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RECORDATION NO. Filed 1425

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WASHINGTON
NEW YORK
LOS ANGELES
DEC 31 1981 -10 30 AM
MORGAN, LEWIS & BOCKIUS
COUNSELORS AT LAW
123 SOUTH BROAD STREET
PHILADELPHIA, PENNSYLVANIA 19106
TELEPHONE: (215) 875-5000
CABLE ADDRESS: MORLEBOCK
TELEX: 83-1315

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MIAMI
HARRISBURG
LONDON
INTERSTATE COMMERCE COMMISSION

13405
RECORDATION NO. Filed 1425

E. CLIVE ANDERSON
DIAL DIRECT (215) 875-5219

DEC 31 1981 -10 30 AM
INTERSTATE COMMERCE COMMISSION
Filed 1425

December 31, 1981

Agatha L. Mergelovich, Secretary
Interstate Commerce Commission
12th Street and Constitution Avenue, N.W.
Room 2303
Washington, D.C. 20423
Date 12/31/81
Fee \$

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INTERSTATE COMMERCE COMMISSION

Dear Secretary:

~~100 Washington, D.C.~~
We have enclosed an original and one fully executed and acknowledged counterpart of the documents described below, to be recorded pursuant to Section 11303 of Title 49 of the United States Code.

(1) Bill of Sale, dated December 31, 1981

Vendor - The Connecticut Bank and Trust Company,
as Agent
One Constitution Plaza
Hartford, Connecticut 06103

Purchaser - Leo Crowley
2394 Riverside Drive
Green Bay, Wisconsin 54303

(2) Security Agreement, dated December 29, 1981

Debtor - Leo N. Crowley
2394 Riverside Drive
Green Bay, Wisconsin

Creditor - The Connecticut Bank and Trust Company,
as Agent
One Constitution Plaza
Hartford, Connecticut 06103

(3) Assignment of Lease, dated December 28, 1981

Assignor - Brae Corporation
Four Embarcadero Center
San Francisco, California 94111

Mary Beth Byme
O'Donoghue

MORGAN, LEWIS & BOCKIUS

Assignee - Leo N. Crowley
2394 Riverside Drive
Green Bay, Wisconsin 54303

(4) Collateral Assignment of Lease, dated
December 29, 1981

Assignor - Leo N. Crowley
2394 Riverside Drive
Green Bay, Wisconsin 54303

Assignee - The Connecticut Bank and Trust Company,
as Agent
One Constitution Plaza
Hartford, Connecticut 06103

The primary document to which documents 1, 2, 3 and 4
are connected is recorded under Recordation No. 10818.

A description of the equipment covered by documents 1,
2, 3 and 4 follows: 3 Boxcars, Type XM (50'6", 70-ton), bearing
road numbers LRWN 5735 (formerly NSL 155735), LRWN 5738 (formerly
NSL 155738), and LRWN 5740 (formerly NSL 155740).

We request that documents 1, 2, 3 and 4 be cross-
referenced to Recordation No. 10818.

Very truly yours,


Clive Anderson

tjk

Enclosures

13405-A
DEC 31 1981 - 10 30 AM

SECURITY AGREEMENT

INTERSTATE COMMERCE COMMISSION

The undersigned debtor, meaning all debtors jointly and severally ("Debtor"), to secure payment of the indebtedness set forth below, hereby grants to the below named secured party, its successors and assigns ("Secured Party"), a security interest in the following described property, complete with all present and future attachments, accessories, replacement parts, repairs, additions, and all proceeds thereof, all hereinafter referred to collectively as "Collateral":

See Exhibit A attached hereto and made a part herof.

The Collateral will be used in the Continental United States, Canada and Mexico. Debtor shall use its best efforts to use, and to cause third parties having control over its use to use, the Collateral predominantly within the continental United States in accordance with Section 48 (a) (2) of the Internal Revenue Code of 1954, as amended. Without limiting the generality of the foregoing, Debtor will not knowingly commit more than twenty percent (20%) of the Collateral to be out of the continental United States at any one time.

