

NEW NO. (2)
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LAW OFFICES
ALVORD AND ALVORD

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD
ALBERT H. GREENE
CARL C. DAVIS*
CHARLES T. KAPPLER
JOHN H. DOYLE
MILTON C. GRACE*
GEORGE JOHN KETO**
RICHARD N. BAGENSTOS

200 WORLD CENTER BUILDING

916 SIXTEENTH STREET, N.W.

WASHINGTON, D.C. **

20006

RECORDATION NO. 11863 Filed 1425

OF COUNSEL
JESS LARSON
URBAN A. LESTER

CABLE ADDRESS
"ALVORD"

TELEPHONE
AREA CODE 202
393-2266

TELEX
440348 COAA UI

* NOT A MEMBER OF D.C. BAR
** ALSO A MEMBER OF OHIO BAR

0-151A016, 1980 MAY 30 1980 - 11 10 AM

No. Date MAY 30 1980 INTERSTATE COMMERCE COMMISSION

Fee \$ 50.00

ICC Washington, D. C.

Agatha L. Mergenovich, Secretary
Interstate Commerce Commission
Washington, D.C. 20434

Dear Madam:

Enclosed for recordation pursuant to the provisions of Section §11303(a) of Title 49 of the United States Code and the regulations thereunder is a Security Agreement-Leased Personal Property dated April 30, 1980 (to which is attached a copy of a Financing Statement dated May 23, 1980 which was recorded in the office of the County Clerk of Lancaster County, Nebraska).

A general description of the railroad equipment covered by the enclosed document is, as follows:

One hundred (100) 4750 cubic foot capacity covered hopper cars with triple compartment construction bearing reporting mark and numbers LGIX 460 through LGIX 559, both inclusive.

The names and addresses of the parties to the enclosed document (and Financing Statement) are:

Debtor: Fremont and Western, Inc.
6400 Cornhusker Highway
Lincoln, Nebraska 68501

Secured Party: Bank of America NT & SA
6400 San Fernando Road
Glendale, California 91201

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MAY 30 11 05 AM '80
I.C.C.
FEE OPERATION BR.

Handwritten signature: C.T. Kappler

Agatha L. Mergenovich, Secretary
May 30, 1980
Page Two

The undersigned is agent for the Debtor mentioned in the enclosed document for the purpose of submitting the enclosed document for recordation and has knowledge of the matter set forth therein.

Also enclosed is a remittance in the amount of \$50 in payment of the required recordation fee.

Very truly yours,

ALVORD AND ALVORD

By Charles T. Kappler
Charles T. Kappler

ICC Copy
11863

SECURITY AGREEMENT -
LEASED PERSONAL PROPERTY

RECORDATION NO. Filed 1425

MAY 30 1980 - 11 10 AM

INTERSTATE COMMERCE COMMISSION

1. THE SECURITY. The undersigned FREMONT AND WESTERN, INC., a Kansas Corporation, hereinafter called "Borrower", hereby transfers, sets over, assigns and grants to BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, a national banking association, hereinafter called "Bank", a security interest in the following described property, all such property hereinafter collectively called "Collateral":

cont add
MARCH 1 A. That certain lease of personal property dated _____, 1980, by and between the Borrower as lessor, and Lincoln Grain, Inc. as lessee ("Lease"), and any extensions or renewals thereof, and all accounts, contract rights, chattel paper, instruments and general intangibles which are derived from said Lease or which relate to the personal property subject to the Lease, whether due or to become due and whether or not earned by performance, all of which are hereinafter called "Receivables."

B. The personal property subject to said Lease ("Inventory"), including without limitation the personal property described in Exhibit A attached hereto, and all additions to and substitutions for said personal property.

C. All proceeds of Receivables and Inventory.

D. All rights to insurance and the proceeds thereof covering any of the above property.

2. THE INDEBTEDNESS. The Collateral secures and will secure all Indebtedness of Borrower to Bank. For the purposes of this Security Agreement, "Indebtedness" shall mean all loans and advances made by Bank to Borrower and all other obligations and liabilities of Borrower to Bank, whether now existing or hereafter incurred or created, whether voluntary or involuntary, whether due or not due, whether absolute or contingent, or whether incurred directly or acquired by Bank by assignment or otherwise.

