13107

SANWA BUSINESS CREDIT
CORPORATION
One South Wacker Drive
Chicago, Illinois 60606

16855
RECORDATION NO. _____ FILED 1425
APR 30 1990 -12 05 PM
INTERSTATE COMMERCE COMMISSION

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April 27, 1990

0-120A01

Ms. Noreta P. McGee, Secretary
Interstate Commerce Commission
Twelfth Street and Constitution Avenue, N.W.
Washington, D.C. 20423

Dear Secretary:

I have enclosed for recording pursuant to Section 11303 of Title 49 of the U.S. Code an original and one counterpart of (i) the Railcar Assignment Agreement dated April 27, 1990 (the "Assignment") between Quaker State Corporation, Petrowax PA Inc. and Union Tank Car Company, a primary document and two originals of (ii) the Security Agreement dated as of April 27, 1990 (the "Security Agreement"), between Petrowax PA Inc. and Sanwa Business Credit Corporation, a secondary document.

All capitalized terms used herein without definition have the meanings assigned thereto in the Security Agreement.

We request that this assignment be cross-indexed under the name of Union Tank Car Company.

The names and addresses of the parties to the Assignment are as follows:

Quaker State Corproation
255 Elm Street
Oil City, Pennsylvania 16301,
as assignor

Petrowax PA Inc.
230 Park Avenue, Suite 610
New York, New York 10169,
as assignee

Union Tank Car Company
71 Arch Street
Greenwich, CT 06830
as lessor

The names and addresses of the parties to the Security Agreement are as follows:

Petrowax PA Inc.
230 Park Avenue, Suite 610
New York, New York 10169,
as Grantor

Sanwa Business Credit Corporation
One South Wacker Drive
Chicago, Illinois 60606,
as Secured Party

A description of the equipment covered by the Assignment follows:

Eight railcars of DOT 111-A-100-W-1 class, heater-piped, non-insulated, equipped with safety dome platforms, with the following numbers and sizes:

UTLX Tank Car Numbers:	Approximate size in gallons:
58581	26,000
58950 - 58951 (2 cars)	23,500
57990 - 57994 (5 cars)	26,000

A description of the equipment covered by the Security Agreement follows:

Eight railcars of DOT 111-A-100-W-1 class, heater-piped, non-insulated, equipped with safety dome platforms, with the following numbers and sizes:

UTLX Tank Car Numbers:	Approximate size in gallons:
58581	26,000
58950 - 58951 (2 cars)	23,500
57990 - 57994 (5 cars)	26,000

Included in the property covered by the aforesaid Security Agreement is all Equipment of Grantor, including Equipment intended for use in interstate

commerce, or interests therein, owned by Grantor at the date of said Security Agreement or thereafter acquired by it.

A fee of $30.00 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to Morgan, Lewis & Bockius, 101 Park Avenue, New York, New York 10178, Attention: Devon Woodward Russ.

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

Primary Document. Railcar Assignment Agreement, dated April 27, 1990, among Quaker State Corporation ("QSC"), Petrowax PA Inc. ("Petrowax") and Union Tank Car Company ("Union"), pursuant to which QSC assigns to Petrowax its interest in the Car Service Agreement dated August 1, 1985 between Union as lessor and QSC as lessee.

A copy of the Car Service Agreement between Union and QSC, which is not recorded, is attached to each copy of the Assignment for reference.

A short summary of the Security Agreement to appear in the index follows:

Secondary Document. Security Agreement dated as of April 27, 1990 between Petrowax PA Inc. ("Borrower") and Sanwa Business Credit Corporation ("Lender"), pursuant to which Borrower assigns and grants to Lender a security interest in the assignment, made pursuant to the Railcar Assignment Agreement, of lessee's interest in the railcar lease between Union Tank Car Company as lessor and Quaker State Corporation as lessee, which security interest is granted to secure Borrower's obligation to Lender under the Senior Secured Loan Agreement dated as of April 27, 1990.

Please acknowledge receipt of this letter of transmittal and its enclosures by appropriately stamping the enclosed copy of this letter and by returning it to Morgan, Lewis

& Bockius, 101 Park Avenue, New York, NY 10178, Attention: Devon Woodward Russ in the addressed envelope enclosed for your convenience.

Very truly yours,

SANWA BUSINESS CREDIT CORPORATION

By _____
Name: Robert H. Dana
Title: Vice President

Enclosures: Railcar Assignment Agreement - Original and Notarized Copy
Security Agreement - Original and Notarized Copy
Transmittal Letter (copy)
Check ($30.00)

icc utc

16855/A
RECORDATION NO. ____ FILED
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INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT

SECURITY AGREEMENT dated as of April 27, 1990 (the "Agreement"), made by PETROWAX PA INC., a Delaware corporation, with its executive office at 230 Park Avenue, Suite 610, New York, New York 10169 (the "Grantor"), to, in favor of and for the benefit of, SANWA BUSINESS CREDIT CORPORATION, a Delaware corporation, with a principal office at 140 East 45th Street, New York, New York 10017 (together with each other Person acting as a Lender under the Loan Agreement hereinafter referred to, "Lender").

W I T N E S S E T H:

WHEREAS, the Lender and the Grantor have entered into a Senior Secured Loan Agreement dated as of April 27, 1990 (said Loan Agreement, as it may hereafter be amended, modified or supplemented from time to time, being hereinafter referred to as the "Loan Agreement"); and

WHEREAS, it is a condition to the making of Term Loans by the Lender under the Loan Agreement that the Grantor shall have granted the security interests contemplated by this Agreement.

NOW, THEREFORE, in consideration of the premises and in order to induce the Lender to make the Term Loans under the Loan Agreement, the Grantor hereby agrees with the Lender as follows:

SECTION 1. General Definitions, All capitalized terms herein shall have the meanings set forth in the Loan Agreement unless otherwise defined herein.

SECTION 2. Grant of Security. The Grantor hereby assigns to the Lender and hereby grants the Lender a continuing security interest in and lien upon, all of the Grantor's tangible and intangible personal properties, fixtures, assets and rights, now owned or hereafter acquired or arising (the "Collateral"), subject to prior interests in the "Inventory", the "Receivables" and the "Related Contracts" (as defined in this Agreement) to the extent, and only to the extent, that such prior interests are created in connection with the Bridge Loan or the Working Capital Loan pursuant to an Intercreditor Agreement, including, without limiting the generality of the foregoing:

(a) all inventory (including, without limitation, all oil, crude oil, fuel oil, diesel fuel, gasoline, natural gas, slack wax, catalysts, liquified petroleum gas and

hydrocarbon distillates and condensates of every kind and description), and all additions and accessions thereto, replacements therefor and products or byproducts thereof, wherever located, whether in storage in tanks or other facilities, or in process of transportation in any tanker, barge, tank car, truck or pipeline and all components, work in progress and materials used, produced or consumed in the Grantor's business and all finished merchandise, including, without limitation, petrolatum, finished wax products, finished merchandise held by others for sale on consignment from the Grantor or sold by the Grantor on a sale-or-return or an on-approval basis or returned to the Grantor by a purchaser following a sale by the Grantor (any and all such inventory, additions, accessions, replacements, products, byproducts, components, work in progress, materials and finished merchandise being herein collectively referred to as the "Inventory"); and

