



RECORDATION NO. 23929 FILED
APR 4 '02 3-24 PM
TS
SURFACE TRANSPORTATION BOARD

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March 22, 2002

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423



Dear Secretary Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) copies of a Security Agreement dated March 22, 2002, a primary document as defined in the Board's Rules for the Recordation of Documents.

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

Debtor: Alexander Historic Depot Associates Limited Partnership
660 West Washington Avenue, Suite 303
Madison, WI 53703

Secured Party: McFarland State Bank
P.O. Box 7
McFarland, WI 53558-0007

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

All railroad equipment now owned or hereafter acquired, including Wisconsin & Calumet Railroad Company E-8 type locomotive 675; stainless clad coaches 2429, 2439 and 2751, and Corten coach with platform 1060.

A fee of \$28.00 is enclosed. Please return the original and any extra copies not needed by the Board for recordation to my attention via the enclosed self-addressed, postage prepaid envelope.

Mr. Vernon A. Williams
March 22, 2002
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A short summary of the document to appear in the index follows: Security Agreement between Alexander Historic Depot Associates Limited Partnership, debtor, 640 W. Washington Ave., Madison, WI and McFarland State Bank, secured party, P.O. Box 7, McFarland, WI, dated March 22, 2002 and covering one (1) E-8 type locomotive, three (3) stainless clad coaches, and one (1) Corten coach with platform.

Sincerely,

Boardman, Suhr, Curry & Field LLP
By



Athena Skaleris

AS/jmc
Encls.

SECURITY AGREEMENT

ORIGINAL

The undersigned, Alexander Historic Depot Associates Limited Partnership, and its successors and assigns (the "Borrower") grant to Bank (the "Lender") a security interest in all of the railroad cars, railroad equipment, 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 additional 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 credit previously granted, credit contemporaneously granted and credit granted in the future by Lender to Borrower, to Borrower and another, or to another guaranteed or indorsed by Borrower ("Obligations"). This Agreement is intended to clarify and not supplement the security interest granted by Borrower to Lender pursuant to that certain Mortgage of even date herewith providing security for the Obligations (the "Mortgage").

1. Borrower's Warranties. Borrower warrants that while any indebtedness remains outstanding under the Obligations, Borrower is the owner of the Collateral free of all encumbrances and security interest (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 damages to the Collateral shall not release Borrower from any of its Obligations.
- (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

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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 Construction Loan Agreement dated as of March 22, 2002 by and between Borrower and Lender, the Multiple Advance Note dated as of March 22, 2002 by Borrower in favor of Lender in the principal amount of \$2,080,000, the Mortgage or any other instrument evidencing or securing the Obligations 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, any 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 the Construction Loan 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 as of the 22nd day of March, 2002.

ALEXANDER HISTORIC DEPOT ASSOCIATES
LIMITED PARTNERSHIP

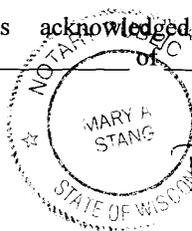
By: R. P. Alexander
Randall Alexander, General Partner

THE ALEXANDER COMPANY, INC.,
General Partner

By: R. P. Alexander
Randall Alexander, President

STATE OF WISCONSIN)
) ss.
COUNTY OF Dane)

This instrument was acknowledged before me on 3/22/02, by _____, the _____ of _____.


Mary A Stang
Notary Public
Dane County, Wisconsin
My Commission (expires) (is) 2/16/03

802 REGENT ST. MADISON, WI 53715

MONTH'S ACCOUNT

Exhibit A

DATE MADE 9/20 1989

WISCONSIN & CALUMET RAILROAD COMPANY
203 SOUTH PEARL STREET, JAMESVILLE, 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

06-PPA

CONTRIBUTION

FOR FURTHER INFORMATION, ADDRESS AUDITOR

WISCONSIN & CALUMET RAILROAD COMPANY
203 SOUTH PEARL STREET • JAMESVILLE, WISCONSIN 53545