

Consent - G.W.

RECORDATION NO. 20273
SEP 20 1996 - 3 11 PM

ALVORD AND ALVORD
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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

September 20, 1996

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of a Security Agreement, dated as of September 20, 1996, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessor: Wilmington Trust Company
Rodney Square
1100 North Market Street
Wilmington, Delaware 19890

Lessee: Societe Nationale Des Chemin De Fer Belges
49 Avenue Fonsny
1060 Brussels, Belgium

A description of the railroad equipment covered by the enclosed document is set forth in Lot No. 4, Lot No. 6 and Lot No. 7 on Schedule I attached to the Security Agreement.

Mr Vernon A Williams
September 20, 1996
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Also enclosed is a check in the amount of \$22 00 payable to the order of the
Surface Transportation Board covering the required recordation fee

Kindly return one stamped copy of the enclosed document to the undersigned

Very truly yours,

A handwritten signature in black ink, appearing to read "R. Alvord", written in a cursive style.

Robert W Alvord

RWA/bg
Enclosures

20273
RECORDATION NO. _____ FILED 1423
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SECURITY AGREEMENT dated as of September 20, 1996 made by Wilmington Trust Company, a Delaware banking corporation, not in its individual capacity, but solely as Owner Trustee under the Trust Agreement dated as of February 5, 1993, as amended and supplemented, between USL Capital Corporation (formerly United States Leasing International, Inc.) and Wilmington Trust Company (in such capacity as Owner Trustee, the "Lessor"), in favor of SOCIETE NATIONALE DES CHEMINS DE FER BELGES (the "Lessee"),

W I T N E S S E T H :

WHEREAS, Lessor and Lessee have entered into a Participation Agreement with EUROFIMA European Company for the Financing of Railroad Rolling Stock and USL Capital Corporation dated as of February 5, 1993 (as amended, the "Participation Agreement"; the terms defined therein and not otherwise defined herein being used herein as therein defined) and the Leases pursuant to which Lessor has leased to Lessee the Equipment Lots, such that each Equipment Lot is the subject of a separate Lease; and

WHEREAS, it is a condition to Lessee's agreement in the Participation Agreement to permit certain transactions contemplated by Section 14 thereof that Lessor will have agreed to grant the security interests created herein;

NOW, THEREFORE, in consideration of the premises and in consideration of Lessee's agreement to permit certain transactions contemplated in Section 14 of the Participation Agreement, Lessor hereby agrees as follows:

SECTION 1. Grant of Security. As security for the due and punctual performance by Lessor of the Obligations (as defined in Section 2), and subject to the conditions set forth herein (including as set forth in Section 12), Lessor hereby grants, bargains, pledges, sells, assigns, transfers, conveys, mortgages, warrants and confirms to Lessee a security interest in, mortgage on, and pledge of, all of Lessor's right, title and interest in and

to all property now owned or hereafter acquired by Lessor and subjected to:

- (a) Lease Agreement (Lot No. 4), including in any event Equipment Lot No. 4 as described on Schedule I hereto;
- (b) Lease Agreement (Lot No. 6), including in any event Equipment Lot No. 6 as described on Schedule I hereto; and
- (c) Lease Agreement (Lot No. 7), including in any event Equipment Lot No. 7 as described on Schedule I hereto;

and, in each case, all parts or components thereof, wherever located, together with any renewals thereof, replacements (including pursuant to Section 10 of any Lease) or substitutions (including pursuant to Section 11(d) of the Participation Agreement) therefor or accessions thereto (whether by law or by operation of agreement) and proceeds thereof (including insurance proceeds), but excluding, in each case, prior to the occurrence of a Default (such term being used herein as defined below) with respect thereto all income and revenue therefrom (each such lot of property subject to a Lease, together with all such related parts, components, replacements, substitutions, accessions and proceeds being a "Collateral Lot").

