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March 29, 1995

RECORDATION NO. 19335
FILED 1426
MAR 30 1995 10:22 AM
COMMERCIAL RECORDS SECTION

LICENSING DIVISION

MAR 30 10 22 AM '95

VIA OVERNIGHT COURIER

Secretary
Interstate Commerce Commission
Room 2311
Washington, DC 20423

Re: **DOCUMENTS FOR RECORDATION**

Dear Secretary:

I am an attorney representing a party to the enclosed document. I have enclosed two originals and a certified copy of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the United States Code and the regulations adopted thereto. The document is:

Residual Sharing and Security Agreement, a primary document, dated as of December 31, 1994, including Riders 1, 2, and 3 thereto. The names and addresses of the parties to the foregoing document follow:

Debtor: Sequel Railcar Leasing Corporation
570 Lake Cook Road
Suite 405
Deerfield, Illinois 60015

Secured Party: First Pacific Railcar Corporation
436 Laguna Vista Road
Santa Rosa, CA 35401

The equipment covered by the foregoing document follows:

Seventy-five (75) 1974 ACF-built 4650 cubic foot covered hopper railcars marked and numbered in series IMCX 10101-10186 (inclusive) and IMCX 6200-6243 (inclusive); and

Interstate Commerce Commission

March 28, 1995

Page Two

One Hundred (100) mechanical refrigerated box cars bearing marks and numbers VCY 25300 through VCY 25399 (inclusive); and One Hundred (100) mechanical refrigerated box cars bearing marks and numbers VCY 25200 through VCY 25299 (inclusive).

A fee of \$21.00 is enclosed. Please return an original and any extra copies not needed by the Commission for recordation and the enclosed copy of this letter, each stamped with your recordation number, to Stacy Powell-Bennett, Seyfarth, Shaw, Fairweather & Geraldson, 55 East Monroe Street, Suite 4200, Chicago, Illinois 60603.

A short summary of the document to appear in the index follows:

Residual Sharing and Security Agreement, dated as of December 31, 1994, including Riders 1, 2, and 3 thereto, between Sequel Railcar Leasing Corporation, Deerfield, Illinois, and First Pacific Railcar Corporation, Santa Rosa, California, covering the following equipment: Seventy-five (75) 1974 ACF-built 4650 cubic foot covered hopper railcars marked and numbered in series IMCX 10101-10186 (inclusive) and IMCX 6200-6243 (inclusive); and One Hundred (100) mechanical refrigerated box cars bearing marks and numbers VCY 25300 through VCY 25399 (inclusive); and One Hundred (100) mechanical refrigerated box cars bearing marks and numbers VCY 25200 through VCY 25299 (inclusive).

Yours very truly,

SEYFARTH, SHAW, FAIRWEATHER & GERALDSON

By:


Stacy Powell-Bennett

Enclosure

cc: Jay Bronson (w/o enc.)
Richard Demarest Yant (w/o enc.)



Interstate Commerce Commission
Washington, D.C. 20423-0001

3/30/95

Office Of The Secretary

Stacy Powell-Bennett
Seyfarth, Shaw, Fairweather & Geraldson
55 East Monroe Street, Ste. 4200
Chicago, Illinois 60603-5803

Dear Madam:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 3/30/95 at 10:25AM, and assigned recordation number(s) 19335.

Sincerely yours,

Vernon A. Williams
Secretary

Enclosure(s)

(0100578028)

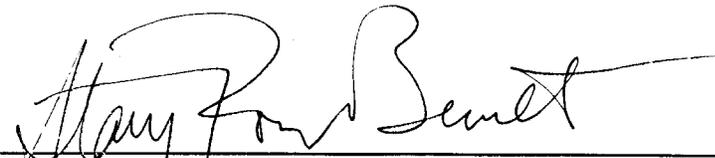
\$ 21.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature

REGISTRATION NO. 19335 FILED 1995
MAR 30 1995 10:22 AM
NOTARY PUBLIC

CERTIFIED COPY

I, Stacy Powell-Bennett, the undersigned affiant, certify and affirm that I have compared the attached copy with the original and have found the copy to be complete and identical in all respects to the original document.



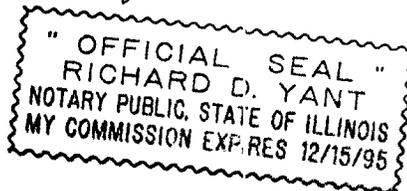
Stacy Powell-Bennett

STATE OF ILLINOIS)
) SS.
COUNTY OF C O O K)

The foregoing instrument was acknowledged before me this 18th day of March, 1995, by Stacy Powell-Bennett.