(b) all rights to the payment of money, whether or not earned by performance, now or hereafter existing, now owned or hereafter acquired, arising out of or in connection with the sale of Inventory including, but not limited to, any of the following which consist of a right to the payment of money: (i) accounts (including Lock Box #1116 at the Marine Bank PNC, Pittsburg, Pennsylvania) contract rights, chattel paper, instruments, documents, notes, accrued interest, earnings and general intangibles relating thereto now or hereafter existing; (ii) moneys, reserves, all collateral security and guaranties of any kind given by any Person and property relating to any of the foregoing whether now or at any time hereafter in the possession or under the control of the Company or any agent or custodian; and (iii) all substitutions for and proceeds of any of the foregoing, and books and records (including, without limitation, customer lists, credit files, computer programs, printouts and other computer materials and records) pertaining to any of the foregoing; and

(c) All equipment (including, without limitation, all heat exchangers, oil heaters, pumps, winches, pollution control devices and systems, portable buildings, floating docks, generators, hoists, lifts, compressors, cherry pickers, fire fighting implements, turbines, boilers, and all furniture, furnishings, trade fixtures, machinery, tools and parts, apparatus and installations), used or usable in business, together with all additions and accessions thereto and replacements or substitutions therefor (any and all such equipment, additions, accessions, replacements and substitutions being herein collectively referred to as the "Equipment"); and

(d) All accounts, including all present and future evidences of or rights to payments due or to become due to the Grantor on account of goods and other property sold, leased or rented (whether at wholesale or retail and whether from Inventory or otherwise) or services rendered, regardless of when earned by performance, together with all contract rights, chattel paper, instruments, general intangibles (including, without limitation, all governmental or regulatory permits or certificates, to the extent permitted by law and not otherwise included within any of the types or items of Collateral described in this Section 2) and other obligations of any kind now existing or hereafter acquired or arising, whether arising from or related to the disposition of Inventory, Equipment or otherwise, and all rights now or hereafter existing in and to, and all interests now or hereafter existing created by, all security agreements, leases, documents of title, securities, letters of credit and other contracts, documents and instruments securing or otherwise relating to any such accounts, contract rights, chattel paper, instruments, general intangibles or obligations (any and all such accounts, contract rights, chattel paper, instruments, general intangibles and obligations together with the items of Collateral described in Section 2(b) being hereinafter collectively referred to as the "Receivables", and any and all such security agreements, leases, documents of title, securities, letters of credit and other contracts, documents and instruments being herein collectively referred to as the "Related Contracts"); and

(e) All agreements and documents listed on Schedule A, in each case as amended, supplemented or otherwise modified in effect from time to time (said agreements and documents, as so amended, supplemented or modified and in effect being the "Assigned Documents"), including, without limitation (i) all rights of the Grantor to receive moneys due and to become due under or pursuant to the Assigned Documents, (ii) all rights of the Grantor to receive proceeds of any insurance, indemnity, warranty or guaranty with respect to the Assigned Documents, (iii) claims of the Grantor for damages arising out of or for breach of or default under the Assigned Documents, and (iv) the right of the Grantor to terminate the Assigned Documents, to perform thereunder and to compel performance and otherwise exercise all rights, privileges and remedies thereunder; and

(f) All now existing patent applications, patents, copyrights, rights and interests in copyrights and works protectable by copyright, trade secrets and other confidential information relating to the business of the Grantor, including, by way of illustration and not limitation, each and every kind of know-how practiced by

the Grantor and its employees; the names and addresses of, and credit and other business information respecting the Grantor's past, present or future customers as they may exist from time to time; the prices at which the Grantor sells its products; estimating and cost procedures; profit margins; information concerning suppliers of the Grantor; and manner of operation, business plans, pledges, projections, and all other information of any kind or character, whether or not reduced to writing, with respect to the conduct by the Grantor of its business not generally known by the public; trademarks, service marks, designs, logos, indicia, corporate names, company names, business names, fictitious business names, tradenames, trade styles and registrations issued with respect to any of the foregoing used in the Grantor's business or in which the Grantor otherwise has an interest; and the goodwill associated with the foregoing or any of the foregoing which may hereafter be acquired; and

(g) All cash and non-cash proceeds, products, rents and profits of the Collateral, whether immediate or remote, and, to the extent not otherwise included therein, all payments under insurance (whether or not the Lender is the loss payee thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the Collateral.

SECTION 3. Security for Obligations. The Collateral, this Agreement and the obligations of the Grantor hereunder secure payment and performance of any and all indebtedness, obligations and liabilities of the Grantor to the Lender under the Loan Documents, whether now existing or hereafter arising, voluntary or involuntary, whether or not jointly owed with others, direct or indirect, absolute or contingent, liquidated or unliquidated, and whether or not from time to time decreased or extinguished and later increased, created or incurred (all such indebtedness, obligations and liabilities of the Grantor to the Lender being herein collectively referred to as the "Obligations").

SECTION 4. Grantor Remains Liable. Anything herein to the contrary notwithstanding, (a) the Grantor shall remain liable under the contracts and agreements included in the Collateral to the extent set forth therein to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by the Lender of any of the rights hereunder shall not release the Grantor from any of its duties or obligations under the contracts and agreements included in the Collateral, and (c) the Lender shall not have any obligation or liability under the contracts and agreements included in the Collateral by reason of this Agreement, nor shall the Lender be obligated to perform any of the obligations or

duties of the Grantor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

SECTION 5. Representations and Warranties. The Grantor represents and warrants as follows:

(a) All of the Inventory (currently owned) and all of the Equipment is located at the places specified in item 1 of Schedule B hereto. The chief executive office of the Grantor for purposes of determining the proper place for filing financing statements under the Uniform Commercial Code (the "Code") is 230 Park Avenue, Suite 610, New York, New York 10169. The original copies of the Assigned Documents and all chattel paper which evidences Receivables is located at 230 Park Avenue, Suite 610, New York, New York 10169.

(b) Except as set forth in item 2 of Schedule B, none of the existing Collateral consists of motor vehicles, railroad rolling stock, aircraft or vessels or any interest therein;

(c) Except as set forth in item 3 of Schedule B, none of the existing Collateral constitutes goods of a type normally used in more than one jurisdiction for purposes of Section 9-103 of the Code;

(d) None of the existing Collateral which consists of accounts or contract rights arises out of a contract with the United States or any department, agency or instrumentality thereof;

(e) To the extent any of the existing Collateral consists of goods which constitute fixtures under the laws of the Commonwealth of Pennsylvania, such Collateral is located on real property owned or leased by the Grantor, and the Grantor has furnished to the lender valid and effective waivers of interest in the Collateral on the part of all mortgagees (other than the Lender), lessors, co-owners, encumbrancers and other parties in interest with respect to the real property;

(f) The Grantor is the legal and beneficial owner of the Collateral free and clear of any lien, security interest, charge or encumbrance, except for Liens permitted by the Loan Agreement. No effective financing statement or other instrument similar in effect covering all or any part of the Collateral is on file in any recording office, except as permitted or contemplated by the Loan Agreement.