SECTION 2. Security for Obligations. This Agreement secures the performance by Lessor of its obligations under Section 9 and 19 of each Lease to transfer to Lessee or its designee, all of Lessor's right, title and interest in and to the Equipment Lot leased thereunder upon compliance by Lessee with the terms set forth in Section 9 or Section 19 of such Lease, as the case may be, as conditions to such transfer (in respect of any Lease, all such obligations of Lessor being the "Obligations"). The security interest, mortgage and pledge granted in respect of any Collateral Lot pursuant to Section 1 may be enforced if Lessor fails, refuses or is unable to perform the Obligations in respect of the applicable Lease and Lessee is in compliance with Section 9 or Section 19 thereof, as the case may be. Without limiting the generality of the foregoing, this Agreement secures the performance of the Obligations with respect to each Lease as the same would be due by Lessor to Lessee under each Lease but for the fact that such Obligations are

unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving Lessor. Upon any nonperformance by Lessor of the Obligations in respect of any Lease (a "Default") and provided that Lessee shall be in compliance with the terms of such Lease set forth therein as conditions to such transfer, including tender of the full amount due as a condition to such transfer, Lessee may, upon notice to Lessor, exercise its rights under Section 7 hereof with respect to the Collateral Lot associated with such Lease.

SECTION 3. Further Assurances. Lessor agrees that from time to time, at the expense of Lessee, Lessor will promptly execute and deliver all further instruments and documents, and take all further action in the United States, that may be necessary or desirable, or that Lessee may reasonably request, in order to perfect and protect any security interest, mortgage or pledge granted or purported to be granted hereby or to enable Lessee to exercise and enforce its rights and remedies hereunder with respect to any Collateral Lot. Without limiting the generality of the foregoing, Lessor will at Lessee's expense execute and file in the United States such financing or continuation statements, or amendments thereto, and such other instruments or notices, as may be necessary or desirable, or as Lessee may reasonably request, in order to perfect and preserve the security interest, mortgage and pledge granted hereby.

SECTION 4. Lessee Appointed Attorney-in-Fact. Lessor hereby irrevocably appoints Lessee as Lessor's attorney-in-fact, with full authority in the place and stead of Lessor and in the name of Lessor, from time to time after a Default shall have occurred and be continuing in Lessee's discretion, to take any action and to execute any instrument which Lessee may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation:

(a) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in connection with any Collateral Lot,

(b) to receive, indorse, and collect any drafts or other instruments, documents and chattel paper, in connection therewith, and

(c) to file any claims or take any action or institute any proceedings which Lessee may deem necessary or desirable for the collection of any part of any Collateral Lot or otherwise to enforce the rights of Lessee with respect to any Collateral Lot.

SECTION 5. Lessee May Perform. If Lessor fails to perform any agreement contained herein after being requested so to perform (it being understood that no such request need be given after the occurrence and during the continuation of any Default hereunder), Lessee may at any time after a Default shall have occurred and be continuing, itself perform, or cause performance of, such agreement.

SECTION 6. Lessee's Duties. The powers conferred on Lessee hereunder are solely to protect its interest in the Collateral Lots and shall not impose any duty upon it to exercise any such powers.

SECTION 7. Remedies. If any Default in respect of any Lease shall have occurred and be continuing and provided Lessee shall be in compliance with the provisions of Section 9 or Section 19 of such Lease, as the case may be, Lessee may exercise in respect of the Collateral Lot associated with such Lease, in addition to other rights and remedies provided for herein or otherwise available to it under applicable law, all the rights and remedies of a secured party on default under the Uniform Commercial Code in effect in the State of New York at that time (the "UCC") (whether or not the UCC applies to the affected Collateral Lot), with notice to Lessor, sell the affected Collateral Lot or any part thereof in one or more parcels at public or private sale (in which public sale or sales Lessee may bid for and acquire such Collateral Lot or any part thereof), at any of Lessee's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as Lessee may deem commercially reasonable. Lessor agrees that, to the extent notice of sale shall be required by law, at least five days' notice to Lessor of the time and place of any public or private sale shall constitute reasonable notification. Lessee shall not be obligated to make any sale of the affected Collateral Lot regardless of notice of sale having been given. Lessee may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

SECTION 8. Amendments, Etc. No amendment or waiver of any provision of this Agreement, and no consent to any departure by Lessor herefrom, shall in any event be effective unless the same shall be in writing and signed by Lessee, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

SECTION 9. Addresses for Notices. All notices and other communications provided for hereunder shall be in writing (including telecopier, telegraphic, telex or cable communication) and mailed, telecopied, telegraphed, telexed, cabled or delivered to the address of Lessor or Lessee, as the case may be, specified in the Participation Agreement, or, as to either party, at such other address as shall be designated by such party in a written notice to the other party. All such notices and other communications shall, when mailed, telecopied, telegraphed, telexed or cabled, be effective when deposited in the mails, telecopied, delivered to the telegraph company, confirmed by telex answerback or delivered to the cable company, respectively.

