

SEP 9 1971 -4 40 PM

SECURITY AGREEMENT

SEP 9 1971 -4 40 PM

INTERSTATE COMMERCE COMMISSION

INTERSTATE COMMERCE COMMISSION

Between (Name) John R. and Joanne C. Hazel

(Address) 12997 Vernie, Milwaukie, Oregon 97222
(a corporation, partnership, individual, herein called "Borrower") and FIRST STATE BANK OF OREGON
an Oregon Banking Corporation, Milwaukie Office, P.O. Box 22035, Milw., Ore.
Address

Section 1. LOAN AGREEMENT. The Bank, upon execution and delivery to it by Borrower of this agreement, Borrower's promissory note(s), financing statement and completion of other required details will make a loan to the Borrower. The promissory note(s) shall be in the face amount of \$ 17,500.00 payable on the terms and at the interest rate set forth on the note(s).

Section 2. COLLATERAL. To secure the payment and performance of all obligations of the Borrower set forth in this agreement, the note(s) and any other obligations of the Borrower to the Bank, the Borrower grants to the Bank a security interest in the following collateral:

2. 1 DESCRIPTION OF COLLATERAL.

One (1) new, coiled, 20,000 gallon, Class DOT 11A100W-7 tank car, equipped with 100 ton roller bearing trucks, manufactured by General American Transportation Corporation, at Sharon, Pennsylvania, in June, 1971, initialed and numbered RTLX 2198.

together with all accessories, substitutions, additions, replacements, parts and accessions affixed to or used in connection with the collateral.

2. 2 OTHER PROPERTY OF BORROWER IN BANK'S POSSESSION OR CONTROL. All tangible personal property owned by the Borrower or in which it has an interest which are now or may hereafter be in the possession and control of the Bank.

2. 3 USE OF COLLATERAL. Borrower shall use the collateral

- a. In business, or
- b. For personal, family or household purposes, or
- c. In farming operations.

2. 4 LOCATION OF COLLATERAL.

(a) Fixtures.
(1) If the collateral is to be attached to real estate, the address of the real estate is _____

and the name and address of the record owner, if other than the Borrower, is _____

(2) If the collateral is or will be attached to the real estate prior to this loan or prior to the perfection of the Bank's security interest, Borrower will furnish the Bank with subordinations by all persons having any interest in the real estate. The names, addresses and interest of all persons whose interests are to be subordinated, other than those set forth in Section 2.4 (a) (1) are _____

(b) Goods used in more than one state. If the collateral is goods of a type which are normally used in more than one state, the chief place of business of Borrower, if other than the address of Borrower set forth at the beginning hereof, is _____

(c) Other Goods. In any other event the collateral will be kept at the following address, if other than the address of Borrower set forth at the beginning hereof _____

2. 5 SPECIAL TERMS AND CONDITIONS.

THIS AGREEMENT INCLUDES ALL THE TERMS ON THE REVERSE SIDE HEREOF.

ATTEST

Witness, Secretary of Corporate Borrower

Payment and performance of the above obligation absolutely, unconditionally and continuously guaranteed.

By _____

By _____

John R. Hazel
Borrower's Name
By Joanne C. Hazel

FIRST STATE BANK OF OREGON

By L. U. Schwobel