

File 2nd

WILMER, CUTLER & PICKERING

1666 K STREET, N. W.

WASHINGTON, D. C. 20006

5-319A104

14836

ALLEN H. HARRISON, JR.

DIRECT LINE (202)

872-6093

No. NOV 15 1985

Date NOV 15 1985

Fee \$ 10.00

INTERNATIONAL TELEX: 440 239 WCPI UI
TELEX: 89-2402 WICRING WSH
TELEPHONE 202 872-6000

NOV 15 1985 -4 15 PM

EUROPEAN OFFICE
4 CARLTON GARDENS
PALL MALL
LONDON, SW1Y 5AA, ENGLAND
TELEPHONE 011-441-839-4466
TELEX: 8813918 WCPLDN
TELCOPY: 839 3537
CABLE ADDRESS: WICRING LONDON

ICC Washington, D.C. November 15, 1985 INTERSTATE COMMERCE COMMISSION

Dear Mr. Bayne:

On behalf of ITT Industrial Credit Company I submit for filing and recording under 49 U.S.C. § 11303(a) and the regulations promulgated thereunder, one executed counterpart and one certified true copy of a primary document not previously recorded, entitled "Security Agreement (Chattels)", dated November 6, 1985.

New member

The parties to the said enclosed document are:

Inman Service Company Inc. - Debtor
115 North Main
Baytown, Texas 77520

ITT Industrial Credit Company - Secured Party
8251 Maryland Avenue
Clayton, Missouri 63105

The said document relates to a loan not to exceed \$430,000.32, and the security interest granted in certain property to secure the said loan.

The rolling stock covered consists of:

	<u>Description</u>	<u>Model</u>	<u>Serial No.</u>
1	EMD Locomotive Road #195 ✓	SW-9	4098-42
1	EMD Locomotive Road #134 ✓	SW-9	6182-1
1	EMD Locomotive Road #509 ✓	SW-2	3291
1	EMD Locomotive Road #182 ✓	SW-9	4098-29
1	EMD Locomotive Road #163 ✓	SW-9	4098-10
1	EMD Locomotive Road #178 ✓	SW-9	4098-25
1	EMD Locomotive Road #145 ✓	SW-9	6182-12
1	EMD Locomotive Road #1227	SW-9	6288-4

NOV 15 4 11 PM '85
MOTOR OPERAT UNIT
100 OFFICE OF THE SECRETARY

A short summary of the document to appear in the Index is as follows:

Allen H. Harrison, Jr.

"Covers 8 SW-9 locomotives as listed:

	<u>Description</u>	<u>Model</u>	<u>Serial No.</u>
1	EMD Locomotive Road #195	SW-9	4098-42
1	EMD Locomotive Road #134	SW-9	6182-1
1	EMD Locomotive Road #509	SW-2	3291
1	EMD Locomotive Road #182	SW-9	4098-29
1	EMD Locomotive Road #163	SW-9	4098-10
1	EMD Locomotive Road #178	SW-9	4098-25
1	EMD Locomotive Road #145	SW-9	6182-12
1	EMD Locomotive Road #1227	SW-9	6288-4 "

Enclosed is our firm's check in the amount of \$10 in payment of the filing fee.

Once this filing has been made, please return to bearer the stamped counterpart of the document not required for filing purposes, together with the fee receipt, the letter from the ICC acknowledging the filling, and the two extra copies of this letter of transmittal.

Very truly yours,


Allen H. Harrison, Jr.
Attorney for ITT Industrial
Credit Company for the
purpose of this filing

Honorable James H. Bayne
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Enclosures
AHH/iw

BY HAND

SECURITY AGREEMENT
(CHATTELS)

NOV 15 1985 -4 15 PM

Inman Service Company Inc.
Debtor
115 N. Main
Address
Baytown, Harris TX 77520
City County State

ITT INDUSTRIAL CREDIT COMPANY
Secured Party (Lender)
Clayton Missouri
City State
\$ 430,000.32 11/6 1985
Amount as of Date

KNOW ALL MEN BY THESE PRESENTS, that the undersigned debtor hereinabove named, in consideration of and for the purpose of securing the payment of all just indebtedness and obligations, according to the conditions of a certain promissory note or other evidence of obligation, dated as above and any other note or evidence of obligation hereafter given, does hereby grant the Secured Party, its successors and assigns, a security interest, pursuant to the Uniform Commercial Code, in all that certain personal property described specifically and generally below in Schedule "A" (all of which property is herein referred to as "Collateral") to secure the payment of said indebtedness and obligations, and any and all sums hereafter advanced and expenditures hereafter made by the Secured Party under the provisions of this Agreement, and any and all indebtedness and obligations of Debtor to Secured Party whether now existing or hereafter incurred. Debtor agrees that a default under this transaction or any other transaction between Debtor and Secured Party shall be deemed to be a default under all such transactions and all the amounts due shall become immediately due and payable and Secured Party will be entitled to exercise any and all rights and remedies available to it under the Uniform Commercial Code. A surplus attributable to any transaction may be applied to offset a deficiency attributable to any other transaction, in such manner as determined by Secured Party.

