

THIS MORTGAGE TAKEN AS ADDITIONAL
COLLATERAL FOR EXISTING
INDEBTEDNESS

1424

Calera, Alabama

FIRST TERM AND OPEN END MORTGAGE

THIS FIRST TERM AND OPEN END MORTGAGE (being hereinafter referred to as the "Mortgage") dated as of the 1st day of August, 1989, made by ABC RAIL CORPORATION, a Delaware corporation (the "Mortgagor"), having its chief executive office at 200 South Michigan Avenue, Chicago, Illinois 60604, in favor of THE FIRST NATIONAL BANK OF CHICAGO, a national banking association having its chief executive office in Chicago, Illinois (the "Mortgagee").

W I T N E S S E T H:

WHEREAS, pursuant to that certain Second Restated and Amended Loan and Security Agreement (as further amended from time to time, the "Loan Agreement") of even date herewith by and between the Mortgagor and the Mortgagee, Mortgagee has agreed to extend certain loans and other financial accommodations to Mortgagor, including, without limitation, a bridge loan (the "Bridge Loan") in the original principal amount of Twenty-One Million Dollars (\$21,000,000.00);

WHEREAS, the Bridge Loan shall bear interest at the rate specified in the Loan Agreement;

WHEREAS, \$10,416,668.00 of the Bridge Loan is the unpaid principal balance of the indebtedness evidenced by the Fixed Asset Note, dated July 8, 1987, in the original principal amount of \$12,500,000, which Fixed Asset Note was executed by the Mortgagor to the order of the Mortgagee and was referred to in, and secured by the First Term and Open End Mortgage dated July 8, 1987 from the Mortgagor to the Mortgagee, which mortgage was recorded in the office of the Judge of Probate of Shelby County, Alabama in Book 140, page 6, which Fixed Asset Note was sold and assigned by the Mortgagee to Sanwa Business Credit Corporation ("Sanwa") pursuant to that certain Purchase and Assignment Agreement dated as of October 29, 1987, and is as of the date hereof repurchased by Mortgagee and assigned by Sanwa to Mortgagee pursuant to a Purchase and Assignment Agreement of even date herewith (the "Unpaid Principal Balance");

WHEREAS, the Mortgagee has required as a condition, among others, to its execution and delivery of the Loan Agreement and in order to secure the payment of the Unpaid Principal Balance and all of Mortgagor's payment and performance

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obligations hereunder (all of such payment and performance obligations being hereinafter collectively referred to as the "Liabilities"), that Mortgagor execute and deliver this Mortgage to Mortgagee; and

WHEREAS, the limitation of this Mortgage to the Liabilities shall apply only to the lien upon real property created by this Mortgage, and it shall not in any manner limit, affect or impair any grant of a security interest in any personal property in favor of the Mortgagee, or under any other security agreement at any time executed by Mortgagor.

NOW, THEREFORE, in consideration of the premises contained herein and to secure payment of the Liabilities and in consideration of One Dollar (\$1.00) in hand paid, receipt whereof is hereby acknowledged, Mortgagor does hereby grant, remise, release, alien, convey, mortgage and warrant to Mortgagee, its successors and assigns and grant a security interest to Mortgagee, its successors and assigns, in and to the following described real estate in Shelby County, Alabama:

See Exhibit A attached hereto and by this reference made a part hereof

which real estate (the "Land"), together with all right, title and interest, if any, which Mortgagor may now have or hereafter acquire in and to all improvements, buildings and structures thereon of every nature whatsoever, is herein called the "Premises."

TOGETHER WITH all right, title and interest, if any, including any after-acquired right, title and interest, and including any right of use or occupancy, which Mortgagor may now have or hereafter acquire in and to (a) all easements, rights of way, gores of land or any lands occupied by streets, ways, alleys, passages, sewer rights, water courses, water rights and powers, and public places adjoining said Land, and any other interests in property constituting appurtenances to the Premises, or which hereafter shall in any way belong, relate or be appurtenant thereto and, (b) all hereditaments, gas, oil, minerals, and easements, of every nature whatsoever, located in or on the Premises and all other rights and privileges thereunto belonging or appertaining and all extensions, additions, improvements, betterments, renewals, substitutions and replacements to, or of any of the rights and interests described in subparagraphs (a) and (b) above (hereinafter the "Property Rights.")

