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RECORDATION NO. 30844 FILE  
JUL 17 '13 3 07 PM  
SURFACE TRANSPORTATION BOARD

July 16, 2013

Ms. Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E. Street, S.W.  
Washington, DC 20024

Dear Ms. Brown:

Enclosed are two originals of the document described below, to be recorded pursuant to Section 11301 of Title 49 of the United States Code.

The document is a Pledge and Security Agreement, a primary document, dated effective as of July 1, 2013. The names and addresses of the parties to the document are as follows:

**Debtor:** Murex Rail LLC, a Texas limited liability company  
5057 Keller Springs Road  
Addison, Texas 75001  
Attn: Rick Bartel

**Secured Party:** Frost Bank, a Texas state bank, as Administrative Agent  
2727 North Harwood Street, 10<sup>th</sup> Floor  
Dallas, Texas 75201  
Attn: Dave Perdue

Included in the property covered by the aforesaid Pledge and Security Agreement are railroad cars and other rolling stock intended for use related to interstate commerce, or interests therein, owned by Murex Rail LLC at the date of said Pledge and Security Agreement or thereafter acquired by it or its successors as owners of the rolling stock covered by the Pledge and Security Agreement.

A short summary of the document to appear in the index is as follows: Pledge and Security Agreement between Murex Rail LLC, a Texas limited liability company, whose address is 5057 Keller Springs Road, Addison, Texas 75001, and Frost Bank, a Texas state bank, as Administrative Agent, whose address is 2727 North Harwood Street, 10<sup>th</sup> Floor, Dallas, Texas 75201, dated effective as of July 1, 2013, and covering all railroad cars and other rolling stock now owned or hereafter acquired by Murex Rail LLC including, without limitation, the rolling stock described on Schedule 1 attached to the Pledge and Security Agreement.

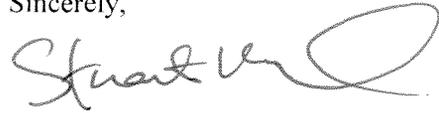
Ms. Cynthia T. Brown  
July 16, 2013  
Page 2

Please cross-reference the Pledge and Security Agreement under the names Murex Rail LLC and Frost Bank, as Administrative Agent.

A check in the amount of \$42.00 is enclosed with respect to the above document.

Please stamp and return the original document to Stuart Malone of McGuire, Craddock & Strother, P.C., 2501 N. Harwood St., Suite 1800, Dallas, TX 75201. Frost Bank has appointed Stuart Malone as its attorney-in-fact for the purpose of making this filing.

Sincerely,

A handwritten signature in black ink, appearing to read "Stuart Malone". The signature is fluid and cursive, with a large, stylized loop at the end.

Stuart Malone, Esq.

JUL 17 '13 3 07 PM

**ORIGINAL**

~~RAIL~~ TRANSPORTATION BOARD PLEDGE AND SECURITY AGREEMENT

THIS PLEDGE AND SECURITY AGREEMENT is entered into as of July 1, 2013 by MUREX RAIL LLC, a Texas limited liability company (herein referred to as "*Debtor*"), in favor of FROST BANK, a Texas State bank, as Administrative Agent for the benefit of the Secured Parties (in such capacity, "*Administrative Agent*").

PRELIMINARY STATEMENT

At the time of the execution hereof, MUREX LLC, a Texas limited liability company, an Affiliate of Debtor ("*Borrower*"), the Lenders, and Administrative Agent are entering into that certain Amended and Restated Credit Agreement dated of even date herewith (as same may be amended, restated or modified from time to time, the "*Credit Agreement*"). Debtor is entering into this Pledge and Security Agreement (as same may be amended, restated or modified from time to time, this "*Security Agreement*") in order to, among other things, induce the Lenders to enter into and extend credit to Borrower under the Credit Agreement.

ACCORDINGLY, Debtor hereby agrees with Administrative Agent for the benefit of the Secured Parties as follows:

ARTICLE I

DEFINITIONS

1.1 Terms Defined in Credit Agreement. All capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Credit Agreement.

1.2 Terms Defined in Texas Uniform Commercial Code. Terms defined in the Texas Uniform Commercial Code which are not otherwise defined in this Security Agreement are used herein as defined in the Texas Uniform Commercial Code as in effect on the date hereof.

1.3 Definitions of Certain Terms Used Herein. As used in this Security Agreement, in addition to the terms defined in the introductory paragraph and in the Preliminary Statement, the following terms shall have the following meanings:

"*Accounts*" means any "account," as such term is defined in Section 9.102(a)(2) of the UCC, now owned or hereafter acquired by Debtor, and, in any event, shall include, without limitation, each of the following, whether now owned or hereafter acquired by Debtor: (a) all rights of Debtor to payment for goods sold or leased or services rendered, whether or not earned by performance, (b) all accounts receivable (including Health Care Insurance Receivables) of Debtor, (c) all rights of Debtor to receive any payment of money or other form of consideration, (d) all security pledged, assigned, or granted to or held by Debtor to secure any of the foregoing, (e) all guaranties of, or indemnifications with respect to, any of the foregoing, (f) all Chattel Paper, (g) all Instruments, and (h) all rights of Debtor as unpaid sellers of goods or services, including, but not limited to, all rights of stoppage in transit, replevin, reclamation, and resale.

"*Account Debtor*" means any Person who is or who may become obligated to Debtor under, with respect to, or on account of an Account.

"*Article*" means a numbered article of this Security Agreement, unless another document is specifically referenced.

**"Chattel Paper"** means any "chattel paper", as such term is defined in Section 9.102(a)(11) of the UCC, now owned or hereafter acquired by Debtor and, in any event, shall include, without limitation, all Electronic Chattel Paper, Tangible Chattel Paper and all records that evidence both a monetary obligation and a security interest in specific goods, a security interest in specific goods and software used in the goods, or a lease of specific goods, now owned or hereafter acquired by Debtor.

**"Collateral"** means all Accounts, Chattel Paper, Documents, General Intangibles, Equipment, Fixtures, Health Care Insurance Receivables, Instruments, Inventory, wherever located and whether presently existing or hereafter created or acquired, in which Debtor now has or hereafter acquires any right or interest, and the Proceeds, insurance proceeds and products thereof, and any accessories thereto, substitutions therefor and replacements thereof, together with all books and records, customer lists, credit files, computer files, programs, printouts and other computer materials and records related thereto.

**"Documents"** means any "document", as such term is defined in Section 9.102(a)(30) of the UCC, now owned or hereafter acquired by Debtor, including without limitation all bills of lading, dock warrants, dock receipts, warehouse receipts and orders for the delivery of goods, and also any other document which in the regular course of business or financing is treated as adequately evidencing that the Person in possession of it is entitled to receive, hold and dispose of the document and the goods it covers.

**"Electronic Chattel Paper"** means any "electronic chattel paper", as such term is defined in Section 9.102(a)(31) of the UCC, now owned or hereafter acquired by Debtor.

