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17958/A

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SEP 30 1992 4:02 PM

September 30, 1992

INTERSTATE COMMERCE COMMISSION

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SEP 30 1992 4:03 PM
INTERSTATE COMMERCE COMMISSION

Mr. Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

17958/B New #
SEP 30 1992 4:03 PM
INTERSTATE COMMERCE COMMISSION

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-B

Dear Mr. Strickland:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two (2) executed original copies each of an Equipment Leasing Agreement dated as of September 15, 1992, a primary document (as defined in the Commission's Rules for the Recordation of Documents under 49 C.F.R. Section 1177) and two secondary documents relating thereto, namely a Purchase Agreement Assignment dated as of September 30, 1992, and a Collateral Assignment of Services Agreement dated September 30, 1992.

The names and addresses of the parties executing the same are:

1. Equipment Leasing Agreement

Lessor: Unionbanc Leasing Corporation
125 Summer Street
Boston, Massachusetts 02110

Lessee: TennRail Corporation
111 East Capitol Street
Jackson, Mississippi

2. Purchase Agreement Assignment

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(Handwritten signature)

Mr. Sidney L. Strickland, Jr.
September 30, 1992
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Assignee: Unionbanc Leasing Corporation
125 Summer Street
Boston, Massachusetts 02110

Assignor: TennRail Corporation
111 East Capitol Street
Jackson, Mississippi 39201

Vendor: Union Tank Car Company
Chicago, Illinois 39201

3. Collateral Assignment of Services Agreement

Assignor: TennRail Corporation
111 East Capitol Street
Jackson, Mississippi 39201

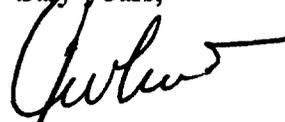
Assignee: Unionbanc Leasing Corporation
125 Summer Street
Boston, Massachusetts 02110

A description of the railroad equipment covered by the enclosed document is attached hereto.

Also enclosed is a check in the amount of \$48 payable to the order of the Interstate Commerce Commission covering the required recordation files.

Kindly return one stamped copy of the enclosed documents to Robert W. Alvord, Esq., Alvord and Alvord, 918 16th Street, N.W., Washington, D.C. 20006.

Very truly yours,



Robert W. Alvord

RWA/bg
Enclosures

SEP 30 1992 -4 05 PM

COLLATERAL ASSIGNMENT OF SERVICES AGREEMENT

INTERSTATE COMMERCE COMMISSION

This Collateral Assignment, made this 30th day of September, 1992 by and between TennRail Corporation, a Delaware corporation (herein "ASSIGNOR") and Unionbanc Leasing Corporation, a California corporation (herein "ASSIGNEE").

W I T N E S S E T H :

The following agreement of the parties:

1. As used herein, the following words and phrases shall have the following meanings:

"LEASE" shall mean the Equipment Leasing Agreement between ASSIGNEE as Lessor and ASSIGNOR as Lessee dated as of September 15, 1992, as the same may be amended from time to time.

"LEASE SUPPLEMENT" shall mean a Lease Supplement or Individual Leasing Record now or hereafter executed by ASSIGNOR and ASSIGNEE pursuant to the LEASE covering a specific item or items of EQUIPMENT leased thereunder.

"SERVICES AGREEMENT" shall mean the Railcar Management Services Agreement between ASSIGNOR and WCTU Railway Company ("WCTU") dated September 30, 1992, as the same may be amended from time to time.

"OBLIGATIONS" shall mean (i) the obligations of ASSIGNOR to ASSIGNEE to pay all rentals and all other sums under the LEASE and each LEASE SUPPLEMENT, as and when the same become due and payable, (ii) all other obligations of ASSIGNOR to ASSIGNEE under or pursuant to the LEASE, and (iii) all other indebtedness, liabilities, indemnity agreements, reimbursement agreements and amounts, liquidated or unliquidated, owing from ASSIGNOR to ASSIGNEE or to any parent, subsidiary or affiliate of ASSIGNEE at any time, each of every kind, nature and description, and whether secured or unsecured, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising or contracted.

"EQUIPMENT" shall mean the property which is the subject of the LEASE and the SERVICES AGREEMENT.

"GUARANTEED PAYMENT" shall mean those sums payable to Assignor by WCTU pursuant to the Services Agreement.

"SERVICES AGREEMENT COLLATERAL" shall mean:

(i) The SERVICES AGREEMENT, all proceeds thereof,

(ii) All guaranties given to ASSIGNOR with respect to WCTU'S obligations under the SERVICES AGREEMENT; and

(iii) All collateral granted to ASSIGNOR as security for the obligations of WCTU or any guarantor of the SERVICES AGREEMENT.

