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13038
RECORDATION NO. Filed 1425

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INTERSTATE COMMERCE COMMISSION

April 2, 1981

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Ms. Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
12th Street & Constitution Avenue, N.W.
Washington, D.C. 20423

Re: Recordation of Documents:
Chattel Mortgage and Security
Agreement; Bill of Sale

Dear Ms. Mergenovich:

Please find enclosed for recordation pursuant to 49 U.S.C. 11303 two counterpart copies of:

(1) CHATTEL MORTGAGE AND SECURITY AGREEMENT, dated April 2, 1981, made and given by Harold A. Whitbeck ("Mortgagor") to Greycas, Inc. ("Mortgagee"); and

(2) BILL OF SALE, dated as of December 29, 1980, from North American Car Corporation ("Seller") to Harold A. Whitbeck ("Purchaser").

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

Mortgagor and Purchaser

Harold A. Whitbeck
c/o RailCar America, Inc.
Two Embarcadero Center
San Francisco, California 94111

No.
Date APR 2 1981
Fee $ 60.00
ICC Washington, D. C.

Counterpart

Mortgagee

Greycas, Inc.
Greyhound Tower
Phoenix, Arizona 85077

Seller

North American Car Corporation
33 West Monroe Street
Chicago, Illinois 60603

The equipment that is the subject of this transaction is described as follows:

> Five (5) used (built in 1972) 4750 cu. ft. covered hopper cars (AAR mech. design. LO), and listed in the Official Railway Equipment Register as WRTX 3064 - WTRX 3068, inclusive.

The equipment listed in the Official Railway Equipment Register as WRTX 3064, WRTX 3065 and WRTX 3066 was previously the subject of an Equipment Trust Agreement (Second 1972 Series) between North American Car Corporation and Harris Trust and Savings Bank, dated as of May 1, 1972, and recorded on May 12, 1972 at 10:35 a.m. as document number 6592, and was listed in the Official Railway Equipment Register as NAHX 49113, NAHX 49114 and NAHX 49116, respectively.

The equipment listed in the Official Railway Equipment Register as WRTX 3067 and WRTX 3068 was previously the subject of an Indenture of Mortgage and Deed of Trust between North American Car Coporation and Harris Trust and Savings Bank, dated as of November 1, 1972, and recorded on December 27, 1972, at 10:15 a.m. as document number 6843 and was listed in the Official Railway Equipment Register as NAHX 49125 and NAHX 49420, respectively.

Pursuant to 49 C.F.R. Part 1116, please stamp the documents described above with the date and hour of recordation, a recordation number and a notation to the effect that it has been filed pursuant to the

provisions of section 11303 of Title 49 of the United States Code. After performing these tasks, please retain one copy of these documents in the Commission's files and return the other to the delivering agent of:

Witkowski, Weiner, McCaffrey and Brodsky, P.C.
1575 Eye Street NW, Suite 350
Washington, DC 20005

Enclosed is a check drawn to the order of the Interstate Commerce Commission for filing fees.

Your cooperation is appreciated.

Greycas, Inc.

By its Special Counsel,

R. Lawrence McCaffrey, Jr.
Witkowski, Weiner, McCaffrey
and Brodsky, P.C.
Suite 350
1575 Eye Street, N.W.
Washington, DC 20005

Interstate Commerce Commission

Washington, D.C. 20423

4/2/81

OFFICE OF THE SECRETARY

R.Lawrence McCaffrey,Jr.
Witkowski,Weiner,McCaffrey & Brodsky,P.C.
1575 Eye Street N.W. Suite 350
Washington, D.C. 20005

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 4/2/81 at 12:20pm , and assigned re-recordation number(s). 13038 & 13038-A

Sincerely yours,

Agatha L. Mergenovich

Agatha L. Mergenovich
Secretary

Enclosure(s)

SE-30
(7/79)

RECORDATION NO. 13038 Filed 1425

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INTERSTATE COMMERCE COMMISSION

CHATTEL MORTGAGE AND SECURITY AGREEMENT

THIS CHATTEL MORTGAGE AND SECURITY AGREEMENT ("Mortgage") dated April 2, 1981 made and given by HAROLD A. WHITBECK, an individual having its office at c/o RailCar America, Inc., Two Embarcadero Center, Suite 2940, San Francisco, California 94111 ("Mortgagor") to GREYCAS, INC., a corporation organized and existing under the laws of the State of Arizona with its principal office at Greyhound Tower, Phoenix, Arizona 85077 ("Mortgagee").

WITNESSETH:

WHEREAS, Mortgagor is the sole owner of the railroad cars ("Cars") more particularly described and listed on Exhibit A annexed hereto and made a part hereof;

WHEREAS, Mortgagor and Mortgagee have entered into a loan and security agreement dated as of February 12, 1981 ("Loan Agreement") the terms and conditions of which are hereby incorporated by reference and shall have the same force and effect at if set forth herein in full, pursuant to which Mortgagor has received from Mortgagee a loan in the principal amount of $108,000.00 ("Loan") repayable in 121 monthly installments; and

WHEREAS, Mortgagee agreed to extend the Loan pursuant to the Loan Agreement only upon the condition that it receive presently a valid first and senior lien on and priority security interest in the Cars ("Security Interest") in the amount of the Loan and interest thereon and to the extent of the Obligations (hereafter defined); and

WHEREAS, Mortgagor to secure the prompt repayment of the Loan with interest thereon and to secure as well the faithful performance and observance of and compliance with ("Performance") all the covenants, payment obligations, duties, undertakings and conditions ("Obligations") made by Mortgagor herein, in the Loan Agreement, in the promissory note ("Note") given by Mortgagor pursuant to the Loan Agreement, and in each and every document and instrument referred to in each thereof (collectively "Documents") has duly authorized the execution and delivery to Mortgagee of this Mortgage, together with all other documents as may be required for registering this Mortgage as a perfected Security Interest in the Cars.

NOW, THEREFORE, THIS MORTGAGE WITNESSETH:

ARTICLE I - The Mortgage

THAT IN CONSIDERATION of the premises and of the Loan and of other good and valuable consideration the receipt whereof is hereby acknowledged and in order to secure the Performance by Mortgagor of all of the Obligations, Mortgagor hereby executes and constitutes a first and absolute mortgage and Security Interest and does by these presents mortgage unto the Mortgagee, its successors, and assigns, the whole of the Cars, together with all of the fittings and equipment thereunto appertaining or belonging, whether now owned or hereafter acquired, whether on the Cars or not, and all additions, improvements and replacements hereafter made in or to the Cars.

TO HAVE AND TO HOLD the same unto Mortgagee, its successors and assigns forever upon the terms herein set forth for the Performance by Mortgagor of all of the Obligations.

