

RECORDATION NO. 20467 FILED 1425
JAN 7 1997 2:55 PM

ALVORD AND ALVORD
ATTORNEYS AT LAW
918 SIXTEENTH STREET, N.W.
SUITE 200
WASHINGTON, D.C.
20006-2973
(202) 393-2266
FAX (202) 393-2156

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

OF COUNSEL
URBAN A. LESTER

January 7, 1997

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

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of a Note and Security Agreement, dated November 21, 1996, 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: Allied Enterprises, Inc.
107 N. Commercial Street
Springdale, AR 72764

Secured Party: NationsBanc Leasing Corporation
2300 Northlake Centre Drive
Tucker, Georgia 30084

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

thirty-five (35) boxcars bearing SP, SSW and DRGW reporting marks and road numbers set forth on Exhibit A attached thereto.

Counterparts - K. Battman

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RECEIVED
SURFACE TRANSPORTATION
BOARD

Mr. Vernon A Williams
January 7, 1997
Page 2

Also enclosed is a check in the amount of \$22 00 payable to the order of the
Surface Transportation Board covering the required recordation fee

Kindly return stamped copies of the enclosed document to the undersigned

Very truly yours,

Robert W Alvord

RWA/bg
Enclosures

Debtor: Allied Enterprises, Inc.

Note and Security Agreement Number: 00092-00703

| <u>Quantity:</u> | <u>Description</u> | <u>SerialNumber:</u> |
|------------------|--------------------------|----------------------|
| 1 | 60' 100-ton used Box Car | SP690256 |
| 1 | 60' 100-ton used Box Car | SP690264 |
| 1 | 60' 100-ton used Box Car | SP690277 |
| 1 | 60' 100-ton used Box Car | SP690287 |
| 1 | 60' 100-ton used Box Car | SP690182 |
| 1 | 60' 100-ton used Box Car | SP690194 |
| 1 | 60' 100-ton used Box Car | SP690218 |
| 1 | 60' 100-ton used Box Car | SSW62207 |
| 1 | 60' 100-ton used Box Car | SP690391 |
| 1 | 60' 100-ton used Box Car | SP690329 |
| 1 | 60' 100-ton used Box Car | SP690410 |
| 1 | 60' 100-ton used Box Car | SSW28345 |
| 1 | 60' 100-ton used Box Car | SSW28538 |
| 1 | 60' 100-ton used Box Car | SP690425 |
| 1 | 60' 100-ton used Box Car | SP690434 |
| 1 | 60' 100-ton used Box Car | SSW28703 |
| 1 | 60' 100-ton used Box Car | SSW28723 |
| 1 | 60' 100-ton used Box Car | SSW28727 |
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| 1 | 60' 100-ton used Box Car | DRGW60875 |
| 1 | 60' 100-ton used Box Car | DRGW63821 |
| 1 | 60' 100-ton used Box Car | DRGW63824 |

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20425-0001

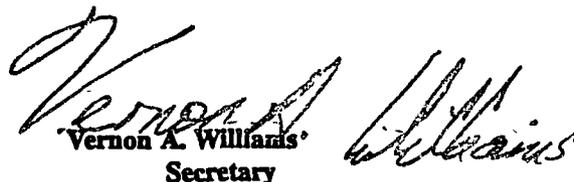
1/7/97

Robert W. Alvord
Alvord And Alvord
918 Sixteenth Street, NW., Ste. 200
Washington, DC., 20006-2973

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 1/7/97 at 2:55PM, and assigned recordation number(s). 20467 and 18103-I.

Sincerely yours,


Vernon A. Williams
Secretary

Enclosure(s)

\$ 44.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



This Note and Security Agreement made as of the date set forth below sets forth the terms and conditions governing the repayment of a loan made by NationsBank Leasing Corporation ("Secured Party") to the party identified below as "Debtor" for the purpose of financing the personal property identified below as the "Equipment", and the granting by Debtor to Secured Party of a security interest in the Equipment and certain related property to secure the repayment of all Debtor's obligations to Secured Party.

