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RECORDATION NO. _____ FILED 1425

JUN 19 1992 -11 35 AM

INTERSTATE COMMERCE COMMISSION

MOTOR OPERATING UNIT

JUN 19 11 30 AM '92

June 19, 1992

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

Dear Secretary Strickland:

Enclosed for recordation, under the provisions of 49 U.S.C. § 11303(a) and the regulations thereunder are three executed counterparts of Reimbursement Security Agreement between Rail Co. II, a Delaware corporation ("Debtor") and BOT Financial Corporation, a Delaware corporation ("Secured Party"), a primary document, dated as of May 29, 1992. The names and addresses of the parties to the enclosed documents are as follows:

Debtor:

Rail Co. II
1209 Orange Street
Wilmington, Delaware 19801

Secured Party:

BOT Financial Corporation
125 Summer Street
Boston, Massachusetts 02110

A general description of the railroad equipment covered by the enclosed documents is attached hereto as Schedule I.

The undersigned is the attorney-in-fact of Rail Co. II and BOT Financial Corporation mentioned in the enclosed documents and has knowledge of the matters set forth therein. Please return the extra copies of the enclosed documents to John K. Maser III, Esquire, Donelan, Cleary, Wood & Maser, P.C.,

Counterpart Jan. Maser

Suite 850, 1275 K Street, N.W., Washington, D.C. 20005-4078, or to the bearer hereof.

Also enclosed is a remittance in the amount of $16.00 for the required recording fee. A short summary of the document to appear in the index follows:

> Reimbursement Security Agreement between Rail Co. II, as Debtor, and BOT Financial Corporation, as Secured Party, dated as of May 29, 1992, covering (1) 115 new central flow covered rail hopper cars bearing identification marks and numbers SAMX40000 through SAMX40088 and SAMX60000 through SAMX60025; (2) 55 new specialty rail tank cars to be used primarily for the transportation of tallow, lard or grease bearing identification marks and numbers CRGX16046 through CRGX16100; and (3) 110 new specialty rail tank cars to be used primarily for the transportation of vegetable oil bearing identification marks and numbers CRGX7320 through CRGX7429.

Very truly yours,

RAIL CO. II
BOT FINANCIAL CORPORATION

By: _____
John K. Maser III
Attorney-In-Fact

Attachment

SCHEDULE I

DESCRIPTION OF RAILROAD EQUIPMENT

1. One hundred fifteen (115) new central flow covered rail hopper cars manufactured by ACF Industries, Incorporated, bearing identification marks and numbers SAMX40000 through SAMX40088 and SAMX60000 through SAMX60025.

2. Fifty-five (55) new specialty rail tank cars manufactured by Union Tank Car Company and intended to be used primarily for the transportation of tallow, lard or grease, bearing identification marks and numbers CRGX16046 through CRGX16100.

3. One hundred ten (110) new specialty rail tank cars manufactured by Trinity Industries, Inc. and intended to be used primarily for the transportation of vegetable oil, bearing identification marks and numbers CRGX7320 through CRGX7429.

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INTERSTATE COMMERCE COMMISSION

REIMBURSEMENT SECURITY AGREEMENT

This Reimbursement Security Agreement is made as of May 29, 1992 between RAIL CO. II (the "Debtor"), a Delaware corporation, with its principal place of business at 1209 Orange Street, Wilmington, Delaware 19801 and BOT FINANCIAL CORPORATION (the "LC Issuer"), a Delaware corporation, with its principal place of business at 125 Summer Street, Boston, Massachusetts 02110.

WITNESSETH:

WHEREAS, LC Issuer and Debtor have entered into a Reimbursement and Remarketing Agreement dated as of the date hereof (the "Reimbursement Agreement") providing for the issuance by LC Issuer of a certain Letter of Credit, and for the reimbursement of any amounts drawn under such Letter of Credit, all as more particularly described in said Reimbursement Agreement;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, LC Issuer and Debtor hereby agree as follows:

1. Certain Definitions. The following terms shall have the following respective meanings and, except where the context otherwise requires, shall be equally applicable to both the singular and the plural forms of such terms:

(a) "Bankruptcy Code" means the Bankruptcy Reform Act of 1978, or any successor federal bankruptcy law.

(b) "Collateral" shall have the meaning assigned in Section 2 hereof.

(c) "Equipment" means the personal property described in Exhibit A hereto, which is being or will be leased under the Lease, as described in the Lease Supplements.

(d) "Equipment Collateral" shall have the meaning assigned in Section 2.1 hereof.

(e) "Event of Default" means any of the events set forth in Section 6.1 hereof.

(f) "Excluded Amounts" means (a) all proceeds of liability and property damage insurance owing or payable to Debtor for its own account pursuant to any insurance policies maintained under Section 17(b) of the Lease or under any Subsequent Lease, and (b) any indemnities or other amounts payable to or in favor of Debtor for its own account under Sections 18 and 19 of the Lease or under corresponding provisions of any Subsequent Lease, and regardless of whether payable in a lump sum or as an addition to, or increase in, Rent or rent due under such Subsequent Lease.

(g) "Excepted Rights" means the right to receive and to demand, collect, sue for or otherwise obtain, compromise or deal with all of the Excluded Amounts.

(j) "LC Issuer" means BOT Financial Corporation, a Delaware corporation.

(k) "Lease" means that certain Equipment Leasing Agreement dated as of the date hereof between Debtor and Lessee, with respect to the Equipment, as the same may be modified, amended or supplemented from time to time in accordance with its terms.

(l) "Lease Default" means an Event of Default under Section 23 of the Lease.

(m) "Lease Supplement" means the Lease Supplement substantially in the form attached to the Lease as Exhibit B thereto, to be executed by Lessee and Debtor with respect to an Unit or Units of Equipment evidencing that such Unit or Units have been unconditionally accepted by Lessee for lease and are leased under, and subject to the terms of, the Lease.

(n) "Lessee" means Cargill, Incorporated, a Delaware corporation, and its permitted successors and assigns.