PROVIDED only and the condition of these presents is such that if Mortgagor, its successors and assigns shall repay or cause to be repaid to Mortgagee the Loan and interest thereon and when the same shall become due and shall have otherwise completed Performance of all of the Obligations, all without fraud or delay and according to the true intent and meaning thereof, then this Mortgage and the rights hereunder granted to Mortgagee shall cease, determine and be void and in such event Mortgagee agrees at the expense of Mortgagor to execute all such documents as Mortgagor may reasonably require to discharge this Mortgage.

ARTICLE II - Assignment by Mortgagor

Section 1 - Assignment of Insurance and Proceeds

Mortgagor hereby assigns to Mortgagee, its successors and assigns all of Mortgagor's right, title and interest under, to and in all policies and contracts of insurance of whatsoever nature that have now been, or may from time to time hereafter during the continuance of the Mortgage and the existence of the Security Interest created hereby, be taken out in respect of the Cars, their revenue, disbursements, profits or otherwise and all of the benefits thereof, including all claims of whatsoever nature thereunder in respect of the Cars, return of premiums and the rights under such policies and contracts.

Section 2 - Assignment of Other Compensation Payable; Total Loss

Mortgagor hereby assigns to Mortgagee, its successors and assigns all of the Mortgagor's right, title and interest to any and all moneys and claims for moneys and other compensation which may be or become due or payable to the Mortgagor with respect to or as a result of the constructive or agreed or arranged or compromised or actual Total Loss of the Cars, or any of them and all claims for damages arising out of or caused or occasioned howsoever by any such Total Loss.

As used herein the term "Total Loss" shall mean the loss, damage or destruction of the Cars, or any of them, with the result that such Cars, or any of them, shall be rendered substantially unfit for further use by Mortgagor or condemned or otherwise cumpulsorily acquired or requisitioned by any governmental agency or authority.

In the event of a Total Loss of any of the Cars, insurance proceeds or awards in respect thereof shall be applied by Mortgagee to prepay the Note in whole or in part as provided in the Loan Agreement. Should there be reparable damage to the Cars, or any of them, and if Mortgagee shall have received from the Underwriter (Insurer) insurance proceeds as a result of a claim arising with respect to such damage, then such proceeds shall be paid by Mortgagee to Mortgagor on receipt by Mortgagee of a written application signed by Mortgagor or by a person designated by Mortgagor for the payment of or to reimburse Mortgagor for the cost of repairing such damaged Cars. The written application shall be accompanied by satisfactory evidence of the cost and satisfactory completion of the repair to such Cars. If an Event of Default has occurred and is continuing hereunder, the proceeds of insurance may instead be applied at Mortgagee's option against any liability owed to Mortgagee in respect of such Default.

Section 3 - Application by Mortgagee upon Event of Default

Upon the happening of an Event of Default as defined in Article IV, Section 1 , all proceeds of the foregoing assignments and all moneys hereby assigned shall be applied by Mortgagee in accordance with Article IV, Section 5 hereof and otherwise in accordance with Article III, Section 3(e) hereof.

ARTICLE III - Representations, Warranties and Covenants

Mortgagor represents, warrants and covenants to Mortgagee as follows:

Section 1 - Mortgagor

(a) Residence and Identity

Mortgagor is an individual having the Social Security No. 052-26-0293.

(b) Authority to Mortgage

Mortgagor is duly authorized to mortgage the property conveyed hereunder. All action necessary and required by law for obtaining the Loan and for the execution and delivery of this Mortgage and other Documents has been duly and effectively taken, and the Mortgage in the hands of the holders thereof is and will be valid and enforceable against Mortgagor and the Cars in accordance with its terms. The Cars are the sole and separate (and not community) property of Mortgagor, notwithstanding that Mortgagor is married.

Section 2 - The Cars

(a) Ownership of Cars

Mortgagor is the sole and lawful owner of the whole of the Cars, free from all liens, security interests, mortgages (other than this Mortgage), charges or encumbrances and the Cars shall be kept free and clear of all such liens and encumbrances, etc. Mortgagor will warrant and defend for the benefit of Mortgagee the title and possession of the mortgaged property and every part thereof against the claims and demands of all persons.

(b) Maintenance and Condition

The Cars and each of them are in first class condition, repair and appearance and in good and efficient working order, reasonable wear and tear excepted, and acceptable for use in unrestricted interchange and Mortgagor covenants that at all times, at its own cost and expense, the Cars will be maintained as such. Except for alterations or changes required by law, Mortgagor shall not, without the prior written approval of Mortgagee, effect any change in the design, construction or body of the Cars. Mortgagor shall notify Mortgagee promptly of any alterations or changes in the Cars required by law, describing by identification number the Cars affected and the nature of the alterations or changes. Mortgagor shall not without Mortgagee's consent, terminate the Management Agreement.

(c) Mortgage

Mortgagor is, by this Mortgage and the registration thereof, constituting in favor of Mortgagee, among other things, all the rights of a Security Interest and first mortgage on the Cars to secure the due and punctual Performance of the Obligations.

Section 3 - Insurance

(a) Cars Fully Insured

Mortgagor covenants with Mortgagee that so long as this Mortgage shall be in force the Cars will at all times be kept fully insured. This insurance shall include comprehensive general liability coverage coverage for liability under any Workman's Compensation Act or the Federal Employees Liability Act, all risk property coverage including, without limitation, damage or destruction caused by fire, lightning, theft, wreck, derailment, collision, flood, tornado, cyclone, sabotage, riot or civil commotion and against any other risk respecting which insurance may be obtainable and which Mortgagee may from time to time reasonably require Mortgagor to carry.

(b) Specific Insurance Required

Without limiting the foregoing, Mortgagor agrees at its own expense (including all premiums and costs, to effect the following insurance and keep the same in full force and effect throughout the term of this Mortgage:

(i) All Risk Property Insurance which shall be at least equal to the Cars' full commercial fair market value but not in any case less than the Unpaid Amount (as defined in Schedule 1 the Note) at any given time ("Minimum Insurance"), with financially sound and responsible companies satisfactory to Mortgagee. Such insurance shall name Mortgagee as Loss Payee for all losses.

(ii) Comprehensive General Liability Insurance including, without limitation, bodily injury to any and all persons, including employees and property damage liability insurance, which shall be effected with financially sound and responsible companies satisfactory to Mortgagee in the amount of $2,000,000.00 combined single limit. This insurance shall include contractual liability coverage and shall name Mortgagee as additional insured.

(c) Terms and Form of Insurance

All insurance taken out or effected in connection with the Cars pursuant to the provisions of Article III, Section 3(b) shall be in form and substance acceptable to Mortgagee and its counsel and shall, without limitation, be subject to the following:

(i) Each policy shall provide that it may not lapse, be terminated, canceled or materially modified without thirty (30) days prior notice to Mortgagee.

