

JUL 29 1983 12 10 PM

INTERSTATE COMMERCE COMMISSION

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

RECEIVED

JUL 29 12 34 PM '83

I. C. C.
FEE OPERATION BR.

13924-A
3-210A117

JUL 29 1983

Fee \$ 10.00

ICC Washington, D.C.

Dear Ms. Mergenovich:

Enclosed for recordation under the provisions of Section 11303(b) of Title 49 of the U.S. Code are the original and three counterparts of a First Amendment and Supplement dated as of June 30, 1983 to a Security Agreement-Trust Deed dated as of December 15, 1982. This First Amendment and Supplement to Security Agreement-Trust Deed is a secondary document. The primary Security Agreement-Trust Deed was recorded with the Interstate Commerce Commission on January 25, 1983 at 11:20 A.M. and was assigned recordation number 13924.

A general description of the railroad maintenance of way equipment covered by the enclosed document and intended for use related to interstate commerce is set forth in Schedule 1 attached to this letter and made a part hereof.

The names and addresses of the parties to the First Amendment and Supplement to Security Agreement-Trust Deed are as follows:

- Debtor: The Bank of New York, as Trustee
21 West Street
New York, New York 10015
- Secured Party: Mercantile-Safe Deposit and Trust Company
Two Hopkins Plaza
P.O. Box 2258
Baltimore, Maryland 21203

The undersigned is the Debtor mentioned in the enclosed document and has knowledge of the matters set forth therein.

Please return the original and two copies of the First Amendment and Supplement to Security Agreement-Trust Deed to Michael G. McGee, Esq., Chapman and Cutler, 111 West Monroe Street, Chicago, Illinois 60603.

Also enclosed is a check in the amount of \$10.00 covering the required recording fee.

A short summary of the enclosed secondary document to appear in the Index as follows:

First Amendment and Supplement to Security Agreement-Trust Deed between The Bank of New York, as Trustee, as Debtor,

21 West Street, New York, New York 10015 and Mercantile-Safe
Deposit and Trust Company, as Secured Party, Two Hopkins Plaza,
Baltimore, Maryland 21203 covering 187 items of maintenance of way
equipment.

Very truly yours,

THE BANK OF NEW YORK,
as trustee

By *R. W. Selman*
Its ASSISTANT VICE PRESIDENT
DEBTOR AS AFORESAID

Schedule 1

DESCRIPTION OF ITEMS OF EQUIPMENT

<u>Manufacturer</u>	<u>Equipment</u>	<u>Quantity</u>	<u>Purchase Price</u>	<u>Identification Numbers</u>
Holley Engr. Co.	A. Holley Model 45 Plate Plucker w/Conveyor	5	\$ 92,715.	X85-0013 0014 0015 0016 0017
	B. Holley Model 49 Spike Plucker	2	39,500.	X89-0001 0002
Tamper	A. Model ES Switch Tamper Mark 2	9	779,338.35	X56-0106-0107 0108-0109 0110-0111 0112-0113 0114
	B. Model ESTR-13G Mark III Tamper	10	1,557,056.80	X54-0124-0125 0126-0127 0129-0130 0131-0132 0133-0134
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Racine RFD. Prod. Inc. Applicator	A. Racine "Anchor Fast" Anchor	10	213,850.	X1-0124-0125 0126-0127 0128-0129 0130-0131 0132-0133
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Fairmont Rwy. Mtrs. Inc.	A. Fairmont Mod. W-104 Tip Plug Inserter	4	58,234.40	X62-0026 0027 0028 0029
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(continued)				
Fairmont Rwy. Motors, Inc.	C. Mod. W 113 Duel Spike Puller	6	\$ 122,437.23	X47-0175-0176 0177-0178 0179-0180
	D. Mod. W 119-B Tie Inserter	3	215,945.73	X61-0037 0038 0039
Rexnord Inc.	A. Nordberg "CZ" Adzer	4	121,691.86	X3-0112-0113 0014-0015
	B. Nordberg "BP" Mechanical Spike Puller	2	58,788.	X47-0173 0174
	C. Nordberg Rail Gang Spikes	14	\$1,022,420.	X44-0087-0088 0089-0090 0091-0092 0093-0094 0095-0096 0097-0098 0099-0100
Rwy. Track Work	A. Mod. DWDS-4 Anchor Cribber	2	35,490.	X18-0068-0069
	B. Mod. 2181-B Bridge Cranes	21	761,857.60	X17-0016-0017 0018-0019 0020-0021 0022-0023 0024-0025 0028-0029 0030-0031 0032-0033 0034-0035 0036-0037 0038
	C. Mod. 2170-A Tie Handlers	8	247,030.35	X60-0129-0130 0131-0132 0133-0134 0135-0136
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	B. Mod.16-1 Brush Type Cribber	4	42,948.	X18-0064 0065 0066 0067
	C. Mod. 44-1 Rotary Scarifier	11	594,643.50	X42-0065-0066-0067 0068-0069-0070 0071-0072-0073 0074-0075
	D. Mod.26-2-1 Ballast Regulator	7	518,427.	X6-0180-0181-0182 0183-0184-0185 0186
	E. Mod.12-2-2 Tie Crane	9	265,194.	X60-0120-0121-0122 0123-0124-0125 0126-0127-0128
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Jackson Jordan	Model 2900ES Switch Tamper	2	184,354.	X56-0115-0116
T.C. Johnson	A. Galion ML-40 Material Lift	2	190,000.	X24-0177-0178
	B. Husky XL-170 Loader	1	36,500.	BN 8228
Plasser Am. Corp.	Plasser Mod. PTY-16 Tamper	1	67,620.	X53-0046
Marmon Trans.	Mermon Mod. YP RKA-2 Yard Cleaner	1	216,800.	X78-0011
Borchert Ingersol	Terex Mod. 72-31B Load	1	100,336.	X24-0179
	TOTAL	187	\$10,897,256.93	

RECORDATION NO. 13924-A
JUL 29 1983 12 40 PM
INTERSTATE COMMERCE COMMISSION

PRP49/MGM/372607-c

FIRST AMENDMENT AND SUPPLEMENT

Dated as of June 30, 1983

to

SECURITY AGREEMENT-TRUST DEED
Dated as of December 15, 1982

Between

THE BANK OF NEW YORK
not in its individual capacity,
but solely as Trustee

Debtor

and

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY

Security Trustee

(Burlington Northern No. 82-2)

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FIRST AMENDMENT AND SUPPLEMENT TO
SECURITY AGREEMENT-TRUST DEED

FIRST AMENDMENT AND SUPPLEMENT TO SECURITY AGREEMENT-TRUST DEED dated as of June 30, 1983 between THE BANK OF NEW YORK, a New York corporation, not in its individual capacity but solely as Trustee (the "Debtor") under the Trust Agreement referred to below with LITTON EQUITY INVESTMENTS, INC., as Trustor (the "Trustor"), whose post office address is 21 West Street, New York, New York 10015, Attention: Corporate Trust Trustee Administration, and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY (the "Security Trustee"), whose post office address is Two Hopkins Plaza, P.O. Box 2258, Baltimore, Maryland 21203.

