



Heritage/County Bank and Trust Company

12015 South Western Ave. Blue Island, Illinois 60406
Call (312) 385-2900

~~DEC 31 1977~~
~~RECORDED~~

RECORDATION NO. 9152 Filed & Recorded

JAN 3 1978 10 45 AM

8 December 28 1977
8-2031060

INTERSTATE COMMERCE COMMISSION

Interstate Commerce Commission
Recordation Clerk
Room 1227
12th and Constitution Ave., N.W.
Washington, D.C. 20423

JAN 3 1978
Date
Fee \$ 50
Washington D C

Gentlemen:

Enclosed for recordation under the provision of Section 20 (c) of the Interstate Commerce Act, as amended, are five (5) copies of: Security Agreement between Alco Spring Industries, Inc. and Heritage/County Bank and Trust Company dated January 3, 1978. The car numbers involved in the equipment which is the subject of the enclosed document are as follows:

Gondola Cars #CWP 101-150 inclusive

The names and address of the parties hereto are as follows:

Mortgagor: Alco Spring Industries, Inc.	Mortgagee: Heritage/County Bank and Trust Company
23rd Street and Euclid	12015 South Western Avenue
Chicago Heights, Illinois	Blue Island, Illinois

The undersigned is the Vice President of Heritage/County Bank and Trust Company and has knowledge of the matters set forth within the enclosed documents. Kindly record and thereafter return to Heritage/County Bank and Trust Company, Blue Island, Illinois, the remaining three copies of the enclosed document, marked "Recorded".

Attached hereto is a remittance in the sum of 50.00 covering the required recording fee.

Very truly yours,

HERITAGE/COUNTY BANK AND TRUST COMPANY

By:

Vice President

CERTIFICATION UNIT

JAN 3 10 42 AM '78

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Interstate Commerce Commission
Washington, D.C. 20423

1/3/78

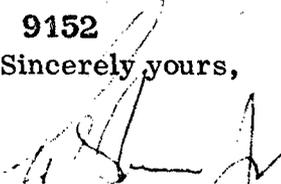
OFFICE OF THE SECRETARY

Mr. Frederick J. Sampias
Heritage County Bank & Trust Company
12015 So. Western Avenue
Blue Island, Illinois 60406

Dear

Sir:
The enclosed document(s) was recorded pursuant to the
provisions of Section 20(c) of the Interstate Commerce Act,
49 U.S.C. 20(c), on **1/3/78** at **10:45am**,
and assigned recordation number(s)

9152
Sincerely yours,


H.G. Homme, Jr.
Acting Secretary

Enclosure(s)

SE-30-T
(6/77)

SECURITY AGREEMENT

This Agreement made this 3rd day of January, 1978, by

ALCO SPRING INDUSTRIES, INC.

(hereinafter called the "Debtor")

FOR, VALUE RECEIVED, the receipt and sufficiency whereof is hereby acknowledged, the Debtor hereby grants, transfers, conveys and confirms unto HERITAGE/COUNTY BANK AND TRUST COMPANY (hereinafter called the "Secured Party"), a security interest in, and also the property described below and also all additions and accessions thereto (hereinafter referred to as "Collateral").

50 - 52'-6, 100 ton Gondola cars manufactured by Thrall Car Manufacturing Company, Serial Numbers CWP 101-150 inclusive

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MICHIGAN STATE COMMERCE COMMISSION

to secure the payment of any and all indebtednesses and liabilities whatsoever of the Debtor to the Secured Party, whether direct or indirect, absolute or contingent, or due or to become due, and whether now existing or hereafter arising, and together with all costs and expenses of Secured Party in respect of or connected with any thereof or of the Collateral (all herein collectively called the "Obligations").

The Debtor hereby warrants and covenants that:

1. Except for the security interest and rights created hereby, the Debtor is the owner of the Collateral free from any lien, security interest or encumbrance and no Financing Statement is on file in any public office which relates thereto or which could through general language or inclusion of proceeds relate thereto; and the Debtor at its cost and expense will protect and defend the Collateral against all claims therein or thereto or to any part thereof, or any interest therein, or that any thereof has ceased to be personal property, and will keep the Collateral free from any other lien, security interest or encumbrance, in good order, repair and condition; and Secured Party or its agents or attorneys may at any and all reasonable times inspect the Collateral. Without first obtaining the written consent of the Secured Party, the Debtor will not voluntarily, or permit any involuntary transfer of the Collateral or any interest therein by way of sale, creation of a security interest, levy or other judicial process. If a previously filed Financing Statement purports to indicate an interest in a secured party other than this Bank, in the above described collateral, Debtor will immediately procure a release from said secured party.

2. The Collateral has been acquired and is used by the Debtor (or will be acquired and will be used) primarily for the purpose checked below:

- (a) [] Equipment used in farming operations.
[] Farm Products.
[] Consumer goods (personal family or household goods)
(b) [] Fixtures to be used on real estate located in County of ... State of ... (and described in schedule attached).
(c) [x] Business (other than farming or farm products).
(d) [] Other (Explain).

It is hereby understood that Chicago West Pullman and Southern Railroad will act solely as managing agent for the debtor in the leasing of gondola cars, and neither the debtor nor any managing agent have any authority to grant a security interest in the above-described property other than to the secured party without the express written consent of the secured party hereto.

and if checked here [] will be acquired with proceeds of loans from the Secured Party which may disburse the proceeds thereof directly to the Seller.