(ii) All insurance shall insure the interests of Mortgagee regardless of any breach or violation by Mortgagor, Lessee or Manager of any warranties, declarations or conditions contained in such policies.

(iii) All insurance shall provide that all provisions, except the limit of liability, shall operate in the manner as if there were a separate policy covering each insured.

(d) Evidence of Insurance

No change shall be made in any insurance without Mortgagee's prior written approval. Certified copies of all policies or certificates of insurance shall be delivered to and held by Mortgagee. Evidence of the renewal of such insurance shall be provided to Mortgagee at least 30 days before the expiration of the current policy.

(e) Mortgagee's Right to Collect Proceeds and to Insure

Mortgagee is hereby authorized, but not required, in its own name and/or Mortgagor's name to demand, collect, receipt for, and prosecute all necessary actions in the courts to recover any and all insurance moneys which may become due and payable under any insurance. If Mortgagor shall at any time fail to pay or to cause to be paid when due any insurance premiums, calls or other costs related to obtaining or maintaining the insurance required hereunder, or to obtain any required insurance or to deliver to Mortgagee all policies, certificates, contracts of insurance, binders and cover notes and all renewals thereof as required by the provisions of this Mortgage, Mortgagee may, but shall not be required to, procure such insurance and/or pay unpaid premiums and other costs, and the cost and expense thereof, with interest at the Overdue Rate (as defined in the Loan Agreement), shall be an additional indebtedness due from Mortgagor to Mortgagee secured by this Mortgage and shall be paid by Mortgagor on demand.

Section 4 - Compliance with Insurance Terms, Laws, etc.

(a) Mortgagor shall not do any act, or suffer or permit any act to be done, whereby any insurance shall be or may be suspended, impaired or defeated, and shall not suffer or permit the Cars, or any of them, to engage in any business or to carry any cargo not permitted under the policies of insurance in effect, without first covering such Cars to the amount herein provided by insurance satisfactory to Mortgagee for such business or the carriage of such cargo.

(b) Mortgagor is conducting and will conduct and will cause any lessee of the Cars to conduct its business and operations in compliance with all applicable laws and directives of governmental authorities having the force of law, including, without limitation, all laws of the jurisdictions in which its operations involving the Cars may extend, (ii) the interchange rules of the Association of American Railroads, (iii) all lawful rules of the Department of Transportation, the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body, and (iv) all lawful rules of any other association of carriers or shippers exercising any power or jurisdiction over Mortgagor or over the Cars, to the extent that such laws and rules affect the title, operation, storage, maintenance or use of the Cars.

(c) Mortgagor has filed and will file true, complete and timely tax returns and has paid/will pay all taxes due in respect of the ownership of his assets and the conduct of his operations except to the extent that the payment of such taxes is being contested in good faith, adequate reserves having been provided for the payment thereof.

(d) The execution, delivery and performance of the Documents does not contravene any provision of Nebraska law, including without limitation thereto, any statute, rule, regulation, judgment, decree, order, francise or permit applicable to Mortgagor.

Section 5 - Requisition of Title

In the event that the title to the Cars, or any of them, shall be requisitioned, purchased or taken by any governmental department, agency or representative, pursuant to any present or future law, proclamation, decree, order or otherwise, the lien for compensation, purchase price, reimbursement or award for such requisition, purchase or other taking of such title shall be payable to Mortgagee, who shall be entitled to receive the same and shall apply it as provided in Article II, Section 2 hereof; and in the event of any such requisition, purchase or taking Mortgagor shall promptly execute and deliver to Mortgagee such documents, if any, and shall promptly do and perform such acts, if any, as Mortgagee's counsel in his sole opinion may

deem necessary or useful to facilitate or expedite the collection by Mortgagee of such compensation, purchase price, reimbursement or award.

Section 6 - Requisiton of Use

In the event that any governmental department, agency or representative thereof shall not take over the title to the Cars, or any of them, but shall requisiton, lease, or in any manner take over the use of such Cars pursuant to any present or future law, proclamation, decree, order or otherwise, all rentals and compensation resulting therefrom shall be payable to Mortgagee and if, as a result of such requisitioning, leasing or taking of the use of the Cars, or any of them, such governmental department, agency or representative thereof shall pay or become liable to pay any sum by reason of the loss of or injury to or depreciation of the Cars, any such sum is hereby made payable to Mortgagee, who shall be entitled to receive the same and shall hold it as provided in Article II, Section 2 hereof. In the event of any such requisitioning, leasing or taking of the use of the Cars, or any of them, Mortgagee shall promptly execute and deliver to the Mortgagee such documents, if any, and shall promptly do and perform such acts, if any, as in the opinion of counsel for Mortgagee may be necessary or useful to facilitate or expedite the collection by Mortgagee of such claims arising out of the requisitioning, leasing or taking of the use of Cars, or any of them.

Section 7 - No Additional Liens

Neither the Mortgagor, nor any lessee, nor any manager of the Cars nor their agents has or shall have any right, power or authority to create, incur or permit to be placed or imposed upon the Cars, or any of them, any liens whatsoever (including without limitation any subsequent mortgage) without the prior written consent of Mortgagee. In the event that any such lien shall be created or arise, Mortgagor shall forthwith discharge such lien.

Section 8 - Identification of Cars

Mortgagor, at its sole cost and expense, agrees to cause to be plainly, distinctly, permanently and conspicuously placed, fastened or painted upon each side of each of the Cars a legend in letters not less than one inch in height bearing the following words:

"GREYCAS, INC.,
PHOENIX, ARIZONA, MORTGAGEE AND SECURED PARTY"

In case any such legend at any time shall be painted over or otherwise made inconspicuous, removed, defaced or destroyed, Mortgagor will not allow the name of any person, association or corporation to be placed on the Cars as a designation which might be interpreted as indicating a lien thereon by any person, association or corporation other than Mortgagee or its assignees; but the Cars may be lettered with the names or initials or other insignia customarily used by Mortgagor or Lessee on equipment of the same or a similar type for convenience of identification of the rights to use and operate the Cars under this Mortgage or the Lease.

Mortgagor agrees to cause to be placed on each side of each Car, Mortgagor's assigned number. At all times thereafter, Mortgagor will cause the Cars to bear the number so assigned to it, and Mortgagor will not change or permit to be changed the number except in accordance with a statement of new number to be substituted therefor which previously shall have been filed with Mortgagee by Mortgagor and filed, recorded or deposited in all public offices where this Mortgage will have been filed, recorded or deposited.

