

18497 - B

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RECORDATION NO. 18497-B

FILED

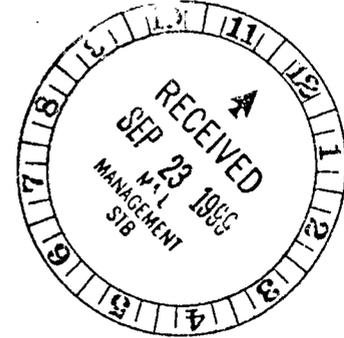
September 21, 1999

OCT - 6 '99

10:00 AM

VIA REGULAR MAIL

Vernon A. Williams
Secretary
Surface Transportation Board
1925 K. Street NW
Suite 704
Washington, D.C. 20423



RE: Filing of Termination and Release Statements

Dear Mr. Williams:

I enclose for filing four original Termination and Release Statements relating to Security Agreements which were filed either with your department or with the former Interstate Commerce Commission, which I have been informed has become part of the Surface Transportation Board. I attach to each Termination and Release Statement, the original Security Agreements as filed with your department showing the original receipt stamps along with filing dates and recording numbers. I also enclose four checks for \$26.00, one for each document, to cover the filing fees.

At your earliest convenience, please see that these documents are filed with the appropriate authority in your department. Please send the proof of filing to my attention at the Baltimore address of this firm.

Thank you for your assistance in this matter. Please feel free to contact me at 410-385-3426 or kpruss@milesstockbridge.com should you have any questions or require further information.

Very truly yours,

Kathryn Pruss
Legal Assistant

Enclosures

cc: Steven Gevarter, Esquire

18497-B
10-00 AM
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STATEMENT OF RELEASE AND TERMINATION

THIS STATEMENT OF RELEASE AND TERMINATION refers to a Security Agreement, and a Three-Party Assignment and Security Agreement, Recordation File No. 18497 recorded on December 2, 1993.

1. DEBTOR

Name: CRYO-TRANS, INC.
Address: No. 3 Hill Street
Mt. Airy, Maryland 21771

2. SECURED PARTY

Name: SIGNET BANK/MARYLAND
Address: 7 St. Paul Street - 5th Floor
Baltimore, Maryland 21202

The Secured Party hereby releases and terminates its security interests in all of those certain railroad boxcars and all contracts, leases and agreements relating thereto.

SIGNET BANK/MARYLAND
A Maryland Banking Corporation
By: Charles R. Hill
Charles R. Hill,
Assistant Vice President

ACKNOWLEDGEMENT

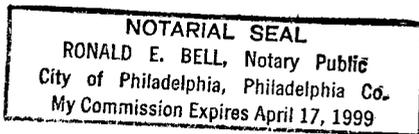
State of Pennsylvania, city of Philadelphia, to wit:

I HEREBY CERTIFY that on this 31 day of December, 1998, before me, the undersigned Notary Public of the State of Pennsylvania, personally appeared Charles Hill, and acknowledged himself to be an Assistant Vice President of the Signet Bank/Maryland, and that he, as such Assistant Vice President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of SIGNET BANK/MARYLAND by himself as Assistant Vice President.

IN WITNESS MY Hand and Notarial Seal

Ronald E. Bell (Seal)
NOTARY PUBLIC

My Commission Expires:



SECURITY AGREEMENT
(\$4,309,294.79)

THIS SECURITY AGREEMENT (\$4,309,294.79) is made this 30th day of November, 1993, by and between CRYO-TRANS, INC., a Maryland corporation (hereafter, the "BORROWER") and MARVIN H. WEINER (hereafter, the "LENDER").

ARTICLE 1
DEFINITIONS

As used in this Security Agreement, the terms set forth in this Article 1 shall have the meanings set forth as definitions, unless the specific context of this Security Agreement clearly requires a different meaning. Terms defined in this Article, or elsewhere in this Security Agreement, shall be in all capital letters throughout this Security Agreement. The singular use of any defined terms shall include the plural and the plural use shall include the singular.

Section 1.1. Agreement. The term "AGREEMENT" shall mean this Security Agreement, as amended, extended, or modified by the parties hereto from time to time, as well as all exhibits and attachments hereto.

Section 1.2. Collateral. The term "COLLATERAL" shall mean all of the tangible and intangible assets, property rights, and benefits with respect to which the BORROWER has granted a security interest or lien to the LENDER or has assigned as security or has otherwise pledged to the LENDER pursuant to the LOAN DOCUMENTS.

Section 1.3. Event Of Default. The term "EVENT OF DEFAULT" shall mean any of the events set forth in Article 7 of this AGREEMENT, provided that any requirement for the giving of notice, the lapse of time, or both, or any other expressly stated condition, has been satisfied.

Section 1.4. Laws. The term "LAWS" shall mean all ordinances, statutes, rules, regulations, orders, injunctions, writs or decrees of any government or political subdivision or agency thereof, or any court or similar entity established by any thereof.

Section 1.5. Leases. The term "LEASES" shall mean collectively: (a) the Railcar Utilization Agreement dated April 30, 1990 by and between the BORROWER and Carnation Company, as such agreement has been, and may hereafter be, amended; and (b) any substitution or replacement thereof which has been approved by the

LENDER and SIGNET in writing, pursuant to which one or more RAILROAD CARS are leased to, or made available for use by, third parties.

Section 1.6. Lessees. The term "LESSEES" shall mean Carnation Company, or any other PERSON or PERSONS, approved by the LENDER and SIGNET in writing, having possession of or making use of the RAILROAD CARS pursuant to a LEASE.

Section 1.7. Loan. The term "LOAN" shall mean the term loan advanced by the LENDER to the BORROWER in the stated principal amount set forth in the NOTE.

Section 1.8. Loan Documents. The term "LOAN DOCUMENTS" shall refer to all documents executed and delivered in connection with the LOAN, including, but not limited to, this AGREEMENT, the NOTE, the Cross-Collateralization And Cross-Default Agreement, the financing statements executed by the BORROWER in connection with the LOAN, and any future or additional loan documents executed in connection with the LOAN, and any amendments or modifications thereto.

Section 1.9. Note. The term "NOTE" shall mean the Promissory Note of even date herewith executed by the BORROWER, as maker thereof and payable to the order of the LENDER, in the stated principal sum of Four Million Three Hundred Nine Thousand Two Hundred Ninety-Four Dollars and Seventy-Nine Cents (\$4,309,294.79).

