

SIDLEY & AUSTIN  
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

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TELEX 25-4364

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LOS ANGELES, CALIFORNIA 90067  
213: 553-8100 TELEX 18-1391

520 MADISON AVENUE  
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212: 418-2100 TELEX 97-1696

1722 EYE STREET, N.W.  
WASHINGTON, D.C. 20006  
202: 429-4000 TELEX 89-463

31 ST. JAMES'S SQUARE  
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44-1: 930-5596 TELEX 21781

P.O. BOX 190  
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968: 722-411 TELEX 5266

P.O. BOX 4619  
DEIRA, DUBAI-U.A.E.  
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966-1-463-4160 TELEX 204947

SIDLEY & AUSTIN & NAGUIB  
AHMED NESSIM STREET, 3  
GIZA, CAIRO, EGYPT  
392: 729-499 TELEX 93750

August 22, 1984  
REGISTRATION NO. 14415 Filed 1425

AUG 24 1984 -3 15 PM  
4-237A042  
INTERSTATE COMMERCE COMMISSION

Mr. James H. Bayne  
Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

No. ....  
Date ..... AUG 24 1984  
Fee \$ 10.00 .....

Re: Document for Recordation

ICC Washington, D. C.

Dear Mr. Secretary:

I have enclosed an original and one copy of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a chattel mortgage, a primary document, dated June 26, 1984.

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

(1) Mortgagor:

S.R. Investors, Ltd.  
c/o Individuals' Financial Group, Inc.  
1450 Old Skokie Road  
Highland Park, Illinois 60035  
Attn: James L. Foster

(2) Mortgagee:

The Northern Trust Company  
50 South LaSalle Street  
Chicago, Illinois 60675  
Attn: Jamie L. Carmell

ICC OFFICE OF  
THE SECRETARY  
AUG 24 3 09 PM '84  
MOTOR OPERATING UNIT

Mr. James H. Bayne  
August 22, 1984  
Page Two

The chattel mortgage covers three Baldwin diesel-electric 1200-HP locomotives built between 1952 and 1955, two railroad tank cars, two cabooses, four maintenance-of-way motor cars, four maintenance-of-way push cars and three rail gondola cars. None of the cars have DOT Classification Numbers; the equipment is and has been used on a short line in California and will not be operated on interstate rails.

A fee of \$10.00 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to the attorneys for the mortgagee, Sidley & Austin, One First National Plaza, Chicago, Illinois 60603, Attn: Thomas P. Brown.

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

Chattel Mortgage between Mortgagor, S.R. Investors, Ltd., an Illinois limited partnership located at c/o Individuals' Financial Group, Inc., 1450 Old Skokie Road, Highland Park, Illinois 60035, Attn: James L. Foster, and Mortgagee, The Northern Trust Company, 50 South LaSalle St., Chicago, Illinois 60675, Attn: Jamie L. Carmell, covering three locomotives (Baldwin diesel-electric 1200-HP) and fifteen rail cars.

Very truly yours,



Thomas P. Brown

TPB:dls  
Enc.

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

8/27/84

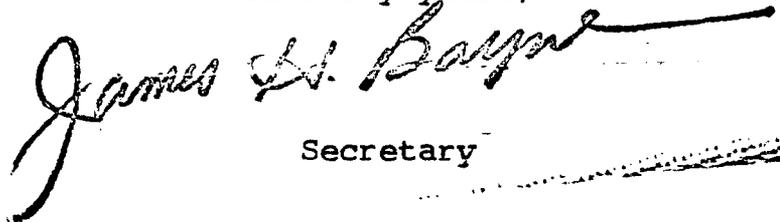
OFFICE OF THE SECRETARY

Thomas P. Brown  
Sidley & Austin  
One First National Plaza  
Chicago, Illinois 60603

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 8/24/84 at 3:15pm and assigned re-  
recording number(s). 14415

Sincerely yours,

  
Secretary

Enclosure(s)

SE-30  
(7/79)

CHATTEL MORTGAGE

RECORDATION NO. 14415 FILED 1984

AUG 24 1984 3:04 PM

ILLINOIS COMMERCE COMMISSION

THIS CHATTEL MORTGAGE dated as of August 20 1984 from S.R. INVESTORS, LTD., an Illinois Limited Partnership (hereinafter called "Mortgagor"), to THE NORTHERN TRUST COMPANY, with an office located at 50 South LaSalle Street, Chicago, Illinois 60603 (hereinafter called "Mortgagee"), is entered into as security for that certain Secured Promissory Note of even date herewith (hereinafter called the "Note") executed by Mortgagor and delivered to Mortgagee.