Date: November 21, 1996

Agreement Number: 00092-00703

Secured Party: NationsBank Leasing Corporation
2300 Northlake Centre Drive, Suite 300
Tucker, Georgia 30084-4007

Debtor: Allied Enterprises, Inc.

Equipment: See Exhibit "A" attached hereto and made a part hereof.

Equipment Location: 107 N. Commercial Street, Springdale, Washington, AR 72764

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20467
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Principal Amount of Loan: \$385,300.00

Number of Repayment Installments (including Final Repayment Installment): 60

Amount of Each Repayment Installment Prior to Final Repayment Installment: \$7,820.98

Amount of Final Repayment Installment: \$7,820.98

Due Date of First Repayment Installment: On the date Secured Party funds this Loan.

Interest Rate. A per annum rate of interest equal to (i) 8.34% percent (Eight and 34/100) or (ii) if less, the highest rate of interest permitted by applicable law.

Loan; Terms of Repayment. In consideration of the making of a loan by Secured Party to Debtor for the purpose of financing the Equipment specified above (the "Loan"), Debtor promises and agrees to pay to the order of Secured Party, at Secured Party's address stated above or at such other places as Secured Party may from time to time designate in writing, the principal amount of the Loan, together with interest calculated as hereinafter provided. Subject to Debtor's right to prepay such principal amount in whole or in part as hereinafter provided, Debtor shall pay such principal amount together with interest thereon in consecutive monthly installments, each in the amount set forth above under the heading "Amount of Each Repayment Installment Prior to Final Repayment Installment," due and payable on the "Due Date of First Repayment Installment" set forth above and on a like date of each calendar month thereafter until the Loan is fully repaid; provided, however, that the last such installment shall be in the amount set forth above under the heading "Amount of Final Repayment Installment" or (if greater) the amount of the then outstanding principal balance of the Loan together with interest thereon.

Interest. Interest shall be calculated on the basis of a year of three hundred sixty (360) days. Each installment shall include all interest accrued through the due date.

Prepayments. After one (1) year from the date Secured Party funds this Loan, the outstanding principal balance of the Loan may be prepaid in whole or in part at any time, together with all interest and late charges accrued through the date of prepayment and a prepayment charge calculated as follows: one percent (1%) of the amount prepaid multiplied by the number of years or fraction thereof remaining under the term of this Agreement. Partial prepayments shall be applied against principal installments in their inverse order of maturity. Except as provided herein, the Loan may not be prepaid.

Late Charges. To the extent permitted by applicable law, Debtor shall pay on demand, as a late charge, an amount equal to five percent (5%) of each installment or part thereof that is not paid within ten (10) days of the date when due, but nothing in this paragraph alters the definitions of events of default hereunder. Debtor shall pay the late charge, to the extent permitted by applicable law, regardless of whether or not Debtor's failure to pay such installment when due is or becomes a default hereunder and regardless of whether or not Secured Party proceeds under the "Remedies" provisions hereof or takes any other action, and demand for and collection of the late charge shall not be deemed a waiver of default or of any other remedies or rights.

Security Interest. Debtor hereby grants to Secured Party a security interest in and security title to the personal property described above as the "Equipment", together with all parts, additions, accessions, accessories, replacements and substitutions thereto or therefor, and all proceeds therefrom (including any proceeds of insurance against fire or other casualty whether or not the insurance policy contains an endorsement in favor of Secured Party), all of which is hereinafter called the "Collateral". This security interest is given to secure payment to Secured Party of all present and future obligations of Debtor to Secured Party, including without limitation the obligation of Debtor to repay the Loan and all other liabilities arising under or in connection with this Agreement; all future advances, if any, made by Secured Party to Debtor, whether or not made pursuant to any commitment of Secured Party (and nothing in this Agreement shall be construed to create or imply the existence of any such commitment); and all other liabilities of Debtor to Secured Party now existing or hereafter incurred, matured or unmatured, direct or contingent, whether or not evidenced by a promissory note,

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thereof and substitutions therefor. (All of the above obligations, including but not limited to obligations in respect of the Loan, are hereinafter called the "Indebtedness.")

