

SIDLEY & AUSTIN

CHICAGO 60603

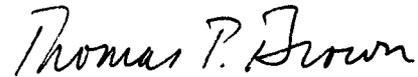
Mr. James H. Bayne

July 6, 1984

Page Three

400 North Olive, Dallas 75201, Attention:
William R. Bradford, covering 25 railroad
tank cars, serial numbers CLEX 10001
through CLEX 10025.

Very truly yours,



Thomas P. Brown

TPB:dls
Enc.

Interstate Commerce Commission
Washington, D.C. 20423

7/9/84

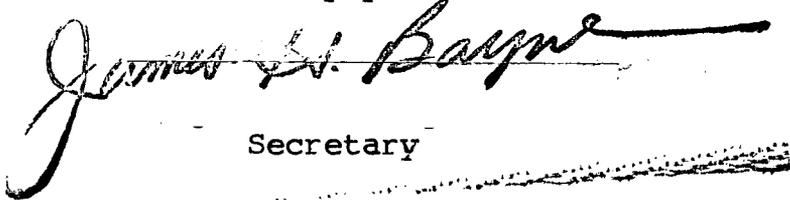
OFFICE OF THE SECRETARY

Thomas P. Brown
Sidley & Austin
One First National Plaza
Chicago, Illinois 60603

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 7/9/84 at 12:35pm and assigned re-
recording number(s). 14364

Sincerely yours,


Secretary

Enclosure(s)

14364

RECORDATION NO. _____ Filed 1425

CHATTEL MORTGAGE

JUN 9 1984 : 12:35 PM

INTERSTATE COMMERCE COMMISSION

THIS CHATTEL MORTGAGE dated as of June 26, 1984 from CHEMICAL ENTERPRISES, INC., a Texas corporation (hereinafter called "Mortgagor"), to SECURITY PACIFIC BUSINESS CREDIT, INC., with an office located at 2929 Southland Center, 400 North Olive, Dallas, Texas 75201 (hereinafter called "Mortgagee"), pursuant to the Loan and Security Agreement of even date herewith (hereinafter called the "Agreement") between Mortgagee and Mortgagor.

Mortgagor, for and in consideration of Ten Dollars (\$10), the receipt and sufficiency of which is hereby acknowledged, and of the "Obligations" (as defined in the Agreement) and other matters hereinafter mentioned, does hereby grant, sell, mortgage and convey unto Mortgagee, its successors and assigns, the units of railroad equipment listed in the attached Schedule A hereto which are now owned by Mortgagor, together with any and all units of railroad equipment substituted therefor pursuant to the written consent of Mortgagee, all additions, accessories, parts, improvements and equipment owned by Mortgagor which are now or hereafter affixed to any of such units, all substitutes therefor and all products and proceeds therefrom (all being hereinafter collectively called the "Units");

TO HAVE AND TO HOLD the Units unto Mortgagee, its successors and assigns, to its and their sole use forever;

PROVIDED that the Units are granted, sold, mortgaged and conveyed hereunder as security for the payment and performance by Mortgagor of all the Obligations;

AND PROVIDED FURTHER that if Mortgagor, or its successors and assigns, shall pay and perform all the Obligations, then this Chattel Mortgage shall be void; otherwise this Chattel Mortgage shall remain in full force and effect.

Mortgagor hereby represents and warrants that it has or will have and will at all times continue to have good and marketable title to the Units, free and clear of all claims, liens, security interests and encumbrances (other than this Chattel Mortgage) by or in favor of any person and that it will defend such title against the claims and demands of all persons whomsoever.

Mortgagor shall comply in all respects with all laws (including, without limitation, laws with respect to the use, maintenance and operation of each Unit) of the

jurisdictions in which operations involving the Units may extend, with the interchange rules of the Association of American Railroads, with all lawful rules of the United States Department of Transportation, the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Units and with all provisions of the insurance policies carried by Mortgagor pursuant to the Agreement; and, in the event that such laws, rules or provisions require any alteration, replacement, addition or modification of or to any part of any Unit, Mortgagor shall conform therewith at its own expense; provided, however, that Mortgagor may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of Mortgagee, adversely affect the property or rights of Mortgagee under this Chattel Mortgage.