Debtor promises to pay Secured Party the principal sum of \$98,001 in accordance with Debtor's full recourse promissory note of even date ("Note"), together with any and all additional amounts due thereunder or hereunder. Such note taken herewith evidences indebtedness and not payment. All amounts payable hereunder are payable at Secured Party's address shown below, or at such other address as Secured Party may specify from time to time in writing.

CROSS SECURITY: Debtor grants to Secured Party a security interest in the Collateral to secure the payment and performance of all absolute and all contingent obligations and liabilities of Debtor to Secured Party, or to any assignee of Secured Party, now existing or hereafter arising under this agreement or any other document entered into pursuant hereto and whether due directly or by assignment; provided, however, upon any assignment of this agreement by Secured Party, the assignee will be deemed for purpose of this paragraph the only party with a security interest in the Collateral. The security interests granted hereby shall continue effective irrespective of any retaking and redelivery of Collateral to Debtor until all amount secured hereby are fully paid in money.

A. Debtor warrants and agrees that: Debtor is justly indebted to Secured Party for the full amount of the indebtedness specifically described herein and any interest thereon; Debtor lawfully possesses and owns the Collateral; the Collateral will be kept free from all liens, claims, security interests and encumbrances other than that created hereby; no financing statements covering the Collateral or any proceed thereof is now on file in favor of anyone other than Secured Party; notwithstanding Secured Party's claim to proceeds, Debtor will not, without Secured Party's prior written consent, sell, rent, lend, encumber, pledge, transfer, secrete or otherwise dispose of any of the Collateral, nor will Debtor permit any such act; the Collateral will be maintained in good operating condition, repair and appearance, and will be used and operated with care, only by qualified personnel in the regular course of Debtor's business and in conformity with all applicable governmental laws and regulations and the regulations of the Association of American Railroads; the Collateral shall remain personal property and not become part of any real property regardless of the manner of affixation; Secured Party may inspect the Collateral at all reasonable times and from time to time; and the Collateral will be kept by Debtor at the location set forth for it on the face hereof and will not be removed from said location without the prior written consent of Secured Party, except that an item of Collateral which is mobile and of a type normally used at more than one location may be used by Debtor away from said location in the regular course of Debtor's business.

B. Debtor agrees, at its own cost and expense: to do everything necessary or expedient to perfect and preserve in the United States the security interests of Secured Party obtained hereunder; to defend any action, proceeding or claim affecting the Collateral; to furnish Secured Party promptly with such financial statements and other information as Secured Party may reasonably request from time to time; to pay all expenses incurred by Secured Party in enforcing its rights after the occurrence of an event of default hereunder, including the reasonable fees of any attorneys retained by Secured Party.

C. Debtor shall at all times bear all risk of loss of, damage to or destruction, requisition, or condemnation of the Collateral. Debtor agrees to procure forthwith and maintain insurance on the Collateral, for the full insurable value thereof and for the life of this agreement, in the form of Fire insurance with Extended Coverage or Combined Additional Coverage as appropriate, and Collision, Theft and/or Vandalism and Malicious Mischief Coverage when appropriate, plus such other insurance as Secured Party may specify from time to time, all in form and amount with insurers satisfactory to Secured Party. Debtor agrees to deliver promptly to Secured Party certificates or, if requested, policies of insurance satisfactory to Secured Party, each with a standard long-form loss-payable endorsement naming Secured Party or assigns as loss-payee as their interests may appear. Each policy shall provide that Secured Party's interest therein will not be invalidated by the acts, omissions or neglect of anyone other than Secured Party, and will contain insurer's agreement to give 30 days prior written notice to Secured Party before cancellation of or any material change in the policy will be effective as to Secured party, whether such cancellation or change is at the direction of Debtor or insurer. Secured Party's acceptance of policies in lesser amounts or risks will not be a waiver of Debtor's foregoing obligation. Debtor assigns to Secured Party all proceeds of such insurance (including returned and unearned premiums) and requisition and condemnation payments, up to the amount

owing hereunder by Debtor. Debtor authorizes Secured Party to endorse Debtor's name to all remittances without the joinder of Debtor. Secured Party shall be entitled to apply the full amount of such payments in payment of the installments of principal due under the Note in the reverse order of maturity and shall have the right to revise payment schedule, following any such application.