Debtor Warrants and Represents that:

Good Standing. Debtor is organized and existing in good standing under the laws of the jurisdiction of its formation, has the power to own its property and to carry on its business as now being conducted, and is duly qualified to do business and is in good standing in each jurisdiction in which the character of the property owned by it therein or the transaction of its business makes such qualification necessary.

Authority. Debtor has full power and authority to enter into this Agreement, to make the borrowing hereunder, and to incur the obligations provided for herein, all of which have been duly authorized by all proper and necessary action. No consent or approval of stockholders, partners, members or co-owners or of any public authority is required as a condition to the validity of this Agreement.

Binding Agreement. This Agreement constitutes the valid and legally binding obligation of Debtor enforceable in accordance with its terms.

Litigation. There are no proceedings pending or threatened before any court or administrative agency that might materially adversely affect the financial condition or operation of Debtor.

No Conflicting Agreements. There is no charter, by-law, preference stock or partnership agreement provision of Debtor and no provision of any other organizational documents or existing mortgage, indenture, contract or agreement binding on Debtor or affecting its property which would conflict with or in any way prevent the execution, delivery or performance of the terms of this Agreement.

Ownership Free of Encumbrances. Except for the security interest granted hereby, Debtor now owns, or will use the proceeds hereof to become the owner of, the Collateral free from any prior lien, security interest or encumbrance. No financing statement covering the Collateral or any proceeds thereof is on file in any public office, except for financing statements showing Secured Party as the sole secured party thereunder. Debtor has a good right to grant a security interest in the Collateral to Secured Party.

Fixtures. None of the Collateral is now a part of or affixed to any real property.

Collateral Location. Except for items of Collateral that constitute mobile goods and that are in fact in use by Debtor in the ordinary course of its business at other locations, all the Collateral comprising goods heretofore delivered to the Debtor by the seller thereof is located either at (i) Debtor's address set forth above or (ii) the "Equipment Location" set forth above.

Merger/Name Change. Within the five (5) years preceding the date hereof, Debtor has not changed its name or been party to any merger or other corporate reorganization.

Debtor Covenants and Agrees that until all the Indebtedness is fully satisfied:

Insurance. Debtor shall maintain continuously, and pay when due all premiums for, fire and casualty insurance with extended coverage on the Collateral, insuring the same against loss by fire, explosion, theft and such other casualties as are usually insured against by companies engaged in the same or similar businesses with a responsible company or companies satisfactory to Secured Party, in an amount not less than the unpaid balance of the Loan. Each of such insurance policies shall have attached thereto a standard loss payable endorsement, without contribution, in favor of Secured Party as its interest may appear; shall provide that it may not be canceled without thirty (30) days' prior written notice to Secured Party; shall provide that, in respect of Secured Party's interest in such policy, the insurance shall not be invalidated by any action or inaction of Debtor or any other person (other than Secured Party); shall insure Secured Party's interest in the Collateral as it may appear, regardless of any breach or violation of any warranty, declaration or condition contained in such policy by Debtor or any other person (other than Secured Party); and shall otherwise be in form and substance acceptable to Secured Party. Debtor shall deliver forthwith to Secured Party each such policy (together with the loss payable endorsement), or certificates of insurance or other evidence satisfactory to Secured Party of the existence of all required insurance, its terms and conditions, and the payment of all applicable premiums. Similar evidence of renewal coverage, satisfactory to Secured Party, shall be delivered to Secured Party at least fifteen (15) days before the expiration of any initial insurance coverage. In addition, Debtor shall maintain, and pay when due all premiums for, liability and other insurance in such amounts and against such risks as is customarily carried by persons in similar businesses owning similar property. Debtor irrevocably appoints Secured Party as Debtor's attorney-in-fact, with full power of substitution, during the existence of any default under this Agreement, to execute loss claims and other applications for payment of benefits under any insurance policy in the name of Debtor or Secured Party, to receive all monies and to endorse drafts, checks and other instruments for the payment of any proceeds of any insurance. This appointment shall be deemed a power coupled with an interest and shall not be terminable by Debtor so long as Debtor remains indebted to Secured Party.

