



**Paul J. Graf**  
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2550 Golf Road  
Rolling Meadows, Illinois 60008

Telephone 312/640-7000

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13802

September 15, 1982

RECROGATION NO. \_\_\_\_\_ FILED 1025

SEP 27 1982 - 10 40 AM

Mrs. Mildred Lee  
Secretary  
Interstate Commerce Commission  
Washington, DC 20423

No. 2-270 A 096  
Date SEP  
Fee \$ 10.00  
ICC Washington, D. C.

SEP 27 10 32 AM '82

Dear Mrs. Lee:

I have enclosed two originals and two copies of the document described below to be recorded pursuant to Section 11303 of Title 49 U.S. Code.

The document included is a Security Agreement, a primary document dated August 30, 1982.

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

Debtor: Interail, Inc.  
327 Lake Street  
Bloomington, IL 60108

Secured Party: Evans Railcar Leasing Company  
2550 Golf Road  
Rolling Meadows, IL 60008

A description of the equipment covered by the document follows:

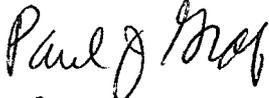
Twenty-Four 4780 cu. ft. covered hopper cars - RILX 100-124, AAR #L153;  
Ninety-Nine 4750 cu. ft. covered hopper cars - RILX 3000-3099, AAR #L153;  
Twelve 4780 cu. ft. covered hopper cars - NOKL 99105-99116, AAR #L153;  
Thirty-Two 4780 cu. ft. covered hopper cars - NOKL 99118-99149, AAR #L153;  
One Hundred 4750 cu. ft. covered hopper cars - NOKL 3100-3199, AAR #L153;  
One Hundred Seventy-Five 4750 cu. ft. covered hopper cars - NOKL 3200-3374, AAR #L153.

A fee of \$10.00 is enclosed. Please return one original and two copies not needed by the Commission for recordation to Paul J. Graf, Evans Products Company, 2550 Golf Road, Rolling Meadows, IL 60008.

A short summary of the document to appear in the index follows:

Security Agreement dated August 30, 1982 between Evans Railcar Leasing Company, 2550 Golf Road, Rolling Meadows, IL 60008, Secured Party, and Interail, Inc., 327 Lake Street, Bloomingdale, IL 60108, Debtor covering 24 4780 cu. ft. covered hopper cars, 99 4750 covered hopper cars, 99 4750 cu. ft. covered hopper cars, Twelve 4780 cu. ft. covered hopper cars, 32 4780 cu. ft. covered hopper cars, 100 4750 cu. ft. covered hopper cars AAR #L153.

Very truly yours,



Paul J. Graf

PJG:sm

Enclosures

**Interstate Commerce Commission**  
Washington, D.C. 20423

9/27/82

OFFICE OF THE SECRETARY

**Paul J. Graf, Atty.**  
**Evans Products Company**  
**2550 Golf Road**  
**Rolling Meadows, Illinois 60008**

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 9/27/82 at 10:40am , and assigned re-  
recording number (s). 13802

Sincerely yours,

*Agatha L. Mergenovich*  
Agatha L. Mergenovich  
Secretary

Enclosure (s)

13802

REGISTRATION NO. Filed 1425

SEP 27 1982-10 40 AM

SECURITY AGREEMENT

INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT dated as of August 30, 1982, by Interail, Inc., ("Interail") and in favor of Evans Railcar Leasing Company ("Evans").

W I T N E S S E T H:

WHEREAS, pursuant to the terms of certain railcar lease agreements ("Leases") Interail leased railcars from Evans consisting of boxcars, covered hoppers, and gondolas; and

WHEREAS, contemporaneous herewith, Interail and Evans are entering into an agreement (Agreement) providing for the cancellation of certain of the Leases as they pertain to some of the railcars, conversion of other railcars to a per diem basis, and other related changes; and

WHEREAS, Interail desires to give Evans a security interest in certain collateral to secure the payment of certain promissory notes executed in conjunction with the Agreement.

NOW, THEREFORE, Interail hereby agrees as follows:

1. CREATION OF SECURITY INTEREST. In order to secure Interail's obligations to Evans under the aforesaid promissory notes, Interail hereby creates in favor of and grants to Evans a security interest in the railcars which are identified in Exhibit "A" hereto.

2. STATUS OF SECURITY INTEREST. Interail represents and states that the security interest herein granted is subject, junior, and secondary to the prior security interest of Continental Illinois National Bank and Trust Company ("Continental").

3. COVENANTS. Interail covenants and represents as follows:

(a) Except for the prior interest of Continental as described above, Interail will warrant and defend the Collateral against the claims and demands of all persons.

(b) Interail shall execute a financing statement or other document necessary to protect the security interest of Evans against the interest of third persons.

(c) This security agreement has been duly authorized, executed and delivered by Interail and constitutes a legal, valid and binding obligation of Interail, enforceable in accordance with its terms.

4. DEFAULT. Any misrepresentation on this statement in connection with this security agreement on the part of Interail or any noncompliance or nonperformance of Interail's obligations hereunder shall constitute a default. In addition, Interail shall be in default if any of the following events shall occur:

(a) Failure to comply with the terms and conditions of this security agreement, the Leases or the Agreement.

(b) The filing of a proceeding under any of the provisions of the Bankruptcy Act or any similar state law against debtor, or an application for the appointment of a receiver of Interail's property, or the making of an assignment for the benefit of Interail's creditors.

5. REMEDIES AND GOVERNING LAW. The terms of this security agreement shall be governed by the laws of the State of Illinois. Upon a breach hereunder or under the Leases as amended or this Agreement, Evans shall have all the rights provided a secured party under the Interstate Commerce Act and under the Uniform Commercial Code as adopted in Illinois.

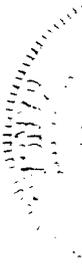
6. BENEFITS. This security agreement shall be binding upon and shall inure the benefit of Interail and Evans and their respective successors and assigns.

IN WITNESS WHEREOF, Interail has executed this security agreement the day and year first above written.

[CORPORATE SEAL]  
ATTEST:

INTERAIL, INC.

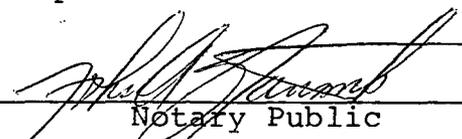
By: \_\_\_\_\_

  
John Cawls By: Steph White

STATE OF ILLINOIS )  
 ) ss.  
COUNTY OF COOK )

On this 30<sup>th</sup> day of August, 1982, before me personally appeared John N. Cowles and Bob M. White to me personally known, who being by me duly sworn, say that they are respectively the Exec. Vice-President and President of Interail, Inc. 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 they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

NOTARY SEAL

  
\_\_\_\_\_  
Notary Public

My Commission Expires April 25, 1985  
My commission expires: \_\_\_\_\_

EXHIBIT "A"

Reporting Marks and Numbers:	Description of Car:
RILX 100-124	Covered Hoppers
RILX 3000-3099	
NOKL 99105-99116	
NOKL 99118-99149	
NOKL 3100-3199	
NOKL 3200-3374	