RECITALS

A. The Debtor and the Security Trustee have entered into a Security Agreement-Trust Deed dated as of December 15, 1982 (the "Original Security Agreement"). The Original Security Agreement, as supplemented by this First Amendment and Supplement to Security Agreement-Trust Deed (the "First Supplement"), is hereinafter referred to as the "Security Agreement". The capitalized terms used in this First Supplement shall have the respective meanings indicated in the Original Security Agreement unless otherwise herein defined or the context shall otherwise require.

B. The Debtor has entered into a Participation Agreement dated as of June 30, 1983 (the "Participation Agreement") with the Lessee, the Trustor, the Note Purchasers named therein (the "New Note Purchasers") and the Security Trustee. The Participation Agreement provides for the commitment of the New Note Purchasers to purchase on or before August 1, 1983 the 11.50% secured Notes (the "New Notes") of the Debtor in an aggregate principal amount of \$7,849,912.80. The New Notes are to be dated the date of issuance thereof (the "Refinancing Closing Date") pursuant to the Participation Agreement, to bear interest from said date at the rate of 11.50% per annum prior to maturity, shall be expressed to mature in 15 consecutive installments of both principal and interest, payable semiannually on the first day of each February and August commencing February 1, 1984 and with a final maturity of February 1, 1991. The New Notes are to be otherwise substantially in the form of the Registered Notes set forth as Exhibit A hereto.

C. The entire proceeds of the New Notes are to be applied by the Debtor to the prepayment in full of the principal amount of the Trustee's Secured Notes (the "Original Notes") issued in connection with the interim financing of the purchase of the Equipment by the Trustee pursuant to the Participation Agreement dated as of December 15, 1982 between the Lessee, the Debtor, the Trustor, the Security Trustee and First National Bank of Minneapolis (the "Original Participation Agreement").

D. All of the requirements of law have been fully complied with and all other acts and things necessary to make this Security Agreement a valid, binding and legal instrument to secure the indebtedness hereby secured have been done and performed.

E. The Debtor desires to reconvey and to confirm the security interest created by the Original Security Agreement in respect of the properties therein described and to convey and create a security interest in the properties further described herein and the Debtor and the Secured Party desire to amend the Original Security Agreement as below provided.

NOW, THEREFORE, the Debtor in consideration of the premises and of the payment of the proceeds of the issuance and sale of the New Notes to the Debtor and of the sum of Ten Dollars received by the Debtor from the Secured Party and other good and valuable consideration, receipt whereof is hereby acknowledged, and in order to secure the payment of the principal of and interest on the New Notes according to their tenor and effect, and to secure the payment of all other indebtedness secured and the performance and observance of all the covenants and conditions in the Original Notes, the New Notes and in the Original Security Agreement, as supplemented hereby, and in the Original Participation Agreement and the Participation Agreement contained, does hereby confirm the lien and security interest created in favor of the Security Trustee by the Original Security Agreement, and, for the purpose of more correctly describing and supplementing the prior grant, does hereby sell, convey, warrant, mortgage, assign, pledge, grant a security interest in, and hypothecate unto the Secured Party, its successors and assigns, the following properties, rights, interest and privileges (all of which properties are hereinafter collectively referred to as the "Collateral").

DIVISION I

Collateral includes the railroad maintenance of way equipment described in Schedule 2 attached hereto and made a part hereof (collectively the "Equipment" and individually an "Item" or "Item of Equipment") constituting the Equipment leased and delivered under that certain Equipment Lease dated as of December 15, 1982, as amended and supplemented by the First Amendment and Supplement to Equipment Lease dated as of June 30, 1983 (such Equipment Lease as amended and supplemented, the "Lease") between the Debtor, as lessor, and the Lessee, as lessee; together with all accessories, equipment, parts and appurtenances appertaining or attached to any of the Equipment hereinabove described, whether now owned or hereafter acquired, except such thereof as remain the property of the Lessee under the Lease, and all substitutions, renewals or replacements of and additions, improvements, accessions and accumulations to any and all of said Equipment, except such thereof as remain the property of the Lessee under the Lease, together with all the rents, issues, income, profits and avails therefrom.

DIVISION II

Collateral also includes all right, title, interest, claims and demands of the Debtor as lessor in, to and under the Lease, as amended, including all extensions of the term of the Lease, together with all rights, powers, privileges, options and other benefits of the Debtor as lessor under the Lease, including, without limitation:

(1) the immediate and continuing right to receive and collect all rental, casualty value payments, insurance proceeds, condemnation awards and other payments, tenders and Security now or hereafter payable or receivable by the Lessor under the Lease pursuant thereto, except those sums reserved as Excepted Rights in Collateral under Section 1.5 of the Original Security Agreement;

(2) subject to the provisions of Section 1.6 of the Original Security Agreement, the right to make all waivers and agreements and to enter into any amendments relating to the Lease or any provision thereof; and

(3) subject to the provisions of Section 1.6 of the Original Security Agreement, the right to take such action upon the occurrence of an Event of Default under the Lease or an event which, with the lapse of time or the giving of notice, or both, would constitute an Event of Default under the Lease, including the commencement, conduct and consummation of legal, administrative or other proceedings, as shall be permitted by the Lease or by law, and to do any and all other things whatsoever which the Debtor or any lessor is or may be entitled to do under the Lease;

it being the intent and purpose hereof that, subject always to Excepted Rights in Collateral (as defined in Section 1.5 of the Original Security Agreement) and the provisions of Sections 1.3, 1.4 and 1.6 of the Original Security Agreement, the assignment and transfer to the Secured Party of said rights, powers, privileges, options and other benefits shall be effective and operative immediately and shall continue in full force and effect, and the Secured Party shall have the right to collect and receive all rental, casualty value payments, if any, and other sums for application in accordance with the provisions of Section 4 of the Original Security Agreement at all times during the period from and after the date of the Security Agreement until the indebtedness hereby secured has been fully paid and discharged.

