

North Carolina National Bank
P.O. Box 21848
Greensboro, NC 27420
Telephone 919 | 855-2110



1066943

RECORDATION NO. 10669
FORM 1425

Date JUL 25 1979

Fee \$ 20.00

JUL 25 1979 - 10 00 AM

ICC Washington, D. C.

July 24, 1979

INTERSTATE COMMERCE COMMISSION

Interstate Commerce Commission
Washington, D. C. 20423

Gentlemen:

Please record the attached documents pursuant to the provision of Section 20(c) of the Interstate Commerce Act, 49 U.S.C. 20(c). Attached is our check for \$50.00 to cover filing cost.

Sincerely,

Odell G. Dillard
Vice President

OGD/dpc

CC: Mr. Robert T. Smith

REC'D
I.C.C.
FEE OPERATION BR.

JUL 25 10 52 AM '79

RECORDED

North Carolina National Bank
P.O.Box 21848
Greensboro, NC 27420
Telephone 919 | 855-2110

NCNB

**INTERSTATE
COMMERCE COMMISSION
RECEIVED**

AUG 2 1979

**ADMINISTRATIVE SERVICES
MAIL UNIT**

REGISTRATION NO. *10669* FORM 1423

JUL 25 1979 - 11 AM

INTERSTATE COMMERCE COMMISSION

July 25, 1979

Ms. Lee
Interstate Commerce Commission
Washington, D. C. 20423

Dear Ms. Lee:

Attached is a certified and notarized copy of the security agreement which you requested. I understand that you have recorded this instrument with file number 10669, July 25, 1979, at 11 AM.

Thank you for your help.

Cordially Yours,



Odell G. Dillard
Vice President

OGD/dpc

Interstate Commerce Commission
Washington, D.C. 20423

8/8/79

OFFICE OF THE SECRETARY

Odell G. Dillard
Vice President

North Carolina Natl. Bank
P.O.Box 21848

~~Greensboro~~ Greensboro, N.C. 27420
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 7/25/79 at 11:25am, and assigned recordation number (s) 10669

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure (s)

SE-30
(7/79)

SECURITY AGREEMENT
(Chattel Mortgage)

In consideration of the granting to the undersigned (herein referred to as "Debtor") by North Carolina National Bank, Greensboro, North Carolina (herein referred to as "Bank") of a loan in the amount of \$ 35,000.00 as evidenced by promissory note of Debtor of even date herewith, bearing interest at the rate and payable in accordance with the terms of said note, Debtor hereby grants to the Bank a security interest in the following property including any and all additions, accessions, replacements and substitutions thereto or therefor as well as the proceeds thereof (all herein referred to as "Collateral"):

One "XF" type railroad boxcar bearing serial Number NYSW 136.

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JUL 25 1979 - 11 25 AM
INTERSTATE COMMERCE COMMISSION

The Collateral shall also secure any and all other obligations or liabilities, direct or indirect, absolute or contingent now existing or hereafter arising, of Debtor to Bank (all of which, including the above mentioned note, are hereinafter referred to as the "Obligations"), including further, without limitation, any sums which Bank may hereafter loan or advance to Debtor or any extension, revision, deferment or refinancing of the balance owing on the above mentioned note or other Obligations.

The Debtor hereby warrants and covenants that:

1. The Collateral is and will be used for business purposes. If checked here the Collateral is being acquired with the proceeds of the advance as evidenced by this agreement and the above mentioned note, which proceeds the Bank may disburse directly to the seller of Collateral.

2. The Collateral shall be located at _____ (No. and Street)

(City or Town) _____ (County)
_____ until such time as written consent to a change of location is obtained from the Bank. (State)

3. If the Collateral is to be affixed to real estate, the name of the record owner of the real estate is _____, and description of the real estate is as follows: _____

and if the Collateral is affixed to such real estate prior to the perfection of the security interest granted hereby the Debtor, on demand of the Bank, shall furnish the Bank with a disclaimer or disclaimers, signed by all person having an interest in the real estate, of any interest in the Collateral. The Debtor agrees to notify the Bank in writing of any intended sale, mortgage or conveyance of the realty and to give written notice of the terms and condition of this Security Agreement to any prospective purchaser, mortgagee or grantee of said realty and a copy of such notice to the Bank.

4. If the Collateral is a type normally used in more than one state and the Debtor has a place of business in more than one state, the Debtor's chief place of business is 216 Shadowlawn Drive (No. and Street)
Jamestown Guilford
(City or Town) (County)
North Carolina 27282 (State), and the Debtor shall immediately notify the Bank in writing of any change in the Debtor's chief place of business. If certificates of title are issued or outstanding in respect to any of the Collateral, Debtor shall cause the interest of the Bank to be properly noted thereon.