TOGETHER WITH all fixtures and appurtenances of every nature whatsoever now or hereafter located in, on or attached to, and used or intended to be used in connection with, or with the operation of, the Premises, including, but not limited to (a) all apparatus, machinery and equipment of Mortgagor; and (b) all extensions, additions, improvements, betterments, renewals, substitutions, and replacements to or of any of the foregoing (the "Fixtures"); as well as all personal property and equipment of every nature whatsoever now or hereafter located in or on the Premises, including but not limited to (c) all screens, window shades, blinds, wainscoting, storm doors and windows, floor coverings, and awnings of Mortgagor; (d) all apparatus, machinery, equipment and appliances of Mortgagor not included as Fixtures; (e) all items of furniture, furnishings, and personal property of Mortgagor; and (f) all extensions, additions, improvements, betterments, renewals, substitutions, and replacements to or of any of the foregoing (c)-(e) (the "Personal Property"). It is mutually agreed, intended and declared, that the Premises and all of the Property Rights and Fixtures owned by Mortgagor (referred to collectively herein as the "Mortgaged Property") shall, so far as permitted by law, be deemed to form a part and parcel of the Land and for the purpose of this Mortgage to be real estate and covered by this Mortgage. It is also agreed that if any of the property herein mortgaged is of a nature so that a security interest therein can be perfected under the Uniform Commercial Code, this instrument shall constitute a security agreement, fixture filing and financing statement, and Mortgagor agrees to execute, deliver and file or refile any financing statement, continuation statement, or other instruments Mortgagee may reasonably require from time to time to perfect or renew such security interest under the Uniform Commercial Code. To the extent permitted by law, (i) all of the Fixtures are or are to become fixtures on the Land; and (ii) this instrument, upon recording or registration in the real estate records of the proper office, shall constitute a "fixture-filing" within the meaning of Sections 9-313 and 9-402 of the Uniform Commercial Code. The remedies for any violation of the covenants, terms and conditions of the agreements herein contained shall be as prescribed herein or by general law, or, as to that part of the security in which a security interest may be perfected under the Uniform Commercial Code, by the specific statutory consequences now or hereafter enacted and specified in the Uniform Commercial Code, all at the Mortgagee's sole election.

TOGETHER WITH (i) all the estate, right, title and interest of the Mortgagor, in and to all judgments, insurance proceeds, awards of damages and settlements resulting from condemnation proceedings or the taking of the Mortgaged Property, or any part thereof, under the power of eminent domain or for any

damage (whether caused by such taking or otherwise) to the Mortgaged Property, or any part thereof, or to any rights appurtenant thereto, and all proceeds of any sales or other dispositions of the Mortgaged Property or any part thereof; and (except as otherwise provided herein or in the Loan Agreement) the Mortgagee is hereby authorized to collect and receive said awards and proceeds and to give proper receipts and acquittances therefor, and to apply the same as provided in the Loan Agreement; and (ii) all contract rights, general intangibles, actions and rights in action, relating to the Mortgaged Property including, without limitation, all rights to insurance proceeds and unearned premiums arising from or relating to damage to the Mortgaged Property; and (iii) all proceeds, products, replacements, additions, substitutions, renewals and accessions of and to the Mortgaged Property. (The rights and interests described in this paragraph shall hereinafter be called the "Intangibles.")

As additional security for the Liabilities secured hereby, Mortgagor does hereby pledge and assign to Mortgagee from and after the date hereof (including any period of redemption), primarily and on a parity with said real estate, and not secondarily, all the rents, issues and profits of the Mortgaged Property and all rents, issues, profits, revenues, royalties, bonuses, rights and benefits due, payable or accruing (including all deposits of money as advance rent, for security or as earnest money or as down payment for the purchase of all or any part of the Mortgaged Property) (the "Rents") under any and all present and future leases, contracts or other agreements relative to the ownership or occupancy of all or any portion of the Mortgaged Property and, except to the extent such a transfer or assignment is not permitted by the terms thereof, does hereby transfer and assign to Mortgagee all such leases and agreements (including all Mortgagor's rights under any contracts for the sale of any portion of the Mortgaged Property and all revenues and royalties under any oil, gas and mineral leases relating to the Mortgaged Property) (the "Leases"). Mortgagee hereby grants to Mortgagor the right to collect and use the Rents as they become due and payable under the Leases, but not more than one (1) month in advance thereof, until a "Default" (as defined in the Loan Agreement) has occurred provided that the existence of such right shall not operate to subordinate this assignment to any subsequent assignment, in whole or in part, by Mortgagor, and any such subsequent assignment shall be subject to the rights of the Mortgagee under this Mortgage. Mortgagor further agrees to execute and deliver such assignments of leases or assignments of land sale contracts as Mortgagee may from time to time request. In the event of a Default under the Loan Agreement (1) the Mortgagor agrees, upon demand, to deliver to the Mortgagee all of