SECTION 10. Continuing Security Interest. This Agreement shall create a continuing security interest in the Collateral Lots and shall (i) remain in full force and effect with respect to each Collateral Lot until the later of (x) the performance in full of the Obligations as they relate to such Collateral Lot and the payment of all amounts, if any, payable by Lessor under this Agreement with respect thereto and (y) the expiration or termination of the related Lease in accordance with its terms in a manner not requiring transfer of ownership of such Collateral Lot to Lessee or its designee, (ii) be binding upon Lessor, its successors and assigns and (iii) inure to the benefit of, and be enforceable by, Lessee and its successors, transferees and assigns. With respect to each Collateral Lot, upon the later of the performance in full of the Obligations as they relate thereto and the expiration or termination of the related Lease in accordance with its terms in a manner not requiring transfer of ownership of such Collateral Lot to Lessee or its designee, the security interest, mortgage and pledge granted hereby in respect of such Collateral Lot shall terminate and all rights to such Collateral Lot shall revert to Lessor. Upon any such termination, Lessee will, at Lessee's expense, execute and deliver to Lessor such documents as Lessor shall reasonably request to evidence such termination.

SECTION 11. Governing Law: Terms. This Agreement shall be governed by the laws of the State of New York, including all matters of construction, validity and performance, without reference to any conflict of law rules which might lead to the application of the laws of any other jurisdiction. Unless otherwise defined herein or in the Participation Agreement, terms used in Article 9 of the UCC are used herein as therein defined.

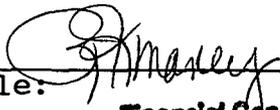
SECTION 12. Subordination. The rights of Lessee hereunder in the Collateral Lots shall be subject and subordinate to the rights of the Lender in such Collateral Lots under the Loan Agreements and the Belgian Security Documentation.

SECTION 13. Service of Process and Jurisdiction. The Lessor (i) hereby irrevocably submits to the nonexclusive jurisdiction of the Supreme Court of the State of New York, New York County (without prejudice to the right of the Lessor to remove to the United States District Court for the Southern District of New York) and to the nonexclusive jurisdiction of the United States District Court for the Southern District of New York, for the purposes of any suit, action or other proceeding arising out of this Agreement or the Transaction Documents, or the subject matter hereof or thereof or any of the transactions contemplated hereby or thereby brought by any of the parties hereto, the Owner Trustee, the Lessee or the Lender or their respective successors or assigns, (ii) hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by Applicable Law, in such Federal court, and (iii) to the extent permitted by Applicable Law, hereby irrevocably waives, and agrees not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding any claim that it is not personally subject to the jurisdiction of the above-named courts, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the Transaction Documents, or the subject matter hereof or thereof may not be enforced in or by such court. A final judgement obtained in respect of any action, suit or proceeding referred to in this Section 13 shall be conclusive and may be enforced in other jurisdictions by suit as the judgment or in any manner as provided by Applicable Law. The Lessor hereby consents to service of process by registered mail, Federal Express, DHL or similar courier at the address to

which notices to it are to be given, it being agreed that service in such manner shall constitute valid service upon the Lessor or its successors or assigns in connection with any such action or proceeding only; provided, however, that nothing in this Section 13 shall affect the right of any party, the Owner Trustee, the Lessee or the Lender or any of their respective successors or assigns to serve legal process in any other manner permitted by Applicable Law or affect the right of any party, the Owner Trustee, the Lessee or the Lender or any of their respective successors or assigns to bring any action or proceeding against the Lessor or its property in the courts of other jurisdictions.

IN WITNESS WHEREOF, Lessor has caused this Security Agreement to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

WILMINGTON TRUST COMPANY,
not in its individual
capacity but solely as
Owner Trustee under the
Trust Agreement

By  _____
Title: **Financial Services Officer**

ACKNOWLEDGEMENT

STATE OF DELAWARE)

ss.:

COUNTY OF NEW CASTLE)

The foregoing instrument was acknowledged before me this 20th
day of September, 1996, personally appeared before me, _____
~~ROSELINE K MANEY~~ who being duly sworn, deposed and said that he/she is a
Financial Services Officer of Wilmington Trust Company, one of the corporations
described in and which executed the above instrument and that he/she
signed his/her name there to as an officer of such
corporation.



