

Pamela B. Loewenstein
Staff Attorney
Transportation Systems &
Industrial Group
The East Tower
2550 Golf Road
Rolling Meadows, Illinois 60008

Telephone: 312/640-7000



13873
RECORDATION NO. Filed 1425

DEC 21 1982-2:20 PM

2 INTERSTATE COMMERCE COMMISSION

December 16, 1982

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

No.
Date: DEC 21 1982
Fee \$ 50.00

ICC Washington, D. C.

Dear Mrs. Lee:

I have enclosed one original, one certified true copy 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 26, 1982.

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

Debtor: Atlantic & Western Railway Company
P. O. Box 1208
Sanford, North Carolina 27330

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

RECEIVED
DEC 21 2 15 PM '82
I.C.C.
FEE OPERATION BR.

A description of the equipment covered by the document follows:

One 1950 General Electric B-B 70 Ton Diesel Locomotive - ATW 100.

A fee of \$50.00 is enclosed. Please return one original and two copies not needed by the Commission for recordation to Pamela B. Loewenstein, Evans Products Company, 2550 Golf Road, Rolling Meadows, Illinois 60008.

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

Security Agreement dated August 26, 1982 between Evans Railcar Leasing Company, Secured Party, and Atlantic and Western Railway Company, Debtor, covering One 1950 General Electric B-B 70 Ton Diesel Locomotive, ATW 100.

Very truly yours,

Pamela B. Loewenstein

Pamela B. Loewenstein

PBL:jf

Enclosure

Interstate Commerce Commission
Washington, D.C. 20423

12/21/82

OFFICE OF THE SECRETARY

Pamela B. Loewenstein
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 **12/21/82** at **2:20pm**, and assigned re-
recording number(s). **13873, 13874, 13875**

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

13873

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SECURITY AGREEMENT

INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT dated as of August 26, 1982, by Atlantic and Western Railway Company ("A&W") 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") A&W leased 1174 railcars from Evans consisting of boxcars, covered hoppers, and gondolas; and

WHEREAS, contemporaneous herewith, A&W and Evans are entering into an agreement (Agreement) providing for specified usage of the cash flow generated by such railcars; and

WHEREAS, A&W desires to give Evans a security interest in certain collateral to secure the obligations of A&W under the Leases, as modified by the Agreement.

NOW, THEREFORE, A&W hereby agrees as follows:

1. CREATION OF SECURITY INTEREST. In order to secure A&W's obligations to Evans under the Leases, as modified, A&W hereby creates in favor of and grants to Evans a security interest in the locomotive which is identified in Exhibit "A" hereto.

2. COVENANTS. A&W covenants and represents as follows:

(a) A&W will warrant and defend the Collateral against the claims and demands of all persons.

(b) A&W 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 A&W and constitutes a legal, valid and binding obligation of A&W, enforceable in accordance with its terms.

3. DEFAULT. Any misrepresentation on this statement in connection with this security agreement on the part of A&W or any noncompliance or nonperformance of A&W's obligations hereunder shall constitute a default. In addition, A&W 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 A&W's property, or the making of an assignment for the benefit of A&W's creditors.

4. REMEDIES AND GOVERNING LAW. The terms of this security agreement shall be governed by the laws of the State of North Carolina. Upon a breach hereunder or under the Leases or 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 North Carolina.

5. BENEFITS. This security agreement shall be binding upon and shall inure the benefit of A&W and Evans and their respective successors and assigns.

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

[CORPORATE SEAL]

ATTEST:

ATLANTIC AND WESTERN RAILWAY
COMPANY

D. Tracy Parker ^{III} SEC

By: W. B. Joyce Pres.

EXHIBIT "A"

Reporting Marks and Numbers:
ATW 100

Description of Car:
One (1) 1950 General Electric
B-B 70 Ton Diesel Locomotive