THIS AGREEMENT IS SUBJECT TO THE ADDITIONAL PROVISIONS SET FORTH ON THE REVERSE SIDE HEREOF. THE SAME BEING INCORPORATED HEREIN BY REFERENCE.

IN WITNESS WHEREOF, the Debtor has executed this agreement this the 16th day of November, 1978

WITNESS/ATTEST:
Robert T. Smith (SEAL)
Walter G. Jilka

I hereby acknowledge that this is a certified copy of that the signature is that of Robert T. Smith.

Dated 7/25/79
Faye W. Stoffer
Notary Public

FOR VALUE RECEIVED, the undersigned promise(s) to pay to

NORTH CAROLINA NATIONAL BANK, or Order

the sum of Forty five Thousand and 1/100 DOLLARS

payable at any office of the North Carolina National Bank in North Carolina, with interest from date hereof on the unpaid principal balance at the rate of NCNB Prime + 1/2% per cent per annum, computed on the basis of a 360 day year for the actual number of days in the interest period, principal and interest payable installments as follows:

28 quarterly payments of \$1,250 plus interest commencing FEB 15, 1979 and quarterly thereafter until paid in full. Interest shall be payable quarterly commencing FEB 15, 1979.

Interest on this note shall accrue after maturity or demand, until paid, at the rate stated above.

Failure to pay any installment of this note, either principal or interest, as and when due shall, at the option of said Bank or any holder hereof, render the entire balance of principal and interest on this note immediately due and payable. In the event the indebtedness evidenced hereby or liabilities as defined herein be collected by or through an attorney at law, the holder shall be entitled to collect reasonable attorneys' fees.

To secure the payment of this note and liabilities as herein defined, the parties hereto hereby pledge and grant to said bank (the word "Bank" wherever used herein shall include any holder or assignee of this note) a security interest in the collateral which shall include the collateral described on the reverse side hereof and any collateral added thereto or substituted therefor, including shares issued as stock dividends and stock splits and dividends representing distribution of capital assets. The Bank is hereby authorized at any time to charge against any deposit accounts of any party hereto any and all liabilities whether due or not. The Bank may declare all liabilities due at once in the event any party hereto becomes subject to any proceedings for the relief of creditors including but not limited to proceedings under the Bankruptcy Act or otherwise, or if in the judgment of Bank the collateral decreases in value so as to render Bank insecure and Bank demands additional collateral which is not furnished, or if Bank at any time otherwise deems itself insecure.

Upon failure to pay any liability when due, Bank may sell the collateral at public or private sale, for cash or on credit, as a whole or in parcels, without notice, and Bank may at any such sale purchase the collateral or any part thereof for its own account, and the proceeds of any such sale shall be applied first to the costs of such sale and the expenses of collection, including reasonable attorneys' fees, and then to the outstanding balance due on said liabilities, the application to be made in the manner and proportions as Bank elects. The Bank may forbear from realizing on the collateral or any part thereof, by sale or otherwise, all as the Bank may decide, and the liabilities of the parties hereto shall not be released, discharged or in any way affected by any such forbearance, nor shall any of the parties hereto have any rights or recourse against the Bank by reason of any action the Bank may take or omit to take under this note, by reason of any deterioration, waste, or loss of any of the collateral unless such deterioration, waste, or loss be caused by the willful act or willful failure to act of the Bank. Upon payment of this note the Bank may release the collateral but shall have the right to retain the same to secure any unpaid liabilities. Upon any transfer of this note and the collateral, the Bank shall be fully relieved of responsibility with reference thereto, "Liabilities" or "Liability" as herein used, shall include this note and all obligations of every kind of any party hereto in whatever capacity to Bank, now or hereafter existing, whether arising directly or acquired from others as collateral or otherwise, whether absolute or contingent, joint or several joint and several, secured or unsecured, due or not due, direct or indirect, including, but not limited to, liabilities arising by operation of law, contractual or tortious, liquidated or unliquidated or otherwise.

All persons bound on this obligation, whether primarily or secondarily liable as principals, sureties, guarantors, endorsers or otherwise, hereby waive presentment, protest, notice of dishonor and of acceleration of maturity and any right to require the Bank to retain any collateral pledged as security for this note or any other liabilities and agree that any extension of time for payment with or without notice shall not affect their joint and several liabilities. Witness my/our hand(s) and seal(s).

No. _____

Robert T. Smith (SEAL)

Address 216 Shodorlan DR. James Town 27282

NCNB 2154 REV. 5-73

(SEAL)