Notary Public

BETTY A. SIERACKI
NOTARY PUBLIC
My commissio expires August 9, 1998

SCHEDULE I
Lot 4

<u>Identification Numbers</u>	<u>Equipment Description</u>	<u>Cost*</u>
2147	Series 21 Electric Locomotive	\$4,123,333.33
2148	Series 21 Electric Locomotive	\$4,123,333.33
2149	Series 21 Electric Locomotive	\$4,123,333.33
2150	Series 21 Electric Locomotive	\$4,123,333.33
2151	Series 21 Electric Locomotive	\$4,123,333.33
2152	Series 21 Electric Locomotive	\$4,123,333.33
2153	Series 21 Electric Locomotive	\$4,123,333.33
2154	Series 21 Electric Locomotive	<u>\$4,123,333.33</u>
	Aggregate Cost (the " <u>Equipment Lot Cost</u> ")	<u>\$32,986,666.64</u>

* All amounts are stated in US Dollars.

SCHEDULE I
Lot 6

<u>Identification Numbers</u>	<u>Equipment Description</u>	<u>Cost*</u>
83388	Type AM 83 Self-Propelled Car	\$3,915,089.29
83389	Type AM 83 Self-Propelled Car	\$3,915,089.29
83390	Type AM 83 Self-Propelled Car	\$3,915,089.29
83391	Type AM 83 Self-Propelled Car	\$3,915,089.29
83392	Type AM 83 Self-Propelled Car	\$3,915,089.29
83393	Type AM 83 Self-Propelled Car	\$3,915,089.29
83394	Type AM 83 Self-Propelled Car	\$3,915,089.29
83395	Type AM 83 Self-Propelled Car	\$3,915,089.29
83396	Type AM 83 Self-Propelled Car	\$3,915,089.29
83397	Type AM 83 Self-Propelled Car	\$3,915,089.29
83398	Type AM 83 Self-Propelled Car	\$3,915,089.29
83399	Type AM 83 Self-Propelled Car	\$3,915,089.29
83400	Type AM 83 Self-Propelled Car	\$3,915,089.29
83401	Type AM 83 Self-Propelled Car	\$3,915,089.29
83402	Type AM 83 Self-Propelled Car	\$3,915,089.29
83403	Type AM 83 Self-Propelled Car	\$3,915,089.29
83404	Type AM 83 Self-Propelled Car	\$3,915,089.29
83405	Type AM 83 Self-Propelled Car	\$3,915,089.29
83406	Type AM 83 Self-Propelled Car	\$3,915,089.29
83407	Type AM 83 Self-Propelled Car	\$3,915,089.29
83408	Type AM 83 Self-Propelled Car	\$3,915,089.29
	Aggregate Cost (the " <u>Equipment Lot Cost</u> ")	<u>\$82,216,875.09</u>

* All amounts are stated in US Dollars.

SCHEDULE I
Lot 7

<u>Identification Numbers</u>	<u>Equipment Description</u>	<u>Cost*</u>
83419	Type AM 83 Self-Propelled Car	\$4,044,821.43
83420	Type AM 83 Self-Propelled Car	\$4,044,821.43
63421	Type AM 83 Self-Propelled Car	\$4,044,821.43
83422	Type AM 83 Self-Propelled Car	\$4,044,821.43
83423	Type AM 83 Self-Propelled Car	\$4,044,821.43
83424	Type AM 83 Self-Propelled Car	\$4,044,821.43
83425	Type AM 83 Self-Propelled Car	\$4,044,821.43
83426	Type AM 83 Self-Propelled Car	\$4,044,821.43
83427	Type AM 83 Self-Propelled Car	\$4,044,821.43
83428	Type AM 83 Self-Propelled Car	\$4,044,821.43
83429	Type AM 83 Self-Propelled Car	\$4,044,821.43
83430	Type AM 83 Self-Propelled Car	\$4,044,821.43
83431	Type AM 83 Self-Propelled Car	\$4,044,821.43
83440	Type AM 83 Self-Propelled Car	\$4,044,821.43
	Aggregate Cost (the " <u>Equipment Lot Cost</u> ")	<u>\$56,627,500.02</u>

* All amounts are stated in US Dollars.