Section 1.10. Obligations. The terms "OBLIGATION" or "OBLIGATIONS" shall mean the obligation(s) of the BORROWER to pay to the LENDER: (a) any and all sums due to the LENDER under the LOAN or otherwise under the terms of the LOAN DOCUMENTS, (b) any and all sums advanced by the LENDER to preserve or protect the COLLATERAL and the value of the COLLATERAL or to preserve, protect, or perfect the LENDER'S security interest in the COLLATERAL, and (c) in the event of any proceeding to enforce the collection of the OBLIGATIONS, or any of them, after default, the expenses of retaking, holding, preparing for sale, selling or otherwise disposing of or realizing on the COLLATERAL, or of any exercise by the LENDER of the LENDER'S rights in the event of default, together with reasonable attorneys' fees, expenses of collection, and court costs, as provided in the LOAN DOCUMENTS.

Section 1.11. Payments. The term "PAYMENTS" shall mean any and all rentals, profits, payments and sums payable to or receivable by the BORROWER from the LESSEES under, pursuant to, or in consequence of the provisions of the LEASES, whether as rent, casualty, indemnity, damages, liquidated damages, interest, fees, late charges, reimbursements, advancements, amounts due on the exercise of a renewal or purchase option or otherwise.

Section 1.12. Permitted Liens. The term "PERMITTED LIENS" shall mean:

a. Liens for taxes, assessments, workmen's compensation, unemployment insurance, or similar charges incurred in the ordinary course of business that are not yet due and payable;

b. Security interests or liens in favor of Marvin H. Weiner which have been assigned to SIGNET; and

c. Liens arising after closing which are expressly approved in advance by the LENDER and SIGNET in writing.

Section 1.13. Person. The term "PERSON" shall mean any individual, corporation, partnership, association, joint-stock company, trust, unincorporated organization, joint venture, court, or government or political subdivision or agency thereof.

Section 1.14. Railroad Cars. The term "RAILROAD CARS" shall mean the cryogenic refrigerated railroad cars described on Exhibit B attached hereto and any other railroad cars, or accessions or additions thereto, purchased with the proceeds of the LOAN or purchased with the proceeds of any of the railroad cars described on Exhibit B attached hereto (including insurance proceeds).

Section 1.15. Records. The term "RECORDS" shall mean correspondence, memoranda, tapes, discs, papers, books and other documents, or transcribed information of any type, whether expressed in, ordinary, computer or machine language.

Section 1.16. Signet. The term "SIGNET" shall mean Signet Bank/Maryland, a Maryland banking corporation.

Section 1.17. Subsidiary. The term "SUBSIDIARY" shall mean any corporation of which the BORROWER directly or indirectly owns or controls at the time: (a) at least a majority of the outstanding stock having under ordinary circumstances (not dependent upon the happening of a contingency) voting power to elect a majority of the board of directors (in the case of a corporation having directors), or (b) a majority of the voting stock of any corporation not having directors. The term "SUBSIDIARY" shall also mean any general or limited partnership or other entity of which more than fifty percent (50%) of the outstanding partnership interests or ownership interests shall, at the time of determination, be owned directly, or indirectly through one or more intermediaries, by the BORROWER.

ARTICLE 2
TERMS AND PURPOSE OF THE LOAN

Section 2.1. Disbursements Under The Loan. The LENDER shall disburse to, or for the benefit of, the BORROWER proceeds of the LOAN upon receipt of proceeds of that certain loan from SIGNET to the LENDER in the principal amount of Four Million Three Hundred Nine Thousand Two Hundred Ninety-Four Dollars and Seventy-Nine Cents (\$4,309,294.79).

Section 2.2. Interest And Repayment. All sums advanced or outstanding under the LOAN shall bear interest at the rate or rates set forth in the NOTE. The LOAN shall be repaid in accordance with the stated terms and conditions of the NOTE.

Section 2.3. Purpose. The proceeds of the LOAN shall be used solely and exclusively to refinance an existing loan from the LENDER to the BORROWER.

ARTICLE 3
SECURITY FOR THE LOAN

The repayment of the LOAN, the satisfaction of the OBLIGATIONS, and the full, complete, timely, and absolute performance by the BORROWER of each of the terms and conditions of the LOAN DOCUMENTS shall be secured by the following described security interests, liens, assignments and pledges.

Section 3.1. Grant Of Security Interest. The BORROWER hereby assigns to the LENDER all of the BORROWER'S right, title, and interest in and to, and grants to the LENDER a continuing security interest in and to all of the following tangible and intangible assets owned by the BORROWER or in which the BORROWER has any rights, wherever located, whether now owned or hereafter acquired by the BORROWER, together with all substitutions therefor, and all replacements and renewals thereof, and all accessions, additions, replacement parts, manuals, warranties and packaging relating thereto:

3.1.1. The RAILROAD CARS;

3.1.2. The LEASES, together with all powers, privileges, rights and other benefits due or to become due under the LEASES and all documents related thereto or connected therewith and the property described therein, including, but not limited to, the immediate and unconditional right to (i) receive and collect any and all PAYMENTS and the right to make all waivers, elections, and agreements, to give all notices, consents and releases, to take all action and exercise all remedies upon the happening of an event of default specified in the LEASES, and to do any and all other

things whatsoever which the BORROWER is or may become entitled to do under the LEASES; and (ii) either in the name of the BORROWER or in the LENDER'S own name or that of its nominee, to ask for, demand, sue for, collect, receive, and compromise, release and discharge the LESSEES' liability for any and all PAYMENTS to which the BORROWER is or may become entitled under the LEASES and to enforce compliance by the LESSEE with all of the terms and provisions thereof.

3.1.3. Any and all guaranties of payment or performance of the LESSEES' obligations under the LEASES and all documents connected therewith, together with the right, either in the name of the BORROWER or in the LENDER'S own name or that of its nominee, to ask for, demand, sue for, collect, receive, compromise and release and discharge the guarantor's liability for any and all payments or sums due under such guaranties of payment or performance of the LESSEES' obligations under the LEASES, and in all manner enforce compliance by the guarantors with the terms and provisions of such guaranties.