3. BORROWER'S COVENANTS. Borrower covenants and warrants that, unless compliance is waived by Bank in writing:

A. Borrower has the right, power and authority to grant a security interest in the Collateral to Bank. To the extent the Collateral is in the control of Borrower, Borrower will properly maintain and care for the Collateral.

B. Borrower will notify Bank in writing prior to any change in Borrower's place of business, or, if Borrower has or acquires more than one place of business, prior to any change in Borrower's chief executive office, or the office or offices where Borrower's books and records concerning Receivables are kept.

C. Borrower will immediately notify Bank of any proposed or actual change of Borrower's name, identity or corporate structure.

D. Borrower will maintain such insurance covering the Collateral as is customary for businesses similar to the business of Borrower and, at the request of Bank, name Bank as loss payee of such insurance.

E. Borrower has not granted and will not grant any security interest in any of the Collateral to any person other than Bank, and has not executed and will not execute any security agreement or financing statement covering any of the Collateral except to Bank.

F. Borrower will not sell, contract for sale or otherwise dispose of any of the Collateral except in the ordinary course of business as heretofore conducted by Borrower.

G. Borrower will promptly notify Bank in writing of any event which affects the value of the Collateral, the ability of Borrower or Bank to dispose of the Collateral, or the rights and remedies of Bank in relation thereto, including, but not limited to, the levy of any legal process against the Collateral and the adoption of any marketing order, arrangement or procedure affecting the Collateral, whether governmental or otherwise.

H. The Borrower will cause this Security Agreement, the Lease and all financing and continuation statements and similar notices required by applicable law, at all times to be kept, recorded and filed at its own expense in such manner and in such places as may be required by Bank in order to preserve and protect the rights of Bank hereunder and will,

upon request of and at no expense to Bank, furnish to Bank promptly after the execution and delivery of this Security Agreement an opinion of counsel stating that in the opinion of such counsel this Security Agreement has been properly recorded or filed for record so as to make effective of record the lien intended to be created hereby.

I. Until Bank exercises its rights to make collection, Borrower will diligently collect all Receivables and keep accurate books and records of the Receivables and all collections thereof.

4. ADDITIONAL OPTIONAL REQUIREMENTS. Borrower agrees that Bank may at any time and at its option, in the event that Borrower is in default:

A. Require Borrower to segregate all collections and proceeds of the Collateral so that they are capable of identification and deliver daily such proceeds to Bank in kind.

B. Require Borrower to periodically deliver to Bank records and schedules, which show the status and condition of the Collateral, where it is located and such contracts or other matters which affect the Collateral.

C. Verify the Collateral and inspect the books and records of Borrower and make copies thereof or extracts therefrom.

D. Require Borrower to deliver to Bank any Receivables evidenced by instruments or chattel paper.

E. Require Borrower to obtain Bank's prior written consent to any sale, contract of sale or other disposition of any Inventory.

F. Notify any account debtors, any buyers of the Collateral or any other persons of Bank's interest in the Collateral and the proceeds thereof.

G. Require Borrower to direct all account debtors to forward all remittances, payments and proceeds of the Collateral to a post office box under Bank's exclusive control.

H. Demand and collect any Receivables and any proceeds of the Collateral. In connection therewith Borrower irrevocably authorizes Bank to endorse or sign Borrower's name on all collections, receipts or other documents, take possession of and open the mail addressed to Borrower and remove therefrom payments of Receivables and proceeds of the Collateral and to sue for all sums payable under the terms of said Lease either in the name of Borrower or in the name of Bank, with the same force and effect as Borrower could do if this Security Agreement had not been entered into.

5. DEFAULTS. Any one or more of the following shall be a default hereunder.

A. Borrower shall fail to pay any Indebtedness to Bank when due.

B. Borrower shall breach any term, provision, warranty or representation under this Security Agreement, or under

any other security agreement, contract between Borrower and Bank or obligation of Borrower to Bank.

