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JEFFREY D. KNOWLES

*ADMITTED IN PENNSYLVANIA ONLY

RECORDATION NO. 9493 Filed & Recorded

JUN 20 1978 -2 24 PM

INTERSTATE COMMERCE COMMISSION

June 28, 1978

Secretary of the Interstate
Commerce Commission
Room 1227
Washington, DC 20423

Re: ICC Recordation of Security Interest
in Railroad Rolling Stock

Dear Secretary:

Pursuant to Section 49 U.S.C. 20c, we are enclosing \$50.00 and the original and five certified true copies of a June 20, 1978, Security Agreement to be recorded by the ICC.

The names and addresses of the parties to the enclosed Chattel Mortgage Security Agreement are as follows:

1. Debtor-Mortgagor

Peter Unger
910 Fourth Avenue
Seattle, Washington 98101

2. Secured Party-Mortgagee

Seattle-First National Bank
1001 4th Avenue
Seattle, Washington 98154

Secretary of the Interstate
Commerce Commission

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June 28, 1978

The general description of the equipment covered
by the enclosed Security Agreement is as follows:

One, seventy ton, fifty foot, six inch
"XF" type Boxcar having identifying
markings, MDDE, representing the lessee
railroad, Maryland & Delaware Railroad,
and the designated serial number
MDDE 2235.

Kindly return the original and three copies to
this office.

Very truly yours,

Joe A. Shull
Joe A. Shull

mrs

Enclosure



(Chattel Mortgage Type Instrument. Do Not Use for Inventory or Retail Sale Transactions on Consumer Goods)

SECURITY AGREEMENT - EQUIPMENT, FARM EQUIPMENT, FIXTURES, OR CONSUMER GOODS
(May Be Used for Motor Vehicles and Aircraft in Above Categories)

THE UNDERSIGNED Peter Unger Head Office - 1001 4th Ave., Seattle 98154 Branch

hereinafter called "Debtor") hereby grants to SEATTLE-FIRST NATIONAL BANK (hereinafter called "Secured Party"), its successors and assigns, a security interest in the following described property: together with all increases therein, all added and substituted parts and equipment, tools, parts accessories, supplies and improvements therefor, together with all proceeds of all such property, to-wit:

(Insert full description of property, including identifying data such as year, make, model, serial and identification numbers.)

"One (1) 70 ton, 50 foot, 6 inch, XF type Boxcar having serial number - SN" 9493 MDDE 2235

RECORDATION NO. 9493 Filed & Recorded JUN 30 1978 - 2 20 PM INTERSTATE COMMERCE COMMISSION

All of said property is hereinafter referred to as the "collateral" and it is located in _____ County, Washington

This Security Agreement is given to secure the payment and performance of all indebtedness and obligations of Debtor to Secured Party presently existing and hereafter arising, direct or indirect, and interest thereon.

DEBTOR HEREBY REPRESENTS, COVENANTS AND AGREES WITH SECURED PARTY AS FOLLOWS:

1. Use of collateral - Residence of Debtor

Debtor agrees to comply with any governmental regulation affecting the use of the property and will not waste, injure or destroy the property, or use or permit the use of the collateral in any unlawful manner. Debtor represents and agrees that the primary use of the collateral is and will be as checked here:

- Personal, family or household purposes
[X] Business use
Farming use

The Debtor (if a natural person) resides or (if a corporation) has its principal place of business, in the county set forth below, unless some other county is indicated here:

King County, Washington.

2. Fixtures

If any of the collateral is to be or has been attached to real estate, the description of the real estate is as follows:

_____ County, Washington

3. Ownership and Liens

Debtor (if a natural person) is of legal age, (if a corporation, legally organized and existing under the laws of the state of its incorporation) owns the collateral and it is free and clear of all security interests and encumbrances of every nature (except as noted on the reverse). Debtor will not create or permit the existence of any lien or security interest other than that hereby created on the collateral without the written consent of Secured Party. Any certificate of title now or hereafter existing on any of the collateral will be delivered to Secured Party and will recite the interest of Secured Party.