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the Leases with such additional assignments thereof as the Mortgagee may request and agrees that the Mortgagee may assume the management of the Mortgaged Property, and collect the Rents, applying the same upon the Liabilities in the manner provided in the Loan Agreement, and (2) the Mortgagor hereby authorizes and directs all tenants, purchasers or other persons occupying or otherwise acquiring any interest in any part of the Mortgaged Property to pay the Rents due under the Leases to the Mortgagee upon request of the Mortgagee. Mortgagor hereby appoints Mortgagee as its true and lawful attorney in fact to manage said property and collect the Rents, with full power to bring suit for collection of the Rents and possession of the Mortgaged Property, giving and granting unto said Mortgagee and unto its agent or attorney full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in the protection of the security hereby conveyed; provided, however, that (i) this power of attorney and assignment of rents shall not be construed as an obligation upon said Mortgagee to make or cause to be made any repairs that may be needful or necessary and (ii) Mortgagee agrees that until such Default as aforesaid, Mortgagee shall permit Mortgagor to perform the aforementioned management responsibilities. Upon Mortgagee's receipt of the Rents, at Mortgagee's option, it may pay: (1) reasonable charges for collection hereunder, costs of necessary repairs and other costs requisite and necessary during the continuance of this power of attorney and assignment of rents, (2) general and special taxes, insurance premiums, and (3) the balance of the Rents pursuant to the provisions of the Loan Agreement. This power of attorney and assignment of rents shall be irrevocable until this Mortgage shall have been satisfied and released of record and the releasing of this Mortgage shall act as a revocation of this power of attorney and assignment of rents. Mortgagee shall have and hereby expressly reserves the right and privilege (but assumes no obligation) to demand, collect, sue for, receive and recover the Rents, or any part thereof, now existing or hereafter made, and apply the same in accordance with the provisions of the Loan Agreement.

All of the mortgaged property described above, and each item of mortgaged property therein described, not limited to but including the Land, the Premises, the Property Rights, the Fixtures, the Mortgaged Property, the Intangibles, the Rents and the Leases, is herein referred to as the "Mortgaged Property".

Nothing herein contained shall be construed as constituting the Mortgagee a mortgagee-in-possession in the absence of the taking of actual possession of the Mortgaged Property by the Mortgagee. Nothing contained in this Mortgage shall be construed as imposing on Mortgagee any of the

obligations of the lessor under any lease of the Mortgaged Property in the absence of an explicit assumption thereof by Mortgagee. In the exercise of the powers herein granted to the Mortgagee, no liability shall be asserted or enforced against the Mortgagee, all such liability being expressly waived and released by Mortgagor.

TO HAVE AND TO HOLD the Mortgaged Property, properties, rights and privileges hereby conveyed or assigned, or intended so to be, unto Mortgagee, its beneficiaries, successors and assigns, forever for the uses and purposes herein set forth. Mortgagor hereby releases and waives all rights under and by virtue of the Homestead Exemption Laws, if any, of the State of Alabama (the "State") and Mortgagor hereby covenants, represents and warrants that, at the time of the ensealing and delivery of these presents, Mortgagor is well seized of the Mortgaged Property in fee simple and with full legal and equitable title to the Mortgaged Property, and with good right, full power and lawful authority to sell, assign, convey and mortgage the Mortgaged Property, and that the title to the Mortgaged Property described in Exhibit A attached hereto is free and clear of encumbrances, except as described on Exhibit B attached hereto and made a part hereof, and that, except for the encumbrances set forth on Exhibit B, Mortgagor will forever defend the same against all lawful claims.

The following provisions shall also constitute an integral part of this Mortgage:

1. Documentary Stamp Tax. Without limiting any of the provisions of the Loan Agreement, Mortgagor agrees that, if the United States Government or any department, agency or bureau thereof or of the State or any of its subdivisions having jurisdiction shall at any time require documentary stamps to be affixed to the Mortgage, Mortgagor will, upon request, pay for such stamps in the required amount and deliver them to Mortgagee, and Mortgagor agrees to indemnify Mortgagee against liability on account of such documentary stamps, whether such liability arises before or after payment of the Liabilities and regardless of whether this Mortgage shall have been released.

2. Leases Affecting the Mortgaged Property. Mortgagor agrees faithfully to perform all of its obligations under all present and future leases or other agreements relative to the occupancy of the Mortgaged Property at any time assigned to Mortgagee as additional security, and to refrain from any action or inaction which would result in termination of any such leases or agreements or in the diminution of the value of the leases or agreements or of the rents or revenues due thereunder. All

future lessees under any lease of the Mortgaged Property, or any part thereof, made after the date of recording of this Mortgage shall, at Mortgagee's option and without any further documentation, attorn to Mortgagee, as lessor if for any reason Mortgagee becomes lessor thereunder, and, upon demand, to pay rent to Mortgagee and Mortgagee shall not be responsible under such lease for matters arising prior to Mortgagee becoming lessor thereunder.

