

RECORDATION NO. 7236-a
Filed & Recorded
DEC 28 1973 -9 05 AM
INTERSTATE COMMERCE COMMISSION

THE FIRST NATIONAL BANK OF EASTERN PENNSYLVANIA

FIRST SUPPLEMENT TO CHATTEL MORTGAGE - SECURITY AGREEMENT

Supplement dated as of December 28, 1973 from THE FIRST NATIONAL BANK OF EASTERN PENNSYLVANIA, a United States banking corporation (the "Company"), having its principal office at 11 West Market Street, Wilkes-Barre, Pennsylvania 18701, party of the first part, to THE FIRST PENNSYLVANIA BANKING AND TRUST COMPANY, as TRUSTEE (the "Mortgagee"), whose address is 1500 Chestnut Street, Philadelphia, Pennsylvania, party of the second part,

W I T N E S S E T H:

WHEREAS, the Company has heretofore executed and delivered that certain Chattel Mortgage Trust Deed, Assignment of Rents and Security Agreement dated as of October 15, 1973 (the "Original Mortgage") to the Mortgagee as security for the payment in full of all principal of and interest on the 9 3/4% Notes of the Company not exceeding \$2,100,000.00 in aggregate principal amount (being hereinafter sometimes referred to as the "Notes") issued or to be issued and outstanding under that certain Loan Agreement dated as of October 15, 1973 (the "Loan Agreement"), between the Company and the Dollar Savings Bank and Acacia Mutual Life Insurance Company;

WHEREAS, the Original Mortgage was recorded in the Office of the Secretary of the Interstate Commerce Commission on November 15, 1973 and has been assigned Recordation No. 7236; and

WHEREAS, 9 3/4% Notes of the Company in the aggregate original principal amount of \$1,247,426.86 have been issued and are presently outstanding under the Note Agreement and the Original Mortgage; and

WHEREAS, the Company has covenanted and agreed that prior to or concurrently with the issuance of Notes on each subsequent Closing Date provided for by the Loan Agreement the Company will execute, acknowledge and deliver a supplement to the Original Mortgage specifically describing as part of the mortgaged property the railroad cars which were financed on the original closing and are being financed through the issuance of Notes on such subsequent Closing Date and confirming the mortgage thereof as security for all Notes issued or to be issued under the Loan Agreement; and

WHEREAS, all requirements of law and by-laws and articles of incorporation of the Company have been fully complied with and all other acts and things necessary to make this Supplement a valid, binding and legal instrument for the security of the Notes have been done and performed;

NOW, THEREFORE, the Company in consideration of the premises and of the sum of Ten Dollars received by the Company from the Mortgagee and other good and valuable consideration the receipt whereof is hereby

acknowledged, and in order to secure equally and ratably the payment of the principal of and interest on the Notes according to their tenor and effect and to secure the payment of all other indebtedness described in the Original Mortgage and the performance and observance of all the covenants and conditions contained in the Notes, the Original Mortgage and the Loan Agreement, and in each and every agreement or supplement thereto heretofore or hereafter executed provided to be performed or observed by the Company, the Company does hereby grant, bargain, sell, convey, warrant, mortgage, pledge and hypothecate unto the Mortgagee and its assigns forever, and grant a security interest in, all and singular the following described properties, rights, interests and privileges, that is to say:

DIVISION I

The railroad cars described in and bearing the numbers listed in Schedule I attached hereto and made a part hereof, being some of the railroad cars leased and delivered to Delaware and Hudson Railway Company (the "Lessee") under that certain Lease Agreement dated as of October 15, 1973 (the "Lease") between the Company, as Lessor, and the Lessee; and

DIVISION II

All accessories, equipment, parts and appurtenances appertaining or attached to any of the property hereinabove described, whether now owned or hereafter acquired, and all substitutions, renewals and replacements of and additions, improvements, accessions and accumulations to any and all of said property, together with all the rents, issues, income, profits and avails thereof.

SUBJECT, HOWEVER, to (a) the right and the interest of the Lessee under the Lease, and (b) the lien of current taxes and assessments not in default, or, if delinquent, the validity of which is being contested in good faith;

TO HAVE AND TO HOLD the property described in the Original Mortgage and in this Supplement, and all other property mortgaged under the Original Mortgage unto the Mortgagee and its assigns forever for the uses and purposes in the Original Mortgage set forth.