Section 9 - Inspection, Repair

At all times, Mortgagor shall afford Mortgagee or its authorized representative full and complete access to the Cars at all reasonable times for the purpose of inspecting the condition of the Cars and their cargos. If default shall be made in keeping the Cars, or any of them, in first class working order and repair, Mortgagee shall have the right (without prejudice, however, to any of Mortgagee's other rights hereunder) to effect such repairs as shall in its opinion be necessary. For the purpose of effecting such repairs, Mortgagor shall give to Mortgagee and its representative complete access to the Cars. Mortgagor on demand shall repay to Mortgagee every sum of money expended for such repairs with interest payable at the Overdue Rate. From the time the sum(s) have been expended until repayment of such sum(s) and interest thereon, the same shall be a charge on the Cars.

Section 10 - Taxes, Assessments

(a) Mortgagor agrees to pay, indemnify and hold Mortgagee harmless from all taxes, assessment and charges (including, but not limited to, all license and registration fees, levies, imposts, duties, private property and transfer stamp taxes and charges or withholdings or payments to be made in lieu thereof together with any penalties, fines or interest thereon or payments to be made in lieu thereof imposed on Mortgagee or Mortgagor by the United States of America or any other local government or taxing authority in the United States of America or by any taxing authority or political or governmental subdivision of any foreign country on or with respect to the Cars or any of them, or on the purchase, ownership, delivery, possession, use, operation, return or other disposition thereof (including, without limitation, any disposition in exercise of the rights of Mortgagee arising from an Event of Default hereunder) or on the interest, receipt or earnings arising therefrom or on or with respect to this Mortgage (all such taxes, assignments, charges, levies, fees, imposts, duties, charges or withholdings or payments to be made in lieu thereof and any such penalties, fines or interest thereon hereinafter referred to in this Section 10 as a "Levy" or as "Levies"). Mortgagor's obligations to pay Levies shall not apply to any Levy measured by the net income payable by Mortgagee to any state of the United States of America in which Mortgagee has its principal office or political subdivision thereof or to the United States of America under Section 11 or Section 1201 of the Internal Revenue Code of 1954, as amended ("Code") in consequence of the receipt of payments under the Note. Mortgagor's obligation to pay Levies shall include the obligation to pay any increase to the Mortgagee in Federal Income Taxes of the United States of America and net income tax as a result of inclusion in income of Mortgagee of any amount required by this Section 10 to be paid to or for Mortgagee. A Levy shall be fully subject to the indemnity provisions of this Section 10 regardless of the extent to which an apportionment or allocation formula of any such jurisdiction requires the apportionment or allocation to it for taxing purposes of the income of Mortgagee. If claim is made against Mortgagee for any Levy, Mortgagee shall use reasonable efforts to notify Mortgagor thereof, but failure to do so shall not prejudice Mortgagee's rights hereunder.

(b) In the event Mortgagee is required to make any payment under this Section 10, Mortgagor shall pay to Mortgagee an amount which, after taking into account all taxes required to be paid by Mortgagee in respect of the receipt thereof under the laws of the United States of America or of any state or local government or taking authority in the United States of America or any state or local government or taxing authority or government entity of any foreign country, shall be equal to the amount of such payment. The sum payable pursuant to this Subsection 10 (b) shall be payable thirty (30) days after Mortgagee delivers to Mortgagor verification that the indemnity is due pursuant to this Subsection 10 (b) including, without limitation, a statement describing in reasonable detail the circumstances requiring indemnification hereunder and setting forth in reasonable detail the computation of the amount thereof.

Section 11 - Other Obligations

Except as described in Section 7 of this Article III, Mortgagee shall not sell, mortgage, lease (except for the Lease) pledge or transfer any property subject or intended to be subject to this Mortgage, and shall not hypothecate or attempt to hypothecate any rentals or fees in respect of the Cars, or any of them, without the prior written consent of Mortgagee. Any such act shall be expressly subject to this Mortgage and the prior lien created hereby, and any such written consent to any one such act shall not be construed to be a waiver of this provision in respect to any subsequent act. At no time shall Mortgagor make or suffer to be made any alterations in the structure of the Cars or their linings without the prior written permission of Mortgagee. Furthermore, Mortgagor shall not amend, modify, terminate, rescind or annul the Lease or the Management Agreement without the prior written consent of Mortgagee if the effect of any such amendment shall be detrimental to Mortgagee.

Section 12 - Establishment and Maintenance of the Mortgage

Mortgagor at its expense shall comply with and satisfy all the provisions of all laws as amended from time to time affecting the Cars and shall establish and maintain this Mortgage as a first and senior Security Interest on the property hereby mortgaged or intended to be mortgaged and upon all renewals and replacements of such property to the extent of the Obligations. Mortgagor shall perform all acts and execute all instruments necessary or required by Mortgagee in order to permit the immediate registration of this Mortgage with the Interstate Commerce Commission.

Section 13 - Expenses

Mortgagor upon demand shall pay to Mortgagee (or as it may direct) the amount of all investigation expenses, mortgage taxes, recording charges, filing fees, revenue and documentary stamps and anyother charges incurred by Mortgagee in connection with the preparation, completion or registration of this Mortgage, the Loan Agreement and any other Document, including without limitation outside counsel's expenses and fees. Mortgagor shall pay any and all expenses incurred at any time by Mortgagee in the care of the mortgaged property or the protection and enforcement of its rights, including without limitation counsel's fees and expenses. If such fees and expenses are paid by Mortgagee, Mortgagor, upon request, shall reimburse Mortgagee. The payment of all expenses under this Section shall be secured by this Mortgage and no amounts payable by Mortgagor to Mortgagee under this Section shall in any circumstances be repayable to Mortgagor.

Section 14 - Other Documents

In the event that this Mortgage or any provision hereof shall be deemed invalidated in whole or in part by any present or future law or any decision of any authoritative court, Mortgagor shall execute and deliver such other and further instruments and do such things as in the sole opinion of Mortgagee and its counsel will carry out the true intent and spirit of this Mortgage. From time to time, Mortgagor shall execute and deliver such further documents and assurances as in the sole opinion of Mortgagee and its counsel may be required to more effectively subject the property hereby mortgaged or intended to be mortgaged to the Obligations and to the payment of the Loan with interest thereon and to the Performance of each and all of the Obligations.

Section 15 - Non-Default Status

Mortgagor is not in default in the performance, observance or fulfillment of any obligation, covenant or condition in any agreement, instrument, undertaking, order, decree or

judgment of any court, arbitration or governmental authority to which it is a party or by which it is bound.

