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OF COUNSEL
URBAN A. LESTER

January 31, 1995

•• 19195

RECORDATION NO. _____ FILED 1425

JAN 31 1995 -12 00 PM

Mr. Vernon A. Williams
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

INTERSTATE COMMERCE COMMISSION

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two (2) executed copies of a Security Agreement, dated as of August 1, 1994, a primary document as defined in the Commission's Rules for the Recordation of Documents under 49 C.F.R. Section 1177.

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

Debtors: County Line Quarry, Inc.
1680 Rohrerstown Road
Lancaster, Pennsylvania 19004

Jan, Inc.
8201 Corporate Drive, Suite 500
Landover, Maryland 20785

Secured Party: Allentown Cement Company, Inc.
P.O. Box 199
Blandon, Pennsylvania 19510

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

six (6) railcars JANX 101 - JANX 106, inclusive.

Mr. Vernon A. Williams
January 31, 1995
Page 2

Also enclosed is a check in the amount of \$21.00 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return one stamped copy of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/bg
Enclosures



Interstate Commerce Commission
Washington, D.C. 20423-0001

Office Of The Secretary

JANUARY 31, 1995

ROBERT W. ALVORD
ALVORD & ALVORD
918 16TH ST NW SUITE 200
WASHINGTON DC 20006-2973

Dear MR. ALVORD:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 1/31/95 at 12:00PM , and assigned recordation number(s). 19195

Sincerely yours,

Vernon A. Williams
Secretary

Enclosure(s)

\$ 21.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature

RECORDATION NO. 19195 FILED 1425

JAN 31 1995 -12 00 PM

INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT

THIS SECURITY AGREEMENT ("Agreement") is made as of this 1st day of August, 1994, by COUNTY LINE QUARRY, INC. ("County Line Quarry"), a Pennsylvania corporation, with its principal office located at 1680 Rohrerstown Road, Lancaster, Pennsylvania 19004, and JAN, INC. ("Jan"), a West Virginia corporation, with its principal office located at 8201 Corporate Drive, Suite 500, Landover, Maryland 20785, (County Line and Jan are referred to herein jointly and severally as "Debtor"), in favor of ALLENTOWN CEMENT COMPANY, INC., a Pennsylvania corporation, with its principal office located at P.O. Box 199, Blandon, Pennsylvania 19510 ("Secured Party").

For valuable consideration, receipt of which is hereby acknowledged, Debtor, intending to be legally bound, hereby represents, warrants, covenants and agrees with Secured Party as follows:

1. Definitions. As used herein the following terms shall have the meanings indicated:

(a) "Collateral" means those six (6) rail cars described in Exhibit A, attached hereto and a part hereof.

(b) "Note" means that certain Note dated as of even date herewith in the principal amount of \$302,108.22 made by County Line Quarry to the order of the Secured Party.

(c) "Proceeds" shall have the meaning assigned to it under the Uniform Commercial Code as in effect in the Commonwealth of Pennsylvania ("Code").

(d) "Liabilities" means all existing and future liabilities of County Line Quarry, absolute or contingent, primary or secondary, arising under the Note and this Agreement.

2. Grant of Security. To secure the payment, promptly when due, and the punctual performance of all of the Liabilities, the Debtor hereby pledges and assigns to the Secured Party, and grants to the Secured Party and agrees that the Secured Party shall have a first lien upon and security interest in all of the Collateral.

3. Title to Collateral. Jan has acquired or shall acquire absolute and exclusive title to each and every item or unit of the Collateral free and clear of all liens, claims, security interests and other encumbrances (except those created hereunder) and Jan shall warrant and defend its title to the

Collateral, subject to the rights of the Secured Party, against the claims and demands of all persons whomsoever. However, notwithstanding any other provision of this Agreement, upon ten (10) days written notice to Secured Party, Jan may sell any or all of the Collateral without the consent of the Secured Party. For each item of Collateral sold by Jan, the Debtor shall pay to the Secured Party not less than \$33,000; and immediately upon such payment, the sold Collateral shall be released from this Agreement and the Secured Party shall execute and deliver to the Debtor a termination statement evidencing the release.

Upon ten (10) days written notice to Secured Party, Jan may relocate any item of Collateral to a location outside of the Commonwealth of Pennsylvania. Prior to any such relocation, Debtor shall execute such financing statements and amendments thereto as Secured Party may reasonably request in order to evidence the security interest granted to the Secured Party hereunder. Debtor hereby represents and warrants to Secured Party that each item of Collateral currently is located in Sayre, Pennsylvania.

4. Taxes and Liens. The Debtor shall immediately notify the Secured Party in the event there ever arises against any of the Collateral any lien, assessment or tax or other liability, whether or not entitled to priority over the Secured Party's security interest hereunder. In any such event, whether or not such notice is given the Secured Party shall have the right (but shall be under no obligation) to pay any tax or other liability of the Debtor deemed by the Secured Party in good faith to affect the Secured Party's interests hereunder. Debtor shall repay to the Secured Party on demand all sums which the Secured Party shall have paid under this section in respect of taxes or other liabilities of the Debtor, with interest thereon at the Prime Rate (as that term is defined in the Note).

5. Default and Remedies. (a) The Debtor shall be in default hereunder upon the occurrence of a default under the Note or this Agreement (each, an "Event of Default").

