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New Number

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RECORDATION NO. 5673
JUN 7 1988-2 24 PM
INTERSTATE COMMERCE COMMISSION

June 7, 1988

Ms. Noreta R. McGee
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

No. 8-159A115
Date JUN 7 1988
Fee \$ 13.00
ICC Washington, D.C.

NOTICE OF RECEIPT
JUN 7 2 24 PM '88

Dear Ms. McGee:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two copies of a Memorandum of Security Agreement dated as of April 8, 1988, a primary document as defined in the Commission's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Secured Party: First National Bank of Louisville
P.O. Box 36000
Louisville, Kentucky 40233

Debtor: James-Furman & Company
One Centerpointe Drive, Suite 200
Lake Oswego, Oregon 97035

A description of the railroad equipment covered by the enclosed document is:

65 42 foot, 100-ton railcars marked and numbered SP 800000 through SP 800064, both inclusive

85 52 foot, 100-ton railcars marked and numbered SP 800065 through SP 800149, both inclusive

Also enclosed is a check in the amount of \$13 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

C.T. Kappler

Countyp...

Ms. Noreta R. McGee
Secretary
Interstate Commerce Commission
June 7, 1988
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Kindly return a stamped copy of the enclosed document to
Charles T. Kappler, Esq., Alvord and Alvord, 918 Sixteenth
Street, N.W., Washington, D.C. 20006.

A short summary of the enclosed primary document to appear
in the Commission's Index is:

Memorandum of Security Agreement dated as of April 8,
1988 between James-Furman & Company, Debtor, and
First National Bank of Louisville, Secured Party,
covering 150 railcars marked and numbered SP 800000 -
SP 800149.

Very truly yours,


Charles T. Kappler

Enclosures

MEMORANDUM OF SECURITY AGREEMENT

THIS MEMORANDUM OF SECURITY AGREEMENT ("Security Agreement") is dated as of April 8, 1988, between James-Furman & Company, an Oregon general partnership (hereinafter called "Debtor") and First National Bank of Louisville, a national banking association (hereinafter called the "Secured Party").

RECORDED BY 5673

W I T N E S S E T H:

JUN 7 1988-2 24 PM

INTERSTATE COMMERCE COMMISSION

1. Grant of Security Interest

Debtor and Secured Party have entered into a Non-Recourse Note and Security Agreement of even date. As security for the obligation of Debtor under said Non-Recourse Note and Security Agreement, Debtor hereby gives the Secured Party a security interest in and lien on all of the Debtor's rights, title and interest in the property described in Paragraph 2 hereof which property is now owned by Debtor (hereinafter called the "Equipment"). As further security for this Note, Debtor hereby assigns to Secured Party (i) all monies due and to become due Debtor under the Lease Agreement dated September 26, 1983, as amended, (the "Lease") between Debtor and Southern Pacific Transportation Company (hereinafter the "Lessee") excluding any monies received by Debtor as indemnification by the Lessee for loss of tax benefits claimed by the Debtor, (ii) all of the Debtor's rights but not obligations under said Lease and (iii) the proceeds of any and all of the foregoing. The Equipment, the Lease, all monies due, the rights under the Lease and the proceeds thereof are herein collectively defined to be the "Collateral."

2. Description of Equipment

<u>Number of Cars</u>	<u>Description</u>	
65	42-foot, 100-ton railcars	SP 800000 through SP 800064, inclusive
85	52-foot, 100-ton railcars	SP 800065 through SP 800149, inclusive

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

JAMES-FURMAN & COMPANY,
PARTNERSHIP

FIRST NATIONAL BANK OF LOUISVILLE

By Alan James
Its Partner

By J. E. Vithorn
Its SR. Vice-President

STATE OF OREGON)
) SS
COUNTY OF CLACKAMAS)

On this 8th day of April, 1988, before me personally appeared Alan James, to me personally known, who being by me duly sworn, says that he is a General Partner of JAMES-FURMAN & COMPANY, an Oregon general partnership, that the foregoing instrument was signed on behalf of said partnership and he acknowledged that the execution of the foregoing instrument was the free act and deed of said partnership on behalf of said partnership.

My commission expires: 5/28/90

Janet E. Hudson
Notary Public

[SEAL]

STATE OF KENTUCKY)
) SS
COUNTY OF Jefferson)

On this 28th day of April, 1988, before me personally appeared J.E. Vittitow, to me personally known, who being by me duly sworn, says that he is the Sr. Vice President of FIRST NATIONAL BANK OF LOUISVILLE, a national banking association, that the foregoing instrument was signed 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 association.

My commission expires:
Notary Public, State at Large, KY
My commission expires Apr. 10, 1989

Valerie Sapp Whitman
Notary Public

[SEAL]

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