Debtor represents, warrants and agrees that:

- (1) Debtor is the absolute owner and is in possession of all of the Collateral, and except for any lien or encumbrance noted in Paragraph (A) below and the security interest granted herein, the Collateral and each item thereof is free and clear of all security interests, liens and encumbrances and adverse claims of any kind or nature whatsoever.
- (2) The Collateral is presently located and is customarily kept on or about the premises of Debtor's address as hereinabove set forth except as noted in paragraph (B) below and Debtor shall permit Secured Party and its representatives, free access to the Collateral at all reasonable times for the purposes of inspection. Debtor shall keep the Collateral in good working order, repair and running condition, and shall replace any worn, broken or defective parts. Debtor shall not abandon the Collateral except upon loss, theft or destruction and shall promptly notify Secured Party of any such occurrence.
- (3) Debtor will not, except upon the express prior written consent of the Secured Party, sell or pledge all or any part of the Collateral, or submit the Collateral to any unpaid charge or encumbrance, including taxes, or in any way lease, dispose of, transfer or assign its interest in the Collateral or this Security Agreement, or remove or allow the removal of the Collateral from its specified location except as specified in paragraph (B) below. Debtor shall promptly pay all taxes validly levied or assessed against the Collateral.
- (4) The "Additional Provisions" set forth on the reverse side hereof shall constitute an integral part of this Security Agreement with the same force and effect as though set forth on the reverse side hereof.
- (5) In the event of repossession after any default as defined herein, Debtor hereby waives notice of and opportunity for hearing.

SCHEDULE A

See Attached Schedule "A"

This Security Agreement shall be constructed and interpreted according to the laws of the State of Missouri. Debtor agrees that the laws of said state shall govern the validity, enforceability and legality of the transaction evidenced hereby. This Security Agreement is not binding and effective unless and until it is accepted by Secured Party at its place of business in Clayton

together with all parts, accessories, repairs, improvements and additions thereto now or hereafter at any time made or acquired, including any general intangibles or chattel paper attributable thereto, all substitutes or replacements of the said Collateral made by Debtor (which, however, may be made only with the written consent of Secured Party during the term of this Security Agreement) and any and all other personal property now owned or hereafter acquired at any time by Debtor.

- (a) The Collateral is free and clear of all liens and encumbrances except: those held by ITT Industrial Credit Company
- (b) The Collateral is located at Debtor's address as stated, from which address, City, County or State it shall not be removed without the Secured Party's express prior written consent, except when located at: various locations
- (c) The following items were or are to be purchased with the proceeds of the loan secured hereby Not Applicable

The undersigned Debtor (or if there are two or more Debtors, one of them) acknowledges receipt of a copy of this Security Agreement, and acknowledges that at the time of the signing this Security Agreement on the above date, all blank spaces on this Security Agreement were filled in.

ITT Industrial Credit Company
(Secured Party)

Inman Service Company Inc.
Debtor
Vince Inman
Signature and Title Vince Inman,
Executive Vice President
Signature and Title