Mortgagor, for and in consideration of Ten Dollars (\$10), the receipt and sufficiency of which is hereby acknowledged, and of the "Obligations" (as defined in the Note) and other matters hereinafter mentioned, does hereby grant, sell, mortgage and convey unto Mortgagee, its successors and assigns, the units of railroad equipment listed in the attached Schedule A hereto which are now owned by Mortgagor, together with any and all units of railroad equipment hereafter acquired or substituted therefor pursuant to the written consent of Mortgagee, all additions, accessories, parts, improvements and equipment owned by Mortgagor which are now or hereafter affixed to any of such units, all substitutes therefor and all products and proceeds therefrom (all being hereinafter collectively called the "Units");

TO HAVE AND TO HOLD the Units unto Mortgagee, its successors and assigns, to its and their sole use forever;

PROVIDED that the Units are granted, sold, mortgaged and conveyed hereunder as security for the payment and performance by Mortgagor of all of the Obligations;

AND PROVIDED FURTHER that if Mortgagor, or its successors and assigns, shall pay and perform all the Obligations, then this Chattel Mortgage shall be void; otherwise this Chattel Mortgage shall remain in full force and effect.

Mortgagor hereby represents and warrants that it has or will have and will at all times continue to have good and marketable title to the Units, free and clear of all claims, liens, security interests and encumbrances (other than this Chattel Mortgage) by or in favor of any person and that it will defend such title against the claims and demands of all persons whomsoever.

Mortgagor shall comply in all respects with all laws (including, without limitation, laws with respect to the use, maintenance and operation of each Unit) of the

jurisdictions in which operations involving the Units may extend, with the interchange rules of the Association of American Railroads, with all lawful rules of the United States Department of Transportation, the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Units and with all provisions of any insurance policies carried by Mortgagor; and, in the event that such laws, rules or provisions require any alteration, replacement, addition or modification of or to any part of any Unit, Mortgagor shall conform therewith at its own expense; provided, however, that Mortgagor may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of Mortgagee, adversely affect the property or rights of Mortgagee under this Chattel Mortgage.

Mortgagor shall pay all costs, expenses, taxes, fees and charges incurred in connection with the ownership, use and operation of the Units. Mortgagor, at its own cost and expense, shall maintain and service, or cause to be maintained and serviced, each of the Units so as to keep it in the same operating condition, order, repair and appearance as it was when it first became subject to this Chattel Mortgage, ordinary wear and tear excepted; and at all times during the term hereof, each Unit, other than track compressors and maintenance cars, shall be suitable for use in interchange. Mortgagor, at its own cost and expense and within a reasonable period of time, shall also replace all parts of any Unit that may have become worn out, lost, stolen, confiscated, destroyed or otherwise rendered permanently unfit for use with appropriate replacement parts, which shall be free and clear from any mortgage, lien, charge, security interest or encumbrance except for those created by this Chattel Mortgage and personal property tax liens which may attach under the laws of the jurisdiction in which the Units are located, provided that Mortgagor has adequate reserves to ensure payment of such personal property taxes when due.

Mortgagor, at its own costs and expense, may at its option furnish additions, modifications and improvements to the Units. All such additions, modifications and improvements shall remain the property of Mortgagor, but shall be subject to the lien of this Chattel Mortgage. Mortgagor shall not, however, without the prior written consent of Mortgagee, alter any Unit, or affix or install any accessories or devices on any Unit, if the same shall impair the originally intended function or use of such Unit or shall diminish its commercial value.