Maintenance and Clear Title. Debtor shall keep the Collateral in good condition and free from liens and security interests, shall not sign or suffer to be filed any financing statements relating to the Collateral except those showing Secured Party as sole secured party shall not sell or lease or offer to sell or lease or otherwise encumber or dispose of any of the Collateral, shall defend the Collateral against all claims and demands of all persons at any time claiming any interest or right therein, and shall not use the Collateral illegally. Secured Party may examine and inspect the Collateral at any time, wherever located.

Change of Name, Residence or Place of Business. Debtor shall not change its name, residence or place of business or do business under any assumed or fictitious name without giving Secured Party at least thirty (30) days prior written notice.

Change of Structure. Debtor shall maintain its existence, and shall not merge or consolidate with or into any other entity or sell substantially all of its assets.

Use of Collateral. Debtor shall use the Collateral exclusively for business operations.

Fixtures. Debtor shall not permit any of the Collateral to become a part of or affixed to any real property.

of creditors, admit in writing its inability to pay its debts as they mature, or suspend the operation of its present business; or

7. A trustee, receiver or custodian shall be appointed for Debtor or for a substantial part of its property without the consent of Debtor and not be discharged within thirty (30) days, or

8. Bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings shall be instituted by or against Debtor, and, if instituted against Debtor, be consented to or remain undismissed for a period of thirty (30) days; or

9. An event described in Section 6, 7, or 8 shall occur with respect to any party who is guarantor or surety for the Indebtedness; or

10. Any default shall be made by Debtor in any obligation for the payment of borrowed money or capitalized leases or any such obligation shall become or be declared to be due and payable prior to the original stated maturity thereof, or

11. Liquidation or dissolution of Debtor, or

12. Sale, transfer or exchange, directly or indirectly, in one or more transactions, of a controlling stock interest in Debtor or the suspension of Debtor's present business, or

13. The Pension Benefit Guaranty Corporation shall commence proceedings under Section 4042 of the Employee Retirement Income Security Act of 1974 to terminate any employee pension benefit plan of Debtor, or

14. The attempted repudiation of any guaranties for obligations of Debtor to Secured Party

Remedies. Upon any event of default and at any time thereafter, Secured Party may declare all the Indebtedness immediately due and payable in full (unless such event of default comprises one or more of the events described in paragraphs 7 or 8 above, in which case all the Indebtedness shall become immediately due and payable in full without declaration, notice or other action on the part of Secured Party), and may proceed to enforce payment thereof and exercise any and all of the rights and remedies provided by the Uniform Commercial Code as well as all other rights and remedies of Secured Party hereunder or under other applicable law. Upon the occurrence of an event of default, Debtor shall, upon demand by Secured Party, assemble the Collateral and make it available to Secured Party at a place designated by Secured Party reasonably convenient to both parties. Secured Party may, at its election, enforce its rights under this Agreement by a suit in equity for specific performance. Debtor grants Secured Party the right to enter upon any premises of Debtor for the purpose of recovering possession of the Collateral or any part thereof after the occurrence of an event of default, or for the preservation or enforcement of Secured Party's other rights hereunder, all without demand or notice to Debtor and without judicial hearing or proceedings, which Debtor hereby expressly waives. The requirements of reasonable notice shall be deemed met if such notice is mailed to an address of Debtor shown at the beginning of this Agreement at least ten (10) days before the time of the sale or disposition, but nothing contained herein shall be construed to mean that other notice or a shorter period of time does not constitute reasonable notice of the sale or other disposition of the Collateral. Debtor shall reimburse Secured Party for all Secured Party's expenses of retaking, holding, preparing for sale, selling or otherwise dealing with or disposing of the Collateral, including attorney's fees in the amount of fifteen percent (15%) of the outstanding principal balance of and interest on the Indebtedness (but not to exceed the amount of attorneys' fees actually incurred) if collection is by or through an attorney at law. Subject to applicable law, Debtor shall pay any Indebtedness remaining unpaid after sale or other disposition of any or all of the Collateral. Any surplus proceeds from the sale or other disposition of the Collateral remaining after full satisfaction of the Indebtedness shall be paid to Debtor or to such other persons as may be entitled thereto under applicable law.