Section 16 - Documents Binding

The Documents upon execution and delivery will constitute, the legal, valid and binding obligations of the parties thereto, enforceable in accordance with their respective terms. The execution, delivery and recordation, if necessary, of and Performance under the Documents and the payment by Mortgagor of all amounts due on the dates provided for herein or therein (i) will not violate any provision of law or other governmental directive having the force of law, (ii) will not conflict with or result in the breach of any provision of any agreement, undertaking, order, decree or judgment of any court, artitrator or governmental authority to which Mortgagor is a party or by which Mortgagor or Mortgagor's properties or assets is bound, and (iii) will not constitute a default or breach or an event that with the giving of notice or the passing of time, or both, would constitute a default or breach under any such agreement, undertaking, order, decree or judgment of any court, arbitration or governmental authority.

Section 17 - Approvals and Reports

Mortgagor has obtained or has caused to be obtained all necessary consents, licenses, approvals and authorizations of and have made or caused to be made all registrations or declarations with, any government or any agency or department thereof required in connection with Mortgagor and the valid execution, delivery, performance or enforceability of the Documents, and the same are in full force and effect. All such filings and reports delivered to any governmental authority have been truthfully completed and duly filed, and true and correct copies of such applications, consents, licenses, approvals, authorizations, filings and reports have been delivered to Mortgagee.

Mortgagor undertakes to continue in full force and effect all of the foregoing and will obtain any new or additional governmental approvals as become necessary for the performance of all of the terms and conditions of the Documents.

Section 18 - Litigation

There are no proceedings before any artitration tribunal, court government agency or administrative body pending or threatened against Mortgagor which, if adversely determined, would materially adversely affect the financial condition or operations of Mortgagor, impair the ability of Mortgagor to pay, when due, the principal of and interest on the Loan and any other sums that may become due and owing under the Documents or the ability of Mortgagor to complete Performance of its Obligations.

Section 19 - True Documents

All documents delivered to Mortgagee in connection with the transactions contemplated hereunder, including without limitation the Lease and the Management Agreement are true and correct, and there are no addenda thereto nor modifications thereof (whether written or verbal) which have not prior to the date hereof been disclosed to Mortgagee in writing, and such agreements constitute the legal, valid and binding obligations of the parties thereto in accordance with their respective terms and no party thereto is in default thereunder. Mortgagor knows of no reason why any person shall have a right to terminate prematurely any of the aforesaid documents.

Section 20 - Financial Statements and Reports

(a) The financial statements and reports previously submitted to Mortgagee by Mortgagor, are complete and correct and fairly present the financial condition and the results of operations of the subjects thereof for the period(s) specified therein stated in accordance with generally accepted accounting principles in the United States consistently applied. There are no liabilities, direct or indirect, fixed or contingent, of the subject of such statements as of the date of such financial statements that are not reflected therein or in the notes thereto. Since the date of such financial statements and reports there has been no material adverse change in the financial condition or results of operations of the subject thereof. Such financial statements and reports do not contain any untrue statement of a material fact nor do they omit to state a material fact required to be stated therein or necessary in order to make such financial statements and reports not misleading; and there is no fact, situation or event which materially adversely affects or, so far as can now be foreseen, will materially adversely affect the properties, business, assets, income, prospects or condition (financial or otherwise) of Mortgagor.

(b) As soon as available but not later than one hundred twenty (120) days after the end of each year, Mortgagor shall deliver to Mortgagee its annual financial statement if otherwise prepared for Mortgagor, tax returns and reports.

(c) Mortgagor shall permit Mortgagee and its representatives at all reasonable times to inspect Mortgagor's facilities, activities, books of account and records, cause his accountants to give their full cooperation and assistance in connection with any such visits of inspection or financial conferences. Mortgagor shall make available such further information concerning his business and affairs as Mortgagee may from time to time reasonably request.

(d) Mortgagor will furnish to Mortgagee, on or before April 1 of each year (commencing with the year 1982) and on such other dates as Mortgagee may from time to time reasonably request, consisting of an accurate report certified by Mortgagor stating as of a recent date (but, in the case of each annual statement, not earlier than the preceding January 1 and in case of any other such statement, not earlier than a date 90 days preceding the date of such statement) (i) that the Cars have been maintained and repaired in accordance with this Mortgage, and that the legends placed on the Cars as required by this Mortgage have been preserved or repainted on each side of each of the Cars, and that Mortgagor's identifying reporting mark and the appropriate car number have been preserved or repainted on each side of each of the Cars as required by this Mortgage, (ii) the location of the Cars and (iii) such other information regarding the location, condition and state of repair of the Cars as Mortgagee may reasonably request.

Section 21 - Performance and Notice

Mortgagor shall promptly give notice and shall cause Lessee promptly to give notice to Mortgagee of: (i) any substantial dispute between Mortgagor and Lessee, or between Mortgagor or Lessee and any governmental authority with respect to taxes or any other matter in connection with the Cars or which might, in any way, interfere with the normal use and operation of the Cars, or any of them; (ii) the occurrence of any Event of Default or event that, with the giving of notice or the passing of time or both, would constitute an Event of Default.

ARTICLE IV - DEFAULT

Section 1 - Events of Default

The following events and occurrences shall constitute Events of Default under this Mortgage:

(a) Payment Default. (i) Mortgagor fails to make payment to Mortgagee when due and payable of any amount that Mortgagor is obliged to pay on the Note, or (ii) Mortgagor fails to make any other payment due to under the Documents and such failure shall continue for 3 days; or

(b) Representation Default. Any representation or warranty of Mortgagor contained in the Documents proves to be in any material respect untrue, incorrect or misleading as of the date when made or on the date hereof; or

(c) Other Provisions Default. Mortgagor defaults (other than a default or violation referred to elsewhere in this Section 1 of Article IV) in the performance of or violates any term, covenant or provision of the Documents and such default or violation continues unremedied for a period of 5 days after notice from Mortgagee; or

~~(d) Lease Default. Mortgagor or Lessee defaults in the performance of any term, covenant or agreement contained in the Lease or the assignment thereof or consent thereto and such default continues unremedied for a period of ten (10) days after notice from Mortgagee or the Lease is amended or terminated (other than by normal expiration thereof) without the prior consent of Mortgagee; or~~

(e) Loan Agreement Default. An Event of Default (as defined in the Loan Agreement) shall occur; or

(f) Approval and Certificate Default. Any governmental consent or approval granted or required in connection with the Documents is revoked or restricted in any material way, unless such revocation or restriction is canceled or otherwise remedied to the satisfaction of Mortgagee and its counsel within 10 days of its imposition. Any certificate or opinion furnished under the Documents proves to have been false or misleading as of its date in any material respect unless an explanation and correction to the satisfaction of Mortgagee is made upon demand; or

(g) Illegality Default. It becomes unlawful for Mortgagor to Perform any Obligations; or

