

# Farm Credit Banks of Omaha

206 S. 19th Street  
Omaha, Nebraska 68102  
Telephone (402) 444-3333



Date 12/2/85  
Fee \$ 10.00

November 22, 1985

CC Washington, D. C.

## LETTER OF TRANSMITTAL

TO: Interstate Commerce Commission  
Room 2303  
12th Street & Constitution Avenue, N.W.  
Washington, D.C. 20423

14855

RECORDATION NO. .... FILE 1425

**DEC 2 1985 - 10 30 AM**

**INTERSTATE COMMERCE COMMISSION**

ATTENTION: Mildred Lee

Attached to this Letter of Transmittal are four copies of a Security Agreement between NEW Cooperative, Inc., 2626 First Avenue South, Fort Dodge, Iowa, as Debtor, and Omaha Bank for Cooperatives, 800 Farm Credit Building, 206 South 19th Street, Omaha, Nebraska, as Creditor, covering fifty (50) Pullman Standard Lot No. 1122 100-ton covered hopper cars each bearing the following car identifications:

ALEX1100	ALEX1125
ALEX1101	ALEX1126
ALEX1102	ALEX1127
ALEX1103	ALEX1128
ALEX1104	ALEX1129
ALEX1105	ALEX1130
ALEX1106	ALEX1131
ALEX1107	ALEX1132
ALEX1108	ALEX1133
ALEX1109	ALEX1134
ALEX1110	ALEX1135
ALEX1111	ALEX1136
ALEX1112	ALEX1137
ALEX1113	ALEX1138
ALEX1114	ALEX1139
ALEX1115	ALEX1140
ALEX1116	ALEX1141
ALEX1117	ALEX1142
ALEX1118	ALEX1143
ALEX1119	ALEX1144
ALEX1120	ALEX1145
ALEX1121	ALEX1146
ALEX1122	ALEX1147
ALEX1123	ALEX1148
ALEX1124	ALEX1149

Interstate Commerce Commission

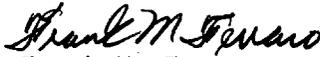
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November 22, 1985

We are enclosing this Bank's check in the amount of \$10.00 to cover the recording fee. After this Security Agreement has been filed, please return two copies to Omaha Bank for Cooperatives, 800 Farm Credit Building, 206 South 19th Street, Omaha, Nebraska 68102, with the filing information thereon.

Thank you for your attention to this matter.

Yours very truly,

  
Frank M. Ferraro  
Appraiser

FMF:dr  
Enclosures

Interstate Commerce Commission  
Washington, D.C. 20423

12/2/85

OFFICE OF THE SECRETARY

Omaha Bank For Cooperatives  
800 Farm Credit Building  
206 South 19th Street  
Omaha, Nebraska 68102

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 12/2/85 at 10:30am , and assigned re-  
recording number (s). 14855

Sincerely yours,

*Agatha L. Mergenovich*  
Agatha L. Mergenovich  
Secretary

Enclosure(s)

SE-30  
(7/79)

SECURITY AGREEMENT

REGISTRATION NO. 1855 Filed 1985

THIS AGREEMENT, made this 31st day of October, 1985, by and between

DEC 2 1985 - 10 30 AM

NEW COOPERATIVE, INC.

INTERSTATE COMMERCE COMMISSION

a cooperative, as defined by the Farm Credit Act of 1971 and any amendments thereto, created and existing under the laws of the State of

Iowa, whose mailing address is 2626 First Avenue South, Fort Dodge, Iowa

hereinafter called the "Debtor" and Omaha Bank for Cooperatives, a corporation incorporated under the laws of the United States of America, whose address is 800 Farm Credit Building, 206 South 19th Street, Omaha, Nebraska 68102, hereinafter called the "Secured Party".

WHEREAS, the Debtor has agreed to borrow money from the Secured Party, the Secured Party has committed to make advances to the Debtor, and the Debtor hereafter expects to seek additional loans and advances from Secured Party and desires to grant to Secured Party a security interest in Debtor's properties to secure the payment of all such borrowings, such advances and future advances, and any and all other indebtedness, liabilities or obligations of Debtor to Secured Party.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH: That in order to secure the payment of all loans and advances now or in the future made, and all other indebtedness, liabilities or obligations of the Debtor to Secured Party now existing or hereafter incurred, and any extensions or renewals thereof, and to secure the performance of all terms, covenants and conditions required of the Debtor in accordance with the terms of this Security Agreement, and the terms of a Loan Agreement and all Supplements to said Loan Agreement entered into between the Secured Party and the Debtor, and any Demand Promissory Notes evidencing the indebtedness secured hereby, the Debtor grants unto Secured Party a security interest in the property generally described as follows and the products and proceeds thereof:

Fifty (50) Pullman Standard Lot No. 1122 100-ton covered hopper cars with a 4,750 cu. ft. capacity, each bearing the following car identifications:

- |          |          |
|----------|----------|
| ALEX1100 | ALEX1125 |
| ALEX1101 | ALEX1126 |
| ALEX1102 | ALEX1127 |
| ALEX1103 | ALEX1128 |
| ALEX1104 | ALEX1129 |
| ALEX1105 | ALEX1130 |
| ALEX1106 | ALEX1131 |
| ALEX1107 | ALEX1132 |
| ALEX1108 | ALEX1133 |
| ALEX1109 | ALEX1134 |
| ALEX1110 | ALEX1135 |
| ALEX1111 | ALEX1136 |
| ALEX1112 | ALEX1137 |
| ALEX1113 | ALEX1138 |
| ALEX1114 | ALEX1139 |
| ALEX1115 | ALEX1140 |
| ALEX1116 | ALEX1141 |
| ALEX1117 | ALEX1142 |
| ALEX1118 | ALEX1143 |
| ALEX1119 | ALEX1144 |
| ALEX1120 | ALEX1145 |
| ALEX1121 | ALEX1146 |
| ALEX1122 | ALEX1147 |
| ALEX1123 | ALEX1148 |

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Debtor covenants and agrees with the Secured Party as follows:

1. That Debtor will join with Secured Party in executing Financing Statements pursuant to the **Iowa** Uniform Commercial Code in a form satisfactory to Bank and to pay the cost of filing the same.
2. That the Debtor holds title to the above described property free and clear of all liens and encumbrances and prior security interests, and the Debtor will defend the property and interests of the Secured Party in said property against the claims and demands of all persons.
3. That the Debtor will not permit any Financing Statement or Security Agreement covering any of the above described property to be filed pursuant to said **Iowa** Uniform Commercial Code, except Financing Statements or Security Agreements in favor of the Secured Party.
4. That the Debtor will pay, or cause to be paid when due, all indebtedness and future advances hereby secured and any renewals or extensions thereof, together with all interest thereon and all other sums payable by the Debtor in accordance with the terms of this Agreement, the Loan Agreement entered into between Debtor and Secured Party, and all Supplements to said Loan Agreement and any Demand Promissory Notes secured hereby, or any renewals or extensions, and any real estate mortgages also securing the indebtedness secured hereby.
5. That the Debtor will pay when due all taxes, levies, assessments, or other claims which are or may become liens against the above described property. The Debtor will keep the above described property insured in such manner as the Secured Party shall require. In the event the Secured Party pays any rents, taxes, levies, charges, or other liens whatsoever affecting the said property, or insurance premiums, the same shall become a part of the debt hereby secured, and shall be payable on demand, with interest at the rate of 18 percent per annum.
6. That nothing herein contained shall be construed to obligate the Secured Party to make any loans or advances to the Debtor and that the sole purpose of this instrument is to provide collateral security for the liabilities and obligations of Debtor to Secured Party and for present existing indebtedness and loans and advances which, in the absolute discretion of the Secured Party, may hereafter be made to the Debtor.
7. That the Debtor shall care for and maintain the property herein described in a reasonable manner, and shall allow the Secured Party or its agent to inspect the property at any reasonable time or location.
8. That the Debtor will perform and observe all of the terms, covenants and conditions of the Loan Agreement and all Supplements to said Loan Agreement entered into between the Secured Party and the Debtor in connection with any of the indebtedness secured hereby.
9. That the Debtor will not voluntarily transfer, sell or convey, nor allow an involuntary transfer (by way of sale, creation of a security interest, attachment levy, garnishment or other judicial process) of any of the property covered by this Security Agreement without the express written consent of the Secured Party, except that, unless Secured Party notifies Debtor to the contrary, any merchandise inventory may be sold in the usual and ordinary course of business.
10. The Secured Party's security interest hereunder shall attach to any proceeds of all sales or other dispositions of Debtor's inventory. The Debtor shall account to the Secured Party for such proceeds in such manner as may be required by Secured Party, including, without limitation any manner as may be required by the terms of the Loan Agreement and all Supplements to said Loan Agreement entered into between the Debtor and the Secured Party.
11. That the Secured Party shall have the right to notify the account debtors of Debtor on any accounts and the obligor on any instrument to make payments thereon directly to the Secured Party and to take control of the cash and non-cash proceeds of any such accounts or instruments, which right the Secured Party may exercise at any time, whether or not Debtor is then in default hereunder, or was theretofore making collections thereof PROVIDED, HOWEVER, Secured Party does not assume the credit risk on any such account or instrument. Until such time as the Secured Party elects to exercise such right by serving upon Debtor a written notice thereof, Debtor is authorized to collect and enforce such accounts or instruments, and the Debtor shall account to Secured Party for all collections in such manner as may be required by the Secured Party.
12. That upon default of the payment of any indebtedness, advances and expenditures hereby secured, or any part thereof, as the same shall become due and payable, or in the event of the default of any liability or obligation of the Debtor to Secured Party, or in the event of a breach of any of the terms, covenants and conditions of this Agreement or the Loan Agreement or any Supplement to said Loan Agreement, entered into between the Secured Party and the Debtor or the Demand Promissory Notes evidencing indebtedness, or in case the Secured Party deems itself insecure at any time, or in case of insolvency or bankruptcy proceedings being instituted by, or against the Debtor, the entire outstanding indebtedness and any liabilities or obligations of Debtor to Secured Party secured by this Security Agreement shall, at the option of the Secured Party, become immediately due and payable without demand or notice, and the Secured Party may proceed to enforce the security interest created hereunder by any means provided herein or otherwise permitted by the **Iowa** Uniform Commercial Code.  
Upon the happening of any such default, the Debtor, upon demand by the Secured Party, shall assemble said property of all types and make it available to the Secured Party on the premises of the Debtor or at any other place to be designated by the Secured Party which is reasonably convenient to both parties. In the event the Secured Party exercises its rights to take possession and dispose of all or any portion of said property, any costs and expenses, including a reasonable attorney's fee, incurred by the Secured Party in taking possession, preserving and disposing of all or any portion of said property shall be deducted from the proceeds of the disposition of or realization upon said property, or paid by the Debtor if he chooses to redeem said property.
13. ~~If the proceeds of the disposition of all or any portion of said property does not satisfy all of the indebtedness, liabilities or obligations~~

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