



Lincoln First Bank, N.A.
Rochester Division

13836
RECORDATION NO. F 1st 1425

NOV 9 1982 - 10 55 AM

INTERSTATE COMMERCE COMMISSION

November 5, 1982

3-313A073

No. NOV 9 1982
Date.....
Fee \$.....
ICC Washington, D. C.

Interstate Commerce Commission
12th & Constitution Avenue NW
Washington, D.C. 20424
ATTN: Mildred Lee

Dear Mildred Lee:

I wish to file with the I.C.C. on 4 Railroad Dining Cars which my bank has financed. Enclosed you will find:

- 1) One (1) Original Security Agreement
- 2) One (1) Executed Noterized Copy
- 3) One (1) Check for \$50 payable to the I.C.C.

The parties involved in the transaction are:

Debtor - Rund Associates (A Partnership)
10 Hojack Yards
Webster, NY 14580

Secured Party - Lincoln First Bank, N.A.
One Lincoln First Square
Rochester, NY 14643
ATTN: J. Morsch

RECEIVED
NOV 9 10 28 AM '82
I.C.C.
FEE OPERATION RR

The four Railroad Cars:

- 1) One (1) Rustic Club Railroad Dining Car #92
- 2) One (1) Snack Car Railroad Car #1729
- 3) One (1) Dining Railroad Car #8300
- 4) One (1) Dining Railroad Car #8301

The Original Security Agreement must be returned to Lincoln First Bank, since it is part of our collateral. Please remit the Original Security Agreement to:

Lincoln First Bank, N.A.
One Lincoln First Square
Rochester, NY 14643
ATTN: J. Morsch



Interstate Commerce Commission
ATTN: Mildred Lee
Page 2
November 5, 1982

My phone number is 716-258-5440 in the event that you have any questions.

Sincerely yours,

John C. Morsch
Assistant Vice-President

JCM/fg

Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

11/9/82

OFFICE OF THE SECRETARY

John C. Morsch
Assist. Vice President
Lincoln First Bank, N.A.
One Lincoln First Square
Rochester, NY 14643

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 11/9/82 at 10:35am, and assigned re-
recording number(s). 13836

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

For Direct Loans
Secured By: Business Equip.,
Farm Equip., Professional
Equip., Consumer Goods

RECORDATION NO. 13836 Filed 1425

SECURITY AGREEMENT

NOV 9 1982 - 10 53 AM

August 17, 1982
STATE OF NEW YORK DEPARTMENT OF COMMERCE COMMISSION

Rund Associates 10 Hojack Yards, Webster, Monroe, New York 14580
(Name) (No. and Street) (City) (County) (State)

("Debtor") for value received hereby grants to Lincoln First Bank, N.A., One Lincoln First Square, Rochester, New York ("Secured Party") a security interest in the following goods together with substitutions therefor and all increases, parts, fittings, accessories, equipment, special tools, accessions or replacements thereof, or any part thereof, and all other goods, of the same class whether now owned or hereafter acquired by Debtor, and the proceeds thereof ("the Collateral"):

- Railroad Car #92 Rustic Club
- Railroad Car #1729 Snack Bar Car
- Railroad Car #8300
- Railroad Car #8301

It is hereby CERTIFIED that the within copy has been compared by me with the original and found to be true and complete

PATRICIA S. CREGG
Notary Public for the State of New York
MORNING STAR
Commission Expires MARCH 30, 1983
Patricia Cregg

By *J. O. Moore*
LINCOLN FIRST BANK, N.A.

to secure payment of the following obligations of Debtor to Secured Party (the "Obligations") plus all costs, expenses and attorneys' fees incurred by Secured Party in collecting or enforcing the Obligations:

(i) Any indebtedness, liability or obligation of Debtor to Secured Party pursuant to and under the following instruments (collectively the "Instruments" and "Instrument" shall mean any one of the Instruments), together with interest thereon as provided therein and any renewals or extensions thereof or any part thereof:

(a) Note(s) issued by Debtor to Secured Party dated _____ in the amount of \$ _____, and dated _____ in the amount of \$ _____; and

(b) a Guarantee Agreement granted by Debtor to Secured Party dated _____ in the amount of \$ _____; and

(c) Any and all other liabilities of Debtor to Secured Party, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, howsoever acquired, and all renewals or extensions thereof or any part thereof, together with interest.

Debtor warrants and covenants that:

(a) The Collateral is bought or used primarily for

- PERSONAL, FAMILY OR HOUSEHOLD USE.
- FARMING OPERATIONS.
- BUSINESS USE OR PROFESSIONAL USE.

(b) If checked here , the Collateral is being acquired with the proceeds of the Instruments, which Secured Party may disburse directly to the seller of the Collateral.