(o) "Debtor" means the Debtor, as defined herein, and its permitted successors and assigns.

(p) "Letter of Credit" means the standby Letter of Credit dated as of the date hereof and issued by the LC Issuer.

(q) "Lien" means any lien, mortgage, encumbrance, pledge, charge and security interest of any kind.

(r) "Note Purchase Agreement" means that certain Note Purchase Agreement dated as of the date hereof between Secured Party and Debtor, as the same may be modified, amended or supplemented from time to time in accordance with its terms.

(s) "Other Collateral" shall have the meaning assigned in Section 2.2 hereof.

(t) "Overall Transaction" means all of those transactions referred to in, provided for in, or contemplated by, the Principal Documents, including, without limitation, the manufacture, purchase, ownership, financing, leasing, operation and management of the Equipment.

(u) "Owner's Cost" means the Acquisition Cost of each Unit of Equipment (as the term "Acquisition Cost" is defined in the Lease) as shown on the invoice or bill of sale rendered by the seller of such Unit and as set forth on the Lease Supplement for such Unit.

(v) "Owner Lien" means a Lien arising as a result of an independent act of or claim against Debtor which (i) does not result from, or arise out of, the Overall Transaction and (ii) is not a Lien that Lessee is required to remove or indemnify against under any of the Principal Documents.

(x) "Principal Documents" means the Security Agreement, the Note Purchase Agreement, the Note(s), the Reimbursement Agreement, this Reimbursement Security Agreement, the Lease, the Lease Supplements, any Subsequent Lease, any Subsequent Bill of Sale, the Lease Assignment, the Bill(s) of Sale, and the Letter of Credit.

(y) "Reimbursement Agreement" means the Reimbursement and Remarketing Agreement of even date herewith, between Debtor and LC Issuer, as the same may be amended from time to time.

(z) "Reimbursement Obligations" has the meaning assigned to such term in the Reimbursement Agreement.

(aa) "Security Agreement" means the Security Agreement dated as of the date hereof, between Debtor as Debtor and The Lincoln National Life Insurance Company, as Secured Party.

(ab) "Secured Party" means The Lincoln National Life Insurance Company, an Indiana corporation, and its successors and assigns under the Security Agreement.

(ac) "Subsequent Bill of Sale" means a bill of sale for the Equipment in the form attached to the Remarketing Agreement as Exhibit D.

(ad) "Subsequent Lease Default" means any default under the provisions of a Subsequent Lease.

All other capitalized terms used herein which are not otherwise defined herein shall have the respective meanings assigned to such terms in the Remarketing Agreement.

2. Assignment and Grant of Security Interest. In consideration of the issuance of the Letter of Credit by LC Issuer and for the payment by Debtor of the Reimbursement Obligations, and other good and valuable consideration, receipt of which is hereby acknowledged, and to secure the payment and performance of the Reimbursement Obligations, Debtor hereby assigns to LC Issuer, its successors and assigns, the Other Collateral described in Section 2.2 below and grants to LC Issuer, its successors and assigns, a security interest in the Equipment Collateral and Other Collateral described in Sections 2.1 and 2.2 below (the Equipment Collateral and Other Collateral being herein collectively referred to as the "Collateral"), subject always to the rights of Lessee under the Lease and the rights of the Secured Party under the Security Agreement:

2.1 Equipment Collateral. All Equipment leased or to be leased to Lessee under the Lease, whether now owned or hereafter acquired by Debtor, and all substitutions, renewals or replacements of and additions, improvements and accessions to, such Equipment, and all proceeds thereof and therefrom, including all sums realized upon the sale or other disposition of such Equipment in a Subsequent Sale or otherwise, all sums due or to become due in connection with the exercise by the Lessee or any Subsequent Lessee of any option, or in connection with any obligation of the Lessee, any Subsequent Lessee or any other party, to purchase such Equipment, and all sums (including insurance proceeds) payable in connection with any loss, damage or destruction of any Unit or Units of Equipment or any early termination or cancellation of the Lease or any Subsequent Lease with respect to such Equipment.

2.2 Other Collateral. The Lease, each Lease Supplement, any Subsequent Lease, all rights, title and interests of Debtor as Debtor thereunder, and all Interim Rent, Basic Rent and Supplemental Payments due or to become due under the Lease and each Lease Supplement and any rent due or to become due under any Subsequent Lease (excluding in each case the Excepted Rights and Excluded Amounts); all assignments of purchase orders or agreements relating to the Equipment or any Unit thereof (and all rights, title and interests of Debtor thereunder); all bills of sale, invoices and other documents (and all rights, title and interests of Debtor thereunder) now or hereafter delivered by the manufacturer or seller with respect to any Unit or Units of Equipment, including (without limitation) any documents transferring any interest in any patent indemnification or any interest in any warranty, together with, in each and every case, all proceeds thereof except for the Excluded Amounts.

3. Covenants, Representations and Warranties of Debtor. Debtor hereby represents and warrants to LC Issuer, and covenants and agrees, as follows:

3.1 Debtor's Authority; No Prior Financing Statements. Debtor has the right, power and authority to assign the Other Collateral and to grant a security interest in the Collateral to LC Issuer for the uses and purposes herein set forth, and there is no financing statement or other filed or recorded instrument in which the Debtor is named and which the Debtor has signed, as debtor or mortgagor, now on file in any public office covering any of the Collateral excepting the financing statements or other instruments filed or to be filed in respect of and for the security interest provided for herein and in the Security Agreement.

