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SEP 7 11 53 AM '89  
INTERSTATE COMMERCE COMMISSION

RECORDATION NO 16506  
FILED 1425

SEP 7 1989 - 12 05 PM

September 7, 1989

(File 3<sup>rd</sup>)

INTERSTATE COMMERCE COMMISSION

\$13.00 filing fee

Dear Mrs. McGee:

On behalf of The CIT Group/Equipment Financing, Inc., I submit for filing and recording under 49 U.S.C. Section 11303 (a) and the regulations promulgated thereunder, three (3) counterparts of a certified true primary document, not previously recorded, entitled Fleet Rental Security Agreement ("Security Agreement") dated June 20, 1989

Needs  
Number

The parties to the enclosed Security Agreement are:

The CIT Group/Equipment Financing, Inc. - Secured Party  
2877 Brandywine Road  
Atlanta, GA 30341

Hargis Leasing, Inc. - Debtor  
200 Tremon Street  
Gordon, GA 31301

The Security Agreement covers a security interest in twenty-two (22) tank cars for a loan of \$605,000 from the Secured Party to the Debtor.

A short summary of the document to appear in the ICC Index is as follows:

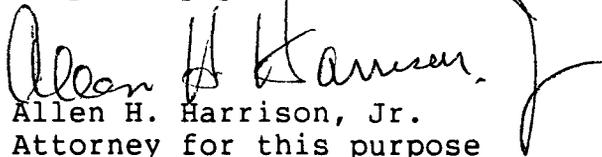
*Allen H. Harrison*

"Covers 22 tank cars, HARX1020-1041"

Enclosed is a check in the amount of thirteen dollars (\$13) in payment of the filing fee.

Once the filing has been made, please return to bearer the stamped counterparts of the Security Agreement not needed for your files, together with the fee receipt, the letter from the ICC acknowledging the filing, and the two extra copies of this transmittal letter.

Very truly yours,



Allen H. Harrison, Jr.  
Attorney for this purpose  
of this filing for  
The CIT Group/Equipment Financing, Inc.

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

Enclosures

AHH/mjg

BY HAND



## Additional terms and conditions of Security Agreement

### 8. Assignment of Rentals and Leases.

To further secure payment of all debtor's obligations under this Security Agreement, debtor agrees.

- (a) to assign and hereby pledges and assigns any leases, rentals, accounts and contracts with respect to the collateral hereunder which may now exist or hereafter arise together with all rights thereunder and all rental and other payments and purchase options due and to become due thereunder;
- (b) to mark all such leases with a legend that they are subject and subordinate to this Security Agreement,
- (c) to deliver any and all such leases together with all other instruments requested by secured party to evidence and confirm the aforesaid pledge, and
- (d) to file, at secured party's request, UCC financing statements or otherwise perfect a first priority security interest against any such lessees; and to assign such financing statements to secured party. So long as debtor is not in default in the performance of any obligations hereunder, debtor may collect and retain all rental payments due and owing under such leases directly from such lessees, without notification of this pledge to such lessees. No lease of the collateral hereunder shall relieve debtor from any of its obligations to secured party hereunder.

### 9. Sale of Collateral by Debtor; Release of Lien.

The debtor may also be a seller engaged in the business of selling collateral of the kind described on the front of this Security Agreement. If debtor is a regular seller, it may sell the collateral or any part thereof in its regular course of business, on the conditions that the proceeds of sale of each item of collateral shall not be less than the amount of secured party's net investment in such item as determined by secured party plus interest and charges, and that debtor shall hold all proceeds of sale in trust for and shall account for and remit the proceeds to secured party immediately upon receipt. If such proceeds are not sufficient to pay all indebtedness and interest, secured party may apply proceeds as it may in its discretion determine. Until any default, debtor may procure the release of any item of collateral from this security interest upon payment to secured party of secured party's net investment in such item, as determined by secured party, plus interest and charges.