Mortgagor shall pay all costs, expenses, taxes, fees and charges incurred in connection with the ownership, use and operation of the Units. Mortgagor, at its own cost and expense, shall maintain and service, or cause to be maintained and serviced, each of the Units so as to keep it in the same operating condition, order, repair and appearance as it was when it first became subject to this Chattel Mortgage, ordinary wear and tear excepted; and at all times during the term hereof, each Unit, other than track compressors and maintenance cars, shall be suitable for use in interchange. Mortgagor, at its own cost and expense and within a reasonable period of time, shall also replace all parts of any Unit that may have become worn out, lost, stolen, confiscated, destroyed or otherwise rendered permanently unfit for use with appropriate replacement parts, which shall be free and clear from any mortgage, lien, charge, security interest or encumbrance except for those created by this Chattel Mortgage and personal property tax liens which may attach under Texas law, provided that Mortgagor has adequate reserves to ensure payment of such personal property taxes when due.

Mortgagor, at its own costs and expense, may at its option furnish additions, modifications and improvements to the Units. All such additions, modifications and improvements shall remain the property of Mortgagor, but shall be subject to the lien of this Chattel Mortgage. Mortgagor shall not, however, without the prior written consent of Mortgagee, alter any Unit, or affix or install any accessories or devices on any Unit, if the same shall impair the originally intended function or use of such Unit or shall diminish its commercial value.

Mortgagor hereby covenants and agrees that, if there shall occur and be continuing an "Event of Default" (as described in the Agreement), then, and in any such event, Mortgagee, or its successors or assigns, shall thereupon have the right to take immediate possession of the Units, or any portion thereof, and for that purpose may pursue the same wherever any of the Units may be found and may enter any of the premises or Mortgagor with or without force or process of law wherever any of the Units may be located, and Mortgagee shall have the right to take possession of the Units, or any of them, keep and store the same until sold or remove and sell and dispose of the same at public or private sale to the extent permitted by law, at one or more sales, as an entirety or in parcels, or in lieu of or in addition to exercising the power of sale hereinabove given, to proceed by a suit or suits in equity or at law, whether for the specific performance of any covenant or agreement herein granted, or for any foreclosure hereunder, or for the sale of the Units, or any of them, under the judgment or decree of any court or courts of competent jurisdiction. To the full extent that Mortgage may lawfully do so, Mortgagor agrees that it will not at any time claim the benefit of any stay, extension, appraisalment, redemption or similar law now or hereafter in force.

Mortgagee shall be entitled to reimbursement from the proceeds of any such sale or foreclosure for all costs and charges incurred by it or its agents or attorneys in taking, removing, keeping, storing and selling the Units, including any and all attorneys' fees and other costs and expenses incurred in connection with any such foreclosure or sale. Any surplus remaining after reimbursement for such costs and expenses and after payment of the Obligations shall be paid to Mortgagor.

All rights and remedies of Mortgagee hereunder are cumulative, and no delay on the part of Mortgagee in the exercise of any such right or remedy shall operate as a waiver thereof, and no single or partial exercise by Mortgagee of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy.

This Chattel Mortgage shall be governed by the laws of the State of Texas, but the parties shall be entitled to all rights conferred by 49 United States Code §11303(a).

IN WITNESS WHEREOF, Mortgagor, pursuant to due corporate authority, has caused this Chattel Mortgage to be signed in its name by duly authorized officers and its

corporate seal to be hereunder affixed and duly attested, all as of the date first above written.

CHEMICAL ENTERPRISES, INC.

By *Dallas Cantwell*
Dallas Cantwell,
President

Attest:

Betty S. Cantwell
secretary

(Corporate Seal)



STATE OF TEXAS)
COUNTY OF Harris) SS

On this 26th day of June, 1984, before me personally appeared, Dallas Cantwell, to me personally known, who, being by me duly sworn, said that he is President of CHEMICAL ENTERPRISES, INC., that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument 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 instrument was the free act and deed of said corporation.

Margaret S. Heibel
Notary Public

(Notarial Seal)

My Commissions expires:

Oct 31, 1984

SCHEDULE A
TO
CHATTEL MORTGAGE

Dated June 26, 1984

<u>Railcar Description</u>	<u>Identification Number</u>
Tank Car	CLEX 10001
Tank Car	CLEX 10002
Tank Car	CLEX 10003
Tank Car	CLEX 10004
Tank Car	CLEX 10005
Tank Car	CLEX 10006
Tank Car	CLEX 10007
Tank Car	CLEX 10008
Tank Car	CLEX 10009
Tank Car	CLEX 10010
Tank Car	CLEX 10011
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Tank Car	CLEX 10025