



LINCOLN INDUSTRIES, INC.

14990

REGISTRATION NO. Filed 1426

JUN 30 1986 2:50 PM

INTERSTATE COMMERCE COMMISSION
P.O. BOX 80269 • LINCOLN, NEBRASKA 68501 • 402/467-4481

June 27, 1986

Ms. Mildred Lee
Chief Recording Officer
Interstate Commerce Commission
Washington, DC 20423

6/30/86
10.00
DC Washington, PA

Dear Madam:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Sec. 11303 is an original and copy of a Security Agreement dated April 14, 1986, which is a 'primary document' as that term is defined in 49 C.F.R. Sec. 1116.1(a).

A general description of the railroad equipment covered by the enclosed document is set forth on Exhibit A attached to this letter and made a part hereof.

The names and addresses of the parties to the enclosed document are:

Secured Party: Lincoln Industries, Inc.
P.O. Box 80269
Lincoln, NE 68501

Debtor: Fremont & Western, Inc.
6400 Cornhusker Highway
Lincoln, NE 68504

The undersigned is an officer of both parties for the purpose of submitting the enclosed document for recordation and has knowledge of the matters set forth therein.

Kindly return the stamped copy of the enclosed document to the undersigned at the above address.

Also enclosed is a check in the amount of \$10 in favor of the Interstate Commerce Commission in payment of the required recordation fee.

Very truly yours,

Bill C. Macy

BCM:rsh

Enclosures

EXHIBIT A

The following assets are unconditionally pledged as collateral to secure the note agreement dated April 14, 1986, between Fremont & Western, Inc., Debtor, and Lincoln Industries, Inc., Lender.

Railroad hopper cars:

LGIX 375 through LGIX 459, and

LGIX 1013 through LGIX 1062 (135 cars).

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

6/30/86

Bill C. Macy
Uncoln Industries, Inc.
P.O.Box 80269
Lincoln, Nebraska 68501

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 6/30/86 at 2:50pm, and assigned re-
recording number (s). 14990

Sincerely yours,

Noreta R. McGehee
Secretary

Enclosure(s)

SE-30
(7/79)

14990

FILED 1428

SECURITY AGREEMENT

JUN 30 1986 5:50 PM

INTERSTATE COMMERCE COMMISSION

THIS Security Agreement is made this 14th day of April, 1986, between Fremont & Western, Inc., a Kansas corporation, Debtor, and Lincoln Industries, Inc., a Kansas corporation, Secured Party.

Debtor is obligated to Secured Party for the amount of One Million, Eight Hundred Forty-five Thousand Dollars and No/100 Dollars (\$1,845,000.00) as set forth in the terms of a secured promissory note dated April 14, 1986, payable upon terms and conditions recited in the note, with interest, secured by railroad hopper cars as described in this Agreement.

In consideration of the Agreement between the parties, to secure the performance of the Agreement and payment of the terms of the promissory note, Debtor hereby grants to Secured Party a security interest in railroad hopper cars identified by car numbers set forth on Exhibit A attached to this Agreement.

The Debtor is the owner of the security, free and clear of adverse liens or encumbrances.

Debtor shall have the right to possession and use of the security for the duration of this Agreement, and shall be liable for the cost of maintenance and repair, insurance, taxes and all other expenses of every kind in connection with the use and operation of the collateral. Debtor will protect the priority of the lien of this Security Agreement

against any lien or encumbrance which may arise on behalf of any claimant asserting priority.

Any additions or deletions of railroad cars subject to the terms of this Security Agreement shall be noted in writing by amendment to the exhibit. The parties may otherwise alter or amend the terms of this Security Agreement by further written agreement.

In the event of a default in the performance of the requirements of the secured promissory note, or of this Agreement, the secured party may accelerate the maturity of the indebtedness, and pursue the remedies provided by the laws of the State of Nebraska, including those contained in the Nebraska Uniform Commercial Code - Secured Transactions.

ATTEST:

LINCOLN INDUSTRIES, INC.,
A Kansas Corporation, Secured Party

Ardean A. Arndt
Secretary

Bill C. Macy
Bill C. Macy, Vice President

ATTEST:

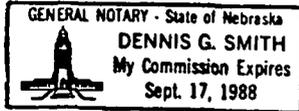
FREMONT & WESTERN, INC.,
A Kansas Corporation, Debtor

Ardean A. Arndt
Secretary

Bill C. Macy
Bill C. Macy, Vice President

STATE OF NEBRASKA)
) ss.
COUNTY OF LANCASTER)

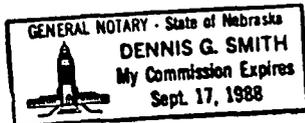
The foregoing Security Agreement was acknowledged before me this 14 day of APRIL, 1986, by Bill C. Macy, Vice President of Lincoln Industries, Inc., a Kansas corporation, on behalf of the corporation.



Dennis G. Smith
Notary Public

STATE OF NEBRASKA)
) ss.
COUNTY OF LANCASTER)

The foregoing Security Agreement was acknowledged before me this 14 day of APRIL, 1986, by Bill C. Macy, Vice President of Fremont & Western, Inc., a Kansas corporation, on behalf of the corporation.



Dennis G. Smith
Notary Public

EXHIBIT A

The following assets are unconditionally pledged as collateral to secure the note agreement dated April 14, 1986, between Fremont & Western, Inc., Debtor, and Lincoln Industries, Inc., Lender.

Railroad hopper cars:

LGIX 375 through LGIX 459, and

LGIX 1013 through LGIX 1062 (135 cars).

FINANCING STATEMENT

DEBTOR: Fremont & Western, Inc.
6400 Cornhusker Highway
Lincoln, NE 68507

SECURED PARTY: Lincoln Industries, Inc.
P.O. Box 80269
Lincoln, NE 68501

DESCRIPTION OF COLLATERAL: (Railroad covered hopper cars with reporting marks LGIX numbers)

LGIX 375 through LGIX 459 and
LGIX 1013 through LGIX 1062 (135 cars).

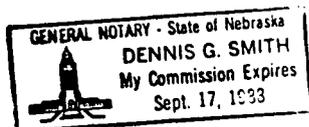
ATTEST: FREMONT & WESTERN, INC., Debtor

Ardean A. Arndt
Secretary

Bill C. Macy
Bill C. Macy, Vice President

STATE OF NEBRASKA)
) ss.
COUNTY OF LANCASTER)

The foregoing Financing Statement was acknowledged before me this 14 day of APRIL, 1986, by Bill C. Macy, Vice President of Fremont & Western, Inc., a Kansas corporation, on behalf of the corporation.



Dennis G. Smith
Notary Public