4. Taxes

Debtor will pay before delinquency all taxes or other governmental charges levied against the collateral and will pay any tax which may be levied on any obligation secured hereby.

5. Repairs and Inspection.

Debtor will keep the collateral in good repair. Secured Party may inspect the collateral at reasonable times and intervals and may for this purpose enter the premises upon which the collateral is located.

6. Insurance.

Debtor will keep the collateral continuously insured by an insurer approved by Secured Party against fire, theft and other hazards designated at any time by Secured Party, in an amount equal to the full insurable value thereof or to all sums secured

The terms and conditions appearing on the back hereof are part of this Security Agreement.

When executed by more than one party, the obligations hereunder shall be several as well as joint.

Signed this 20 day of June, 1978

8506 S. E. 79th Place Mercer Island

Street City

Washington 98040 King County, Washington

MAILING ADDRESS OF DEBTOR (Print)

[Handwritten signature]

(SIGNATURE OF DEBTOR)

hereby, with such form of loss payable clause as designated by and in favor of Secured Party, and will deliver the policies and receipts showing payment of premiums to the Secured Party. In the event of loss, Secured Party shall have full power to collect any and all insurance upon the collateral and to apply the same at its option to any obligation secured hereby, whether or not matured, or to the restoration or repair of the collateral. Secured Party shall have no liability whatsoever for any loss that may occur by reason of the omission or lack of coverage of any such insurance.

7. Removal of Sale.

Without the prior written consent of Secured Party, Debtor will not sell or lease the collateral or any interest therein. The Secured Party may assign or transfer the whole or any part of the indebtedness, obligation or liability of the Debtor, and may transfer therewith as collateral security the whole or any part of the collateral herein mentioned, and all obligations, rights, powers and privileges herein provided shall inure to the benefit of the assignee and shall bind the heirs, executors, administrators, successors or assigns of the parties hereto, as the case may be.

8. Expenses Incurred by Secured Party.

Secured Party is not required to, but may at its option, pay any tax, assessment, insurance premium, expense, repair or other charges payable by Debtor, and any filing or recording fees, and any amount so paid, with interest thereon at the maximum rate permitted by law from date of payment until repaid shall be secured hereby and shall be repayable by Debtor on demand. The rights granted by this paragraph are not a waiver of any other rights of Secured Party arising from breach of any of the covenants hereof by Debtor.

9. Waivers

This Security Agreement shall not be qualified or supplemented by course of dealing. No waiver or modification by Secured Party of any of the terms or conditions hereof shall be effective unless in writing signed by Secured Party. No waiver or indulgence by Secured Party as to any required performance by Debtor shall constitute a waiver as to any subsequent required performance or other obligations of Debtor hereunder.

10. Default

Time is of the essence in this Security Agreement, and in any of the following events, hereinafter called "Events of Default," to-wit:

- (a) Any failure to pay when due the full amount of any payment of principal, interest, taxes, insurance premiums or other charges which are or may be secured hereby; or
- (b) Any failure to perform as required by any covenant or agreement herein; or
- (c) The falsity of any representation by Debtor herein or in any credit application or financial statement given by Debtor to Secured Party as a basis for any extension of credit secured hereby; or
- (d) If the collateral should be seized or levied upon under any legal or governmental process against Debtor or against the collateral; or

- (e) If Debtor becomes insolvent or is the subject of a petition in bankruptcy, either voluntary or involuntary, or in any other proceeding under the federal bankruptcy laws; or makes an assignment for the benefit of creditors; or if Debtor is named in or the property is subjected to a suit for the appointment of a receiver; or
- (f) The Secured Party deems itself insecure.

Then and in any of such events of default, the entire amount of indebtedness secured hereby shall then or at any time thereafter, at the option of Secured Party, become immediately due and payable without notice or demand, and Secured Party shall have an immediate right to pursue the remedies provided herein.

