

2-283A015

BINGHAM, DANA & GOULD

150 FEDERAL STREET

RECORDATION NO. 17972 FILED IN BOSTON, MASSACHUSETTS 02110-1726

TELEPHONE: (617) 951-8000

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INTERSTATE COMMERCE COMMISSION

WASHINGTON OFFICE
(202) 822-9320

HARTFORD OFFICE
(203) 244-3770

Oct 9 10 33 AM '92
MOTOR OPERATING UNIT
LONDON OFFICE
011-44-71-799-2646

October 8, 1992

BY MESSENGER

Interstate Commerce Commission
Room 2303
12th Street & Constitution Avenue, N.W.
Washington, D.C. 20423

Attention: Ms. Mildred Lee

Ladies and Gentlemen:

Enclosed for recording with the Commission pursuant to Section 11303 of Title 49 of the U.S. Code are two certified duplicate copies of the original fully executed, notarized documents described below.

This document is a Security Agreement, a primary document dated as of September 25, 1992, between American Income Fund I-D, A Massachusetts Limited Partnership, as the debtor (the "Debtor"), and Bank of Lincolnwood, an Illinois state banking association, as the secured party (the "Secured Party"), covering two railcover movers owned by the Debtor and certain other properties and rights of the Debtor. Descriptions of the railcover movers are attached to the Security Agreement as Exhibit A, as the same may be revised from time to time, but the property covered by the Security Agreement is not limited to that listed in Exhibit A.

The names and addresses of the parties to the Security Agreement are as follows: the Debtor is American Income Fund I-D, A Massachusetts Limited Partnership, whose chief executive office is located at Exchange Place, Boston, Massachusetts 02109; the Secured Party is Bank of Lincolnwood, whose head office is located at 4433 West Touhy Avenue, Lincolnwood, Illinois 60646.

Thomas E. Harris #915
Counterparts -

BINGHAM, DANA & GOULD

Interstate Commerce Commission
October 8, 1992
Page 2

Included in the property covered by the aforesaid Security Agreement are two railcover movers for use related to interstate commerce, or interests therein, owned by the Debtor at the date of said Security Agreement.

A short summary of the document to appear in the index is as follows:

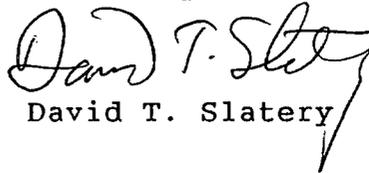
"A Security Agreement, dated as of September 25, 1992, between American Income Fund I-D, A Massachusetts Limited Partnership, as the debtor, and Bank of Lincolnwood, an Illinois state banking association, as the secured party, covering the two railcover movers owned by debtor and certain other properties and rights of the debtor. Descriptions of the railcover movers are attached to the Security Agreement as Exhibit A."

Also enclosed is a check in the amount of \$16.00, payable to the Interstate Commerce Commission, to cover the recording fee prescribed by the Commission in its rules and regulations.

Please acknowledge receipt of the enclosed documents at your earliest convenience by stamping and returning to the undersigned the enclosed copy of this letter together with the Security Agreement as filed.

If you have any questions with respect to the enclosed documents, please call the undersigned collect at (617) 951-8000.

Sincerely,


David T. Slatery

Enclosures

3593C

Interstate Commerce Commission
Washington, D.C. 20423

10/9/92

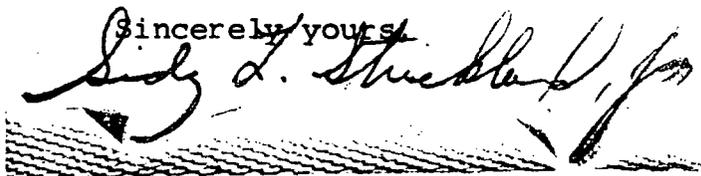
OFFICE OF THE SECRETARY

David T. Slattery
Bingham, Dana & Gould
150 Federal Street
Boston, Massachusetts 02110-1726

Dear Sirs:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 10/9/92 at 10:35AM, and assigned re-
recording number(s). 17972.

Sincerely yours,



Secretary

SIDNEY L. STRICKLAND, JR.