3.2 Further Assurances. Debtor will, upon written request from LC Issuer, at Debtor's expense, do, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, each and every further act, deed, transfer and assurance reasonably necessary or proper for the better assuring, conveying,

granting, confirming and perfecting unto LC Issuer its security interest in all of the Collateral, whether now owned or hereafter acquired, and the assignment to LC Issuer of the Other Collateral. Without limiting the generality of the foregoing, Debtor will (a) execute and deliver to LC Issuer an amendment or supplement to this Reimbursement Security Agreement specifying that such Subsequent Lease is included in the Other Collateral and is subject to the lien of this Reimbursement Security Agreement (but any failure to do so shall not release any such Subsequent Lease from such lien); (b) execute and deliver to LC Issuer such financing and continuation statements, or assignments thereof, as LC Issuer may reasonably request in connection with the perfection and continued perfection of LC Issuer's security interest in the Collateral, and (c) notify Lessee and any Subsequent Lessee and any Subsequent Purchaser, of the assignment to LC Issuer of the Collateral and of the granting to LC Issuer of a security interest in the Collateral, and will direct any Subsequent Lessee to make all payments of rent (excepting the Excluded Amounts) directly to LC Issuer, any Subsequent Purchaser to make all payments of Subsequent Sale proceeds directly to LC Issuer by executing and delivering to Lessee and any Subsequent Lessee a notice of assignment, by executing and delivering to any Subsequent Purchaser a notice of assignment in form and substance satisfactory to LC Issuer, and by obtaining from Lessee and any Subsequent Lessee an executed acknowledgment in form and substance satisfactory to LC Issuer.

3.3 Recordation and Filing. Debtor will, at its expense (or at the expense of Lessee) and upon the request of LC Issuer, cause all financing and continuation statements and similar notices required by applicable law to be kept, recorded and filed, at all times until the Reimbursement Obligations have been fully discharged, in such manner and in such places within the United States as may be required by law in order to preserve and protect the rights of LC Issuer hereunder (including, without limitation, the perfection and priority of the security interest of LC Issuer herein granted and the assignment to LC Issuer of the Other Collateral).

3.4 Actions of Debtor in Respect of the Collateral.

3.4.1 Debtor will perform and observe all covenants and agreements on Debtor's part to be performed and observed under the Lease and any Subsequent Lease;

3.4.2 Debtor will, as soon as it has actual knowledge thereof, give LC Issuer prompt written notice of any event or condition constituting a Lease Default, or any default under the Security Agreement or any Subsequent Lease;

3.4.3 Debtor will, at its own cost and expense, promptly take such action as may be necessary to discharge all Owner Liens on any part of the Collateral;

3.4.4 Debtor will not without the prior written consent of LC Issuer, (a) declare or waive any Subsequent Lease Default, or exercise any of the rights or remedies of Debtor under any Subsequent Lease, except that Debtor may exercise the Excepted Rights solely in connection with the enforcement of the payment by Lessee or a Subsequent Lessee of any of the Excluded Amounts and may demand, collect or sue for the Excluded Amounts, or (b) except as otherwise provided in Section 4.1 hereof, enter into any agreement amending or supplementing, or exercise any waiver or modification of the terms of, any of the Principal Documents, or (c) settle or compromise any claim arising under any of the Principal Documents (except to the extent such claim relates solely to the Excluded Amounts or Excepted Rights) or submit or consent to the submission of any dispute, difference or other matter arising under or in respect of any of the Principal Documents (except for disputes, differences or other matters which relate solely to the Excluded Amounts or Excepted Rights), or (d) except to the extent permitted or provided for under any Subsequent Lease on the date of execution thereof (or except as otherwise hereafter approved in writing by LC Issuer), consent to the sublease of any Unit of the Equipment by any Subsequent Lessee, or (e) exercise or grant any consent or approval, whether verbal or in writing, under any of the Principal Documents, except with respect to the Excepted Rights and Excluded Amounts and except as otherwise provided in Section 4.1 hereof, or (f) voluntarily consent to the creation or existence of any Lien (other than the Lien granted by the Security Agreement or by this Reimbursement Security Agreement, and the rights of Debtor, Lessee and Assignee under the Lease) upon the leasehold estate created by the Lease or any Subsequent Lease or any part thereof or upon the Collateral or any part thereof, provided, that Debtor shall not be deemed to have breached the covenant in this clause (f) by virtue of the creation or existence of any Lien resulting from or arising out of the Overall Transaction and which is not an Owner Lien.

3.4.5 Debtor has not mortgaged, pledged or hypothecated, and will not, until the Reimbursement Obligations have been fully paid and performed, mortgage, pledge or hypothecate (other than to Secured Party under the Security Agreement or to LC Issuer hereunder) the Collateral or any part thereof or any of its interests therein, or any amount(s) to be received by it from the use or disposition of the Collateral or any part thereof; Debtor has not sold, assigned or otherwise transferred, and, except to the extent and under the circumstances permitted under Sections 3.4.4(a)(ii) and 9.4 hereof or Section 3 of the Reimbursement Agreement, will not, until the Reimbursement Obligations have been fully paid and performed, sell, assign or otherwise transfer (other than to Secured Party under the Security Agreement or to LC Issuer hereunder) any of the Collateral or any of its title or interests therein; Debtor has not received or collected, and will not accept or collect, any Rent or other amounts from Lessee (except Excluded Amounts), and if so received, shall (except for Excluded Amounts) hold the same in trust for the sole and exclusive benefit of, and

shall promptly pay over the same to, Secured Party while any of the Secured Obligations remain outstanding under the Security Agreement, and thereafter to LC Issuer.

3.5 Insurance.

(a) Insurance Against Loss or Damage to Equipment. So long as any Reimbursement Obligations remain outstanding and until the Lien created by this Reimbursement Security Agreement with respect to such Unit shall have been terminated or released, it is agreed that Debtor will maintain in effect insurance policies (with any deductible permitted under the Lease) insuring LC Issuer against the risks of loss, damage or destruction of or to such Unit of Equipment specified in Section 17(a) of the Lease, and in an amount not less than the amount required by said Section 17(a). Such insurance policies shall be in such form, and shall provide such coverages and protection for LC Issuer, as is required pursuant to the provisions of Section 17 of the Lease. Proceeds from such insurance policies shall be applied in the manner set forth in Section 5 hereof.

