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BRADLEY M. SMOLKIN

DEC 16 1981 - 11 35 AM

INTERSTATE COMMERCE COMMISSION (504) 581-9444

December 10, 1981

1-350A017

Interstate Commerce Commission
12th and Constitution Avenue, N. W.
Room 1227
Washington, D. C. 20423

No.

Date .. DEC. 16 1981 ..

Fee \$ 50.00 ..

Attention: Ms. Mildred Lee

ICC Washington, D. C.

RE: Security Agreement Filings for Louisiana
Tank Car Corporation/The Bank of New
Orleans & Trust Co.

Dear Ms. Lee:

Enclosed please find two duly executed Security Agreements from Louisiana
Tank Car Corporation in favor of The Bank of New Orleans & Trust Co. and
covering the collateral therein referenced.

Please record one of said copies in the appropriate records of your
office and return the other, with recording information placed thereon,
to the undersigned. Our firm check in the amount of \$50.00 is enclosed
to cover the costs of such action.

Thank you for your assistance in this connection. If you have need of
any further information or fees in this regard, please contact me at
your earliest convenience.

Sincerely yours,

Dorothy T. Blackwood

Dorothy T. Blackwood

DTB/dlc

Enclosures

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

DEC 16 11 37 AM '81

Interstate Commerce Commission
Washington, D.C. 20423

12/16/81

OFFICE OF THE SECRETARY

Dorothy T. Blackwood

Shushan, Meyer, Jackson, McPherson & Herzog
Suite 1500 1010 Comppn Street
New Orleans 70112

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 **12/16/81** at **11:35pm**, and assigned re-
recording number (s). **13362**

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

SE-30
(7/79)

SECURITY AGREEMENT - INVENTORY

DEC 16 1981 - 11 35 AM

LOUISIANA TANK CAR CORPORATION

One West Loop South, Suite 807

Houston Harris Texas 77027
 (CITY) (COUNTY) (STATE) (ZIP CODE), hereinafter called "Debtor", and

BANK OF NEW ORLEANS AND TRUST COMPANY
 (NAME) 1010 Common St.
 (NO. AND STREET)

NEW ORLEANS, ORLEANS Louisiana 70112
 (CITY) (COUNTY) (STATE) (ZIP CODE), hereinafter called "Secured Party",

and from whom information concerning this security interest may be obtained at the address shown above, agree as follows:

Section I. Creation of Security Interest.

Debtor hereby grants to Secured Party a security interest in the Collateral described in Section II of this Security Agreement to secure performance and payment of all obligations and indebtedness of Debtor to Secured Party of whatever kind and whenever or however created or incurred.

Section II. Collateral.

The Collateral of this Security Agreement is Inventory, including all goods, merchandise, raw materials, goods in process, finished goods and other tangible personal property now owned or hereafter acquired by Debtor and held for sale or lease or furnished or to be furnished under contracts of service or used or consumed in Debtor's business, and all additions and accessions thereto, and in contract rights with respect thereto and proceeds thereof. Without limitation, the term Inventory includes Collateral of the following description:

Fifty (50) 23,500 gallon nominal capacity Richmond Tank Car Company tank cars, DOT 111A100W1 non-coiled insulated and lined, bearing the following numbers: GLNX 23500 through GLNX 23549, inclusive, and 100-ten roller bearing trucks.

Section III. Payment Obligations of Debtor.

(1) Debtor shall pay to Secured Party any sum or sums due or which may become due pursuant to any promissory note or notes now or hereafter executed by Debtor to evidence Debtor's indebtedness to Secured Party, in accordance with the terms of such promissory note or notes and the terms of this Security Agreement.

(2) Debtor shall account fully and faithfully to Secured Party for proceeds from disposition of the Collateral in any manner and shall pay or turn over promptly in cash, negotiable instruments, drafts, assigned accounts or chattel paper all the proceeds from each sale to be applied to Debtor's indebtedness to Secured Party, subject, if other than cash, to final payment or collection.

(3) Debtor shall pay to Secured Party on demand all expenses and expenditures, including reasonable attorneys' fees and other legal expenses incurred or paid by Secured Party in exercising or protecting its interests, rights and remedies under this Security Agreement, plus interest thereon at the rate of ten per cent (10%) per annum.

(4) Debtor shall pay immediately, without notice, the entire unpaid indebtedness of Debtor to Secured Party, whether created or incurred pursuant to this Security Agreement or otherwise, upon Debtor's default under Section V of this Security Agreement.

Section IV. Debtor's Representations, Warranties and Agreements.

Debtor represents, warrants and agrees that:

(1) All information supplied and statements made by Debtor in any financial, credit or accounting statement or application for credit prior to, contemporaneously with or subsequent to the execution of this Security Agreement are and shall be true, correct, complete, valid and genuine.

(2) No Financing Statement covering the Collateral or its proceeds is on file in any public office; except for the security interest granted in this Security Agreement, there is no lien, security interest or encumbrance in or on the Collateral; and Debtor is the owner of the Collateral.

