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April 18, 1997

Secretary, Surface Transportation Board
Recordations Division
1201 Constitution Avenue
Washington, DC 20423

Dear Secretary:

I have enclosed an original and a certified true copy of the documents described below, to be recorded pursuant to Section 11303 or Title 49 of the U.S. Code:

Item One is an Equipment Lease Agreement from Linden Leasing, Inc. to Linden Lumber Co., Ltd. dated February 1, 1997.

Item Two is a Collateral Assignment of Rail Car Leases, described as Item One. The assignment is dated December 13, 1996. We request that this assignment be cross-indexed.

Item Three is a Rolling Stock Mortgage, Security Agreement and Assignment of Leases relating to the railcars which are leased pursuant to Item One and the Equipment Lease, which is Item One. The Rolling Stock Mortgage and Security Agreement and Assignment of Leases are dated December 13, 1996.

A description of the equipment covered by the aforementioned documents follows:

Used 100-Ton Steel Log Cars - 71'

<u>OLD NO.</u>	<u>NEW NO.</u>
TEMX 16	LOG X01
TEMX 28	LOG X02

RECORDATION NO. 20685 FILED

MAY 14 '97 1-00PM

RECORDATION NO. 20685-A, B FILED

MAY 14 '97 1-00PM

MAY 14 1 00 PM '97

RECEIVED
SURFACE TRANSPORTATION
BOARD

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TEMX 26	LOG X03
TEMX 11	LOG X04
TEMX 30	LOG X05
TEMX 27	LOG X06
TEMX 13	LOG X07
TEMX 29	LOG X08
TEMX 21	LOG X09
TEMX 17	LOG X10
TEMX 25	LOG X11

Used 100-Ton Steel Log Cars - 61'

<u>OLD NO.</u>	<u>NEW NO.</u>
TEMX 12	LOG X12
TEMX 08	LOG X13
TEMX 09	LOG X14
TEMX 14	LOG X15
TEMX 15	LOG X16
TEMX 22	LOG X17
TEMX 19	LOG X18
TEMX 06	LOG X19
TEMX 20	LOG X20
TEMX 18	LOG X21
TEMX 10	LOG X22
TEMX 24	LOG X23
TEMX 07	LOG X24
TEMX 23	LOG X25

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

Mortgagor/Assignor/Borrower:

Linden Leasing, Inc.
Highway 43 North
Linden, Alabama 36748

Lessee:

Linden Lumber Co., Ltd.
Highway 43 North
Linden, Alabama 36748

Mortgagee/Assignee/Creditor:

Compass Bank
15 South 20th Street
Birmingham, Alabama 35233

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A fee of ~~\$200.00~~ ^{# 72.00} is enclosed. Please return the original and any extra copies not needed by the Board for recordation to Compass Bank, c/o William S. Wright, Balch & Bingham LLP, P. O. Box 306, Birmingham, Alabama 35201.

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

PRIMARY DOCUMENT

1. Rolling Stock Mortgage, Security Agreement and Assignment of Leases between Compass Bank, 15 South 20th Street, Birmingham, Alabama 35233, and Linden Leasing, Inc., Highway 43 North, Linden, Alabama 36748 dated December 13, 1996 and covering the following items and the Equipment Lease Agreement from Linden Leasing, Inc. to Linden Lumber Co., Ltd. dated February 1, 1997:

Used 100-Ton Steel Log Cars - 71'

<u>OLD NO.</u>	<u>NEW NO.</u>
TEMX 16	LOG X01
TEMX 28	LOG X02
TEMX 26	LOG X03
TEMX 11	LOG X04
TEMX 30	LOG X05
TEMX 27	LOG X06
TEMX 13	LOG X07
TEMX 29	LOG X08
TEMX 21	LOG X09
TEMX 17	LOG X10
TEMX 25	LOG X11

Used 100-Ton Steel Log Cars - 61'

TEMX 12	LOG X12
TEMX 08	LOG X13
TEMX 09	LOG X14
TEMX 14	LOG X15
TEMX 15	LOG X16
TEMX 22	LOG X17
TEMX 19	LOG X18
TEMX 06	LOG X19

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TEMX 20	LOG X20
TEMX 18	LOG X21
TEMX 10	LOG X22
TEMX 24	LOG X23
TEMX 07	LOG X24
TEMX 23	LOG X25

2. Equipment Lease Agreement between Linden Leasing, Inc., Highway 43 North, Linden, Alabama 36748 and Linden Lumber Co., Ltd., Highway 43 North, Linden, Alabama 36748 dated February 1, 1997.

