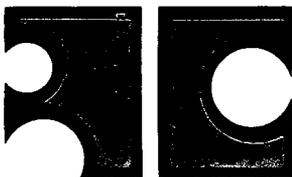


the first citizens state bank



4-0821075

No.
 Date MAR 22 1984
 Fee \$ 100.00
 ICC Washington, D.C.

RECORDATION NO. 14297 FILED 1425

March 16, 1984

MAR 22 1984 -10 15 AM

INTERSTATE COMMERCE COMMISSION

Miss Mildred Lee
 Room 2303
 Interstate Commerce Commission
 12th Constitutional Avenue, N. W.
 Washington, D. C. 20423

RECORDATION NO. 14297 FILED 1425

MAR 22 1984 -10 15 AM

INTERSTATE COMMERCE COMMISSION

Attn: Miss Davis

Re: Southeastern Wisconsin Transportation Corporation and Wisconsin Business Development Corporation (WBDFC)

Dear Miss Lee:

Enclosed please find two General Business Security Agreements, with attachments, along with a certified copy of each. We are asking that you record our lien interest in the various assets of the corporation and return the original Security Agreements with the recording data to us at your earliest convenience. I have enclosed a self-addressed, stamped envelope for their return to us.

I am enclosing our check in the amount of \$100.00 to cover the recording fee.

If you have any questions in regard to this matter, please feel free to contact me.

With best regards,

James K. Caldwell
James K. Caldwell
President

JKC:slm

Enclosures

MAR 22 10 07 AM '84
FEE OPERATION 20



SINCE 1863 414 / 473-2112
CORNER OF SECOND AND MAIN / WHITEWATER, WISCONSIN 53190

WHITEWATER LAKE BRANCH

Corner of County Trunk P and Kettle Moraine Drive

5. RIGHTS OF BANK

(a) **AUTHORITY TO PERFORM FOR DEBTOR.** Upon the occurrence of an event of default or if Debtor fails to perform any of Debtor's duties set forth in this Agreement or in any evidence of or document relating to the Obligations, Bank is authorized, in Debtor's name or otherwise, to take any such action including without limitation signing Debtor's name or paying any amount so required, and the cost shall be one of the Obligations secured by this Agreement and shall be payable by Debtor upon demand with interest from the date of payment by Bank at the highest rate stated in any evidence of any Obligation but not in excess of the maximum rate permitted by law.

(b) **CHARGING DEBTOR'S CREDIT BALANCE.** Debtor grants Bank, as further security for the Obligations, a security interest and lien in any credit balance and other money now or hereafter owed Debtor by Bank or any assignee of Bank and, in addition, agrees that Bank may, at any time after the occurrence of any event of default, without prior notice or demand, setoff against any such credit balance or other money any amount owing upon the Obligations.

(c) **POWER OF ATTORNEY.** Debtor irrevocably appoints any officer of Bank as Debtor's attorney, with power to receive, open and dispose of all mail addressed to Debtor, to notify the Post Office authorities to change the address for delivery of all mail addressed to Debtor to such address as Bank may designate; and to endorse the name of Debtor upon any instruments which may come into Bank's possession. Debtor agrees that Obligations may be created by drafts drawn on Bank by shippers of inventory named in section 9. Debtor authorizes Bank to honor any such draft when accompanied by invoices aggregating the amount of the draft and describing inventory to be shipped to Debtor. Debtor appoints any employee of Bank as Debtor's attorney, with full power to sign Debtor's name on any instrument evidencing an Obligation, or any renewals or extensions, for the amount of such drafts honored by Bank. Such instruments may be payable at fixed times or on demand, and shall bear interest at the rate from time to time fixed by Bank and Debtor agrees, upon request of Bank, to execute any such instruments. This power of attorney may be revoked by Debtor only by written notice to Bank and no such revocation shall affect any instruments executed prior to the receipt by Bank of such notice. All acts of such attorney are ratified and approved and he is not liable for any act or omission or for any error of judgment or mistake of fact or law.