(3) If any Collateral is leased or held for lease to customers of Debtor and is of a type normally used in more than one State (such as automotive equipment, rolling stock, airplanes, road building equipment, commercial harvesting equipment, construction machinery and the like), Debtor's chief place of business is the address shown at the beginning of this agreement.

(4) The office where Debtor keeps its records concerning accounts and contract rights is _____

One West Loop South, Suite 807

(No. and Street)

Houston Harris Texas 77027
 (City) (County) (State)

(5) The Collateral shall remain in Debtor's possession or control at all times at Debtor's risk of loss and be

kept at _____ where Secured Party may inspect it at any time, except for its temporary removal in connection with its ordinary use or unless Debtor notifies Secured Party in writing and Secured Party consents in writing in advance of its removal to another location.

(6) Until default, Debtor may use the Collateral in any lawful manner not inconsistent with this agreement or with the terms or conditions of any policy of insurance thereon and may also lease the Collateral in the ordinary

course of business, subject to the following additional limitations, if any: _____

Collateral may be leased to: OXIRANE CHEMICAL COMPANY, INC.

A sale in the ordinary course of business does not include a transfer in partial or total satisfaction of a debt. Until default, Debtor may also use and consume any raw materials or supplies, the use and consumption of which are necessary to carry on Debtor's business.

(7) Debtor will promptly notify Secured Party in writing of any addition to, change in or discontinuance of: (a) its address as shown at the beginning of this Security Agreement; (b) the location of its chief place of business as set forth in this Security Agreement; and (c) the location of the office where it keeps its records as set forth in this Security Agreement.

(8) Debtor shall pay prior to delinquency all taxes, charges, liens and assessments against the Collateral, and upon Debtor's failure to do so, Secured Party at its option may pay any of them and shall be the sole judge of the legality or validity thereof and the amount necessary to discharge the same. Such payment shall become part of the indebtedness secured by this agreement and shall be paid to Secured Party by Debtor immediately and without demand, with interest thereon at the rate of ten per cent (10%) per annum.

(9) Debtor will have and maintain insurance at all times with respect to all Collateral against risks of fire, theft and such other risks as Secured Party may require, including standard extended coverage, and in the case of motor vehicles, including collision coverage. Such insurance policies shall contain such terms, be in a form, for a period and be written by companies satisfactory to Secured Party. Such insurance policies shall also contain a standard mortgagee's endorsement providing for payment of any loss to Secured Party. All policies of insurance shall provide for ten days written minimum cancellation notice to Secured Party. Debtor shall furnish Secured Party with certificates or other evidence satisfactory to Secured Party of compliance with the foregoing insurance provisions. Secured Party may act as attorney for the Debtor in obtaining, adjusting, settling and cancelling such insurance and endorsing any drafts drawn by insurers of the Collateral. Secured Party may apply any proceeds of such insurance which may be received by it in payment on account of the obligations secured hereby, whether due or not.

(10) Debtor shall, at its own expense, do, make, procure, execute and deliver all acts, things, writings and assurances as Secured Party may at any time request to protect, assure or enforce its interests, rights and remedies created by, provided in or emanating from this Security Agreement.

(11) Debtor shall not lend, rent, lease or otherwise dispose of the Collateral or any interest therein except as authorized in this Security Agreement or in writing by Secured Party, and Debtor shall keep the Collateral, including the proceeds thereof, free from unpaid charges, including taxes, and from liens, encumbrances and security interests other than that of Secured Party.

(12) Debtor shall sign and execute alone or with Secured Party any Financing Statement or other document or procure any document, and pay all connected costs, necessary to protect the security interest under this Security Agreement against the rights or interests of third persons.

(13) Debtor shall at all times keep the Collateral and its proceeds separate and distinct from other property of Debtor and shall keep accurate and complete records of the Collateral and its proceeds.

(14) If Secured Party should at any time be of the opinion that the Collateral is not sufficient or has declined or may decline in value, or should Secured Party deem payment of Debtor's obligations to Secured Party to be insecure, then Secured Party may call for additional Collateral satisfactory to Secured Party, and Debtor promises to furnish such additional security forthwith. The call for additional security may be oral or by telegram or by United States mail addressed to the address of Debtor shown at the beginning of this agreement.

Section V. Events of Default.

Debtor shall be in default under this Security Agreement upon the happening of any of the following events or conditions (herein called an "Event of Default"):

(1) Debtor's failure to pay when due any indebtedness secured by this Security Agreement, either principal or interest.

(2) Default by Debtor in the punctual performance of any of the obligations, covenants, terms or provisions contained or referred to in this Security Agreement or in any note secured hereby.

(3) Any warranty, representation, or statement contained in this Security Agreement or made or furnished to Secured Party by or on behalf of Debtor in connection with this Security Agreement or to induce Secured Party to make a loan to Debtor proves to have been false in any respect when made or furnished.

(4) Loss, theft, substantial damage, destruction, sale (except as authorized in this Security Agreement) or encumbrance to or of any of the Collateral, or the making of any levy, seizure or attachment thereof or thereon.

(5) Debtor's death, dissolution, termination of existence, insolvency or business failure; the appointment of a receiver of all or any part of the property of Debtor; an assignment for the benefit of creditors by Debtor, the calling of a meeting of creditors of Debtor, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Debtor or any guarantor, surety or endorser for Debtor.