Enclosure(s)

SE-30
(7/79)

COUNTERPART #2

SECURITY AGREEMENT
(Chattel Mortgage and Assignment of Lease)

OCT 9 1992-10 35 AM

INTERSTATE COMMERCE COMMISSION

THIS AGREEMENT, dated as of September 25, 1992, is entered into by and between AMERICAN INCOME FUND I-D, A MASSACHUSETTS LIMITED PARTNERSHIP, with its principal place of business at Exchange Place, Boston, Massachusetts 02109 ("Borrower") and BANK OF LINCOLNWOOD, an Illinois state banking association, with its principal place of business at 4433 West Touhy Avenue, Lincolnwood, Illinois 60646 ("Lender"). In consideration of the mutual agreements contained herein, the parties hereto agree as follows:

(1) As security for the prompt and satisfactory performance of all obligations of the Borrower to the Lender hereunder and under promissory note in the original principal amount of \$249,687.93 dated October 1, 1992 (the "Note") and payable by the Borrower to the Lender (the "Indebtedness"), the Borrower hereby transfers, sets over and assigns unto the Lender, and grants to the Lender a security interest in, all the Borrower's right, title and interest in and to property ("Collateral") consisting of (i) the equipment ("Equipment") described in each Exhibit A attached hereto and all replacements thereof and modifications and accessions thereto, (ii) the Rental Schedule ("Lease") referred to in each Exhibit A attached hereto between the Borrower, as lessor, and the party named therein as lessee ("Lessee"), (iii) all rental payments and other amounts payable hereafter to the Borrower in connection with the Lease by Lessee ("Lease Payments"), and (iv) all proceeds of any of the foregoing and of the Stipulated Loss Value or Casualty Value payments or insurance proceeds paid by the Lessee pursuant to the provisions of the Lease.

(2) The Borrower represents, warrants and agrees that (i) it has good title to the Equipment, the Lease and Lease Payments, free of all liens, claims and encumbrances except for the possessory rights of the Lessee to the Equipment under the Lease and any liens permitted under or dischargable by the Lessee pursuant to the express terms of the Lease, (ii) it has the power and authority to, and does hereby, convey to the Lender a valid and perfected first lien and security interest in the Equipment, Lease and Lease Payments as security for the Indebtedness, (iii) the Note, this Agreement and the Lease are valid and are enforceable against the Borrower in accordance with their respective terms, (iv) there are no setoffs, counterclaims or defenses on the part of Lessee with respect to the obligations of the Lessee to make Lease Payments, (v) the Equipment has been delivered to and accepted by Lessee and will be kept at Lessee's address as set forth in Exhibit A hereto unless the Lender otherwise consents in writing prior to any change if such consent is required under the Lease, (vi) it has delivered to the Lender a fully executed copy of the Lease, together with any and all amendments thereto, which is, and will be, the only copy marked "Counterpart No. 1", (vii) it will not sell, transfer, lease (otherwise than pursuant to the Lease described herein), or assign its rights to the Lease or other Collateral, or grant a security interest in or lien upon any thereof, to any person other than the Lender, and it will deliver to the Lender a release or subordination of any security interest heretofore granted in the Collateral to any other person, (viii) it will from time to time execute such financing statements, in connection herewith, as the Lender may reasonably request, (ix) it will not amend, modify, cancel or terminate any provision of the Lease without the prior written consent of the Lender, and (x) that to the knowledge of Borrower, Lessee has not previously been, and currently is not, in default under the Lease,

(3) This Agreement shall not relieve the Borrower from or cause the Lender to be liable for, the obligations of the Borrower under the Lease. The Borrower also shall use its best efforts and take any and all action as requested by the Lender from time to time, to cause Payments (including payments in connection with any option to purchase) due after the date hereof by the Lessee to be made directly to the Lender until such time as all amounts due hereunder have been received in full. In the event of an Event of Default occurring and remaining unremedied under the Lease, the Lender also may exercise, at any time and from time to time, such rights, powers and remedies of the Lessor under each Lease as the Lender may, in its sole discretion, deem to be appropriate.

(4) Upon the occurrence of an Event of Loss or Casualty occurrence under and as defined in the Lease, a portion of the unpaid principal under this Security Agreement shall become due and payable, together with accrued interest thereon, on the date on which the stipulated loss value (or casualty value) or fair market value due under the Lease is paid in full. The amount of principal to be prepaid shall be calculated by multiplying the outstanding principal balance by a Prepayment Factor determined by dividing the original cost for the item or items of Equipment suffering the Event of Loss by the original cost for all items of Equipment subject to the related Rental Schedule immediately prior to the Event of Loss. Each remaining installment of principal and interest due hereunder shall be reduced by an amount equal to the amount obtained by multiplying the debt service payment due before the prepayment by the Prepayment Factor.

