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RECORDATION NO. ——— FILED
JUN 15 1972 -11 05 AM
INTERSTATE COMMERCE COMMISSION

MORTGAGE ON TANK CARS

KNOW ALL MEN BY THESE PRESENTS:

THAT, WHEREAS, the undersigned mortgagor, Mallard Transportation Company, having their principal office and place of business in the City of Tulsa, Oklahoma, hereinafter sometimes referred to as Parties of the First Part, have this day borrowed from Boulder Bank and Trust Company, Tulsa, Oklahoma, the sum of Twenty-seven Thousand and no/100 ($27,000.00) Dollars, and to evidence their obligation therefor have made, executed and delivered to said Boulder Bank and Trust Company their promissory note of even date herewith, in the principal sum of Twenty-seven Thousand and no/100 ($27,000.00) Dollars, shall be repaid in thirty-six (36) equal installments of $750.00, beginning on the third day of July, 1972, and thereafter on the third day of each succeeding month through and including the month of June, 1975, said note bearing interest at the rate of ten (10%) per annum from maturity until paid, which note contains the provision for payment of an attorney's fee of Ten and no/100 Dollars and ten percent (10%) of the principal and interest due thereon in case said note is collected by or through an attorney.

NOW, THEREFORE, in consideration of the premises and to secure the prompt and punctual payment of the note first above described, payable to the order of said Bank, as aforesaid, and any note or notes which may hereafter be given by the undersigned payable to the order of said Bank prior to the release of this Mortgage, and of each and every installment of principal and interest of said notes and of any extensions or renewals from time to time of any of said notes, or any installment thereof, the Company does hereby mortgage, assign, transfer, set over and convey unto said Boulder Bank and Trust Company, its successors and assigns, all and singular the following described property of the undersigned, to wit:

> Fifteen (15) tank cars of I.C.C. Class 105-A300W Type TPI, for liquefied petroleum gas, each having a capacity of approximately 11,000 water gallons, constructed by American Car and Foundry Company and General American Transportation Company, and numbered as follows:

MTCX 3050 thru 3064

AND:

Four (4) tank cars of I.C.C. Class 103AL-W, aluminum tank cars, each having a capacity of 10,000 water gallons, constructed by General American Transportation Company, and numbered as follows:

MTCX 1525 thru 1528

together with all fittings and appliances nor or hereafter connected therewith, and any replacements of any parts thereof or additions thereto.

TO HAVE AND TO HOLD said property hereby granted, transferred, assigned and mortgaged unto said Boulder Bank and Trust Company, its successors and assigns, forever, free and clear of all encumbrances of whatsoever kind or character, and the undersigned Parties do hereby covenant and agree with said Boulder Bank and Trust Company, its successors and assigns, as follows:

FIRST: That the undersigned Parties are the owner and in possession of each and all of said tank cars, and that there are no encumbrances or liens of any kind or character against any of said property, and that it has good right and lawful authority to transfer, convey, assign and mortgage the same; that the main office of the undersigned mortgagors is at Tulsa, Oklahoma, and that the City of Tulsa, County of Tulsa, State of Oklahoma, hereby declared to be the home port of each of said tank cars, and that at the time of the execution hereof all of such property is under the control of the home office of such Parties and is being operated out of Tulsa, Oklahoma, as the home port of such cars.

SECOND: That it will not voluntarily create or suffer to be created or to arise any lien or charge upon any of the property described herein and mortgaged hereby having priority to or preference over the lien of these presents upon said mortgaged property, or any part thereof; that it will pay all lawful claims and demands of all persons whomsoever which, if unpaid, might by law be given preference to this mortgage as a lien or charge upon said mortgaged property, or any part thereof.

THIRD: That it will at all times during the time of this mortgage being in force and effect keep all said tank cars in first-class condition and repair.

FOURTH: That it will forthwith cause to be painted upon the sides of each of said cars, in letters not less than one inch (1") in height, the words "Boulder Bank and Trust Company of Tulsa, Mortgagee," so located as to be readily visible and to indicate plainly that said cars are mortgaged to Bank, and will, at its own cost, cause said marking to be maintained so long as this mortgage remains in force and effect; and the Parties further covenants that the markings upon said

cars, above described, indicating the name of the owner and the numbers thereof, shall not be changed without the previous written consent of the Bank, and shall be maintained by the Parties at their own cost, so that the same shall be plainly visible so long as this mortgage remains in force and effect.

FIFTH: That it will pay and discharge all taxes, assessments and governmental charges lawfully imposed upon any part of said mortgaged property, as well as any demurrage or freight charges against the same, so that the priority of this mortgage shall be fully preserved in respect of such property.

SIXTH: That it will cause to be insured and kept insured by a company acceptable to Bank against loss by fire, to their full fair insurable value, all the tank cars mortgaged by this instrument; the policies of insurance to have included therein a clause providing for the payment of any loss to said Bank to the extent of the unpaid portion of said indebtedness secured hereby, and said policies will be delivered to said Bank, and said Parties will promptly pay any and all premiums for such insurance. The Bank shall be entitled to receive payment from any person liable therefor for any loss or damage to said cars which may occur from causes not covered by such insurance.

SEVENTH: That it will exercise all reasonable care in the protection and possession of said property so long as said indebtedness remains unpaid, and that the property so mortgaged and pledged by this instrument shall not, during such time, be sold, encumbered or otherwise disposed of.

EIGHTH: That if default be made in the payment, when due, of any installment of principal and interest of any note secured hereby, or if the Parties should fail to observe or perform any of the covenants or agreements herein contained, or in any other mortgage securing any of the indebtedness secured hereby, or if any proceeding be commenced by or against said Parties for the adjudication of the Parties as a bankrupt, or for a reorganization, or for any other relief of the Company as a debtor under the Code of Bankruptcy, or if a receiver be appointed for the Parties, or for a substantial portion of its property, or if any of the mortgaged property be levied upon or attached and the same is not within five (5) days thereafter released therefrom (all of which shall be deemed "Events of Default"), then in any such event all sums provided by said note or notes to be paid, may, at the option of the holder thereof, and without notice to the Company, become due and payable, and the Bank shall thereupon be entitled to any or all of the following remedies, which shall not be exclusive, but shall be cumulative of any other rights or remedies at law or in equity which the Bank may have, to-wit:

(a) To demand and within ten (10) days thereafter to receive from the Parties peaceable possession of all said tank cars at some place designated by the Bank upon the tracks in Tulsa County, Oklahoma, the Parties agreeing that they will, at their own expense, within said ten (10) days, deliver possession of said cars to the Bank at the place so designated, and in case of the failure of the Parties so to do, possession of said cars may be taken by the Bank wherever the same may be found, and at the election of said Bank may be removed by said Bank to Tulsa County, Oklahoma, at the expense of the Parties, and for the purpose of having said cars removed to Tulsa County, Oklahoma, the Parties agree that they will, upon demand, deliver to the Bank, or its assigns, possession of all records it may have, showing or tending to show the location of said cars, and said Bank, by any of its officers, in the name of the Parties, may give any orders, directions or instructions to any railroad company or other person, and may sign the Parties name to any transfer, documents and agreements for the purpose of removing said cars, and may pay the expense of such removal and recover same from the proceeds of the sale of any of the mortgaged cars.

(b) The Bank, its agents, attorneys or representatives shall have the right and power, with or without exercising any of the rights given in the preceding subsection, to sell at public auction, to the highest bidder, for cash, at one or more sales, all or any part of the mortgaged property, upon giving notice of the time and place thereof, by posting same at five (5) public places in the County in which such sale is to be held, at least ten (10) days prior thereto,one of which places shall be the place where such sale is to be held,or by giving notice at least ten (10) days before such sale,by publication thereof in a newspaper published at least weekly in such County, and of general circulation therein, and by giving such other notice as may be required by law at the place where such sale shall be held. Any such sale may be held at the courthouse door, or at any place where sales at public auction are customarily held in any county in any state in which any of the property to be sold may at the time be located; or at the courthouse door in the County of Tulsa, State of Oklahoma. Notice to the Company of any such sale shall be deemed to have been duly given if, not less than ten (10) days before the date of such sale, a copy of such notice shall be delivered to it or mailed by ordinary mail addressed to the Parties at Tulsa, Oklahoma. It shall not be necessary that the Bank, or the person conducting said sale, be in actual or constructive possession of said property at the time of such sale, or that the same be physically present at such sale, nor shall it be necessary, if said sale be held in Tulsa County, Oklahoma, that said property be actually present in the County or State in which said sale is held; and the title and right of possession of such property shall pass to the purchaser at such sale as if said property had been actually present and delivered at such sale, and the Parties covenants and agrees to deliver all of such property to the purchaser within a reasonable time thereafter, and for that purpose to execute and deliver all proper instructions, orders, or documents to any railroad company, or other person and such other and further assurances as may be proper or required; and such purchaser shall be entitled to exercise all the rights and privileges herein given to the Bank in the preceding subsection (a) hereof for the recovery of possession of any of said cars. At any such sale, the Bank, if the highest bidder therefor, may become the purchaser of any such property. The proceeds of any such sale shall be applied:

First: To the payment of all costs and expenses of such sale, including any expenses which may have been advanced or incurred by the Bank in recovering possession or custody of, or in causing the return of said property to the place of sale, if any, together with an attorney's fee of ten percent (10%).

Second: To the payment of the indebtedness secured by this mortgage, with interest and attorney's fees.

Third: Any excess shall be paid to the Parties or their assigns.

(c) The Bank may proceed in action or actions in any court or courts of competent jurisdiction to foreclose this mortgage.

The provisions of this mortgage shall be binding upon the successors and assigns of the Parties, and shall inure to the benefit of the successors and assigns of the Bank.

IN WITNESS WHEREOF, the undersigned, have caused this instrument to be executed in its name by its duly authorized officer this 12 day of June, 1972.

MALLARD TRANSPORTATION COMPANY

By: Peter C. Walter
President

STATE OF OKLAHOMA)
) ss
COUNTY OF TULSA)

On this 12th day of June, 1972, before me appeared Peter C. Walter, President, Mallard Transportation Company, to me personally known, who being by me duly sworn, did say that they executed the foregoing instrument as their free and voluntary act and deed for the uses and purposes therein set forth.

Witness my hand and official seal the day and year last above written.

[illegible]

My commission expires My Commission Expires May 11, 1976