(b) Insurance Against Public Liability and Property. So long as any Reimbursement Obligations remain outstanding and until the Lien created by this Reimbursement Security Agreement with respect to such Unit shall have been terminated or released, it is agreed that Debtor will maintain in effect insurance policies with respect to such Unit of Equipment insuring LC Issuer against the liability and property damage risks specified in Section 17(b) of the Lease, and in the amounts specified in said Section 17(b). Such insurance policies shall be in such form and shall provide such coverages and protection for LC Issuer as is required pursuant to the provisions of Section 17 of the Lease.

(c) Subsequent Lessee Insurance. The obligations of Debtor under this Section 3.5 shall be deemed fulfilled to the extent fulfilled by any Subsequent Lessee under a Subsequent Lease.

3.6 Advances by LC Issuer. If Debtor shall fail to perform any of Debtor's covenants contained in this Section 3 or in the Lease or any Subsequent Lease, or Lessee or any Subsequent Lessee shall fail to perform any of the respective covenants and agreements contained in the Lease or any Subsequent Lease, LC Issuer may make advances to perform and observe the same in its behalf (giving notice thereof to Debtor prior to or concurrently with the making of any such advance), but shall be under no obligation so to do; and all sums so advanced shall be forthwith repaid by Debtor, and shall bear interest (to the extent lawful) at the rate of twenty percent (20%) per annum until paid, and any such sums advanced shall constitute part of the Reimbursement Obligations; but no such advance shall be deemed to relieve Debtor from any default hereunder, or Lessee or any Subsequent Lessee from any default under the Lease or any Subsequent Lease, respectively.

3.8 Owner Liens. Debtor will keep the Equipment free and clear of all Owner Liens.

4. Use and Release of Collateral.

4.1 Debtor's Shared Rights. (a) So long as any Reimbursement Obligations remain outstanding, Debtor shall be entitled to receive copies of all notices, demands, consents, approvals and waivers which may, from time to time, be given or granted by LC Issuer to any Subsequent Lessee pursuant to the provisions of such Subsequent Lease, (b) if no Reimbursement Obligations shall be outstanding, LC Issuer agrees that it will not agree to any amendment or modification of, or grant any consent, approval or waiver with respect to, any of the terms, conditions or provisions of any of the Principal Documents to which Lessee is or may become a party without also obtaining the agreement of Debtor to such amendment, modification, consent, approval or waiver, and (c) if any Reimbursement Obligations shall be outstanding, LC Issuer agrees that it will not, without also obtaining the agreement of Debtor, agree to any amendment, modification or waiver of any of the provisions of Sections 18 or 19 of the Lease or of corresponding provisions of any Subsequent Lease, the effect of which is to reduce, modify or amend any indemnities payable by Lessee or any Subsequent Lessee to Debtor (except to add additional indemnities by Lessee), or amend the definition of a Lease Default or a default under a Subsequent Lease.

4.2 Possession of Equipment; Lessee's Quiet Enjoyment. So long as any Reimbursement Obligations shall be outstanding and no Event of Default shall have occurred and be continuing hereunder, Debtor shall be permitted to remain in full possession, enjoyment and control of the Equipment and each Unit thereof and to manage, operate and use the same with the rights and franchises appertaining thereto; provided always that the possession, enjoyment, control and use of the Equipment shall at all times be subject to the observance and performance of the terms of the Security Agreement and this Reimbursement Security Agreement and the Remarketing Agreement. It is expressly understood that the use and possession of the Equipment by Lessee under and in accordance with the Lease, and the performance by Debtor of its obligations under the Lease, shall not constitute a violation of this Section 4.1. LC Issuer agrees that so long as no Lease Default has occurred and is continuing under the Lease or no Subsequent Lease Default has occurred and is continuing under a Subsequent Lease, LC Issuer will take no action to interfere with Lessee's or any Subsequent Lessee's use and quiet enjoyment of the Equipment.

4.3 Releases of Security Interest. So long as no Event of Default has occurred and is continuing, then upon the payment in full of the Reimbursement Obligations, or upon any payment specified in Section 5.2 or 5.3 hereof and upon payment of all other Reimbursement Obligations, LC Issuer shall execute and deliver to

Debtor such instrument or instruments as shall be appropriate (including partial releases of Uniform Commercial Code financing statements) to release from the lien of this Reimbursement Security Agreement that portion of the Equipment Collateral consisting of the Unit or Units of Equipment (including the proceeds thereof) to which such payment was attributable, and that portion of the Other Collateral consisting of documents relating to the title to, and patent indemnification and warranty rights with respect to, such Unit or Units of Equipment and Debtor's rights thereunder, including proceeds. Upon the payment in full of all Reimbursement Obligations, the security interest of LC Issuer in that portion of the Collateral not theretofore released shall terminate and LC Issuer shall execute and deliver such instrument or instruments as shall be appropriate to terminate and evidence such termination, including Uniform Commercial Code termination statements.

4.4 Payments Received by Debtor Released. Any portion of any payment made in accordance with the provisions of the Lease and paid over by LC Issuer to Debtor pursuant to the provisions of Section 5 hereof shall be released from the security interest created hereby at the time of such payment to Debtor without the necessity for the execution of any release or the performance of any other act by LC Issuer, and Debtor shall be entitled to retain such amount free and clear of the security interest created hereby.

5. Application of Rent and other Amounts; Payment of Reimbursement Obligations.

5.1 Application of Rent If No Event of Default. So long as no Event of Default has occurred and is continuing:

(a) so long as the Security Agreement and the Secured Obligations (as defined therein) shall be outstanding, all Interim Rent, Basic Rent and Supplemental Payments, and any payments of Casualty Loss Value, shall be applied as specified in Section 5 of the Security Agreement;

(b) after the Secured Obligations shall be paid and the Lien of Secured Party shall be discharged, and so long as any Reimbursement Obligations shall be outstanding, any amounts received by LC Issuer which constitute payment of any installment of Renewal Rent under a Subsequent Lease (as well as any interest on overdue installments of such Renewal Rent) shall be paid and applied to the Reimbursement Obligations.