**"Equipment"** means any "equipment", as such term is defined in Chapter 9 of the UCC, now owned or hereafter acquired by Debtor and, in any event, shall include, without limitation, all machinery, equipment, furnishings, Fixtures, vehicles, railcars or other rolling stock, power generators, and lease automated custody transfer units now owned or hereafter acquired by Debtor, and any and all additions, substitutions, and replacements of any of the foregoing, wherever located, together with all attachments, components, parts, equipment, and accessories installed thereon or affixed thereto, and further including, without limitation, those railcars and other rolling stock identified on **Schedule 1** attached hereto and incorporated herein.

**"Exhibit"** refers to a specific exhibit or schedule to this Security Agreement, unless another document is specifically referenced.

**"Fixtures"** means all goods, now owned or hereafter acquired by Debtor, which become so related to particular real estate that an interest in such goods arises under any real estate law applicable thereto, including, without limitation, all trade fixtures.

**"General Intangibles"** means any "general intangibles", as such term is defined in Section 9.102(a)(42) of the UCC, now owned or hereafter acquired by Debtor and, in any event, shall include, without limitation, each of the following, whether now owned or hereafter acquired by Debtor: (a) all of Debtor's trade secrets, registrations, renewal rights, goodwill franchises, licenses, permits, proprietary information, customer lists, designs, and inventions, (b) all of Debtor's books, records, data, plans, manuals, computer software, and computer programs, (c) all of Debtor's contract rights, partnership interests, joint venture interests, securities, deposit accounts, investment accounts, certificates of deposit, and investment property, (d) all rights of Debtor to payment under letters of credit and similar agreements, (e) all tax refunds and tax refund claims of Debtor, (f) all choses in action and causes of action of Debtor (whether arising in contract, tort, or otherwise and whether or not currently in litigation) and all judgments in favor of Debtor, (g) all rights and claims of Debtor under warranties and indemnities, and (h) all rights of Debtor under any insurance, surety, or similar contract or arrangement. General intangibles includes payment intangibles.

**"Health Care Insurance Receivable"** means any "health care insurance receivable", as such term is defined in Section 9.102(a)(46) of the UCC, now owned or hereafter acquired by Debtor and, in any event, shall include, without limitation, any interest in or claim under a policy of insurance that is a right to payment of a monetary obligation for health care goods or services provided, whether now owned or hereafter acquired by Debtor.

**"Instrument"** means any "instrument", as such term is defined in Section 9.102(a)(47) of the UCC, now owned or hereafter acquired by Debtor, other than stock and other securities, and in any event, shall include, without limitation, all promissory notes, drafts, bills of exchange and trade acceptances of Debtor, whether now owned or hereafter acquired.

**"Inventory"** means any "inventory", as such term is defined in Section 9.102(a)(48) of the UCC, now owned or hereafter acquired by Debtor, and, in any event, shall include, without limitation, each of the following, whether now owned or hereafter acquired by Debtor: (a) all goods and other personal property of Debtor that are held for sale or lease or to be furnished under any contract of service, (b) all raw materials, work-in-process, finished goods, inventory, supplies, and materials of Debtor, (c) all wrapping, packaging, advertising, and shipping materials of Debtor, (d) all goods that have been returned to, repossessed by, or stopped in transit by Debtor, and (e) all Documents evidencing any of the foregoing.

**"Proceeds"** means any "proceeds," as such term is defined in Section 9.102(a)(65) of the UCC and, in any event, shall include, but not be limited to, (a) any and all proceeds of any insurance, indemnity, warranty, or guaranty payable to Debtor from time to time with respect to any of the Collateral, (b) any and all payments (in any form whatsoever) made or due and payable to Debtor from time to time in connection with any requisition, confiscation, condemnation, seizure, or forfeiture of all or any part of the Collateral by any Governmental Authority (or any Person acting under color of Governmental Authority), and (c) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

**"Receivables"** means the Accounts, Chattel Paper, Documents, and any other rights or claims to receive money which are General Intangibles or which are otherwise included as Collateral.

**"Section"** means a numbered Section of this Security Agreement, unless another document is specifically referenced.

**"Secured Obligations"** means the Obligations, including without limitation any such Obligations incurred or accrued during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, whether or not allowed or allowable in such proceeding.

**"Tangible Chattel Paper"** means any "tangible chattel paper", as such term is defined in Section 9.102(a)(79) of the UCC, now owned or hereafter acquired by Debtor.

**"UCC"** means the Uniform Commercial Code as in effect in the State of Texas, as the same has been or may be amended or revised from time to time, or, if so required with respect to any particular Collateral by mandatory provisions of applicable law, as in effect in the jurisdiction in which such Collateral is located.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

## ARTICLE II

### GRANT OF SECURITY INTEREST

2.1 Security Interest. Debtor hereby pledges, assigns and grants to Administrative Agent for the benefit of the Secured Parties a continuing security interest in all of Debtor's right, title and interest in and to the Collateral to secure the prompt and complete payment and performance of the Secured Obligations. If the security interest granted hereby in any rights of Debtor under any contract included in the Collateral is expressly prohibited by such contract, then the security interest hereby granted therein nonetheless remains effective to the extent allowed by Article or Chapter 9 of the UCC or other applicable law but is otherwise limited by that prohibition. Debtor acknowledges that the Obligations are owed to various Lenders and that each Lender is entitled to the benefits of the security interest created by this Security Agreement.

2.2 Debtor Remains Liable. Notwithstanding anything to the contrary contained herein, (a) Debtor shall remain liable under the contracts and agreements included in the Collateral to the extent set forth therein to perform all of its respective duties and obligations thereunder to the same extent as if this Security Agreement had not been executed, (b) the exercise by Administrative Agent of any of its rights hereunder shall not release Debtor from any of its duties or obligations under the contracts and agreements included in the Collateral, except to the extent such duties and obligations accrue after Administrative Agent's foreclosure of the security interests in such contracts and agreements, and (c) Administrative Agent shall not have any obligation or liability under any of the contracts and agreements included in the Collateral by reason of this Security Agreement, nor shall Administrative Agent be obligated to perform any of the obligations or duties of Debtor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder unless and until Administrative Agent acquires such contracts and agreements by foreclosure or otherwise.

2.3 Authorization to File Financing Statements. Debtor hereby irrevocably authorizes Administrative Agent at any time and from time to time to file in any UCC jurisdiction any initial financing statements and amendments thereto that (a) indicate the Collateral (i) as all assets of Debtor or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article or Chapter 9 of the UCC, or (ii) as being of an equal or lesser scope or with greater detail, and (b) contain any other information required by subchapter E of Chapter 9 of the UCC for the sufficiency or filing office acceptance of any financing statement or amendment, including (A) whether Debtor is an organization, the type of organization and any organization identification number issued to Debtor and (B) in the case of a financing statement filed as a fixture filing or indicating Collateral as as-extracted collateral or timber to be cut, a sufficient description of real property to which the Collateral relates. Debtor hereby irrevocably authorizes Administrative Agent at any time and from time to time to file with any Governmental Authority this Security Agreement or document of similar import signed by Debtor (including without limitation a short form of security agreement satisfactory to Administrative Agent and Debtor) or true and correct copy thereof. Debtor agrees to furnish any such information to Administrative Agent promptly upon request.

