

MELROD, REDMAN & GARTLAN 14373

A PROFESSIONAL CORPORATION

RECORDATION NO. Filed 1425

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JUL 17 1984 -2 15 PM

INTERSTATE COMMERCE COMMISSION

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INTERSTATE COMMERCE COMMISSION

July 17, 1984

*NOT ADMITTED IN D. C.

WRITER'S DIRECT DIAL NUMBER

(202) 822-5415

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14373 B

JUL 17 1984 -2 15 PM

Mrs. Lee
Secretary's Office
Interstate Commerce Commission
12th Street and Constitution Avenue
Washington, D.C. 20423
INTERSTATE COMMERCE COMMISSION

Re: Filing of Master Lease between Chancellor
Asset Corporation as Trustee of Deerfield
Trust, as Lessor, and Soltex Polymer Corp-
oration, as Lessee, dated June 1, 1984

Dear Mrs. Lee:

Chancellor Asset Corporation, as Trustee for
Deerfield Trust ("Chancellor") is the owner of 67 ELTX 600-
666 railroad cars (the "railroad cars"). Chancellor granted
Greycas, Inc. a security interest in the railroad cars in
accordance with a Chattel Mortgage and Security Agreement
dated May 17, 1984.

On June 1, 1984 Chancellor leased the railroad
cars to Soltex Polymer Corporation. Greycas, Inc. agreed
to the lease per an Assignment and Agreement dated May 17,
1984.

Accompanying this letter are:

1) Two executed and notarized Chattel Mortgage
and Security Agreements with Exhibits A through D attached
thereto;

4-199A023

No.
Date JUL 17 1984
Fee \$ 30.00

ICC Washington, D. C.

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FEE OPERATION BR
I.C.C.

RECEIVED

Ellen Slavinson
May Ellen Slavinson

MELROD, REDMAN & GARTLAN
A PROFESSIONAL CORPORATION

Mrs. Lee
Page Two
July 17, 1984

2) Two executed and notarized Assignments and Agreement.

3) One original and one duplicate original lease and Schedule A thereto between Chancellor and Soltex Polymer Corporation.

Sincerely,

Mary Ellen Slavinskis
Mary Ellen Slavinskis
Legal Assistant

MES:plw
Enclosure
cc: Jerry M. Hamovit, Esq.
William Poster, Esq.

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INTERSTATE COMMERCE COMMISSION
ASSIGNMENT AND AGREEMENT

389150:5/cm

THIS ASSIGNMENT AND AGREEMENT ("**Assignment**") entered into as of May 17, 1984 between CHANCELLOR ASSET CORPORATION, AS TRUSTEE FOR DEERFIELD TRUST ("**Assignor**") and GREYCAS, INC. ("**Assignee**").

WITNESSETH:

WHEREAS, Assignor, as Borrower, and Assignee, as Lender, did enter into a certain Mortgage and Security Agreement ("**Mortgage**"), dated as of the date hereof providing for the loan by Lender to Borrower therein set forth secured by a Security Interest in certain collateral including, inter alia, equipment ("**Equipment**") described in the Mortgage; and

WHEREAS, Assignor desires to enter into or has entered into Schedule A to a Master Lease Agreement ("**Lease**") with SOLTEX POLYMER CORPORATION ("**Lessee**") for the Equipment specified in said Lease; and

WHEREAS, Assignee is willing to consent to the aforementioned Lease if (i) Assignor will continue to remain responsible and liable under the Mortgage for the full and complete performance of all of Assignor's obligations thereunder as Borrower and (ii) Assignor assigns to Assignee the Lease as herein provided.