3. The Collateral will be kept at is movable equipment, and it is the duty of the debtor to submit a quarterly written report to the secured party stating the location and condition of the above-described collateral

----- (No. and Street) ----- (City or Town) ----- (County) ----- (State) -----

until such time as written consent to a change is obtained from the Secured Party, and at no time will be moved from the State of Illinois.

4. If the Collateral is equipment used in farming operations or farm products, crops, or consumer goods, the Debtor's residence is in the County stated on the first line hereof; and the Debtor will immediately notify the Secured Party in writing of any change of address, will on demand of the Secured Party from time to time execute such further Financing Statements and Agreements as the Secured Party may reasonably request or as are necessary in the opinion of Secured Party to establish and maintain a valid security interest in the collateral.

5. If any or all of the Collateral has been or is to be attached to real estate, Debtor on demand of Secured Party shall furnish the Secured Party with a disclaimer or disclaimers signed by all persons having an interest in the real estate (including landowners, mortgage holders, and lessees) disclaiming any interest in the Collateral prior to the interest of the Secured Party; and

(a) The description of the real estate is that shown in the schedule attached.

(b) The title is (check one) recorded in Recorder's Office registered in the Torrens System; and

(c) The owner of record is whose address is

(No. and Street)

(City or Town)

(County)

(State)

6. Debtor at his expense will keep and maintain in force such insurance in such amounts covering loss or damage to the Collateral, including extended coverage, as is usually and customarily carried by owners of like property or as may be requested by Secured Party, including loss payable clauses if demanded.

7. Debtor will promptly, on demand pay all costs and expenses of filing and recording including the costs of any searches deemed necessary by Secured Party, to establish and determine the validity and the priority of the security interest of the Secured Party; and also all other claims and charges which in the opinion of Secured Party might prejudice, imperil or otherwise affect the Collateral or its security interest therein.

8. Secured Party may, at its option and without any burden or duty so to do, pay and discharge any and all amounts, costs, expenses and liabilities herein agreed to be paid by Debtor and all such amounts shall be Obligations hereunder due from Debtor to Secured Party without notice or demand therefor, and shall bear interest at the rate of 7% per annum from the dates of any such advances until repaid.

9. Until default, or until demand for possession by Secured Party, Debtor may retain possession of the Collateral and may use it in any lawful manner not inconsistent with this Security Agreement or with the provisions of any insurance thereon.

10. **DEFAULT.** In case any of the following events shall happen or occur, Debtor shall be in default:

(a) Any failure or neglect to comply with any of the terms, provisions, warranties or covenants of this Security Agreement; or

(b) Any failure to pay any of the Obligations when due at any original or renewed or extended maturity; or

(c) If the Collateral or any part thereof ceases to be personal property; or

(d) Any warranty, representation or statement made or furnished to Secured Party by or on behalf of Debtor shall be or prove to have been false when made or furnished; or

(e) Any loss, theft, substantial damage, destruction, or encumbrance to or of any of the Collateral or the voluntary or involuntary transfer of any of the Collateral by way of sale, creation of a security interest, attachment, levy, garnishment or other judicial process; or

(f) Death, dissolution, termination of existence, insolvency, business failure, assignment for the benefit of creditors of or by, or the commencement of any proceedings under any bankruptcy or insolvency laws or laws for the relief of debtors, by or against, Debtor (or if more than one any of them) or any guarantor or surety for any Debtor, or the appointment of a receiver, trustee, court appointee, or otherwise, for any part of the property of any of them.

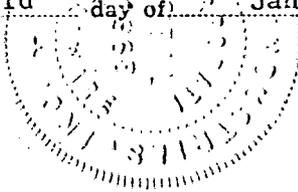
Upon any default and at any time or from time to time thereafter, the Secured Party may at its option and without notice or demand declare any one or more or all of the Obligations immediately due and payable, notwithstanding any provisions in any thereof to the contrary and may thereupon or at any time or times thereafter sell the Collateral or any part or parts thereof at any Brokers' Board, or at public or private sales, without notice, advertisement or demand of any kind and may apply the net proceeds, after deducting all costs and expenses for collection, sale and delivery, to the payment of any one or more or all of the Obligations, returning the residue if any on demand therefor; and at any Brokers' Board, recognized market or public sale, the Secured Party may purchase any part or parts of the Collateral or all thereof offered at such sale; and, in addition the Secured Party shall have all of the rights and remedies of a secured party under the Uniform Commercial Code. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market or Brokers' Board, the Secured Party will give the Debtor reasonable notice of the time and place of any public sale thereof or of the time after which intended disposition is to be made. The requirement of reasonable notice shall be met if such notice is mailed, postage prepaid, to the Debtor at the address given herein or if none to any address in the Secured Party's files, at least five days before the time of sale or other disposition. Expenses of retaking, holding, preparing for sale, selling or the like shall include Secured Party's reasonable attorneys' fees and legal expenses.

11. No default shall be waived by Secured Party except in writing and no waiver of any default shall operate as a waiver of any other default or of the same default on a future occasion. All rights of Secured Party hereunder shall be cumulative and shall inure to the benefit of itself, its successors and assigns; and all obligations of Debtor shall bind legal representatives and successors.

If there is more than one Debtor, all undertakings, warranties and covenants made by the Debtor and all rights, powers and authorities given to or conferred on the Secured Party shall be made or given jointly and severally.

IN WITNESS WHEREOF, this Security Agreement has been executed and delivered in Illinois by the Debtor on the

3rd day of January, A.D. 19 78



ALCO SPRING INDUSTRIES, INC.

Debtor

By