## ARTICLE III

### REPRESENTATIONS AND WARRANTIES

Debtor represents and warrants to Administrative Agent that:

3.1 Title, Authorization, Validity and Enforceability. Debtor has good record and indefeasible title to the Collateral and none of the Collateral is subject to any security interest, mortgage,

deed of trust, pledge, lien, title retention document or encumbrance of any kind, except for Liens permitted under Section 5.1.6, and has full power and authority to grant to Administrative Agent the security interest in such Collateral pursuant hereto. The execution and delivery by Debtor of this Security Agreement has been duly authorized by proper corporate proceedings, and this Security Agreement constitutes a legal, valid and binding obligation of Debtor and creates a security interest which is enforceable against Debtor in all now owned and hereafter acquired Collateral. When financing statements have been filed in the appropriate offices against Debtor in the locations listed on Exhibit A, Administrative Agent will have a fully perfected first priority security interest in that Collateral in which a security interest may be perfected by filing, subject only to Liens permitted under Section 5.1.6.

3.2 Conflicting Laws and Contracts. Neither the execution and delivery by Debtor of this Security Agreement, the creation and perfection of the security interest in the Collateral granted hereunder, nor compliance with the terms and provisions hereof will violate any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on Debtor or Debtor's articles or certificate of incorporation, articles of organization, certificate of limited partnership, certificate of formation, bylaws, operating agreement, partnership agreement or other charter documents, as the case may be, the provisions of any indenture, instrument or agreement to which Debtor is a party or is subject, or by which it, or its property, is bound, or conflict with or constitute a default thereunder, or result in the creation or imposition of any Lien pursuant to the terms of any such indenture, instrument or agreement (other than any Lien of permitted under Section 5.1.6).

3.3 Principal Location. Debtor's mailing address, and the location of its chief executive office and of the books and records relating to the Receivables, are disclosed in Exhibit B; Debtor has no other places of business except those set forth in Exhibit B.

3.4 Property Locations. The Inventory, Equipment (other than rolling stock), and Fixtures are located solely at the locations described in Exhibit B. All of said locations are owned by Debtor except for locations (i) which are leased by Debtor as lessee and designated in Part B of Exhibit B and (ii) at which Inventory is held in a public warehouse or is otherwise held by a bailee or on consignment as designated in Part C of Exhibit B, with respect to which Inventory Debtor has delivered bailment agreements, warehouse receipts, financing statements or other documents satisfactory to Administrative Agent to protect Administrative Agent's security interest in such Inventory.

3.5 Litigation. There is no litigation investigation or governmental proceeding threatened against Debtor or any of its properties which, either individually or in the aggregate, if adversely determined could have a Material Adverse Effect.

3.6 No Other Names. Debtor has not conducted business under any name except the name in which it has executed this Security Agreement.

3.7 No Event of Default. No Event of Default exists.

3.8 Accounts and Chattel Paper. The names of the obligors, amounts owing, due dates and other information with respect to the Accounts and Chattel Paper are and will be correctly stated in all records of Debtor relating thereto and in all invoices and reports with respect thereto furnished to Administrative Agent by Debtor from time to time. As of the time when each Account or each item of Chattel Paper arises, Debtor shall be deemed to have represented and warranted that such Account or Chattel Paper, as the case may be, and all records relating thereto, are genuine and in all respects what they purport to be.

3.9 No Financing Statements. No financing statement describing all or any portion of the Collateral which has not lapsed or been terminated naming Debtor as debtor has been filed in any jurisdiction except (i) financing statements naming Administrative Agent as the secured party, and (ii) as permitted by Section 5.1.6.

3.10 Identification Numbers. Debtor's Federal employer identification number and state organizational identification number are listed on Exhibit C.

3.11 Benefit to Debtor. The value of the consideration received and to be received by Debtor as a result of Borrower and the Secured Parties entering into the Credit Agreement and Debtor executing and delivering this Security Agreement is reasonably worth at least as much as the liability and obligation of Debtor hereunder, and such liability and obligation and Borrower entering into the Credit Agreement have benefited and may reasonably be expected to benefit Debtor directly and indirectly.

#### ARTICLE IV

[OMITTED]

#### ARTICLE V

#### COVENANTS

From the date of this Security Agreement, and thereafter until this Security Agreement is terminated:

##### 5.1 General.

5.1.1 Inspection. Debtor will permit Administrative Agent, by its representatives and agents (i) to inspect the Collateral, (ii) to examine and make copies of the records of Debtor relating to the Collateral and (iii) to discuss the Collateral and the related records of Debtor with, and to be advised as to the same by, Debtor's officers and employees (and, in the case of any Receivable, with any Person which is or may be obligated thereon), all in accordance with Section 6.10 of the Credit Agreement.

5.1.2 Taxes. Debtor will pay when due all taxes, assessments and governmental charges and levies upon the Collateral, except those which are being Contested in Good Faith.

5.1.3 Records and Reports; Notification of Event of Default. Debtor will maintain complete and accurate books and records with respect to the Collateral, and furnish to Administrative Agent such reports relating to the Collateral as Administrative Agent shall from time to time request. Debtor will give prompt notice in writing to Administrative Agent of the occurrence of any Event of Default and of any other development, financial or otherwise, which might materially and adversely affect the Collateral. Debtor shall mark its books and records to reflect the security interest of Administrative Agent under this Security Agreement.

5.1.4 Financing Statements and Other Actions; Defense of Title. Debtor will execute and deliver to Administrative Agent all financing statements, continuations, recordations, statements, amendments, and other documents and take such other actions as may from time to time be reasonably requested by Administrative Agent in order to maintain a first perfected security interest in the Collateral. Debtor will take any and all commercially reasonable actions necessary to defend title to the Collateral against all Persons and to defend the security interest of

Administrative Agent in the Collateral and the priority thereof against any Lien not expressly permitted hereunder.

5.1.5 Disposition of Collateral. Debtor will not sell, lease, license or otherwise dispose of the Collateral except (i) prior to the occurrence of an Event of Default, dispositions specifically permitted pursuant to the Credit Agreement, including without limitation sales or leases of Inventory in the ordinary course of Debtor's business, (ii) until such time following the occurrence and during the continuation of an Event of Default, as Debtor receives a notice from Administrative Agent instructing Debtor to cease such transactions, Debtor may make sales or leases of Inventory in the ordinary course of business, and (iii) until such time as Debtor receives a notice from Administrative Agent pursuant to Article VII following the occurrence and during the continuation of an Event of Default, Debtor may use proceeds of Inventory and Accounts collected in the ordinary course of business.

5.1.6 Liens. Debtor will not create, incur, or suffer to exist any Lien on the Collateral except (i) the security interest created by this Security Agreement, and (ii) other Liens permitted pursuant to the Credit Agreement.

5.1.7 Change in Location, Jurisdiction of Organization or Name. Debtor will not (i) have any Inventory, Equipment or Fixtures or proceeds or products thereof (other than Equipment consisting of rolling stock and other than Inventory and proceeds thereof disposed of as permitted by Section 5.1.5) at a location other than a location specified in Exhibit B, (ii) maintain records relating to the Receivables at a location other than at the location specified on Exhibit B, (iii) maintain a place of business at a location other than a location specified on Exhibit B, (iv) change its name or taxpayer identification number, (v) change its mailing address, or (vi) change its jurisdiction of organization, unless Debtor shall have given Administrative Agent not less than 30 days' prior written notice thereof, and Administrative Agent shall have determined that such change will not adversely affect the validity, perfection or priority of Administrative Agent's security interest in the Collateral.