D. If Debtor fails to perform any of its obligations hereunder, Secured Party may perform the same, but shall not be obligated to do so, for the account of Debtor to protect the interest of Secured Party or Debtor or both, at Secured Party's option, and Debtor shall immediately repay to Secured Party any amounts paid by Secured Party in such performance, together with interest thereon at the same rate as is set forth in the Note as payable upon acceleration, and such amounts shall be secured hereby.

E. If permitted by law, Debtor agrees that a carbon, photographic or other reproduction of this agreement or of a financing statement may be filed as a financing statement.

F. Time is of the essence. An event of default shall occur if: (a) Debtor shall default in the due and punctual payment of principal of the Note, or Debtor shall default in the payment of interest on the Note and such default with respect to the payment of such principal or interest shall continue unremedied for a period of five (5) days; (b) Debtor shall default in the performance of any of the other terms, covenants or conditions contained in this Note, the Security Agreement, the Lease Assignment, and such default shall continue uncorrected for thirty (30) days after notice thereof from Secured Party; (c) the initial lease agreement to which the Collateral is subject shall terminate or expire and shall not be renewed or replaced on substantially similar terms; (d) any representation or warranty made by Debtor herein or in any document or certificate furnished by Debtor to Secured Party or to any affiliate of Secured Party was incorrect in any material respect when made; (e) Debtor becomes insolvent or ceases to do business as a going concern; (f) Debtor makes an assignment for the benefit of creditors or takes advantage of any law for the relief of debtors; (g) a petition in bankruptcy, or for an arrangement, reorganization or similar relief is filed by or against Debtor; (h) any property of Debtor is attached, or a trustee or receiver is appointed for Debtor or for a substantial part of its property, or Debtor applies for such appointment; (i) Debtor takes any action looking to its dissolution or liquidation.

G. Upon the occurrence of an event of default, and at any time thereafter as long as the default continues, Secured Party may, at its option, with or without notice to Debtor, (i) declare this agreement to be in default, whereupon the indebtedness specifically described herein will become immediately due and payable (ii) cancel any insurance and credit any refund to the indebtedness, and (iii) exercise all of the rights and remedies of a secured party under the Uniform Commercial Code and any other applicable laws, including, without limitation, the right to require Debtor to assemble the Collateral and deliver it to Secured Party at a place to be designated by Secured party which is reasonably convenient to both parties. Unless otherwise provided by law, any requirement of reasonable notice which Secured Party may be obligated to give regarding the sale or other disposition of Collateral will be met if such notice is mailed to Debtor at its address shown herein at least ten days before the time of sale or other disposition. Secured Party may buy at any sale and become the owner of the Collateral. Debtor agrees that Secured Party may bring any legal proceedings it deems necessary to enforce the payment and performance of Debtor's obligations hereunder in any court in the State shown in Secured Party's address set forth herein, and service of process may be made upon Debtor by mailing a copy of the summons to Debtor at its address shown herein. The inclusion of a trade name or division name in the identification of Debtor hereunder shall not limit Secured Party's right, after the occurrence of an event of default, to proceed against all of Debtor's assets, including those held by Debtor individually or under another trade or division name. Expenses of retaking, holding, preparing for sale, selling and the like shall include (a) the reasonable fees of any attorneys retained by Secured Party and (b) all other legal expenses incurred by Secured Party. Debtor agrees that it is liable for and will promptly pay any deficiency resulting from any disposition of Collateral after default.

H. Waiver of any default shall not be a waiver of any other default; all of Secured Party's rights are cumulative and not alternative. No waiver or change in this agreement or in any related note shall bind Secured Party unless in writing signed by one of its officers. The term "Secured Party" shall include any assignee of Secured Party who is the holder of this agreement. After assignment of this agreement by Secured Party, the assignor will not be the assignee's agent for any purpose and Debtor's obligations and liabilities hereunder to the assignee will be absolute and unconditional and will not be subject to any abatement, reduction, recoupment, defense, set-off or counterclaim available to Debtor for breach of warranty or for any other reason whatsoever. Upon full payment of all obligations secured by this agreement, the assignee may deliver all original papers to the assignor for Debtor.