### 10. Insurance and Risk of Loss.

All risk of loss, damage to or destruction of the collateral shall at all times be on debtor. Debtor will procure forthwith and maintain at debtor's expense insurance against all risks of loss or physical damage to the collateral for the full insurable value thereof for the life of this Security Agreement plus breach of warranty insurance and such other insurance thereon in amounts and against such risks as secured party may specify, and shall promptly deliver each policy to secured party with a standard long-form mortgagee endorsement attached thereto showing loss payable to secured party; and providing secured party with not less than 30 days written notice of cancellation, each such policy shall be in form, terms and amount and with insurance carriers satisfactory to secured party; secured party's acceptance of policies in lesser amounts or risks shall not be a waiver of debtor's foregoing obligations. As to secured party's interest in such policy, no act or omission of debtor or any of its officers, agents, employees or representatives shall affect the obligations of the insurer to pay the full amount of any loss.

Debtor hereby assigns to secured party any monies which may become payable under any such policy of insurance and irrevocably constitutes and appoints secured party as debtor's attorney in fact (a) to hold each original insurance policy, (b) to make, settle and adjust claims under each policy of insurance, (c) to make claims for any monies which may become payable under such and other insurance on the collateral including returned or unearned premiums, and (d) to endorse debtor's name on any check, draft or other instrument received in payment of claims or returned or unearned premiums under each policy and to apply the funds to the payment of the indebtedness owing to secured party; provided, however, secured party is under no obligation to do any of the foregoing.

Should debtor fail to furnish such insurance policy to secured party, or to maintain such policy in full force, or to pay any premium in whole or in part relating thereto, then secured party without waiving or releasing any default or obligation by debtor, may (but shall be under no obligation to do so) obtain and maintain insurance and pay the premium therefor on behalf of debtor and charge the premium to debtor's indebtedness under this Security Agreement. The full amount of any such premium paid by secured party shall be payable by debtor upon demand, and failure to pay same shall constitute an event of default under this Security Agreement.

### 11. Events of Default; Acceleration.

A very important element of this Security Agreement is that debtor make all its payments promptly as agreed upon. Also essential is that the collateral continue to be in good condition and adequate security for the indebtedness. The following are events of default under this Security Agreement which will allow secured party to take such action under this Paragraph and under Paragraph 12 as it deems necessary.

- (a) any of debtor's obligations to secured party under any agreement with secured party is not paid promptly when due,
- (b) debtor breaches any warranty or provision hereof, or of said note or of any other instrument or agreement delivered by debtor to secured party in connection with this or any other transaction;
- (c) debtor dies, becomes insolvent or ceases to do business as a going concern;
- (d) it is determined that debtor has given secured party substantially false information regarding its financial condition;
- (e) any of the collateral is lost or destroyed;
- (f) a complaint in bankruptcy or for arrangement or reorganization be filed by or against debtor or debtor admits its inability to pay its debts as they mature;
- (g) property of debtor be attached or a receiver be appointed for debtor,
- (h) whenever secured party in good faith believes the prospect of payment or performance is impaired or in good faith believes the collateral is insecure;
- (i) any guarantor, surety or endorser for debtor dies or defaults in any obligation or liability to secured party or any guaranty obtained in connection with this transaction is terminated or breached.

If Debtor shall be in default hereunder, the indebtedness herein described and all other indebtedness then owing by debtor to secured party under this or any other present or future agreement (collectively, the "indebtedness") shall, if secured party shall so elect, become immediately due and payable. In no event shall the debtor upon demand by secured party for payment of the indebtedness, by acceleration of the maturity thereof or otherwise, be obligated to pay any interest in excess of the amount permitted by law. Any acceleration of indebtedness, if elected by secured party, shall be subject to all applicable laws, including laws relating to rebates and refunds of unearned charges.