The Secured Party, its successors and assigns shall have and hold the Collateral forever; provided always, however, that such security interest is granted upon the express condition that if the Debtor shall pay or cause to be paid all the indebtedness

hereby secured and shall observe, keep and perform all the terms and conditions, covenants and agreements herein and in the Original Security Agreement and the Participation Agreements and the Notes contained, then these presents and the estate hereby granted and conveyed shall cease and this Supplement shall become null and void; otherwise to remain in full force and effect.

Debtor does hereby represent and warrant that the Debtor has the right, power and authority under the Trust Agreement, as amended, to grant a Security interest in the Collateral to the Secured Party for the uses and purposes herein set forth; and the Debtor will warrant and defend the title to the Collateral against all claims and demands of persons claiming by, through or under the Debtor (excepting only the right, title and interest of the Lessee under the Lease and of persons claiming by, through or under the Lessee).

The Debtor further covenants and agrees to perform and observe duly and punctually all of the covenants and agreements contained in the Original Security Agreement, all such covenants and agreements being hereby ratified, approved and confirmed.

SECTION 1. AMENDMENT OF DEFINITIONS.

The Original Security Agreement is hereby amended by adding a new Section 8.17 to read as follows:

"8.17. Definitions. The following terms shall have the following meanings for all purposes of this Agreement, notwithstanding any other meanings assigned to such terms pursuant to the terms of this Agreement:

'Notes' shall mean the Notes issued and outstanding under the Security Agreement at the time of reference. 'Noteholder' shall mean any holder of a Note at the time of reference.

'Refinancing Closing Date' shall mean August 1, 1983 or such later date as agreed to by the parties to the Refinancing Participation Agreement.

'Refinancing Participation Agreement' shall mean the Participation Agreement dated as of June 30, 1983 among the Lessee, the Debtor, the Trustor, SAFECO Life Insurance Company, Nationwide Life Insurance Company and the Security Trustee.

'Trust Agreement' shall mean the Trust Agreement dated December 15, 1982 between the Debtor and the Trustor as the same may be amended and supplemented from time to time."

SECTION 2. AMENDMENT OF OPERATIVE PROVISIONS OF THE ORIGINAL SECURITY AGREEMENT AND SCHEDULES AND EXHIBIT.

The parties hereto further agree that the Security Agreement shall be and the same is hereby amended to read as follows:

(a) By restating recital A in its entirety as follows:

"A. The Debtor and the Secured Party have entered into a Participation Agreement dated as of June 30, 1983 (the "Refinancing Participation Agreement") with the Trustor, Burlington Northern Railroad Company, a Delaware corporation (the "Lessee") and Nationwide Life Insurance Company and Safeco Life Insurance Company (the "Note Purchasers") providing for the commitment of the Note Purchasers to purchase on the Refinancing Closing Date, the Secured Notes (the "Notes") of the Debtor not exceeding an aggregate principal amount of \$7,849,912.80 which Notes may be issued in registered form. The Notes are to be dated the date of issue, to bear interest at the rate of 11.50% per annum prior to maturity, payable in accordance with the amortization schedule set forth in Schedule 1 hereto with the first such installment to be paid on February 1, 1984, and the balance of such installments at six month intervals thereafter; and to be otherwise substantially in the form attached hereto as Exhibit A."

(b) By restating line three of Section 5.1(d) as follows:

"connection with this Security Agreement, the Lease, the Participation Agreement or the Refinancing Participation Agreement, or the trans-"

(c) By restating Section 8.10 with respect to the address of the Note Purchasers as follows:

"If to the Note Purchasers: At the addresses therefor provided in Schedule 1 to the Refinancing Participation Agreement"

(d) By amending and restating Schedule 1 to the Original Security Agreement as set forth in Schedule 1 to this First Supplement;

(e) By amending and restating Schedule 2 to the Original Security Agreement as set forth in Schedule 2 to this First Supplement; and

(f) By amending and restating Exhibit A to the Original Security Agreement as set forth in Exhibit A to this First Supplement.

SECTION 3. MISCELLANEOUS.

This Supplement may be executed, acknowledged and delivered in any number of counterparts, each of such counterparts constituting an original but all together only one First Supplement.

In Witness Whereof, the Debtor, subject to the provisions of Section 7.2 of the Refinancing Participation Agreement, has caused this First Supplement to be executed on its behalf by one of its Assistant Vice Presidents and its corporate seal to be hereunto affixed, and said seal and this Security Agreement to be attested by one of its Assistant Secretaries, and Mercantile-Safe Deposit and Trust Company, in evidence of its acceptance of the trusts hereby created, has caused this First Supplement to be executed on its behalf by one of its Assistant Vice Presidents and its corporate seal to be hereunto affixed, and said seal and this First Supplement to be attested by one of its Assistant Corporate Trust Officers, all as of the day and year first above written.

THE BANK OF NEW YORK, not in its individual capacity but solely as Trustee under a Trust Agreement dated as of December 15, 1982, as amended, for the benefit of Litton Equity Investments, Inc.

By *R. W. Galan*
Assistant Vice President


[CORPORATE SEAL]

ATTEST:

[Signature]
Assistant Secretary

MERCANTILE-SAFE DEPOSIT AND
TRUST COMPANY, as Security
Trustee

By _____
Assistant Vice President

[CORPORATE SEAL]

ATTEST:

Assistant Corporate Trust
Officer

STATE OF NEW YORK)
) SS
COUNTY OF NEW YORK)

On this 27 day of July, 1983, before me personally appeared A. W. Aslanian, to me personally known, who being by me duly sworn, says that he is an Assistant Vice President of THE BANK OF NEW YORK, that one of the seals 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.

Marie E. Smith
Notary Public

MARIE E. SMITH
Notary Public, State of New York
No. 24-4655312
Qualified in Kings County
Certificate filed in New York County
Commission Expires March 30, 1985

(Seal)
My commission expires: _____

STATE OF MARYLAND)
) SS
CITY OF BALTIMORE)

On this _____ day of _____, 1983, before me personally appeared R. E. SCHREIBER, to me personally known, who being by me duly sworn, says that he is an Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, that one of the seals 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.