3. Use of the Mortgaged Property. With the exception of those permitted exceptions to title listed on Exhibit B attached hereto, Mortgagor agrees that it shall not permit the public to use the Mortgaged Property in any manner that might tend, in Mortgagee's reasonable judgment, to impair Mortgagor's title to such property or any portion thereof, or to make possible any claim or claims of easement by prescription or of implied dedication to public use, if any such impairment or claim would have an adverse effect on the value of the Mortgaged Property.

4. Indemnification. Mortgagor shall not use or permit the use of any part of the Mortgaged Property for an illegal purpose, including, without limitation, the violation of any environmental laws, statutes, codes, regulations or practices. Without limiting any indemnification Mortgagor has granted in the Loan Agreement, Mortgagor agrees to indemnify and hold harmless Mortgagee from and against any and all losses, suits, obligations, fines, damages, judgments, penalties, claims, charges, costs and expenses (including reasonable attorneys' and paralegals' fees, court costs and disbursements) (collectively "Claims") which may be imposed on, incurred or paid by or asserted against the Mortgaged Property by reason or on account of, or in connection with (i) the construction, reconstruction or alteration of the Mortgaged Property, (ii) any negligence or misconduct of Mortgagor, any lessee of the Mortgaged Property, or any of their respective agents, contractors, subcontractors, servants, employees, licensees or invitees, (iii) any accident, injury, death or damage to any person or property occurring in, on or about the Mortgaged Property or any street, drive, sidewalk, curb or passageway adjacent thereto, or (iv) any other transaction arising out of or in any way connected with the Mortgaged Property, excluding from the foregoing indemnification any Claims arising out of the willful misconduct or gross negligence of the Mortgagee. Notwithstanding the provisions of Section 15, Mortgagor agrees to indemnify Mortgagee against any Claims, whether such Claims arise before or after payment of the Liabilities and regardless of whether this Mortgage shall have been released.

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5. Insurance. Mortgagor shall, at its sole expense, obtain for, deliver to, assign and maintain for the benefit of Mortgagee, until the Liabilities are paid in full, insurance policies as specified in the Loan Agreement. In the event of a casualty loss, the net insurance proceeds from such insurance policies shall be paid and applied as specified in the Loan Agreement.

6. Condemnation Awards. Mortgagor hereby assigns to Mortgagee, as additional security, all awards of damage resulting from condemnation proceedings or the taking of or injury to the Mortgaged Property for public use, and Mortgagor agrees that the proceeds of all such awards shall be paid and applied as specified in the Loan Agreement.

7. Remedies of Mortgagee. Subject to the provisions of the Loan Agreement, upon the occurrence of a Default under the terms of the Loan Agreement, in addition to any rights and remedies provided for in the Loan Agreement, and to the extent permitted by applicable law, the following provisions shall apply:

(a) Mortgagee's Power of Enforcement. It shall be lawful for Mortgagee to enter upon and take possession of the premises and after, or without, taking such possession of the same, sell the premises at public outcry, in front of the courthouse door of the county wherein the premises are located, to the highest bidder for cash, either in person or by auctioneer, after first giving notice of the time, place and terms of such sale by publication once a week for three (3) consecutive weeks in some newspaper of general circulation published in said county, and, upon the payment of the purchase money, the Mortgagee or any person conducting said sale for it is authorized and empowered to execute to the purchaser at said sale a deed to the property so purchased in the name of and on behalf of Mortgagor, and the certificate of the holder of the Liabilities, or any part thereof, appointing said auctioneer to make such sale, shall be prima facie evidence of his authority in the premises, or the equity of redemption from this Mortgage may be foreclosed by suit in any court of competent jurisdiction as now provided by law in the case of past due mortgages. The Mortgagee, or the then holder of the Liabilities hereby secured may bid at any such sale and become the purchaser of said property if the highest bidder therefor. At such sale, the premises may be offered for sale and sold as a whole without first offering them in any other manner or they may be offered for sale in any other manner the Mortgagee may elect. The purchaser at any such sale shall be under no

obligation to see to the proper application of the purchase money. Mortgagor agrees that the Mortgagee shall be absolutely entitled to the appointment of a receiver (the provisions for the appointment of a receiver and assignment of rents being an express condition upon which the loan hereby secured is made) for the benefit of Mortgagee, with power to collect the Rents, due and to become due, during such foreclosure suit and the full statutory period of redemption notwithstanding any redemption. The receiver, out of the Rents when collected, may pay costs incurred in the management and operation of the Mortgaged Property, prior and subordinate liens, if any, and taxes, assessments, water and other utilities and insurance, then due or thereafter accruing, and may make and pay for any necessary repairs to the Mortgaged Property, and may pay all or any part of the Liabilities or other sums secured hereby or any deficiency decree entered in such foreclosure proceedings.