(b) Upon the occurrence of any Event of Default that shall be continuing, unless the Secured Party shall elect otherwise, the entire unpaid amount of such of the Liabilities as are not then otherwise due and payable shall become immediately due and payable upon written notice to and demand on the Debtor, and the Secured Party may at its option exercise from time to time any and all rights and remedies available to it under the Code or otherwise, including the right to assemble, receipt for, adjust, modify, repair, refurbish or refurbish (but without any obligation to do so) or foreclose or otherwise realize upon any of the Collateral and to dispose of any of the Collateral at one or more public or private sales or other proceedings, and the Debtor agrees that the Secured Party or its nominee may become

the purchaser at any such sale or sales. The Debtor agrees that twenty (20) days shall be reasonable prior notice of the date of any public sale or other disposition of all or any part of the Collateral, or of the date on or after which any private sale or other disposition of the same may be made. All rights and remedies granted the Secured Party hereunder or under any other agreement between the Secured Party and the Debtor shall be deemed concurrent and cumulative and not alternative, and the Secured Party may proceed with any number of remedies at the same time or at different times until all the Liabilities are fully satisfied. The exercise of any one right or remedy shall not be deemed a waiver or release of or any election against any other right or remedy, and the Secured Party may proceed against the Debtor and the Collateral in any order and through any available remedies. A waiver on any one occasion shall not be construed as a waiver or bar on any future occasion. All property of any kind held at any time by the Secured Party as Collateral shall stand as one general continuing collateral security for all the Liabilities and may be retained by the Secured Party as security until all the Liabilities are fully satisfied. The Debtor shall pay to the Secured Party on demand any and all expenses (including reasonable attorneys' fees and legal expenses) which may have been incurred by the Secured Party with interest at the Prime Rate (as that term is defined in the Note) (i) in the prosecution or defense of any action growing out of or connected with the subject matter of this Agreement, the Liabilities, the Collateral or any of the Secured Party's rights therein or thereto; or (ii) in connection with the custody, preservation, use, operation, preparation for sale or sale of any of the Collateral, the incurring of all of which are hereby authorized to the extent the Secured Party deems the same advisable. The Debtor's liability to the Secured Party for any such payment with interest shall be included in the Liabilities. The Proceeds of any Collateral received by the Secured Party at any time after default, whether from a sale or other disposition of Collateral or otherwise, or the Collateral itself, may be applied to the payment in full or in part of such of the Liabilities and in such order and manner as the Secured Party may elect.

6. Financing Statements. The Debtor shall execute all financing statements and amendments thereto as the Secured Party may request from time to time to evidence the security interest granted to the Secured Party hereunder and will pay all filing fees and taxes, if any, necessary to effect the filing thereof. A copy of this Agreement or a copy of any financing statement prepared in connection with this Agreement may itself be filed as a financing statement.

7. Term; Termination. This Agreement shall commence on the date hereof and shall terminate immediately and automatically upon satisfaction of the Liabilities.

8. Miscellaneous. (a) No modification or waiver of any provision hereof shall be effective unless the same is in writing and signed by the party against whom its enforcement is sought.

(b) The representations, warranties, covenants and agreements contained herein are all material and continuing, and any breach of any of them shall constitute a material breach of this Agreement.

(c) All the rights and remedies of the Secured Party hereunder shall be cumulative with and not alternative to or in lieu of the Secured Party's rights and remedies under any other agreement or agreements.

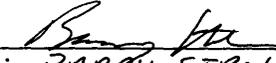
(d) This Agreement shall bind and inure to the benefit of the parties and their respective successors and assigns.

(e) Any provision hereof which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without affecting the validity or enforceability of the remainder of this Agreement or the validity or enforceability of such provision in any other jurisdiction.

(f) All issues arising hereunder shall be governed by the laws of Pennsylvania.

IN WITNESS WHEREOF, Debtor has executed this Agreement the date first above written.

COUNTY LINE QUARRY, INC.

By: 
Name: BARRY STROHM
Title: CEO

JAN, INC.

By: 
Name: MICHAEL D BLOCK
Title: PRESIDENT

Exhibit A

The Collateral consists of six separate rail cars having the following serial numbers:

JANX 101
JANX 102
JANX 103
JANX 104
JANX 105
JANX 106

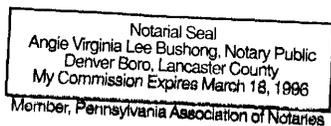
State of Pennsylvania
County of Lancaster

On this 10th day of January, 1995 before me personally appeared Michael Block, to me personally known, who being by me duly sworn, says that he is the President of JAN, Inc., that the seal 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.

(SEAL)

Angie Virginia Lee Bushong
Signature of Notary Public

My commission expires _____



State of Pennsylvania
County of Lancaster

On this 10th day of January, 1995 before me personally appeared Barry Strohm, to me personally known, who being by me duly sworn, says that he is the Chief Executive Officer of County Line Quarry, Inc., that the seal 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.

(SEAL)

Angie Virginia Lee Bushong
Signature of Notary Public

My commission expires _____

Notarial Seal
Angie Virginia Lee Bushong, Notary Public
Denver Boro, Lancaster County
My Commission Expires March 18, 1996
Member, Pennsylvania Association of Notaries