### 12. Secured Party's Remedies After Default; Consent to Enter Premises.

Upon debtor's default and at any time thereafter, secured party shall have all the rights and remedies of a secured party under the Uniform Commercial Code and any other applicable laws, including the right to any deficiency remaining after disposition of the collateral for which debtor agrees to remain fully liable. Debtor agrees that secured party, by itself or its agent, may without notice to any person and without judicial process of any kind, enter into any premises or upon any land owned, leased or otherwise under the real or apparent control of debtor or any agent of debtor where the collateral may be or where secured party believes the collateral may be, and disassemble, render unusable and/or repossess all or any item of the collateral, disconnecting and separating all collateral from any other property and using all force necessary. Debtor expressly waives all further rights to possession of the collateral after default and all claims for injuries suffered through or loss caused by such entering and/or repossession. Secured party may require debtor to assemble the collateral and return it to secured party at a place to be designated by secured party which is reasonably convenient to both parties.

Secured party will give debtor reasonable notice of the time and place of any public sale of the collateral or of the time after which any private sale of the collateral or any other intended disposition thereof is to be made. Unless otherwise provided by law, the requirement of reasonable notice shall be met if such notice is mailed, postage prepaid, to the address of debtor shown herein at least ten days before the time of the sale or disposition. Expenses of retaking, holding, preparing for sale, selling and the like shall include reasonable attorneys' fees (at least 15% of the unpaid balance if not prohibited by law) and other legal expenses. Debtor understands that secured party's rights are cumulative and not alternative.

### 13. Waiver of Default; Agreement Inclusive.

Secured party may in its sole discretion waive a default, or cure, at debtor's expense, a default. Any such waiver in a particular instance or of a particular default shall not be a waiver of other defaults or the same kind of default at another time. No modification or change in this Security Agreement or related note shall bind secured party unless in writing signed by secured party. No oral agreement shall be binding.

### 14. Financing Statements.

If permitted by law, debtor authorizes secured party to file a financing statement with respect to the collateral signed only by secured party, and to file a carbon, photograph or other reproduction of this Security Agreement or of a financing statement.

## Additional terms and conditions of Security Agreement

### 15. Miscellaneous.

Debtor waives all exemptions. Secured party may correct patent errors herein and fill in such blanks as serial numbers and the like. Any provisions hereof contrary to, prohibited by or invalid under applicable laws or regulations shall be inapplicable and deemed omitted herefrom, but shall not invalidate the remaining provisions hereof. Debtor acknowledges receipt of a true copy and waives acceptance hereof. If debtor is a corporation, this Security Agreement is executed pursuant to authority of its Board of Directors. "Debtor" and "secured party" as used in this Security Agreement include the heirs, executors or administrators, successors or assigns of those parties; but nothing herein shall authorize debtor to assign this Security Agreement. If more than one debtor executes this Security Agreement, their obligations under this Security Agreement shall be joint and several.

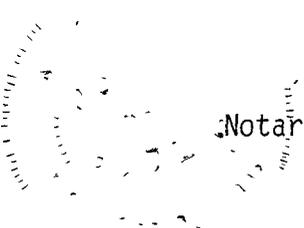
**SPECIAL PROVISIONS INSTRUCTIONS – The notations to be typed in the Special Provisions section on Page 1 are shown in the applicable state pages of the Loans and Motor Vehicles Manual.**

I Keith L. Diller, a Notary Public duly qualified in and for said county have compared the attached copy of an original document entitled Fleet Rental Security Agreement dated June 24, 1989, 1989, between Hargis Leasing, Inc. as Debtor, and The CIT Group/Equipment Financing, Inc. as Secured Party, and do hereby certify that the attached copy is complete and identical in all respects to the original document.

Witness my hand and seal this 5<sup>th</sup> day of Sept., 1989.

Keith L. Diller  
Signature of Notary

Gwinnett County, GA  
State

Notarial Seal

My commission expires 11/13/96  
**NOTARY PUBLIC, GWINNETT COUNTY, GEORGIA**  
**MY COMMISSION EXPIRES NOVEMBER 13, 1996**