NOTARY PUBLIC



19335

RECORDATION NO. FILED 1994

MAR 31 1995 10:51 AM

DEPT. OF REVENUE

RESIDUAL SHARING AND SECURITY AGREEMENT

THIS AGREEMENT ("Agreement") is entered into as of December 31, 1994 between Sequel Railcar Leasing Corporation ("Sequel") and First Pacific Railcar Corporation ("First Pacific").

RECITALS:

- A. First Pacific has presented to Sequel transactions involving the purchase and lease of the railroad rolling stock identified on the riders hereto (the "Cars" or individually, a "Car").
- B. As part of the consideration to be paid from Sequel to First Pacific for arranging the transactions, Sequel has agreed to pay a portion of the cash flow received from the Cars to First Pacific as provided in this Agreement.

NOW THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency is hereby acknowledged, the parties agree as follows:

1. **Records and Notification.** Sequel will keep accurate and detailed records with respect to each Car, including records of the amount and timing of all monetary receipts attributable to each Car and will provide access to all records and documents relating to any Car to First Pacific at any reasonable time upon request. Sequel represents that all such records provided to First Pacific shall be true, correct, accurate and complete. Sequel will promptly notify First Pacific if it makes any disposition of any Car (including, without limitation, by sale, lease renewal or extension, new lease, or casualty) and the timing and economics of such disposition.
2. **Residual Sharing.** Part B of each rider lists Sequel's investment for each Car, the date of investment, and the periodic rent and lease term for the existing lease. As Sequel receives cash attributable to any Car (from whatever source), such cash shall be allocated first to an interest factor at the rate listed on Part B of the applicable rider and Sequel's unreimbursed expenses with respect to such Car, with the balance to reduce Sequel's unrecovered investment for such Car. Specifically, the unrecovered investment at the beginning of each month shall be increased by any additional costs incurred by Sequel in connection with the Cars, including repairs, storage costs, transportation costs and legal expenses, and decreased by the proceeds received by Sequel during the month. The balance of the unrecovered investment at the end of the month shall be increased by an interest rate equal to 1/12th of the Interest Rate and the balance after the interest computation shall be carried forward to the following month. Whenever Sequel has received cash attributable to a Car sufficient to reduce Sequel's unrecovered investment to zero, it will pay to First Pacific fifty percent

(50%) of all cash in excess of such unrecovered investment within thirty (30) days after receipt of such additional cash. Any payment not made on or before such due date shall accrue interest from the date of delinquency until paid at a rate of interest equal to one percent (1%) per annum over the prevailing United States "Prime Rate."

3. Security Agreement. To secure its obligations with respect to the Cars described on a particular rider hereto, Sequel grants to First Pacific a continuing security interest in each of such Cars. The security interest granted herein with respect to a Car is intended to secure only the obligations of Sequel with respect to the Cars described in the rider in which such Car is described. The parties agree that the security interest granted herein shall be perfected and this Agreement or notice hereof may be filed or recorded in any public record (including the Interstate Commerce Commission) so long as the information on Part B of each Rider is omitted from such filing. Sequel shall execute any further documents and take any action as may be necessary to perfect and protect First Pacific's interest in the Cars. First Pacific, upon request, shall subordinate its security interest to any security interest created by Sequel to provide financing for any of the Cars. In case of any breach of this Agreement by Sequel, First Pacific shall be entitled to any remedies available to it under applicable law, including those provided under Article 9 of the Uniform Commercial Code as in effect in the State of Illinois. The parties will enter into an escrow agreement ("Escrow Agreement") with Seyfarth, Shaw, Fairweather & Geraldson ("Escrowee"). Any fees of Escrowee will be borne solely by Sequel. First Pacific will execute and deliver to Escrowee a release of its interest in the Cars described in each rider. The Escrow Agreement will provide instructions to the Escrowee to deliver a release of such Cars to Sequel only upon receipt from Sequel of a certificate stating (a) that Sequel has sold or intends to sell the Cars described in the release, (b) evidencing the calculation of the amount of payment due to First Pacific as a result of such sale, and (c) evidencing the payment (or a mechanism to insure payment) to First Pacific of the amount owed by Sequel as provided in this Agreement. No such delivery of a release as provided in the Escrow Agreement will be effective as between the parties hereto until First Pacific has actually received all amounts due to it under this Agreement with respect to such Cars.