(5) If (i) the Borrower defaults in the payment of any principal or interest payable under the Note for more than the grace period, if any, available to the Lessee with respect to late payments under the Lease, (ii) the Borrower defaults in the payment or performance of any other obligation of the Borrower hereunder or under the Note to the Lender for more than fifteen days after the Lender has given written notice of such default to the Borrower, (iii) any representation or warranty made herein by the Borrower is reasonably considered by the Lender to have been false or misleading in any material respect when made and is not cured within fifteen days after the Lender has given written notice to the Borrower thereof, (iv) the Borrower becomes insolvent or admits in writing its inability to pay its debts as they mature or applies for, consents to or acquiesces in the appointment of a trustee or receiver for it or any of its property, or any bankruptcy, reorganization, debt arrangement or other proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding, shall be instituted by or against the Borrower, and if instituted against it shall be consented to or acquiesced in by it or shall not be dismissed within a period of sixty days of institution (v) an event of default (as described in the Lease) occurs under the Lease which event of default is not cured within the cure period permitted the Lessee under the Lease, or (vi) the Borrower sells or transfers to any third party any of the Collateral, without the prior written consent of the Lender, then if any event described in the above clause (i) through (vi) shall be continuing, the Lender may at its option declare the Note to be due and payable, whereupon the unpaid principal of and accrued interest on the Note shall become immediately due and payable and the Lender may exercise all rights and remedies available to it under applicable law. The Lender shall be entitled to obtain reimbursement from the Borrower for all reasonable costs, attorneys' fees and legal expenses incurred by it in repairing the Equipment, in collecting the Indebtedness and otherwise exercising such rights and remedies, which shall be considered additional Indebtedness hereunder. The Lender agrees to pay forthwith to the Borrower any surplus remaining from the Collateral after payment of all Indebtedness.

(6) Notwithstanding any other provision of this Agreement, the Lender agrees that (i) its security interest and rights hereunder are subject to the rights of the Lessee under the Lease, and (ii) the Borrower has and shall have no personal liability or obligation with respect to payment of the Indebtedness, which is payable solely from proceeds received by the Lender from the Lender's right, title and interest in and to the Collateral, except that the Borrower shall have personal responsibility for any loss or liability of the Lender arising out of or connected in any manner with a breach of the Borrower's representations or warranties herein and the payment thereof shall not be limited to the proceeds from the Collateral.

(7) This Agreement and the Note shall be contracts made under, governed by and construed in all respects in accordance with the laws of the State of Illinois. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under such law, such provision shall be ineffective only to the extent and duration of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement. Any notice required or given hereunder shall be deemed properly given three business days after mailed by, postage prepaid, addressed to the designated recipient at its address set forth herein or such other address as such party may advise the other party by notice given in accordance with this provision.

(8) This Agreement shall be binding upon, and shall inure to the benefit of, the successors and assigns of the Borrower and the Lender, provided the Borrower may not assign its obligations under the Lease or under this Agreement without the prior written consent of Lender, such consent not to be unreasonably withheld or delayed.

IN WITNESS WHEREOF, the Borrower and the Lender have duly executed and delivered this Agreement as of the day and year first above written.

AMERICAN INCOME FUND I-D, A
MASSACHUSETTS LIMITED PARTNERSHIP

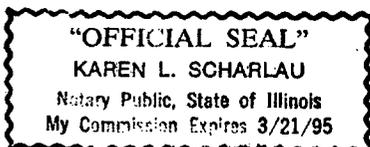
BANK OF LINCOLNWOOD

By: AFG Leasing VI Incorporated
Title: General Partner

BY: Phil Rob Dewees
TITLE: Vice President

BY: TM King
TITLE: Vice President

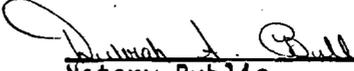
On this 25th day of September, 1992, before me personally appeared Theodore Krug to me personally known, who, being by me duly sworn, says that he is Vice President of Bank of Lincolnwood, and that he is duly authorized to sign the forgoing instrument on behalf of said banking association, and he acknowledges that the execution of the foregonig instrument was the free act and deed of said banking association.



Karen L. Scharlau
Notary Public

My Commission expires: 3/21/95

On this 25th day of September, 1992, before me personally appeared Cheryl Publications to me personally known, who, being by me duly sworn, says that she is Vice President of AFG Leasing VI Incorporated, general partner of American Income Fund I-D, A Massachusetts Limited Partnership, that the seal affixed to the foregoing instrument beside his signature is the corporate seal of said corporation and that the said instrument was signed on behalf of said corporation by authority of its Board of Directors and was duly authorized to be signed on behalf of said partnership, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said corporation and said partnership.



Notary Public

My Commission expires: 11/26/93