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ALVORD AND ALVORD

ATTORNEYS AT LAW

918 SIXTEENTH STREET, N.W.

SUITE 200

WASHINGTON, D.C.

20006-2973

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

OF COUNSEL  
URBAN A. LESTER

(202) 393-2266

INTERSTATE COMMERCE COMMISSION

FAX (202) 393-2156

September 30, 1992

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INTERSTATE COMMERCE COMMISSION

Mr. Sidney L. Strickland, Jr.  
Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

Dear Mr. Strickland:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two (2) executed original copies each of the following documents, all being secondary documents (as defined in the Commission's Rules for the Recordation of Documents under 49 C.F.R. Section 1177) relating to the Security Agreement dated as of January 1, 1979 which was filed and recorded on April 14, 1979 under Recordation Number 10252.

The secondary documents and the names and addresses of the parties executing the same are:

1. Transfer Agreement by and between

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

Transferee: Interail, Inc.  
One Foxfield Square  
Suite 200  
St. Charles, Illinois

*Urban A. Lester*

*Alvord*

10252-D

10252-A

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2. Transfer Agreement and Supplement No. 1 to Security Agreement by and among

Transferor: The Northwestern Mutual Life Insurance Company  
720 East Wisconsin Avenue  
Milwaukee, Wisconsin 53202

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

3. Termination Agreement by and between

Trustee: Continental Bank, N.A.  
231 South LaSalle Street  
Chicago, Illinois 60697

Beneficiary: Interail, Inc.  
One Foxfield Square  
Suite 200  
St. Charles, Illinois 60174

4. Supplement No. 2 to Security Agreement by and between

New Debtor: Interail, Inc.  
One Foxfield Square  
Suite 200  
St. Charles, Illinois 60174

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

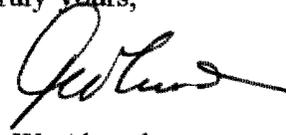
A description of the railroad equipment covered by the enclosed document is attached hereto, said equipment also being subject to certain Equipment Lease filed under Recordation Number 10253.

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Also enclosed is a check in the amount of \$64 payable to the order of the Interstate Commerce Commission covering the required recordation files.

Kindly return one stamped copy of the enclosed documents to Robert W. Alvord, Esq., Alvord and Alvord, 918 16th Street, N.W., Washington, D.C. 20006.

Very truly yours,

A handwritten signature in cursive script, appearing to read "R. Alvord", written in dark ink.

Robert W. Alvord

RWA/bg  
Enclosures

10252-B

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TRANSFER AGREEMENT AND  
SUPPLEMENT NO. 1 TO SECURITY AGREEMENT

INTERSTATE COMMERCE COMMISSION

THIS TRANSFER AGREEMENT AND SUPPLEMENT NO. 1 TO SECURITY AGREEMENT, dated as of September 30, 1992 (this "Agreement") is between The Northwestern Mutual Life Insurance Company, a Wisconsin corporation (the "Transferor"), and Sanwa Business Credit Corporation, a Delaware corporation (the "Transferee"), and also in favor of CONTINENTAL BANK, NATIONAL ASSOCIATION (f/k/a Continental Illinois National Bank and Trust Company of Chicago), a national banking association, not in its individual capacity but solely as Trustee (the "Debtor") under a Trust Agreement dated as of January 1, 1979 (the "Trust Agreement") with the Transferee (as successor by mergers to CI Transportation Leasing Corporation).

W I T N E S S E T H:

WHEREAS, the Debtor and the Transferor entered into that certain Security Agreement, dated as of January 1, 1979 (together with all amendments and supplements thereto, if any, the "Original Security Agreement"); and

WHEREAS, the Transferor is the Secured Party (as defined in the Original Security Agreement; and, unless otherwise defined herein, terms which are defined or defined by reference in the Original Security Agreement shall have the same meanings when used herein as such terms have therein) and the holder of the Notes identified on Schedule A hereto (the "Transfer Notes"), all of which are registered in the Register in the name of the Transferor as holder of such Notes; and

WHEREAS, the Transferor desires to transfer the Transfer Notes to the Transferee and the parties desire to supplement the Original Security Agreement as provided herein;

NOW, THEREFORE, the parties hereto agree as follows:

SECTION 1. Transfer and Assignment. In consideration of \$100 and other good and valuable consideration and the mutual agreements contained herein, the receipt of which is hereby acknowledged, the Transferor hereby assigns and transfers to the Transferee all of the Transferor's right, title and interest in (i) the Transfer Notes, (ii) the Original Security Agreement, including, without limitation, the Collateral, (iii) the Participation Agreement and (iv) the other Operative Agreements. The Transferee hereby accepts and agrees to the foregoing assignment and transfer. The Transferor and the Transferee further agree for their mutual benefit and for the benefit of the Debtor that: (a) the Transferee is deemed to be the "Secured Party" under the Original Security Agreement, as supplemented hereby (the