4. Miscellaneous.

(a) Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

(b) Amendment; Waiver. No term or provision of this Agreement may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which the enforcement of the change, waiver, discharge or termination is sought.

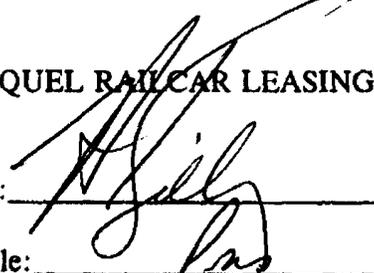
(c) Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of the parties and their successors and assigns.

(d) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of Illinois.

(e) Attorneys' Fees. In the event that First Pacific or Sequel becomes involved in any action, brings an action or retains legal representation to enforce its rights hereunder, the losing party will pay to the other, in addition to all other damages and awards, all of its attorneys' fees and all other costs and expenses in connection with any such action or representation.

IN WITNESS WHEREOF, the parties have each caused this Agreement to be duly executed as of the date first above written, and the undersigned signatories each hereby declare pursuant to 28 U.S.C. Section 1746 under penalty of perjury that the foregoing is a true and correct document and was executed on the date indicated below its signature.

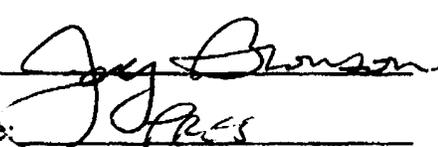
SEQUEL RAILCAR LEASING CORPORATION

By: 

Title: VP

Date: 3/14/95

FIRST PACIFIC RAILCAR CORPORATION

By: 

Title: VP

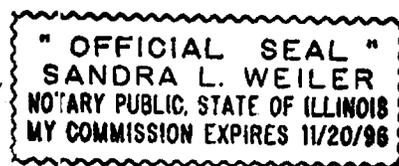
Date: 3/20/95

ACKNOWLEDGMENTS

State of Illinois)
County of Lake) ss.

On this 14 day of March, 1995, before me personally appeared Harvey Kinzelberg, to me personally known, who, being by me duly sworn, did say that he is ~~a~~ The President of SEQUEL RAILCAR LEASING CORPORATION, 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 Agreement was the free act and deed of the corporation.

Sandra L. Weiler
Notary Public



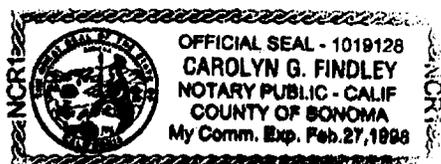
My commission expires: 11/20/96

State of CA)
County of Sonoma) ss.

On this 20 day of March, 1995, before me personally appeared Jay Brown, to me personally known, who, being by me duly sworn, did say that he is a _____ of FIRST PACIFIC RAILCAR CORPORATION, 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 Agreement was the free act and deed of the corporation.

[Signature]
Notary Public

My commission expires:



Rider 1

This rider ("Rider") and the Agreement dated as of December 31, 1994 between Sequel Railcar Leasing Corporation ("Sequel") and First Pacific Railcar Corporation ("First Pacific"), together constitute a single integrated, whole and separate agreement.

Part A: **Description of Cars**

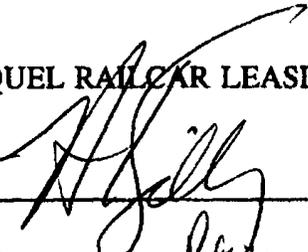
Seventy-five (75) 1974 ACF-built 4650 cubic foot covered hopper railcars marked and numbered in series IMCX 10101 - 10186 (inclusive) and IMCX 6200 - 6243 (inclusive) as more fully described on Annex A hereto.

Part B:

INTENTIONALLY OMITTED

IN WITNESS WHEREOF, the parties have each caused this Rider 1 to be duly executed as of the date first above written, and the undersigned signatories each hereby declare pursuant to 28 U.S.C. Section 1746 under penalty of perjury that the foregoing is a true and correct document and was executed on the date indicated below its signature.

SEQUEL RAILCAR LEASING CORPORATION

By: 

Title: Pres.

Date: 3/14/95

FIRST PACIFIC RAILCAR CORPORATION

By: 

Title: VP

Date: 3/22/95

ACKNOWLEDGMENTS

State of Illinois)
County of Lake) ss.