3.1.4. All RECORDS relating or pertaining to the COLLATERAL described in paragraphs 3.1.1, 3.1.2 and 3.1.3.

Section 3.2. Proceeds And Products. The LENDER'S security interests provided for herein shall apply to the proceeds, including but not limited to insurance proceeds, and the products of the COLLATERAL.

Section 3.3. Priority Of Security Interest. Each of the security interests granted by the BORROWER to the LENDER pursuant to this AGREEMENT shall be a perfected first priority security interest, except to the limited extent that such security interest is subject to PERMITTED LIENS.

Section 3.4. Future Advances. The security interests granted by the BORROWER to the LENDER hereunder shall secure all current and all future advances made by the LENDER to the BORROWER under the LOAN, or for the account or benefit of the BORROWER under the LOAN, and the LENDER may advance or readvance upon repayment by the BORROWER all or any portion of the sums loaned to the BORROWER and any such advancement or readvancement shall be fully secured by the security interests created by the LOAN DOCUMENTS.

Section 3.5. License To Collect Payments. Provided no EVENT OF DEFAULT has occurred and is continuing under this AGREEMENT, the BORROWER shall have a license to collect the PAYMENTS, which shall be held by the BORROWER in trust for the LENDER and the LENDER'S assignee, and immediately deposited into a depository account with Farmers And Mechanics Bank in the name of the BORROWER and SIGNET. After an EVENT OF DEFAULT under this AGREEMENT, the BORROWER'S license to collect the PAYMENTS shall immediately terminate, and

the LENDER automatically and without any affirmative action on the part of the LENDER thereupon shall be entitled to immediately and exclusively collect all PAYMENTS. The BORROWER hereby irrevocably authorizes and directs the LESSEES to make PAYMENTS directly to the LENDER upon written notice from the LENDER that an EVENT OF DEFAULT has occurred under this AGREEMENT.

Section 3.6. Assignment Of Lease. To the fullest extent permitted under the terms of the LEASES, the BORROWER hereby assigns to the LENDER as security for the OBLIGATIONS, all of the BORROWER'S right, title and interest in and to the LEASES and the PAYMENTS. The assignment of the LEASES pursuant to this AGREEMENT is made only as security and, therefore, the execution and delivery of this AGREEMENT shall not subject the LENDER to, or transfer, pass, release, or in any way affect or modify the liability of the BORROWER under, the LEASES or any obligation to perform any duty, covenant, or condition required to be observed or performed by the BORROWER as lessor under the LEASES, it being understood and agreed that notwithstanding the assignment contained herein or any subsequent assignment, all obligations of the BORROWER to the LESSEE shall be and remain enforceable by the LESSEE, their successors and assigns, against, and only against, the BORROWER or persons other than the LENDER and the LENDER'S assignee, SIGNET.

Section 3.7. Power Of Attorney In Respect Of The Lease. The BORROWER hereby irrevocably constitutes and appoints the LENDER and the LENDER'S assignee, SIGNET, its true and lawful attorney with full power of substitution, for it and in its name, place and stead, upon the occurrence of an EVENT OF DEFAULT to ask, demand, collect, receive, receipt for, sue for, compound and give acquittance for any and all PAYMENTS with full power to settle, adjust or compromise any claim related thereto as fully as the BORROWER could itself do, and to endorse the name of the BORROWER on all commercial paper given in payment or in part payment thereof, and in its discretion to file any claim to take any other action or proceeding, either in the LENDER'S (or SIGNET'S, as the case may be) own name or in the name of the BORROWER, or otherwise, which the LENDER or SIGNET may deem necessary or appropriate to collect any and all PAYMENTS, or which may be necessary or appropriate to protect and preserve the right, title and interest of the LENDER or SIGNET in and to the PAYMENTS which may be or become due or payable under the LEASES and the security interest intended to be created hereby.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

To induce the LENDER to make the LOAN and to enter into the AGREEMENT, the BORROWER expressly makes the representations and warranties set forth below. The BORROWER acknowledges the

LENDER'S, and SIGNET'S justifiable right to rely upon these representations and warranties.

Section 4.1. Accuracy And Completeness Of Information. All information, documents, reports, statements, financial statements, and data submitted by or on behalf of the BORROWER in connection with the LOAN, or in support thereof, are true, accurate, and complete in all material respects as of the date made and contain no knowingly false, incomplete or misleading statements.

Section 4.2. Non-Existence Of Defaults. The BORROWER is not in default with respect to any of its existing indebtedness, and the making and performance of this AGREEMENT, and the LOAN DOCUMENTS will not immediately, or with the passage of time, the giving of notice, or both: (a) violate the charter, by-law provisions or any other organizational document of the BORROWER, violate any LAWS or result in a default under any contract, agreement, or instrument to which the BORROWER is a party or by which the BORROWER or its property is bound; or (b) result in the creation or imposition of any security interest in, or lien or encumbrance upon, any of the assets of the BORROWER, except in favor of the LENDER.

Section 4.3. Litigation. There are no actions, suits, investigations, or proceedings pending or, in the knowledge of the BORROWER, threatened against the BORROWER, or the assets of the BORROWER, except for that certain case known as General American Transportation Corporation v. Cryo-Trans, Inc., Civil No. 91C-1305, U.S. District Court for the Northern District of Illinois, Eastern District.

Section 4.4. Title To Collateral. The BORROWER has good and marketable title to all of the COLLATERAL. The LENDER'S liens described herein shall constitute perfected first priority security interests or liens thereon, except to the limited extent that such security interests or liens are subject to PERMITTED LIENS.

Section 4.5. Status Of Borrower. The BORROWER is validly incorporated under the LAWS of the State of Maryland and its operations and affairs have been effectively and validly commenced. The BORROWER has the power to own its properties, conduct its business and affairs, and enter into the LOAN and perform the OBLIGATIONS. The BORROWER'S entry in the LOAN with the LENDER has been validly and effectively approved by its Shareholders as may be required by its charter, by-laws, and any applicable LAWS. All copies of the charter, by-laws, and corporate resolutions, as the case may be, of the BORROWER shown to the LENDER are true, accurate, and complete and no action has been taken in diminution or abrogation thereof. The BORROWER has not changed its name, been the surviving corporation or partnership in a merger, changed the

location of its chief executive office within the last twelve (12) years, except as is disclosed in a writing annexed hereto.