Notary Public

(Seal)
My commission expires: _____

AMORTIZATION SCHEDULE

(Payments Required Per \$1,000,000 Principal Amount
of 11.50% Secured Notes Issued by Debtor)

<u>Installment Date</u>	<u>Total Payment</u>	<u>Portion Allocated to Interest</u>	<u>Portion Allocated to Principal</u>	<u>Principal Balance</u>
February 1, 1984	\$114,686.46	\$57,500.00	\$ 57,186.46	\$942,813.54
August 1, 1984	114,686.46	54,211.78	60,474.68	882,338.86
February 1, 1985	114,686.46	50,734.49	63,951.97	818,386.89
August 1, 1985	114,686.46	47,057.25	67,629.21	750,757.68
February 1, 1986	114,686.46	43,168.57	71,517.89	679,239.79
August 1, 1986	114,686.46	39,056.29	75,630.17	603,609.62
February 1, 1987	114,686.46	34,707.55	79,978.91	523,630.71
August 1, 1987	114,696.46	30,108.77	84,577.69	439,053.02
February 1, 1988	114,686.46	25,245.55	89,440.91	349,612.11
August 1, 1988	114,686.46	20,102.70	94,583.76	255,028.35
February 1, 1989	114,686.46	14,664.13	100,022.33	155,006.02
August 1, 1989	41,136.52	8,912.86	32,223.66	122,782.36
February 1, 1990	41,136.52	7,060.00	34,076.52	88,705.84
August 1, 1990	48,214.12	5,100.60	43,113.52	45,592.32
February 1, 1991	48,213.89	2,621.57	45,592.32	0.00

SCHEDULE 1
(to Security Agreement)
and
SCHEDULE 1
(to First Su

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Schedule 2
(to Security Agreement)

and

Schedule 2
(to First Supplement)

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THE BANK OF NEW YORK,
not in its individual capacity, but solely as Trustee

11.50% SECURED NOTE

No. R-__

\$_____

August 1, 1983

FOR VALUE RECEIVED, the undersigned, THE BANK OF NEW YORK, a New York corporation, not in its individual capacity but solely as Trustee (the "Debtor") under the Trust Agreement dated as of December 15, 1982, as amended (the "Trust Agreement") between it and LITTON EQUITY INVESTMENTS, INC., a Nevada corporation (the "Trustor"), promises to pay to

or registered assigns, the principal sum of _____
DOLLARS (\$_____)

together with interest from the date hereof until maturity at the rate of 11.50% per annum (computed on the basis of a 360-day year of twelve consecutive 30-day months) on the unpaid principal hereof, in installments as follows:

(i) Fourteen (14) installments of principal and interest in an amount equal to the amount therefor specified on Schedule A attached hereto and made a part hereof, payable on February 1, 1984 and on each February 1 and August 1 thereafter to and including August 1, 1990; followed by

(ii) A final installment on February 1, 1991 in the amount equal to the entire principal and interest remaining unpaid hereunder as of said date;

and to pay interest on overdue principal and (to the extent legally enforceable) on overdue interest at a rate of 12.50% per annum after maturity, whether by acceleration or otherwise, until paid. Both the principal hereof and interest hereon are payable to the registered holder hereof in coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts.

This Note is one of the 11.50% Secured Notes of the Debtor not exceeding \$7,849,912.80 in aggregate principal amount (the "Notes") issued under and pursuant to the Participation Agreement dated as of June 30, 1983 among the Debtor, the Trustor, BURLINGTON NORTHERN RAILROAD COMPANY (the "Lessee"), NATIONWIDE LIFE INSURANCE COMPANY AND SAFECO LIFE INSURANCE COMPANY and

EXHIBIT A
(to Security Agreement)
and
EXHIBIT A
(to First Supplement)

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY (the "Secured Party") and also issued under and equally and ratably with said other Notes secured by that certain Security Agreement-Trust Deed dated as of December 15, 1982, as amended and supplemented by the First Supplement to Security Agreement-Trust Deed dated as of June 30, 1983 (the "Security Agreement"), from the Debtor to the Secured Party. Reference is made to the Security Agreement and all supplements and amendments thereto executed pursuant to the Security Agreement for a description of the collateral, the nature and extent of the security and rights of the Secured Party, the holder or holders of the Notes and of the Debtor in respect thereof.

Certain prepayments are required to be made on this Note and any other Notes outstanding under the Security Agreement. The Debtor agrees to make the required prepayments on the Notes in accordance with the provisions of the Security Agreement.

The terms and provisions of the Security Agreement and the rights and obligations of the Secured Party and the rights of the holders of the Notes may be changed and modified to the extent permitted by and as provided in the Security Agreement.

This Note is a registered Note and is transferable only by surrender thereof at the office of the Debtor, duly endorsed or accompanied by a written instrument of transfer, duly executed by the registered holder of this Note or his attorney duly authorized in writing.

This Note and the Security Agreement are governed by and construed in accordance with the laws of the State of New York.

It is expressly understood and agreed by and between the Debtor, the Trustor, the Secured Party and their respective successors and assigns that, except as expressly provided in Section 2.2 of the Security Agreement or Section 2 of the Participation Agreement, this Note is executed by The Bank of New York, not individually or personally but solely as Trustee under the Trust Agreement in the exercise of the power and authority conferred and vested in it as such Trustee, that each and all of the representations, warranties, undertakings and agreements herein made on the part of the Debtor are each and every one of them made and intended not as personal representations, warranties, undertakings and agreements by The Bank of New York or the Trustor, or for the purpose or with the intention of binding The Bank of New York or the Trustor personally, but are made and intended for the purpose of binding only the Trust Estate as defined in the Trust Agreement, that this Security Agreement is executed and delivered by The Bank of New York solely in the exercise of the powers expressly conferred upon The Bank of New York as trustee under the Trust Agreement, that actions to be taken by the Debtor pursuant to its obligations hereunder may, in certain instances be taken by the Debtor only upon specific authority of the Trustor, that nothing herein contained shall be construed as creating any

liability on The Bank of New York or the Trustor, individually or personally, or any incorporator or any past, present or future subscriber to the capital stock of, or stockholder, officer or director of, The Bank of New York or the Trustor, to perform any covenant either express or implied contained herein, all such liability, if any, being expressly waived by the Secured Party and by any person claiming by, through or under the Secured Party, and that so far as The Bank of New York or the Trustor, individually or personally is concerned, the Secured Party and any person claiming by, through or under the Secured Party shall look solely to the Collateral (as defined in the Security Agreement) for the performance of any obligation under any of the instruments referred to herein; provided, however, that except as herein provided nothing contained in this paragraph shall be construed to limit or otherwise modify the rights and remedies of the Secured Party and the holders of the Notes contained in Section 5 of the Security Agreement, and, provided, further, that nothing contained in this paragraph shall be construed to limit the liability of the Debtor in its individual capacity for any breach of any representations or warranties made in such capacity set forth in the Participation Agreement or the Security Agreement or to limit the liability of the Debtor for gross negligence or willful misconduct. Any obligation of the Debtor hereunder may be performed by the Trustor, and any such performance shall not be construed as revocation of the trust created by the Trust Agreement. Nothing contained in this Note shall restrict the operation of the provisions of the Trust Agreement with respect to its revocation or the resignation or removal of the Trustee thereunder.