5.1.8 Other Financing Statements. Debtor will not sign or authorize the signing on its behalf of any financing statement naming it as debtor covering all or any portion of the Collateral, except as permitted by Section 5.1.6.

## 5.2 Receivables.

5.2.1 Certain Agreements on Receivables. Debtor will not make or agree to make any discount, credit, rebate or other reduction in the original amount owing on a Receivable or accept in satisfaction of a Receivable less than the original amount thereof, except that, prior to the occurrence of an Event of Default, Debtor may reduce the amount of Accounts arising from the sale of Inventory in accordance with its present policies and in the ordinary course of business.

5.2.2 Collection of Receivables. Except as otherwise provided in this Security Agreement, Debtor will collect and enforce, at Debtor's sole expense, all amounts due or hereafter due to Debtor under the Receivables.

5.2.3 Delivery of Invoices. Debtor will deliver to Administrative Agent immediately upon its request after the occurrence and during the continuation of an Event of Default duplicate invoices with respect to each Account bearing such language of assignment as Administrative Agent shall specify.

5.2.4 Disclosure of Counterclaims on Receivables. If (i) any discount, credit or agreement to make a rebate or to otherwise reduce the amount owing on a Receivable exists other than trade discounts granted in the ordinary course of business or (ii) if, to the knowledge of Debtor, any dispute, setoff, claim, counterclaim or defense exists or has been asserted or threatened with respect to a Receivable, Debtor will disclose such fact to Administrative Agent in writing in connection with the inspection by Administrative Agent of any record of Debtor relating to such Receivable and in connection with any invoice or report furnished by Debtor to Administrative Agent relating to such Receivable.

5.3 Inventory and Equipment.

5.3.1 Maintenance of Goods. Debtor will do all things necessary to maintain, preserve, protect and keep the Inventory and Equipment in good repair and working and saleable condition.

5.3.2 Insurance. Debtor will (i) maintain fire and extended coverage insurance on the Inventory and Equipment containing a lender's loss payable clause in favor of Administrative Agent, and providing that said insurance will not be terminated except after at least 30 days' written notice from the insurance company to Administrative Agent, (ii) maintain such other insurance on the Collateral for the benefit of Administrative Agent as Administrative Agent shall from time to time reasonably request, (iii) furnish to Administrative Agent upon the request of Administrative Agent from time to time the copies of all policies of insurance on the Collateral and, if acceptable to Administrative Agent, certificates with respect to such insurance and (iv) maintain general liability insurance naming Administrative Agent as an additional insured.

5.3.3 Inventory Warranties. Debtor warrants and represents that (i) Administrative Agent may rely, without independent investigation, on all statements or representations made by it on or with respect to any borrowing base report and, (ii) unless otherwise indicated in writing by Debtor (in which case any such affected Inventory shall not be considered Eligible Inventory), each of the criteria set forth in the definition of "Eligible Inventory" has been met with respect to all Inventory included as Eligible Inventory on any borrowing base report.

5.3.4 Safekeeping of Inventory; Inventory Covenants. Prior to the acquisition by Administrative Agent of title to the Inventory by foreclosure or otherwise, Administrative Agent shall not be responsible for (i) the safekeeping of the Inventory; (ii) any loss or damage thereto or destruction thereof occurring or arising in any manner or fashion from any cause; (iii) any diminution in the value of Inventory or (iv) any act or default of any carrier, warehouseman, bailee or forwarding agency or any other Person in any way dealing with or handling the Inventory, except to the extent that Debtor incurs any loss, cost, claim or damage from any of the foregoing as a result of the gross negligence or willful misconduct of Administrative Agent. All risk of loss, damage, distribution or diminution in value of the Inventory shall, except as noted in the previous sentence, be borne by Debtor.

5.3.5 Records and Schedules of Inventory. Debtor shall keep correct and accurate records, itemizing and describing the kind, type, quality and quantity of Inventory, Debtor's cost therefor and selling price thereof, and the withdrawals therefrom and additions thereto and Inventory then on consignment, and shall, at the request of Administrative Agent, furnish to Administrative Agent, daily copies of the working papers related thereto. A physical count of the Inventory shall be conducted no less often than annually and a report based on such count of Inventory shall promptly thereafter be provided to Administrative Agent together with such supporting information including, without limitation invoices relating to Debtor's purchase of goods listed in said report, as Administrative Agent shall reasonably request.

5.3.6 Returned and Repossessed Inventory. If at any time prior to the occurrence of an Event of Default, any Account Debtor returns any Inventory to Debtor with a value in excess of \$500,000, Debtor shall promptly determine the reason for such return and, if Debtor accepts such return, issue a credit memorandum (with a copy to be sent to Administrative Agent if Administrative Agent has so requested) in the appropriate amount to such Account Debtor. After the occurrence and during the continuation of an Event of Default, Debtor shall hold all returned Inventory in trust for Administrative Agent, shall segregate all returned Inventory from all other property of Debtor or in its possession and shall conspicuously label said returned Inventory as the property of Administrative Agent. Debtor shall, in all cases, immediately notify Administrative Agent of the return of any Inventory with a value in excess of \$500,000, specifying the reason for such return and the location and condition of the returned Inventory.

5.4 Instruments, Chattel Paper, and Documents. Debtor will (i) deliver to Administrative Agent immediately upon execution of this Security Agreement the originals of all Chattel Paper and Instruments (if any then exist), (ii) hold in trust for Administrative Agent upon receipt and immediately thereafter deliver to Administrative Agent any Chattel Paper and Instruments constituting Collateral, and (iii) upon Administrative Agent's request, deliver to Administrative Agent (and thereafter hold in trust for Administrative Agent upon receipt and immediately deliver to Administrative Agent) any Document evidencing or constituting Collateral.

5.5 Accounts.

5.5.1 Account Warranties. Debtor warrants and represents that (i) Administrative Agent may, in determining which Accounts listed on any borrowing base report are Eligible Accounts, rely without independent investigation on all statements or representations made by it on or with respect to any such borrowing base report and, (ii) unless otherwise indicated in writing by Debtor (in which case such Account shall not be considered an Eligible Account), each of the criteria set forth in the definition of "Eligible Account" has been met with respect to each Account included as an Eligible Account on any borrowing base report.

5.5.2 Verification of Accounts. Administrative Agent shall have the right, at any time or times hereafter, in its name or in the name of a nominee of Administrative Agent, to verify the validity, amount or any other matter relating to any Accounts, by mail, telephone, telegraph or otherwise.

