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DEC 21 1982 - 2 20 PM



INTERSTATE COMMERCE COMMISSION
2-355A102

FEE OPERATION BR.
I.C.C.

DEC 21 2 15 PM '82

RECEIVED

December 16, 1982

Mrs. Mildred Lee
Secretary
Interstate Commerce Commission
Washington, DC 20423

No.
Date DEC 21 1982
Fee \$ 50.00
ICC Washington, D. C.

Dear Mrs. Lee:

I have enclosed two originals and two copies of the document described below to be recorded pursuant to Section 11303 of Title 49 U.S. Code.

The document included is a Security Agreement, a primary document dated March 15, 1982.

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

Debtors: Atlantic & Western Financial Corporation
P.O. Box 1208
Sanford, North Carolina 27330

Atlantic & Western Railway Company
P.O. Box 1208
Sanford, North Carolina 27330

Secured Party: Evans Railcar Leasing Company
2550 Golf Road
Rolling Meadows, Illinois 60008

A description of the equipment covered by the document follows:

507 XF Boxcars: ATW 2001-2050, AAR# A120; ATW 3001-3021, AAR# A220; ATW 6000-6149, AAR# A120; ATW 4001, AAR# A220; ATW 10001-10050, AAR# A220; ATW 15000-15049, AAR# A220; ATW 15050-15074, AAR# A220; ATW 61000-61099, AAR# A220.

96 100 ton 50 foot 4750 cubic foot Covered Hoppers:
ATW 5100-5149, AAR# L153; ATW 20000-20049, AAR# L153.

24 XM Boxcars: AR 1000-1024, AAR# B105.

198 XP Boxcars: ATW 4100-4149, AAR# A200; ATW 4050-4099, AAR# A200; ATW 64000-64099, AAR# A200.

249 XL Boxcars: ATW 4200-4299, AAR# A200; HN 6000-6149, AAR# A200.

100 52 foot 6 inch 100 ton Gondolas:

ATW 11050-11124, AAR# G312, AR 2000-2024, AAR# G312.

A fee of \$50.00 if enclosed. Please return one original and two copies not needed by the Commission for recordation to Pamela B. Loewenstein, Evans Products Company, 2550 Golf Road, Rolling Meadows, Illinois 60008.

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

Security Agreement dated March 15, 1982 between Evans Railcar Leasing Company, Secured Party, and Atlantic and Western Railway Company and Atlantic and Western Financial Corporation, Debtors, covering 507 XF Boxcars ATW 2001-2050, 3001-3021, 6000-6149, 4001, 10001-10050, 15000-15049, 15050-15074, 61000-61099; 96 100 ton 50ft. 4750 cu.ft. Covered Hoppers ATW 5100-5149, 20000-20049; 24 XM Boxcars AR 1000-1024; 198 XP Boxcars ATW 4100-4149, 4050-4099, 64000-64099; 249 XL Boxcars ATW 4200-4299, HN 6000-6149; 100 52ft. 6in. 100 ton Gondolas ATW 11050-11124, AR 2000-2024.

Very truly yours,

Pamela B. Loewenstein

Pamela B. Loewenstein

PBL:jf

Enclosure

(17)

DEC 21 1982-2 20 PM

SECURITY AGREEMENT INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT dated as of March 15, 1982, by Atlantic and Western Railway Company and Atlantic and Western Financial Corporation (collectively "A&W") in favor of Evans Railcar Leasing Company ("Evans").

W I T N E S S E T H:

WHEREAS, pursuant to the terms of certain railcar lease agreements ("Leases") A&W leased approximately 1174 railcars from Evans consisting of boxcars, covered hoppers, and gondolas; and

WHEREAS, contemporaneous herewith, A&W and Evans are entering into an agreement (Agreement) providing for specified usage of the cash flow generated by such railcars; and

WHEREAS, A&W desires to give Evans a security interest in certain collateral to secure the obligations of A&W under the Leases, as modified by the Agreement.

NOW, THEREFORE, A&W hereby agrees as follows:

1. CREATION OF SECURITY INTEREST. In order to secure A&W's obligations to Evans under the Leases, as modified, A&W hereby creates in favor of and grants to Evans a security interest in all per diem receivables heretofore and hereinafter payable with respect to the railcars which are covered by the Leases and which are described in Exhibit "A" hereto and in any other accounts, rentals, fees, charges, rights or other income payable with respect to such railcars ("Collateral").

