



Emons Industries, Inc.

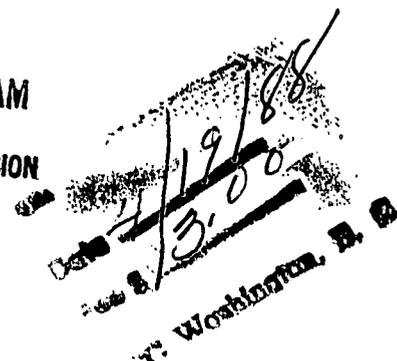
1 5587
RECORDATION NO. FILED 1988

April 15, 1988

APR 19 1988 - 11 35 AM

INTERSTATE COMMERCE COMMISSION

Ms. Mildred Lee
Interstate Commerce Commission
12th and Constitution Ave., N.W.
Room 2303
Washington, D.C. 20423



Dear Ms. Lee:

I am enclosing the following documents to be recorded:

1. Original and a copy of Agreement dated as of November 1, 1987, between:

Maryland and Pennsylvania Railroad Company
One West Market Street
York, PA 17401 (Sublessor)

and

CSX Transportation, Inc.
100 North Charles Street
Baltimore, Maryland 21201 (Sublessee)

for two hundred and fifty-three (253) boxcars.

In connection with the above document, I am enclosing the following related documents:

1. Original and copy of a Lease of Railroad Equipment dated as of December 4, 1987, for 7 of the 253 boxcars between:

Maryland and Pennsylvania Railroad Company
(same address as above) (lessee)

and

Signet Leasing and Financial Corporation
7 St. Paul Street
Baltimore, MD 21202 (lessor)

Ms. Mildred Lee
April 15, 1988
Page Two

2. Original and copy of a Lease of Railroad Equipment dated as of December 4, 1987 for 35 of the 253 boxcars between:

Maryland and Pennsylvania Railroad Company
(same address as above) (lessee)

and

E.T. Railcar Corporation
3224 Skycroft Drive
Minneapolis, Minnesota 55418 (lessor)

3. Original and a copy of a Lease of Railroad Equipment dated as of December 4, 1987 for 145 of the 253 boxcars between:

Maryland and Pennsylvania Railroad Company
(same address as above) (lessee)

and

The Connecticut Bank and Trust Company,
National Association, owner-trustee
One Constitution Plaza
Hartford, Connecticut 06115 (lessor)

4. Original and a copy of a Lease of Railroad Equipment dated as of December 4, 1987 for 16 of the 253 boxcars between:

Maryland and Pennsylvania Railroad Company
(same address as above) (lessee)

and

Bamerilease Capital Corporation
555 California Street
San Francisco, California 94137 (lessor)

5. Original and a copy of a Lease of Railroad Equipment dated as of December 4, 1987 for 50 of the 253 boxcars between:

Maryland and Pennsylvania Railroad Company
(same address as above) (lessee)

and

Chrysler Rail Transportation Corporation
3800 North Wilke Road
Suite 300
Arlington Heights, Illinois 60004 (lessor)

Ms. Mildred Lee
April 15, 1988
Page Three

6. Original and copy of a Security Agreement dated December 4, 1987, between:

Wilmington Trust Company
Rodney Square North
Wilmington, Delaware 19890 (Agent/Secured Party)

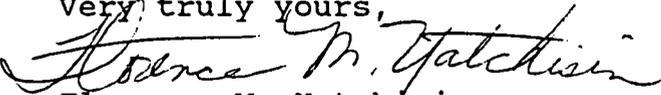
and

Maryland and Pennsylvania Railroad Company
(Same address as above)

Also enclosed is a check in the amount of \$91.00 (\$13.00 for each document) to cover the costs of filing. I understand that all original documents will be returned to me with the recordation information noted thereon within about a week.

Should you have any questions, please call me. Thank you for your assistance in this matter.

Very truly yours,


Florence M. Yatchisin
Manager, Leasing Administration
(717) 771-1722

Enclosures

APR 19 1988-11 25 AM

INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT

SECURITY AGREEMENT dated as of December 4, 1987, between WILMINGTON TRUST COMPANY, a Delaware state banking association with an office at Rodney Square North, Wilmington, Delaware 19890, in its capacity as Agent (the "Agent") pursuant to the Intercreditor Agreement attached hereto as Exhibit A (the "Intercreditor Agreement") and THE MARYLAND AND PENNSYLVANIA RAILROAD COMPANY, a Maryland and Pennsylvania corporation with an office at One West Market Street, York, PA 17401 (the "Company").

