

ALVORD AND ALVORD
ATTORNEYS AT LAW
918 SIXTEENTH STREET, N.W.
SUITE 200
WASHINGTON, D.C.
20006-2973

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

(202) 393-2266
FAX (202) 393-2156

RECORDATION NO. 21070 FILED
DEC 15 '97 2-10 PM

OF COUNSEL
URBAN A. LESTER

RECORDATION NO. 21070 FILED
DEC 15 '97 2-10 PM

A, B, C, D, E, F, G
RECEIVED TRANSPORTATION BOARD
DEC 15 2 09 PM '97

December 15, 1997

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Master Loan and Security Agreement No. 3458, dated as of December 9, 1997, a primary document as defined in the Board's Rules for the Recordation of Documents and two (2) copies of each of the following secondary documents related thereto: Loan Schedules No. 01, No. 02 and No. 03 three (3) Full Recourse Assignment Agreements and a Bill of Sale.

Primary

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

B, D & F

Debtors and Assignors:

Relco Locomotives, Inc.
Jerico of Gonzales, Inc.
Relco Finance Corp.
113 Industrial Avenue
Minooka, IL 60449

Secured Party and Assignee:

Charter Financial, Inc.
153 East 53rd Street
55th Floor
New York, NY 10022

Yacht
Counterparts

Mr. Vernon A. Williams
December 15, 1997
Page 2

Bill of Sale

Seller: Houston Mainland Corporation

Buyer: Relco Locomotives, Inc.
113 Industrial Avenue
Minooka, IL 60449

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

forty-one (41) locomotives bearing RE reporting marks and road numbers set forth on Schedule A attached to Loan Schedules No. 01, 02 and 03.

Also enclosed is a check in the amount of \$24.00 payable to the order of the Surface Transportation Board 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

**LOAN SCHEDULE NO. 01 UNDER
MASTER LOAN AND SECURITY AGREEMENT NO. 3458**

Pursuant to a Master Loan and Security Agreement No. 3458 dated 12/8/, 1997 ("Master Agreement") between Charter Financial, Inc. ("Secured Party") having a place of business at 153 East 53rd Street, New York, New York 10022 and Relco Locomotives, Inc. a Illinois corporation, Jerico of Gonzales, Inc. a Louisiana corporation, and Relco Finance Corp. a Illinois corporation, jointly and severally herein referred to as ("Debtor") each having a place of business at 113 Industrial Avenue, Minooka, Illinois 60447, Debtor hereby promises to pay to the order of Secured Party the Loan Amount set forth in the schedule of obligations below, in installments in the amounts and at the times specified below. This Loan Schedule incorporates the terms and conditions of the Master Agreement and constitutes an Agreement as referred to in the Master Agreement. Terms used herein which are defined in the Master Agreement shall have the meanings as so defined.

The Equipment in which Debtor grants to Secured Party a security interest in accordance with the provisions of the Master Agreement is set forth and described in Schedule A annexed hereto and made a part hereof. Said Equipment shall be located at n/a at all times until all payments hereunder have been paid in full.

SCHEDULE OF OBLIGATIONS

Loan Amount	\$ 900,500.00
Documentation Fees	\$ -0-
Interest	\$ 300,411.88
Time Balance	\$1,200,911.88
Term of Loan	84 Months
Number of Payments	Eighty-Four (84)
Payments Payable	<u>Advance</u>
Amount of Each Payment	\$14,296.57

RECORDATION NO. 81070-A FILED
DEC 15 '97 2-10 PM

Debtor agrees to pay the Time Balance to Secured Party in eighty-four (84) installments as follows: (a) an advance rental payment in the amount of \$14,296.57 due and payable on or before execution of this Agreement followed by (b) Eighty-Three (83) additional monthly payments of \$14,296.57 payable on the 10th day of each month, commencing on 12/10/, 1997 and continuing on the like date of each month thereafter through and including 11/10/, 2004.

The Debtor agrees to all the provisions set forth above. This Agreement is executed pursuant to due authorization. DEBTOR ACKNOWLEDGES RECEIPT OF A SIGNED TRUE COPY OF THIS AGREEMENT.

Accepted on December 9, 19 97

Date December 8 19 97

CHARTER FINANCIAL, INC
(Secured Party)

RELCO LOCOMOTIVES, INC. Debtor)
(Signature of Proprietor or name of Corporation or Partnership)

By [Signature]
Its Vice President
(Title of Officer)

By [Signature]
Its C.F.O.
(if Corporation, President or Vice President should sign and give official title; if Partnership, state partner)

JERICO OF GONZALES, INC. (Debtor)
Signature of Proprietor or name of Corporation or Partnership)

RELCO FINANCE CORP. (Debtor)
(Signature of Proprietor or name of Corporation or Partnership)

By [Signature]
Its Vice President
(if Corporation, President or Vice President should sign and give official title; if Partnership, state partner)

By [Signature]
Its President
(if Corporation, President or Vice President should sign and give official title; if Partnership, state partner)

**DEBTOR: RELCO LOCOMOTIVES, INC.,
JERICO OF GONZALES, INC.,
RELCO FINANCE CORP., AND
113 INDUSTRIAL AVENUE
MINOOKA, ILLINOIS 60447**

PAGE #: 1

**SECURED PARTY: CHARTER FINANCIAL, INC.
153 EAST 53rd STREET
NEW YORK, NEW YORK 10022**

**LOAN SCHEDULE NO. 01
TO ML&SA #: 3458**

SCHEDULE "A"

<u>QTY.</u>	<u>ROAD #/DESCRIPTION</u>
2	EMD MODEL SW1 DIESEL ELECTRIC LOCOMOTIVES: Manufacturer: General Motors Corporation Electro-Motive Division LaGrange, Illinois Horsepower: 600 HP Road Nos: RE506; RE511 Number of Axles: Four Approximate Loaded Weight 198,000 Air Brake Equipment: 14EL Engine Model Number: 6-567 Generator Model Number: D-4-D Auxilliary Generator: 10KW Traction Motor Model Number: D27B Full Capacity: 600 Gallons
4	EMD MODEL SW8 DIESEL ELECTRIC LOCOMOTIVES: Manufacturer: General Motors Corporation Electro-Motive Division LaGrange, Illinois Horsepower: 800 HP Road Nos: RE905; RE906; RE908; RE909 Number of Axles: Four Gear Ratio: 62:15 Approximate Loaded Weight 230,000 lbs. Air Brake Equipment: 26L Engine Model Number: 8-567-CR Generator Model Number: D15C; D25C Auxiliary Generator: 10KW Traction Motor Model Number: D77B Full Capacity: 600 Gallons

1 EMD MODEL SW1000 DIESEL ELECTRIC LOCOMOTIVE:

AND ALL ADDITIONS, ATTACHMENTS, ACCESSORIES, SUBSTITUTIONS, REPLACEMENTS, REPAIRS, IMPROVEMENTS, BETTERMENTS AND APPURTENANCES OF WHATEVER DESCRIPTION OR NATURE WHETHER NOW OWNED OR HEREAFTER ACQUIRED, AND ALL PROCEEDS, INCLUDING, WITHOUT LIMITATION, INSURANCE PROCEEDS.



**DEBTOR: RELCO LOCOMOTIVES, INC.,
JERICO OF GONZALES, INC.,
RELCO FINANCE CORP., AND
113 INDUSTRIAL AVENUE
MINOOKA, ILLINOIS 60447**

PAGE #: 2

**SECURED PARTY: CHARTER FINANCIAL, INC.
153 EAST 53rd STREET
NEW YORK, NEW YORK 10022**

**LOAN SCHEDULE NO. 01
TO ML&SA #: 3458**

SCHEDULE "A"

QTY.

ROAD #/DESCRIPTION

Manufacturer: General Motors Corporation
Electro-Motive Division
LaGrange, Illinois

Date Manufactured: 1972
Horsepower: 1000 HP
Road Nos: RE1401
Number of Axles: Four
Gear Ratio: 62:15
Approximate Loaded Weight 230,000 lbs.
Air Brake Equipment: 26L
Engine Model Number: 8-645-E
Generator Model Number: D25C
Auxiliary Generator: 10KW
Traction Motor Model Number: D47B; D77B
Full Capacity: 600 Gallons

5

EMD MODEL NW2 DIESEL ELECTRIC LOCOMOTIVES:

Manufacturer: General Motors Corporation
Electro-Motive Division
LaGrange, Illinois

Horsepower: 1000 HP
Road Nos: RE1204; RE1206; RE1220;
RE1231; RE1232
Number of Axles: Four
Gear Ratio: 62:15
Approximate Loaded Weight 248000 lbs.
Air Brake Equipment: 14EL
Engine Model Number: 12-567
Auxiliary Generator: 10KW

1

EMD MODEL GP9 DIESEL ELECTRIC LOCOMOTIVES:

Manufacturer: General Motors Corporation

**AND ALL ADDITIONS, ATTACHMENTS, ACCESSORIES, SUBSTITUTIONS, REPLACEMENTS,
REPAIRS, IMPROVEMENTS, BETTERMENTS AND APPURTENANCES OF WHATEVER
DESCRIPTION OR NATURE WHETHER NOW OWNED OR HEREAFTER ACQUIRED, AND ALL
PROCEEDS, INCLUDING, WITHOUT LIMITATION, INSURANCE PROCEEDS.**



DEBTOR: RELCO LOCOMOTIVES, INC.,
JERICO OF GONZALES, INC.,
RELCO FINANCE CORP., AND
113 INDUSTRIAL AVENUE
MINOOKA, ILLINOIS 60447

PAGE #: 3

SECURED PARTY: CHARTER FINANCIAL, INC.
153 EAST 53rd STREET
NEW YORK, NEW YORK 10022

LOAN SCHEDULE NO. 01
TO ML&SA #: 3458

SCHEDULE "A"

<u>QTY.</u>	<u>ROAD #/DESCRIPTION</u>
1	EMD MODEL GP9 DIESEL ELECTRIC LOCOMOTIVES: Manufacturer: General Motors Corporation Electro-Motive Division LaGrange, Illinois
	Horsepower: 1750 HP
	Road Nos: RE1617
	Number of Axles: Four
	Gear Ratio: 62:15
	Approximate Loaded Weight 240,000 lbs.
	Air Brake Equipment: 24RL or 26L
	Engine Model Number: 16-567-BC; 16-567-C
	Generator Model Number: D12
	Auxiliary Generator: 10KW
	Traction Motor Model Number: D27B -- D77B (mixture)
	Full Capacity: 1200 Gallons

(DEBTOR)
RELCO LOCOMOTIVES, INC.

By: *Donald H. Beckman*

Title: C.F.O.

Date: 12/18/97

(DEBTOR)
JERICO OF GONZALES, INC.

By: *Donald H. Beckman*

Title: Vice President

Date: 12/18/97

(DEBTOR)
RELCO FINANCE CORP.

By: *Donald H. Beckman*

Title: President

Date: 12/18/97



RMC:s-idd-relco-3458-mlsa.sa

AND ALL ADDITIONS, ATTACHMENTS, ACCESSORIES, SUBSTITUTIONS, REPLACEMENTS, REPAIRS, IMPROVEMENTS, BETTERMENTS AND APPURTENANCES OF WHATEVER DESCRIPTION OR NATURE WHETHER NOW OWNED OR HEREAFTER ACQUIRED, AND ALL PROCEEDS, INCLUDING, WITHOUT LIMITATION, INSURANCE PROCEEDS.

