

Southern National



HAROLD L. JAMES
VICE PRESIDENT AND
CITY EXECUTIVE

SANFORD, NORTH CAROLINA

May 17, 1979

10387

RECORDATION NO. Filed 1425

MAY 22 1979 - 11 30 AM

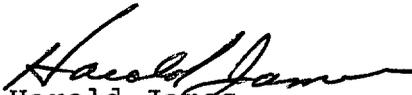
Secretary of the Interstate INTERSTATE COMMERCE COMMISSION
Commerce Commission
Washington, D. C. 20423

Dear Sir:

Enclosed are two (2) certified true copies of security and note agreement signed by Mr. W. E. Horner, Jr. on which we hold as security for a loan. This security is four (4) pullman standard box cars, serial numbers VTR 13153, VTR 13154, VTR 13157, and VTR 13163. These box cars bear the marks of the Vermont Railway. The principal office is located at Vermont Railway Inc., 267 Battery Street, Burlington, Vermont 05401. Also attached, individual form of acknowledgment which has been executed and notarized. Please record and remit acknowledgment of recording to Southern National Bank, Post Office Box 190, Sanford, North Carolina.

Also enclosed is a \$50.00 check for recording fees. If this fee is not enough to cover the recording charge, please advise immediately.

Yours truly,


Harold James

HJ/jl

Enclosures

RECEIVED
MAY 22 11 20 AM '79
I.C.C.
FEE OPERATION BR.

9-144A015

No.

Date MAY 22 1979

Fee \$ 50.00

ICC Washington, D. C.

Interstate Commerce Commission
Washington, D.C. 20423

5/22/79

OFFICE OF THE SECRETARY

Harold L. James
Southern National Bank of N.C.
Sanford, N.C. 27330
P.O. Box 190

Dear 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 5/22/79 at 11:30am, and assigned recordation number(s). 10387

Sincerely yours,

H. G. Homme, Jr.
Secretary

Enclosure(s)

SE-30
(3/79)

**PROMISSORY NOTE (SECURED)
LOAN CONTRACT AND FEDERAL DISCLOSURES**

FOR VALUE RECEIVED, THE UNDERSIGNED BORROWER(S), JOINTLY AND/OR SEVERALLY PROMISE TO PAY TO THE ORDER OF

SOUTHERN NATIONAL BANK OF NORTH CAROLINA
AT ITS OFFICES IN

Sanford N.C. 27330
(ZIP CODE)

(HEREINAFTER TERMED "BANK") THE SUM OF One Hundred Eighteen

Thousand Five Hundred Fifteen and no/100 DOLLARS, WITH

INTEREST FROM DATE, OR FROM MATURITY IF PREPAID, AT THE RATE OF

Prime PER-CENT PER ANNUM UNTIL PAID;

PAYABLE IN FULL _____ DAYS FROM DATE ON _____; OR

PAYABLE ON DEMAND; OR

PAYABLE IN 144 MONTHLY INSTALLMENTS OF \$ 1,520.00 EACH, Includes Int.

THE FIRST PAYABLE ON OR BEFORE May 19, 1979, WITH OTHERS PAYABLE ON OR BEFORE THE SAME DAY OF EACH SUCCEEDING MONTH THEREAFTER, AND THE LAST INSTALLMENT PAYABLE ON OR BEFORE _____, 19 _____

IN THE AMOUNT OF \$ _____ (IF THE LAST INSTALLMENT IS MORE THAN TWICE THE AMOUNT OF OTHERS, IT IS A BALLON PAYMENT AND WILL BE PAYABLE IN FULL ON THE DATE SHOWN); OR

PAYABLE \$ _____ ON OR BEFORE _____, 19 _____

\$ _____ ON OR BEFORE _____, 19 _____

(PAYMENT TERMS NOT CHECKED ARE DELETED) TOGETHER WITH A CHARGE OF FIVE PERCENT (5%) OF A PAYMENT OR PAYMENTS IN DEFAULT FOR TEN (10) OR MORE DAYS. FURTHER, IF SUIT IS INSTITUTED TO ENFORCE COLLECTION OF ANY UNPAID BALANCE OF THE LOAN UPON DEFAULT OF BORROWER(S), SAID BORROWER(S) AGREES TO PAY FOR BANK'S LEGAL EXPENSES AND FIFTEEN PERCENT (15%) OF THE SUM OF THE UNPAID PRINCIPAL AND ALL INTEREST DUE THEREON AT THE TIME SUIT IS INSTITUTED AS REASONABLE ATTORNEY'S FEE OF BANK.