5.5.3 Disputed Accounts; Limitation on Modification of Accounts. Debtor shall give Administrative Agent prompt written notice of any Account previously shown as Eligible Accounts on a borrowing base report which is in dispute between any Account Debtor and Debtor. Each borrowing base report shall identify all disputed Accounts (which shall not be included as Eligible Accounts) and disclose with respect thereto, in reasonable detail, the reason for the dispute, all claims related thereto and the amount in controversy. Debtor will not, without Administrative Agent's prior written consent, grant any extension of the time for payment of any of the Accounts, compromise, compound or settle the same for less than the full amount thereof, release, wholly or partly, any Person liable for the payment thereof, or allow any credit or discount whatsoever thereon other than trade discounts granted in the ordinary course of business of Debtor.

5.5.4 Appointment of the Agent as Attorney-in-Fact. Debtor hereby irrevocably designates, makes, constitutes and appoints Administrative Agent (and all Persons designated by Administrative Agent), exercisable after an Event of Default has occurred and is continuing, as its true and lawful attorney-in-fact, and authorizes Administrative Agent, in Debtor's or

Administrative Agent's name, to: (i) demand payment of Accounts; (ii) enforce payment of Accounts by legal proceedings or otherwise; (iii) exercise all of Debtor's rights and remedies with respect to proceedings brought to collect an Account; (iv) sell or assign any Account upon such terms, for such amount and at such time or times as Administrative Agent deems advisable; (v) settle, adjust, compromise, extend or renew an Account; (vi) discharge and release any Account; (vii) take control in any manner of any item of payment or proceeds thereof; (viii) prepare, file and sign Debtor's name on any proof of claim in bankruptcy or other similar document against an Account Debtor; (ix) endorse Debtor's name upon any items of payment or proceeds thereof and deposit the same in Administrative Agent's account on account of the Secured Obligations; (x) endorse Debtor's name upon any chattel paper, document, instrument, invoice, or similar document or agreement relating to any Account or any goods pertaining thereto; (xi) sign Debtor's name on any verification of Accounts and notices thereof to Account Debtor; (xii) notify the post office authorities to change the address for delivery of Debtor's mail to an address designated by Administrative Agent, have access to any lock box or postal box into which any of Debtor's mail is deposited, and open and dispose of all mail addressed to Debtor, and (xiii) do all acts and things which are necessary, in Administrative Agent's sole discretion, to fulfill Debtor's obligations under this Security Agreement.

5.5.5 Notice to Account Debtor. Administrative Agent may, in its sole discretion, at any time or times after an Event of Default has occurred and is continuing, and without prior notice to Debtor, notify any or all Account Debtors that the Accounts have been assigned to Administrative Agent and that Administrative Agent has a security interest therein. Administrative Agent may direct any or all Account Debtors to make all payments upon the Accounts directly to Administrative Agent. Administrative Agent shall furnish Debtor with a copy of such notice.

5.6 Federal, State or Municipal Claims. Debtor will notify Administrative Agent of any Collateral which constitutes a claim against a Governmental Authority, the assignment of which claim is restricted by federal, state or municipal law.

5.7 Warehouse Receipts Non-Negotiable. Debtor agrees that if any warehouse receipt or receipt in the nature of a warehouse receipt is issued with respect to any of its inventory, such warehouse receipt or receipt in the nature thereof shall not be "negotiable" (as such term is used in Section 7.104 of the UCC).

5.8 Mortgagee's and Landlord Waivers. Debtor shall use commercially reasonable efforts to cause each mortgagee of real property owned by Debtor (upon request by Administrative Agent) and each landlord of real property leased by Debtor to execute and deliver instruments satisfactory in form and substance to Administrative Agent by which such mortgagee or landlord waives or subordinates its rights, if any, in the Collateral.

5.9 Compliance with Agreements. Debtor shall comply in all material respects with all mortgages, deeds of trust, instruments, and other agreements binding on it or affecting its properties or business.

5.10 Further Assurances. At any time and from time to time, upon the reasonable request of Administrative Agent, and at the sole expense of Debtor, Debtor shall promptly execute and deliver all such further instruments and documents and take such further action as Administrative Agent may reasonably deem necessary or desirable to preserve and perfect its security interest in the Collateral and carry out the provisions and purposes of this Security Agreement, including, without limitation, (a) the execution and filing of such financing statements as Administrative Agent may require and (b) the deposit

of all certificates of title issuable with respect to any of the Collateral and noting thereon the security interest hereunder. A carbon, photographic, or other reproduction of this Security Agreement or of any financing statement covering the Collateral or any part thereof shall be sufficient as a financing statement and may be filed as a financing statement. Debtor shall promptly endorse and deliver to Administrative Agent all documents, instruments, and chattel paper that it now owns or may hereafter acquire.

## ARTICLE VI

### REMEDIES

6.1 Acceleration and Remedies. Upon the occurrence of an Event of Default, Administrative Agent may exercise any or all of the following rights and remedies:

(a) Exercise any or all of those rights and remedies provided in this Security Agreement, the Credit Agreement, or any other Loan Document, provided that this paragraph shall not be understood to limit any rights or remedies available to Administrative Agent prior to an Event of Default.

(b) Exercise any or all of those rights and remedies available to a secured party under the UCC (whether or not the UCC applies to the affected Collateral) or under any other applicable law (including, without limitation, any law governing the exercise of a bank's right of setoff or bankers' lien) when a debtor is in default under a security agreement.

(c) Without notice (except as specifically provided in Section 6.2 or elsewhere herein), sell, lease, license, assign, grant an option or options to purchase or otherwise dispose of the Collateral or any part thereof in one or more parcels at public or private sale, for cash, on credit or for future delivery, and upon such other terms as Administrative Agent may deem commercially reasonable.

(d) Require Debtor to, and Debtor hereby agrees that it will at its expense and upon the reasonable request of Administrative Agent, assemble and make available to Administrative Agent the Collateral and all records relating thereto at any place or places specified by Administrative Agent.

(e) Prior to the disposition of any Collateral, (1) to the extent permitted by applicable law, enter, with or without process of law and without breach of peace, any premises where any of the Collateral is or may be located, and without charge or liability to Administrative Agent, seize and remove such Collateral from such premises, (2) have access to and use Debtor's books, records and information relating to the Collateral, and (3) store or transfer any of the Collateral, without charge in or by means of any storage or transportation facility owned or leased by Debtor, process, repair or recondition any of the Collateral or otherwise prepare it for disposition in any manner and to the extent Administrative Agent deems appropriate and, in connection with such preparation and disposition, use without charge any copyright, trademark, trade name, patent or technical process used by Debtor.

(f) Reduce its claim to judgment or foreclose or otherwise enforce, in whole or in part, the security interest created hereby by any available judicial procedure.

(g) Dispose of, at its office, on the premises of Debtor or elsewhere, all or any part of the Collateral, as a unit or in parcels, by public or private proceedings, and by way of one or more contracts (it being agreed that the sale of any part of the Collateral shall not exhaust

Administrative Agent's power of sale, but sales may be made from time to time, and at any time, until all of the Collateral has been sold or until all of the Secured Obligations have been paid and performed in full), and at any such sale it shall not be necessary to exhibit any of the Collateral.

(h) Buy (or allow one or more of the Secured Parties to buy) the Collateral, or any part thereof, at any public sale.

(i) Buy (or allow one or more of the Secured Parties to buy) the Collateral, or any part thereof, at any private sale if the Collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations.

(j) Apply by appropriate judicial proceedings for appointment of a receiver for the Collateral, or any part thereof, and Debtor hereby consents to any such appointment.

6.2 Notice of Disposition of Collateral. Debtor hereby agrees that notice of the time and place of any public sale or the time after which any private sale or other disposition of all or any part of the Collateral may be made shall be deemed reasonable if sent to Debtor, addressed as set forth in Section 8.16, at least ten (10) days prior to (i) the date of any such public sale or (ii) the time after which any such private sale or other disposition may be made.

6.3 License. Administrative Agent is hereby granted a license or other right to use, following the occurrence and during the continuance of an Event of Default, without charge, Debtor's customer lists and advertising matter, or any property of a similar nature, as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral, and, following the occurrence and during the continuance of an Event of Default, Debtor's rights under all licenses shall inure to Administrative Agent's benefit. In addition, Debtor hereby irrevocably agrees that Administrative Agent may, following the occurrence and during the continuance of an Event of Default, sell any of Debtor's Inventory directly to any Person, including without limitation Persons who have previously purchased Debtor's Inventory from Debtor and in connection with any such sale or other enforcement of Administrative Agent's rights under this Security Agreement, may sell Inventory which bears any trademark owned by or licensed to Debtor and any Inventory that is covered by any copyright owned by or licensed to Debtor and Administrative Agent may finish any work in process and affix any trademark owned by or licensed to Debtor and sell such Inventory as provided herein.

6.4 Deficiency. In the event that the proceeds of any sale, collection or realization of or upon Collateral by Administrative Agent are insufficient to pay all Secured Obligations and any other amounts to which Administrative Agent is legally entitled, Debtor shall be liable for the deficiency, together with interest thereon as provided in the Credit Agreement or (if no interest is so provided) at such other rate as shall be fixed by applicable law, together with the costs of collection and the reasonable fees of any attorneys employed by Administrative Agent to collect such deficiency.

6.5 Non-Judicial Remedies. In granting to Administrative Agent the power to enforce its rights hereunder without prior judicial process or judicial hearing, Debtor expressly waives, renounces and knowingly relinquishes any legal right which might otherwise require Administrative Agent to enforce its rights by judicial process. In so providing for non-judicial remedies, Debtor recognizes and concedes that such remedies are consistent with the usage of trade, are responsive to commercial necessity, and are the result of a bargain at arm's length. Nothing herein is intended, however, to prevent Administrative Agent from resorting to judicial process at its option.

6.6 Limitation on Duty of Administrative Agent in Respect of Collateral. Beyond the exercise of reasonable care in the custody thereof, Administrative Agent shall have no duty as to any

Collateral in its possession or control or in the possession or control of any agent or bailee or as to the preservation of rights against prior parties or any other rights pertaining thereto. Administrative Agent shall be deemed to have exercised reasonable care in the custody of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which it accords its own property, and shall not be liable or responsible for any loss or damage to any of the Collateral, or for any diminution in the value thereof, by reason of the act or omission of any warehouseman, carrier, forwarding agency, consignee or other agent or bailee selected by Administrative Agent in good faith.

## ARTICLE VII

### PROCEEDS; COLLECTION OF RECEIVABLES

7.1 Lockboxes. Upon request of Administrative Agent, after the occurrence and during the continuation of an Event of Default, Debtor shall execute and deliver to Administrative Agent irrevocable lockbox agreements in the form provided by or otherwise acceptable to Administrative Agent, which agreements shall be accompanied by an acknowledgment by the bank where the lockbox is located of the Lien of Administrative Agent granted hereunder and of irrevocable instructions to wire all amounts collected therein to a special collateral account at Administrative Agent.

7.2 Collection of Receivables. Upon the occurrence and during the continuation of an Event of Default, Administrative Agent may at any time in its sole discretion, by giving Debtor written notice, elect to require that the Receivables be paid directly to Administrative Agent. In such event, Debtor shall, and shall permit Administrative Agent to, promptly notify the Account Debtors or obligors under the Receivables of Administrative Agent's interest therein and direct such Account Debtors or obligors to make payment of all amounts then or thereafter due under the Receivables directly to Administrative Agent. Upon receipt of any such notice from Administrative Agent, Debtor shall thereafter hold in trust for Administrative Agent, all amounts and proceeds received by it with respect to the Receivables and Other Collateral and immediately and at all times thereafter deliver to Administrative Agent all such amounts and proceeds in the same form as so received, whether by cash, check, draft or otherwise, with any necessary endorsements. Administrative Agent shall hold and apply funds so received as provided by the terms of Sections 7.3 and 7.4.

7.3 Special Collateral Account. Administrative Agent may require all cash proceeds of the Collateral to be deposited in a special non-interest bearing cash collateral account with Administrative Agent and held there as security for the Secured Obligations. Debtor shall not have control whatsoever over said cash collateral account. If no Event of Default has occurred and is continuing, Administrative Agent shall regularly (at least two times per week) deposit the collected balances in said cash collateral account into Debtor's general operating account with Administrative Agent. If any Event of Default has occurred and is continuing, Administrative Agent may, from time to time, apply the collected balances in said cash collateral account to the payment of the Secured Obligations whether or not the Secured Obligations shall then be due.

7.4 Application of Proceeds. After the occurrence and during the continuation of an Event of Default, the proceeds of the Collateral shall be applied by Administrative Agent to payment of the Secured Obligations as provided in the Credit Agreement.

## ARTICLE VIII

### GENERAL PROVISIONS

8.1 Preservation of Rights. No delay or omission of Administrative Agent to exercise any right or remedy granted under this Security Agreement shall impair such right or remedy or be construed to be a waiver of any Event of Default, or an acquiescence therein, and any single or partial exercise of any such right or remedy shall not preclude any other or further exercise thereof or the exercise of any other right or remedy. All rights and remedies contained in this Security Agreement or by law afforded shall be cumulative and all shall be available to Administrative Agent until the Secured Obligations have been paid in full.

8.2 Waiver; Amendment. No waiver, amendment or other variation of the terms, conditions or provisions of this Security Agreement whatsoever shall be valid unless in writing signed by Administrative Agent and then only to the extent in such writing specifically set forth.

8.3 Compromises and Collection of Collateral. Debtor and Administrative Agent recognize that setoffs, counterclaims, defenses and other claims may be asserted by obligors with respect to certain of the Receivables, that certain of the Receivables may be or become uncollectible in whole or in part and that the expense and probability of success in litigating a disputed Receivable may exceed the amount that reasonably may be expected to be recovered with respect to a Receivable. In view of the foregoing, Debtor agrees that Administrative Agent may at any time and from time to time, if an Event of Default has occurred and is continuing, compromise with the obligor on any Receivable, accept in full payment of any Receivable such amount as Administrative Agent in its sole discretion shall determine or abandon any Receivable, and any such action by Administrative Agent shall be commercially reasonable so long as Administrative Agent acts in good faith based on information known to it at the time it takes any such action.