On this 14 day of March, 1995, before me personally appeared Harvey Kinzelberg, to me personally known, who, being by me duly sworn, did say that he is the President of SEQUEL RAILCAR LEASING CORPORATION, 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 Rider 1 was the free act and deed of the corporation.

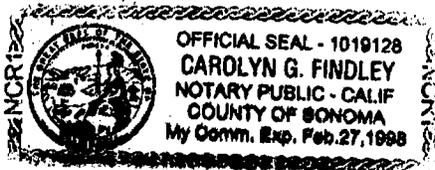
Sandra L. Weiler
Notary Public



My commission expires: 11/20/96

State of CA)
County of Sonoma) ss.

On this 20 day of March, 1995, before me personally appeared Jay Brunson to me personally known, who, being by me duly sworn, did say that he is a J of FIRST PACIFIC RAILCAR CORPORATION, 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 Rider 1 was the free act and deed of the corporation.



[Signature]
Notary Public

My commission expires:

ANNEX "A"

The Railcars included under Lease Schedule No. 1 to Master Railcar Lease Agreement dated September 10, 1993, are 1974 ACF 4,650 cubic foot hopper railcars, with a Lessor's Cost for each Railcar of _____ and a total Lessor's Cost for all Railcars of _____ with the following registration numbers:

VEHICLE ID. NO.

CARS WITH ORIGINAL NUMBERS:

IMCX010101	IMCX010122	IMCX010151	IMCX010173
IMCX010103	IMCX010124	IMCX010152	IMCX010174
IMCX010104	IMCX010127	IMCX010154	IMCX010176
IMCX010105	IMCX010130	IMCX010155	IMCX010177
IMCX010108	IMCX010132	IMCX010157	IMCX010178
IMCX010112	IMCX010133	IMCX010158	IMCX010179
IMCX010113	IMCX010134	IMCX010159	IMCX010180
IMCX010114	IMCX010135	IMCX010161	IMCX010181
IMCX010116	IMCX010136	IMCX010162	IMCX010182
IMCX010117	IMCX010137	IMCX010163	IMCX010183
IMCX010119	IMCX010139	IMCX010167	IMCX010184
IMCX010120	IMCX010143	IMCX010170	IMCX010185
IMCX010121	IMCX010148	IMCX010171	IMCX010186

CARS WITH CHANGED NUMBERS:

<u>Old Numbers:</u>	<u>New Numbers:</u>	<u>Old Numbers:</u>	<u>New Numbers:</u>
IMCX010102	IMCX06218	IMCX010142	IMCX06211
IMCX010109	IMCX06217	IMCX010144	IMCX06206
IMCX010111	IMCX06220	IMCX010146	IMCX06224
IMCX010118	IMCX06202	IMCX010147	IMCX06225
IMCX010123	IMCX06221	IMCX010156	IMCX06201
IMCX010125	IMCX06222	IMCX010160	IMCX06214
IMCX010128	IMCX06205	IMCX010164	IMCX06210
IMCX010129	IMCX06213	IMCX010165	IMCX06215
IMCX010131	IMCX06203	IMCX010168	IMCX06200
IMCX010138	IMCX06212	IMCX010169	IMCX06216
IMCX010140	IMCX06204	IMCX010175	IMCX06219
IMCX010141	IMCX06223		

Rider 2

This rider ("Rider") and the Agreement dated as of December 31, 1994 between Sequel Railcar Leasing Corporation ("Sequel") and First Pacific Railcar Corporation ("First Pacific"), together constitute a single integrated, whole and separate agreement.

Part A: **Description of Cars**

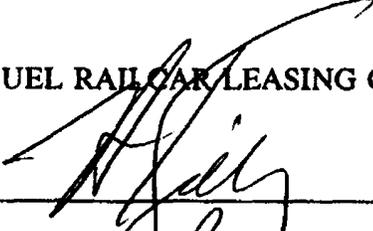
One hundred (100) mechanical refrigerated box cars bearing marks and numbers VCY 25300 through VCY 25399 (inclusive)

Part B:

INTENTIONALLY OMITTED

IN WITNESS WHEREOF, the parties have each caused this Rider 2 to be duly executed as of the date first above written, and the undersigned signatories each hereby declare pursuant to 28 U.S.C. Section 1746 under penalty of perjury that the foregoing is a true and correct document and was executed on the date indicated below its signature.