Section 4.6. Taxes. The BORROWER: (a) has filed all federal, state and local tax returns and other reports which the BORROWER is required by LAW to file prior to the date hereof and which are material to the conduct of the business of the BORROWER, (b) has paid or caused to be paid all taxes, assessments and other governmental charges that are due and payable prior to the date hereof; and (c) has made adequate provision for the payment of such taxes, assessments or other charges accruing but not yet payable. The BORROWER has no knowledge of any deficiency or additional assessment in a materially important amount in connection with any taxes, assessments or charges not provided for on the BORROWER'S books of account or reflected in the BORROWER'S financial statements.

Section 4.7. Compliance With Laws. The BORROWER has complied in all material respects with all applicable LAWS with respect to: (a) any restrictions, specifications, or other requirements pertaining to products that it sells or leases or to the services it performs; (b) the conduct of its business; (c) the use, maintenance, and operation of the real and personal properties owned or leased by it in the conduct of its business; (d) the obtaining of all necessary licenses and permits necessary to engage in its business; and (e) the making, storing, handling, treating, disposing, generating, transporting, or release of any hazardous substances.

Section 4.8. Places Of Business. The BORROWER'S chief executive office, chief place of business, and place where it keeps its RECORDS concerning the COLLATERAL is No. 3 Hill Street at Prospect Road, Mt. Airy, Frederick County, Maryland 21771-0417.

Section 4.9. Subsidiaries. As of the date hereof, the BORROWER has no SUBSIDIARIES.

Section 4.10. Franchises. The BORROWER possesses all franchises, approvals, contracts, merchandising agreements and merchandising contracts, necessary for it to lawfully conduct its business and operation.

Section 4.11. Validity Of Lease. The LEASES and all other documents or instruments delivered to the LENDER in connection therewith are, or will be upon delivery, legal, valid and binding and are, or will be upon execution, enforceable against the parties thereto in accordance with their respective terms, and they are, or will be, and will continue to be (except insofar as the LENDER may consent otherwise) the only, and all of the documents and instruments executed in connection with the leasing of the RAILROAD CARS.

Section 4.12. Description Of Railroad Cars. To the best of the BORROWER'S knowledge, the descriptions of the RAILROAD CARS attached hereto are complete and accurate in all respects.

Section 4.13. No Set-Offs. The LEASES and all documents connected therewith and the obligations evidenced thereby are, or will be, and will continue to be, free and clear of all defenses, set-offs, counterclaims, liens and encumbrances of every kind and nature, except for PERMITTED LIENS.

Section 4.14. Miscellaneous Representations Regarding The Lease. (a) All sales or other taxes which are due and payable as of the date hereof in connection with the leasing of the RAILROAD CARS have been paid; (b) The BORROWER shall use its best efforts to obtain and maintain or have obtained and maintained all insurance coverages required by the LEASES; (c) There are no agreements or understandings, verbal, written, or otherwise between the BORROWER and the LESSEE with respect to the RAILROAD CARS, including but not limited to prepayment of rent, abatement or reduction of rent, early termination of the LEASES, or options to purchase or renew, other than as are expressly set forth in the LEASES and those documents, instruments, and writings executed in connection therewith and delivered to the LENDER pursuant to this AGREEMENT; and (d) the BORROWER has delivered to the LENDER the original LEASES.

Section 4.15. Solvency. The BORROWER will be solvent both before and after giving full effect to the LOAN and all of the BORROWER'S indebtedness. The BORROWER will maintain such solvent financial condition giving full effect to the OBLIGATIONS as long as the OBLIGATIONS remain unsatisfied. The BORROWER has sufficient capital to carry on its business and transactions as now conducted and as planned in the future.

ARTICLE 5 AFFIRMATIVE COVENANTS

The BORROWER covenants and agrees during the term of this AGREEMENT and while any OBLIGATIONS are outstanding and unpaid to do and perform the acts and promises set forth below:

Section 5.1. Warranties. Each warranty and representation set forth in this AGREEMENT shall remain true, accurate and correct at the time of each advance under the LOAN.

Section 5.2. Liability And Workmen's Compensation Insurance. The BORROWER shall obtain and maintain during the term of the LOAN public liability and property damage insurance in such amounts, with insurance companies, and upon policy forms acceptable to and approved by the LENDER. The BORROWER shall obtain and maintain

during the term of the LOAN, any workmen's compensation insurance required by LAW, in such amounts, with insurance companies, and in forms acceptable to and approved by the LENDER. The BORROWER, on request, shall supply the LENDER with copies of the liability and workmen's compensation insurance policies and receipts evidencing the payment of premiums due thereon or, alternatively, certificates from the insurance companies certifying to the existence of policies, summarizing the terms of the policies, and indicating the payment of premiums due thereon.

Section 5.3. Notice Of Changes. The BORROWER shall notify the LENDER thirty (30) days in advance of: (a) any change in the location of its existing offices or place of business, (b) the establishment of any new, or the discontinuance of any existing, place of business, and (c) any change in the BORROWER'S name.

Section 5.4. Payment Of Taxes. The BORROWER shall pay or cause to be paid when and as due, all taxes, assessments and charges or levies imposed upon it or on any of its property or which it is required to withhold and pay over to the taxing authority or which it must pay on its income, except where contested in good faith by appropriate proceedings, provided, however, that the BORROWER shall not be deemed to be contesting in good faith by appropriate proceedings unless: (a) such proceedings operate to prevent the taxing authority from attempting to collect the taxes, assessments or charges; (b) the COLLATERAL is not subject to sale, forfeiture or loss during such proceedings; (c) the BORROWER'S contest does not subject the LENDER to any claim by the taxing authority or any other person; (d) the BORROWER establishes appropriate reserves, satisfactory to the LENDER in its sole discretion, for the payment of all taxes, assessments, charges, levies, legal fees, court costs and other expenses for which the BORROWER would be liable if it is unsuccessful in its contest; (e) the BORROWER prosecutes the contest continuously to its final conclusion; and (f) at the conclusion of the proceedings, the BORROWER promptly pays all amounts determined to be payable, including, but not limited to all taxes, assessments, charges, levies, legal fees and court costs.