"DEFAULT" shall mean (a) an Event of Default under the LEASE, or (b) a default under the SERVICES AGREEMENT, or (c) a breach by ASSIGNOR of any of its representations and warranties under Paragraph 12 hereof.

2. ASSIGNOR'S OBLIGATIONS, As security for the payment and performance of all of ASSIGNOR hereby assigns, transfers and sets over to ASSIGNEE, and grants to ASSIGNEE a security interest in, all of the SERVICES AGREEMENT COLLATERAL.

3. Unless and until a DEFAULT has occurred ASSIGNOR shall be entitled to collect all rent payments and all other payments due and payable under the SERVICES AGREEMENT directly from WCTU. As a condition thereof however, ASSIGNOR shall forthwith remit to ASSIGNEE, in kind with all necessary endorsements, all rent and other payments received by ASSIGNOR under the SERVICES AGREEMENT. Upon receipt, ASSIGNEE shall apply such payments to the payments of rent due under the LEASE on the corresponding rent payment date under the LEASE SUPPLEMENT to which such rent payments relate, and thereafter to the payment of the other obligations payable by ASSIGNOR to ASSIGNEE under the LEASE, and after such application any balance then remaining shall be remitted to ASSIGNOR.

4. Upon the occurrence of a DEFAULT, ASSIGNEE shall have the right to collect all payments and all other payments due and payable under the SERVICES AGREEMENT directly from WCTU, and ASSIGNOR shall promptly pay over to ASSIGNEE any such payments thereafter received by ASSIGNOR from or with respect to the SERVICES AGREEMENT COLLATERAL. After the occurrence of a DEFAULT:

(a) ASSIGNOR agrees that it shall have no authority to, and will not, without ASSIGNEE'S prior written consent, make any demands for payment of any rent payable under the SERVICES AGREEMENT or other sums or monies payable thereunder, or accept any installments or any other payments whatsoever thereunder, or exercise any rights or remedies under, or consent to any amendment, modification, waiver or breach of any of the terms or provisions of, or a termination of, the SERVICES AGREEMENT or any guarantee thereof, or take any action thereunder or pursuant thereto with respect to the EQUIPMENT or otherwise;

(b) ASSIGNEE shall have the sole right to receive all

payments or proceeds arising under the SERVICES AGREEMENT or with respect to rights against any guarantor of the SERVICES AGREEMENT or any other security for the SERVICES AGREEMENT or any such guaranty with full right to compromise or settle any or all of the foregoing, and ASSIGNOR agrees that all rental payments under the SERVICES AGREEMENT and all other payments whatsoever which may thereafter be received by ASSIGNOR from or with respect to the SERVICES AGREEMENT COLLATERAL shall be promptly paid over to ASSIGNEE, and ASSIGNEE is hereby granted an irrevocable power of attorney to endorse, in ASSIGNOR'S name, such remittances over to ASSIGNEE; and

(c) ASSIGNOR gives express permission to ASSIGNEE to release on terms satisfactory to ASSIGNEE or by operation of law or otherwise, or to compromise or adjust, any and all rights against, and grant extensions of time of payment to, WCTU or to any guarantor of the SERVICES AGREEMENT, without notice to ASSIGNOR and without affecting ASSIGNOR'S OBLIGATIONS.

5. If a DEFAULT shall have occurred, ASSIGNOR shall be in default hereunder and ASSIGNEE shall have all rights and remedies specified herein and all rights and remedies of a secured party under the Uniform Commercial Code as in effect in the Commonwealth of Massachusetts. Expenses of retaking, holding, preparing for sale, selling or similarly relating to realization on the SERVICES AGREEMENT COLLATERAL shall include reasonable attorneys' fees and other legal costs and expenses incurred by ASSIGNEE.

6. No delay or failure on the part of ASSIGNEE in exercising any right, privilege, remedy or option hereunder shall operate as a waiver thereof. No waiver whatsoever shall be valid and binding on ASSIGNEE unless contained in a writing duly executed by ASSIGNEE and then only to the extent therein set forth.

7. ASSIGNEE may exercise or enforce any one or more remedies available to it successively, alternatively or concurrently.