SECONDARY DOCUMENT

1. Collateral Assignment of Railcar Leases from Linden Leasing, Inc., Highway 43 North, Linden, Alabama 36748 to Compass Bank, 15 South 20th Street, Birmingham, Alabama 35233 dated December 13, 1996, connected to the Equipment Lease Agreement between Linden Leasing, Inc. and Linden Lumber Co., Ltd. and covering the following items and the aforesaid Equipment Leasing Agreement:

Used 100-Ton Steel Log Cars - 71'

<u>OLD NO.</u>	<u>NEW NO.</u>
TEMX 16	LOG X01
TEMX 28	LOG X02
TEMX 26	LOG X03
TEMX 11	LOG X04
TEMX 30	LOG X05
TEMX 27	LOG X06
TEMX 13	LOG X07
TEMX 29	LOG X08
TEMX 21	LOG X09
TEMX 17	LOG X10
TEMX 25	LOG X11

Used 100-Ton Steel Log Cars - 61'

TEMX 12	LOG X12
TEMX 08	LOG X13

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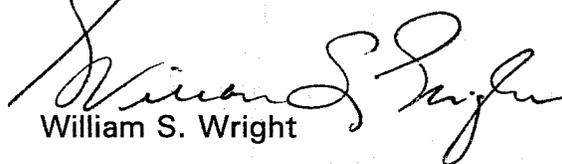
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TEMX 09	LOG X14
TEMX 14	LOG X15
TEMX 15	LOG X16
TEMX 22	LOG X17
TEMX 19	LOG X18
TEMX 06	LOG X19
TEMX 20	LOG X20
TEMX 18	LOG X21
TEMX 10	LOG X22
TEMX 24	LOG X23
TEMX 07	LOG X24
TEMX 23	LOG X25

Very truly yours,



William S. Wright

WSW/bfa
Enclosures

MAY 14 '97

1-00PM

COLLATERAL ASSIGNMENT OF RAILCAR LEASES

THIS COLLATERAL ASSIGNMENT is made this 13 day of December, 1996, by LINDEN LEASING, INC., a _____ corporation (hereinafter referred to as "Borrower", whether one or more), to COMPASS BANK, an Alabama banking corporation (hereinafter referred to as "Lender").

W I T N E S S E T H:

WHEREAS, contemporaneously herewith Lender has made to Borrower a loan in the principal amount of up to \$406,250.00 (the "Loan") evidenced by a Promissory Note dated December 13, 1996 herewith (the "Note") and secured by, among other things, a Credit and Security Agreement between Borrower and Lender dated ~~November~~ 13, 1996 (the "Credit Agreement"), a Security Agreement from Borrower to Lender dated December 13, 1996 (together with any other Security Agreements now or hereafter securing the Loan, the "Security Agreement", whether one or more) and the other Loan Documents, defined in the Loan Agreement (together with the Note, the Credit Agreement and the Security Agreement, the "Loan Documents"); and

WHEREAS, as a condition to making the Loan, Lender has required, as additional security for the repayment of the Loan, that Borrower transfer and assign to Lender all of Borrower's right, title and interest under that certain Lease from Borrower to Linden Lumber Company, Inc. dated February 1, 1997 whether now existing or hereafter entered into (the "Lumber Lease") and all other leases of railcars, purchased, financed or refinanced with the proceeds of the Loan (together with the Lumber Lease, the "Leases"); and

WHEREAS, Borrower desires to make such transfer and assignment to Lender;

NOW, THEREFORE, for and in consideration of the sum of One and No/100 Dollars (\$1.00), the making of the Loan to Borrower by Lender and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Lender do hereby covenant and agree as follows:

1. **Assignment.** Borrower does hereby transfer, assign, pledge, convey and grant to Lender as additional security for the payment of the Loan, all of Borrower's right, title and interest in, to and under the Leases, together with all proceeds thereof and rental and other payments due or to become due thereunder (the Leases and said proceeds and payments are hereinafter referred to collectively as the "Collateral").

2. **Warranties and Covenants.** Borrower does hereby warrant, represent, covenant and agree with Lender that, as of the date hereof, Borrower has not entered into any other contracts or agreements, with the other parties to the Leases relating to or affecting said Leases or the subject matter thereof; that Borrower has not previously assigned, transferred, sold or conveyed its interest under the Leases, or any of them; and that Borrower shall not enter into, modify, amend, cancel, release, surrender or terminate the Leases, or any of them, without the prior written consent of Lender.

3. **Further Assurances.** At any time and from time to time upon request by Lender, Borrower will make, execute and deliver to Lender any and all such other and further assignments, security agreements, financing statements, continuation statements, instruments of further assurance and other documents as may, in the opinion of Lender, be necessary or desirable in order to effectuate, complete or perfect, or to continue to preserve the security interest of Lender created or intended to be created hereby in any and all Leases. It is the intent of this Collateral Assignment that the security interest created hereby will automatically attach, without further act, to all Collateral coming into existence or obtained by Borrower after the date hereof.

4. **Present Assignment.** Although this Collateral Assignment is and shall be effective upon the execution and delivery hereof and constitutes a present and current assignment of the Collateral, Lender shall not take any actions whatsoever with respect to the Collateral unless and until an Event of Default shall have occurred hereunder, and until such time as an Event of Default shall have occurred hereunder, Borrower shall be entitled to enjoy and exercise any and all rights and privileges afforded Borrower under the Leases.

5. **Events of Default.** The occurrence of any one or more of the following events shall constitute an Event of Default hereunder:

(a) Any default or Event of Default shall have occurred under any one or more of the Loan Documents or any other documents now or hereafter evidencing, securing, guaranteeing, or otherwise relating to the Loan or any other indebtedness, liability, or obligation of Borrower to Lender;

(b) Any warranty, representation or statement by Borrower in this Collateral Assignment proves to be or have been untrue or misleading in any material respect; or

(c) Borrower fails to keep, observe, perform, carry out and execute in every particular the covenants, agreements and obligations of Borrower contained in this Collateral Assignment and in the Loan Documents;

6. Rights Upon Default. Upon the occurrence of an Event of Default, Lender shall have the right immediately to exercise any and all of its rights and remedies as a secured party under this Collateral Assignment in accordance with the Uniform Commercial Code and any and all of its rights and remedies under applicable law and under the Loan Documents, under any and all other instruments now or hereafter evidencing, securing, or otherwise relating to the Loan, and any or all of Borrower's rights under the Collateral. Without limiting the generality of the foregoing, upon the occurrence of an Event of Default, Lender shall have the right to notify all lessees under the Leases of Lender's interest therein and to collect all proceeds and payments thereunder directly from such lessees.

7. No Limitation of Remedies. No remedy conferred upon or reserved to Lender herein or in the Loan Documents is intended to be exclusive of any other remedy conferred upon or reserved to Lender under such documents and instruments or under applicable law. Each such remedy shall be cumulative and concurrent and shall be in addition to each and every other remedy now or hereafter existing under such instruments or documents or at law or in equity. No delay or omission by Lender to exercise any right, power or remedy accruing upon any Event of Default shall impair in any manner any such right, power or remedy, or shall be construed to be a waiver of any such default or acquiescence therein, and each and every right, power and remedy of Lender may be exercised from time to time and as often as may be deemed expedient by Lender.