(h) Judgment Default. Any final, non-appealable judgment or decree for money damages or for a fine or penalty in excess of $10,000 is entered against Mortgagor and in any such case such judgment or decree is not paid and discharged or stayed within 30 days; or

(i) Mortgage Default. Any judgment, order, decree or legislation is entered or promulgated the effect of which would be to render this Mortgage partially or wholly ineffective, invalid or unenforceable or any party holding a mortgage on any Car shall take steps to commence foreclosure or sale of any Car; or

(j) Insolvency of Mortgagor. Mortgagor becomes insolvent or unable to pay his debts when due or commits or permits any act of bankruptcy, which term shall include (i) the filing of a petitition in any bankruptcy, reorganization, winding-up or liquidation proceeding or other proceeding analogous in purpose or effect relating to Mortgagor, (ii) Mortgagor's application for or consent to the appointment of a receiver or trustee for the bankruptcy, reorganization, winding-up or liquidation of such Mortgagor, (iii) Mortgagor makes an assignment for the benefit of creditors (iv) Mortgagor admits in writing that it is unable to pay

its debts, or (v) any court order or judgment is entered confirming the bankruptcy or insolvency of Mortgagor or approving any reorganization, winding-up or liquidation of Mortgagor or a substantial portion of its assets; or

(k) Nationalization Default. The Cars, or any of them, shall be arrested, levied upon or taken into custody by virtue of any attachment or execution against Mortgagor or against the Cars or seized by any governmental or other authority and shall not be released from such arrest, levy, attachment, execution, or seizure within 30 days, or Mortgagor shall fail to give Mortgagee prompt notice of any such contingency; or the title to the Cars, or any of them, or their use shall be requisitioned, purchased or taken by any government or any department, agency or representative thereof; or

(l) Levies Default. Mortgagor shall fail to pay and discharge promptly when due and payable from time to time all Levies which shall have become due against or in regard to the Cars; or

(m) Insurance Default. Mortgagor shall fail to procure and/or maintain the insurance required hereby or knowingly shall violate or suffer or permit the violation of any of the warranties or conditions of the policies of insurance required hereby.

Then and in each and every case Mortgagee may thereupon:

(i) Without further demand, protest or notice of any kind to Mortgagor, declare all sums due under the Note and Loan Agreement to be due and payable immediately, such sums to include without limitation the Unpaid Amount and other sums due other than the payment of the Unpaid Amount, and upon such declaration the same shall become and be immediately due and payable;

(ii) Proceed by appropriate court action or actions either at law or in equity to enforce Performance by Mortgagor of its Obligations and/or recover a judgment for damages for the breach thereof, including, but not limited to, any amount due hereunder, or under the Note or Loan Agreement, either by its terms or by virtue of such declaration, and collect the same out of any property of Mortgagor;

(iii) Take the Cars without legal process at any time wherever the same may be found, and without being responsible for loss or damage to the Cars which shall have occurred prior to the taking, hold, lease, operate or otherwise use such Cars for such time and on such terms as Mortgagee may determine advisable;

(iv) Take the Cars without legal process at any time wherever the same may be found, and, if it seems desirable to Mortgagee, and without being responsible for loss or damage to the Cars which shall have occurred prior to the retaking of the Cars, sell to the extent permitted by law, at private or public sale, such Cars free from any claim by Mortgagor of any nature whatsoever upon such notice as may be required by law. Such sale may be held at such place and at such time as Mortgagee may have specified in such notice and in such manner as Mortgagee may deem advisable, and may be conducted without bringing the Cars to be sold to the place of sale. Mortgagee may become a purchaser at such sale, to the extent permitted by law. From time to time Mortgagee may adjourn any such sale by announcement at the time and place appointed for such sale or any adjourned sale; and without further notice of publication, Mortgagee may make such sale at the time and place to which the same shall have been so adjourned. Notwithstanding any such sale, Mortgagor shall be and remain liable for any deficiency remaining after applying the proceeds of disposition of the Cars as provided in Section 5 of this Article IV, to the extent permitted by law. Mortgagee and its assigns hereby irrevocably are appointed the true and lawful attorney and attorneys of

Mortgagor in its name and stead to make all necessary transfers of the Cars thus sold, and for that purpose it or they shall execute and deliver all necessary instruments of assignment and transfer, Mortgagor hereby ratifying and confirming all that its said attorney or attorneys shall lawfully do by virtue thereof. Nevertheless, Mortgagor shall, if so requested by Mortgagee, ratify and confirm such sale by executing and delivering to the purchaser or purchaser of the Cars such proper bills of sale, conveyances, instruments of transfer and releases as may be designated in such request;

(v) Perform any Obligation of Mortgagor and Mortgagor will pay Mortgagee the cost thereof upon demand by Mortgagee;

(vi) Assert such other rights and remedies of a secured party and of a mortgagee under the laws of the State of Arizona (regardless of whether such law or one similar thereto has been enacted in the jurisdiction where the rights or remedies are asserted); and/or

(vii) Demand, collect, receive, compromise and sue for, so far as may be permitted by law, all freights, hire, rents, earnings, issues, revenues, income and profits of the Cars, or any of them, and all amounts due from underwriters from any insurance thereon as payment of losses or as return premiums or otherwise, awards and recoveries, and all other sums, due or to become due at the time of the happening of any Event of Default in respect of the Cars or in respect of any insurance thereon from any person whomsoever, and to make, give, and execute in the name of Mortgagor acquittances, receipts, releases, or other discharges for the same, whether under seal or otherwise, and to endorse and accept in the name of Mortgagor, notes, drafts, warrants, agreements and all other instruments in writing with respect to the foregoing. Mortgagee is hereby apppointed attorney-in-fact of the Mortgagor upon the happening of any Event of Default, in the name of Mortgagor, to act in connection with the foregoing.

No delay or failure by Mortgagee to take action of any kind upon any one default or series of defaults in this Mortgage as provided by this Article shall be deemed a waiver of the right to take action upon such default or any succeeding default nor shall the acceptance by Mortgagee of any payments upon this Mortgage from any source be deemed a waiver of this provision.

Section 2 - Power of Attorney

In the event that the Cars, or any of them, shall be arrested or detained by any Marshall or other officer of any court of law or equity or by any government or other authority and shall not be released from arrest or detention within 30 days from the date of arrest or detention, Mortgagor does hereby authorize and empower Mortgagee, its successors or assigns, in the name of Mortgagor or its successors or assigns, to apply for and receive possession of or to take possession of the Cars, of any of them, with all the rights and powers that Mortgagor or its successors or assigns may have, possess and exercise in any such event, and this power of attorney shall be irrevocable and may be exercised not only by Mortgagee but also by any assignee or appointee of Mortgagee with full power of substitution to the same extent and effect as if such assignee or appointee had been named by express designation.