In Witness Whereof, the Trustee has caused this Note to be duly executed.

THE BANK OF NEW YORK, not in its individual capacity but solely as Trustee under a Trust Agreement dated as of December 15, 1982, as amended, for the benefit of Litton Equity Investments, Inc.

By _____
Assistant Vice President

NOTICE

THIS NOTE HAS NOT BEEN REGISTERED PURSUANT TO THE SECURITIES ACT OF 1933 OR UNDER THE SECURITIES LAWS OF ANY STATE. THE NOTE MAY NOT BE OFFERED OR SOLD UNLESS IT IS REGISTERED UNDER THE APPLICABLE SECURITIES LAWS OR UNLESS AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE.

FIRST AMENDMENT AND SUPPLEMENT

Dated as of June 30, 1983

to

SECURITY AGREEMENT-TRUST DEED
Dated as of December 15, 1982

Between

THE BANK OF NEW YORK
not in its individual capacity,
but solely as Trustee

Debtor

and

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY

Security Trustee

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FIRST AMENDMENT AND SUPPLEMENT TO
SECURITY AGREEMENT-TRUST DEED

FIRST AMENDMENT AND SUPPLEMENT TO SECURITY AGREEMENT-TRUST DEED dated as of June 30, 1983 between THE BANK OF NEW YORK, a New York corporation, not in its individual capacity but solely as Trustee (the "Debtor") under the Trust Agreement referred to below with LITTON EQUITY INVESTMENTS, INC., as Trustor (the "Trustor"), whose post office address is 21 West Street, New York, New York 10015, Attention: Corporate Trust Trustee Administration, and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY (the "Security Trustee"), whose post office address is Two Hopkins Plaza, P.O. Box 2258, Baltimore, Maryland 21203.

RECITALS

A. The Debtor and the Security Trustee have entered into a Security Agreement-Trust Deed dated as of December 15, 1982 (the "Original Security Agreement"). The Original Security Agreement, as supplemented by this First Amendment and Supplement to Security Agreement-Trust Deed (the "First Supplement"), is hereinafter referred to as the "Security Agreement". The capitalized terms used in this First Supplement shall have the respective meanings indicated in the Original Security Agreement unless otherwise herein defined or the context shall otherwise require.

B. The Debtor has entered into a Participation Agreement dated as of June 30, 1983 (the "Participation Agreement") with the Lessee, the Trustor, the Note Purchasers named therein (the "New Note Purchasers") and the Security Trustee. The Participation Agreement provides for the commitment of the New Note Purchasers to purchase on or before August 1, 1983 the 11.50% secured Notes (the "New Notes") of the Debtor in an aggregate principal amount of \$7,849,912.80. The New Notes are to be dated the date of issuance thereof (the "Refinancing Closing Date") pursuant to the Participation Agreement, to bear interest from said date at the rate of 11.50% per annum prior to maturity, shall be expressed to mature in 15 consecutive installments of both principal and interest, payable semiannually on the first day of each February and August commencing February 1, 1984 and with a final maturity of February 1, 1991. The New Notes are to be otherwise substantially in the form of the Registered Notes set forth as Exhibit A hereto.

C. The entire proceeds of the New Notes are to be applied by the Debtor to the prepayment in full of the principal amount of the Trustee's Secured Notes (the "Original Notes") issued in connection with the interim financing of the purchase of the Equipment by the Trustee pursuant to the Participation Agreement dated as of December 15, 1982 between the Lessee, the Debtor, the Trustor, the Security Trustee and First National Bank of Minneapolis (the "Original Participation Agreement").

D. All of the requirements of law have been fully complied with and all other acts and things necessary to make this Security Agreement a valid, binding and legal instrument to secure the indebtedness hereby secured have been done and performed.

E. The Debtor desires to reconvey and to confirm the security interest created by the Original Security Agreement in respect of the properties therein described and to convey and create a security interest in the properties further described herein and the Debtor and the Secured Party desire to amend the Original Security Agreement as below provided.

NOW, THEREFORE, the Debtor in consideration of the premises and of the payment of the proceeds of the issuance and sale of the New Notes to the Debtor and of the sum of Ten Dollars received by the Debtor from the Secured Party and other good and valuable consideration, receipt whereof is hereby acknowledged, and in order to secure the payment of the principal of and interest on the New Notes according to their tenor and effect, and to secure the payment of all other indebtedness secured and the performance and observance of all the covenants and conditions in the Original Notes, the New Notes and in the Original Security Agreement, as supplemented hereby, and in the Original Participation Agreement and the Participation Agreement contained, does hereby confirm the lien and security interest created in favor of the Security Trustee by the Original Security Agreement, and, for the purpose of more correctly describing and supplementing the prior grant, does hereby sell, convey, warrant, mortgage, assign, pledge, grant a security interest in, and hypothecate unto the Secured Party, its successors and assigns, the following properties, rights, interest and privileges (all of which properties are hereinafter collectively referred to as the "Collateral").

DIVISION I

Collateral includes the railroad maintenance of way equipment described in Schedule 2 attached hereto and made a part hereof (collectively the "Equipment" and individually an "Item" or "Item of Equipment") constituting the Equipment leased and delivered under that certain Equipment Lease dated as of December 15, 1982, as amended and supplemented by the First Amendment and Supplement to Equipment Lease dated as of June 30, 1983 (such Equipment Lease as amended and supplemented, the "Lease") between the Debtor, as lessor, and the Lessee, as lessee; together with all accessories, equipment, parts and appurtenances appertaining or attached to any of the Equipment hereinabove described, whether now owned or hereafter acquired, except such thereof as remain the property of the Lessee under the Lease, and all substitutions, renewals or replacements of and additions, improvements, accessions and accumulations to any and all of said Equipment, except such thereof as remain the property of the Lessee under the Lease, together with all the rents, issues, income, profits and avails therefrom.