(g) The Grantor has exclusive possession and control of the Equipment and none of the Inventory is on consignment to any Person, except to the extent that (i) the claim of the Grantor to such Inventory is superior to the claim of any creditor or creditor's representative of such Person (except

pursuant to the Intercreditor Agreement executed and delivered in connection with the Bridge Loan or the Working Capital Loan), and (ii) in advance of the consignment of such Inventory to such Person, the Grantor shall have taken all such actions as may be required by Section 6 or as the Lender may otherwise reasonably request to assure that the Grantor shall, as of the date of the receipt by such Person of such Inventory, be in compliance with all of the terms of this Agreement.

(h) The grant of a security interest in the Collateral pursuant to this Agreement together with steps for perfection create a valid and perfected security interest in the Collateral, securing the payment of the Obligations. Such security interest is of first priority, provided, that such security interest with respect to the Inventory, the Receivables and the Related Contracts will be at least second priority after the funding of the Bridge Loan or the Working Capital Loan and the execution and delivery of an Intercreditor Agreement relating thereto.

(i) Except for the filing or recording of any Uniform Commercial Code Financing Statements, fixture filings or filings with the Interstate Commerce Commission, the United States Copyright Office, the United States Patent and Trademark Office, and any State or foreign trademark office, necessary to perfect the security interests created hereunder, no authorization, consent, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required (other than those relating to Lender required under the Bank Holding Company Act of 1956, as amended, as to which no representation or warranty by Grantor is made) either (i) for the grant by the Grantor of the security interest granted hereby or for the execution, delivery or performance of this Agreement by the Grantor, or (ii) for the perfection of such security interest or the exercise by the Lender of its rights and remedies provided for in this Agreement.

(j) The Lender has previously been furnished with a true and complete copy of each of the Assigned Documents. To the best of the Grantor's knowledge, each of the Assigned Documents has been duly authorized, executed and delivered by all parties thereto, is in full force and effect and is binding on and enforceable against all parties thereto in accordance with its terms (subject to bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to or affecting the enforceability of creditors' rights and remedies generally, and the effect of general principles of equity).

(k) The Grantor has not, within the past four months, changed its legal name, identity or corporate structure, or conducted its business operations under any fictitious business name or trade name, or utilized any name other than "Petrowax PA

Inc.," except as otherwise disclosed in writing to the Lender by a notice conspicuously designated as a "Notice of Change of Name, Identity or Corporate Structure," which notice shall have been given at least ten (10) Business Days prior to the effective date of such change.

SECTION 6. Further Assurances.

(a) The Grantor agrees that at any time and from time to time, at the expense of the Grantor, the Grantor will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that the Lender may request, in order to perfect, preserve the priority and perfection of, and otherwise to protect, any security interest granted or purported to be granted hereby or to enable the Lender to exercise and enforce any of its rights and remedies hereunder, under the Loan Agreement or otherwise under the provisions of applicable law, with respect to any Collateral. Without limiting the generality of the foregoing, the Grantor will: (i) at the request of the Lender following the occurrence of an Event of Default, mark each item of chattel paper included in the Receivables, each Related Contract and each Assigned Document to which it is a party, and each of its records pertaining to the Collateral, with a legend, in form and substance satisfactory to the Lender, indicating that such chattel paper, Related Contract, Assigned Document or Collateral is subject to the security interest granted hereby; (ii) if any Receivable shall be evidenced by a promissory note or other instrument or shall be secured by a document of title, security or letter of credit, at the request of the Lender following the occurrence of an Event of Default, deliver to the Lender and pledge to the Lender such note, instrument, document of title, security or letter of credit, duly endorsed or accompanied by duly executed instruments of transfer or assignment, as appropriate, all in form and substance satisfactory to the Lender, but subject to the rights of creditors under the terms of any Intercreditor Agreement executed and delivered in connection with the Bridge Loan or the Working Capital Loan; and (iii) execute and file such financing or continuation statements, or amendments thereto, and such other instruments or notices, as may be necessary or desirable, or as the Lender may request, in order to perfect, preserve the priority and perfection of, and otherwise to protect, the security interests granted or purported to be granted hereby.

(b) The Grantor hereby authorizes the Lender to file one or more financing or continuation statements, or fixture filings and amendments thereto, relative to all or any part of the Collateral without the signature of the Grantor where permitted by law.

(c) The Grantor will furnish to the Lender from time to time statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Lender may request, all in reasonable detail.

(d) The Grantor will warrant and defend unto the Lender title to all of the Collateral purported to be owned by the Grantor against the claims and demands of all Persons whomsoever.

(e) The Grantor will not make any change in its legal name, identity or corporate structure, conduct its business operations under any fictitious business name or trade name, or utilize any name other than "Petrowax PA Inc." on its invoices, bills of sale or other sales documents, without (i) giving the Lender at least ten (10) Business Days prior written notice thereof in the manner contemplated by Section 5(k), and (ii) taking all such action as may be required or as the Lender may otherwise reasonably request to assure that the Grantor shall be in compliance with all of the terms of this Agreement upon the effective date of such change.

SECTION 7. As to Equipment and Inventory. The Grantor shall:

(a) Keep the Equipment and Inventory (other than Inventory in transit to any such location) (i) at the locations identified in Schedule B or, (ii) at such other location which shall have been disclosed in writing to the Lender not less than ten (10) Business Days prior to the date of the removal or relocation of such Equipment or Inventory to such location, except that (i) no such location may be within the State of Louisiana unless the Lender shall have received not less than sixty (60) days prior written notice of the removal or relocation of such Equipment or such Inventory to the State of Louisiana, and (ii) no Equipment or Inventory may be located outside of the United States under any circumstances. In connection with any such removal or relocation of Equipment or Inventory, and in advance thereof, the Grantor shall take all such actions as may be required by Section 6 or as the Lender may otherwise reasonably request to assure that the Grantor shall, as of the date of the commencement of any such removal or relocation, be in compliance with all of the terms of this Agreement.

(b) Permit the Lender, or its designee, at any reasonable time or times and with prior notice, to inspect the Equipment and/or the Inventory, and any records relating thereto (including records respecting the purchase, sale, exchange, transportation and storage thereof) and to copy or make abstracts from such records.

(c) Cause the Equipment to be maintained and preserved in the same condition, repair and working order as when new, ordinary wear and tear and obsolescence excepted, and in accordance with any manufacturer's manual or prescribed maintenance program, and shall forthwith, or in the case of any loss or damage to any of the Equipment as quickly as practicable after the occurrence thereof, make or cause to be made all repairs, replacements and other improvements in connection therewith which are necessary for the Operations. The Grantor shall promptly furnish to the Lender a statement respecting any loss or damage to any of the Equipment or the Inventory.

(d) Pay promptly when due all property and other taxes, assessments and governmental charges or levies imposed upon, and all claims (including claims for labor, materials and supplies) against, the Equipment and/or the Inventory, except to the extent the validity thereof is being contested in good faith and by appropriate proceedings so long as such proceedings do not involve any material danger of sale or foreclosure of the Equipment and/or the Inventory.

