

County Clerk - Kim Bartman

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ELIAS C. ALVORD (1942)
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RECORDATION NO. **19629** FILED 1425
SEP 29 1995 - 1 55 PM
INTERSTATE COMMERCE COMMISSION

OF COUNSEL
URBAN A. LESTER

September 29, 1995

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

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two (2) copies of a Memorandum of Chattel Mortgage, Assignment and Security Agreement, dated as of September 29, 1995, 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:

Debtor: Residual Based Finance Corporation
Three First National Plaza, Suite 1240
Chicago, Illinois 60602

Secured Party: Sanwa Business Credit Corporation
One South Wacker Drive
Chicago, Illinois 60606

A description of the railroad equipment covered by the enclosed document is identified on Exhibit A attached to the Memorandum.

Mr. Vernon A. Williams
September 29, 1995
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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 stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Robert W. Alvord".

Robert W. Alvord

RWA/bg
Enclosures

RECORDATION NO. 19629 FILED 1424
SEP 29 1995 -1 55 PM
INTERSTATE COMMERCE COMMISSION

MEMORANDUM
OF
CHattel MORTGAGE, ASSIGNMENT AND SECURITY
AGREEMENT

THIS MEMORANDUM OF CHATTEL MORTGAGE, ASSIGNMENT AND SECURITY AGREEMENT ("Memorandum") is intended to evidence the Chattel Mortgage, Assignment and Security Agreement dated as of September 29, 1995 (the "Chattel Mortgage"), between RESIDUAL BASED FINANCE CORPORATION ("Debtor"), having an address at Three First National Plaza, Suite 1240, Chicago, Illinois 60602, and SANWA BUSINESS CREDIT CORPORATION (The "Secured Party"), having an address at One South Wacker Drive, Chicago, Illinois 60606, for the purpose of satisfying the requirements of recordation with the Interstate Commerce Commission under 49 USC §11303. The Debtor is the owner of the railroad equipment, more fully described on Exhibit A hereto (the "Equipment"). Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Chattel Mortgage. The Chattel Mortgage includes the following grant:

As security for the payment and performance of the obligations under the Note and as security for Debtor's obligations under this Security Agreement, Debtor hereby (a) grants Secured Party a first priority security interest in and lien on (i) all of Debtor's rights in the Equipment described in Exhibit A attached hereto and made a part hereof and all proceeds of the Equipment, (ii) all of Debtor's rights in the Lease, including all rights, claims, and causes of action, if any, which Debtor may have against Lessee with respect to the Lease (excluding in each case, "Excluded Payments", as hereinafter defined), (iii) all of Debtor's rights in all books, records, reports and documents, in whatever form and wherever located to the extent they relate in any way to the Equipment, the Lease, including, without limitation, all maintenance records, plans, specifications, lease records and reports (the "Records") and (iv) all of Debtors rights in any and all extensions, renewals, replacements, accessions and additions to, substitutions for, products, rents, issues, profits and returns of or for any of the items described above, (b) assigns to Secured Party all monies due and to become due to Debtor under the Lease, and all of Debtor's rights but not obligations under said Lease, and all proceeds thereof, and (c) assigns to Secured Party all proceeds of the Lease, excepting and reserving to Debtor any and all amounts payable to Debtor in its capacity as owner of the Equipment pursuant to any tax indemnity provided for in the Lease or pursuant to any public liability insurance policy maintained under the Lease (the "Excluded Payments"). (The foregoing and all monies due and to become due and proceeds of any of the foregoing, excluding, however, the Excluded Payments, are herein collectively referred to as the "Collateral".) Notwithstanding the foregoing, upon foreclosure by Secured Party on the Debtor's rights under the Lease, the transfer of the Debtor's rights under the Lease shall include Lessor's rights under the Lease, the transfer of the Debtor's rights under the Lease shall include Lessor's rights as to the Excluded Payments.

"Lease" means Amended and Restated Lease of Railroad Equipment dated as of March 17, 1995, between Residual Based Finance Corporation and Bangor & Arcostook Railroad Company ("Lessee")

This Memorandum shall not be deemed to change the terms of the Chattel Mortgage, but is executed and recorded to evidence the Chattel Mortgage.

IN WITNESS WHEREOF, Debtor and Secured Party have each caused this Memorandum of Chattel Mortgage, Assignment and Security Agreement to be duly executed as of the date first above written, and the undersigned signatories each hereby declare pursuant to 28 U.S.C. §1746 under penalty of perjury that the foregoing is a true and correct document and was executed on the date indicated below its signature.

DEBTOR:

RESIDUAL BASED FINANCE CORPORATION

By: 
Its: President
Date: 7/29/95

SECURED PARTY:

SANWA BUSINESS CREDIT CORPORATION

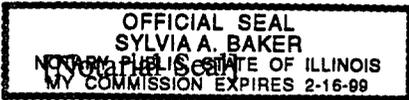
By: 
Its: Kim President
Date: 9/22/95

STATE OF Illinois)
COUNTY OF Cook)

SS:

On this 26 day of September, 1995, before me personally appeared Vincent Kolbe, to me personally known, who, being by me duly sworn, says that he is President of RESIDUAL BASED FINANCE CORPORATION, and that the foregoing Memorandum of Chattel Mortgage, Assignment and Security Agreement was signed on behalf of said corporation pursuant to corporate authority. Further, he acknowledged that the execution of the foregoing Memorandum of Lease Agreement was the free act and deed of said corporation.

Sylvia A. Baker
Notary Public



My commission expires: 2-16-99

STATE OF ILLINOIS)
COUNTY OF COOK)

SS:

On this 26 day of September, 1995, before me personally appeared ROBERT ALEXANDER KURLAND, to me personally known, who, being by me duly sworn, says that he is a VICE PRESIDENT of SANWA BUSINESS CREDIT CORPORATION, and that the foregoing Memorandum of Chattel Mortgage, Assignment and Security Agreement was signed on behalf of said corporation pursuant to corporate authority. Further, he acknowledged that the execution of the foregoing Memorandum of Lease Agreement was the free act and deed of said corporation.

Loretta P. Walter
Notary Public

[Notarial Seal]

My commission expires: 5-11-99

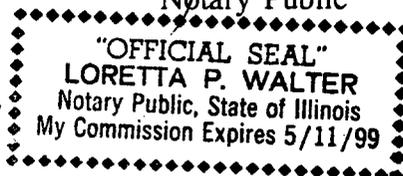


EXHIBIT A

DESCRIPTION OF EQUIPMENT

Description, Car Marks and Number of Equipment:

Description

74 (seventy-four) 70-ton plate C rigid boxcars having reporting marks as of the date of this agreement in series:
BAR 4600 through BAR 4690 inclusive.

DISTRICT OF COLUMBIA

SS:

I hereby certify that the attached Memorandum of Chattel Mortgage, Assignment and Security Agreement is a true and complete copy of the original thereof.



Robert W. Alvord

Subscribed to and sworn before on this 29th day of September 1995.



Kim L. Bentman
Notary Public

My Commission expires: 3-31-2000