8. ASSIGNOR shall join with ASSIGNEE in executing financing statements, amendments thereto and continuation statements thereof, and at ASSIGNOR'S expense cause the same to be filed in public offices as may be required to perfect and to continue the perfection of the security interest hereby granted. To the extent permitted by law, ASSIGNEE may file one or more financing statements relating to the security interest hereby granted without ASSIGNOR'S signature thereon. ASSIGNOR will further, from time to time, execute and deliver and take all such other action which ASSIGNEE may require to assure more fully to

ASSIGNEE or to vest more securely in ASSIGNEE all rights and interests contemplated in this Agreement. A carbon, photographic or other reproduction of this Agreement or any financing statement executed pursuant to the terms hereof shall be sufficient as a financing statement for the purpose of filing with the appropriate public authorities.

9. This Agreement cannot be amended except by an instrument in writing duly executed by both ASSIGNOR and ASSIGNEE.

10. ASSIGNOR may not assign any of its rights or obligations hereunder without the prior written consent of ASSIGNEE. ASSIGNEE may assign any of its rights hereunder, in whole or in part, upon notice to, but without the consent of, ASSIGNOR. All rights of ASSIGNEE hereunder shall inure to the benefit of its successors and assigns and this Agreement shall be binding upon ASSIGNOR and ASSIGNOR's heirs, successors and permitted assigns.

11. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts and shall take effect as an instrument under seal.

12. ASSIGNOR hereby represents and warrants to ASSIGNEE as follows:

(a) The SERVICES AGREEMENT is a valid and binding agreement of WCTU, enforceable against WCTU in accordance with its terms;

(b) The SERVICES AGREEMENT is expressly by its terms made subject and subordinate to the LEASE and ASSIGNEE'S rights thereunder;

(c) Except for the SERVICES AGREEMENT, ASSIGNOR has not entered into any other agreement of any kind or nature relating to the EQUIPMENT, other than the LEASE, each LEASE SUPPLEMENT, this Collateral Assignment and the Contract for Modification of Railroad Cars between Assignor and Southern States Railcar;

(d) ASSIGNOR has not sold, transferred or assigned its rights in, or granted a security interest in, the SERVICES AGREEMENT COLLATERAL to anyone other than ASSIGNEE;

(e) WCTU is not in default of WCTU's obligations, with respect to the payment of rent or otherwise, under the SERVICES AGREEMENT;

(f) The rights of ASSIGNEE to receive all payments to be made by the WCTU under the SERVICES AGREEMENT will, at

all times, be free of any and all defenses, set-offs and counterclaims whatsoever;

(9) All executed counterparts of the SERVICES AGREEMENT have been marked to indicate that only the counterpart marked counterpart number 1 is the original for chattel paper perfection purposes under the Uniform Commercial Code, and counterpart number 1 has been delivered to ASSIGNEE;

(h) All signatures of WCTU on the SERVICES AGREEMENT are genuine and duly authorized;

(i) The EQUIPMENT has been delivered to WCTU and has been unconditionally accepted by WCTU;

(j) WCTU has no early termination rights, cancellation rights or options, whether to purchase the EQUIPMENT or of any other nature;

(k) ASSIGNOR has not and will not have accepted any advance payment of any sum due from WCTU.

(the rest of this page is intentionally left blank)

IN WITNESS WHEREOF, ASSIGNOR and ASSIGNEE have caused this Collateral Assignment of Services Agreement to be duly executed as of the date first above written.

TENNRAIL CORPORATION (ASSIGNOR)

By: *Mark W. Smith*
Its: Chairman of the Board

UNIONBANC LEASING CORPORATION
(ASSIGNEE)

By: _____
Its: _____

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District of Columbia, ss:

On this 29th day of September, 1992, before me personally appeared Mark M. Levin, to me personally known, who being by me duly sworn, says that he is the Chairman of the Board of TennRail Corporation, that the seal 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 said instrument was the free act and deed of said corporation.

(Seal)

Janet E. Harris
Notary Public

My Commission Expires July 14, 1997
My Commission Expires. _____

IN WITNESS WHEREOF, ASSIGNOR and ASSIGNEE have caused this Collateral Assignment of Services Agreement to be duly executed as of the date first above written.

TENNRAIL CORPORATION (ASSIGNOR)

By: _____
Its: _____

UNIONBANC LEASING CORPORATION
(ASSIGNEE)

KAM

By: *Zed Mann*
Its: Senior Vice President

COMMONWEALTH OF MASSACHUSETTS)
) SS
COUNTY OF SUFFOLK)

On this 29th day of September, 1992, before me personally appeared in the City of Boston, Commonwealth of Massachusetts, Leo R. Chausse, to me personally known, who being by me duly sworn, says that he is the Senior Vice President of UNIONBANC LEASING 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.

Kathleen M. Maloney
Notary Public

[NOTARIAL SEAL]

My commission expires: 1/22/99