JL Inman
By

NOV 1 1988

ADDITIONAL PROVISION

1. Debtor agrees to keep said Collateral insured against loss or damage by fire, wind, theft and accident with an insurance company or companies satisfactory to Secured Party, in an amount not less than the unpaid balance due hereunder, such insurance to be payable to the Secured Party as its interests may appear. Debtor hereby assigns to Secured Party all sums not in excess of the unpaid balance hereunder and directs any insurance company to make payment directly to Secured Party to be applied to said unpaid balance and grants Secured Party an irrevocable Power of Attorney to endorse any draft and sign and file all of the necessary papers, forms and documents to initiate and settle any and all claims for loss or damage to the Collateral herein described.
2. Debtor shall not lease or rent any item of Collateral without prior written consent of Secured Party. Without limiting the foregoing, if in fact the Debtor leases or rents any item of Collateral, Secured Party may on demand take possession of the original of said lease and shall be granted a security interest in it and in all rents paid or due to Debtor with respect to such Collateral and in the event of default by Debtor hereunder, Secured Party shall have the right in its own name to collect such rentals directly from the party owing same.
3. If Debtor fails to make any payment or do any act as herein required, then Secured Party, at its option, may make such advancements or expenditures and do such acts as Secured Party may deem necessary to protect its security and Debtor hereby agrees to pay immediately all sums so expended by Secured Party together with interest from the date of expenditure at the same rate charged on the loan described on the front side of this Security Agreement.
4. If Debtor shall default in the payment of any of the indebtedness, obligations or liabilities secured hereby, or shall default in the performance of any agreement herein contained, or if any breach be made of any obligation, promise, declaration or warranty of Debtor herein contained or secured hereby, or if a petition is filed by or against Debtor under any of the laws of the United States relating to Bankruptcy, or Reorganizations, or Arrangements, or if there is an appointment of a trustee or receiver for the Debtor or for a substantial part of its property, or if there is an Assignment made for the benefit of creditors, or if Secured Party, in good faith deems itself insecure, Secured Party, at its option, without demand upon or notice to Debtor, may declare all indebtedness, obligations and liabilities secured hereby, to be immediately due and payable, and Secured Party shall have all the rights and remedies granted to a Secured Party under the Uniform Commercial Code, including, without limitation the right to require Debtor to assemble the Collateral and make it available to Secured Party at a place designated by Secured Party and to enter upon the premises where the Collateral, or any part of it may be, and take possession thereof, Debtor hereby WAIVING NOTICE AND OPPORTUNITY FOR HEARING. Provided further, that the Secured Party's waiver of forbearance of any default or right granted by this Agreement, regardless of the extent or duration of such waiver or forbearance, shall not constitute a waiver of any subsequent default or of the Secured party's right to require strict performance of this Agreement.
5. In the event Secured Party takes possession of the Collateral, or any part thereof, and same is sold at a public or private sale, Secured Party shall deduct and retain from the proceeds of such sale or sales all costs, expenses, charges paid or incurred in the taking, removal, handling, repair or refurbishing thereof, and sale of said property, or otherwise incurred in connection therewith, including reasonable attorney's fees incurred or paid by Secured Party; the balance of the proceeds shall be applied by Secured Party upon the indebtedness, obligations and liabilities secured hereby, in such order and manner as Secured Party may determine. Any surplus shall be paid to Debtor or the persons lawfully entitled thereto and Debtor agrees to pay Secured Party any deficiency.
6. If suit be brought, or any proceedings instituted on this agreement, there shall be due from Debtor to Secured Party, immediately upon the commencement thereof, a reasonable attorney's fee in said action or proceeding, which sum is hereby secured. In any such action, plaintiff shall be entitled to the appointment of a receiver, without notice, to take possession of the Collateral and to exercise such powers as the Court shall confer upon him. Any provision of this Security Agreement which is prohibited or unenforceable in any jurisdiction shall as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction.
7. Any requirement of reasonable notice to Debtor shall be met if such notice to such Debtor is deposited in U.S. mail postage prepaid to the address of Debtor, as hereinabove set forth (or to such other address as Debtor may have requested in writing), at least seven (7) days before the time of the event set forth in such notice.
8. Publicity for any public sale shall be deemed commercially reasonable if such sale is advertised once, not less than seven (7) days nor more than twenty (20) days, prior to the date of sale, in the classified advertising section of a daily or weekly newspaper circulated in the community where the sale is to be held, or as otherwise required by law.
9. At the request of Secured Party, Debtor will execute such forms, documents and titles as are considered necessary by the Secured Party to properly give notice of this Security Agreement, record and perfect its interest, including without limitation such Uniform Commercial Code Financing Statements, Motor Vehicle Certificates of Title, Aircraft Bills of Sale, Conveyances and Applications, or Interstate Commerce Commission recordation documents, as the Secured Party in its sole discretion requires. Debtor hereby grants Secured Party a Power of Attorney and authorizes and empowers Secured Party to execute all said forms, documents and titles and make necessary corrections thereto to give proper notice of this Security Agreement and record and perfect its security interest in the Collateral. Provided however, that nothing contained herein shall be construed to impose upon the Secured Party a duty to protect the Debtor's interest by recording any document or title.
- 10.) Debtor shall in all instances comply with all applicable laws of the United States and the several states respective to the use, licensing, operation, maintenance, and control of the Collateral; and shall further comply with all regulations issued pursuant to such laws, including without limitation the Regulations of the Federal Aviation Authority, Civil Aeronautics Board, and the Interstate Commerce Commission, where applicable.
- 11.) If more than one Debtor executes this Agreement, the word Debtor herein and all words used with reference to Debtor shall be deemed to be plural, and their obligations shall be joint and several.
- 12.) Each person who joins in executing this Agreement and any note or notes secured thereby, hereby agrees and expressly assents to the liability of their separate property for all their debts and obligations herein mentioned.
- 13.) During the term of this Agreement, Debtor agrees to provide Secured Party with a copy of Debtor's annual financial statements within a reasonable time after said statements are available, together with such other financial information as Secured Party may reasonably request.
- 14.) General Provisions: No amendment or modification of the terms of this Security Agreement shall be effective unless in writing and acknowledged by both parties hereto. Debtor warrants that the Collateral is used exclusively for business purposes. Should the serial numbers of the Collateral be incorrect or not available as of the execution hereof, Secured Party may insert them when available.