Mortgagor also authorizes and empowers Mortgagee, its assigns or appointee to appear in the name of Mortgagor, its successors and assigns, in any court where a suit is pending against any Car because of or on account of any alleged lien against any Car from which such Car has not been released and to take such proceedings and do such things as to them or any of them may seem proper toward the defense of such suit and the discharge of such lien, and all moneys expended by them or any of them for the purpose of such defense

and/or discharge shall be a debt due from Mortgagor, its successors and assigns, to Mortgagee, it successors and assigns, and payment thereof shall be secured by the lien of this Mortgage in like manner and extent as if the amount and description thereof were written herein.

Section 3 - Rights, Powers and Remedies Cumulative; Waiver

Each and every power and remedy in this Mortgage specifically given to Mortgagee shall be cumulative and shall be in addition to every other power and remedy herein or in any Document specifically given or now or hereafter existing at law, in equity or by statute, and each and every power and remedy whether specifically in this Mortgage given or otherwise existing may be exercised from time to time and as often and in such order as may be deemed expedient by Mortgagee; and the exercise or the beginning of the exercise of any power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other power or remedy. No delay or omission by Mortgagee in the exercise of any right or power or in the pursuance of any remedy accruing upon any default as above defined shall impair any such right, power or remedy or be construed to be a waiver thereof or of any such event of default or be any acquiescence therein; nor shall the acceptance by Mortgagee of any security or any payment on account of the Loan or any Obligation though made after default be deemed a waiver of any right to take advantage of any future Event of Default or of any past Event of Default not completely cured thereby.

Section 4 - Rights, Powers and Remedies Preserved

In case Mortgagee shall have proceeded to enforce any right or pursue any remedy under this Mortgage by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to Mortgagee, then and in every such case, Mortgagor and Mortgagee shall be restored to their former positions and rights hereunder with respect to the property subject or intended to be subject ot this Mortgage, and all rights, remedies and powers of Mortgagee shall contiune as if no such proceeding had been taken.

Section 5 - Application of Proceeds

The proceeds of any sale made either under the power of sale hereby granted to Mortgagee or under a judgment or decree in any judicial proceeding for the foreclosure of this Mortgage or for the enforcement of any remedy granted to Mortgagee hereunder, or any net earnings arising from the management, lease or other use of the Cars by Mortgagee under any of the powers herein reserved or the proceeds of any insurance and any claims for damages on account of the Cars of any nature whatsoever and any sums on deposit to the credit of Mortgagor or Mortgagee from earnings of the Cars as provided herein, shall be applied or retained as follows:

First: To the payment of all costs and expenses of Mortgagee, including the reasonable compensation of its agents and attorneys, by reason of any sale, retaking or operation of the Cars or other property mortgaged hereunder and all other sums payable to Mortgagee hereunder by reason of any expenses or liabilities incurred or advances made by it for the protection of the security or of any of its rights hereunder or in the pursuit of any remedy hereby conferred, and at the option of Mortgagee to the payment of all taxes, assessments, or liens prior to the lien of this Mortgage;

Second: To the payment of the Unpaid Amount and for any other amounts then due and payable pursuant to the terms of the Documents.

Third: Any surplus thereafter remaining, subject to the rights of any mortgagee under a subsequent mortgage on the Cars or the rights of other third parties, to Mortgagor or Mortgagor's successors in interest and assigns, or to whomever may be lawfully entitled to receive the same.

In the event that the proceeds are insufficient to pay the amounts specified in paragraphs "First" and "Second" above, Mortgagee shall be entitled to collect the balance from Mortgagor or any other person liable therefor.

Section 6 - Reimbursement for Expenditures

If Mortgagor shall default in the Performance of any Obligations, Mortgagee may in its discretion do any act or make any expenditures necessary to remedy such default and Mortgagor shall promptly reimburse Mortgagee, with interest at the Overdue Rate for any and all expenditures so made or incurred, and until Mortgagor has so reimbursed Mortgagee for such expenditures, the amount thereof shall be a debt due from Mortgagor to Mortgagee and payment thereof shall be secured by the lien of this Mortgage in like manner and extent as if the amount and description thereof were written herein; but Mortgagee, though privileged so to do, shall be under no obligation to Mortgagor to make any such expenditures nor shall the making thereof relieve Mortgagor of any default in that respect. Mortgagor shall also reimburse Mortgagee promptly with interest at the Overdue Rate for any and all advances and expenses made or incurred by Mortgagee at any time in taking the Cars, or any of them, or otherwise protecting its rights hereunder and for any and all damages sustained by Mortgagee from or by reason of any default or defaults of Mortgagor.

Section 7 - Return of the Cars.

If Mortgagee shall rightfully demand possession of the Cars pursuant to this Mortgage or otherwise, Mortgagor shall forthwith remove or cause to be removed any lettering of the names or initials or other insignia customarily used by Mortgagor or Lessee from the Cars at its cost and expense and deliver the possession of the Cars to Mortgagee and Mortgagor will pay for any repairs necessary to restore the Cars to the condition required in this Mortgage. Such Cars will be returned free from residue and complete with all parts, equipment and accessories. For such purpose Mortgagor, at its own cost and expense, shall forthwith assemble or cause to be assembled the Cars and place them upon such storage tracks as Mortgagee may designate or, in the absence of such designation, as Mortgagor may select, and Mortgagor shall pay all costs and expenses of such storage for a period not exceeding 180 days from the date that the Cars as so assembled, and at Mortgagor's own cost and expense shall transport or cause to be transported the Cars at any time within such 180 day period on the written direction of Mortgagee to do so to the place Mortgagee directs. The assembling, delivery, storage and transportation of the Cars as hereinabove provided are of the essence of this Mortgage and, upon application to any court of equity having jurisdiction in the premises, Mortgagee shall be entitled to a decree against Mortgagor so as to require Mortgagor to assemble, deliver, store and transport the Cars.

Without in any way limiting the obligation of Mortgagor under the foregoing provisions of this Section 7, Mortgagor hereby irrevocably appoints Mortgagee as its agent and attorney, with full power and authority, at any time while Mortgagor is obligated to deliver possession of the Cars to Mortgagee, to demand and take possession of the Cars in the name and on behalf of Mortgagor from whomsoever shall be at the time in possession of the Cars.

ARTICLE V - Mortgagor's Possession and Use of the Cars

(a) Until an Event of Default shall occur, Mortgagor or Lessee, as the case may be, shall be suffered and permitted to retain actual possession and use of the Cars.

