

AXLEY BRYNELSON

Attorneys Since 1885

March 21, 1990

Interstate Commerce Commission
12 & Constitution Avenue, N.W.
Washington, D.C. 20423
Attn: Mildred Lee, Room 2303

RE: Security Interest of First Interstate
Bank of Wisconsin-Southeast in certain
Railroad Cars
Our File No.: 32971

Dear Ms. Lee:

Enclosed please find an original and notarized copy of a Security Agreement between First Interstate Bank of Wisconsin-Southeast and Alexander Historic Depot Associates Limited Partnership relating to certain railroad cars which are described on Exhibit A which is attached to the Security Agreement.

Also enclosed please find a check in the amount of \$15.00 as payment for filing the enclosed security agreement.

Please file the enclosed and return a copy to the undersigned marked to evidence such filing.

If you have any questions, please call.

Very truly yours,

AXLEY BRYNELSON



Richard E. Petershock

REP:mal

Enclosure

cc: Cristine A. Patek
Theodore C. Widder, III

Madison

Manchester Place
2 East Mifflin Street
Post Office Box 1767
Madison, WI 53701-1767
Telephone (608) 257-5661
Facsimile (608) 257-5444

Wisconsin Dells

Richard W Cross
Eric J Wendorff
313 Broadway
Post Office Box 237
Wisconsin Dells, WI 53965
Telephone (608) 254-2000
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16811
RECORDATION NO. _____ FILED 1423

MAR 27 1990 - 9 45 AM
INTERSTATE COMMERCE COMMISSION

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Interstate Commerce Commission
Washington, D.C. 20423

4/10/90

OFFICE OF THE SECRETARY

Richard E. Petershack
Axley Brynelson
Manchester Place
2 East Mifflin Street
P.O.Box 1767
Madison, Wis. 53701

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 3/27/90 at 9:45am, and assigned recordation number(s). 16811

Sincerely yours,



Noreta R. McGee
Secretary

Enclosure(s)

MAR 27 1990 -9 45 AM

SECURITY AGREEMENT

INTERSTATE COMMERCE COMMISSION

The undersigned, Alexander Historic Depot Associates Limited Partnership, a Wisconsin limited partnership, and its successors and assigns (the "Borrower") grants First Interstate Bank of Wisconsin-Southeast (the "Lender") a security interest in all of the railroad cars, railroad equipment and railroad rolling stock owned by Borrower and described on Exhibit A attached hereto and made a part hereof. The security interest in all of such property, whether now owned or hereafter acquired, and all additions and accessions to, all spare and repair parts, special tools, equipment and replacements for, and all proceeds and products of the foregoing (hereinafter the "Collateral") is granted to secure all debts, obligations and liabilities of the Borrower to the Lender arising out of the loan in the amount of \$975,000.00 (the "Loan") made by Lender to Borrower evidenced by a note of even date herewith (the "Note"). This Agreement is intended to clarify and not supplement the security interest granted by Borrower to Lender pursuant to that certain Construction Mortgage and Security Agreement of even date herewith providing security for the Note (the "Mortgage").

1. Borrower's Warranties. Borrower warrants that while any indebtedness remains outstanding under the Note, Borrower is the owner of the Collateral free of all encumbrances and security interests (except Lender's security interest) and no financing statement (other than Lender's) is on file covering the Collateral or any of it.

2. Borrower's Covenants. Borrower covenants and agrees:

- (a) Borrower shall maintain the Collateral in good condition and repair and not permit its value to be impaired; keep it free from all liens, encumbrances and security interests (other than Lender's security interest); defend it against all claims and legal proceedings by persons other than Lender; pay and discharge when due all taxes, license fees, levies and other charges upon it; not sell, lease or otherwise dispose of it or permit it to become a fixture or an accession to other goods, and not permit it to be used in violation of any applicable law or regulation or policy of insurance. Loss of or damage to the Collateral shall not release Borrower from any of its obligations hereunder or under the Note.
- (b) Borrower shall keep the Collateral and Lender's interest in it insured under policies with such provisions, for such amounts and by such insurers as shall be satisfactory to Lender from time to time in Lender's sole discretion, and shall furnish evidence of such insurance satisfactory to Lender. Borrower assigns (and directs any insurer to pay) to Lender the proceeds of all such insurance and any premium refund,

and authorizes Lender to endorse in the name of Borrower any instrument for such proceeds or refunds and, at the option of Lender, to apply such proceeds and refunds to any unpaid balance on the loan, whether or not due, and/or to restoration of the Collateral, returning any excess to Borrower. Lender is authorized, in the name of the Borrower or otherwise, to make, adjust and settle claims under any credit insurance financed by Lender or any other insurance on the Collateral, or cancel the same after the occurrence of any default.