W I T N E S S E T H:

Pursuant to an Agreement (the "CSX Agreement") dated as of November 1, 1987, between CSX Transportation, Inc. ("CSX") and the Company, the Company is providing to CSX two hundred fifty-three (253) boxcars (the "Cars").

Pursuant to the Master Leases (as such term is defined in the Intercreditor Agreement), the Lessors (as such term is defined in the Intercreditor Agreement) have severally (but not jointly) leased to the Company, and the Company has agreed to hire from the Lessors, two hundred fifty-three (253) boxcars (the "Cars") with the understanding that the Cars will be subleased to CSX pursuant to the CSX Agreement.

NOW, THEREFORE, the parties hereto agree:

(1) As an inducement to the Lessors to execute the Master Leases and to consent to, among other things, the inclusion of the Cars under the CSX Agreement (and in consideration thereof), the Company hereby

(i) sells, assigns, transfers, pledges and sets over unto the Agent (for the benefit of the Lessors), the Company's right, title and interest in and to the CSX Agreement and in and to revenues to become due and payable from time to time under the CSX Agreement, and the proceeds thereof, and

(ii) grants to the Agent (for the benefit of the Lessors) a security interest in all accounts of the Company arising from the use of the Cars in the CSX Agreement,

in each case as collateral security for the payment and performance of all obligations and duties of the Company to the Lessors arising under or by virtue of the Master Leases.

(2) Except as otherwise provided in the Intercreditor Agreement, upon the occurrence of any Event of Default (as such

term is defined in the Master Leases) by the Company, unless such Event of Default shall have been waived by the Lessor which is a party to such Master Lease, the Agent shall have the right, upon giving CSX notice of such default, but without notice to or consent of the Company,

(i) to instruct CSX to pay to the Agent any amounts payable by CSX to the Company pursuant to the CSX Agreement; and

(ii) to instruct the Company to segregate and pay immediately to the Agent any revenues received by the Company and attributable to the use of the Cars in the CSX Agreement minus the aggregate cost of any expenses relating to the Cars paid by the Company pursuant to the Master Leases or the CSX Agreement; and

(iii) to deal with CSX with respect to the CSX Agreement to the exclusion of any contrary or concurrent instructions from the Company.

(3) The execution by each Lessor of the Intercreditor Agreement shall be a condition precedent to the effectiveness of this Security Agreement as to such Lessor.

(4) This Security Agreement shall be governed by and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the parties have duly executed this Security Agreement the day and year first above written.

ATTEST:

WILMINGTON TRUST COMPANY, As Agent

M. Cushing
Assistant Secretary

By: [Signature]
Title: Senior Financial Services Officer

ATTEST:

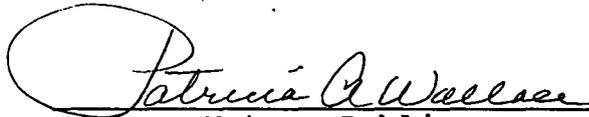
THE MARYLAND AND PENNSYLVANIA
RAILROAD COMPANY

James W. West
Secretary

By: [Signature]
Title: VICE PRESIDENT

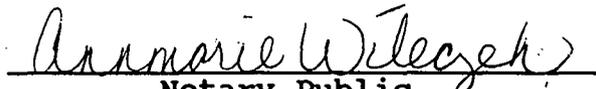
STATE OF :
:SS.:
COUNTY OF :

On the 7th day of December, 1987, before me personally appeared Arden M Knott to me personally known, who, being by me duly sworn, says that he/she is the Senior Financial Services Officer of Wilmington Trust Company, the Agent in the foregoing Security Agreement, that one of the seals 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/she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

STATE OF PENNSYLVANIA:
:SS.:
COUNTY OF YORK :

On the 26 day of February, 1988, before me personally appeared Richard E. Meyers to me personally known, who, being by me duly sworn, says that he is the Vice President of The Maryland and Pennsylvania Railroad Company, the Company in the foregoing Security Agreement, that one of the seals 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.


Notary Public

ANNMARIE WILECZEK, Notary Public
York, York County, Pennsylvania
My Commission Expires April 16, 1990