(6) Any statement of the financial condition of Debtor or of any guarantor, surety or endorser of any liability of Debtor to Secured Party submitted to Secured Party by Debtor or any such guarantor, surety or endorser proves to be false.

(7) The Collateral becomes, in judgment of Secured Party, unsatisfactory or insufficient in character or value.

(8) Any guarantor, surety or endorser for Debtor defaults in any obligation or liability to Secured Party.

Section VI. Secured Party's Rights and Remedies.

A. Rights Exclusive of Default.

(1) This Security Agreement, Secured Party's rights hereunder or the indebtedness hereby secured may be assigned from time to time, and in any such case the Assignee shall be entitled to all of the rights, privileges and remedies granted in this Security Agreement to Secured Party, and Debtor will assert no claim or defenses he may have against Secured Party against the Assignee, except those granted in this Security Agreement.

(2) Secured Party may enter upon Debtor's premises at any reasonable time to inspect the Collateral and Debtor's books and records pertaining to the Collateral, and Debtor shall assist Secured Party in making any such inspection.

(3) Secured Party may execute, sign, endorse, transfer or deliver in the name of Debtor notes, checks, drafts or other instruments for the payment of money and receipts, certificates of origin, applications for certificates of title or any other documents, necessary to evidence, perfect or realize upon the security interest and obligations created by this Security Agreement.

(4) At its option, Secured Party may discharge taxes, liens or security interests or other encumbrances at any time levied or placed on the Collateral, may pay for insurance on the Collateral and may pay for the maintenance and preservation of the Collateral. Debtor agrees to reimburse Secured Party on demand for any payment made, or expense incurred by Secured Party pursuant to the foregoing authorization, plus interest thereon at the rate of ten per cent (10%) per annum.

(5) Secured Party may notify the account debtors or obligors of any accounts, chattel paper, negotiable instruments or other evidences of indebtedness remitted by Debtor to Secured Party as proceeds to pay Secured Party directly.

(6) Secured Party may at any time demand, sue for, collect or make any compromise or settlement with reference to the Collateral as Secured Party, in its sole discretion, chooses.

B. Rights in Event of Default.

(1) Upon the occurrence of an Event of Default, or if Secured Party deems payment of Debtor's obligations to Secured Party to be insecure, and at any time thereafter, Secured Party may declare all obligations secured hereby immediately due and payable and shall have the rights and remedies of a Secured Party under the Uniform Commercial Code of Texas, including without limitation thereto, the right to sell, lease or otherwise dispose of any or all of the Collateral and the right to take possession of the Collateral, and for that purpose Secured Party may enter upon any premises on which the Collateral or any part thereof may be situated and remove the same therefrom. Secured Party may require Debtor to assemble the Collateral and make it available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to both parties. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Secured Party will send Debtor reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or other disposition thereof is to be made. The requirement of sending reasonable notice shall be met if such notice is mailed, postage prepaid, to Debtor at the address designated at the beginning of this Security Agreement at least five days before the time of the sale or disposition. Expenses of retaking, holding, preparing for sale, selling or the like shall include Secured Party's reasonable attorneys' fees and legal expenses, and Debtor agrees to pay such expenses, plus interest thereon at the rate of ten per cent (10%) per annum. Debtor shall remain liable for any deficiency.

(2) Secured Party may remedy any default and may waive any default without waiving the default remedied or without waiving any other prior or subsequent default.

(3) The remedies of Secured Party hereunder are cumulative, and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any of the other remedies of Secured Party.

Section VII. Additional Agreements.

(1) The term "Debtor" as used in this instrument shall be construed as singular or plural to correspond with the number of persons executing this instrument as Debtor. The pronouns used in this instrument are in the masculine gender but shall be construed as feminine or neuter as occasion may require. "Secured Party" and "Debtor" as used in this instrument include the heirs, executors or administrators, successors, representatives, receivers, trustees and assigns of those parties.

(2) If more than one person executes this instrument as Debtor, their obligations under this instrument shall be joint and several.

(3) The section headings appearing in this instrument have been inserted for convenience only and shall be given no substantive meaning or significance whatever in construing the terms and provisions of this instrument. Terms used in this instrument which are defined in the Texas Uniform Commercial Code are used with the meanings as therein defined.

(4) The law governing this secured transaction shall be that of the State of Texas in force at the date of this instrument.

EXECUTED this 10th day of December, 19 81

SECURED PARTY:

BANK OF NEW ORLEANS & TRUST COMPANY

By [Signature]

DEBTOR:

LOUISIANA TANK CAR COMPANY

[Signature]

STATE OF LOUISIANA)

PARISH OF ORLEANS)

BEFORE ME, the undersigned authority, on this day personally appeared ALBERT PREVOT, President of LOUISIANA TANK CAR CORPORATION, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as the act and deed of said Corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN under my hand and seal of office this 10th day of ~~November~~ ^{December}, 1981.

Dorothy T. Blackwood

DOROTHY T. BLACKWOOD

Notary Public in and for the
Parish of Orleans, State of
Louisiana.

My commission expires at death.