DIVISION II

Collateral also includes all right, title, interest, claims and demands of the Debtor as lessor in, to and under the Lease, as amended, including all extensions of the term of the Lease, together with all rights, powers, privileges, options and other benefits of the Debtor as lessor under the Lease, including, without limitation:

(1) the immediate and continuing right to receive and collect all rental, casualty value payments, insurance proceeds, condemnation awards and other payments, tenders and Security now or hereafter payable or receivable by the Lessor under the Lease pursuant thereto, except those sums reserved as Excepted Rights in Collateral under Section 1.5 of the Original Security Agreement;

(2) subject to the provisions of Section 1.6 of the Original Security Agreement, the right to make all waivers and agreements and to enter into any amendments relating to the Lease or any provision thereof; and

(3) subject to the provisions of Section 1.6 of the Original Security Agreement, the right to take such action upon the occurrence of an Event of Default under the Lease or an event which, with the lapse of time or the giving of notice, or both, would constitute an Event of Default under the Lease, including the commencement, conduct and consummation of legal, administrative or other proceedings, as shall be permitted by the Lease or by law, and to do any and all other things whatsoever which the Debtor or any lessor is or may be entitled to do under the Lease;

it being the intent and purpose hereof that, subject always to Excepted Rights in Collateral (as defined in Section 1.5 of the Original Security Agreement) and the provisions of Sections 1.3, 1.4 and 1.6 of the Original Security Agreement, the assignment and transfer to the Secured Party of said rights, powers, privileges, options and other benefits shall be effective and operative immediately and shall continue in full force and effect, and the Secured Party shall have the right to collect and receive all rental, casualty value payments, if any, and other sums for application in accordance with the provisions of Section 4 of the Original Security Agreement at all times during the period from and after the date of the Security Agreement until the indebtedness hereby secured has been fully paid and discharged.

The Secured Party, its successors and assigns shall have and hold the Collateral forever; provided always, however, that such security interest is granted upon the express condition that if the Debtor shall pay or cause to be paid all the indebtedness

hereby secured and shall observe, keep and perform all the terms and conditions, covenants and agreements herein and in the Original Security Agreement and the Participation Agreements and the Notes contained, then these presents and the estate hereby granted and conveyed shall cease and this Supplement shall become null and void; otherwise to remain in full force and effect.

Debtor does hereby represent and warrant that the Debtor has the right, power and authority under the Trust Agreement, as amended, to grant a Security interest in the Collateral to the Secured Party for the uses and purposes herein set forth; and the Debtor will warrant and defend the title to the Collateral against all claims and demands of persons claiming by, through or under the Debtor (excepting only the right, title and interest of the Lessee under the Lease and of persons claiming by, through or under the Lessee).

The Debtor further covenants and agrees to perform and observe duly and punctually all of the covenants and agreements contained in the Original Security Agreement, all such covenants and agreements being hereby ratified, approved and confirmed.

SECTION 1. AMENDMENT OF DEFINITIONS.

The Original Security Agreement is hereby amended by adding a new Section 8.17 to read as follows:

"8.17. Definitions. The following terms shall have the following meanings for all purposes of this Agreement, notwithstanding any other meanings assigned to such terms pursuant to the terms of this Agreement:

'Notes' shall mean the Notes issued and outstanding under the Security Agreement at the time of reference. 'Noteholder' shall mean any holder of a Note at the time of reference.

'Refinancing Closing Date' shall mean August 1, 1983 or such later date as agreed to by the parties to the Refinancing Participation Agreement.

'Refinancing Participation Agreement' shall mean the Participation Agreement dated as of June 30, 1983 among the Lessee, the Debtor, the Trustor, SAFECO Life Insurance Company, Nationwide Life Insurance Company and the Security Trustee.

'Trust Agreement' shall mean the Trust Agreement dated December 15, 1982 between the Debtor and the Trustor as the same may be amended and supplemented from time to time."

SECTION 2. AMENDMENT OF OPERATIVE PROVISIONS OF THE ORIGINAL SECURITY AGREEMENT AND SCHEDULES AND EXHIBIT.

The parties hereto further agree that the Security Agreement shall be and the same is hereby amended to read as follows:

(a) By restating recital A in its entirety as follows:

"A. The Debtor and the Secured Party have entered into a Participation Agreement dated as of June 30, 1983 (the "Refinancing Participation Agreement") with the Trustor, Burlington Northern Railroad Company, a Delaware corporation (the "Lessee") and Nationwide Life Insurance Company and Safeco Life Insurance Company (the "Note Purchasers") providing for the commitment of the Note Purchasers to purchase on the Refinancing Closing Date, the Secured Notes (the "Notes") of the Debtor not exceeding an aggregate principal amount of \$7,849,912.80 which Notes may be issued in registered form. The Notes are to be dated the date of issue, to bear interest at the rate of 11.50% per annum prior to maturity, payable in accordance with the amortization schedule set forth in Schedule 1 hereto with the first such installment to be paid on February 1, 1984, and the balance of such installments at six month intervals thereafter; and to be otherwise substantially in the form attached hereto as Exhibit A."

(b) By restating line three of Section 5.1(d) as follows:

"connection with this Security Agreement, the Lease, the Participation Agreement or the Refinancing Participation Agreement, or the trans-"

(c) By restating Section 8.10 with respect to the address of the Note Purchasers as follows:

"If to the Note Purchasers: At the addresses therefor provided in Schedule 1 to the Refinancing Participation Agreement"

(d) By amending and restating Schedule 1 to the Original Security Agreement as set forth in Schedule 1 to this First Supplement;

(e) By amending and restating Schedule 2 to the Original Security Agreement as set forth in Schedule 2 to this First Supplement; and

(f) By amending and restating Exhibit A to the Original Security Agreement as set forth in Exhibit A to this First Supplement.

SECTION 3. MISCELLANEOUS.

This Supplement may be executed, acknowledged and delivered in any number of counterparts, each of such counterparts constituting an original but all together only one First Supplement.

In Witness Whereof, the Debtor, subject to the provisions of Section 7.2 of the Refinancing Participation Agreement, has caused this First Supplement to be executed on its behalf by one of its Assistant Vice Presidents and its corporate seal to be hereunto affixed, and said seal and this Security Agreement to be attested by one of its Assistant Secretaries, and Mercantile-Safe Deposit and Trust Company, in evidence of its acceptance of the trusts hereby created, has caused this First Supplement to be executed on its behalf by one of its Assistant Vice Presidents and its corporate seal to be hereunto affixed, and said seal and this First Supplement to be attested by one of its Assistant Corporate Trust Officers, all as of the day and year first above written.

THE BANK OF NEW YORK, not in its individual capacity but solely as Trustee under a Trust Agreement dated as of December 15, 1982, as amended, for the benefit of Litton Equity Investments, Inc.

By _____
Assistant Vice President

[CORPORATE SEAL]

ATTEST:

Assistant Secretary

MERCANTILE-SAFE DEPOSIT AND
TRUST COMPANY, as Security
Trustee

By 
Assistant Vice President

[CORPORATE SEAL]

ATTEST:


Assistant Corporate Trust
Officer

STATE OF NEW YORK)
) SS
COUNTY OF NEW YORK)

On this _____ day of _____, 1983, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is an Assistant Vice President of THE BANK OF NEW YORK, that one of the seals 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.