(d) **NON-LIABILITY OF BANK.** Bank has no duty to determine the validity of any invoice, the authority of any shipper named in section 9 to ship goods to Debtor or compliance with any order of Debtor. Bank has no duty to protect, insure, collect or realize upon the Collateral or preserve rights in it against prior parties. Debtor releases Bank from any liability for any act or omission relating to the Obligations, the Collateral or this Agreement, except Bank's willful misconduct.

6. DEFAULT

Upon the occurrence of one or more of the following events of default,

Nonperformance. Debtor fails to pay when due any of the Obligations or to perform, or rectify breach of, any warranty or other undertaking by Debtor in this Agreement or in any evidence of or document relating to the Obligations;

Inability to Perform. Debtor or a surety for any of the Obligations dies, ceases to exist, becomes insolvent or the subject of bankruptcy or insolvency proceedings;

Misrepresentation. Any representation made to induce Bank to extend credit to Debtor, under this Agreement or otherwise, is false in any material respect when made; or

Insecurity. Any other event which causes Bank in good faith to deem itself insecure;

all of the Obligations shall, at the option of Bank and without any notice or demand, become immediately payable; and Bank shall have all rights and remedies for default provided by the Wisconsin Uniform Commercial Code, as well as any other applicable law and any evidence of or document relating to the Obligations. With respect to such rights and remedies,

(a) **REPOSSESSION.** Bank may take possession of Collateral without notice or hearing, which Debtor waives.

(b) **ASSEMBLING COLLATERAL.** Bank may require Debtor to assemble the Collateral and to make it available to Bank at any convenient place designated by Bank.

(c) **NOTICE OF DISPOSITION.** Written notice, when required by law, sent to any address of Debtor in this Agreement at least 10 calendar days (counting the day of sending) before the date of a proposed disposition of the Collateral is reasonable notice.

(d) **EXPENSES AND APPLICATION OF PROCEEDS.** Debtor shall reimburse Bank for any expense incurred by Bank in protecting or enforcing its rights under this Agreement including, without limitation, reasonable attorneys' fees and legal expenses and all expenses of taking possession, holding, preparing for disposition and disposing of the Collateral. After deduction of such expenses, Bank may apply the proceeds of disposition to the Obligations in such order and amounts as it elects.

(e) **WAIVER.** Bank may permit Debtor to remedy any default without waiving the default so remedied, and Bank may waive any default without waiving any other subsequent or prior default by Debtor.

7. PERSONS BOUND

The obligations hereunder of all Debtors are joint and several. This Agreement benefits Bank, its successors and assigns, and binds Debtor(s) and their respective heirs, personal representatives, successors and assigns.

8. INTERPRETATION

The validity, construction and enforcement of this Agreement are governed by the internal laws of Wisconsin. All terms not otherwise defined have the meanings assigned to them by the Wisconsin Uniform Commercial Code. Invalidity of any provision of this Agreement shall not affect the validity of any other provision.

9. SHIPPERS

Shippers authorized to draw drafts on Bank are:

10. OTHER PROVISIONS

As a part of the consideration for this agreement, secured party will lend Debtor at any time upon his request one dollar (\$1.00) and such other amounts as secured party in his sole discretion agrees to lend, under such terms and conditions as may then be agreed upon by the parties, using the collateral as security.

Signed and Sealed on March 8, 19 84

SOUTHEASTERN WISCONSIN TRANSPORTATION
CORPORATION

By: John A. Zerbel (SEAL)
DEBTOR

* John A. Zerbel, President

David C. Williams (SEAL)
DEBTOR

* David C. Williams, Secretary

Address: 4040 North Calhoun Road
SEE SECTION 2(j)

Brookfield, WI 53005

County: Waukesha

*Type or print name signed above.

EXHIBIT I

SUMMARY OF WORK PAPERS FOR APPROXIMATELY
\$89,800.00 FOR LABOR EXPENSE, EQUIPMENT
PURCHASES, ENGINE REPAIR AND INVOICES
COVERING CERTAIN EQUIPMENT ITEMS FOR RE-
BUILDING ENGINES # 782, 783, and 736.