(e) As to any Equipment or Inventory which is in the possession (or otherwise under the control) of any agent or bailee of the Grantor at the time of the occurrence of an Event of Default, instruct such agent or bailee to hold such Equipment or Inventory for the account of the Lender (subject, as to the Inventory, to the rights of creditors under any Intercreditor Agreement executed and delivered in connection with the Bridge Loan or the Working Capital Loan).

SECTION 8. As to Receivables and Assigned Documents.

(a) The Grantor shall keep its chief executive office and the original copies of the Assigned Documents and all chattel paper which evidences Receivables, (i) at the address specified in Section 5(a) or, (ii) at such other address as shall be specified in a written notice conspicuously designated as a "Notice of Change of Chief Executive Office" or "Notice of Change of Location of Assigned Documents and Chattal Paper", as the case may be, and delivered to the Lender not less than ten (10) Business Days prior to the effective date of such change, except that no such address of the Grantor may be located outside of the United States or within the State of Louisiana. In connection with any such change, and in advance thereof, the Grantor shall take all such actions as may be required by Section 6 or as the Lender may otherwise reasonably request to assure that, as of the effective date of such change, the Grantor shall be in compliance with all of the terms of this Agreement.

(b) The Grantor will hold and preserve its books and records relating to the Receivables, the Related Contracts, the Assigned Documents and all chattel paper which evidence

Receivables and will permit the Lender, or its designee, at any reasonable time or times and with prior notice, to inspect, copy and make abstracts from such books, records, Related Contracts, Assigned Documents and chattel paper.

(c) Except as otherwise provided in this subsection (c), the Grantor shall continue to collect, at its own expense, all amounts due or to become due the Grantor with respect to the Receivables, the Related Contracts or the Assigned Documents. The Grantor shall not, other than in the ordinary course of business, compromise, discharge, extend the time for payment of or otherwise grant any indulgence or allowance with respect to any account receivable of the Grantor. In connection with such collections, the Grantor may take (and, at the Lender's direction, shall take) such action as the Grantor or the Lender may deem necessary or advisable to enforce collection of the Receivables and amounts payable under the Related Contracts or the Assigned Documents, provided, however, that, subject to the rights of creditors under the terms of any Intercreditor Agreement executed and delivered in connection with the Bridge Loan or the Working Capital Loan, the Lender shall have the right at any time after the occurrence of an Event of Default to notify the account debtors or obligors under any Receivables and the other parties to the Related Contracts and the Assigned Documents of the assignment of such Receivables, Related Contracts or Assigned Documents, as the case may be, to the Lender and to direct such account debtors or obligors or other parties to make payment of all amounts due or to become due to the Grantor thereunder directly to the Lender and, upon such notification and at the expense of the Grantor, to enforce collection of any such Receivables or amounts payable under the Related Contracts or the Assigned Documents, and to adjust, settle or compromise the amount or payment thereof, in the same manner and to the same extent as the Grantor might have done.

(d) The Grantor shall at its expense:

(i) Perform and observe all of the terms and provisions of the Related Contracts and the Assigned Documents to be performed or observed by it, maintain such Related Contracts and Assigned Documents in full force and effect, enforce such Related Contracts and Assigned Documents in accordance with their terms and take all such action to preserve and protect Lender's security to such ends as may from time to time be requested by the Lender.

(ii) Furnish to the Lender promptly upon receipt thereof, copies of all notices of cancellation, termination, lapse, extension or renewal of, notices of default under, waivers of any material provisions of, and material amendments or modifications to any of

the Related Contracts or the Assigned Documents and, upon request of the Lender, other notices, requests, correspondence and documents received by the Grantor under or pursuant to the Related Contracts or the Assigned Documents, and from time to time (A) furnish to the Lender such information and reports regarding the Collateral as the Lender may reasonably request, and (B) upon the reasonable request of the Lender, make such demands and requests for information and reports or for action upon such Persons as the Grantor is entitled to make under the Related Contracts or the Assigned Documents.

(e) The Grantor shall not:

(i) Cancel or terminate any Related Contract or Assigned Document or consent to or accept any cancellation or termination thereof (other than any termination due to the expiration of any Related Contract or Assigned Document by its own terms);

(ii) Waive any breach of any term or provision of any Related Contract or Assigned Document or any default thereunder as a result thereof which would impair the rights or interests of the Lender as a secured party;

(iii) Amend or otherwise modify any term or provision of any Related Contract or Assigned Document or give any consent, waiver or approval to any term or provision thereof which would impair the rights or interests of the Lender as a secured party; or

(iv) Except as may be permitted under Sections 8(e)(ii) or 8(e)(iii) or Section 9, take any other action in connection with any Related Contract or Assigned Document that would impair the interests or rights of the Lender as a secured party.

(f) If any account or contract right in the amount of $100,000 or more arises out of a contract with the United States or any department, agency or instrumentality thereof, the Grantor will immediately notify the Lender thereof in writing and execute any instruments and take any steps required by the Lender in order that the security interest hereunder in the Grantor's contract right under such contract and in all accounts arising thereunder and in the proceeds thereof shall be perfected under the provisions of the Federal Assignment of Claims Act.

SECTION 9. Transfers; Other Liens. The Grantor shall not directly or indirectly, without the prior written consent of the Lender (which consent shall not be unreasonably withheld):

(a) Sell (with or without recourse), discount, assign (by operation of law or otherwise) or otherwise transfer or dispose of, or grant any option with respect to, any of the Collateral, except (i) as permitted by the Loan Agreement, (ii) as to Inventory, in the ordinary course of the Grantor's business, provided, that the interests or rights of the Lender as a secured party are not impaired thereby and (iii) as to Collateral (other than Inventory) and Chattal Property (as defined in the Mortgages), in an amount such that the aggregate original cost of all such Collateral and Chattal Property which shall have been sold, discounted, assigned, transferred, disposed of, or as to which an option shall have been granted, in any Fiscal Year shall not exceed $100,000; or

(b) Create or suffer to exist any lien, security interest or other charge or encumbrance upon or with respect to any of the Collateral to secure Debt of any Person, except for Liens permitted by the Loan Agreement.

SECTION 10. Lender Appointed Attorney-in-Fact. The Grantor hereby appoints the Lender as the Grantor's attorney-in-fact (which appointment shall be irrevocable and deemed coupled with an interest), with full authority in the place and stead of the Grantor and in the name of the Grantor, the Lender or otherwise, from time to time in the Lender's discretion upon the occurrence of an Event of Default, but subject to the rights of creditors under the terms of any Intercreditor Agreement executed and delivered in connection with the Bridge Loan or the Working Capital Loan, to take any action and to execute any instrument which the Lender may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation:

(i) to ask, demand, collect, sue for, recover, compound, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Collateral;

(ii) to receive, endorse, and collect any checks, drafts or other instruments, documents and chattel paper, in connection with this Section 10; and

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

SECTION 11. Lender May Perform. If the Grantor fails to perform any agreement contained herein, the Lender may itself perform, or cause performance of, such agreement, and the expenses so incurred in connection therewith shall be payable by the Grantor. The Lender will give the Grantor oral notice of such performance, confirmed in writing, which may be given after such performance has occurred.

SECTION 12. Lender's Duties. The powers conferred on the Lender hereunder are solely to protect its interest in the Collateral and shall not impose any duty upon it to exercise any such powers. Except for the safe custody of any Collateral in its possession and the accounting for moneys actually received by it hereunder, the Lender shall have no duty as to any Collateral or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral, except to and in a manner consistent with the transactions contemplated by the Loan Documents.

SECTION 13. Events of Default and Remedies. Subject to the rights of creditors under the terms of any Intercreditor Agreement executed and delivered in connection with the Bridge Loan or the Working Capital Loan, upon the occurrence of any Event of Default and at any time thereafter:

(a) The Lender may exercise in respect of the Collateral, in addition to other rights and remedies provided for under the Loan Agreement, herein or otherwise available to it under applicable law, all of the rights and remedies of a secured party against a debtor in default under the Code (whether or not the Code applies to the affected Collateral) and also may (i) exercise any and all rights and remedies of the Grantor under or in connection with the Related Contracts and the Assigned Documents or otherwise in respect of the Collateral, including, without limitation, any and all rights to demand or otherwise require payment of any amount under, or performance of any provision of, the Related Contracts and the Assigned Documents, (ii) require the Grantor to, and the Grantor hereby agrees that it will at its expense and upon request of the Lender forthwith, assemble all or part of the Equipment as directed by the Lender and make it available to the Lender at a place to be designated by the Lender which is reasonably convenient to both parties, (iii) without notice or demand or legal process, (A) enter upon, occupy and/or take possession or control of the Plants or any barge, towboat or other vessel or railroad car or other vehicle containing or being used to transport Inventory, or any other premises, vessel, railroad car or vehicle owned or leased by the Grantor or otherwise

subject to the control of the Grantor where the Collateral or any part thereof is located; (B) use any such premises, vessel, railroad car or vehicle to store or transport Inventory or load or unload Inventory thereto or therefrom or otherwise to effectuate the Lender's rights and remedies under the Loan Agreement, hereunder or under the Code or other applicable law, without obligation to the Grantor in respect of such entry and/or occupation; (C) order any employee, representative or other agent of the Grantor, or any vendor, supplier, carrier, warehouseman, ship's captain, pipeline operator or other person to store or release from storage, load or unload, or ship, deliver or transport, Inventory, or countermand any such order given by the Grantor, or otherwise prevent any of the foregoing events from occurring, and (iv) without notice, except as specified below, sell the Collateral or any part thereof in one or more lots at public or private sale, in its then condition or following any commercially reasonable preparation or processing, by one or more contracts, at such time or times, for cash, on credit or for future delivery, and at such price or prices and upon such other terms as the Lender may deem commercially reasonable and in accordance with any mandatory provisions of the Code. The Grantor agrees that, to the extent notice of sale shall be required by law, at least ten (10) days' notice to the Grantor of the time and place of any public sale or the time after which any private sale is to be made shall constitute commercially reasonable notification. At any sale of the Collateral, if permitted by law, the Lender may bid (which bid may be, in whole or in part, in the form of cancellation of indebtedness) for and purchase the Collateral or any portion thereof for the account of the Lender. The Lender shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Lender 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.

(b) All amounts and proceeds (including instruments) received by the Grantor in respect of the Receivables, the Related Contracts, the Assigned Documents, or any of the other Collateral, shall be received in trust for the benefit of the Lender hereunder, shall be segregated from other funds of the Grantor and shall be forthwith paid over (or delivered) to the Lender in the same form as so received (with any necessary endorsement) to the Lender and applied

against the Obligations in the order set forth in Section 6.2 of the Loan Agreement.

(c) All payments made under or in connection with any Related Contract or Assigned Document or otherwise in respect of the Collateral, and all cash proceeds received by the Lender in respect of any sale of, collection from, or other realization upon all or any part of the Collateral may, in the discretion of the Lender, be held by the Lender as collateral for, and/or then or at any time thereafter applied in whole or in part by the Lender against, all or any part of the Obligations, in the order set forth in Section 6.2 of the Loan Agreement.

(d) Nothing in this Section 13 is intended to waive or vary the rules referred to in Section 9-501(3) of the Code as adopted in any jurisdiction, to the extent that such rules give rights to the Grantor or impose duties upon the Lender.

SECTION 14. Continuing Security Interest; Payment of Obligations. This Agreement shall create a continuing security interest in the Collateral and shall (i) remain in full force and effect until termination of the Commitment and payment in full of the Obligations, (ii) be binding upon the Grantor, its successors and assigns, and (iii) inure to the benefit of and be enforceable by the Lender and its successors, transferees and assigns, provided, however, that the Grantor may not assign or transfer any of its rights or obligations hereunder without the prior written consent of the Lender. Upon the payment in full of the Obligations and the termination of the Commitment, the security interest granted hereby shall terminate and all rights of the Lender in and to the Collateral shall revert to the Grantor. Upon any such termination, the Lender will, at the Grantor's expense, execute and deliver to the Grantor such documents as the Grantor shall reasonably request to evidence such termination.

SECTION 15. Specific Enforcement. Notwithstanding anything to the contrary contained in this Agreement, the Grantor agrees that a breach of any of the covenants and agreements contained herein will cause irreparable injury to the Lender and that the Lender has no adequate remedy at law in respect of such breach and, as a consequence, the Grantor agrees that each and every one of such covenants and agreements shall be specifically enforceable against the Grantor and the Grantor hereby waives and agrees not to assert any defenses against an action for specific performance of such covenants and agreements except for a defense that no default has occurred.

SECTION 16. Confidentiality. The confidentiality provisions contained in this Section 16 relate to the Lender's

"UOP Platforming Process" shall mean a catalytic reforming process of converting hydrocarbons substantially boiling within the gasoline range, in the presence of a solid catalyst containing platinum or a platinum compound, at a temperature above 500 degrees Fahrenheit and in the presence of free hydrogen, to produce motor fuel having antiknock properties superior to those of the charge stock and to produce aromatic hydrocarbons, in which process there is no net consumption of hydrogen in the reaction zone.

"UOP Technical Information" shall mean all information, including, but not limited to, data, plans, specifications, flow charts and drawings which UOP considers proprietary and confidential relating to the UOP processes employed at the Units generally and the Units specifically.

SECTION 17. Incorporation by Reference. Article VIII of the Loan Agreement (other than Sections 8.8, 8.15 and 8.16 thereof) is hereby incorporated herein by reference as though the same were set forth herein at length.

IN WITNESS WHEREOF, the Grantor and the Lender have caused this Agreement to be duly executed and delivered by their duly authorized officers as of the date first above written.

PETROWAX PA INC.

By_____
Title:

SANWA BUSINESS CREDIT CORPORATION
for itself and on behalf of the
other Lenders

By_____
Title:

"UOP Platforming Process" shall mean a catalytic reforming process of converting hydrocarbons substantially boiling within the gasoline range, in the presence of a solid catalyst containing platinum or a platinum compound, at a temperature above 500 degrees Fahrenheit and in the presence of free hydrogen, to produce motor fuel having antiknock properties superior to those of the charge stock and to produce aromatic hydrocarbons, in which process there is no net consumption of hydrogen in the reaction zone.