Section 5.5. Further Assurances And Power Of Attorney. The BORROWER agrees to execute such other and further documents, including, without limitation, confirmatory deeds, deeds of trust, promissory notes, security agreements, agreements, financing statements, continuation statements, and the like as may from time to time in the sole opinion of the LENDER or the LENDER'S counsel be reasonably necessary, to perfect, confirm, establish, reestablish, continue, or complete the security interests and liens in the COLLATERAL and the purposes and intentions of this AGREEMENT, it being the intention of the BORROWER to hereby provide a full and absolute warranty of further assurance to the LENDER. If the BORROWER fails to execute any such documents within ten (10)

days of being requested to do so by the LENDER, the BORROWER hereby appoints the LENDER or any officer of the LENDER as the BORROWER'S attorney in fact for purposes of executing such documents in the BORROWER'S name, place and stead, which power of attorney shall be considered as coupled with an interest and irrevocable until such time as the OBLIGATIONS are paid in full.

Section 5.6. Reporting Requirements. The BORROWER shall furnish to the LENDER:

5.6.1. Semi-Annual Financial Statements. As soon as available and in any event within sixty (60) days after the end of the second fiscal quarter of each fiscal year of the BORROWER, a balance sheet of the BORROWER as of the end of such fiscal quarter, a statement of income and retained earnings of the BORROWER for such semi-annual period and a statement of cash flow of the BORROWER for such semi-annual period, all in reasonable detail, and prepared in accordance with G.A.A.P.

5.6.2. Annual Financial Statements. As soon as available and in any event within one hundred twenty (120) days after the end of each fiscal year of the BORROWER, a balance sheet of the BORROWER as of the end of such fiscal year and a statement of income and retained earnings of the BORROWER for such fiscal year, and a statement of cash flow of the BORROWER for such fiscal year, all in reasonable detail and stating in comparative form the respective figures for the corresponding date and period in the prior fiscal year and all prepared in accordance with G.A.A.P. and accompanied by an opinion thereon acceptable to the LENDER by independent accountants selected by the BORROWER and acceptable to the LENDER;

5.6.3. Notice Of Litigation; Citations And Directions. Promptly after the receipt of notice thereof by the BORROWER, notice of all actions, suits, citations, violations, directions, notices and proceedings before any court or governmental department, commission, board, bureau, agency, or instrumentality, domestic or foreign, affecting the BORROWER or any SUBSIDIARY, which, if determined adversely to the BORROWER or such SUBSIDIARY, could have a material adverse effect on the financial condition, properties, business, or operations of the BORROWER or such SUBSIDIARY (except for that action referred to in Section 4.3 hereof);

5.6.4. Lease Payment Reports. On or before the fifth calendar day of each month, a statement of all PAYMENTS received on the LEASES during the preceding calendar month, a list of all defaults under the LEASES, and a report on the location of all of the RAILROAD CARS, all certified as to accuracy by the President of the BORROWER.

5.6.5. General Information. Such other information respecting the condition or operations, financial or otherwise, of the BORROWER as the LENDER or SIGNET may reasonably request from time to time. The BORROWER shall allow SIGNET to conduct periodic audits of the BORROWER'S books and records at any time after reasonable notice and at no cost to the BORROWER.

Section 5.7. Maintenance Of Railroad Cars. The BORROWER covenants to maintain and preserve, or cause to be maintained and preserved all RAILROAD CARS in a state of good and efficient working order, except for those RAILROAD CARS which have been destroyed by fire or other casualty. All maintenance and service will be performed in strict compliance with the standards of the American Association of Railroads and the regulations of the Federal Railroad Administration. The BORROWER shall keep the LENDER advised at all times of the general, or on request, the exact location of the RAILROAD CARS and all maintenance, service, repair, and other records or receipts relating to the RAILROAD CARS. The BORROWER shall permit the LENDER to inspect and make copies of all such records of receipts relating to the RAILROAD CARS, at any time or from time to time.

Section 5.8. Borrower To Perform Obligations Under Lease. The BORROWER shall faithfully abide by, perform, and discharge each and every obligation, covenant and agreement which the LEASES provide are to be performed by the BORROWER.

Section 5.9. Compliance With Laws. The BORROWER shall comply in all material respects with all applicable laws in connection with the operation of its business.

ARTICLE 6 NEGATIVE COVENANTS

The BORROWER covenants and agrees during the term of the LOAN and while any OBLIGATIONS are outstanding and unpaid not to do or to permit to be done or to occur any of the acts or happenings set forth below without the prior written authorization of the LENDER.

Section 6.1. Merger, Etc. The BORROWER shall not enter into any mergers, consolidations, reorganizations or recapitalizations.

Section 6.2. Sale Or Transfer Of Collateral. The BORROWER shall not sell, transfer, lease (except pursuant to the LEASES) or otherwise dispose of all or any part of the COLLATERAL, except that, unless there is an EVENT OF DEFAULT, the BORROWER may sell or transfer all or a portion of the COLLATERAL if the proceeds from such sale or transfer are: (a) paid in immediately available funds directly to the LENDER; and (b) in an amount sufficient to repay all of the OBLIGATIONS.

Section 6.3. Encumbrance Of Collateral. The BORROWER shall not mortgage, pledge, grant or permit to exist a security interest in or lien upon any of the COLLATERAL except for PERMITTED LIENS.

Section 6.4. Indebtedness. The BORROWER will not incur, create, assume, or permit to exist any indebtedness except: (a) the LOAN described herein; (b) trade indebtedness incurred in the ordinary course of business; (c) indebtedness to SIGNET and indebtedness to the LENDER which has been assigned to SIGNET; (d) unsecured indebtedness for working capital purposes in an aggregate amount not to exceed One Hundred Thousand Dollars (\$100,000.00); (e) secured indebtedness for working capital purposes in an aggregate amount not to exceed Seventy-Five Thousand Dollars (\$75,000.00); (f) indebtedness which the LENDER and SIGNET hereafter consent to in writing, which consent shall not be unreasonably withheld; (g) indebtedness for the acquisition and construction of additional railroad cars (other than the RAILROAD CARS) for use in the BORROWER'S business; provided, however, that (i) the indebtedness shall not exceed one hundred percent (100%) of the acquisition, construction and conversion costs of the additional railroad cars, and (ii) any lien or security interest securing such indebtedness shall only attach to the additional railroad cars so acquired; and (h) existing indebtedness of which the BORROWER has informed the LENDER and SIGNET of in writing.