- (c) Borrower shall pay all expenses and, upon request, take any action reasonably deemed advisable by Lender to preserve the Collateral or to establish, determine priority of, perfect, terminate or enforce Lender's interest in it or rights under this agreement.
- (d) Borrower shall keep accurate and complete records respecting the Collateral in such form as Lender may approve. At such times as Lender may require, Borrower shall furnish to Lender a statement certified as true, correct and complete, by an authorized general partner of Borrower and in such form and containing such information as may be prescribed by Lender, showing the current status and value of the Collateral.
- (e) At reasonable times, Lender may examine the Collateral and Borrower's records pertaining to it, wherever located, and make copies of records. Borrower shall assist Lender in so doing.
- (f) Borrower shall immediately advise Lender in writing of any change in its name or address.

3. Default. The following shall constitute events of default:

Borrower fails to perform, or to rectify breach of any warranty or other undertaking by Borrower in this agreement, the Note, the Mortgage or any other instrument evidencing or securing the Note and the same is not cured within the applicable cure period, if any, set forth therein;

Upon the occurrence of one or more of the events of default, all indebtedness shall, at the option of Lender, and without any notice or demand, become immediately due and payable; and Lender shall have all rights and remedies for default provided by the Uniform Commercial Code, as adopted in the State of Wisconsin as well as any other applicable law and any evidence of or document relating to the Collateral or the indebtedness secured thereby. With respect to such rights and remedies, Lender may take possession of the Collateral without notice or hearing (which Borrower hereby waives), and Lender may require Borrower to

assemble the Collateral and to make it available to Lender at any convenience place designated by Lender. Written notice, as required by law, sent to the address of the Borrower set forth in this agreement at least ten (10) calendar days (including the day of mailing) before the date of a proposed disposition of the Collateral is reasonable notice. Borrower shall reimburse Lender for any expense incurred by Lender in protecting or enforcing its rights under this agreement including, without limitation, reasonable attorneys' fees and legal expenses and all expenses of taking possession, holding, preparing for disposition and disposing of the Collateral. After deduction of such expenses, Lender may apply the proceeds of disposition to the indebtedness secured by this agreement in such order and amounts as it elects. Lender may permit Borrower to remedy any default without waiving the default so remedied, and Lender may waive any default without waiving any subsequent or prior default by Borrower.

4. Miscellaneous. This agreement benefits Lender, its successors and assigns, and binds Borrower and its successors and permitted assigns. This agreement shall be construed in accordance with the laws of the State of Wisconsin. All terms not otherwise defined have the meanings assigned by the Wisconsin Uniform Commercial Code. The invalidity of any provision of this agreement shall not affect the validity of any other provision. As used herein, the singular includes the plural, the plural the singular, and the use of any gender (masculine, feminine or neuter) includes all genders.

IN WITNESS WHEREOF, Borrower has executed this agreement at Madison, Wisconsin this 18 day of August, 1989.

ALEXANDER HISTORIC DEPOT ASSOCIATES
LIMITED PARTNERSHIP

Borrower's Address:
640 West Washington Avenue
Madison, Wisconsin 53703

By: The Alexander Company, Inc.,
General Partner

Lender's Address:
735 West Wisconsin Avenue
Milwaukee, Wisconsin 53233

By: RR P. Alexander
Randall P. Alexander,
Its President

Attest:

Terri L. Alexander
Terri L. Alexander,
Its Secretary

By: RR P. Alexander
Randall P. Alexander,
General Partner

THE ALEXANDER COMPANY, INC.

BILL NO. 27-07-251
INVOICE WHEN RECEIVED

802 REGENT ST., MADISON, WI 53715

MONTH'S ACCOUNT

DATE MADE 9/30 19 89

Exhibit A

WISCONSIN & CALUMET RAILROAD COMPANY
203 SOUTH PEARL STREET, JANESVILLE, WISCONSIN 53545

FOR PURCHASE OF EQUIPMENT AS FOLLOWS:

| | |
|-------------------------|------|
| E-8 TYPE LOCOMOTIVE | 675 |
| STAINLESS CLAD COACH | 2429 |
| STAINLESS CLAD COACH | 2439 |
| STAINLESS CLAD COACH | 2751 |
| CORTEN COACH W/PLATFORM | 1060 |

CARS FOB MADISON, WI

| | |
|----------------------------------|----------|
| TOTAL PRICE | \$58,000 |
| PAYMENT UPON SIGNING OF CONTRACT | 10,000 |
| SECOND PAYMENT DUE NOW | 48,000 |

ol-PPA

DISTRIBUTION

FOR FURTHER INFORMATION ADDRESS AUDITOR

WISCONSIN & CALUMET RAILROAD COMPANY
203 SOUTH PEARL STREET • JANESVILLE WISCONSIN 53545