INSURANCE DISCLOSURES: PRIME RATE ADJUST MONTHLY

PHYSICAL DAMAGE INSURANCE. If written in connection with this Secured Transaction, may be obtained by Borrowers through any duly licensed Insurance Agent or Broker of their choice; subject only to Bank's right to refuse to accept any insurer offered by Borrowers, for reasonable cause. If such insurance is procured by Bank, with insurance premiums therefor financed as part of this Loan, the cost will be \$ _____, for the term of the credit, based upon current rates and representations of Customers as to use of Collateral, their Record and Classification.

CREDIT LIFE AND DISABILITY INSURANCE IS NOT REQUIRED TO OBTAIN THIS LOAN. NO CHARGE IS MADE FOR CREDIT INSURANCE AND NO CREDIT INSURANCE IS PROVIDED UNLESS THE BORROWER TO BE INSURED SIGNS APPROPRIATE STATEMENT BELOW:

THE COST OF CREDIT LIFE INSURANCE ALONE FOR THE TERM OF THE LOAN WILL BE \$ _____

THE COST OF CREDIT LIFE AND DISABILITY INSURANCE FOR THE TERM OF THE LOAN WILL BE \$ _____

I DESIRE CREDIT LIFE INSURANCE ONLY:

(INSURED BORROWER) _____ (SEAL) _____ (DATE)

I DESIRE CREDIT LIFE AND DISABILITY INSURANCE:

(INSURED BORROWER) _____ (SEAL) _____ (DATE)

Having transferred to and deposited with the said Bank as Collateral Security for payment of this or any Liability or Liabilities, the following property, to-wit:

4 Pullman Standard Box Cars S# VTR 13153, VTR 13154, VTR 13157, VTR 13163

Mr. Horner's cars bear the marks of the Vermont Railway. The principal offices located at: Vermont Railway, Inc. 267 Battery Street Burlington, VT. 05401

And any and all additions thereto, and or substitutions therefor, and hereby give the said Bank a lien for all said demands, upon all property now or hereafter left with the said Bank, in safekeeping or otherwise, by or for the undersigned, and upon any balance of deposit account with said Bank, hereby authorizing said Bank at any time to charge any and all of the said demands against the deposit account of the undersigned on the books of said Bank, or the said Bank may at any time apply and balance of deposit account of the undersigned as a credit on this note and or any other obligations, Indebtedness or Liability of the undersigned to the said Bank.

The undersigned shall deliver to said Bank upon demand additional collateral satisfactory to it, whenever called upon, so that there will at all times be with said Bank a margin of security satisfactory to it; and in case of failure so to do forthwith, or of non-fulfillment of any term of this note or of any said liabilities, by or against any one or more of the makers hereof, or any other party hereto, then this note or any or all of said liabilities or any designated part thereof shall immediately become due and payable at the option of said Bank, and in any of these events, the Bank is hereby authorized to sell through any Broker within or without the state, or at public or private sale, at the option of said Bank at any time or times thereafter, without demand advertisement or notice, the above mentioned securities and properties or any part thereof, or any additions thereto or any securities, that may now be in or later come into the possession and custody of the said Bank. In case of public sale, the same shall be had after advertisement thereof for five days, naming therein the place and the time of sale, by notice posted at the door of the Courthouse of the County in which said sale is to take place and two other public places in said County. Upon sale of any said securities, the Bank may become the purchaser thereof absolutely free from any claim of any part hereto. After deducting all costs and expenses of sale and delivery, the Bank is authorized to apply the residue of such sale or sales so made to the payment of any of the Liabilities above mentioned of the undersigned as the Bank may deem proper returning overplus, if any, to the undersigned and the undersigned shall remain liable to the holder hereof for any deficiency.