Section 6.5. Modifications To Lease. Without the prior written consent of the LENDER, which consent shall not be unreasonably withheld, the BORROWER shall not: (i) declare a default or exercise the remedies of the Lessor under any of the LEASES; or (ii) voluntarily terminate, modify or accept a surrender of, any of the LEASES. The BORROWER shall not: (i) consent to the creation or existence of any security interest in, encumbrance on or other lien against the leasehold estate created by the LEASES or any part thereof; or (ii) make further assignment of any of the LEASES without prior written consent of the LENDER.

ARTICLE 7 EVENTS OF DEFAULT

The occurrence of any of the following events shall constitute EVENTS OF DEFAULT and shall entitle the LENDER to exercise the LENDER'S rights and remedies under Article 8 of this AGREEMENT.

Section 7.1. Failure To Pay. The failure by the BORROWER to pay any of the OBLIGATIONS within ten (10) calendar days after the same are due and payable, time being strictly of the essence.

Section 7.2. Violation Of Covenants. The BORROWER'S failure to perform the affirmative covenants provided in this AGREEMENT, or the BORROWER'S violation of any of the negative covenants of this AGREEMENT; provided, however, that the BORROWER'S failure to

perform any of the covenants contained in Sections 5.1, 5.2, 5.5, 5.6, 5.7, 5.8 or 5.10 shall not constitute an EVENT OF DEFAULT hereunder unless such failure is not cured within fifteen (15) business days after written notice from the LENDER to the BORROWER.

Section 7.3. Default Under Loan Documents. A breach of or default by the BORROWER under the terms, covenants, and conditions set forth in any other LOAN DOCUMENT, after the expiration of any specifically stated notice and cure periods.

Section 7.4. Judgments. The BORROWER shall suffer final judgments for the payment of money aggregating in excess of Twenty-Five Thousand Dollars (\$25,000.00) and shall not discharge the same within a period of thirty (30) days unless, pending further proceedings, execution has not been commenced or if commenced has been effectively stayed.

Section 7.5. Levy By Judgment Creditor. A judgment creditor of the BORROWER shall obtain possession of any of the COLLATERAL by any means, including, but without limitation, levy, distraint, replevin or self-help, and the BORROWER shall not remedy same within thirty (30) days thereof.

Section 7.6. Involuntary Bankruptcy. The entry of a decree or order for relief by a court having jurisdiction against or with respect to the BORROWER in an involuntary case under the federal bankruptcy laws or any state insolvency or similar laws ordering: (a) the liquidation of the BORROWER, (b) a reorganization of the BORROWER or any of the BORROWER'S businesses and affairs, or (c) the appointment of a receiver, liquidator, assignee, custodian, trustee, or similar official for the BORROWER or any of the BORROWER'S property including, but not limited to, the COLLATERAL and the failure of any such case to be dismissed within ninety (90) days of the institution thereof.

Section 7.7. Voluntary Bankruptcy. The commencement by the BORROWER of a voluntary case under the federal bankruptcy laws or any state insolvency or similar laws or the consent by the BORROWER to the appointment for taking possession by a receiver, liquidator, assignee, custodian, trustee, or similar official for the BORROWER or any of the BORROWER'S property including, but not limited to, the COLLATERAL, or the making by the BORROWER of any assignment for the benefit of creditors or the failure by the BORROWER generally to pay its debts as they become due either as to the amount of such debts or the number of such debts.

Section 7.8. Financial Condition. A material and adverse change shall occur in the financial condition of the BORROWER; provided, however, it is hereby agreed that the failure to obtain a favorable decision in that certain case known as General American Corporation v. Cryo-Trans, Inc., Civil No. 91C-1305, U.S. District

Court for the Northern District of Illinois, Eastern District, shall not by itself constitute a material adverse change in the financial condition of the BORROWER.

ARTICLE 8
RIGHTS AND REMEDIES ON THE OCCURRENCE
OF AN EVENT OF DEFAULT

Section 8.1. The Lender's Specific Rights And Remedies. In addition to all other rights and remedies provided by LAW and the LOAN DOCUMENTS, the LENDER, on the occurrence of any EVENT OF DEFAULT, may:

a. Accelerate and call due the unpaid principal balance of the LOAN, and all accrued interest and other sums due as of the date of default,

b. Impose the default rates of interest provided in the NOTE until such time as all EVENTS OF DEFAULT are cured or waived, with or without acceleration of the NOTE,

c. Foreclose or enforce all or any security interests, mortgage interests, deed of trusts, liens, assignments, or pledges created by any LOAN DOCUMENT,

d. Confess judgment or file suit against the BORROWER on the NOTE or any other LOAN DOCUMENTS,

e. Seek specific performance or injunctive relief to enforce performance of the undertakings, duties, and agreements provided in the LOAN DOCUMENTS, whether or not a remedy at law exists or is adequate,

f. Exercise any rights of a secured creditor under the Uniform Commercial Code, as adopted and amended in Maryland, including the right to take possession of the COLLATERAL without the use of judicial process or hearing of any kind and the right to require the BORROWER to assemble the COLLATERAL at such place as the LENDER may specify,

g. Set-off any amounts in any account or represented by any certificate with the LENDER in the name of the BORROWER or in which the BORROWER has an interest.

Section 8.2. Sale Of Collateral. In addition to any other remedy provided herein, upon the occurrence of an EVENT OF DEFAULT, the LENDER, in a commercially reasonable fashion, may sell at public or private sale or otherwise realize upon, in Baltimore, Maryland, or elsewhere, the whole or, from time to time, any part of all COLLATERAL which is personal property (provided, that in the