Mortgagor hereby covenants and agrees that, if there shall occur and be continuing a default under the Note, then, and in any such event, Mortgagee, or its successors or assigns, shall thereupon have the right to take immediate possession of the Units, or any portion thereof, and for that purpose may pursue the same wherever any of the Units may be found and may enter any of the premises of Mortgagor with or without force or process of law wherever any of the Units may be located, and Mortgagee shall have the right to take possession of the Units, or any of them, keep and store the same until sold or remove and sell and dispose of the same at public or private sale to the extent permitted by law, at one or more sales, as an entirety or in parcels, or in lieu of or in addition to exercising the power of sale hereinabove given, to proceed by a suit or suits in equity or at law, whether for the specific performance of any covenant or agreement herein granted, or for any foreclosure hereunder, or for the sale of the Units, or any of them, under the judgment or decree of any court or courts of competent jurisdiction. To the full extent that Mortgagee may lawfully do so, Mortgagor agrees that it will not at any time claim the benefit of any stay, extension, appraisal, redemption or similar law now or hereafter in force.

Mortgagee shall be entitled to reimbursement from the proceeds of any such sale or foreclosure for all costs and charges incurred by it or its agents or attorneys in taking, removing, keeping, storing and selling the Units, including any and all attorneys' fees and other costs and expenses incurred in connection with any such foreclosure or sale. Any surplus remaining after reimbursement for such costs and expenses and after payment of the Obligations shall be paid to Mortgagor.

All rights and remedies of Mortgagee hereunder are cumulative, and no delay on the part of Mortgagee in the exercise of any such right or remedy shall operate as a waiver thereof, and no single or partial exercise by Mortgagee of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy.

This Chattel Mortgage shall be governed by the laws of the State of Illinois, but the parties shall be entitled to all rights conferred by 49 United States Code §11303(a).

IN WITNESS WHEREOF, Mortgagor, pursuant to due partnership authority, has caused this Chattel Mortgage to

be signed in its name by duly authorized general partners,  
all as of the date first above written.

MORTGAGOR:

S.R. INVESTORS, LTD.  
By its General Partners:

SILVER FOOT, INC.

By James L. Foster  
James L. Foster  
President

INDIVIDUALS' FINANCIAL  
GROUP, INC.

By Robert A. George  
Robert A. George  
President

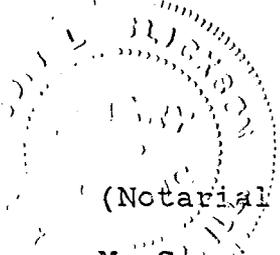
MORTGAGEE:

THE NORTHERN TRUST COMPANY

By Quart C. Johnson  
Vice President

STATE OF ILLINOIS            )  
  ) SS  
COUNTY OF COOK                )

On this 20<sup>th</sup> day of August, 1984, before me personally appeared, James L. Foster, President of Silver Foot, Inc. and Robert A. George, President of Individuals' Financial Group, Inc. to me personally known, who, being by me duly sworn, said that they are General Partners of S.R. INVESTORS, LTD., an Illinois limited partnership, and that said instrument was signed on behalf of said partnership and they acknowledged that the execution of the foregoing instrument was the free act and deed of said partnership.



*[Handwritten Signature]*  
\_\_\_\_\_  
Notary Public

(Notarial Seal)  
My Commissions expires:  
2/23/88

SCHEDULE A

<u>Quantity</u>	<u>Type</u>	<u>Mortgagor's Identification Nos.</u>
1	Baldwin diesel-electric 1200-HP locomotive, built 1955	No. 40
1	Baldwin diesel-electric 1200-HP locomotive, built 1955	No. 42
1	Baldwin diesel-electric 1200-HP locomotive, built 1952	No. 44
1	all-steel caboose	No. 8
1	rail tank car	No. 607
1	wood side, steel frame caboose	No. 7
2	LeRoi track compressors with 4 Ingersoll Rand air operated tamperers	
4	Maintenance of Way motor cars	
4	Maintenance of Way push cars	
1	rail tank car	No. 608
3	rail gondola cars	