If signed by more than one person, this note shall be the joint and several obligation of all the signers, and each provision of the note shall apply to each and all of the signers and to the property and liability of each and all of them.

The Bank shall be under no duty to enforce the payment of the collateral securing this note, or to exercise the right of set-off, and is released from all liability for failure to enforce or collect the said collateral or to exercise the right of set-off, and no failure or delay on the part of the Bank, in exercising any rights hereunder, shall operate as a waiver of said rights, and any such failure or delay shall not affect the Liability of any endorser or other party to this note or release or relieve them or any of them from any Liability hereby incurred.

All persons bound by this note, whether as principals, sureties, guarantors, endorser or otherwise hereby waive demand, presentment, protest, notice or protest and notice of dishonor, and consent to partial payment of principal and interest by any party hereto before or after maturity, and agree to remain bound until payment in full of the principal and interest hereof notwithstanding any extensions of time which may be granted, even though the period of extension be indefinite.

THIS PROMISSORY NOTE IS SUBJECT TO THE ADDITIONAL PROVISIONS, TERMS, UNDERTAKINGS AND RIGHTS SET FORTH ON THE REVERSE SIDE HEREOF, THE SAME BEING INCORPORATED HEREIN BY REFERENCE. DO NOT SIGN THIS CONTRACT UNTIL YOU HAVE READ THE ADDITIONAL PROVISIONS ON THE REVERSE SIDE HEREOF.

WITNESS MY(OUR) HAND(S) AND SEAL(S):

THE UNDERSIGNED BORROWERS DO HERewith ACKNOWLEDGE RECEIPT OF THE DISCLOSURES CONTAINED HEREIN. THEY FURTHER ACKNOWLEDGE THAT THIS NOTE WITH DISCLOSURES WERE FILED IN PRIOR TO THEIR EXECUTING THE SAME.

[Signature] (SEAL)
BORROWER

BORROWER (SEAL)

BORROWER (SEAL)

ANY UNPAID BALANCE OF THE TOTAL OF PAYMENTS MAY BE PREPAID IN FULL BY COST OF NEW LOAN, REFINANCING OR OTHERWISE BEFORE MATURITY PROVIDED ALL PAYMENTS ARE CURRENT AT THE TIME OF PREPAYMENT. BANK MAY, AT ITS OPTION, MAKE A PARTIAL REFUND OF FINANCE CHARGES WHICH HAVE BEEN PREPAID AND UNEARNED, COMPUTED UNDER THE RULE OF 78'S.

[Signature]
WITNESS

WITNESS

WITNESS

April 19 1979 \$ 116,515.00
DATE OF EXECUTION AND DELIVERY AMOUNT NOTE
BORROWER(S) - NAME AND ADDRESS
RECORDATION NO. 10387
W. E. Horner Jr. MAY 22 1979 - 11 20 AM Filed 1425
517 McLeod INTERSTATE COMMERCE COMMISSION
Sanford, N.C. 27330
TELEPHONE:
ACCOUNT NUMBER 346602 NOTE NUMBER 241979

1. LOAN PROCEEDS	\$ Business Loan
2. CREDIT LIFE PREMIUM	
3. DISABILITY PREMIUM	
4. PHYSICAL DAMAGE PREMIUM	
5. TITLE AND NOTARY FEES	
6. FILING & RELATED FEES	
7. OTHER	
8. LESS: PREPAID FINANCE CHGS.	
9. AMOUNT FINANCED	\$
10. FINANCE CHARGE	\$
A. INTEREST	
B. _____	
11. TOTAL OF PAYMENTS	\$
ANNUAL PERCENTAGE RATE	%

BASIC TERMS OF LOAN AGREEMENT

SNB-CR-4

Southern National



RECORDATION NO. 10387 Filed 1425

MAY 22 1979 - 11 20 AM

INDIVIDUAL FORM OF ACKNOWLEDGEMENT INTERSTATE COMMERCE COMMISSION

STATE OF N.C.

COUNTY OF Lee

On this 16 day of May 19 79, before me personally appeared W.E. Horner, Jr., to me known to be the person described in and who executed the foregoing instrument and he acknowledged that he executed the same as his free act and deed.

Title of Officer

(Seal)

My Commission expires 2-10-81