(c) after the Secured Obligations shall be paid and the Lien of Secured Party shall be discharged, and so long as any Reimbursement Obligations shall be outstanding, any amounts received by LC Issuer which constitute any amounts due under a Subsequent Lease that do not constitute a payment of rent thereunder (to the extent such other amounts do not constitute a payment of Casualty Loss Value (or the corresponding term of a Subsequent Lease), the application of which is set forth in and governed by Section 5.2

hereof), shall be applied by LC Issuer to the purposes for which such monies were paid pursuant to the Subsequent Lease.

5.2 Mandatory Payment of Reimbursement Obligations.

(a) So long as the Security Agreement and the Secured Obligations (as defined therein) shall be outstanding, on each date under the Lease on which Lessee or any other party makes a payment of Casualty Loss Value (or the corresponding term under a Subsequent Lease), for any Unit of Equipment as to which an Event of Loss (or the corresponding term under a Subsequent Lease) has occurred, such payments shall be paid and applied, shall be applied as specified in Section 5 of the Security Agreement;

(b) after the Secured Obligations shall be paid and the Lien of Secured Party shall be discharged, and so long as any Reimbursement Obligations shall be outstanding, on each date under a Subsequent Lease on which a Subsequent Lessee or any other party makes a payment of Casualty Loss Value (or the corresponding term under a Subsequent Lease), for any Unit of Equipment as to which an Event of Loss (or the corresponding term under a Subsequent Lease) has occurred, such payments shall be paid and applied to the Reimbursement Obligations with respect to such Unit of Equipment that is equal to the Reimbursement Value (hereinafter defined) of such Unit of Equipment, together with accrued and unpaid interest on the amount so paid. For purposes of this Section 5.2, the "Reimbursement Value" in respect of any Unit of Equipment, shall be an amount equal to the product of (A) a fraction, the numerator of which is an amount equal to the Owner's Cost of such Unit of Equipment to which such payment relates and the denominator of which is the aggregate Owner's Cost of all Units of Equipment to which the Reimbursement Obligations relate (including the Owner's Cost of such Unit of Equipment to which such payment relates), times (B) the amount of the Reimbursement Obligations being paid immediately prior to such payment (after giving effect to all payments made with respect to such Reimbursement Obligations on such date pursuant to Section 5.1(b) hereof);

(b) after the Secured Obligations shall be paid and the Lien of Secured Party shall be discharged, and so long as any of the Reimbursement Obligations shall be outstanding, the amounts received by LC Issuer which constitute payments of the Casualty Loss Value (or the equivalent term under a Subsequent Lease) of any Unit of Equipment pursuant to a Subsequent Lease, shall be paid and applied to the Reimbursement Obligations;

(c) so long as any Reimbursement Obligations remain outstanding and if no Event of Default has occurred and is continuing, amounts received by LC Issuer as payment for loss or damage not constituting an Event of Loss under a Subsequent Lease with respect to any Unit of Equipment under any policy of insurance shall be paid to Subsequent Lessee (or to Debtor for payment to Subsequent Lessee) to the extent required under a Subsequent Lease.

5.3 Payments following Subsequent Sale. After the Secured Obligations shall be paid and the Lien of Secured Party shall be discharged, and provided no Event of Default shall have occurred and be continuing hereunder, the proceeds of any Subsequent Sale of the Collateral, or any part thereof, shall be paid to and applied as follows:

(a) First, to the payment of the costs and expenses of (other than general overhead and internal administrative expense) actually incurred by LC Issuer (and not paid or reimbursed by Lessee or any Subsequent Purchaser) in effecting any such Subsequent Sale, and to any sales taxes or excise taxes on or measured by such Subsequent Sale, and to the payment of all taxes, assessments, liens or security interests superior to the lien of this Reimbursement Security Agreement; and

(b) Second, to the payment or discharge of any unpaid Reimbursement Obligations which arise under or are related to this Reimbursement Security Agreement or the Reimbursement Agreement.

5.4 Payments following Subsequent Lease. After the Secured Obligations shall be paid and the Lien of Secured Party shall be discharged, and provided no Event of Default shall have occurred and be continuing hereunder, any Renewal Rents shall be paid to and applied as follows:

(a) First, to the payment of the costs and expenses of (other than general overhead and internal administrative expense) actually incurred by LC Issuer (and not paid or reimbursed by a Subsequent Lessee) in effecting any such Renewal Lease, and to any sales taxes or excise taxes on or measured by such Renewal Rents (to the extent not paid or reimbursed by such Subsequent Lessee) and to the payment of all taxes, assessments, liens or security interests superior to the lien of this Reimbursement Security Agreement; and

(b) Second, to the payment or discharge of any unpaid Reimbursement Obligations which arise under or are related to this Reimbursement Security Agreement or the Reimbursement Agreement.

5.5 Other Payments. After the Secured Obligations shall be paid and the Lien of Secured Party shall be discharged, so long as any Reimbursement Obligations remain outstanding, any payments received by LC Issuer for which no provision as to the application thereof is made in Sections 5.1 through 5.4 hereof, shall be applied toward the Reimbursement Obligations.

5.6 Application after Event of Default. All payments received and amounts realized by LC Issuer (other than Excluded Amounts) after an Event of Default shall have occurred and be continuing (including, without limitation, any such payments received and amounts realized pursuant to Sections 5.1 through 5.5 hereof), shall be held by LC Issuer as part of the Collateral until

such time as no Event of Default shall be continuing hereunder (at which time such funds shall be paid to Debtor) or such funds shall become distributable under Section 6.3 hereof.