I(A) - Ledger Sheet covering engine rebuilding costs

I(B) - I(I) - Certain equipment invoices

I(J) - Ledger Sheets and Invoices for material supplies,
labor, and shop overhead for rebuilding and repair
of Engines # 782, 783 & 736. (This consists of 53
pages of header sheets entitled "Analysis of Equip-
ment Maintenance".)

I(K) - Summary of Capitalized Costs of Rebuilding Locomotives
783, 782, 781, 736 & 10.

I(L) - Federal Railroad Administration Cards#782 & 783.
(a) & (b)

John J. Zabel
3/8/84

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(a) & (b)

John A. Zabel
3/18/84

EXHIBIT II

INVOICES AND CHECK COPIES COVERING THE
PURCHASE OF SEVEN (7) FAIRBANKS DIESEL
1200 H.P. LOCOMOTIVES

- II(A) - Ck. #2794 for \$10,500 to Soo Line Railroad
- II(B) - Invoice, Milwaukee Road \$24,000.00
- II(C) - Invoice, Milwaukee Road \$46,000.00
- II(D) - Memorandum Supplement

John A. Forbel
3/8/84

EXHIBIT III

III(A) - INVOICE FOR TWO RAILROAD TANK CARS

John A. Zobel
3/8/84

EXHIBIT IV

RECAP OF ATTACHED INVOICES

EVIDENCE OF PURCHASE OF SECTION CARS,
SECTION MAINTENANCE GANG MACHINE, SHOP
MACHINERY, AND OFFICE EQUIPMENT LISTING

IV(A) - American Investment Management, Inc.	\$	230.00
IV(B) - Joe Grivetz		750.00
IV(C) - Wisconsin & Southern Railroad Co.		600.00
IV(D) - Independent Machine Company		2,714.46
IV(E) - Hader Industries, Inc.		913.50
IV(F) - McMaster-Carr Supply Company		924.00
IV(G) - Jensen Equipment Co.		1,054.60
IV(H) - Office of Material Disposition		525.00
IV(I) - Chippewa River RR Co. & WI Dept. of Trans.		2,500.00
IV(J) - National Telecom, Inc.		7,223.38
IV(K) - Badger Office Supplyhouse, Inc.		3,995.78
IV(L) - Radio Shack		2,362.50
IV(M) - Inventory Listings		18,000.00
IV(N) - Inland Material Handling, Inc.		10,380.00
IV(O) - Memorandum Supplement		

John J. Zobel
3/8/84

EXHIBIT V

- V(A) - LEASEHOLD IMPROVEMENTS TO RAILROAD TRACK AND RIGHT-OF-WAY AS COVERED BY THE FOLLOWING DESCRIPTION OF TRACKAGE, AND ALSO FURTHER ILLUSTRATED BY THE ATTACHED MAP SHOWING MILE MARKERS, WHICH IS MARKED EXHIBIT V(A).

On Central Wisconsin Railroad Company milepost #19.5 at Waukesha in Waukesha County, through C.W.R.C. mile mark #61.7 at east Y, Milton Junction, Wisconsin (passing through Wisconsin counties of Waukesha, Jefferson, Walworth and Rock).

On C.W.R.C. mile post #11.0 at Janesville, Wisconsin, to C.W.R.C. mile post #43.2 at Monroe, Wisconsin (passing through Wisconsin counties of Rock and Green). Then going from C.W.R.C. mile post #61.4 in Madison, Wisconsin to mile post #2.4 at West Junction, Illinois (passing through Wisconsin counties of Dane and Green).

- V(B) - Summary of labor distribution on above-described track rehabilitation which totals in excess of \$50,000.00.

- V(C)- V(G) - Invoices of ties, equipment and improvements made to above-described track.