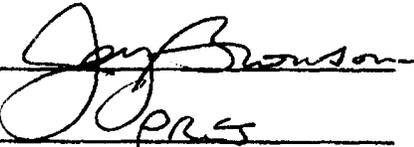
SEQUEL RAILCAR LEASING CORPORATION

By: 

Title: Pres.

Date: 3/14/95

FIRST PACIFIC RAILCAR CORPORATION

By: 

Title: Pres.

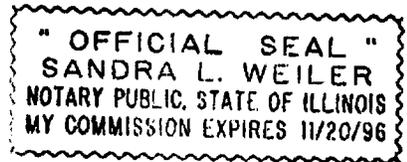
Date: 3/20/95

ACKNOWLEDGMENTS

State of Illinois)
County of Lake) ss.

On this 14 day of March, 1995, before me personally appeared Harvey Kinzelberg, to me personally known, who, being by me duly sworn, did say that he is ~~a~~ The President of SEQUEL RAILCAR LEASING CORPORATION, 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 Rider 2 was the free act and deed of the corporation.

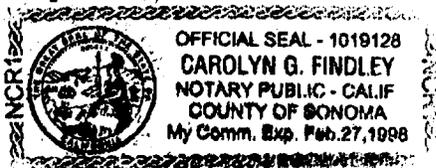
Sandra L. Weiler
Notary Public



My commission expires: 11/20/96

State of CA)
County of Sonoma) ss.

On this 20 day of March, 1995, before me personally appeared Jim Bronson, to me personally known, who, being by me duly sworn, did say that he is a _____ of FIRST PACIFIC RAILCAR CORPORATION, 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 Rider 2 was the free act and deed of the corporation.



[Signature]
Notary Public

My commission expires:

Rider 3

This rider ("Rider") and the Agreement dated as of December 31, 1994 between Sequel Railcar Leasing Corporation ("Sequel") and First Pacific Railcar Corporation ("First Pacific"), together constitute a single integrated, whole and separate agreement.

Part A: Description of Cars

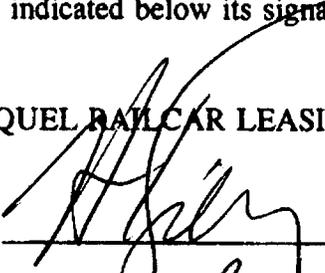
One hundred (100) mechanical refrigerated box cars bearing marks and numbers VCY 25200 through VCY 25299 (inclusive)

Part B:

INTENTIONALLY OMITTED

IN WITNESS WHEREOF, the parties have each caused this Rider 3 to be duly executed as of the date first above written, and the undersigned signatories each hereby declare pursuant to 28 U.S.C. Section 1746 under penalty of perjury that the foregoing is a true and correct document and was executed on the date indicated below its signature.

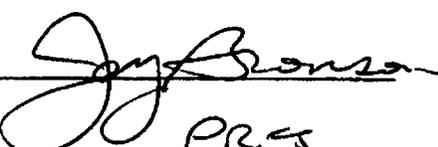
SEQUEL RAILCAR LEASING CORPORATION

By: 

Title: pres.

Date: 3/14/95

FIRST PACIFIC RAILCAR CORPORATION

By: 

Title: pres

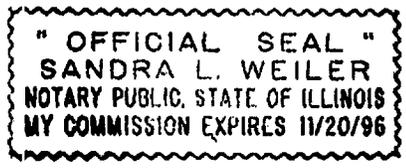
Date: 3/20/95

ACKNOWLEDGMENTS

State of Illinois)
County of Lake) ss.

On this 14 day of March, 1995, before me personally appeared Harvey Kinzellers, to me personally known, who, being by me duly sworn, did say that he is a the President of SEQUEL RAILCAR LEASING CORPORATION, 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 Rider 3 was the free act and deed of the corporation.

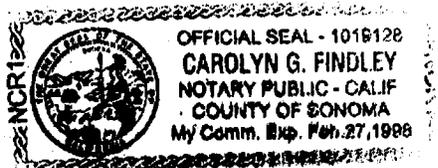
Sandra L. Weiler
Notary Public



My commission expires: 11/20/96

State of CA)
County of Sonoma) ss.

On this 20 day of March, 1995, before me personally appeared Ray Benson to me personally known, who, being by me duly sworn, did say that he is a Ray Benson of FIRST PACIFIC RAILCAR CORPORATION, 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 Rider 3 was the free act and deed of the corporation.



[Signature]
Notary Public

My commission expires: