

COOPERSTOWN & CHARLOTTE VALLEY RAILROAD CORP.
1 Railroad Avenue
Cooperstown, New York 13326

0-176A031

No. JUN 23 1980

Date

Fee \$ 50.00

ICC Washington, D. C.

June 19, 1980

11925

RECORDATION NO. Filed 1425

JUN 24 1980 - 9 00 AM

INTERSTATE COMMERCE COMMISSION

Secretary of Interstate Commerce Commission
Washington
D. C. 20423

Re: Cooperstown & Charlotte Valley Railroad Corp. with
The National Bank and Trust Company of Norwich

Dear Sir:

Enclosed please find a Security Agreement dated June 14, 1980, between the Cooperstown & Charlotte Valley Railroad Corp. of 1 Railroad Avenue, Cooperstown, New York 13326, debtor, and The National Bank and Trust Company of Norwich, 52 South Broad Street, Norwich, New York 13815, secured party.

The Agreement covers an Alco Diesel Electric Locomotive, Road Switcher, Model RS-2, #100, carrying the Reporting Mark KTER.

A check in the amount of \$50.00 is enclosed in payment of the recordation fee.

When recorded, the original document should be returned to The National Bank and Trust Company of Norwich, Attention E. Paul Barrett, Vice President.

Very truly yours,

Malcolm C. Hughes

Malcolm C. Hughes, Secretary

FEE OPERATION BR.
I.C.C.

JUN 24 8 54 AM '80

RECEIVED

Interstate Commerce Commission
Washington, D.C. 20423

6/26/80

OFFICE OF THE SECRETARY

The Natl. Bank & Trust Co of Norwich
52 South Broad Street
Norwich, New York 13815

Dear **Sir:**

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **6/24/80** at **9:00am**, and assigned re-
recording number(s). **11925**

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

SECURITY AGREEMENT

Business Equipment (Except Farm Equipment)

Date: June 14 1980

Cooperstown & Charlotte Valley Railway Corp., 1 Railroad Avenue, Cooperstown
Name Cooperstown Rt. 1 Box Cooperstown City Cooperstown
Orange County New York State New York Zip Code 13320

herein called "Debtor", for valuable consideration, receipt whereof is hereby acknowledged, hereby grants to THE NATIONAL BANK AND TRUST COMPANY OF NORWICH at its Norwich Branch

72 South Broad Street Address Chenango County New York State New York Zip Code 13828

herein called the "Secured Party", a security interest in the following property and any and all additions and accessions thereto (herein called the "Collateral") and if written consent of secured party to sale is obtained as hereinafter provided, in contract rights with respect thereto and proceeds;

(1)	New or Used	Year	Make	Model	Serial or Identification

RECORDATION NO. 11925 Filed 1425

JUN 24 1980 - 9 00 AM

- (2) All business equipment (if checked).
- (3) Specific business equipment (if checked) described below:

INTERSTATE COMMERCE COMMISSION

Alco Diesel Electric Locomotive,
Engine #100, Reporting Mark KERN, Model RS-2

and other goods of the same class, whether such property is acquired by debtor prior to or at the time of this agreement or subsequent thereto, to secure payment of the total debt as evidenced hereby and by note or notes of debtor of even date herewith or any renewals or extensions thereof, and also any and all other liabilities of debtor to secured party, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, of whatever kind and whenever and however created and incurred (all hereinafter called the "Obligations").

REPRESENTATIONS AND WARRANTIES: Debtor hereby warrants and covenants:

1. That except for the security interest granted hereby, debtor is the owner of all collateral itemized above or presently fitting the above description, free from any adverse lien, security interest or encumbrance and will so own all collateral which hereafter fits said description; and that debtor will defend the collateral against all claims and demands of all persons at any time claiming the same or any interest therein;
2. That the collateral is bought or used primarily for business use and if checked here is being acquired with the proceeds of the note or notes, which secured party may disburse directly to seller of the collateral;
3. That the collateral will be kept at _____

Street or Road

City _____ County _____ State _____

(or if left blank, at the address shown at the beginning of this agreement);

4. That the debtor's place of business in said State is 1 Railroad Avenue

No. and Street

City _____ County _____ State _____

(or if left blank, at the address shown at the beginning of this agreement); and that all other places of business of debtor in said State outside of the county mentioned in the previous clause are located as follows: _____

City _____ County _____ City _____ County _____
and that debtor will immediately notify secured party in writing of any change in or discontinuance of debtor's place or places of business in said State;

5. That except as hereinafter provided debtor will not remove the collateral from the location or locations shown above without the written consent of secured party;

[Handwritten signatures and stamps]

6. That if the collateral is to be attached to real estate, a description of the real estate is as follows:

and the name of the record owner's is _____ and that if the collateral is attached to real estate prior to the perfection of the security interest granted hereby, debtor will on demand of secured party furnish the latter with a disclaimer or disclaimers, signed by all persons having an interest in the real estate, or any interest in the collateral which is prior to secured party's interest;

7. That if the collateral is of a type normally used in more than one State (such as automotive equipment, rolling stock, road building equipment, and the like) and debtor has a place of business in more than one State, the chief place of business of debtor is _____

No. and Street _____ City _____ County _____ State _____
(or if left blank, is that shown at the beginning of this agreement), and debtor will immediately notify secured party in writing of any change in debtor's chief place of business; and that if certificates of title are issued or outstanding with respect to any of the collateral, debtor will cause the interest of secured party to be properly noted thereon;

8. That no financing statement covering any collateral or any proceeds thereof is on file in any public office and that at the request of secured party, debtor will join with secured party in executing one or more financing statements pursuant to the Uniform Commercial Code in form satisfactory to secured party and will pay the cost of filing the same in all public offices wherever filing is deemed by secured party to be necessary or desirable;

9. THAT DEBTOR AUTHORIZES SECURED PARTY TO CHECK THE PROCEEDS BOX ON THE FINANCING STATEMENT, BUT UNDERSTANDS THAT THIS DOES NOT GIVE DEBTOR AUTHORITY, EXPRESS OR IMPLIED, TO SELL ALL OR ANY PART OF SAID COLLATERAL;

10. That debtor will not sell or offer to sell or otherwise transfer the collateral or any interest therein without the written consent of the secured party;

11. That debtor will have and maintain insurance at all times with respect to all collateral against risk of fire (including so-called extended coverage), theft and such other risks as secured party may require, and in case of motor vehicles, collision, containing such terms, in such form, for such periods and written by such companies as may be satisfactory to secured party, such insurance to be payable to secured party and debtor as their interest may appear; that all policies of insurance shall provide for ten days written minimum cancellation notice to secured party; that debtor shall furnish secured party with certificates or other evidence satisfactory to secured party of compliance with the foregoing insurance provisions; and that secured party may act as attorney for debtor in obtaining, adjusting, settling and cancelling such insurance and endorsing any drafts;

12. That debtor will keep the collateral and the proceeds thereof free from any adverse lien, security interest, or encumbrance and in good order, repair and condition, and will not waste or destroy the collateral or any part thereof; that debtor will not use the collateral in violation of any statute or ordinance; and that secured party may examine and inspect the collateral at any time, wherever located;

13. That debtor will pay promptly when due all taxes and assessments upon the collateral or for its use or operation or upon this agreement or upon any note or notes evidencing the obligations; at its option, secured party may discharge taxes, liens or security interests or other encumbrances at any time levied or placed on the collateral; may pay for insurance on the collateral and may pay for the maintenance and preservation of the collateral. Debtor agrees to reimburse secured party on demand for any payment made, or any expense incurred by secured party pursuant to the foregoing authorization.

POSSESSION OF COLLATERAL: Until default, debtor may have possession of the collateral and use it in any lawful manner not inconsistent with this agreement and not inconsistent with any policy of insurance thereon.

ADDITIONAL SECURITY AND INSTRUMENTS: Debtor will furnish further security for said indebtedness upon the request of secured party, correct any informalities, execute any written instruments and do any other act necessary to make effective the purposes of this instrument.

REQUIREMENTS WHERE SECURED PARTY'S WRITTEN PERMISSION TO SELL IS OBTAINED: IF SECURED PARTY HAS GIVEN WRITTEN AUTHORIZATION TO DEBTOR TO SELL ALL OR ANY PART OF THE COLLATERAL upon request of secured party at any time, debtor will deliver to secured party lists or copies of all accounts which are proceeds of collateral promptly after they arise, and will deliver to secured party promptly upon receipt all proceeds of the collateral, including proceeds of the accounts referred to above, received by debtor in the exact form in which they are received; that to evidence secured party's rights hereunder debtor will assign or endorse proceeds to secured party as secured party may request and secured party shall have full power to collect, compromise, endorse, sell or otherwise deal with proceeds in its own name or that of debtor; that there will be no offsets or credits against proceeds; and that secured party in its discretion may apply cash proceeds to the payment of any obligations secured hereby or may release such cash proceeds to debtor for use in the operation of debtor's business.

IF SECURED PARTY HAS GIVEN WRITTEN AUTHORIZATION TO DEBTOR TO SELL ALL OR ANY PART OF THE COLLATERAL, with respect to proceeds in the form of accounts, secured party may at any time notify account debtors that the accounts have been assigned to secured party and shall be paid to secured party; and that upon request of secured party at any time debtor will so notify such account debtors and will indicate on all invoices to such account debtors that the accounts are payable to secured party.

DEFAULT: Debtor shall be in default under this agreement upon the happening of any of the following events or conditions:

1. default in the payment or performance of any obligation, covenant or liability contained or referred to herein or in any note evidencing the same;
2. any warranty, representation or statement made or furnished to secured party by or on behalf of debtor proves to have been false in any material respect when made or furnished;
3. any event which results in the acceleration of the maturity of the indebtedness of debtor to others under any indenture, agreement or undertaking;
4. loss, theft, damage, destruction, sale or encumbrance to or of any of the collateral, or the making of any levy, seizure or attachment thereof or thereon;
5. death, dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against debtor or any guarantor or surety for debtor.

REMEDIES: Upon such default and at any time thereafter secured party may declare all obligations secured hereby immediately due and payable and shall have the remedies of a secured party under the Uniform Commercial Code. Secured party may require debtor to assemble the collateral and make it available to secured party at a place to be designated by secured party which is reasonably convenient to both parties. Unless the collateral is perishable or threatens to decline speedily in value, or is of a type customarily sold on a recognized market, secured party will give debtor reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. The requirements of reasonable notice shall be met if such notice is mailed, postage prepaid, to the address of debtor shown at the beginning of this agreement at least five days before the time of sale or disposition. Expenses of re-taking, holding, preparing for sale, selling, or the like shall include secured party's reasonable attorney's fees and legal expenses.

MISCELLANEOUS: No waiver by secured party 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 inure to the benefit of its successors and assigns; and all obligations of debtor shall bind his heirs, executors, or administrators, or his or its successors or assigns. If there be more than one debtor, their obligations hereunder shall be joint and several.

This agreement shall become effective when it is signed by debtor.

No modification, rescission, waiver, release or amendment of any provision of this security agreement shall be made except by a written agreement subscribed by debtor and by secured party.

The law governing this secured transaction shall be that of the State of New York in force at the date of this security agreement.

DEBTOR IRREVOCABLY AUTHORIZES SECURED PARTY, ITS SUCCESSORS OR ASSIGNS TO FILE A FINANCING STATEMENT OR STATEMENTS SIGNED BY SECURED PARTY ONLY.

THE NATIONAL BANK AND TRUST COMPANY OF NORWICH
Secured Party

By: _____
Title _____

Cooperstown & Charlotte Valley Railway Corp.
By: _____
Debtor
Bedford, Massachusetts Corporation
By: _____

STATE OF NEW YORK:
COUNTY OF OTSEGO : ss.

On the 14th day of June 1980, before me personally came WALTER RICH, to me known, who, being by me duly sworn, did depose and say that he resides at Franklin, New York, that he is the President of the Cooperstown & Charlotte Valley Railway Corporation, the corporation described in and which executed the foregoing security agreement; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the board of directors of said corporation, and that he signed his name thereto by like order.

MALCOLM C. HUGHES
Notary Public, State of New York
Originally Qualified in Delaware County
My Commission Expires March 30, 1981.


Notary Public

SECURITY AGREEMENT

Business Equipment (Except Farm Equipment)

Date: _____ 19____

Name _____ Rt. _____ Box _____ City _____

County _____ State _____ Zip Code _____

herein called "Debtor", for valuable consideration, receipt whereof is hereby acknowledged, hereby grants to THE NATIONAL BANK AND TRUST COMPANY OF NORWICH at its _____ Branch

Address _____ County _____ State _____ Zip Code _____

herein called the "Secured Party", a security interest in the following property and any and all additions and accessions thereto (herein called the "Collateral") and if written consent of secured party to sale is obtained as hereinafter provided, in contract rights with respect thereto and proceeds;

(1)	New or Used	Year	Make	Model	Serial or Identification

RECORDATION No. 11925 Filed 1980

JUN 24 1980 9 00 AM

INTERSTATE COMMERCE COMMISSION

- (2) All business equipment (if checked).
- (3) Specific business equipment (if checked) described below:

and other goods of the same class, whether such property is acquired by debtor prior to or at the time of this agreement or subsequent thereto, to secure payment of the total debt as evidenced hereby and by note or notes of debtor of even date herewith or any renewals or extensions thereof, and also any and all other liabilities of debtor to secured party, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, of whatever kind and whenever and however created and incurred (all hereinafter called the "Obligations").

REPRESENTATIONS AND WARRANTIES: Debtor hereby warrants and covenants:

1. That except for the security interest granted hereby, debtor is the owner of all collateral itemized above or presently fitting the above description, free from any adverse lien, security interest or encumbrance and will so own all collateral which hereafter fits said description; and that debtor will defend the collateral against all claims and demands of all persons at any time claiming the same or any interest therein;
2. That the collateral is bought or used primarily for business use and if checked here is being acquired with the proceeds of the note or notes, which secured party may disburse directly to seller of the collateral;
3. That the collateral will be kept at _____

Street or Road

City _____ County _____ State _____
(or if left blank, at the address shown at the beginning of this agreement);

4. That the debtor's place of business in said State is _____

No. and Street

City _____ County _____ State _____
(or if left blank, at the address shown at the beginning of this agreement); and that all other places of business of debtor in said State outside of the county mentioned in the previous clause are located as follows: _____

City _____ County _____ City _____ County _____
and that debtor will immediately notify secured party in writing of any change in or discontinuance of debtor's place or places of business in said State;

5. That except as hereinafter provided debtor will not remove the collateral from the location or locations shown above without the written consent of secured party;

6. That if the collateral is to be attached to real estate, a description of the real estate is as follows:

and the name of the record owner's is _____

and that if the collateral is attached to real estate prior to the perfection of the security interest granted hereby, debtor will on demand of secured party furnish the latter with a disclaimer or disclaimers, signed by all persons having an interest in the real estate, or any interest in the collateral which is prior to secured party's interest;

7. That if the collateral is of a type normally used in more than one State (such as automotive equipment, rolling stock, road building equipment, and the like) and debtor has a place of business in more than one State, the chief place of business of debtor is _____

No. and Street _____ City _____ County _____ State _____
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9. THAT DEBTOR AUTHORIZES SECURED PARTY TO CHECK THE PROCEEDS BOX ON THE FINANCING STATEMENT, BUT UNDERSTANDS THAT THIS DOES NOT GIVE DEBTOR AUTHORITY, EXPRESS OR IMPLIED, TO SELL ALL OR ANY PART OF SAID COLLATERAL;

10. That debtor will not sell or offer to sell or otherwise transfer the collateral or any interest therein without the written consent of the secured party;

11. That debtor will have and maintain insurance at all times with respect to all collateral against risk of fire (including so-called extended coverage), theft and such other risks as secured party may require, and in case of motor vehicles, collision, containing such terms, in such form, for such periods and written by such companies as may be satisfactory to secured party, such insurance to be payable to secured party and debtor as their interest may appear; that all policies of insurance shall provide for ten days written minimum cancellation notice to secured party; that debtor shall furnish secured party with certificates or other evidence satisfactory to secured party of compliance with the foregoing insurance provisions; and that secured party may act as attorney for debtor in obtaining, adjusting, settling and cancelling such insurance and endorsing any drafts;

