

7613

NEW NUMBER

LAW OFFICES

ALVORD AND ALVORD

200 WORLD CENTER BUILDING

918 SIXTEENTH STREET, N.W. 8--211A031

WASHINGTON, D.C.

20006-2973

OF COUNSEL
JESS LARSON
JOHN L. INGOLDSBY
URBAN A. LESTER

CABLE ADDRESS
"ALVORD"

TELEPHONE
AREA CODE 202
393-2266

TELEX
440367 A AND A

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

ROBERT W. ALVORD*
CARL C. DAVIS*
CHARLES T. KAPPLER
JOHN H. DOYLE*
GEORGE JOHN KETO*
MILTON C. GRACE*
JAMES C. MARTIN, JR.*

*NOT A MEMBER OF D.C. BAR
*ALSO ADMITTED IN NEW YORK
*ALSO ADMITTED IN OHIO
*ALSO ADMITTED IN MARYLAND

No. JUL 29 1988

Date

Fee \$ 13.00

ICC Washington, D. C.

July 29, 1988 3759

RECORDATION NO. 3759

JUL 29 1988 - 10 05 AM

INTERSTATE COMMERCE COMMISSION

ICC OFFICE OF
THE SECRETARY
JUL 29 10 53 AM '88
MOTOR OPERATING UNIT

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

Dear Ms. McGee:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are four original copies of a Security Agreement and Assignment dated as of July 27, 1988, a primary document as defined in the Commission's Rules for the Recordation of Documents.

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

Secured Party: IBJ Schroder Leasing Corp.
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.

Handwritten signature: Charles T. Kappler

Handwritten mark: 23

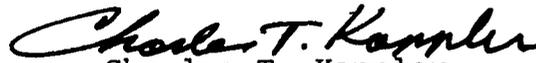
Ms. Noreta R. McGee
Secretary
Interstate Commerce Commission
April 29, 1988
Page Two

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

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

Security Agreement and Assignment dated as of July 27, 1988 between Greenbrier Railcar, Inc., Debtor, and IBJ Schroder Leasing Corp., Secured Party, covering 183 high cube boxcars, AAR Mechanical Designation XP, bearing VCY marks and numbers.

Sincerely yours,


Charles T. Kappler

Enclosures

DESCRIPTION OF CARS

183 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 227632	VCY 659639	VCY 61012	VCY 61078
VCY 227645	VCY 659642	VCY 61014	VCY 61080
VCY 228200	VCY 659644	VCY 61015	VCY 61081
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VCY 659602	VCY 659668	VCY 64044	VCY 61103
VCY 659603	VCY 659670	VCY 61045	VCY 61104
VCY 659604	VCY 659671	VCY 61047	VCY 61106
VCY 659605	VCY 659672	VCY 61048	VCY 61107
VCY 659606	VCY 659674	VCY 61049	VCY 61108
VCY 659607	VCY 659675	VCY 61050	VCY 61109
VCY 659609	VCY 659677	VCY 61052	VCY 61110
VCY 659610	VCY 659679	VCY 61053	VCY 61111
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VCY 659627	VCY 61005	VCY 61068	VCY 61136
VCY 659633	VCY 61007	VCY 61070	VCY 61139
VCY 659634	VCY 61008	VCY 61072	VCY 61140
VCY 659636	VCY 61010	VCY 61074	VCY 61142
VCY 659638	VCY 61011	VCY 61075	

Interstate Commerce Commission
Washington, D.C. 20423

7/29/88

OFFICE OF THE SECRETARY

Charles T. Kappler
Alvord & Alvord
918 16th St. N.W.
Washington, D.C. 20423

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 7/29/88 at 11:05am, and assigned recordation number(s). 15759 & 15760

Sincerely yours,

Nurita R. McEwen
Secretary

Enclosure(s)

1
REGISTRATION NO. 5759
JUL 29 1988 - 11:44 AM
INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT AND ASSIGNMENT

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 CORP., 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) the Guaranty of Southern Pacific Transportation Company ("SP") dated December 10, 1987;

(d) any and all proceeds from the Collateral as set forth in paragraphs (a), (b) and (c) 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), (ii) notify SP to pay directly to Secured Party all sums then and thereafter payable by SP to Debtor under the Guaranty referred to in II(c) above, and (iii) 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 27th day of July, 1988.

GREENBRIER RAILCAR, INC. ("Debtor")

By: Norman M. Webb
Title: Vice President

IBJ SCHRODER LEASING CORP.
("Secured Party")

By: Michael G. Guadagni
Title: PRESIDENT

ACKNOWLEDGMENT

State of Oregon)
) ss:
County of Clackamas)

On this 27th day of July, 1988 before me personally appeared Norriss M. Webb, to me personally know, 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]

Charles M. McEntade
Signature of notary public

My commission expires 5/28/90

DESCRIPTION OF CARS

183 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:

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