Mortgagor shall not use or permit the use of the Cars involving the operation and/or maintenance thereof outside the United States of America. Mortgagor shall not, without the prior written consent of Mortgagee, part with the possession or control of, or suffer or allow to pass out of its possession or control the Cars, except that Mortgagor may permit the use thereof or any part thereof by Lessee pursuant to the Lease and by other railroad companies in the usual interchange of traffic agreement, but only on and subject to all the terms and conditions of this Mortgage; provided however, Mortgagee may lease or re-lease the Cars to third parties subject to the following terms and conditions:

(i) Prior to Mortgagor entering into a lease ~~or re-lease~~ transaction, the lessee must receive the written approval of Mortgagee; and

~~(ii) Each lease or re-lease entered into by Mortgagor must be assigned to Mortgagee which shall be consented to by such lessee, the lease or re-lease, assignment and consent being in form and content acceptable to Mortgagee and its counsel.~~

(b) All per diem payments, ~~lease rentals~~ and other charges payable for the use of the Cars while being used by others and proceeds payable for the loss, destruction or damage of or to the Cars under the current Code of Rules Governing the Settlement for Destroyed or Damaged Cars adopted by the Association of American Railroads shall be paid to Mortgagee's agent, care of Mortgagee, who, prior to Default and until a successor is designated by Mortgagee, may be Mortgagor, and Mortgagor shall cause appropriate instructions as to such payments to be published in each issue of the Official Railway Equipment Register. Prior to the occurrence of an Event of Default the amounts so paid shall be remitted by such agent to Mortgagor; provided, however, that if an Event of Default shall occur, no such payments, ~~lease rentals~~ or other charges shall be paid to Mortgagor from and after the occurrence of said Event of Default, and Mortgagor hereby releases any claim thereto, and all such payments, ~~lease rentals~~ and other charges shall be remitted to Mortgagee and may be applied by Mortgagee against any liability of Mortgagor to Mortgagee under the Documents or any expense incurred by Mortgagee because of such Default and otherwise as provided in Section 5 of Article IV.

ARTICLE VI - Other Acts by Mortgagor

Mortgagor (if requested by Mortgagee) shall at its own expense execute, sign, perfect, do, and register every such document, act, or thing as in the opinion of Mortgagee or its counsel may be necessary or desirable for the purpose of implementing or perfecting any assignment or transfer of the Loan or of the interest of Mortgagee hereunder.

ARTICLE VII - Miscellaneous

Section 1 - Counterparts

This Mortgage may be executed simultaneously in any number of identical copies each of which shall constitute an original for all purposes.

Section 2 - Notices

Any notice required or permitted to be given hereunder shall be in writing and shall be (i) personally delivered or (ii) transmitted by postage prepaid certified mail to the parties as follows (as elected by the party giving such notice):

To Mortgagor: HAROLD A. WHITBECK
c/o RailCar America, Inc.
Two Embarcadero Center, Suite 2940
San Francisco, California 94111

To Mortgagee: GREYCAS, INC.
Greyhound Tower
Phoenix, Arizona 85077

Attention: Vice President - Operations

The date of any notice hereunder shall be deemed to be (i) the date of receipt if delivered personally, or (ii) the date five days after posting if transmitted by mail. Any party may change its address for purposes hereof by notice to the other parties hereto.

Section 3 - Successors and Assigns

All the covenants, promises, stipulations and agreements of Mortgagor and all the rights and remedies of Mortgagee in this Mortgage contained shall bind Mortgagor, his personal representatives, executors, administrators, successors and assigns, and shall inure to the benefit of Mortgagee, its successors and assigns, whether so expressed or not. In the event that Mortgagee shall assign its interests, Mortgagor shall execute such consents thereto as Mortgagee shall require but such consent shall not be required for the validity of such assignment.

Section 4 - Severability

In case any one or more of the provisions contained in this Mortgage shall be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

Section 5 - Modification

This Mortgage exclusively and completely states the rights of Mortgagee and Mortgagor with respect to the Cars. No modification, variation, termination, discharge or abandonment hereof and no waiver of any of the provisions or conditions shall be valid unless in writing and signed by duly authorized representatives of Mortgagee and Mortgagor or the representatives, successors, transferees or assigns of either, subject, however, to the limitations on assignment hereof by Mortgagor. This Mortgage supersedes any and all prior representations, warranties and/or inducements, written or oral, heretofore made by Mortgagee concerning this transaction, which are null and void and of no force or effect whatsoever.

Section 6 - Headings and References

All paragraph headings are inserted for convenience only and shall not affect any construction or interpretation of this Mortgage. Unless otherwise indicated, all references herein to clauses and other subdivisions refer to the corresponding pargraphs, clauses and other subdivisions of this Mortgage; the words "herein", "hereof", "hereto", "hereunder" and words of similar import refer to this Mortgage as a whole and not to any particular paragraph, clause or

other subdivision hereof; and reference to a numbered or lettered subdivision of a paragraph shall include relevant matter within the section which is applicable to but not within such numbered or lettered subdivision.

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage as of the day and year first above written.

Mortgagor:

HAROLD A. WHITBECK

SIGNATURE GUARANTEED:

SIGNATURE GUARANTEED
First National Bank of Omaha
By ..... Trust Officer

GREYCAS, INC., ("Mortgagee")

By
Vice President

ATTEST:

By
Assistant Secretary

State of Nebraska)
) ss:
County of Douglas)

On this 5th day of March, 1981, before me personally appeared Harold A. Whitbeck, to me known to be the person described in and who executed the foregoing instrument and he acknowledged that he executed the same as his free act and deed.

(seal)

GENERAL NOTARY - State of Nebraska
EVA HEINE
My Comm. Exp. Aug 20, 1981

Eva Heine
Notary Public

My commission expires:

_____

State of Arizona)
) ss:
County of Maricopa)

On this 16 day of MARCH, 1981, before me personally appeared ~~Martin C. Roth~~ FRED PINK and John A. Greene, to me known to be Vice President and Assistant Secretary, respectively, of Greycas, Inc., and who executed the foregoing instrument in their names and they acknowledged that they executed the same as their free act and deed.

Jeannie L. Jones
Notary Public

My commission expires:
My Commission Expires Oct. 7, 1984

EXHIBIT A

TO CHATTEL MORTGAGE AND SECURITY AGREEMENT
DATED AS OF FEBRUARY 12, 1981
HAROLD A. WHITBECK ("Mortgagor")

"Cars"

Five (5) used (Built in December of 1972) 4750 cubic ft. covered hopper cars; each with three compartments; trough hatches; lined; equipped with 100-ton truck and listed in the Official Railway Equipment Register, designated as follows:

1. WRTX 3064
2. WRTX 3065
3. WRTX 3066
4. WRTX 3067
5. WRTX 3068