John A. Ferrel
3/8/89

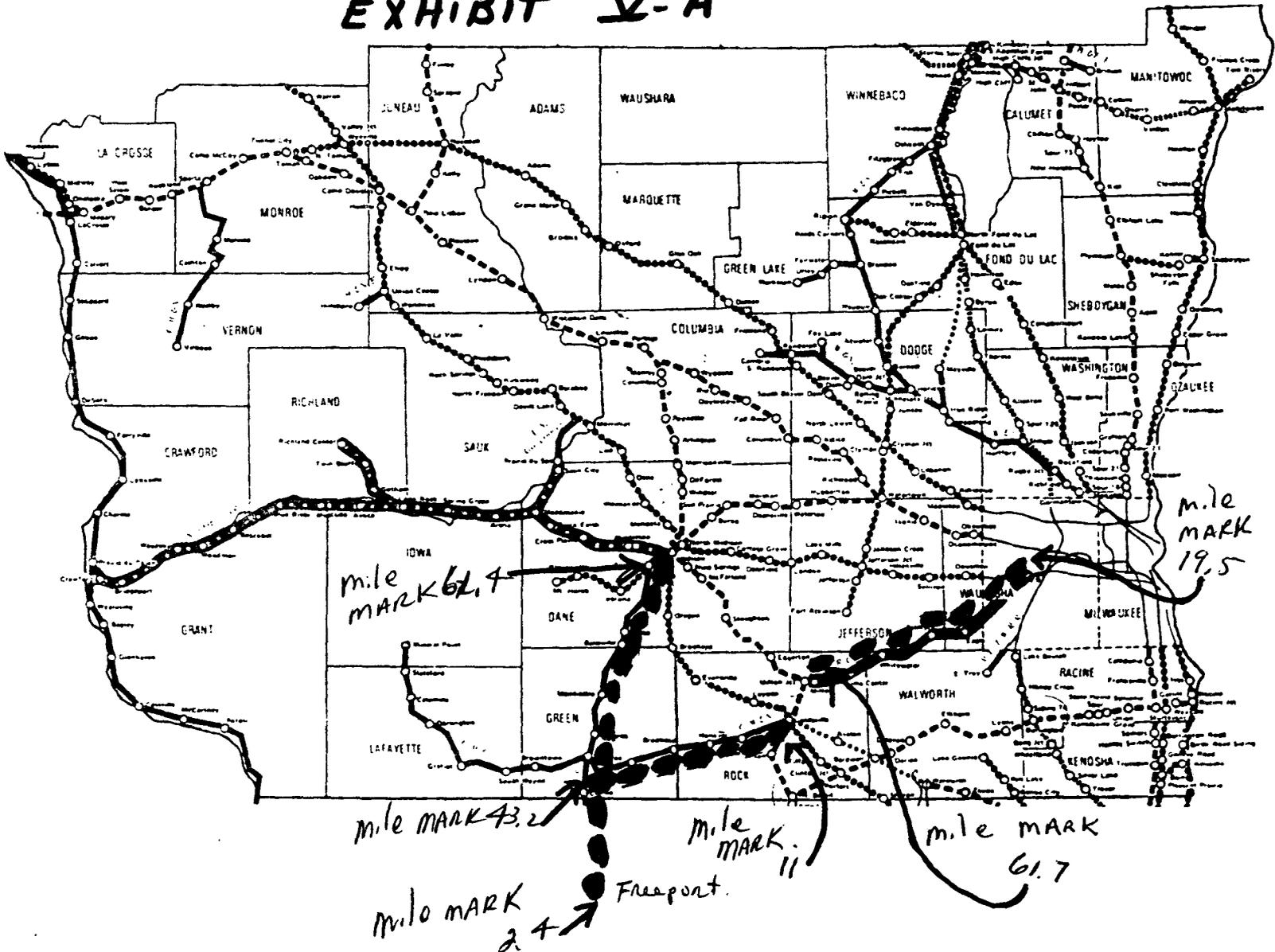
EXHIBIT VI

- VI(A) - MAP OF RAILROAD IMPROVEMENTS AT UNIVERSITY OF WISCONSIN-MADISON HEATING PLANT SPUR
- VI(B) - INVOICES COVERING PAYMENT FOR ABOVE-DESCRIBED UNIVERSITY OF WISCONSIN-MADISON HEATING PLANT SPUR
- VI(C) - MEMORANDUM SUPPLEMENT

John A. Fabel
2/8/84

Wisconsin Western

EXHIBIT V-A



●●● Rehabilitation of Track & Improvements.