"UOP Technical Information" shall mean all information, including, but not limited to, data, plans, specifications, flow charts and drawings which UOP considers proprietary and confidential relating to the UOP processes employed at the Units generally and the Units specifically.

SECTION 17. Incorporation by Reference. Article VIII of the Loan Agreement (other than Sections 8.8, 8.15 and 8.16 thereof) is hereby incorporated herein by reference as though the same were set forth herein at length.

IN WITNESS WHEREOF, the Grantor and the Lender have caused this Agreement to be duly executed and delivered by their duly authorized officers as of the date first above written.

PETROWAX PA INC.

By Gene R. Blendermann
Title: President

SANWA BUSINESS CREDIT CORPORATION
for itself and on behalf of the
other Lenders

By
Title:

STATE OF NEW YORK)
ss.:
COUNTY OF NEW YORK)

On this 27th day of April, 1990, before me personally appeared Gene R. Blendermann, to me personally known, who being by me duly sworn, says that he is the President of Petrowax PA, Inc., that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Ellen Extract
Notary Public
My Commission Expires _____

ELLEN EXTRACT
NOTARY PUBLIC, State of New York
No. 31-4849429
Qualified in New York County
Commission Expires March 30, 19 9/

[Seal]

STATE OF NEW YORK)
ss.:
COUNTY OF NEW YORK)

On this 27th day of April, 1990, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of Sanwa Business Credit Corporation, that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

_____
Notary Public
My Commission Expires _____

[Seal]

SCHEDULE A TO THE SECURITY AGREEMENT
ASSIGNED DOCUMENTS

I. Asset Purchase and Sale Agreement between Quaker State Corporation ("QSC") and Petrowax PA Inc. ("Petrowax") dated as of March 30, 1990 and Side Agreements dated as of the date hereof

A. Gas Purchase Agreement.

B. Slack Wax and Petrolatum Sales Agreement.

C. Crude Oil Purchase and Sale Agreement.

II. Feedstock Supply Agreements

A. Crude Oil Purchase Agreement dated as of March 9, 1989 between U.S. Petroleum Corp. ("USP") and ANR Production Company.

B. Crude Oil Purchase Agreement dated as of July 1, 1987 between USP and the Ute Indian Tribe of the Uintah and Ouray Reservation.

C. Crude Oil Purchase Agreement dated as of October 1, 1989 between USP and Total Minatome Corporation.

D. Distribution, Marketing and Services Agreement dated as of November 15, 1989 between USP and Boler Petroleum Company, Inc.

III. LEASES, ASSIGNMENTS, SUBLEASES, AGREEMENTS

McKean Contracts and Lease Agreements

A. Process and catalyst agreements:

1. UOP Platforming Catalyst Supply contract between Petrowax and Cataleasco, Inc. made as of the date hereof

2. Service Agreement between Petrowax and UOP made as of the date hereof

3. UOP Platforming Process Release Agreement covering 400,000 barrels per year of fresh stock charge among QSC, Petrowax, USP and UOP made as of the date hereof

4. UOP Platforming Process License Agreement between Petrowax and UOP made as of the date hereof

5. Furfural Refining License Agreement between QSC and Texaco Development Corporation ("Texaco") made as of November 9, 1939

6. Dewaxing License Agreement between QSC and Texaco made as of April 23, 1960

7. Letter Agreement concerning assignment of Texaco licenses between Texaco and Petrowax dated as of April 12, 1990

B. Purchase orders and other informal supply and service agreements:

1. Coal Supply Contract dated September 17, 1982 with Valley Coal & Supply, Inc.

2. North Penn Gas Co. Large Volume Service Agreement dated September 30, 1988

3. American Telephone & Telegraph

4. Culligan Water Conditioning, Inc.

5. United Parcel Service

6. Coyne Industrial Laundries

7. Allied Security

8. Kex Copysource

9. Xerox Corporation

C. Lease:

1. Commercial Lease commencing April 9, 1990 with Cari Gross

D. Railroad Agreements assigned to Sanwa Business Credit Corporation ("SBCC") solely on its own behalf and not to any other party:

1. Transportation Contract Number ICC CR-C-7552 with Consolidated Rail Corporation ("Conrail"), Norfolk and Western Railway Co. and Southern Railway Co.

2. Transportation Contract Number ICC CR-C-7541 with Conrail

3. Transportation Contract Number ICC CR-C-7788 with Conrail and Missouri Pacific Railroad Company

E. Other Railroad Agreements:

1. Conrail Lease 64-3156

2. Conrail Lease 55-07160

3. Union Tank Car Company Service Agreement (cars 57990, 57991, 57992, 57993, 57994, 58581, 58950, and 58951)

4. General American Transportation Company Service Agreement and Car Cleaning Contract (cars 66435, 66436, 66498, 66499, 66500, 66510, 66511, 66512, 75514, and 82842)

5. General American Transportation Company (cars 11825, 11827, 11828, 31562, 31563, 31564, 31566, 31567, 47152, 47155, 47156, 47157, 47161, 47176, 69251, 69252, 69253, 69254, 69255, 69256, 69257, 69258, 69259, 69260, 69261, 69262, 69263, 69264, 69265, 69266, 69267, 69268, 86452, 86453, 86462, 86463, 86467, and 86732) - under option

6. General American Transportation Company (cars 14699, 47153, 47154, 47159, 47165, 47166, 47167, 47168, 47173, 47175, and 47179)

7. Conrail Sidetrack Agreement Number 270191

F. McKean Rail Crossing Agreements

ITEM	DATE	GRANTOR
1.	10-08-56	The Pennsylvania Railroad Company
2.	10-23-52	The Pennsylvania Railroad Company
3.	09-01-52	The Pennsylvania Railroad Company
4.	09-26-79	Consolidated Rail Corporation
5.	12-18-72	Penn Central Transportation Company
6.	09-01-48	The Pennsylvania Railroad Company
7.	09-01-38	Dickson, Receiver
8.	04-01-41	The Pittsburgh, Shawmut and Northern Railroad Company
9.	10-23-52	The Pennsylvania Railroad Company
10.	05-07-57	The Pennsylvania Railroad Company
11.	03-21-42	Dickson, Receiver
12.	12-20-48	The Pennsylvania Railroad Company

13.	12-15-48	The Pennsylvania Railroad Company
14.	05-04-48	The Pennsylvania Railroad Company
15.	06-22-32	Dickson, Receiver
16.	01-22-40	Dickson, Receiver
17.	07-13-48	The Pennsylvania Railroad Company
18.	06-14-48	The Pennsylvania Railroad Company
19.	07-09-81	Commonwealth of Pennsylvania
20.	02-01-37	Dickson, Receiver
21.	05-08-36	Dickson, Receiver
22.	07-17-84	Consolidated Rail Corporation
23.	07-20-84	Consolidated Rail Corporation
24.	12-20-84	The Pennsylvania Railroad Company
25.	12-10-48	The Pennsylvania Railroad Company
26.	12-10-48	The Pennsylvania Railroad Company
27.	12-10-48	The Pennsylvania Railroad Company
28.	04-01-41	Dickson, Receiver
29.	04-25-69	Penn Central Company
30.	11-02-48	The Pennsylvania Railroad Company
31.	12-31-47	The Pennsylvania Railroad Company
32.	12-29-49	The Pennsylvania Railroad Company

