



SECURITY AGREEMENT
(General — Including Equipment)

DIRECT LOAN

Section 1. JOHN K. TOFTE D.M.D. (Name)

Lake Professional Building 601 -1st Street Lake Oswego, Oregon (No. and Street) (City or Town) (County) Oregon

(hereinafter called the debtor), for a valuable consideration, receipt whereof hereby is acknowledged, hereby grants to The Oregon Bank, Lake Oswego, Oregon Citizens Branch (hereinafter called the secured party), whose address is 400 Fourth Street Lake Oswego, Oregon

a security interest in the following described property together with all accessories, substitutions, additions, replacements, parts and accessions affixed to or used in connection therewith, as well as the products and proceeds thereof (all hereinafter called "the Collateral"):

1 (1) new, coiled, 20,000 gallon, class DOT 111A100W-1 tankcar, equipped with 100-ton roller bearing trucks, manufactured by General American Transportation Corporation, at Sharon, Pennsylvania, in June 1971 initialed and numbered RTLX 2195

to secure payment of the debtor's debt to the secured party as evidenced hereby and by debtor's note of even date herewith payable to the secured party in the amount of \$ 17,500 payable on the terms, at the times and with interest as set forth in said note; (delete remainder of this sentence if not applicable) also to secure any and all other liabilities, direct and indirect, absolute or contingent, now existing or hereafter arising from the debtor to the secured party.

Section 2. The debtor hereby warrants and covenants that:

2.1 The Collateral is bought or used primarily for debtor's personal, family or household purposes, farming operations, business; and if any part of the Collateral is being acquired, in whole or in part, with the proceeds of the said note, the secured party may disburse directly to the seller of the Collateral.

2.2 The Collateral is located at (Number and Street) (City or Town) in Oregon, and shall not be removed from such location (or if equipment from such county) in whole or in part, until such time as written consent to a change of location is obtained by debtor from the secured party.

2.3 If the collateral is bought or used primarily for business use (other than debtor's farming operations), the debtor's principal place of business in Oregon is located at the place shown at the beginning of this agreement; debtor also has places of business in the following other Oregon counties: none

if debtor has no place of business in Oregon but resides therein, the county in which debtor resides Clackamas County in said state.

2.4 If debtor is a corporation, it is organized and existing under the laws of the State of its principal office and place of business is located at and its principal office and place of business in Oregon is located at the place shown at the beginning of this agreement.

Section 3. Special Terms and Conditions:

This agreement is subject to the additional provisions set forth on the reverse hereof, the same being incorporated herein by reference. The debtor acknowledges receipt of a complete executed copy of this agreement.

(Secured party need sign only if agreement is to be used as a financing statement.)

Executed and delivered in duplicate on JULY 6, 1971

THE OREGON BANK (Secured Party) By John K. Tofte

John K. Tofte M. June Tofte (Signature of Debtor)

NOTE: This form not suitable in connection with Dealer retail installment sales of motor vehicles or as a Dealer retail installment contract on sales of consumer goods. It is not to be used for loans secured by inventory or crops or livestock.