Cumulative Rights and No Waiver. Each and every right granted to Secured Party hereunder or in connection herewith, or allowed by law or equity, shall be cumulative and may be exercised from time to time. No failure on the part of Secured Party to exercise, and no delay in exercising, any right shall operate as a waiver thereof, nor shall any single or partial exercise by Secured Party of any right preclude any other or future exercise thereof or the exercise of any other right.

Financing Statements. Debtor shall sign and deliver to Secured Party such financing statements and other documents as Secured Party may deem necessary to perfect, protect and continue its security interest in the Collateral, in form satisfactory to Secured Party. Debtor will reimburse Secured Party for all expenses incurred in (i) the filing and recording of this Note and Security Agreement with the Interstate Commerce Commission in accordance with Section 11303 of the Revised Interstate Commerce Act and the regulations promulgated thereunder, and (ii) the filing of financing statements, continuation statements, termination statements and any other documents relating to the perfection of Secured Party's security interest in the Collateral. A carbon, photographic or other reproduction of this Agreement or of a financing statement relating to the security interest herein granted is sufficient as a financing statement. Debtor authorizes Secured Party to file financing statements as to the Collateral signed only by Secured Party and not by Debtor.

Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Assignability. Debtor acknowledges that the rights of Secured Party may be assigned to any person in whole or in part at the sole discretion of Secured Party, and Debtor agrees that any defense it may have against Secured Party as to events occurring prior to an assignment shall not be asserted, and shall be void, against any assignee of the rights of Secured Party. Debtor shall not assign any of its rights or obligations under this Agreement to any person without the prior written consent of Secured Party, and in the absence of such prior written consent, no such assignment of any right or obligation of Debtor hereunder shall be binding on Secured Party. Subject to the foregoing limitations, the terms and conditions of this Agreement shall be binding on and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties.

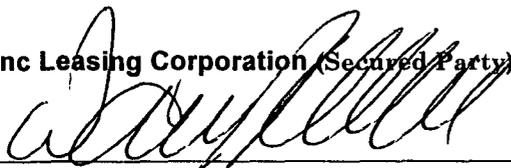
Warranty Disclaimer. Secured Party is not a manufacturer or seller of the Collateral and makes no warranties whatsoever with respect to the Collateral, including without limitation warranties of title, merchantability or fitness for any particular purpose. Debtor shall not assert any breach of any such warranty as a defense to any of its obligations to Secured Party under this Agreement, however, nothing in this Agreement shall be construed to impair any of Debtor's remedies for breach of warranty against any seller or manufacturer of the Collateral.

with and governed by the laws of the State of Georgia as of the date hereof. If the address of Debtor's residence or principal place of business shown herein is not in the State of Georgia, Debtor consents to the exercise of personal jurisdiction over Debtor by any court or record sitting in the State of Georgia in connection with any action arising out of this Agreement, and waives all objections to service of process on Debtor at such address.

Waiver of Jury Trial Secured Party and Debtor each waive trial by jury in any action, proceeding or counterclaim brought by either of the parties against the other on any matter whatsoever arising out of or in any way connected with this Agreement.