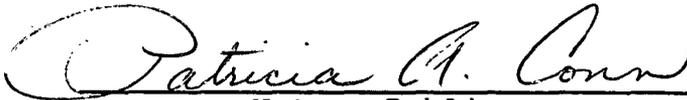
Notary Public

(Seal)

My commission expires: _____

STATE OF MARYLAND)
) SS
CITY OF BALTIMORE)

On this 27th day of July, 1983, before me personally appeared R. E. SCHREIBER, to me personally known, who being by me duly sworn, says that he is an Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, that one of the seals 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.



Notary Public

(Seal)

My commission expires: 7-1-86

AMORTIZATION SCHEDULE

(Payments Required Per \$1,000,000 Principal Amount
of 11.50% Secured Notes Issued by Debtor)

<u>Installment Date</u>	<u>Total Payment</u>	<u>Portion Allocated to Interest</u>	<u>Portion Allocated to Principal</u>	<u>Principal Balance</u>
February 1, 1984	\$114,686.46	\$57,500.00	\$ 57,186.46	\$942,813.54
August 1, 1984	114,686.46	54,211.78	60,474.68	882,338.86
February 1, 1985	114,686.46	50,734.49	63,951.97	818,386.89
August 1, 1985	114,686.46	47,057.25	67,629.21	750,757.68
February 1, 1986	114,686.46	43,168.57	71,517.89	679,239.79
August 1, 1986	114,686.46	39,056.29	75,630.17	603,609.62
February 1, 1987	114,686.46	34,707.55	79,978.91	523,630.71
August 1, 1987	114,696.46	30,108.77	84,577.69	439,053.02
February 1, 1988	114,686.46	25,245.55	89,440.91	349,612.11
August 1, 1988	114,686.46	20,102.70	94,583.76	255,028.35
February 1, 1989	114,686.46	14,664.13	100,022.33	155,006.02
August 1, 1989	41,136.52	8,912.86	32,223.66	122,782.36
February 1, 1990	41,136.52	7,060.00	34,076.52	88,705.84
August 1, 1990	48,214.12	5,100.60	43,113.52	45,592.32
February 1, 1991	48,213.89	2,621.57	45,592.32	0.00

SCHEDULE 1
(to Security Agreement)
and
SCHEDULE 1
(to First Supplemental)

DESCRIPTION OF ITEMS OF EQUIPMENT

<u>Manufacturer</u>	<u>Equipment</u>	<u>Quantity</u>	<u>Purchase Price</u>	<u>Identification Numbers</u>
Holley Engr. Co.	A. Holley Model 45 Plate Plucker w/Conveyor	5	\$ 92,715.	X85-0013 0014 0015 0016 0017
	B. Holley Model 49 Spike Plucker	2	39,500.	X89-0001 0002
Tamper	A. Model ES Switch Tamper Mark 2	9	779,338.35	X56-0106-0107 0108-0109 0110-0111 0112-0113 0114
	B. Model ESTR-13G Mark III Tamper	10	1,557,056.80	X54-0124-0125 0126-0127 0129-0130 0131-0132 0133-0134
	C. Model EA Mark I Tamper	4	317,440.	X53-0042 0043 0044 0045
	D. Model GO-4 Trac-Gopher	3	371,412.87	X80-0010 0011 0012
Racine RFD. Prod. Inc. Applicator	A. Racine "Anchor Fast" Anchor	10	213,850.	X1-0124-0125 0126-0127 0128-0129 0130-0131 0132-0133
	B. Racine "Duel Anchor Fast" Anchor Applicator	2	70,540.	X1-0134 0135
Fairmont Rwy. Mtrs. Inc.	A. Fairmont Mod. W-104 Tip Plug Inserter	4	58,234.40	X62-0026 0027 0028 0029
	B. Mod. W 114 C Tie Shear	10	726,326.24	X40-0067-0068 0069-0070 0071-0072 0077-0078 0079-0080

Schedule 2
(to Security Agreement)

and

Schedule 2
(to First Supplement)

<u>Manufacturer</u>	<u>Equipment</u>	<u>Quantity</u>	<u>Purchase Price</u>	<u>Identification Numbers</u>
(continued)				
Fairmont Rwy. Motors, Inc.	C. Mod. W 113 Duel Spike Puller	6	\$ 122,437.23	X47-0175-0176 0177-0178 0179-0180
	D. Mod. W 119-B Tie Inserter	3	215,945.73	X61-0037 0038 0039
Rexnord Inc.	A. Nordberg "CZ" Adzer	4	121,691.86	X3-0112-0113 0014-0015
	B. Nordberg "BP" Mechanical Spike Puller	2	58,788.	X47-0173 0174
	C. Nordberg Rail Gang Spikes	14	\$1,022,420.	X44-0087-0088 0089-0090 0091-0092 0093-0094 0095-0096 0097-0098 0099-0100
Rwy. Track Work	A. Mod. DWDS-4 Anchor Cribber	2	35,490.	X18-0068-0069
	B. Mod. 2181-B Bridge Cranes	21	761,857.60	X17-0016-0017 0018-0019 0020-0021 0022-0023 0024-0025 0028-0029 0030-0031 0032-0033 0034-0035 0036-0037 0038
	C. Mod. 2170-A Tie Handlers	8	247,030.35	X60-0129-0130 0131-0132 0133-0134 0135-0136
Air Power Equip.	Ing. Rand Mod. 365 Air Compressor	4	66,136.	X2-5530 5531 5532 5533
D.J. Hogan & Co.	Mod "D" Hydraulic Tie Gong Spiker	14	988,260.	X44-0103-0104-0105 0106-0107-0108 0110-0111 0112-0113-0114 0015-0116-0117