8.4 Administrative Agent Performance of Debtor's Obligations. Without having any obligation to do so, Administrative Agent may perform or pay any obligation which Debtor has agreed to perform or pay in this Security Agreement and Debtor shall, reimburse Administrative Agent for any amounts paid by Administrative Agent pursuant to this Section 8.4. Debtor's obligation to reimburse Administrative Agent pursuant to the preceding sentence shall be a Secured Obligation payable on demand.

8.5 Authorization for Administrative Agent to Take Certain Action. Debtor irrevocably authorizes Administrative Agent at any time and from time to time in the sole discretion of Administrative Agent and appoints Administrative Agent as its attorney in fact (i) to execute on behalf of Debtor as debtor and to file financing statements necessary or desirable in Administrative Agent's sole discretion to perfect and to maintain the perfection and priority of Administrative Agent's security interest in the Collateral, (ii) following the occurrence and during the continuation of an Event of Default, to endorse and collect any cash proceeds of the Collateral, (iii) to file a carbon, photographic or other reproduction of this Security Agreement or any financing statement with respect to the Collateral as a financing statement in such offices as Administrative Agent in its sole discretion deems necessary or desirable to perfect and to maintain the perfection and priority of Administrative Agent's security interest in the Collateral, (iv) subject to the terms of Section 7.2, to enforce payment of the Receivables in the name of Administrative Agent or Debtor, (v) to apply the proceeds of any Collateral received by Administrative Agent to the Secured Obligations as provided in Article VII and (vi) to discharge past due taxes, assessments, charges, fees or Liens on the Collateral (except for such Liens as are specifically permitted hereunder), and Debtor agrees to reimburse Administrative Agent on demand for any payment made or any expense incurred by Administrative Agent in connection therewith, provided that this

authorization shall not relieve Debtor of any of its obligations under this Security Agreement or under the Credit Agreement.

8.6 Specific Performance of Certain Covenants. Debtor acknowledges and agrees that a breach of any of the covenants contained in Sections 5.1.4, 5.1.6, 5.4, 6.3, or 8.8 or in Article VII will cause irreparable injury to Administrative Agent, that Administrative Agent has no adequate remedy at law in respect of such breaches and therefore agrees, without limiting the right of Administrative Agent to seek and obtain specific performance of other obligations of Debtor contained in this Security Agreement, that the covenants of Debtor contained in the Sections referred to in this Section 8.6 shall be specifically enforceable against Debtor.

8.7 Use and Possession of Certain Premises. If an Event of Default has occurred and is continuing, Administrative Agent shall be entitled to occupy and use any premises owned or leased by Debtor where any of the Collateral or any records relating to the Collateral are located until the Secured Obligations are paid or the Collateral is removed therefrom, whichever first occurs, without any obligation to pay Debtor for such use and occupancy.

8.8 Dispositions Not Authorized. Debtor is not authorized to sell or otherwise dispose of the Collateral except as set forth in Section 5.1.5 or as otherwise permitted by the Credit Agreement and notwithstanding any course of dealing between Debtor and Administrative Agent or other conduct of Administrative Agent, no authorization to sell or otherwise dispose of the Collateral (except as set forth in Section 5.1.5 or as otherwise permitted by the Credit Agreement) shall be binding upon Administrative Agent unless such authorization is in writing signed by Administrative Agent.

8.9 Benefit of Agreement. The terms and provisions of this Security Agreement shall be binding upon and inure to the benefit of Debtor, Administrative Agent and their respective successors and assigns, except that Debtor shall not have the right to assign its rights or delegate its obligations under this Security Agreement or any interest herein, without the prior written consent of Administrative Agent.

8.10 Survival of Representations. All representations and warranties of Debtor contained in this Security Agreement shall survive the execution and delivery of this Security Agreement.

8.11 Expenses. To the extent permitted by applicable law, Debtor promptly will pay, upon demand, any reasonable out-of-pocket expenses incurred by Administrative Agent in connection herewith, including all costs, expenses, taxes, assessments, insurance premiums, repairs (including repairs to realty or other property to which any Collateral may have been attached), court costs, attorneys' fees, rent, storage costs and expenses of sales incurred in connection with the administration of this Security Agreement, the enforcement of the rights of Administrative Agent hereunder, whether incurred before or after the occurrence of an Event of Default or incurred in connection with the perfection, preservation, or defense of the security interest created hereunder, or the custody, protection, collection, repossession, enforcement or sale of the Collateral. All such expenses shall become part of the Secured Obligations and shall bear interest at the Default Rate from the date paid or incurred by Administrative Agent until paid by Debtor.

8.12 Headings. The title of and section headings in this Security Agreement are for convenience of reference only, and shall not govern the interpretation of any of the terms and provisions of this Security Agreement.

8.13 Termination. This Security Agreement shall continue in effect (notwithstanding the fact that from time to time there may be no Secured Obligations outstanding) until (i) the Credit Agreement has terminated pursuant to its express terms and (ii) all of the Secured Obligations have been indefeasibly

paid and performed in full and no commitments of Administrative Agent which would give rise to any Secured Obligations are outstanding.

8.14 Entire Agreement. This Security Agreement embodies the entire agreement and understanding between Debtor and Administrative Agent relating to the Collateral and supersedes all prior agreements and understandings between Debtor and Administrative Agent relating to the Collateral.

8.15 Governing Law; Jurisdiction, Etc.

8.15.1 GOVERNING LAW. THIS SECURITY AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF TEXAS.

8.15.2 SUBMISSION TO JURISDICTION. DEBTOR IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF STATE OF TEXAS SITTING IN DALLAS COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE NORTHERN DISTRICT OF TEXAS (DALLAS DIVISION), AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH STATE OF TEXAS STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS SECURITY AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT ADMINISTRATIVE AGENT, ANY LENDER OR THE L/C ISSUER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST DEBTOR OR ANY OTHER LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

8.15.3 WAIVER OF VENUE. DEBTOR IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN SECTION 8.15.2. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

8.15.4 SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN THE CREDIT AGREEMENT. NOTHING IN THIS SECURITY AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

8.16 Notices. Any notice required or permitted to be given under this Security Agreement shall be sent (and deemed received) in the manner and to the addresses set forth in the Credit Agreement.

8.17 Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS SECURITY AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

8.18 INDEMNITY. DEBTOR HEREBY AGREES TO INDEMNIFY ADMINISTRATIVE AGENT AND ITS SUCCESSORS, ASSIGNS, AGENTS, ATTORNEYS, AND EMPLOYEES, FROM AND AGAINST ANY AND ALL LIABILITIES, DAMAGES, PENALTIES, SUITS, COSTS, AND EXPENSES OF ANY KIND AND NATURE (INCLUDING, WITHOUT LIMITATION, ALL EXPENSES OF LITIGATION OR PREPARATION THEREFOR WHETHER OR NOT ADMINISTRATIVE AGENT IS A PARTY THERETO) IMPOSED ON, INCURRED BY OR ASSERTED AGAINST ADMINISTRATIVE AGENT OR ITS SUCCESSORS, ASSIGNS, AGENTS, ATTORNEYS, AND EMPLOYEES, IN ANY WAY RELATING TO OR ARISING OUT OF THIS SECURITY AGREEMENT, OR THE MANUFACTURE, PURCHASE, ACCEPTANCE, REJECTION, OWNERSHIP, DELIVERY, LEASE, POSSESSION, USE, OPERATION, CONDITION, SALE, RETURN OR OTHER DISPOSITION OF ANY COLLATERAL (INCLUDING, WITHOUT LIMITATION, LATENT AND OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE BY ADMINISTRATIVE AGENT OR DEBTOR, AND ANY CLAIM FOR INTELLECTUAL PROPERTY INFRINGEMENT), EXCEPT DAMAGES CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ADMINISTRATIVE AGENT, ITS SUCCESSORS, ASSIGNS, AGENTS, ATTORNEYS, AND EMPLOYEES.

