

LAW OFFICES

ALVORD AND ALVORD

200 WORLD CENTER BUILDING

918 SIXTEENTH STREET, N.W.

WASHINGTON, D. C.

20006-2973

August 4, 1982

OF COUNSEL
JESS LARSON
JOHN L. INGOLDSBY
URBAN A. LESTER

CABLE ADDRESS
"ALVORD"

TELEPHONE
AREA CODE 202
393-2266

TELEX
440367 A AND A WSH (INTERNATIONAL)
440348 CDAA UI (INTERNATIONAL)
892482 A AND A WSH (DOMESTIC)

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD
ALBERT H. GREENE
CARL C. DAVIS*
CHARLES T. KAPPLER
JOHN H. DOYLE
MILTON C. GRACE*
GEORGE JOHN KETO**
RICHARD N. BAGENSTOS

* NOT A MEMBER OF D.C. BAR
** ALSO A MEMBER OF OHIO BAR

Ms. Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
Washington, D.C.

RECORDATION FILED
13718
AUG - 4 1982 - 12 45 PM
INTERSTATE COMMERCE COMMISSION

Dear Madam:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. §11303 is an original and copy of a Security Agreement dated June 11, 1982, which is a "primary document" as that term is defined in 49 C.F.R. §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, Nebraska 68501

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

The undersigned is agent for the Secured Party 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 Charles T. Kappler, Esq., Alvord and Alvord, 918 Sixteenth Street, N.W., Washington, D.C. 20006-2973.

Counterpart - C. T. Kappler

2104048
AUG 4 1982
50.00

AUG 4 12 36 PM '82
RECEIVED

Ms. Agatha L. Mergenovich
August 4, 1982
Page Two

Also enclosed is a check in the amount of \$50
in favor of the Interstate Commerce Commission in pay-
ment of the required recordation fee.

Very truly yours,

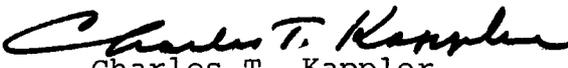

Charles T. Kappler

EXHIBIT A

The following assets are unconditionally pledged as collateral to secure the note agreement dated April 1, 1982 between Fremont & Western, Inc., debtor, and Lincoln Industries, Inc., lender.

Railroad hopper cars:

LGIX 100 thru 101	LGIX 231 thru 274
LGIX 104 thru 114	LGIX 1000 thru 1010
LGIX 116 thru 118	LGIX 1011 thru 1012
LGIX 120	LGIX 315 thru 349
LGIX 122 thru 126	LGIX 351 thru 364
LGIX 128 thru 144	LGIX 366 thru 374
LGIX 146	LGIX 275 thru 307
LGIX 148	LGIX 309 thru 314
LGIX 150 thru 161	LGIX 460 thru 503
LGIX 163 thru 187	LGIX 505 thru 519
LGIX 189	LGIX 521 thru 532
LGIX 191 thru 192	LGIX 534 thru 559
LGIX 194	LGIX 560 thru 584
LGIX 197 thru 200	LGIX 1063 thru 1087
LGIX 202 thru 206	
LGIX 208 thru 213	
LGIX 215 thru 216	
LGIX 218 thru 224	
LGIX 225 thru 229	

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

Charles T. Kappler, Esq.
Alvord and Alvord
918 Sixteenth Street, N. W.
Washington, D. C. 20006-2973

August 4, 1982

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 8/4/82 at 12:45PM, and assigned re-
recording number(s). 13718

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

RECORDATION NO. 132-18
AUG - 4 1982 11:45 PM
INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT

This Security Agreement is made this 11 day of June, 1982, between Fremont and 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 \$7,459,000.00 as set forth in the terms of a secured promissory note dated April 1, 1982, 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.

LINCOLN INDUSTRIES, INC., a
Kansas corporation, Secured Party

BY: *Bill C. Macy*
Its VP

ATTEST:

Ardean A. Arndt
Secretary

FREMONT & WESTERN, INC., a
Kansas corporation, Debtor

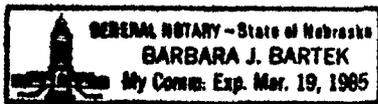
BY: *Bill C. Macy*
Its VP

ATTEST:

Ardean A. Arndt
Secretary

STATE OF NEBRASKA)
) ss.
COUNTY OF LANCASTER)

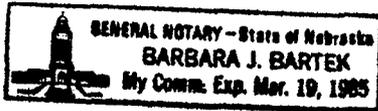
The foregoing Security Agreement was acknowledged before me this 11th day of June, 1982, by Bill C. Macy, Vice President of Lincoln Industries, Inc., a Kansas corporation, on behalf of the corporation.



Barbara J. Bartek
Notary Public

STATE OF NEBRASKA)
) ss.
COUNTY OF LANCASTER)

The foregoing Security Agreement was acknowledged before me this 11th day of June, 1982, by Bill C. Macy, Vice President of Fremont & Western, Inc., a Kansas corporation, on behalf of the corporation.



Barbara J. Bartek
Notary Public

EXHIBIT A

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