NOW, THEREFORE, Assignor and Assignee hereby mutually covenant and agree as follows:

1. GRANT. Assignor does hereby grant, sell, transfer and assign to Assignee all of the right, title and interest of Assignor in and to the Lease and any and all other leases of the Equipment now existing or hereafter arising together with all rentals, payments, income, profits and insurance proceeds ^(**"Payments"**) except for indemnification payments resulting from Lessee's failure to comply with Section 7 of the Lease, now due and which may hereafter become due to Assignor by virtue of said Lease and Assignor hereby irrevocably appoints Assignee as Assignor's true and lawful attorney in its name and stead (with or without taking possession of the Equipment), to enforce said Lease and to collect all of said Payments. *WSP*

2. SECURITY. This Assignment is for the purpose of securing:

- (a) Payment in full of all sums together with interest thereon becoming due and payable to Assignee under the provisions of the Mortgage and the **Documents** (as defined in the Mortgage) or hereof; and
- (b) Performance and discharge of each and every obligation, covenant, condition and agreement of Assignor contained herein and in said Mortgage and Documents.

3. REPRESENTATIONS AND WARRANTIES. Assignor represents and warrants to Assignee that:

- (a) Notwithstanding this Assignment, and the exercise by Assignee of any rights assigned hereunder, Assignor will nevertheless, at all times for the duration of the Lease at its sole cost and expense (i) remain fully obligated and liable under the Mortgage and the Documents and faithfully abide by, perform and discharge each and every obligation, covenant, condition and agreement of Assignor and (ii) use reasonable diligence to enforce or secure the performance of each and every obligation, covenant, condition, and agreement of the Lease to be performed by Lessee.

(b) No Payment under the Lease has been or will be forgiven, released, reduced or discounted, or otherwise discharged or compromised by Assignor.

(c) Assignor is the sole party entitled to receive said Payments, and to enjoy all the other rights and benefits mentioned herein and the same have not been heretofore nor will they be hereinafter except pursuant to Section 11.2 of the Mortgage granted, sold, transferred or assigned by Assignor and Assignor has the right to grant, sell, transfer and assign the same and to grant and confer upon Assignee the rights, interest, powers and/or authority herein granted and conferred.

(d) Assignor will not modify, alter or amend the Lease without the written consent of Assignee thereto being first obtained.

(e) (i) Assignor has the full power and legal right to make this Assignment and all proceedings necessary to authorize this Assignment have been taken; (ii) the Lease is in full force and effect, all Equipment has been delivered to and accepted by the Lessee pursuant to the Lease and neither Assignor nor Lessee is in default thereunder; (iii) the Mortgage is in full force and effect and Assignor is not in default thereunder; (iv) the Lease is valid, binding and enforceable against Assignor and Lessee in accordance with its terms; (v) the Mortgage is valid, binding and enforceable against Assignor in accordance with its terms; and (vi) Lessee has consented to this Assignment, by the execution of the Acknowledgment, attached hereto as Exhibit A and made a part hereof.

(f) Assignor will execute and deliver, immediately upon the request of Assignee, all such further assurances of assignment of the Lease as Assignee shall from time to time require, and will pay all recording and filing fees or other charges that may be incident to or may arise out of the recording of the same or of this Assignment. Assignor will execute upon request any and all instruments requested by Assignee to carry this Assignment into effect or to accomplish any other purposes deemed by Assignee to be necessary or appropriate in connection with this Assignment.

4. EXERCISE OF RIGHTS. (a) Although it is the intention of the parties that this Assignment shall be a present assignment, it is understood and agreed that Assignee will not exercise any of its rights and powers hereunder with the exception of receiving rental payments under the Lease directly from Lessee until and unless there shall occur an **Event of Default** (as defined in the Mortgage) or a default in the performance of any obligation, covenant, condition or agreement hereunder.

(b) If an Event of Default shall occur or there shall occur a default in the performance of any obligation, covenant, condition or agreement hereunder, not cured as provided herein and therein, Assignee may, at its option (i) enforce any and all of Assignee's rights and remedies under the Mortgage, and/or (ii) take such action it deems proper or necessary to collect the Payments from Lessee and to retain use and enjoy same. In furtherance thereof, Assignee may make, cancel, enforce or modify the Lease, and do any acts or things which Assignee deems proper to protect the security hereof, and may in its own name or Assignor's name, sue for or otherwise collect and receive the Payments, including those past due and unpaid, and apply the same in accordance with the provisions of this Assignment.