2. COVENANTS. A&W covenants and represents as follows:

(a) A&W will warrant and defend the Collateral against the claims and demands of all persons.

(b) A&W shall execute a financing statement or other document necessary to protect the security interest of Evans against the interest of third persons.

(c) This security agreement has been duly authorized, executed and delivered by A&W and constitutes a legal, valid and binding obligation of A&W, enforceable in accordance with its terms.

3. DEFAULT. Any misrepresentation on this statement in connection with this security agreement on the part of A&W or any noncompliance or nonperformance of A&W's obligations hereunder shall constitute a default. In addition, A&W shall be in default if any of the following events shall occur:

(a) Failure to comply with the terms and conditions of this security agreement, the Leases or the Agreement.

(b) The filing of a proceeding under any of the provisions of the Bankruptcy Act or any similar state law against debtor, or an application for the appointment of a receiver of A&W's property, or the making of an assignment for the benefit of A&W's creditors.

4. REMEDIES AND GOVERNING LAW. The terms of this security agreement shall be governed by the laws of the State of North Carolina. Upon a breach hereunder or under the Leases or Agreement, Evans shall have all the rights provided a secured party under the Interstate Commerce Act and under the Uniform Commercial Code as adopted in North Carolina.

5. BENEFITS. This security agreement shall be binding upon and shall inure the benefit of A&W and Evans and their respective successors and assigns.

IN WITNESS WHEREOF, A&W has executed this security agreement the day and year first above written.

[CORPORATE SEAL]

ATTEST:

ATLANTIC AND WESTERN FINANCIAL
CORPORATION

O. Troy Parks III SEC

By: W. B. Joyce V. Penn

[CORPORATE SEAL]

ATTEST:

ATLANTIC AND WESTERN RAILWAY
COMPANY

O. Troy Parks III SEC

By: W. B. Joyce V. Penn

New York
STATE OF ~~NORTH CAROLINA~~)
COUNTY OF *New York*) ss.

On this 15th day of March, 1982, before me personally appeared W. B. Joyce and O. Tracy Parks III to me personally known, who being by me duly sworn, say that they are respectively the President and Secretary of Atlantic and Western Financial Corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

NOTARY SEAL

Andrea M. Rafferty
Notary Public

My commission expires: _____

ANDREA M. RAFFERTY
Notary Public, State of New York
No. 31-4745688
Qualified in New York County
Commission Expires March 30, 1983

New York
STATE OF ~~NORTH CAROLINA~~)
COUNTY OF *New York*) ss.

On this 15th day of March, 1982, before me personally appeared W. B. Joyce and O. Tracy Parks III to me personally known, who being by me duly sworn, say that they are respectively the Vice President and Secretary of Atlantic and Western Railway Company, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

NOTARY SEAL

Andrea M. Rafferty
Notary Public

My commission expires: _____

ANDREA M. RAFFERTY
Notary Public, State of New York
No. 31-4745688
Qualified in New York County
Commission Expires March 30, 1983

EXHIBIT "A"

Description of Car: XF Boxcars

Number of Cars: 507

Reporting Numbers and Marks:

ATW 2001-2050 ✓

ATW 3001-3021 ✓

ATW 6000-6149 ✓

ATW 4001 ✓

ATW 10001-10050 ✓

HN ~~ATW~~ 1000-1099 or ATW 61000 - 61099 *HN*

ATW 15000-15049 ✓

ATW 15050-15074 ✓

HN 3000-3099 or ATW 63000 - 63099 *HN*

Description of Car: 100T 50' 4750 c.f. Covered Hoppers

Number of Cars: 96

Reporting Numbers and Marks:

ATW 5100-5149

ATW 20000-20049

Description of Car: XM Boxcars

Number of Cars: 24

Reporting Numbers and Marks:

AR 1000-1024

Description of Car: XP Boxcars

Number of Cars: 198

Reporting Numbers and Marks:

HN HN 4000-4099 or ATW 64000 - 64099 *HN*

ATW 4100-4149

ATW 4050-4099

Description of Car: XL Boxcars

Number of Cars: 249

Reporting Numbers and Marks:

HN 6000-6149

ATW 4200-4299

Description of Car: 52'6" 100T Gondolas

Number of Cars: ~~180~~ 100 *JMD*

Reporting Numbers and Marks:
ATW 11050-11124
AR 2000-2024