C. The appointment of any receiver or trustee of all or a substantial portion of the assets of Borrower.

D. Borrower shall become insolvent or unable to pay debts as they mature, shall make a general assignment for the benefit of creditors or shall voluntarily file under any bankruptcy or similar law.

E. Any involuntary petition in bankruptcy shall be filed against Borrower and not be dismissed within 60 days.

F. Any levies of attachment, executions, tax assessments or similar processes shall be issued against the Collateral and shall not be released within ten days thereof.

G. Any financial statements, profit and loss statements, borrowing certificates or schedules, or other statements furnished by Borrower to Bank prove false or incorrect in any material respect.

6. BANK'S REMEDIES AFTER DEFAULT. In the event of any default under any agreement or note entered into by Borrower and Bank or under the Lease, Bank may do any one or more of the following:

A. Declare any Indebtedness secured hereby immediately due and payable.

B. Enforce the security interest given hereunder pursuant to the Uniform Commercial Code or any other law.

C. Require Borrower to assemble the Collateral and the records pertaining to Receivables and make them available to Bank at a place designated by Bank.

D. Enter the premises of Borrower and take possession of the Collateral and of the records pertaining to Receivables and any other Collateral.

E. Grant extensions, compromise claims and settle Receivables for less than face value, all without prior notice to Borrower.

F. Use, in connection with any assembly or disposition of the Collateral, any trade mark, trade name, trade style, copyright, patent right or technical process used or utilized by Borrower.

7. MISCELLANEOUS.

A. Any waiver, express or implied, of any provision hereunder and any delay or failure by Bank to enforce any provision shall not preclude Bank from enforcing any such provision thereafter.

B. Borrower shall, at the request of Bank, execute such other agreements, documents or instruments in connection with this Agreement as Bank may reasonably deem necessary.

C. All notes, security agreements, subordination agreements and other documents executed by Borrower or furnished to Bank in connection with this Agreement must be in form and substance satisfactory to Bank.

D. This Agreement shall be governed by and construed according to the laws of the State of California, to the jurisdiction of which the parties hereto submit.

E. All rights and remedies herein provided are cumulative and not exclusive of any rights or remedies otherwise provided by law. Any single or partial exercise of any right or remedy shall not preclude the further exercise thereof or the exercise of any other right or remedy.

F. All terms not defined herein are used as set forth in the Uniform Commercial Code.

G. In the event of any action by Bank to enforce this Agreement or to protect the security interest of Bank in the Collateral, Borrower agrees to pay the costs thereof, reasonable attorney's fees and other expenses.

H. Nothing herein contained shall be construed to impose upon Bank any of the obligations of Borrower under said Lease.

EXECUTED this ^{BOM 3000} 30th day of ^{BOM 3000} APRIL, 1980

at _____, California.

FREMONT AND WESTERN, INC.

BY

B. C. Macy

BY

Ardean A. Arnold

BANK OF AMERICA NATIONAL
TRUST AND SAVINGS ASSOCIATION

By _____

By _____

Receipt is hereby acknowledged this ^{BOMT AAA} 30TH day of ^{BOMT AAA} APRIL, 1980, of a duplicate original of the foregoing Security Agreement covering all monies and rentals due and to become due under that certain Lease Agreement dated ^{BOMT AAA} MARCA, 1980, hereinafter called "Lease", entered into by and between Fremont and Western, Inc. as lessor and the undersigned as lessee.

The undersigned agrees to pay all rentals and monies due or to become due under said Lease to Bank of America National Trust and Savings Association at its West Glendale Branch, and further agrees that it has no counterclaim or offset against rentals due thereunder, and, as to said Bank, hereby waives all rights of termination under said Lease and any counterclaims or offsets against said rentals thereunder which may hereafter arise; provided, however, that the undersigned may terminate said Lease by prepayment of all rentals provided to be paid thereunder, if such termination be provided therein.

LINCOLN GRAIN, INC.