6. Defaults and Remedies.

6.1 Events of Default. Any of the following events or conditions shall constitute an Event of Default hereunder:

(a) default in payment of any of the Reimbursement Obligations when and as the same shall become due and payable pursuant to the Reimbursement and Remarketing Agreement, and such default shall continue unremedied for five (5) calendar days; or

(b) default in the due observance or performance by Debtor of any covenant or agreement to be observed or performed by Debtor under this Reimbursement Security Agreement or the Reimbursement Agreement, and such default shall continue unremedied for ten (10) calendar days after receipt by Debtor of written notice thereof from LC Issuer; or

(c) any representation or warranty made by Debtor herein or in any of the other Principal Documents, shall prove to be untrue in any material respect as of the date of the issuance or making thereof; or

(d) Debtor shall (i) be adjudicated insolvent or a bankrupt, or cease, be unable, or admit in writing its inability to pay its debts as they mature, or make a general assignment for the benefit of, or enter into any composition or arrangement with, creditors, or (ii) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of it or of a substantial part of its property, or authorize such application, or (iii) file (or consent to or authorize the filing of) a voluntary petition in bankruptcy, reorganization in bankruptcy, arrangement, readjustment of debt, insolvency, dissolution, moratorium or other similar law of any jurisdiction; or

(f) a petition for the appointment of a receiver, trustee, custodian or liquidator of Debtor or for a substantial part of its property shall be filed or instituted against Debtor, or a petition in bankruptcy, reorganization in bankruptcy, arrangement, readjustment of debt, insolvency, dissolution, moratorium or other similar law of any jurisdiction, shall be filed or instituted against Debtor, and shall continue undismissed or undischarged for a period of sixty (60) calendar days, or Debtor's corporate existence shall cease.

6.2 Remedies. Debtor agrees that when an Event of Default has occurred and is continuing, LC Issuer shall have the rights, options, duties and remedies of a secured party, and Debtor shall have the rights and duties of a debtor, under the Uniform Commercial Code in effect in each jurisdiction where the Collateral

or any part thereof is located, and, without limiting the foregoing, LC Issuer may (but subject always to the provisions of Section 7 hereof and subject to the rights of Lessee under the Lease and the rights of Secured Party under the Security Agreement) exercise any or all of the rights and powers and pursue any and all of the remedies available to it under the Lease and may exercise one or more or all, and in any order, of the remedies hereinafter set forth:

(a) LC Issuer may, by notice in writing to Debtor, declare the entire amount of the Reimbursement Obligations to be immediately due and payable; and thereupon all such Reimbursement Obligations shall be immediately due and payable;

(b) LC Issuer personally, or by agents or attorneys, shall have the right (subject to compliance with any applicable mandatory legal requirements) to take immediate possession of the Collateral or any portion thereof and for that purpose may pursue the same wherever it may be found and may enter any of the premises of the Debtor and Lessee (to the extent not prohibited by the Lease), with or without notice, demand, process of law or legal procedure, and search for, take possession of, remove, keep and store the same, or use and operate, or lease the same until sold and may otherwise exercise any and all of the rights and powers of Debtor in respect thereof;

(c) LC Issuer may, if at the time such action may be lawful (and always subject to compliance with any mandatory legal requirements), either with or without taking possession, either before or after taking possession, and without instituting any legal proceedings whatsoever, and having first given notice of such sale by registered mail to Debtor once at least ten (10) calendar days prior to the date of such sale, and any other notice which may be required by law, sell and dispose of the Collateral or any part thereof at public auction(s) to the highest bidder, or at a private sale(s), in one lot as an entirety or in several lots, and either for cash or for credit and on such terms as LC Issuer may determine, and at any place (whether or not it is the location of the Collateral or any part thereof) designated in the notice above referred to. Any such sale or sales may be adjourned from time to time by announcement at the time and place appointed for such sale or sales, or for any such adjourned sale or sales without further notice, and LC Issuer may bid and become the purchaser at any such sale;

(d) LC Issuer may proceed to protect and enforce this Reimbursement Security Agreement by suit or suits or proceedings in equity, at law or in bankruptcy, and whether for the specific performance of any covenant or agreement herein contained, or execution or aid of any power herein granted, or for foreclosure hereunder, or for the appointment of a receiver or receivers for the Collateral, or any part thereof, or for the enforcement of any proper legal or equitable remedy available under applicable law.

(e) At the request of LC Issuer, Debtor shall promptly execute and deliver to LC Issuer such documents as LC Issuer may deem necessary or advisable to enable LC Issuer or an agent or representative designated by LC Issuer, at such time or times and place or places as LC Issuer may specify, to obtain possession of all or any part of the Collateral which LC Issuer shall at the time be entitled to thereunder. If Debtor shall for any reason fail to execute and deliver such document after such request by LC Issuer LC Issuer may (i) obtain a judgment conferring on LC Issuer the right to immediate possession of the Collateral and requiring Debtor to execute and deliver such documents to LC Issuer, and (ii) pursue all or part of such Collateral wherever it may be found and may enter upon the premises of Lessee to the extent permitted by the Lease, wherever such Collateral may be or is supposed to be and search for such Collateral and take possession of and remove such Collateral. All expenses incurred by LC Issuer, or by any or its agents or representative, of obtaining such judgment or of pursuing searching for and taking such property shall, until paid be secured by the lien of this Reimbursement Security Agreement.

(f) Upon every such taking of possession, LC Issuer may, from time to time, at the expense of the Collateral, make all such expenditures for maintenance, insurance, repairs, replacements, alterations, additions and improvements to and of the Collateral, as it may deem proper. In each such case, LC Issuer shall have the right to maintain, use, operate, store, lease, control or manage the Collateral and to carry on the business and to exercise all rights and powers of Debtor relating to the Collateral as LC Issuer shall deem best, including the right to enter into any and all such agreements with respect to the maintenance, insurance, use, operation, storage, leasing, control, management or disposition of the Collateral or any part thereof as LC Issuer may determine; and LC Issuer shall be entitled to collect and receive directly all tolls, rents (including Renewal Rent), revenues, issues, income, products and profits of the Collateral and every part thereof, except Excluded Amounts, without prejudice, however, to the right of LC Issuer under any provision of this Reimbursement Security Agreement to collect and receive all cash held by, or required to be deposited with, LC Issuer hereunder. Such tolls, rents (including Renewal Rent), revenues, issues, income, products and profits (other than Excluded Amounts) shall be applied to pay the expenses of the use, operation, storage, leasing, control, management or disposition of the Collateral and of conducting the business thereof, and of all maintenance, repairs, replacements, alterations, additions and improvements, and to make all payments which LC Issuer may be required or may elect to make, if any, for taxes, assessments, insurance or other proper charges upon the Collateral of any part thereof (including the employment of engineers and accountants to examine, inspect and make reports upon the properties and books and records of Debtor), and all other payments which LC Issuer may be required or authorized to make under any provision thereof, as well as just and reasonable compensation for the services of LC Issuer,

and of all persons properly engaged and employed by LC Issuer.