(c) The Collateral will be kept at

until such time as the prior written consent of Secured Party is obtained to a change of location.

(d) If the Collateral is bought or used primarily for business use, Debtor's chief place of business in this State is located at the address shown at the beginning of this agreement; and its only other places of business, are in the following cities, towns and counties:

(e) If the Collateral is bought or used primarily for personal, family, or household purposes, or for farming operations, Debtor's residence is the address shown at the beginning of this agreement.

(f) Unless expressly stated herein the Collateral will not be affixed to any real estate so as to become a fixture without the prior written consent of Secured Party.

(g) (check if applicable) If the Collateral is now affixed or is to be affixed to real estate, a description of the real estate is as follows (by specific street number, preferably, or where unavailable by deed reference):

The names of the record owner and of all persons having an interest in the real estate (including mortgagees and lessees) are as follows:

Debtor will on demand of Secured Party furnish Secured Party with a disclaimer or disclaimers in writing, signed by all persons having an interest in the real estate, of any interest in the Collateral which affects or may affect Secured Party.

THIS AGREEMENT INCLUDES ALL THE PROVISIONS ON THE REVERSE SIDE HEREOF.

LINCOLN FIRST BANK, N.A.

Rund Associates (A Partnership)

By *Michael J. ...*
its *...*

(Debtor)
BY *[Signature]* Partner
Authorized Signature Title

FURTHER WARRANTIES AND COVENANTS OF DEBTOR. Debtor hereby warrants and covenants that—

(1) Except for the security interest granted hereby Debtor owns the Collateral free from any lien, security interest or encumbrance. Debtor will defend the Collateral against all claims and demands of all persons at any time claiming the same or any interest therein.

(2) No financing statement covering any of the Collateral or any proceeds thereof is on file in any public office. Debtor will immediately notify Secured Party in writing of any change in address from those shown herein and will upon demand furnish to Secured Party such further information and will execute and deliver to Secured Party such financing statements and other papers and will do all such acts and things as may be necessary or appropriate to establish and maintain a valid security interest in the Collateral as security for the Obligations, subject to no prior liens or encumbrances. Debtor will pay all costs of filing or recording in all public offices where filing or recording is deemed by Secured Party to be necessary or desirable.

(3) Except for inventory sold in the ordinary course of business, Debtor will not sell or offer to sell or otherwise transfer, abandon, substantially modify or dispose of the Collateral or any interest therein without the prior written consent of Secured Party. Debtor will not acquire any Collateral subject to a purchase money security interest.

(4) Debtor will have and maintain insurance at its expense at all times with respect to all Collateral against risks of fire (including extended coverage), theft, collision (in the case of motor vehicles), and other risks and in such amounts as Secured Party may require, containing such terms, in such form, for such periods and written by such companies as may be satisfactory to Secured Party, such insurance to be payable to Secured Party and Debtor as their interests may appear. All policies of insurance shall provide for ten days' written cancellation notice to Secured Party. Debtor shall furnish Secured Party with certificates or other evidence satisfactory to Secured Party of compliance with the foregoing provisions. Secured Party may act as attorney for Debtor in obtaining, adjusting, settling and cancelling such insurance or proceeds therefrom and indorsing any drafts drawn by insurers of the Collateral. Secured Party may apply any proceeds of insurance received by it to pay the Obligations, whether due or not. Debtor will immediately notify Secured Party in writing of any damage to or loss of the Collateral.

(5) Debtor will keep the Collateral free from any lien, security interest or encumbrance and in good order and repair and will not waste or destroy or abuse the Collateral or any part thereof; Debtor will not use the Collateral in violation of any statute or ordinance. Secured Party may examine and inspect the Collateral at any time, wherever located.

(6) Debtor will pay promptly when due all taxes and assessments upon the Collateral or for its sale, use or operation or upon this agreement or upon any note or notes evidencing the Obligations.

(7) If Secured Party should at any time be of the opinion that the Collateral has declined or may decline in value or otherwise is not sufficient then Secured Party may demand additional security satisfactory to Secured Party, and Debtor promises to furnish such additional security forthwith. Demand for additional security may be oral or by telegram or mail to the address of Debtor shown at the beginning of this agreement.

(8) At its option, Secured Party may discharge taxes, liens, security interests or other encumbrances at any time levied or placed on the Collateral, may pay for insurance on the Collateral and may pay for maintenance and preservation of the Collateral. Debtor agrees to reimburse Secured Party on demand for any payment made or any expense incurred by Secured Party pursuant to the foregoing authorization together with interest thereon at the rate of six per cent (6%) per annum.