IN WITNESS WHEREOF, the parties have caused their names to be signed and their seals affixed as of the date first above written. By execution hereof, each party intends and agrees to be legally bound by all the provisions of this Agreement.

NationsBanc Leasing Corporation (Secured Party)

By: 

Printed Name. Damon R. Excell

Assistant Vice President

Title _____

Allied Enterprises, Inc. (Debtor)

By: Lawrence P. Bouchat

Printed Name Lawrence P. Bouchat

Title. Executive Vice President

NationsBank®

NationsBanc Leasing Corporation

Exhibit A to

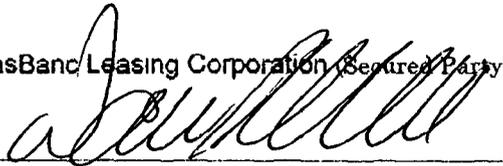
Note and Security Agreement

Debtor: Allied Enterprises, Inc.

Note and Security Agreement Number: 00092-00703

| <u>Quantity:</u> | <u>Description:</u> | <u>SerialNumber:</u> |
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| 1 | 60' 100-ton used Box Car | DRGW63824 |

NationsBanc Leasing Corporation (Secured Party)

By: 

Printed Name: Damon R. Excell

Title: Assistant Vice President

Secured Party Initial: DE

Allied Enterprises, Inc. (Debtor)

By: Lawrence P. Bouchet

Printed Name: Lawrence P. Bouchet

Title: Executive Vice President

Debtor Initial: LPB

STATE OF Arkansas
COUNTY OF Washington ss:

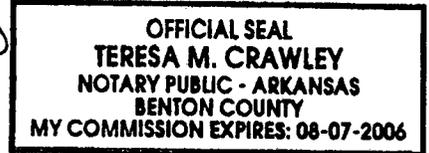
On this 29 day of Nov, 1996, before me, personally appeared L.P. Bouchet, to me personally known, who being by me duly sworn, says that (s)he is the Executive VP of ALLIED ENTERPRISES, INC., that the seal affixed to the foregoing Note and Security Agreement # 00092-00703 is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of said instrument was the free act and deed of said corporation.

Teresa M. Crawley
Notary Public

(Seal)

My Commission expires:

08-07-2006



STATE OF GEORGIA)
) ss:
COUNTY OF DEKALB)

On this ___ day of _____, 1996, before me, personally appeared _____, to me personally known, who being by me duly sworn, says that (s)he is the _____ of NATIONSBANC LEASING CORPORATION, that the seal affixed to the foregoing Note and Security Agreement # 00092-00703 is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of said instrument was the free act and deed of said corporation.

Notary Public

(Seal)

My Commission expires:

This Annex A constitutes an integral part of Note and Security Agreement No. 00092-00703 dated April 29, 1996, (the "Note"), between Allied Enterprises, Inc. (the "Debtor") and NationsBanc Leasing Corporation (the "Secured Party"). Words and terms which are defined in the Note shall have the same meanings herein as therein provided.

The following provisions are hereby made a part of and incorporated in the Note:

(a) Debtor agrees to comply in all respects with all laws of the jurisdictions in which the Collateral may be operated, with all applicable rules of the Association of American Railroads, and with all laws, rules, regulations and orders of the Department of Transportation and the Interstate Commerce Commission and any other federal, state or local legislative, executive, administrative or judicial body exercising any power of jurisdiction over the Collateral (collectively, "Applicable Laws"). In the event that any Applicable Law requires the alteration of any Collateral, or in case any Collateral or accessory or attachment thereto shall be required to be changed or replaced, or in case any additional or other accessory or attachment is required to be installed on any Collateral in order to comply with Applicable Laws, Debtor agrees to make such alterations, changes, additions and replacements at its own expense; and Debtor agrees at its own expense to use, store, maintain and operate the Collateral in full compliance with the Applicable Laws throughout the term of this Note.