(b) Mortgagee's Right to Enter and Take Possession, Operate and Apply Income. Mortgagee shall, at its option, have the right, acting through its agents or attorneys, either with or without process of law, forcibly or otherwise, to enter upon and take possession of the Mortgaged Property, expel and remove any persons, goods, or chattels occupying or upon the same, to collect or receive all the Rents, and to manage and control the same, and to lease the same or any part thereof, from time to time, and, after deducting all reasonable attorneys' fees and expenses, and all reasonable expenses incurred in the protection, care, maintenance, management and operation of the Mortgaged Property, distribute and apply the remaining net income in accordance with the terms of the Loan Agreement or upon any deficiency decree entered in any foreclosure proceedings.

8. Application of the Rents or Proceeds from Foreclosure or Sale. In any foreclosure of this Mortgage by judicial action, or any sale of the Mortgaged Property by advertisement, in addition to any of the terms and provisions of the Loan Agreement, there shall be allowed (and included in the decree for sale in the event of a foreclosure by judicial action) to be paid out of the Rents or the proceeds of such foreclosure proceeding and/or sale:

(a) Liabilities. All of the Liabilities and other sums secured hereby which then remain unpaid; and

(b) Other Advances. All other items advanced or paid by Mortgagee pursuant to this Mortgage; and

(c) Costs, Fees and Other Expenses. All court costs, reasonable attorneys' and paralegals' fees and expenses, appraiser's fees, advertising costs, notice expenses, expenditures for documentary and expert evidence, stenographer's charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all abstracts of title, title searches and examinations, title guarantees, title insurance policies, Torrens certificates and similar data with respect to title which Mortgagee in the reasonable exercise of its judgment may deem necessary. All such expenses shall become additional Liabilities secured hereby when paid or incurred by Mortgagee in connection with any proceedings, including but not limited to probate and bankruptcy proceedings, to which Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness hereby secured or in connection with the preparations for the commencement of any suit for the foreclosure, whether or not actually commenced, or sale by advertisement. The proceeds of any sale (whether through a foreclosure proceeding or Mortgagee's exercise of the power of sale) shall be distributed and applied in accordance with the terms of the Loan Agreement.

9. Cumulative Remedies; Delay or Omission Not a Waiver. Each remedy or right of Mortgagee shall not be exclusive of but shall be in addition to every other remedy or right now or hereafter existing at law or in equity. No delay in the exercise or omission to exercise any remedy or right accruing on the occurrence or existence of any Default shall impair any such remedy or right or be construed to be a waiver of any such Default or acquiescence therein, nor shall it affect any subsequent default of the same or different nature. Every such remedy or right may be exercised concurrently or independently and when and as often as may be deemed expedient by Mortgagee.

10. Mortgagee's Remedies against Multiple Parcels. If more than one property, lot or parcel is covered by this Mortgage, and if this Mortgage is foreclosed upon, or judgment is entered upon any Liabilities secured hereby, or if Mortgagee exercises its power of sale, execution may be made upon or Mortgagee may exercise its power of sale against any one or more of the properties, lots or parcels and not upon the others, or upon all of such properties or parcels, either together or separately, and at different times or at the same time, and execution sales or sales by advertisement may likewise be conducted separately or concurrently, in each case at Mortgagee's election.

11. No Merger. In the event of a foreclosure of this Mortgage or any other mortgage or deed of trust securing the Liabilities, the Liabilities then due the Mortgagee shall not be merged into any decree of foreclosure entered by the court, and Mortgagee may concurrently or subsequently seek to foreclose one or more mortgages or deeds of trust which also secure said Liabilities.

12. Notices. Except as otherwise provided herein, any notices, demands, consents, requests, approvals, undertakings or other instruments required or permitted to be given in connection with this Mortgage (and all copies of such notices or other instruments as set forth below) shall be deemed to have been validly served, given or delivered (i) three (3) days after deposit in the United States Mails, with proper postage prepaid, certified or registered, return receipt requested, (ii) when sent after receipt of confirmation or answerback if sent by telecopy, telex or other similar facsimile transmission, (iii) one (1) business day after deposit with a reputable overnight courier with all charges prepaid or (iv) when delivered, if hand delivered by messenger, all of which shall be properly addressed to the party to be notified and sent to the address or number indicated as follows:

if to Mortgagor:

ABC Rail Corporation
200 South Michigan Avenue
Chicago, Illinois 60604
Attn: Mr. Glenn E. Stinson

with a copy to:

Jones, Day, Reavis & Pogue
225 West Washington Street
Chicago, Illinois 60606
Attn: Mr. Douglas H. Walter

if to Mortgagee:

The First National Bank of Chicago
One First National Plaza
Suite 0094
Chicago, Illinois 60670
Attn: Mr. Dennis E. Harrison

with a copy to:

Sidley & Austin

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One First National Plaza
Chicago, Illinois 60603
Attn: Mr. James L. Marovitz

Mortgagor or Mortgagee shall, from time to time, have the right to specify as the proper addressee and/or address for the purposes of this Mortgage any other party or address in the United States upon giving notice thereof in the manner prescribed herein.

13. Extension of Payments. Mortgagor agrees that, without affecting the liability of any person for payment of the Liabilities secured hereby or affecting the lien of this Mortgage upon the Mortgaged Property or any part thereof (other than persons or property explicitly released as a result of the exercise by Mortgagee of its rights and privileges hereunder), Mortgagee may at any time and from time to time, on request of the Mortgagor, without notice to any person liable for payment of any Liabilities secured hereby, but otherwise subject to the provisions of the Loan Agreement, extend the time, or agree to alter or amend the terms of payment of such Liabilities. Mortgagor further agrees that any part of the security herein described may be released with or without consideration without affecting the remainder of the Liabilities or the remainder of the security.

14. Governing Law. Mortgagor agrees that this Mortgage is to be construed, governed and enforced in accordance with the laws of the State of Alabama. Wherever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Mortgage shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Mortgage.

15. Satisfaction of Mortgage. Upon full payment of all the Liabilities, at the time and in the manner provided in the Loan Agreement, or upon satisfaction of the conditions set forth in the Loan Agreement for release of the Mortgaged Property from this Mortgage, this conveyance or lien shall be null and void and, upon demand therefor following such payment, a satisfaction of mortgage or reconveyance of the Mortgaged Property shall promptly be provided by Mortgagee to Mortgagor.

16. Successors and Assigns Included in Parties. This Mortgage shall be binding upon the Mortgagor and upon the

successors, assigns and vendees of the Mortgagor and shall inure to the benefit of the Mortgagee's successors and assigns; all references herein to the Mortgagor and to the Mortgagee shall be deemed to include their successors and assigns. Mortgagor's successors and assigns shall include, without limitation, a receiver, trustee or debtor in possession of or for the Mortgagor. Wherever used, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall be applicable to all genders.

17. Waiver of Appraisement, Valuation, Stay, Extension and Redemption Laws. Mortgagor agrees, to the full extent permitted by law, that at all times following a Default (as defined in the Loan Agreement), neither Mortgagor nor anyone claiming through or under it shall or will set up, claim or seek to take advantage of any appraisement, valuation, stay, or extension laws now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Mortgage or the absolute sale of the Mortgaged Property or the final and absolute putting into possession thereof, immediately after such sale, of the purchaser thereat, and Mortgagor, for itself and all who may at any time claim through or under it, hereby waives, to the full extent that it may lawfully so do, the benefit of all such laws, and any and all right to have the assets comprising the Mortgaged Property marshalled upon any foreclosure of the lien hereof and agrees that Mortgagee or any court having jurisdiction to foreclose such lien may sell the Mortgaged Property in part or as an entirety. To the full extent permitted by law, Mortgagor hereby waives any and all statutory or other rights of redemption from sale under any order or decree of foreclosure of this Mortgage, on its own behalf and on behalf of each and every person, acquiring any interest in or title to the Mortgaged Property subsequent to the date hereof.

18. Interpretation with Other Documents. Notwithstanding anything in this Mortgage to the contrary, in the event of a conflict or inconsistency between the Mortgage and the Loan Agreement, the provisions of the Loan Agreement shall govern.

19. Invalid Provisions to Affect No Others. In the event that any of the covenants, agreements, terms or provisions contained in this Mortgage shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms or provisions contained herein or in the Loan Agreement shall not be in any way affected, prejudiced or disturbed thereby. In the event that the application of any of the covenants, agreements, terms or provisions of this Mortgage is held to be invalid, illegal or unenforceable, those covenants, agreements, terms and provisions

shall not be in any way affected, prejudiced or disturbed when otherwise applied.

20. Changes. Neither this Mortgage nor any term hereof may be changed, waived, discharged or terminated orally, or by any action or inaction, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought. To the extent permitted by law, any agreement hereafter made by Mortgagor and Mortgagee relating to this Mortgage shall be superior to the rights of the holder of any intervening lien or encumbrance.

21. Purpose of Mortgage. This Mortgage is given for the purpose of securing the Bridge Loan which the Mortgagee, under the obligations set forth in the Loan Agreement, has made to Mortgagor, pursuant to and subject to the terms and provisions of the Loan Agreement.

22. Mortgage Tax. Without limiting any of the provisions of the Loan Agreement, Mortgagor agrees that if the United States Government or any department, agency or bureau thereof or of the State or any of its subdivisions shall, at any time require any privilege of license taxes to be paid upon this instrument before the same or renewals or extensions thereof shall be received for recording or for filing, or during the term of this Mortgage, Mortgagor will, upon request, pay such privilege or license tax in the required amount and deliver evidence of this payment to Mortgagee, and Mortgagor agrees to indemnify Mortgagee against any liability on account of such privilege or license tax, whether such liability arises before or after payment of the privilege or license tax, and regardless of whether this Mortgage shall have been released.

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IN WITNESS WHEREOF, this instrument is executed as of the day and year first above written by the undersigned on behalf of Mortgagor (and said person hereby represents that he possesses full power and authority to execute this instrument).

THE MORTGAGOR HEREBY DECLARES AND ACKNOWLEDGES THAT THE MORTGAGOR HAS RECEIVED, WITHOUT CHARGE, A TRUE COPY OF THIS MORTGAGE.

MORTGAGOR:
ABC RAIL CORPORATION

By: *W. H. Hinson*
Title: Chairman

Attest:

James F. Hurd
Secretary

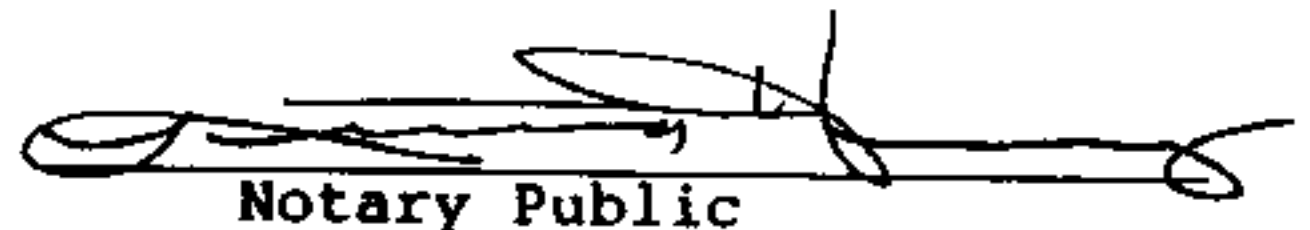
AFFIX CORPORATE SEAL

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STATE OF ILLINOIS
COOK COUNTY

I, Leticia Hernandez, a Notary Public
in and for said county in said state, hereby certify that
G. E. Stinson, whose name as Chairman
~~President~~ of ABC RAIL CORPORATION, a Delaware corporation, is signed
to the foregoing instrument and who is known to me, acknowledged
before me on this day that, being informed of the contents of the
instrument, he, as such officer and with full authority, executed
the same voluntrily for and as the act of said corporation.

Given under my hand this 1st day of August, 1989


Notary Public

[AFFIX SEAL]

My commission expires

November 1, 1989

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EXHIBIT A

Beginning at the Southwest corner of Block "F" according to the survey and Map of Resurvey of Russel R. Hetz Property as recorded in Map Book 3, page 119, in the Probate Office of Shelby County, Alabama, and run Northerly along the East line of 18th Street and along the West line of Blocks "F", "T", "P" and "D" to the intersection with the South line of Rose Lake Drive on the Western boundary of Lot 1 in Block "D" of said subdivision; thence along the South line of Rose Lake Drive in a Northeast, East, Southeast and Southerly direction around Block "D" of said subdivision to a point 40 feet South of the Northeast corner of Lot 10 in said Block "D"; thence Southeasterly across Rose Lake Drive to the Northwest corner of Lot 13, Block "O" in said subdivision; thence East along the South line of 11th Avenue to the Northeast corner of Block 18 of said subdivision; thence South along the East line of said Block 18, extended, to the Northeast corner of Block 11 of said subdivision; thence Northeasterly along the South line of Woodbine Avenue to the Northeast corner of Lot 3 in Block 10 of said subdivision; thence Southeast along the Northeast line of said Lot 3 to the Southeast corner of said Lot and the North line of Southern Railway right of way, according to said map; thence Southwest along the North or Northwest line of said right of way to the point of beginning; including in the above description all of Blocks "D", "E", "F", "O", "P", "T", "U", 11, 18, and Lots 1, 2, & 3 in Block 10 according to the map of said Survey, together with certain streets and alleys included within the above metes and bounds description.

All of Blocks "R" and "S" and all that part of Patricia Place that lies West of 18th Avenue according to Resurvey of Russel R. Hetz Property as recorded in Map Book 3, page 119, in the Probate Office of Shelby County, Alabama.

Beginning at the Southeast corner of Fractional Section 20, Township 22 South, Range 2 West, Shelby County, Alabama and from said point run North along the Section line a distance of 985 feet to a point; thence run North 69 deg. 09 min. East 102.88 feet to a point; thence run North and parallel to the West right of way of 18th Street a distance of 429 feet to the point of beginning of the lot herein described; from said point continue North and parallel to said 18th Street a distance of 745 feet to a point; run thence West and at right angles to said 18th Street a distance of 448 feet to a point; thence run South and parallel to said 18th Street a distance of 745 feet to a point; thence run East and at right angles to 18th Street a distance of 448 feet to point of beginning; lying and being in the SE 1/4 of Section 20, Township 22 South, Range 2 West and in SW 1/4 of Section 21, Township 22 South, Range 2 West, Shelby County, Alabama.

Beginning at the Southeast corner of Section 20, Township 22 South, Range 2 West Fractional Section and run thence North on and along the Section line 985 feet to the point of beginning of the lot herein described; from said point North 69 deg. 09 min. East 102.88 feet to a point; thence run North and parallel to the West right of way of 18th Street a distance of 429 feet to a point; thence West and at right angles to said 18th Street for 448 feet to a point; thence run North and parallel to said 18th Street for 191 feet to a point; run thence West and at right angles to said 18th Street for 437 feet to a point; run thence South and parallel to said 18th Street for 304 feet to a point; run thence West and at right angles to said 18th Street for 350 feet, more or less, to a point on the East right of way of a public road; run thence South 9 deg. East on and along said East right of way of public road for 415 feet to a point; continue to run South 20 deg. 51 min. East for a distance of 300 feet; thence run North 69 deg. 09 min. East 958.02 feet back to the point of beginning; lying and being in the SE 1/4 of Section 20, Township 22 South, Range 2 West and in the SW 1/4 of Section 21, Township 22 South, Range 2 West.

A Part of the NE 1/4 of SE 1/4 of Section 20 and a part of the NW 1/4 of SW 1/4 of Section 21, Township 22 South, Range 2 West, described as follows: Commence at the Southeast corner of Section 20, Township 22 South, Range 2 West and run North along the East line of Section 20 a distance of 755.27 feet to the Northwest right of way line of the Southern Railway and the point of beginning; thence turn an angle of 110 deg. 51 min. to the left and run along said right of way line a distance of 503.68 feet; thence turn an angle of 90 deg. to the right and run a distance of 210.00 feet; thence turn an angle of 89 deg. 40 min. to the right and run Northeast and parallel with said Railroad right of way a distance of 711.90 feet to a point; thence turn an angle of 113 deg. 13 min. to the right and run a distance of 229.73 feet to the Northwest right of way line of the Southern Railway; thence turn an angle of 67 deg. 07 min. to the right and run along said right of way line a distance of 118.88 feet to the point of beginning, EXCEPTING any part of the above that may lie within Lots 15, 16 and 17, Block 8 according to the Resurvey of Russel R. Hatz Property as recorded in Map Book 3, page 119, in the Probate Office of Shelby County, Alabama.

THERE IS EXCEPTED HEREFROM THE FOLLOWING DESCRIBED PARCEL:

A parcel of land situated in Section 21, Township 22 South, Range 2 West, Shelby County, Alabama, more particularly described as follows: Commence at the SW corner of said Section 21; thence in a Northerly direction along the West line of said Section 21, a distance of 755.27 feet to the intersection with the Northwesternly right of way line of the Southern Railroad; thence 69 degrees 09 minutes right, in a Northeasterly direction along said right of way

line, a distance of 137.00 feet to the point of beginning, said point also being that certain point of beginning as described in Deed Book 343, Page 492, in the Office of the Judge of Probate in Shelby County, Alabama; thence continue along last described course, a distance of 155.32 feet; thence 0 degrees 01 minutes right, in a Northeasterly direction along said right of way line, a distance of 571.48 feet; thence 90 degrees left, in a Northwesternly direction, a distance of 255.00 feet; thence 90 degrees left, in a Southwesterly direction, a distance of 257.00 feet; thence 90 degrees right, in a Northwesternly direction, a distance of 65.97 feet; thence 89 degrees 56 minutes left, in a Southwesterly direction, a distance of 469.80 feet; thence 90 degrees 04 minutes left, in a Southeasterly direction, a distance of 321.57 feet to the point of beginning.

Alabama

EXHIBIT B

Permitted Title Exceptions:

Those title exceptions listed on the title commitment number V-4339, dated July 24, 1989, issued by Lawyer's Title Insurance Corporation for the property described on Exhibit A hereof.

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89 AUG -4 PM 1:03

1. Deed Tax	\$	_____
2. Mtg. Tax	NO TAX COLLECTED	1.00
3. Recording Fee	47.50	
4. Indexing Fee	1.00	
TOTAL	51.50	