8. No Obligation of Lender. It is specifically understood and agreed that this Collateral Assignment shall not operate to place any responsibility, liability, or obligation whatsoever upon Lender, and that in accepting the foregoing assignment of the Collateral, Lender neither assumes nor agrees to perform at any time whatsoever any obligation of Borrower under the Leases, all of which obligations and duties shall be and remain with and upon Borrower, unless and until Lender shall have assumed in writing certain obligations or duties under the Leases, and then only to the extent of such written assumption. Borrower agrees to, and does hereby, indemnify and hold harmless Lender from and against any and all liabilities, obligations, claims, damages, penalties, actions, causes of action, costs and expenses (including, without limitation, attorneys' fees and expenses) imposed upon or incurred by Lender by reason of the acceptance hereof, and any claim or demand whatsoever which may be asserted against Lender by reason of any alleged obligation or undertaking to be performed or discharged by Lender under or by reason hereof. In the event that Lender incurs any such liability, obligation, claim, damage, penalty, cost or expense under or by reason hereof, or in the defense of any claims or demands arising out of or in connection herewith, the amount of such liability, obligation, claim, damage, penalty, cost or expenses shall be added to the Loan, shall bear interest at the rate provided in the Note from the day incurred until paid and shall be due and payable immediately upon demand by Lender.

9. Termination. This Collateral Assignment shall automatically terminate, and be of no further force or effect whatsoever at such time as the Loan and all other indebtedness of Borrower to Lender are paid in full. Upon such termination, Lender shall execute and deliver to Borrower such documents as may be reasonably requested by Borrower to evidence such termination and the reassignment to Borrower of all right, title and interest of Borrower in and to the Collateral.

10. Notices. All notices and elections permitted or required to be made hereunder shall be in writing, signed by the party giving the same, and shall be delivered personally or sent by certified mail, return receipt requested, to the other parties. The date of personal delivery or the date of mailing, as the case may be, shall be the date of such notice or election. For the purposes hereof, all such notices and elections shall be addressed as follows:

As to Lender: Compass Bank
 15 South 20th Street
 Birmingham, Alabama 35233
 Attention: Equipment and Financing Department

As to Borrower: Linden Leasing, Inc.
 c/o Linden Lumber Company
 Highway 43 North
 Linden, Alabama 3 6748
 Attention: _____

11. Successors and Assigns. This Collateral Assignment shall be binding upon the respective heirs, estates, administrators, executors, successors, successors-in-title, legal representatives and assigns of the Borrower and shall inure to the benefit of Lender and its successors and assigns .

12. Captions. Titles or captions of articles or sections contained in this Collateral Assignment are provided for convenience of reference only and in no way define, limit, extend, or describe the scope of this Collateral Assignment or the intent of any provision hereof.

13. Severability. In the event that any provision of this Collateral Assignment is held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of any other provision hereof.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the day and year first above written.

BORROWER:

ATTEST:

LINDEN LEASING, INC.

By: Hugh V. Overmyer
Its: President

By: Hugh V. Overmyer
Its: President

LENDER:

WITNESS:

COMPASS BANK

Rose Nelson

By: [Signature]
Its: Vice Pres.

STATE OF Alabama)

COUNTY OF Hale)

I, the undersigned, Notary Public in and for said County in said State, hereby certify that Hugh V. Overmyer, whose name as President of **LINDEN LEASING, INC.**, a corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, it, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand this the 13th day of December, 1996.

[NOTARIAL SEAL]

[Signature]
Notary Public
My commission expires: 16-30-00

STATE OF Alabama)

COUNTY OF Jefferson)

I, the undersigned, Notary Public in and for said County in said State, hereby certify that DE Jones, whose name as VP of **COMPASS BANK**, an Alabama banking corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand this the 24 day of Dec, 1996.

Rosemarie J. Wilson
Notary Public
My commission expires: _____

[NOTARIAL SEAL]

STATE OF ALABAMA)
JEFFERSON COUNTY)

I hereby certify that I am counsel to Compass Bank and that this document is a true and accurate photocopy of the Collateral Assignment of Railcar Leases between Linden Leasing, Inc. and Compass Bank dated December 13, 1996.

BALCH & BINGHAM, LLP
By: William S. Wright
William S. Wright

Sworn to and subscribed before me this
18th day of April, 1997
Brenda J. Allen
Notary Public
My commission expires 1/15/2000