12. That debtor will keep the collateral and the proceeds thereof free from any adverse lien, security interest, or encumbrance and in good order, repair and condition, and will not waste or destroy the collateral or any part thereof; that debtor will not use the collateral in violation of any statute or ordinance; and that secured party may examine and inspect the collateral at any time, wherever located;

13. That debtor will pay promptly when due all taxes and assessments upon the collateral or for its use or operation or upon this agreement or upon any note or notes evidencing the obligations; at its option, secured party may discharge taxes, liens or security interests or other encumbrances at any time levied or placed on the collateral; may pay for insurance on the collateral and may pay for the maintenance and preservation of the collateral. Debtor agrees to reimburse secured party on demand for any payment made, or any expense incurred by secured party pursuant to the foregoing authorization.

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1. default in the payment or performance of any obligation, covenant or liability contained or referred to herein or in any note evidencing the same;
2. any warranty, representation or statement made or furnished to secured party by or on behalf of debtor proves to have been false in any material respect when made or furnished;
3. any event which results in the acceleration of the maturity of the indebtedness of debtor to others under any indenture, agreement or undertaking;
4. loss, theft, damage, destruction, sale or encumbrance to or of any of the collateral, or the making of any levy, seizure or attachment thereof or thereon;
5. death, dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against debtor or any guarantor or surety for debtor.

REMEDIES: Upon such default and at any time thereafter secured party may declare all obligations secured hereby immediately due and payable and shall have the remedies of a secured party under the Uniform Commercial Code. Secured party may require debtor to assemble the collateral and make it available to secured party at a place to be designated by secured party which is reasonably convenient to both parties. Unless the collateral is perishable or threatens to decline speedily in value, or is of a type customarily sold on a recognized market, secured party will give debtor reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. The requirements of reasonable notice shall be met if such notice is mailed, postage prepaid, to the address of debtor shown at the beginning of this agreement at least five days before the time of sale or disposition. Expenses of re-taking, holding, preparing for sale, selling, or the like shall include secured party's reasonable attorney's fees and legal expenses.

MISCELLANEOUS: No waiver by secured party 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 inure to the benefit of its successors and assigns; and all obligations of debtor shall bind his heirs, executors, or administrators, or his or its successors or assigns. If there be more than one debtor, their obligations hereunder shall be joint and several.

This agreement shall become effective when it is signed by debtor.
No modification, rescission, waiver, release or amendment of any provision of this security agreement shall be made except by a written agreement subscribed by debtor and by secured party.

The law governing this secured transaction shall be that of the State of New York in force at the date of this security agreement.
DEBTOR IRREVOCABLY AUTHORIZES SECURED PARTY, ITS SUCCESSORS OR ASSIGNS TO FILE A FINANCING STATEMENT OR STATEMENTS SIGNED BY SECURED PARTY ONLY.

Cooperstown & Charlotte Valley Railway Corp.

by: 

Debtor: Cooperstown & Charlotte Valley Railway Corp.

By: _____

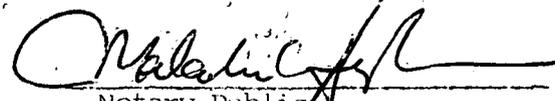
THE NATIONAL BANK AND TRUST COMPANY OF NORWICH
Secured Party

By:  _____
Title _____

STATE OF NEW YORK:
COUNTY OF OTSEGO : ss.

On the 14th day of June 1980, before me personally came WALTER RICH, to me known, who, being by me duly sworn, did depose and say that he resides at Franklin, New York, that he is the President of the Cooperstown & Charlotte Valley Railway Corporation, the corporation described in and which executed the foregoing security agreement; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the board of directors of said corporation, and that he signed his name thereto by like order.

MALCOLM C. HUGHES
Notary Public, State of New York
Originally Qualified in Delaware County
My Commission Expires March 30, 1981.


Notary Public