(c) Assignee in the exercise of the rights and powers conferred upon it by this Assignment shall have the full power to hold, use and apply all of the Payments, to the payment of or on account of any sums due under the Mortgage and the Note(s) referred to therein and any cost and expense of collection, including reasonable attorneys' fees, all in such order as Assignee in its sole discretion may determine.

5. NO LIABILITY OF ASSIGNEE. This Assignment shall not operate to increase Assignee's obligations or liabilities or decrease Assignee's rights and remedies under the Mortgage. In the exercise of the powers herein granted to Assignee, no liabilities shall be

asserted or enforced against Assignee, all such liabilities being herein expressly waived and released by Assignor. Assignee shall not be responsible for any loss, liability or damage under the Lease, or under or by reason of this Assignment. Should Assignee incur any such liability, loss or damage or in the defense of any claims or demands whatsoever asserted against Assignee under the Lease or under or by reason of this Assignment, the amount thereof, including costs, expenses and attorneys' fees, shall be additional sums secured hereby, shall bear interest at the **Overdue Rate** specified in the Mortgage and Assignor agrees that it shall reimburse Assignee therefor immediately upon demand.

6. **NATURE OF REMEDIES.** The remedies herein set forth shall be deemed special remedies given to Assignee and shall not be deemed exclusive of any other remedies granted in the Mortgage, the Documents or by law, which shall be cumulative with the remedies herein granted. Any right or remedy exercised hereunder by Assignee including, without limitation, the collection of the Payments and the application thereof as aforesaid shall not cure, modify or waive any default or any notice thereof under the Mortgage or invalidate any act done pursuant to such notice. No delay or failure of Assignee to exercise any right or remedy hereunder or under the Mortgage, or under the Lease, shall be deemed to be a waiver thereof and the single or partial exercise by Assignee of any right or remedy hereunder, under the Mortgage, the Documents or the Lease shall not preclude other or further exercise thereof or the exercise of any other right of remedy at any time.

7. **CROSS DEFAULT.** Any default by Assignor in the performance of any obligation, covenant, condition or agreement herein contained shall at Assignee's option, constitute and be deemed an Event of Default under the terms of the Mortgage entitling Assignee to every and all rights and remedies contained therein.

8. **BINDING.** This Assignment and each and every covenant, agreement and other provision hereof shall be binding upon Assignor and its successors and assigns and shall inure to the benefit of Assignee and its successors and assigns.

9. **DURATION.** This Assignment shall continue in full force and effect until the payment in full of all sums due to Assignee under the Mortgage and the Note and the performance and discharge of each and every obligation, covenant, condition and agreement of Assignor thereunder and hereunder.

10. **ENFORCEABILITY.** The unenforceability, illegality or invalidity of any provision hereof shall not render any other provision of provisions herein contained unenforceable, illegal or invalid and this Assignment shall be construed as if such unenforceable, illegal or invalid provision had never been contained herein.

11. **CONDITIONS.** Concurrently with the execution of this Assignment, Assignor will deliver to Assignee, at its sole cost and expense, the favorable opinion of its independent legal counsel acceptable to Assignee confirming that:

(a) The Lease is in full force and effect and the Assignor and Lessee are not in default thereunder.

(b) The execution and delivery of this Assignment by Assignor have been duly authorized and this Assignment and the Lease each are legal, valid, binding and enforceable against Assignor and Lessee in accordance with the respective terms.

(c) No consents, authorizations or approvals of third parties including, without limitation, governmental authorities are or will be required as a condition to the validity of this Assignment.

(d) The execution, delivery and performance of this Assignment will not contravene any provision of law, statute, rule, regulation or agreement or other instrument or

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

On this 16th day of July, 1984, before me personally appeared Irving Hymson and Jeffrey A. Leyton, to me known, who being by me duly sworn, did depose and say that they are the Vice President-Law and Assistant Secretary, respectively, of Greycas, Inc., and who executed the foregoing instrument in their names and they acknowledged that they executed the same as their free act and deed.

My Commission Expires:
October 30, 1986

Connie Mott
Notary Public