By

Bill C. Mary

By

Ardean A. Arnold

Nebraska

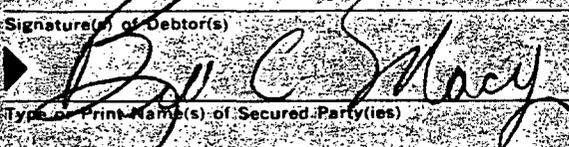
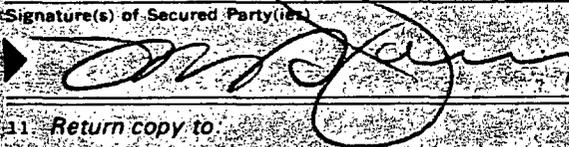
This FINANCING STATEMENT is presented for filing pursuant to the ~~California~~ Uniform Commercial Code

1. DEBTOR (Last name first—If an individual) Fremont & Western, Inc.		1A. SOCIAL SECURITY OR FEDERAL TAX NO. 47-0692787
1B. MAILING ADDRESS 6400 Cornhusker Hwy.	1C. CITY, STATE Lincoln, Nebraska	1D. ZIP CODE 68501
2. ADDITIONAL DEBTOR (If any) (Last name first—If an individual)		2A. SOCIAL SECURITY OR FEDERAL TAX NO.
2B. MAILING ADDRESS		2C. CITY, STATE
2D. ZIP CODE		2E. FEDERAL TAX NUMBER
3. DEBTOR'S TRADE NAMES OR STYLES (If any)		3A. FEDERAL TAX NUMBER
4. SECURED PARTY Name: Bank of America NT & SA Mailing Address: 6400 San Fernando Road City: Glendale State: California Zip Code: 91201		4A. SOCIAL SECURITY NO., FEDERAL TAX NO. OR BANK IDENTIFICATION NUMBER BA-0433
5. ASSIGNEE OF SECURED PARTY (If any) Name: Mailing Address: City: State: Zip Code:		5A. SOCIAL SECURITY NO., FEDERAL TAX NO. OR BANK IDENTIFICATION NUMBER

6. This FINANCING STATEMENT covers the following types or items of property (include description of real property on which located and owner of record when required by instruction 4).

The following described equipment described in the supplemental sheets located ~~HEREIN~~ General Specification HC3-47A 100-Ton Welded Triple covered Hopper Car with through center sill Center Hoppers with Gravity Discharge 6,750 Cubic Foot Capacity. 100 covered railroad hopper cars, car numbers LGIX 460 through 559.

7. CHECK IF APPLICABLE <input checked="" type="checkbox"/>	7A. PRODUCTS OF COLLATERAL ARE ALSO COVERED <input type="checkbox"/>	7B. DEBTOR(S) SIGNATURE NOT REQUIRED IN ACCORDANCE WITH INSTRUCTION 5(a) ITEM: <input type="checkbox"/> (1) <input type="checkbox"/> (2) <input type="checkbox"/> (3) <input type="checkbox"/> (4)
8. CHECK IF APPLICABLE <input checked="" type="checkbox"/>	DEBTOR IS A "TRANSMITTING UTILITY" IN ACCORDANCE WITH UCC § 9105 (1) (n) AND THIS FINANCING STATEMENT IS EFFECTIVE UNTIL A TERMINATION STATEMENT IS FILED <input type="checkbox"/>	

9. Type or Print Name(s) of Debtor(s) Fremont & Western, Inc.	DATE May 23, 1980	10. THIS SPACE FOR USE OF FILING OFFICER (DATE, TIME, FILE NUMBER AND FILING OFFICER)
Signature(s) of Debtor(s) 		
Type or Print Name(s) of Secured Party(ies) Bank of America NT & SA		
Signature(s) of Secured Party(ies) 		
11. Return copy to:		
NAME	Bank of America NT & SA	
ADDRESS	6400 San Fernando Road	
CITY	Glendale, California 91201	
STATE		
ZIP CODE		

(2) FILING OFFICER ACKNOWLEDGMENT Filing Officer is requested to note file number, date and hour of filing on this copy & return to above party