Original Security Agreement, as supplemented hereby is referred to as the "Amended Security Agreement") and the "holder" under each of the Transfer Notes; (b) the Transferee is bound by all of the terms of, and undertakes all of the obligations, duties, responsibilities and burdens of the Transferor contained in, the Participation Agreement, the Amended Security Agreement, the Transfer Notes and the other Operative Agreements; and (c) the Transferee is vested with all rights and powers of the Transferor under the Operative Agreements, including, without limitation, (1) under the Original Security Agreement of the "Secured Party", (2) under the Notes as a "holder" and (3) under the Non-Disturbance Agreement as "Assignee", and takes and holds the Transfer Notes subject to the Original Security Agreement and each request made, waiver or consent given or other action taken by each previous holder of the Transfer Notes with respect to the Transfer Notes.

SECTION 2. Consent. The Transferor hereby consents to the transfer of the interests of the Transferee, as "Beneficiary" under the Trust Agreement, to Interail, Inc. ("Interail") pursuant to that certain Transfer Agreement, dated as of the date hereof, between the Transferee and Interail.

SECTION 3. Warranties of the Transferor. The Transferor hereby represents and warrants to the Transferee and the Debtor, and for the benefit of Interail that it is the owner of record and sole beneficial owner of the Transfer Notes and the other property transferred and assigned pursuant to Section 1 hereof and it has good and marketable title to the Transfer Notes and the other property transferred and assigned pursuant to Section 1 hereof and the absolute right to sell and transfer, subject to the terms of the Amended Security Agreement, the Transfer Notes and the other property transferred and assigned pursuant to Section 1 hereof.

The Transferor makes no representation with respect to the priority or perfection of the security interest granted in the Collateral (as defined in the Amended Security Agreement) pursuant to the Amended Security Agreement.

SECTION 4. Warranties of the Transferee. The Transferee hereby represents and warrants to the Transferor and the Debtor and for the benefit of Interail that:

(a) The Transferee is duly organized and validly existing in good standing under the laws of its jurisdiction of organization, and has all requisite power and authority to enter into and perform this Agreement and to be the Secured Party and a holder of a Note.

(b) This Agreement (i) has been duly authorized by the Transferee, (ii) has been duly executed and delivered by the Transferee, (iii) does not require the consent or approval of

any trustee or holder of any of its indebtedness or any other obligation, or any other private or governmental person, and (iv) constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms.

(c) The execution, delivery and performance by the Transferee of this Agreement are not inconsistent with its organic documents, and do not and will not conflict with, violate or contravene any law or any agreement to which the Transferee is a party or by which it or its property is bound.

(d) The Transferee is acquiring the Transfer Notes (and the New Notes issued in exchange therefor) for its own account for investment and not with a view to the distribution or sale thereof and it will not sell, transfer, hypothecate, pledge or otherwise dispose of any New Notes or any interest therein except in accordance with the Act and applicable state securities or "blue sky" laws and the terms of the Amended Security Agreement. The Transferor acknowledges that none of the Notes (including the Transfer Notes) have been registered under the Act.

(e) The Transferee has been furnished with a copy of, and has received and understands the contents of, the Original Security Agreement.

(f) For the sole purpose of determining whether any party hereto or to the Amended Security Agreement may be liable under Section 4975 of the Code or may violate Section 406 of ERISA, the Transferee warrants and represents that it is not acquiring the Transfer Notes with the assets of any plan (or its related trust) as defined in Section 3(3) of ERISA or the regulations thereunder, or Section 4975(e)(1) of the Code.

SECTION 5. Assignment of Financing Statements, Further Assurances.

(a) Concurrently with or prior to the execution and delivery of this Agreement, the Transferor will execute and deliver to the Transferee all Uniform Commercial Code amendments and other instruments and documents prepared and deemed necessary by the Transferee to maintain the continuous perfection of the lien in the Collateral.

(b) The Transferor further agrees to deliver to the Transferee, such other statements or agreements, in form and substance reasonably satisfactory to the Transferee, as Transferee may reasonably request in connection with the Transferor's assignment of its interest in the Notes and the Operative Agreements outlined above.

SECTION 6. Miscellaneous.

(a) This Agreement shall be governed by, and construed in accordance with, the laws of the same jurisdiction as is stated to be the governing law jurisdiction in the Security Agreement.

(b) This Agreement may be executed in counterparts and by different parties on separate counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. This Agreement shall be deemed delivered when the receipt set forth below is dated and executed by the Debtor.

(c) Section captions used in this Agreement are for convenience only and shall not affect the construction of this Agreement.

(d) This Agreement shall be binding upon the parties hereto and their respective successors and assigns, and shall inure to the sole benefit of the parties hereto and their successors and assigns.