<u>Manufacturer</u>	<u>Equipment</u>	<u>Quantity</u>	<u>Purchase Price</u>	<u>Identification Numbers</u>
Pettibone Corp.	Pettibone 441-B Loader Speed Swing	3	\$ 270,000.	X24-0174 0175 0176
Kershaw Mfg. Co,	A. Mod. 35-8 Db1. Broom	2	134,050.	X5-0025 0026
	B. Mod.16-1 Brush Type Cribber	4	42,948.	X18-0064 0065 0066 0067
	C. Mod. 44-1 Rotary Scarifier	11	594,643.50	X42-0065-0066-0067 0068-0069-0070 0071-0072-0073 0074-0075
	D. Mod.26-2-1 Ballast Regulator	7	518,427.	X6-0180-0181-0182 0183-0184-0185 0186
	E. Mod.12-2-2 Tie Crane	9	265,194.	X60-0120-0121-0122 0123-0124-0125 0126-0127-0128
F. Mod.39-2 Tie Injector	6	409,914.	X61-0040-0041-0042 0043-0044-0045	
Jackson Jordan	Model 2900ES Switch Tamper	2	184,354.	X56-0115-0116
T.C. Johnson	A. Galion ML-40 Material Lift	2	190,000.	X24-0177-0178
	B. Husky XL-170 Loader	1	36,500.	BN 8228
Plasser Am. Corp.	Plasser Mod. PTY-16 Tamper	1	67,620.	X53-0046
Marmon Trans.	Mermon Mod. YP RKA-2 Yard Cleaner	1	216,800.	X78-0011
Borchert Ingersol	Terex Mod. 72-31B Load	1	100,336.	X24-0179
	TOTAL	187	\$10,897,256.93	

THE BANK OF NEW YORK,
not in its individual capacity, but solely as Trustee

11.50% SECURED NOTE

No. R-__

\$ _____

August 1, 1983

FOR VALUE RECEIVED, the undersigned, THE BANK OF NEW YORK, a New York corporation, not in its individual capacity but solely as Trustee (the "Debtor") under the Trust Agreement dated as of December 15, 1982, as amended (the "Trust Agreement") between it and LITTON EQUITY INVESTMENTS, INC., a Nevada corporation (the "Trustor"), promises to pay to

or registered assigns, the principal sum of
DOLLARS (\$ _____)

together with interest from the date hereof until maturity at the rate of 11.50% per annum (computed on the basis of a 360-day year of twelve consecutive 30-day months) on the unpaid principal hereof, in installments as follows:

(i) Fourteen (14) installments of principal and interest in an amount equal to the amount therefor specified on Schedule A attached hereto and made a part hereof, payable on February 1, 1984 and on each February 1 and August 1 thereafter to and including August 1, 1990; followed by

(ii) A final installment on February 1, 1991 in the amount equal to the entire principal and interest remaining unpaid hereunder as of said date;

and to pay interest on overdue principal and (to the extent legally enforceable) on overdue interest at a rate of 12.50% per annum after maturity, whether by acceleration or otherwise, until paid. Both the principal hereof and interest hereon are payable to the registered holder hereof in coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts.

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(to Security Agreement)
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MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY (the "Secured Party") and also issued under and equally and ratably with said other Notes secured by that certain Security Agreement-Trust Deed dated as of December 15, 1982, as amended and supplemented by the First Supplement to Security Agreement-Trust Deed dated as of June 30, 1983 (the "Security Agreement"), from the Debtor to the Secured Party. Reference is made to the Security Agreement and all supplements and amendments thereto executed pursuant to the Security Agreement for a description of the collateral, the nature and extent of the security and rights of the Secured Party, the holder or holders of the Notes and of the Debtor in respect thereof.

Certain prepayments are required to be made on this Note and any other Notes outstanding under the Security Agreement. The Debtor agrees to make the required prepayments on the Notes in accordance with the provisions of the Security Agreement.

The terms and provisions of the Security Agreement and the rights and obligations of the Secured Party and the rights of the holders of the Notes may be changed and modified to the extent permitted by and as provided in the Security Agreement.

This Note is a registered Note and is transferable only by surrender thereof at the office of the Debtor, duly endorsed or accompanied by a written instrument of transfer, duly executed by the registered holder of this Note or his attorney duly authorized in writing.

This Note and the Security Agreement are governed by and construed in accordance with the laws of the State of New York.

It is expressly understood and agreed by and between the Debtor, the Trustor, the Secured Party and their respective successors and assigns that, except as expressly provided in Section 2.2 of the Security Agreement or Section 2 of the Participation Agreement, this Note is executed by The Bank of New York, not individually or personally but solely as Trustee under the Trust Agreement in the exercise of the power and authority conferred and vested in it as such Trustee, that each and all of the representations, warranties, undertakings and agreements herein made on the part of the Debtor are each and every one of them made and intended not as personal representations, warranties, undertakings and agreements by The Bank of New York or the Trustor, or for the purpose or with the intention of binding The Bank of New York or the Trustor personally, but are made and intended for the purpose of binding only the Trust Estate as defined in the Trust Agreement, that this Security Agreement is executed and delivered by The Bank of New York solely in the exercise of the powers expressly conferred upon The Bank of New York as trustee under the Trust Agreement, that actions to be taken by the Debtor pursuant to its obligations hereunder may, in certain instances be taken by the Debtor only upon specific authority of the Trustor, that nothing herein contained shall be construed as creating any

liability on The Bank of New York or the Trustor, individually or personally, or any incorporator or any past, present or future subscriber to the capital stock of, or stockholder, officer or director of, The Bank of New York or the Trustor, to perform any covenant either express or implied contained herein, all such liability, if any, being expressly waived by the Secured Party and by any person claiming by, through or under the Secured Party, and that so far as The Bank of New York or the Trustor, individually or personally is concerned, the Secured Party and any person claiming by, through or under the Secured Party shall look solely to the Collateral (as defined in the Security Agreement) for the performance of any obligation under any of the instruments referred to herein; provided, however, that except as herein provided nothing contained in this paragraph shall be construed to limit or otherwise modify the rights and remedies of the Secured Party and the holders of the Notes contained in Section 5 of the Security Agreement, and, provided, further, that nothing contained in this paragraph shall be construed to limit the liability of the Debtor in its individual capacity for any breach of any representations or warranties made in such capacity set forth in the Participation Agreement or the Security Agreement or to limit the liability of the Debtor for gross negligence or willful misconduct. Any obligation of the Debtor hereunder may be performed by the Trustor, and any such performance shall not be construed as revocation of the trust created by the Trust Agreement. Nothing contained in this Note shall restrict the operation of the provisions of the Trust Agreement with respect to its revocation or the resignation or removal of the Trustee thereunder.

In Witness Whereof, the Trustee has caused this Note to be duly executed.

THE BANK OF NEW YORK, not in its individual capacity but solely as Trustee under a Trust Agreement dated as of December 15, 1982, as amended, for the benefit of Litton Equity Investments, Inc.

By _____
Assistant Vice President

NOTICE

THIS NOTE HAS NOT BEEN REGISTERED PURSUANT TO THE SECURITIES ACT OF 1933 OR UNDER THE SECURITIES LAWS OF ANY STATE. THE NOTE MAY NOT BE OFFERED OR SOLD UNLESS IT IS REGISTERED UNDER THE APPLICABLE SECURITIES LAWS OR UNLESS AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE.