



Emons Industries, Inc.

RECORDATION NO. 1 5520 A
FILED 1428

MAR 7 1988 - 10 40 AM
INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 1 5520 - B
FILED 1428

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INTERSTATE COMMERCE COMMISSION

March 3, 1988

Ms. Mildred Lee
INTERSTATE COMMERCE COMMISSION
12th and Constitution Avenues, N.W.
Room 2303
Washington, D.C. 20423

Date 3/7/88
Fee \$ 39.00

Dear Ms. Lee:

ICC Washington, D. C.

I am enclosing the following documents to be recorded:

1. Original and a copy of Agreement dated as of December 11, 1987, between the Maryland and Pennsylvania Railroad Company and Burlington Northern Railroad Company, as User, for thirteen (13) boxcars.
2. Original and a copy of a Lease of Railroad Equipment dated as of December 11, 1987, between the Connecticut Bank and Trust Company, National Association, as owner-trustee for Chase Manhattan Service Corporation, as Lessor, and the Maryland and Pennsylvania Railroad Company, as Lessee, for thirteen (13) boxcars.
3. Original and a copy of a Security Agreement dated as of December 11, 1987, between the Connecticut Bank and Trust Company, National Association, as owner-trustee for Chase Manhattan Service Corporation, as secured party, and the Maryland and Pennsylvania Railroad Company.

Also enclosed is a check in the amount of \$39.00 (\$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.

Please let me know if you have any questions regarding this matter.

Very truly yours,

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

Enclosures

1 5520 B
RECORDATION NO. _____ Filed 14th

MAR 7 1988 -10 40 AM

INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT

SECURITY AGREEMENT dated as of December 11, 1987, between THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association with an office at One Constitution Plaza, Hartford, Connecticut 06115 ("CBT"), not in its individual capacity but solely as owner-trustee (hereinafter referred to as "Lessor") under two trust agreements dated December 18, 1979 and January 21, 1980, between CBT and Chase Manhattan Service Corporation 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 "BN Agreement") dated as of the date hereof between Burlington Northern Railroad Company ("BN") and the Company, the Company is providing to BN thirteen (13) boxcars (the "Cars").

Pursuant to a Lease of Railroad Equipment (the "Lease") dated as of the date hereof between the Lessor, as lessor, and the Company, as lessee, the Company has agreed to hire the Cars from Lessor with the understanding that the Cars will be subleased to BN pursuant to the BN Agreement.

NOW, THEREFORE, the parties hereto agree:

(1) As an inducement to Lessor to execute the Lease and to consent to, among other things, the use of the Cars under the BN Agreement (and in consideration thereof), the Company hereby

(i) sells, assigns, transfers, pledges and sets over unto Lessor, all of the Company's right, title and interest in and to the BN Agreement and in and to revenue to become due and payable from time to time under the BN Agreement, and the proceeds thereof, and

(ii) grants to Lessor a security interest in all accounts of the Company arising from the use of the Cars in the BN Agreement,

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

(2) Upon the occurrence of any Event of Default (as such term is defined in the Lease) by the Company, unless such Event of Default shall have been waived by Lessor, Lessor shall have the right, upon giving BN notice of such default, but without notice to or consent of the Company:

(i) to instruct BN to pay to Lessor any amounts payable by BN to the Company pursuant to the BN Agreement;

(ii) to instruct the Company to segregate and pay immediately to Lessor any Net Car Hire Revenues (as such term is defined below) received by the Company pursuant to the BN Agreement; and

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

For purposes hereof, the term "Net Car Hire Revenues" means Gross Car Hire Revenues (as such term is defined in the BN Agreement) minus the aggregate cost of any expenses relating to the Cars paid by the Company pursuant to the Lease or the BN Agreement.

(3) 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.

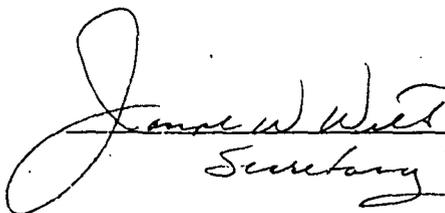
ATTEST:

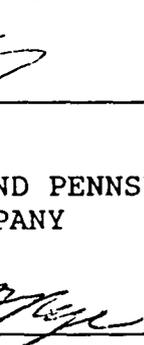
THE CONNECTICUT BANK AND TRUST
COMPANY, NATIONAL ASSOCIATION, as
owner-trustee for Chase Manhattan
Service Corporation

By:  _____

ATTEST:

THE MARYLAND AND PENNSYLVANIA
RAILROAD COMPANY


Secretary

By:  _____
VICE PRESIDENT

STATE OF CONNECTICUT :ss.:

COUNTY OF HARTFORD :

On the 4th day of February, 1988, before me personally appeared DONALD E. SMITH to me personally known, who, being by me duly sworn, says that he/she is the VICE PRESIDENT of THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, one of the corporations 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.

Maryanne C. Young
Notary Public

MARYANNE C. YOUNG
NOTARY PUBLIC
MY COMMISSION EXPIRES MARCH 31, 1992

COMMONWEALTH OF PENNSYLVANIA:

COUNTY OF York :ss.:

On the 8th day of February, 1988, before me personally appeared RICHARD F. MEYER 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.

Annmarie Wileczek
Notary Public

ANNMARIE WILECZEK, Notary Public
York, York County, Pennsylvania
My Commission Expires April 10, 1990