(9) Debtor irrevocably appoints Secured Party as its lawful attorney and agent to execute financing statements on Debtor's behalf, and on its behalf to file financing statements signed by Secured Party alone in any appropriate public office.

(10) Debtor will comply with all of the terms and conditions of any lease covering the premises wherein the Collateral is located and will comply with any rule, order, decree or regulation of any municipal or State body or Federal body concerning its business or such premises.

(11) If Debtor shall sell, pledge or mortgage or otherwise transfer the Collateral in violation hereof, Secured Party shall have a security interest in the proceeds of any such sale, pledge or mortgage or transfer.

(12) If Certificates of Title are issued or outstanding in respect to any of the Collateral, Debtor shall cause the interest of Secured Party to be properly noted thereon.

EVENTS OF DEFAULT. Debtor shall be in default under this agreement upon the happening of any of the following events or conditions (each an "Event of Default").

(a) Default in the punctual payment, principal or interest, when due of any of the Obligations or default in performance of any of the Obligations or default in performance of any of the covenants, terms or provisions contained or referred to in this agreement or in any note evidencing or agreement executed in connection with any of the Obligations.

(b) Any warranty, representation or statement made or furnished to Secured Party by or on behalf of Debtor in connection with this agreement or to induce Secured Party to make a loan to Debtor proves to have been false in any material respect when made or furnished;

(c) Abandonment, theft, substantial damage, destruction, sale or encumbrance of any of the Collateral, or the making of any levy, seizure, or attachment thereof or thereon;

(d) Any of the following involving Debtor or any guarantor or surety for the Debtor: Death, legal incompetence, dissolution, making a bulk sale, termination of existence, failure to maintain corporate existence in good standing, insolvency, failure to pay debts as they mature, commitment of an act of bankruptcy, business failure, appointment of a receiver of any part of its property, assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy, insolvency, reorganization, arrangement re-adjustment of debt, dissolution or liquidation laws, calling a meeting of creditors or offering a composition or extension to creditors.

(e) Any judgment against Debtor or any attachment against its property for any amount remains unpaid, unstayed on appeal, undischarged, unbonded or undismissed for a period of 30 days;

(f) The condition or affairs of Debtor so changes as, in the opinion of Secured Party, to impair its security or increase its credit risk;

Upon the occurrence of an Event of Default under (d) of this section all the Obligations shall be immediately due and payable without notice or demand. Upon the occurrence of any other Event of Default and at any time thereafter, Secured Party may declare any or all the Obligations immediately due and payable upon a notice to that effect delivered by Secured Party to Debtor and upon the occurrence of any event of default Secured Party shall have the rights and remedies of a secured party under the Uniform Commercial Code of New York or any other applicable law, including without limitation, the right to sell, lease or otherwise dispose of any or all of the Collateral and to take possession of the Collateral, and for that purpose Secured Party may, so far as Debtor can give authority therefor, enter peaceably any premises on which the Collateral or any part thereof may be situated and remove the same therefrom and the Debtor will not resist or interfere with such action. Secured Party may require Debtor to assemble the Collateral and make it available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to both parties. Debtor hereby agrees that its above mentioned address and the place or places of location of the Collateral are places reasonably convenient to it to assemble the Collateral. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Secured Party will send Debtor reasonable notice of the time and place of any public sale or reasonable notice of the time after which any private sale or any other disposition thereof is to be made. The requirement of sending reasonable notice shall be met if such notice is mailed, postage prepaid, to the address of Debtor shown at the beginning of this agreement at least five days before the time of the sale or disposition. Expenses of retaking, holding, preparing for sale, repair necessary to put Collateral in first class condition, insurance, selling or the like shall include Secured Party's reasonable attorneys' fees and legal expenses, and Debtor agrees to pay such fees and expenses. Debtor shall remain liable for any deficiency. The remedies of Secured Party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any of the other remedies of Secured Party.

No delay or omission on the part of Secured Party in exercising any right hereunder shall operate as a waiver of such right or of any other right under this agreement. No waiver by Secured Party of any default shall operate as a waiver of any other default or of the same default on a future occasion. All rights of Secured Party hereunder shall inure to the benefit of its successors and assigns; and all obligations of Debtor shall bind his or its heirs, executors or administrators, successors or assigns. If there be more than one Debtor, their obligations hereunder shall be joint and several. Any notice or notification required to be given to Debtor may be given by mailing such notice, postage prepaid, to Debtor's address as it appears at the beginning of this agreement. This agreement may not be changed orally, but only by an agreement in writing and signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

Any provision of this agreement invalid under or prohibited by the law of any state shall as to such state be ineffective to the extent of such prohibition without invalidating the remaining provisions here of.

This agreement is made pursuant to the Uniform Commercial Code of New York and is to be interpreted in accordance with the laws of said State.