*[Remainder of page intentionally left blank; signature pages follow.]*

IN WITNESS WHEREOF, Debtor and Administrative Agent have executed this Security Agreement as of the date first above written.

**DEBTOR:**

**MUREX RAIL LLC,**  
a Texas limited liability company

By: ROBERT C. WRIGHT  
Name: ROBERT C. WRIGHT  
Title: PRESIDENT

**Acknowledgement**  
**Pursuant to 49 C.F.R. §1177.3**

I, ROBERT C. WRIGHT certify that I am the PRESIDENT of MUREX RAIL LLC, a Texas limited liability company, that the foregoing instrument was signed and sealed on behalf of the company by authority of its members and managers, and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the company. I further declare under penalty of perjury that the foregoing is true and correct.

Executed on July 1, 2013

ROBERT C. WRIGHT

**ADMINISTRATIVE AGENT:**

**FROST BANK,**  
as Administrative Agent

By:   
Name: Dave Perdue  
Title: Markt. Pres.

**Acknowledgement**  
**Pursuant to 49 C.F.R. §1177.3**

I, Dave Perdue <sup>-DP</sup> certify that I am the Market President of FROST BANK, a Texas State bank, in the capacity of Administrative Agent, that the foregoing instrument was signed and sealed on behalf of the bank, as the Administrative Agent, by authority of its officers, directors, or other governing body, and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the bank, as the Administrative Agent. I further declare under penalty of perjury that the foregoing is true and correct.

Executed on July 1, 2013



**EXHIBIT A**

**UCC Filing Jurisdictions**

<u>Debtor</u>	<u>Jurisdiction</u>
Murex Rail LLC	Texas Secretary of State

**EXHIBIT B**  
**Locations**

Principal Place of Business and Mailing Address:

5057 Keller Springs Road  
Addison, Texas 75001

Location(s) of Receivables Records (if different from Principal Place of Business above):

Same

Locations of Inventory, Equipment and Fixtures:

A. Properties Owned by Debtor (indicate which):

None

B. Properties Leased by Debtor (indicate which) (include Landlord's Name):

**LOCATIONS**

**LANDLORD**

5057 Keller Springs Road  
Addison, Texas 75001

FSP Liberty Plaza Ltd.  
Partnership

C. Public Warehouses or other Locations pursuant to Bailment or Consignment Arrangements for Debtor (indicate which) (include name of Warehouse Operator or other Bailee or Consignee):

D. None

**EXHIBIT C**

**Identification Numbers**

<b><u>Debtor</u></b>	<b><u>State Organizational Identification Number</u></b>
Murex Rail LLC	801704931 (Texas)
	<b><u>Federal Tax ID Number</u></b>
	46-3038466

**SCHEDULE 1**

**Rolling Stock**

**85 NINC 30's  
Car Number Translation  
Table**

Count	Current		New UTLX	
	Mark	Car#	Mark	Car#
1	NATX	29205	UTLX	299015
2	NATX	29206	UTLX	299016
3	NATX	29210	UTLX	299017
4	NATX	29222	UTLX	299018
5	NATX	29226	UTLX	299019
6	NATX	29227	UTLX	299020
7	NATX	29229	UTLX	299021
8	NATX	29230	UTLX	299022
9	NATX	29231	UTLX	299023
10	NATX	29233	UTLX	299024
11	NATX	29237	UTLX	299025
12	NATX	29246	UTLX	299026
13	NATX	29254	UTLX	299027
14	NATX	29259	UTLX	299028
15	NATX	29260	UTLX	299029
16	NATX	29265	UTLX	299030
17	NATX	29267	UTLX	299031
18	NATX	29272	UTLX	299032
19	NATX	29305	UTLX	299033
20	NATX	29306	UTLX	299034
21	NATX	29552	UTLX	299035
22	NATX	29553	UTLX	299036
23	NATX	29555	UTLX	299037
24	NATX	29560	UTLX	299038
25	NATX	29563	UTLX	299039
26	NATX	29564	UTLX	299040
27	NATX	29565	UTLX	299041
28	NATX	29568	UTLX	299042
29	NATX	29569	UTLX	299043
30	NATX	29576	UTLX	299044
31	NATX	29577	UTLX	299045
32	NATX	29579	UTLX	299046
33	NATX	29581	UTLX	299047
34	NATX	29583	UTLX	299048
35	NATX	29584	UTLX	299049
36	NATX	29585	UTLX	299050
37	NATX	29586	UTLX	299051
38	NATX	29587	UTLX	299052
39	NATX	29588	UTLX	299053

40	NATX	29591	UTLX	299054
41	NATX	29594	UTLX	299055
42	NATX	29595	UTLX	299056
43	NATX	29599	UTLX	299057
44	NATX	29650	UTLX	299058
45	NATX	29651	UTLX	299059
46	NATX	29652	UTLX	299060
47	NATX	29659	UTLX	299061
48	NATX	29697	UTLX	299062
49	NATX	29699	UTLX	299063
50	NATX	29751	UTLX	299064
51	NATX	29756	UTLX	299065
52	NATX	29757	UTLX	299066
53	NATX	29761	UTLX	299067
54	NATX	29771	UTLX	299068
55	NATX	29775	UTLX	299069
56	NATX	29785	UTLX	299070
57	NATX	29786	UTLX	299071
58	NATX	30502	UTLX	299072
59	NATX	30504	UTLX	299073
60	NATX	30513	UTLX	299074
61	NATX	30517	UTLX	299075
62	NATX	30518	UTLX	299076
63	NATX	30519	UTLX	299077
64	NATX	30521	UTLX	299078
65	NATX	30524	UTLX	299079
66	NATX	30525	UTLX	299080
67	NATX	30528	UTLX	299081
68	NATX	30529	UTLX	299082
69	NATX	30532	UTLX	299083
70	NATX	30537	UTLX	299084
71	NATX	30680	UTLX	299085
72	NATX	30690	UTLX	299086
73	NATX	30694	UTLX	299087
74	NATX	30696	UTLX	299088
75	NATX	38060	UTLX	299089
76	NATX	38069	UTLX	299090
77	NATX	38083	UTLX	299091
78	NATX	38093	UTLX	299092
79	NATX	38169	UTLX	299093
80	NATX	38176	UTLX	299094
81	NATX	38179	UTLX	299095
82	NATX	38212	UTLX	299096
83	NATX	38300	UTLX	299097
84	NATX	38306	UTLX	299098
85	RTMX	21074	UTLX	299099

**SCHEDULE 1**

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