event the LESSEES are not in default under the LEASES, the LENDER shall sell the RAILROAD CARS subject to the rights of the LESSEES under the LEASES), or any interest which the BORROWER may have therein. Pending any such action, the LENDER may collect and liquidate such COLLATERAL. After deducting from the proceeds of sale or other disposition of such COLLATERAL all reasonable expenses, including all reasonable expenses for legal services, the LENDER shall apply such proceeds toward the satisfaction of the OBLIGATIONS. Any remainder of the proceeds after satisfaction in full of the OBLIGATIONS shall be distributed as required by applicable LAW. Notice of any sale or other disposition shall be given to the BORROWER at least fifteen (15) days before the time of any intended public sale or of the time after which any intended private sale or other disposition of the COLLATERAL is to be made, which the BORROWER hereby agrees shall be commercially reasonable notice of such sale or other disposition. The BORROWER agrees to assemble, or to cause to be assembled, at the BORROWER'S own expense, the COLLATERAL at such place or places as the LENDER shall designate. At any such sale or other disposition, the LENDER may, to the extent permissible under applicable law, purchase the whole or any part of the COLLATERAL, free from any right of redemption on the part of the BORROWER, which right is hereby waived and released to the extent lawfully permitted. Without limiting the generality of any of the rights and remedies conferred upon the LENDER under this Section, the LENDER may, to the full extent permitted by applicable law: (a) Enter upon the premises of the BORROWER, exclude therefrom the BORROWER or any PERSON connected therewith, and take immediate possession of the COLLATERAL, either personally or by means of a receiver appointed by a court of competent jurisdiction, using all necessary and lawful force to do so; (b) At the LENDER'S option, use, operate, manage, and control the COLLATERAL in any lawful manner; (c) Collect and receive all income, revenue, earnings, issues, and profits therefrom; and (d) Maintain, alter or remove the COLLATERAL as the LENDER may determine in the LENDER'S discretion.

Section 8.3. Attorney's Fees And Expenses. The BORROWER shall pay all reasonable attorneys' fees and expenses which the LENDER may incur as a result or in consequence of the happening of an EVENT OF DEFAULT, even if the EVENT OF DEFAULT is subsequently cured and the LOAN is placed in good standing.

Section 8.4. Remedies Cumulative. The rights and remedies provided in this AGREEMENT and in the other LOAN DOCUMENTS or otherwise under applicable LAWS shall be cumulative and the exercise of any particular right or remedy shall not preclude the exercise of any other rights or remedies in addition to, or as an alternative of, such right or remedy.

Section 8.5. Obligations Of The Borrower Hereunder Unconditional. The payment and performance of the OBLIGATIONS

shall be the absolute and unconditional duty and obligation of the BORROWER, and shall be independent of any defense or any rights of set-off, recoupment or counterclaim which the BORROWER might otherwise have against the LENDER, and the BORROWER shall pay absolutely during the term of the LOAN the payments of the principal and interest to be made on account of the LOAN and all other payments required hereunder, free of any deductions and without abatement, diminution or set-off other than those herein expressly provided; and until such time as the OBLIGATIONS have been fully paid and performed, the BORROWER: (a) will not suspend or discontinue any payments provided for herein and in the NOTE; (b) will perform and observe all of the BORROWER'S other covenants and agreements contained in the LOAN DOCUMENTS, including without limitation, making all payments required to be made to the LENDER; and (c) will not terminate or attempt to terminate the LOAN DOCUMENTS for any cause.

Section 8.6. Confession Of Judgment. Upon any default hereunder, the BORROWER authorizes any attorney admitted to practice before any court of record in the United States on behalf of the BORROWER to confess judgment against the BORROWER in the full amount due on the LOAN plus reasonable attorneys' fees together with all penalties, costs and collection expenses. The BORROWER consents that venue and jurisdiction shall be proper in the Circuit Court of any County of the State of Maryland or in the Circuit Court of Baltimore City, or in the United States District Court for the District of Maryland. The BORROWER waives any right of stay of execution or any right or privilege of exemption. The authority and power to appear for and enter judgment against the BORROWER shall not be exhausted by one or more exercises thereof, or by any imperfect exercise thereof, and shall not be extinguished by any judgment entered pursuant thereto; such authority and power may be exercised on one or more occasions from time to time, in the same or different jurisdictions, as often as the holder shall deem necessary or advisable.

ARTICLE 9 GENERAL CONDITIONS AND TERMS

Section 9.1. Lender Not Obligated As Lessor. Notwithstanding the assignment of the LEASES contained herein, the LENDER shall not be obligated to perform any duty, covenant or condition required to be observed and performed by the BORROWER under any of the terms of any of the LEASES, and shall not be bound or obligated to perform or see to the performance of any warranty, express or implied, made by the BORROWER in the LEASES or resulting from the provisions thereof, but, BORROWER expressly acknowledges and agrees that all such covenants, representations and warranties provided in the LEASES shall be and remain the sole liability of the BORROWER. The BORROWER agrees to indemnify and hold harmless the LENDER, its

successors and assigns, from any loss, cost and expense (including reasonable legal fees) arising from any defense, counterclaims or setoffs of any LESSEE under any of the LEASES based on any actual or claimed failure of the BORROWER to perform its obligations to any LESSEE under any of the LEASES or otherwise, unless such failure is attributable to the negligence or willful misconduct of the LENDER.

Section 9.2. Loan Costs. The LOAN and all transactions relating thereto and provided for herein shall be made at no cost to the LENDER and all fees including, without limitation, the LENDER'S reasonable counsel fees, recordation costs, costs of documentary stamps, photocopying expense, appraisals, and all other expenses shall be paid by the BORROWER, whether incurred prior to or after closing, such that the subject transactions shall at all times be totally cost free to the LENDER.

Section 9.3. Incorporation. The terms and conditions of the LOAN DOCUMENTS are incorporated by reference and made a part hereof, as if fully set forth herein. In the event of any inconsistencies between this AGREEMENT and any other LOAN DOCUMENT, the terms and provisions of this AGREEMENT shall control.

Section 9.4. Waivers. The LENDER may at any time or from time to time waive all or any rights under this AGREEMENT or any other LOAN DOCUMENT, but any waiver or indulgence by the LENDER at any time or from time to time shall not constitute, unless specifically so expressed by the LENDER in writing, a future waiver of performance or exact performance by the BORROWER.

Section 9.5. Continuing Obligation Of Borrower. The terms, conditions, and covenants set forth herein and on the LOAN DOCUMENTS shall survive CLOSING and shall constitute a continuing obligation of the BORROWER during the course of the transactions contemplated herein. The OBLIGATIONS of the BORROWER under this AGREEMENT shall remain in effect so long as any OBLIGATION is outstanding, unpaid or unsatisfied between the BORROWER and the LENDER.