(g) Each and every right, power and remedy given to LC Issuer specifically or otherwise in this Reimbursement Security Agreement shall be cumulative and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy whether specifically herein given or otherwise, existing may be exercised from time to time and as often and in such order as may be deemed expedient by LC Issuer, and the exercise or the beginning of the exercise of any power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy. No delay or omission by LC Issuer in the exercise of any right, remedy or power or in the pursuance of any remedy shall impair any such right, power or remedy or be construed to be a waiver of any default on the part of Debtor or Lessee or to be an acquiescence therein.

Notwithstanding any of the provisions of this Reimbursement Security Agreement to the contrary (and subject always, in the case of Debtor, to the restrictions of Section 3.4.4 hereof), neither Debtor nor LC Issuer shall, in the absence of any Lease Default, take any action contrary to Lessee's rights under the Lease or any Subsequent Lessee's rights under a Subsequent Lease, including the right to possession and use of the Equipment, except in accordance with the provisions of the Lease or Subsequent Lease, as the case may be.

6.3 Application of Sale and other Proceeds. The proceeds of any sale or other disposition of the Collateral, or any part thereof, and all other payments, proceeds and amounts received or realized by LC Issuer pursuant to the provisions of Sections 5.6 or 6.2 hereof, shall be paid to and applied as follows:

(a) First, to the payment of the costs and expenses of foreclosure or suit, if any, and of such sale, and of all costs, expenses, liabilities and advances, including reasonable legal expenses and attorney's fees, incurred or made hereunder, or in connection herewith or with the collection of the Reimbursement Obligations by LC Issuer, and to the payment of all taxes, assessments, liens or security interests superior to the lien of these presents, except any taxes, assessments or other superior liens or security interests subject to which said sale may have been made; and

(b) Second, to the payment or discharge of any unpaid Reimbursement Obligations, which arise under or are related to this Reimbursement Security Agreement or the Note Purchase Agreement;

6.4 Discontinuance of Remedies. In case LC Issuer shall have proceeded to enforce any right or power under this Reimbursement Security Agreement by foreclosure, sale, entry or otherwise, and such proceedings shall have been discontinued or

abandoned for any reason or shall have been determined adversely, then and in every such case Debtor, LC Issuer shall be restored to its former position, rights and powers hereunder with respect to the Collateral.

6.5 Exercise of Rights. No delay or omission of LC Issuer to exercise any right or power arising from any default or Event of Default hereunder shall exhaust or impair any such right or power or prevent its exercise during the continuance of such default or Event of Default. No waiver by LC Issuer of any such default or Event of Default, whether such waiver be full or partial, shall extend to or be taken to affect any subsequent default or Event of Default, or to impair the rights resulting therefrom except as may be otherwise provided therein. The giving, taking or enforcement of any other or additional security, collateral or guaranty for the payment of the Reimbursement Obligations shall not operate to prejudice, waive or affect the security of this Reimbursement Security Agreement or any rights, powers or remedies hereunder, and LC Issuer shall not be required to look first to, enforce or exhaust such other additional security, collateral or guaranties.

7. Limitations of Liability. Anything in this Reimbursement Security Agreement to the contrary notwithstanding, neither the LC Issuer nor its successors or assigns shall have any claim, remedy or right to proceed against Debtor in its individual corporate capacity or any incorporator or any past, present or future subscriber to the capital stock of, or stockholder, officer or director of, Debtor, whether by virtue of any constitutional provision, statute or rule of law or by enforcement of any penalty or assessment or otherwise, for the payment of any deficiency or or for any other sum owing on account of any of the Reimbursement Obligations or for the payment of any other unpaid obligations hereunder, or, except as otherwise provided in this Section 7 and in the Reimbursement Agreement, for the payment of any liability resulting from the breach of any representation, covenant, agreement or warranty of any nature whatsoever in this Reimbursement Security Agreement, or in the Reimbursement Agreement, the Lease, any Lease Supplement, or any Subsequent Lease, or in any instrument or certificate executed by Debtor in connection herewith or therewith, from any source other than the Collateral and the income and proceeds thereof; and the LC Issuer, by the execution of this Reimbursement Security Agreement, agrees to look solely to the Collateral and the income and proceeds thereof, and waives and releases any personal liability of Debtor in its individual corporate capacity and any incorporator or any past, present or future subscriber to the capital stock of, or stockholder, officer or director of, Debtor, for and on account of any such deficiency, indebtedness, unpaid Reimbursement Obligations or, except as otherwise provided in this Section 7 and in the Reimbursement Agreement, any such liability, and the LC Issuer agrees that Debtor shall have no liability to return any sums properly distributed to Debtor in accordance with the terms of this Reimbursement Security Agreement; provided, however, that (A) nothing herein contained

shall limit, restrict or impair the rights of the LC Issuer, upon a Reimbursement Failure under the Reimbursement Agreement or an Event of Default hereunder, to bring suit and obtain a judgment against Debtor (provided execution thereof shall be limited to the Collateral and any income and proceeds in respect thereof) or to exercise all rights and remedies provided under this Reimbursement Security Agreement or otherwise realize upon the Collateral, and (B) Debtor shall be personally liable hereunder for, and to the extent of, any monetary damages actually incurred or sustained by LC Issuer solely and directly as a result of the breach of any covenant, representation or warranty made by Debtor in Section 3.1 hereof, in the second sentence of Section 3.2 hereof, in Sections 3.4.2 through 3.4.5 hereof, in Section 3.7 hereof, and in Section 9.4 hereof.