11. Remedies

In the event of a default hereunder, Secured Party shall have all remedies provided by law; and without limiting the generality of the foregoing, shall be entitled as follows:

- (a) Debtor agrees to put Secured Party in possession of the collateral on demand; and
- (b) Secured Party is authorized to enter any premises where the collateral is situated and take possession of said collateral without notice or demand and without legal proceedings; and
- (c) At the request of Secured Party, Debtor will assemble the collateral and make it available to Secured Party at a place designated by Secured Party which is reasonably convenient to both parties; and
- (d) Debtor agrees that a period of ten (10) days from the time notice is sent, by first class mail or otherwise, shall be a reasonable period of notification of a sale or other disposition of the collateral; and
- (e) Debtor agrees that any notice or other communication by Secured Party to Debtor shall be sent to the mailing address of the Debtor stated herein; and
- (f) Debtor agrees to pay on demand the amount of all expenses reasonably incurred by Secured Party in protecting or realizing on the collateral. In the event that this Security Agreement or any obligation secured by it is referred to an attorney for protecting or defending the priority of Secured Party's interest or for collection or realization procedures, Debtor agrees to pay a reasonable attorney's fee, including fees incurred in both trial and appellate courts, or fees incurred without suit, and expenses of title search and all court costs and costs of public officials. The sums agreed to be paid in this subparagraph shall be secured hereby; and
- (g) If Secured Party disposes of the collateral, Debtor agrees to pay any deficiency remaining after application of the net proceeds to any indebtedness secured hereby.

12. This Security Agreement and the indebtedness hereby secured are subject to the laws of the State of Washington and are to be construed in accordance therewith.

13. Supplement to Security Agreement - Personal Property

- A. "The Debtor covenants and agrees to cause to be plainly, distinctly, permanently and conspicuously marked upon the side of the collateral the following words in letters not less than 1" in height: SEATTLE-FIRST NATIONAL BANK, SECURED PARTY. In case during the continuance of this Security Agreement, any such marking on the collateral shall at any time be painted over or otherwise be made inconspicuous, removed, defaced or destroyed, the Debtor shall immediately cause the same to be restored or replaced."
- B. "The Debtor covenants and agrees that it will cause this Security Agreement and all amendments, supplements and assignments hereto to be duly filed with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act, at Debtor's sole cost and expense.

14. See attachment for acknowledgements and certification.

ATTACHMENT TO SECURITY AGREEMENT DATED JUNE 20, 1978

INDIVIDUAL FORM OF ACKNOWLEDGEMENT

STATE OF WASHINGTON

County of King, ss:

On this 20th day of June 19 78, before me personally appeared Peter Unger, 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.

(SEAL)

Barbara Jean Ash
Notary Public

My commission expires Dec, 1981.

STATE OF WASHINGTON, ss:

I, Barbara Jean Ash, a Notary Public in and for the State of Washington, hereby certify that I have examined the original Security Agreement dated June 20, 1978, and executed by Peter Unger, and find this copy to be a true copy of the original Security Agreement in all respects.

Dated: June 20, 1978

Barbara Jean Ash
Notary Public

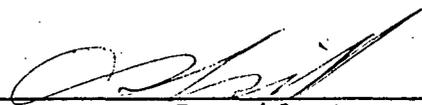
My commission expires: Dec 1981

BILL OF SALE

Fruit Growers Express Company ("FGE") hereby transfers to Peter Unger ("Buyer") FGE's interest in the 70-ton 50'6" XF type freight Car(s) identified on the schedule attached hereto, upon delivery at Florence, South Carolina.

FGE hereby warrants to the Buyer that, at the time of delivery of the Car(s), FGE had legal title to the Car(s) and good and lawful right to sell the Car(s) and that the Car(s) are free of all claims, liens, security interests and other encumbrances of any nature. FGE further covenants to defend the title to the Car(s) against the demands of all persons whomsoever based upon claims originating prior to the delivery of the Car(s) by FGE.

FRUIT GROWERS EXPRESS COMPANY

By  _____
President

June 21, 1978

[CORPORATE SEAL]

SCHEDULE OF DELIVERY

OF

70-TON, 50'6" XF TYPE FREIGHT CARS

RAILROAD REPORTING MARKS

MDDE 2235