G. McKean Rights of Way Documentation

Rent No.	Registry No.	Description
64500132	151571	6" & 8" water pipe crossing
550124012	267127	8" vapor pipe crossing
55079402	251014	aerial wire crossing
55079302	251013	3 aerial wire crossings
55074402	262016	8" vapor pipe crossing
55072602	251020	12" water pipe crossing
55070802	251009	2 4" steam pipe crossings 2", 3" and 4" oil pipe crossings
43916562	173339	6", 12", 14", 18" water pipe crossings
43960712	232938	1 circuit 440 volts, 2 poles

H. Emlenton Contracts and Agreements

Utilities

1. Service Agreement with Columbia Gas Transmission Corporation and Columbia Gas of Pennsylvania, Inc.

2. Agreement for Gas Transportation Service with Columbia Gas of Pennsylvania, Inc.

3. United Telephone Co.

4. Emlenton Water Co.

5. Emlenton Area Municipal Authority

I. Documentation, to the extent it exists, for purchase orders and other informal arrangements for supplies and services:

1. Blanket purchase order dated January 9, 1989, R&J Resources, Inc.

2. Blanket purchase order dated January 9, 1989, DWL Coal Company.

3. Allied Security

4. Service Master

5. L.M.I. Development

6. Servi-Clean Industries

7. J.C. Ehrlich

8. Rochester Midland Corp.

9. United Parcel Service

10. B & S Oil

11. Exxon Company U.S.A.

12. Arco Chemical Co.

13. Interstate Chemical

14. Textile Chemical Co.

15. Englehard Minerals

16. Hamler

17. Custom Valve Repairs

18. Fisher Scientific

19. Gage Company

20. R.N. Goss Gas Co.

21. Leak Repairs

22. Stewart Laboratories

23. The Warren Co.

24. Chemply Ind. Chem.

25. NUS

26. I.B.M.

27. Venango Clarion Business Machines

28. Monroe Systems

29. Simplex

30. McClearys Business Machines

31. CTS Associates

32. Diskwriter Inc.

J. Emlenton Right of Way Agreements:

Item	Date	Grantor	Deed Book Reference
1.	07/06/87	Borough of Emlenton	898/953
2.	08/24/87	Milford et ux., et al.	899/232
3.	08/27/87	Grafo Colloids Corp.	898/956
4.	08/28/87	Whitmer et ux.	898/961
5.	09/01/87	Stuart et ux.	901/1
6.	09/21/87	Ritchey et ux.	898/964

7.	02/11/88	Foust et ux.	901/4
8.	02/29/88	Ritchey et ux.	902/93
9.	06/29/88	Grafo Colloids Corporation	905/1018
10.	03/01/89	Foust et ux.	913/255

IV. OTHER ASSIGNMENTS AND AGREEMENTS

1. Railcar Lease Option Agreement among Petrowax, QSC and General American Transportation Corporation ("GATX") made as of the date hereof.

2. Railcar Lease Assignment Agreement among Petrowax, QSC and GATX made as of the date hereof.

3. Railcar Sublease Agreement among Petrowax, QSC and GATX made as of the date hereof.

4. Railcar Assignment Agreement among Petrowax, QSC and Union Tank Car Company made as of the date hereof.

5. Letter Agreement concerning gas transportation service among Petrowax, QSC and Columbia Gas Transportation Corporation made as of the date hereof.

6. Letter Agreement concerning gas transportation service among Petrowax, QSC and Columbia Gas of Pennsylvania, Inc. made as of the date hereof.

7. Side Letter regarding Quiet Title Action between QSC and Petrowax made as of the date hereof.

8. Letter Agreement giving North Penn Gas Co.'s consent to the assignment of the underlying Service Agreement dated as of April 23, 1990.

9. License Assignment, Assumption and Consent among QSC, Petrowax and Conrail dated April 12, 1990 with accompanying consent to assignment.

10. Letter Agreement among Conrail, QSC and Petrowax dated as of April 6, 1990.

11. Letter Agreement concerning assignment of Sidetrack Agreement Contract Number 270191 among Conrail, QSC and Petrowax made as of the date hereof.

12. Service Agreement between UOP and Petrowax made as of the date hereof.

13. Bill of Sale between QSC and Petrowax covering the personal property at the Facilities made as of the date hereof.

14. Agreement of Assignment and Assumption of Contracts between QSC and Petrowax covering all agreements associated with the Facilities made as of the date hereof.

15. Title Policy provided to Petrowax by Ticor Title Insurance Company ("Ticor") for the McKean Facility dated April 30, 1990.

16. Title Policy provided to Petrowax by Ticor for the Emlenton Facility dated April 30, 1990.

17. Certificates of Title covering the vehicle referring to the registration numbers:

McKean

2G1AW19R3D1141224
1FABP29U6GG229179
2FTEF26E3CCA55106
2FTEF26E5CCB02202
F70DUF75218
CE631P111537
CCE613V161543
1GBHC34M6BV129170
2FTEF25Y2FCA45313
D31BE3S205321
1GDNK74N8EVA24969
S3H3A0CHB18670PA
1GBHG34J1CV109674

Emlenton

2B4FK21G6FR315036
ES50VHC094262
CCM616V165153
CCE616V114244
CCT337B153964
CCT34AB134702
1B7KD34W7ES323938
12203148
1GCCT14BXE2203074

18. Certified Title Survey covering the McKean Facility prepared by E & M Engineers and Surveyors dated April 10, 1990.

19. Certified Title Survey covering the Emlenton Facility prepared by E & M Engineers dated as of January 26, 1990.

20. Quitclaim Deed between QSC and Petrowax.

21. Real Estate Indenture between QSC and Petrowax covering the McKean Facility dated as of April 24, 1990.

22. Real Estate Indenture between QSC and Petrowax covering the Emlenton Facility dated as of April 24, 1990.

23. Realty Transfer Tax Statements of Value filed with the McKean and Venango County Recorders of Deeds.

V. INSURANCE POLICIES

A. All of Petrowax's right, title and interest in and to the following QSC Insurance Policies:

1. Home Indemnity Company Policy No. GLR989018 (General Liability Insurance)

2. Home Indemnity Company Policy No. BAK980260 (Business Auto Policy)

3. Umbrella/Excess Liability Insurance:

National Union Fire Insurance Company Policy No. 307-77-22
California Union Insurance Company Policy No. ZCX009846
Pacific Employers Insurance Company Policy No. XCC028363
American Zurich Insurance Company Policy No. CE0132827402
I.N.A. Policy No. XCPG10237543
Lexington Insurance Company Policy No. 5567113
Agricultural Excess and Surplus Policy No. X50007147
American International Underwriters (A.I.U.) Policy No. 75104898

4. Pennsylvania Manufacturers' Association Policy No. 20890070-40-03-3

5. Lloyd's Policy Number L89253 - Sudden and Accidental Pollution Liability

6. Industrial Risk Insurers (Blanket Property Coverage)

7. Kemper Insurance Group Policy No. 3XCL11149601 (Boiler and Machinery Insurance)

B. All insurance documentation that Petrowax obtains pursuant to the terms of the Loan Agreement.

SCHEDULE B
TO
SECURITY AGREEMENT

ITEM 1. Locations of Inventory and Equipment.