8. Power of Attorney in Respect of the Collateral. Debtor does hereby irrevocably constitutes LC Issuer the true and lawful attorney of Debtor, with full power (in the name of Debtor or otherwise) to ask, require, demand, receive and compound any and all monies and claims for monies due and to become due under or arising out of the Lease, any Subsequent Lease or any Subsequent Bill of Sale, and other Principal Documents (to the extent such monies and claims constitute part of the Collateral and are not Excluded Amounts or Excepted Rights) to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which LC Issuer may deem necessary or advisable to protect and preserve its rights and interests in and to the Collateral; provided, however, that said power of attorney is in furtherance of the purposes of this Reimbursement Security Agreement and shall not be deemed to increase LC Issuer's rights and powers under, or to decrease Debtor's rights under, this Reimbursement Security Agreement.

9. Miscellaneous.

9.1 Successors and Assigns. Whenever any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such parties, and all the covenants, promises and agreements in this Reimbursement Security Agreement contained by or on behalf of Debtor or LC Issuer shall bind and inure to the benefit of the respective successors and assigns of such parties whether so expressed or not.

9.2 Partial Invalidity. The unenforceability or invalidity of any provision of this Reimbursement Security Agreement shall not render any other provision herein contained unenforceable or invalid; provided, however, that nothing contained in this Section 9.2 shall be construed to be in derogation of any rights or immunities of Debtor under Section 7 or to amend or modify any limitations or restrictions of LC Issuer under Section 7.

9.3 Notices. All communications and notices provided for herein shall be in writing and shall be deemed to have been given (unless otherwise required by the specific provisions hereof in

respect of any matter) when addressed and delivered personally or when deposited in the United States mail, registered or certified, postage prepaid, and addressed as follows:

If to Debtor: Rail Co. II
1209 Orange Street
Wilmington, Delaware 19801

Attention: Mr. Joseph A. Barbera

If to LC Issuer: BOT Financial Corporation
125 Summer Street
Boston, MA 02110

Attention: Senior Vice President--Administration

9.4 Transfer of Debtor's Interest. So long as any of the Reimbursement Obligations shall be outstanding, Debtor shall not, without LC Issuer's prior written consent, sell, assign or otherwise transfer any of Debtor's rights, title or interest as owner of the Equipment or any Unit of the Equipment or as Debtor under the Lease or a Subsequent Lease, nor any of Debtor's rights obligations hereunder or under any of the other Principal Documents.

9.5 Certain Events. If (i) the Debtor becomes a debtor subject to the reorganization provisions of the Bankruptcy Code, (ii) pursuant to such reorganization provisions and Section 1111(b) of the Bankruptcy Code (or any successor provision) the Debtor is required, by reason of the Debtor being held to have recourse liability directly or indirectly to the LC Issuer, to make payment on account of any of the Reimbursement Obligations, and (iii) LC Issuer actually receives any Excess Amount (as hereinafter defined) which reflects any payment by the Debtor on account of clause (ii) of this sentence, then LC Issuer shall promptly refund to Debtor such Excess Amount. As used herein "Excess Amount" shall mean the amount by which such payment exceeds the amount which would have been received on or prior to the date of such payment by LC Issuer if the Debtor had not become subject to the recourse liability referred to in clause (ii) of the next preceding sentence. Nothing contained in this Section 9.5 shall prevent LC Issuer from enforcing any personal recourse obligation (and retaining the proceeds thereof) of the Debtor provided for under this Reimbursement Security Agreement, the Reimbursement Agreement or any other Principal Document.

9.6 Counterparts; Headings; Governing Law. This Reimbursement Security Agreement may be executed and delivered in any number of counterparts, each of such counterparts being an original but all together constituting only one Reimbursement Security Agreement. Any headings or captions preceding the text of the sections hereof are intended solely for convenience of reference and shall not constitute a part of this Agreement nor shall they

affect its meanings, construction or effect. This Reimbursement Security Agreement shall be construed in accordance with and governed by the laws of the State of Delaware.

IN WITNESS WHEREOF, Debtor and LC Issuer have caused this Reimbursement Security Agreement to be executed by their officers thereunto duly authorized and their corporate seals thereto affixed as of the date and year first above written.

RAIL CO. II
(Debtor)

Attest:

Secretary
(Corporate Seal)

By: M.G. Ferrucci
Its: President

BOT FINANCIAL CORPORATION
(LC Issuer)

Attest:

Assistant Secretary
(Corporate Seal)

By:
Its: Senior Vice President

COMMONWEALTH OF MASSACHUSETTS)
) SS:
COUNTY OF SUFFOLK)

On this 11th day of June, 1992 before me personally appeared Gary L. Christensen, the Senior Vice President of BOT FINANCIAL CORPORATION, a Delaware corporation, and acknowledged that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

[Seal] My commission expires 7/29/92

COMMONWEALTH OF DELAWARE)
) SS:
COUNTY OF NEW CASTLE)

On this 15th day of June, 1992 before me personally appeared M. A. Ferrucci, the President of RAIL CO. II, a Delaware corporation, and acknowledged that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and that the execution of the foregoing instrument was the free act and deed of said corporation.

Camilia M. Denny
Notary Public -
Camilia M. Denny

[Seal] My commission expires
September 22, 1993

EXHIBIT A

1. 100-ton center flow covered hopper rail cars built by ACF Industries, Incorporated number SAMX40000 through SAMX40088 and SAMX60000 through SAMX60025.

2. Specialty tank rail cars built by Union Tank Car Company numbered CRGX16046 through CRGX16100

3. Specialty tank rail cars built by Trinity Industries, Inc. numbered CRGX7320 through CRGX7429.

4. Together with all modifications, attachments, improvements, replacements and substitutions therefor and thereto.