I. Any provisions hereof contrary to, prohibited by or invalid under applicable laws or regulations shall be inapplicable and deemed omitted herefrom, but shall not invalidate the remaining provisions hereof. Debtor waives all exemptions to the extent permitted by law. Secured Party may correct patent errors herein and fill in blanks. Debtor acknowledges receipt of a true copy and waives acceptance hereof. If Debtor is a corporation, this agreement is executed pursuant to authority of its Board of Directors. All of the terms and provisions of this agreement shall apply to and be binding upon Debtor, its heirs, personal representatives, successors and assigns and shall inure to the benefit of Secured Party, its successors and assigns.

J. Debtor further represents and warrants (in addition to its representations and warranties in paragraph A hereof) that: it has legal right, and possesses all licenses and permits necessary, to own and lease the Collateral and to perform its obligations under this Agreement, the Note, any lease of the Collateral, and

any other agreement or instrument entered into pursuant thereto; this Agreement, the Note, any lease of the Collateral, and any other agreement or instrument entered into pursuant thereto constitute the legal, valid and binding obligations of Debtor enforceable against Debtor in accordance with their terms; no authorization or approval is required from any governmental body or authority of the United States or of any of the states thereof in connection with the execution by Debtor of this Agreement, the Note, any lease of the Collateral, or any other agreement or instrument entered into in connection therewith, or fulfillment by Debtor of or the compliance by Debtor with the terms, conditions or provisions hereof or thereof, the financial statements of Debtor and other financial data relating to Debtor heretofore delivered to the Secured Party, present fairly the financial condition of Debtor as of the date(s) set forth therein; since such date(s) there has been no material adverse change in the condition, financial or otherwise, of Debtor; neither the execution and delivery by Debtor of this Agreement, the Note, any lease of the Collateral, or any other agreement or instrument entered into in connection therewith, nor the consummation of the transactions herein or therein contemplated, nor the fulfillment of, or compliance with, the terms and provisions hereof or thereof, will conflict with, or result in a breach of, any of the terms, conditions, or provisions of any law, or any regulation, order, injunction or decree of any court or government body or authority; and there are no actions, suits or proceedings pending or threatened against or affecting Debtor, or any of his property, at law or in equity, or before any commission or other administrative agency, arbitration board or tribunal which could materially and adversely affect his condition, financial or otherwise, or his ability to perform his obligations hereunder or under any of the agreements or other instruments referred to herein.

K. Debtor covenants and agrees that, during the term of this Agreement:

(a) prior to March 31 of each year, commencing in 1982, Debtor will deliver to Secured Party his balance sheet as of the immediately preceding December 31, which may be unaudited, and such other data regarding his financial condition as Secured Party may reasonably request;

(b) Debtor will ensure that, in all reports, returns or other filings required to be made by him, whether or not with respect to the Collateral, he is identified therein as the owner of the Collateral and the Secured Party is identified as the party financing Debtor's acquisition of the Collateral on a secured basis, and that all Collateral is clearly marked at all times with its road numbers and the following words permanently and conspicuously marked on the side of each unit of the Collateral: "Ownership subject to Security Agreement filed under the Interstate Commerce Act"; or such other word as may be approved by Secured Party;

(c) Debtor will not permit the identifying number of any unit of the Collateral to be changed until Secured Party has consented thereto, nor will Debtor allow the name of any person, association or corporation to be placed on any unit of the Collateral as a designation that might be interpreted as a claim of ownership (except that the Collateral may be lettered with the name of or other insignia customarily used by any permitted lessee of the Collateral).

L. All payments to be made by Debtor hereunder will be free of expense to the Secured Party for collection or other charges and will be free of expense to the Secured Party with respect to the amount of any local, state, federal or foreign taxes (other than gross receipts taxes (except gross receipts taxes in the nature of or in lieu of sales or use or rental taxes), taxes measured by net income, excess profits taxes and similar taxes) or license fees, assessments, charges, fines or penalties hereafter levied or imposed upon or in connection or measured by this Agreement or the Note or any sale, rental, use, payment, shipment, delivery or transfer of title under the terms hereof (all such expenses, taxes, license fees, assessments, charges, fines and penalties being hereinafter called "Impositions"), all of which such Impositions Debtor assumes and agrees to pay on demand.