Locations of Inventory

Emlenton, Pennsylvania
Farmer's Valley, Pennsylvania
Congo, West Virginia

Inventory does not include any Quaker State Finished Neutral, Quaker State Heavy Vis Neutral (450), Quaker State Finished Bright Stock, Platformate (finished gasoline), Mineral Seal Oil, Finished Micro Wax, Finished Paraffin Wax, Unleaded Gasoline and Distillate Fuel Oil.

Locations of Equipment

Emlenton, Pennsylvania
Farmer's Valley, Pennsylvania
including, without limitation:

At McKean Plant.
Crude distillation unit
Unifiner/platforming/isom unit
Propane deresining unit
MEK dewaxing unit
Furfural extraction unit
Boiler house
Filter house
Rerun units
Waste water treatment plant
Lube blending plant
Loading racks
Miscellaneous tanks, pumps, piping, conveyors, tools, laboratory equipment and office furniture and equipment
Electronic and natural gas systems
Five (5) personal computers and associated peripheral equipment
Special purpose packaging plant building
Such rhenium and platinum as may be contained at the time of the Closing of the Asset Purchase and Sale Agreement in the catalyst in use in process units.

At Emlenton Plant.
MEK deoiling unit
Bauxite filtering unit
Waste water treatment plant
Boiler house
Rerun units
Miscellaneous tanks, pumps, piping, conveyors, tools, laboratory equipment and office furniture and equipment
Electrical and natural gas systems

Inactive units:

Crude distillation unit
Unifiner/platforming unit
Furfural extraction unit
Lube blending equipment
Loading rack

At Both Plants.

Such personal property, machinery and equipment listed in the appraisals of the Plants done by Valuation Engineers, Inc. as has not been removed, destroyed, discarded, replaced or sold by QSC prior to July 5, 1989, and has not been removed or replaced in the ordinary course of business since July 5, 1989.

At Coleville Station (Option to Purchase)
3 Smith meters with 4-inch Roper unloading pump
2 4-inch unloading pumps
1 Oil Well triplex discharge pump with two sets of spare plungers
1 Gardner-Denver duplex discharge pump (spare)
100 feet of Slick bar with accessories
1 55-gallon drum of Mobil oil (Almo 527)
Tank 8803 -- 10,000 barrel capacity with floating roof
Tank 8806 -- 11,000 barrel capacity with floating roof
Tank 8810 -- 59,000 barrel capacity
Tank 8811 -- 59,000 barrel capacity with floating roof
Tank 8819 -- 67,000 barrel capacity with floating roof
Tank 8872 -- 600 barrel capacity
Tank 8895 -- 600 barrel capacity

Equipment does not include any of the following items to which QSC retains legal title, whether or not located at the Plants on or after the Closing Date:

McKean Plant.
One AT&T 2048T Modem
One AT&T 63A2 Modem mounting
One IBM 3274--C61 Controller, Serial No. Y9709
One IBM 3178--C30 CRT, Serial No. XT097
One IBM 3178--C30 CRT, Serial No. XT100
One IBM 3179--100 CRT, Serial No. GR240
One IBM 3179--100 CRT, Serial No. DC454
One IBM 3192--CDO CRT, Serial No. L9243
One IBM 3192--DCO CRT, Serial No. 14888
One IBM 3192--CDO CRT, Serial No. R0309
One IBM 3192--CDO CRT, Serial No. 20447
One IBM 3268--002 Printer, Serial No. 35766
One IBM 3287--002 Printer, Serial No. 56963
One IBM 3287--002 Printer, Serial No. 56964
One IBM 3287--002 Printer, Serial No. 57139

Emlenton Plant.
AT&T 2048T Modem
IBM 3174--51R Controller, serial No. T0560
IBM 3192--CDO CRT, Serial No. N8862
IBM 3192--CDO CRT, Serial No. R0308
IBM 3192--CDO CRT, Serial No. 40302
IBM 3287--002 Printer, Serial No. C9755
IBM 3287--002 Printer, Serial No. D1120
IBM 3287--002 Printer, Serial No. D1121

ITEM 2. Description of Collateral Consisting of Motor Vehicles, Railroad Rolling Stock, Aircraft or Vessels.

Vehicles (McKean)

1984	Celebrity	VIN	2G1AW19R3E1141224
1986	Ford Taurus	VIN	1FABP29U6GG229179
1982	Ford F-250 Pick-Up Truck	VIN	2FTEF26E3CCA55106
1982	Ford F-250 Pick-Up Truck	VIN	2FTEF26E5CCB02202
1977	Ford Platform Truck	VIN	F70DUF75218
1971	Chevrolet Rigging Truck	VIN	CE631P111537
1973	Chevrolet Dump Truck	VIN	CCE613V161543
1981	Chevrolet Truck	VIN	1GBHC34M6BV129170
1985	Ford Pick-Up Truck	VIN	2FTEF25Y2FCA45313
1973	Dodge Truck	VIN	D31BE3S205321
1984	Ford Dump Truck	VIN	1GDNK74N8EVA24969
1973	International Truck	VIN	S3H3AOCHB186 70PA
1982	Chevrolet Bucket Truck	VIN	1GBHG34J1CV109674
	Clark forklift		

Vehicles (Emlenton)

1985	Dodge Caravan	VIN	2B4FK21G6FR315036
1969	GMC Dump Truck	VIN	ES50VHC094262
1973	Chevrolet Dump Truck	VIN	CCM613V165153
1976	Chevrolet Dump Truck	VIN	CCE616V114244
1977	Chevrolet Welding Truck	VIN	CCT337B153964
1980	Chevrolet Pick-Up	VIN	CCT34AB134702
1984	Dodge Ram	VIN	1B7KD34W7E5323938
1987	Case Backhoe	VIN	12203148
1984	Chevrolet S-10	VIN	1GCCT14BXE2203074

Railroad Rolling Stock

Union Tank Car Company (Under Lease)

Car 57990
Car 57991
Car 57992
Car 57993
Car 57994
Car 58581
Car 58950
Car 58951

General American Transportation Company

Under Lease	Under Option	
Car 14699	Car 11825	Car 69259
Car 47153	Car 11827	Car 69260
Car 47154	Car 11828	Car 69261
Car 47159	Car 31562	Car 69262
Car 47165	Car 31563	Car 69263
Car 47166	Car 31564	Car 69264
Car 47167	Car 31566	Car 69265
Car 47168	Car 47152	Car 69266
Car 47173	Car 47155	Car 69267
Car 47175	Car 47156	Car 69268
Car 47179	Car 47157	Car 86452
Car 66435	Car 47161	Car 86453
Car 66436	Car 47176	Car 86462
Car 66498	Car 69251	Car 86463
Car 66499	Car 69252	Car 86467
Car 66500	Car 69253	Car 86732
Car 66510	Car 69254	
Car 66511	Car 69255	
Car 66512	Car 69256	
Car 75514	Car 69257	
Car 82842	Car 69258	

ITEM 3: Mobile Goods

None.