Section 9.6. Binding Obligation. This AGREEMENT shall be binding upon, and inure to the benefit of, the parties and their respective personal representatives, successors and assigns. The BORROWER hereby acknowledges and agrees that the LENDER'S rights hereunder and under all other LOAN DOCUMENTS (but not the LENDER'S obligations under the LOAN DOCUMENTS) are being assigned by the LENDER to SIGNET pursuant to documents of even date herewith. The BORROWER hereby consents to such assignment and agrees that (a) SIGNET shall have all of the rights and remedies of the LENDER under this AGREEMENT and the other LOAN DOCUMENTS, including, but not limited to, the right to consent or withhold consent under this AGREEMENT, the right to collect PAYMENTS, the right to conduct

audits and inspections, and all rights and remedies upon an EVENT OF DEFAULT; (b) SIGNET shall have no obligations under any of the LOAN DOCUMENTS; and (c) that all information and submissions which are to be delivered to the LENDER pursuant to the terms of this AGREEMENT are to be delivered to SIGNET.

Section 9.7. Final Agreement. This AGREEMENT and the LOAN DOCUMENTS contain the final and entire agreement and understanding of the parties, and any terms and conditions not set forth in this AGREEMENT or the LOAN DOCUMENTS are not a part of this AGREEMENT and the understanding of the parties hereof.

Section 9.8. Amendment. This AGREEMENT may be amended or altered only in writing signed by the party to be bound by the change or alteration.

Section 9.9. Time. Time is strictly of the essence of this AGREEMENT.

Section 9.10. Choice Of Law. The laws of the State of Maryland shall strictly govern the rights and obligations of the parties to this AGREEMENT and all other LOAN DOCUMENTS, and the interpretation and construction and enforceability thereof and any and all issues relating to the transactions contemplated herein. The BORROWER consents to the jurisdiction and venue of the courts of any county of the State of Maryland and to the courts of the City of Baltimore, Maryland as well as to the venue and jurisdiction of the United States District Court for the District of Maryland if suit is filed by the LENDER, or any successor thereto, to enforce, interpret, or construe the LOAN DOCUMENTS.

Section 9.11. Number, Gender, And Captions. As used herein, the singular shall include the plural and the plural may refer to only the singular. The use of any gender shall be applicable to all genders. The captions contained herein are for purposes of convenience only and are not a part of this AGREEMENT.

Section 9.12. Photocopies Sufficient. A carbon, photographic, photocopy or other reproduction of a security agreement or financing statement shall be sufficient as a financing statement.

Section 9.13. Notices. Any notice required or permitted by or in connection with this AGREEMENT or any other LOAN DOCUMENT, without implying the obligation to provide any such notice, shall be in writing at the appropriate addresses set forth below or to such other addresses as may be hereafter specified by written notice by the LENDER or the BORROWER. Any such notice shall be deemed to be effective one (1) day after dispatch if sent by telegram, mailgram, overnight delivery, express mail or federal express. Notwithstanding the foregoing, all notices shall be

considered to be effective upon receipt if accomplished by hand delivery or by delivery by telefacsimile.

If to the LENDER:

MARVIN WEINER
#3 Hill Street at Prospect Road
Mt. Airy, Maryland 21771-0417

With A Copy To:

SIGNET BANK/MARYLAND
7 St. Paul Street
Baltimore, Maryland 21202

If to the BORROWER:

CRYO-TRANS, INC.
#3 Hill Street at Prospect Road
Mt. Airy, Maryland 21771-0417

Section 9.14. Waiver Of Trial By Jury. Each party to this AGREEMENT agrees that any suit, action, or proceeding, whether claim or counterclaim, brought or instituted by either party hereto or any successor or assign of any party on or with respect to this AGREEMENT or any other LOAN DOCUMENT or which in any way relates, directly or indirectly, to the LOAN or any event, transaction, or occurrence arising out of or in any way connected with the LOAN, or the dealings of the parties with respect thereto, shall be tried only by a court and not by a jury. **EACH PARTY HEREBY EXPRESSLY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION, OR PROCEEDING.** The BORROWER acknowledges and agrees that this Section is a specific and material aspect of this AGREEMENT and that the LENDER would not extend the LOAN to the BORROWER if this Section were not part of this AGREEMENT.

Section 9.15. Actions Against Lender. Any action brought by the BORROWER against the LENDER which is based, directly or indirectly, or on this AGREEMENT or any other LOAN DOCUMENT or any matter in or related to this AGREEMENT or any other LOAN DOCUMENT, including but not limited to the making of the LOAN or the administration or collection thereof shall be brought only in the courts of the State of Maryland. The BORROWER may not file a counterclaim against the LENDER in a suit brought by the LENDER against the BORROWER in a state other than the State of Maryland unless under the rules of procedure of the court in which the LENDER brought the action the counterclaim is mandatory and will be considered waived unless filed as a counterclaim in the action instituted by the LENDER.

IN WITNESS WHEREOF, the LENDER and the BORROWER execute and seal this AGREEMENT, with the specific intention that this AGREEMENT constitute a document under seal.

WITNESS/ATTEST:

Steve Swartz

LENDER:

Marvin H. Weiner (SEAL)
MARVIN H. WEINER
Date: November 30, 1993

BORROWER:

CRYO-TRANS, INC.,
A Maryland Corporation.

Steve Swartz

By: Marvin H. Weiner (SEAL)
Marvin H. Weiner,
President
Date: November 30, 1993

ACKNOWLEDGMENTS

STATE OF MARYLAND, CITY OF BALTIMORE, TO WIT:

I HEREBY CERTIFY that on this 30th day of November, 1993, before me, the undersigned Notary Public of the State of Maryland, personally appeared MARVIN H. WEINER, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS MY Hand and Notarial Seal.

[Signature] (SEAL)
NOTARY PUBLIC

My Commission Expires:

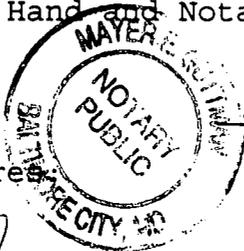
Oct 30, 1997

STATE OF MARYLAND, CITY OF BALTIMORE, TO WIT:

I HEREBY CERTIFY that on this 30th day of November, 1993, before me, the undersigned Notary Public of the State of Maryland, personally appeared MARVIN H. WEINER, and acknowledged himself to

be the President of CRYO-TRANS, INC., a Maryland corporation, and that he, as such President being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the CRYO-TRANS, INC. by himself as President.

IN WITNESS MY Hand and Notarial Seal.



[Handwritten Signature]

(SEAL)

NOTARY PUBLIC

My Commission Expires:

Oct 30, 1997

EXHIBIT B

Those forty-nine (49) railroad boxcars with reporting marks CRYX 1223 through CRYX 1272, inclusive, excluding CRYX 1256.