(b) In addition to its covenants and agreements under the Note regarding the location of the Collateral, Debtor agrees that the Collateral will be used primarily in the continental United States and that Debtor will use its best efforts to cause any Collateral which is used outside of the continental United States to remain outside of the continental United States for the shortest possible time.

(c) In addition to its covenants and agreements under the Note regarding financing statements, Debtor agrees that it will, at its expense prior to the delivery and acceptance of any Collateral under the Note, cause the Note to be filed and recorded with the Interstate Commerce Commission in accordance with Section 11303 of the Revised Interstate Commerce Act and the regulations promulgated thereunder. All references in the Note to "financing statements" shall be deemed to include filings and recordations with the Interstate Commerce Commission.

(d) Debtor shall maintain on each side of each item of Collateral the following identification in block letters not less than two inches high: "NATIONSBANC LEASING CORPORATION, SECURED PARTY", or other appropriate words designated by Secured Party, with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the rights of the Secured Party under this Note. Debtor will not place any Collateral in operation or exercise any control or dominion over the same until such names and words shall have been so marked on both sides thereof and will replace promptly any such markings which may be removed, defaced or destroyed.

(e) Debtor shall maintain on each unit of Collateral the serial and other identifying numbers set forth on page one of the Note under the heading "Equipment", and Debtor will not change the identifying number of any Collateral except in accordance with a statement of new identifying numbers to be substituted therefor, which statement previously shall have been delivered to Secured Party by Debtor and filed, recorded or deposited by Debtor in all public offices where this Note or any notice thereof shall have been filed, recorded or deposited.

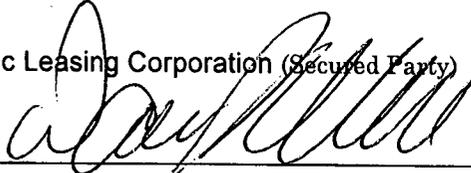
(f) Except as provided in the preceding clauses (d) and (e), Debtor will not allow the name of any person, corporation or other entity to be placed on any Collateral that might be interpreted as a claim of ownership; provided, however, that Debtor may cause Collateral to be lettered with the names or initials or other insignia customarily used by Debtor on railroad equipment used by Debtor of the same or a similar type.

(g) The following will be added as Events of Default Section 15. Distributions/withdrawals/dividends in excess of fifty five percent (55%) of net income in a given year.

In the event of any inconsistency between any provision of this Annex A and any other provision(s) of the Note, the provisions of this Annex A shall be controlling, but only to the extent of such inconsistency.

IN WITNESS WHEREOF, the parties have caused their names to be signed and their seals affixed as of the date first above written. By execution hereof, each party intends and agrees to be legally bound by all the provisions of this Agreement.

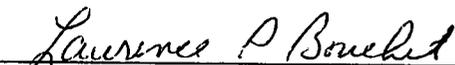
NationsBanc Leasing Corporation (Secured Party)

By: 

Printed Name: Damon R. Excell

Title: Assistant Vice President

Allied Enterprises, Inc. (Debtor)

By: 

Printed Name: Lawrence P. Bouchet

Title: Executive Vice President

Note and Security Agreement Number. 00092-00703
Dated 11/20/96

To: NationsBanc Leasing Corporation

The undersigned hereby certifies that all property described in the above-referenced Note and Security Agreement by and between NationsBanc Leasing Corporation, Secured Party, and the undersigned, Debtor, has been furnished, that delivery and installation has been fully completed as required, and that the equipment is accepted and satisfactory in all respects

We hereby authorize you to disburse the proceeds of this Note and Security Agreement as follows:

| Disburse to | Amount |
|---|--------------|
| GreenBrier Railcar PO Box 2600 Portland, OR 97208 | \$385,300 00 |
| Total | \$385,300.00 |

 Allied Enterprises, Inc. (Debtor)

By Lawrence P. Bouchet
Printed Name. Lawrence P. Bouchet
Title Executive Vice President
Date: 11/29/96