M. Debtor agrees to indemnify, protect and hold harmless the Secured Party and each of Connecticut General Life Insurance Company, Congen Five & Co., and John Hancock Mutual Life Insurance Company from and against all lawsuits, damages, injuries, liabilities, claims and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, including but not limited to counsel fees and expenses, penalties and interest, arising out of or as the result of the use, operation, storage or return of any of the Collateral, or any accident in connection with the operation, use, storage or return of any of the Collateral, or any sales or use taxes arising from the acquisition of the Collateral by the Debtor, provided, however, that if Secured Party shall fail to timely file such returns required by or to otherwise comply with Chapter 5739.03 of the Ohio Revised Code, Debtor shall be relieved of any liability for Ohio sales tax hereunder. Debtor will not be released from its obligations with respect to the foregoing indemnity in the event of any damage to or the destruction or loss of the Collateral or any unit thereof. Secured Party shall give Debtor prompt notice of any matter arising under this paragraph M and Debtor may assume the defense of any such matter, provided that counsel selected by Debtor is reasonably satisfactory to Secured Party.

N. All expenses incurred by Secured Party in enforcing its rights after an event of default hereunder or under the Note, including the expenses of retaking, holding, preparing for sale, selling or otherwise disposing of the Collateral or any unit thereof, the reasonable attorneys fees of any attorneys retained by Secured Party and all other legal expenses incurred by Secured Party shall be secured by the Collateral.

O. The Secured Party is acting hereunder and as payee under the Note not in its individual capacity, but solely as agent for Connecticut General Life Insurance Company, Congen Five & Co. and John Hancock Mutual Life Insurance Company. Notwithstanding the foregoing, Debtor is hereby authorized and directed to deem and treat the Secured Party as if, in acting as the obligee under the Note and as the secured party with respect to the Collateral, it is acting solely on its own behalf and not in such agency, capacity, with such power, right and authority as it would to exercise the rights, powers and privileges as such obligee and/or secured party if it was acting solely on its own behalf, and Debtor shall be fully protected in relying upon the Secured Party having such right, power and authority and upon any action taken or not taken by the Secured Party in reliance upon such right, power and authority.

P. This agreement shall be construed in accordance with and governed in all respects by the laws of the State of Connecticut.

ORAL AGREEMENT: No oral agreement, guaranty, promise, representation or warranty shall be binding upon Secured Party.

EXECUTION IN COUNTERPART: This Assignment may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all of which together shall constitute one and the same instrument.

SEVERABILITY: Any provision of this Assignment which is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without invalidating the remaining provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Dated Dec 29, 1981

Secured Party: The Connecticut Bank & Trust Co., as Agent
By [Signature] **ASSISTANT VICE PRESIDENT**
THE CONNECTICUT BANK AND TRUST COMPANY
ONE CONSTITUTION STREET
HARTFORD, CONNECTICUT 06115
(City, State, Zip Code)

Debtor [Signature]
By Leo N. Crowley Title _____
2394 Riverside Drive
(Street Address)
Green Bay, Wisconsin 54301
(City, State, Zip Code)

EXHIBIT A

To Security Agreement dated as of December 29, 1981

(1) Debtor:

Leo N. Crowley
2394 Riverside Drive
Green Bay, Wisconsin 54301

(2) Collateral:

(a) Description: 50'6", 70-ton boxcars with 10' sliding doors

(b) Identifying Marks:

LRWN 5735

LRWN 5738

LRWN 5740

STATE OF WISCONSIN
COUNTY OF BROWN

)
) ss.

On this 29th day of December, 198, before me personally appeared Leo N. Crowley, 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]

B.P. Swain
Notary

My Commission Expires February 5, 1984

STATE OF CONNECTICUT :
COUNTY OF HARTFORD : ss.

On this 30th day of December, 1981 before me personally appeared DONALD E. SMITH, to me personally known, who being by me duly sworn, says that he is the ASSISTANT VICE PRESIDENT of The Connecticut Bank and Trust Company, as agent, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Seal)


Notary Public

My commission expires:

My Commission Expires Mar. 31, 1982