The Company hereby covenants, warrants and agrees that it is lawfully seized and possessed of the railroad cars described in Division I of the granting clause hereof and has good right, full power and authority to convey, transfer and mortgage said railroad cars to the Trustee for the uses and purposes herein set forth, and the railroad cars described in said Division I are owned by the Company free and clear of any and all liens and encumbrances (excepting only the lien of current ad valorem taxes not in default and the right, title and interest of the Lessee under the Lease), and that the Company will warrant and defend the title to the railroad cars against all claims and demands whatsoever (excepting only the right and the interest of the Lessee under the Lease).

The Company further covenants and agrees to perform and observe duly and punctually all of the covenants and

agreements contained in the Original Mortgage, all such covenants and agreements being hereby ratified, approved and confirmed.

This Supplement may be executed, acknowledged and delivered in any number of counterparts, each of such counterparts constituting an original, but all together only one instrument.

All the covenants, stipulations, premises, undertakings and agreements herein contained by or on behalf of the Company shall be binding upon the Company and its successors and assigns.

IN WITNESS WHEREOF, The First National Bank of Eastern Pennsylvania has caused this Supplement to be executed on its behalf by its VICE President and its corporate seal to be hereunto affixed and attested by its Secretary, all as of the day and year above written.

THE FIRST NATIONAL BANK OF
EASTERN PENNSYLVANIA

By W. R. Manion
Its VICE President

(Corporate Seal)

Attest:

J. A. Accurel
Its Secretary

STATE OF PENNSYLVANIA :
COUNTY OF Luzerne : ss

On this 19th day of December, 1973, before me personally appeared W. R. Manion, to me personally known who being by me duly sworn, says that he is vice President of The First National Bank of Eastern Pennsylvania, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, 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.

Josephine Gray Cook
Notary Public

(Affix Notarial Seal)

My Commission Expires:

My Commission Expires May 20, 1973

SCHEDULE I

To the Supplemental Mortgage

<u>OLD</u>	<u>NEW</u>	<u>OLD</u>	<u>NEW</u>	<u>OLD</u>	<u>NEW</u>
18242	23505	19503	23005	19649	25025
18290	23507	19716	23006	19723	25026
18184	23508	19715	23007	19692	25027
18193	23509	19480	23010	19452	25028
18293	23510	19420	23026	19879	25029
18354	23511	19638	23038	19440	25030
18277	23514	19847	23047	19465	25031
18143	23516	19604	23053	19567	25032
18216	23522	19456	23079	19788	25033
18162	23529	19437	23081	19573	25034
18380	23534	19675	23086	19703	25035
18399	23535	19827	23050	19856	25036
18368	23540	19476	23075		
18104	23545				
18258	23528				
18314	23531				
18310	23555				
18304	23570				
18331	23574				
18358	23575				
18286	23583				
18337	23584				
18356	23586				
18397	23592				
18125	23596				

Prior Owner
(D&H)Hulk
Car Nos.

Lessee
(D&H) Rebuilt
Car Nos.

19653	23001
19422	23002
19401	23003
19803	23009
19433	23011
19586	23012
19641	23013
19848	23014
19776	23015
19563	23016
19798	23017
19438	23018
19652	23019
19633	23020
19409	23021
19784	23022
19534	23023
19598	23024
19622	23027
19685	23030
19750	23031
19602	23032
19760	23033
19493	23034
19418	23035
19426	23036
19888	23037
19562	23039
19810	23040
19628	23041
19681	23042
19858	23044
19454	23045
19667	23046
19789	23048
19849	23049
19466	23051
19479	23052
19424	23054
19402	23055
19782	23057
19498	23058
19478	23059
19475	23061
19841	23062

Prior Owner
(D&H) Hulk
Car Nos.

Lessee
(D&H) Rebuilt
Car Nos.

19514	23063
19898	23064
19834	23065
19714	23066
19854	23067
19844	23068
19777	23070
19863	23071
19446	23072
19615	23074
19475	23076
19560	23077
19636	23078
19792	23080
19434	23082
19607	23083
19718	23084
19890	23085
19801	23087
19876	23088
19725	23004
19836	23008
19621	23025
19767	23028
19605	23029
19470	23043
19525	23056
19599	23060
19624	23069
19570	23073