(e) The Original Security Agreement, as hereby supplemented, remains in full force and effect and is specifically confirmed to be in full force and effect. Upon effectiveness of this Agreement, all references in the Original Security Agreement to "Security Agreement", "Agreement", "hereof" or the like shall refer to the Original Security Agreement as hereby supplemented.

(f) Any and all notices, request, certificates and other instruments executed and delivered concurrently with or after the execution and delivery of this Agreement may refer to the "Security Agreement" (or the Original Security Agreement) without making specific reference to this Agreement but nevertheless all such references shall be deemed to include this Agreement unless the context shall otherwise require.

IN WITNESS WHEREOF, the Transferor and the Transferee have caused this Agreement to be duly executed by their respective officers thereunto duly authorized.

TRANSFEROR:

THE NORTHWESTERN MUTUAL LIFE  
INSURANCE COMPANY

By: *Thomas Christoff*  
Name Printed: Thomas Christofferson  
Title: VICE PRESIDENT  
Date: ~~9/23/92~~ 9/30/92

TRANSFEEE:

SANWA BUSINESS CREDIT CORPORATION

By: \_\_\_\_\_  
Name Printed: Thomas Heimsoth  
Title: First Vice President  
Date: \_\_\_\_\_

Acknowledged and Agreed to  
this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_ :

CONTINENTAL BANK, NATIONAL ASSOCIATION  
not in its individual capacity but solely  
as Trustee

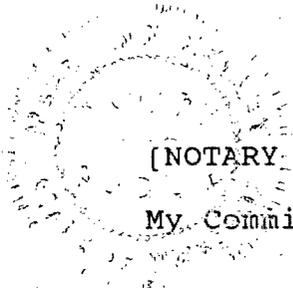
By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF WISCONSIN )  
 )  
COUNTY OF MILWAUKEE )

SS

On this 28th day of SEPTEMBER, 1992, before me personally appeared J. THOMAS CHRISTOFFELSON to me personally known, who, being by me duly sworn, says that he is a VICE PRESIDENT of The Northwestern Mutual Life Insurance Company, that one of the seals affixed to the foregoing instrument is the seal of said corporation, that said instrument was signed and sealed 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.

Mary Ann Kelly  
Notary Public



[NOTARY SEAL]

My Commission Expires:

11/8/92

IN WITNESS WHEREOF, the Transferor and the Transferee have caused this Agreement to be duly executed by their respective officers thereunto duly authorized.

TRANSFEROR:

THE NORTHWESTERN MUTUAL LIFE  
INSURANCE COMPANY

By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

TRANSFEEE:

SANWA BUSINESS CREDIT CORPORATION

By: Thomas W. Heimsoth  
Name Printed: Thomas Heimsoth  
Title: First Vice President  
Date: 9/30/92

Acknowledged and Agreed to  
this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_:

CONTINENTAL BANK, NATIONAL ASSOCIATION  
not in its individual capacity but solely  
as Trustee

By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_

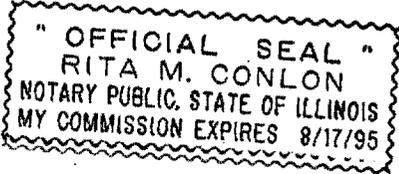
STATE OF ILLINOIS     )  
                                  )  
COUNTY OF COOK        )       SS

On this 30th day of September, 1992, before me personally appeared Thomas Hemsall, to me personally known, who, being by me duly sworn, says that he is a Vice President of Sanwa Business Credit Corporation, that one of the seals affixed to the foregoing instrument is the seal of said corporation, that said instrument was signed and sealed 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.

Rita M. Conlon  
\_\_\_\_\_  
Notary Public

[NOTARY SEAL]

My Commission Expires: 8/17/1995



IN WITNESS WHEREOF, the Transferor and the Transferee have caused this Agreement to be duly executed by their respective officers thereunto duly authorized.

TRANSFEROR:

THE NORTHWESTERN MUTUAL LIFE  
INSURANCE COMPANY

By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

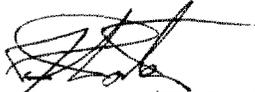
TRANSFEEE:

SANWA BUSINESS CREDIT CORPORATION

By: \_\_\_\_\_  
Name Printed: Thomas Heimsoth  
Title: First Vice President  
Date: \_\_\_\_\_

Acknowledged and Agreed to  
this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_:

CONTINENTAL BANK, NATIONAL ASSOCIATION  
not in its individual capacity but solely  
as Trustee

By:  \_\_\_\_\_  
Name Printed: John W. Porter  
Title: Trust Officer

SCHEDULE A

TRANSFER NOTES

<u>Note Number(s)</u>	<u>Registered Noteholder</u>	<u>Initial Principal Amount</u>
R - 1	The Northwestern Mutual Life Insurance Company	\$4,443,128.52