

RECORDATION NO. 21698 FILED

OCT 5 '98 12-45 PM

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RECORDATION BOARD

OCT 5 '98 12:45 PM

OF COUNSEL
URBAN A. LESTER

RECORDATION NO. 21698 FILED A

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October 5, 1998

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 Memorandum of Loan and Security Agreement, dated as of September 28, 1998, a primary document as defined in the Board's Rules for the Recordation of Documents, and the following secondary document related thereto: Memorandum of Collateral Assignment, also dated as of September 28, 1998.

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

Loan and Security Agreement

Debtor: Relco Locomotives, Inc.
113 Industrial Avenue
Minooka, Illinois 60447

Secured Party: Charter Financial, Inc.
153 East 53rd Street
New York, NY 10022

Counter parts - file.

Mr. Vernon A. Williams
October 5, 1998
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Primary → Collateral Assignment

Assignor: Relco Locomotives, Inc.
113 Industrial Avenue
Minooka, Illinois 60447

Assignee: Charter Financial, Inc.
153 East 53rd Street
New York, New York 10022

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

one (1) locomotive bearing reporting mark and road number RE 1055

Also enclosed is a check in the amount of \$52.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of each of the enclosed documents to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/bg
Enclosures

MEMORANDUM OF COLLATERAL ASSIGNMENT **OCT 5 '98** 12:45 PM
OF RIGHTS UNDER LOCOMOTIVE EQUIPMENT LEASE AGREEMENT

THIS MEMORANDUM, dated as of 9/28/98, is made by and between Charter Financial, Inc. a New York corporation, with an office at 153 East 53rd Street, New York, New York 10022 ("Charter"), and Relco Locomotives, Inc., an Illinois corporation, with its chief executive office and principal place of business at 113 Industrial Avenue, Minooka, Illinois 60447 (the "Borrower").

Borrower and Charter hereby state the following:

1. Borrower and Charter are parties to that certain Full Recourse Assignment Agreement dated as of 9/28/98 (the "Collateral Assignment"), whereby Borrower, to secure the payment and performance of any and all of Borrower's obligations to Charter, granted to Charter an unconditional assignment of the rights of the Borrower, as the lessor, under Lease Agreement dated October 24, 1997 between Relco Locomotives, Inc. and Cargill, Incorporated as lessee.
2. Said collateral assignment extends to the Locomotive equipment, and only to the Locomotive equipment, that is identified in Schedule 1 attached hereto.
3. Reference is made to the Collateral Assignment for a further description of the rights of Charter under the Collateral Assignment.

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written.

WITNESS:

Jelly Van Ouyne

RELCO LOCOMOTIVES, INC.

By: Donald H. Bachman
Name:
Title: C.E.O.

WITNESS:

Brian Twomey

CHARTER FINANCIAL, INC.

By: Brian Twomey
Name: Brian Twomey
Title: Vice President

**SCHEDULE 1
LIST OF LOCOMOTIVE EQUIPMENT**

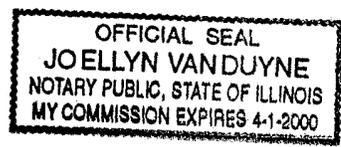
One Alco, 1000 Horsepower, 115-ton Locomotive with identifying marking of RE1055, equipped with a Cattron Model MP96-RCL Remote Control.

STATE OF ILLINOIS)
)
COUNTY OF Grundy)

SS:

On this 28th day of Sept., 1998, before me, a Notary Public of the County and State aforesaid, personally appeared Donald L. Bachman, to me personally known, who being by me duly sworn, says that she/he is the C.E.O. of Relco Locomotives, Inc., an Illinois corporation, that said 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 corporation.

AS WITNESS my hand and notarial seal.



Joellyn VanDuyne
Notary Public

My commission expires: 4/1/2000

STATE OF NEW YORK)
)
COUNTY OF NEW YORK)

SS:

On this 29th day of September, 1998 before me, a Notary Public of the County and State aforesaid, personally appeared Brian Twomey, to me personally known, who being by me duly sworn, says that (s)he is the Vice President of Charter Financial, Inc., a New York corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.

Louisa L. Baker
Notary Public

My commission expires: 9/5/99

LOUISA L. BAKER
Notary Public, State of New York
No. 31-4955650
Qualified in Westchester County 99
Commission Expires September 5, 1999