SCHEDULE 'A'

Security Agreement

This schedule is attached to and made a part of the Lease Agreement dated

(Check appropriate box.)

11/16, 1985, between the undersigned.

QUANTITY	DESCRIPTION OF EQUIPMENT		YEAR & MODEL	SERIAL NO.
1	EMD	Locomotive Road #195	SW-9	4098-42
1	EMD	Locomotive Road #134	SW-9	6182-1
1	EMD	Locomotive Road #509	SW-2	3291
1	EMD	Locomotive Road #182	SW-9	4098-29
1	EMD	Locomotive Road #163	SW-9	4098-10
1	EMD	Locomotive Road #178	SW-9	4098-25
1	EMD	Locomotive Road #145	SW-9	6182-12
1	EMD	Locomotive Road #1227	SW-9	6288-4

Together with all parts, attachments, accessories, substitutions, repairs, improvements, replacements and service parts; and all chattel paper, contract rights, leases, accounts, documents, instruments and general intangibles, now existing or hereafter arising, as a result of the sale, lease, demonstration or disposition, in any manner whatsoever, of the above; all rentals resulting from any leases; and any and all rights thereunder and proceeds and products thereof including but not limited to insurance proceeds.

This schedule is hereby verified correct and undersigned acknowledges receipt of a copy.

Secured Party or Lessor

Debtor or Lessee

ITT Industrial Credit Company (L.S.)

Inman Service Company Inc. (L.S.)

By (L.S.)

By (L.S.)

THE STATE OF TEXAS

BEFORE ME, the undersigned, a Notary Public in and for said State, on this day personally appeared Lyle Benson known to me to be the person whose name subscribed to the foregoing instrument and acknowledged to me that executed the same for the purpose and consideration therein expressed.

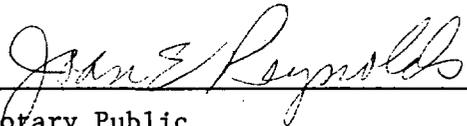
GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS THE 6TH DAY OF NOVEMBER,
A.D. 1985.


Notary Public

THE STATE OF TEXAS

BEFORE ME, the undersigned, a Notary Public in and for said State, on this day personally appeared Vince Inman known to me to be the person whose name subscribed to the foregoing instrument and acknowledged to me that executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS THE 6TH DAY OF NOVEMBER,
A.D. 1985.



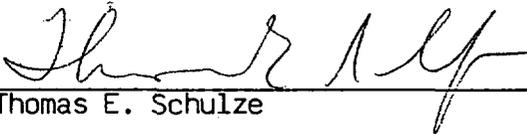
Notary Public

STATE OF MISSOURI)
) SS.
COUNTY OF ST. LOUIS)

CERTIFICATION OF TRUE COPY

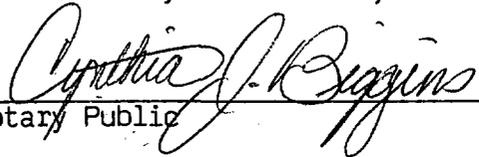
I, Thomas E. Schulze, a member of the Bar of the State of Illinois, do hereby certify that I have compared the attached copy of the document entitled "Security Agreement (Chattels)" with an executed original counterpart thereof and find the said attached copy to be in all respects a true, correct and complete copy of the aforesaid executed original counterpart.

IN WITNESS WHEREOF, the undersigned has hereto affixed his signature this 13th day of November, 1985.



Thomas E. Schulze

Subscribed and sworn to before me
this 13th day of November, 1985.



Notary Public

My commission expires:
10-28-88

Cynthia J. Biggins, Notary Public
St. Charles County, State of Missouri
My Commission Expires Oct. 28, 1988