6-279A062

Date

Fee $ 10

ICC Washington, D. C.

Continental National Bank of Fort Worth
Member Southwest Bancshares, Inc.

September 30, 1976

W. L. Nix
Vice President

RECORDATION NO. 8506 Filed & Recorded

OCT 5 1976 3 12 PM

INTERSTATE COMMERCE COMMISSION

Secretary
Interstate Commerce Commission
Washington, D. C. 20423

RECEIVED
OCT 5 2 55 PM '76
FEE OPERATION BR.

Dear Sir:

Enclosed herewith for recordation in accordance with 49 CFR, Part 1116, are an original and two counterparts of a Security Agreement dated September 29, 1976, executed by Glenn Boydstun in favor of Continental National Bank of Fort Worth.

In compliance with 49 CFR 1116.4, we advise you as follows:

Name and Address of Debtor (Mortgagor)

Boydstun, Glenn
3524 Raider Road
Hurst, Texas 76053

Name and Address of Secured Party (Mortgagee)

Continental National Bank of Fort Worth
714 Houston Street
Fort Worth, Texas 76102

Description of Equipment Covered by Document

Five (5) railway tank cars described as follows:

23,500 gallon nominal capacity tank cars, DOT111A100W3, coiled and insulated; 100-ton roller bearing truck, A.A.R. mechanical designation T, bearing the following initials and numbers:

Michael Clement

Counterpart

P.O. Box 910, 714 Houston, Fort Worth, Texas 76101 (817) 334-9011

RTMX 2415
RTMX 2417
RTMX 2422
RTMX 2420
RTMX 2421

Upon recordation you are authorized and requested to return a copy of the enclosed document to:

Mr. Michael Nemeroff
Sidley & Austin
1730 Pennsylvania Avenue N.W.
Washington, D. C. 20006

Yours very truly,

W. L. Nix

W. L. Nix

WLN:sb

Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

10/5/76

OFFICE OF THE SECRETARY

Mr. Michael Nemeroff
Sidley & Austin
1730 Penn. Ave. N.W.
Washington, D.C. 20006

Dear

The enclosed document(s) was recorded pursuant to the provisions of Section 20(c) of the Interstate Commerce Act, 49 U.S.C. 20(c), on 10/5/76 at 3:10pm and assigned recordation number(s)

8506,8507,8508

Sincerely yours,

Robert L. Oswald
Secretary

Enclosure(s)

SE-30
(5/76)

RECORDATION NO. 8506 Filed & Recorded

OCT 5 1976 -3 10 PM

INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT

THIS SECURITY AGREEMENT is made this 29 day of September, 1976, between Glenn Boydstun ("Debtor"), 3524 Raider Road, Hurst, Tarrant County, Texas and CONTINENTAL NATIONAL BANK OF FORT WORTH ("Bank"), 714 Houston Street, Fort Worth, Tarrant County, Texas 76102.

At Debtor's request Bank is lending to Debtor to finance Debtor's purchase of the five (5) railway cars described below subject to, among other terms and conditions, the giving of this Agreement. Debtor has entered, or promptly upon execution of this Agreement shall enter, into an agreement (the "Management Agreement") with RICHMOND LEASING COMPANY ("RLC") under which RLC is to manage the railway cars for Debtor.

IN CONSIDERATION of Bank's extending credit and advancing funds to Borrower and in order to secure payment of the Secured Indebtedness, Debtor does hereby GRANT, BARGAIN, SELL, TRANSFER, CONVEY and ASSIGN unto Bank, and GRANTS Bank a security interest in, all of the following described property now owned or hereafter acquired by Debtor (the "Collateral"):

(a) Five (5) railway tank cars (the "cars") described as follows:

23,500 gallon nominal capacity tank cars, DOT111A100W3, coiled and insulated; 100-ton roller bearing truck, bearing the following numbers:

RTMX 2415
RTMX 2417
RTMX 2422
RTMX 2420
RTMX 2421

together with all accessories, equipment, parts and appurtenances appertaining or attached to any of the cars and all substitutions, renewals and replacements of and additions, improvements, accessions and accumulations to any of the cars, the term "cars" including

all of the property described in this paragraph (a), whether now owned or hereafter acquired; and

(b) All present and future rents, revenues, issues, income, profits, rights, benefits, casualty payments, insurance proceeds, condemnation awards and all other payments and entitlements of any description whatever of, from or relating to any of the cars, regardless of whether the same may be classified as accounts, contract rights, chattel paper, general intangibles or any other class or type of property under the law of any jurisdiction, including specifically (but without limitation) all payments due and becoming due Debtor under the Management Agreement; and

(c) All right, title, interest, claims and demands of any description whatever in, to and under the Management Agreement, together with all present and future rights, powers, privileges, options and other benefits of Debtor as a party thereto; and

(d) All proceeds of all of the foregoing;

And Debtor also hereby GRANTS to Bank the continuing immediate and irrevocable right and power, either in its own name or that of Debtor, to receive, collect, and give receipt for all present and future rents, revenues, issues, profits, rights, benefits, casualty payments, insurance proceeds, condemnation awards and other payments and entitlements of any description whatever of, from or relating to any of the cars, and to exercise every right and power and do all other acts and things which Debtor is or may become entitled to exercise or do under the Management Agreement and any leasing or letting of the cars and any other agreement made with respect to the cars.

THIS GRANT IS MADE for the purpose of securing payment of the following obligations (the "Secured Indebtedness") of Debtor to Bank:

(a) A promissory note ("Debtor's Note") dated September 29, 1976, signed by Debtor and made payable to the order of Bank in the original principal amount of $152,500.00; and

(b) Any and all other or additional indebtedness or liabilities for which Debtor is now or may hereafter become liable to Bank in any manner (including without limitation, overdrafts in a bank account), whether under this Agreement or otherwise, either primarily or secondarily, absolutely or contingently, directly or indirectly, and whether matured or unmatured, joint, several, or joint and several, regardless of whether the same originated with Bank or was originally payable to or in favor of someone other than Bank or is or was acquired by Bank by assignment or otherwise; and

(c) Any and all extensions and renewals of and substitutes for any of the foregoing indebtedness and liabilities or any part thereof.

Debtor REPRESENTS, WARRANTS and AGREES to and with Bank as follows:

Section 1. Payment. Debtor promises to pay the Secured Indebtedness punctually when due, and if any of the Secured Indebtedness is not evidenced by a writing specifying a due date, to pay the same upon demand, all Secured Indebtedness being payable to Bank at its address shown above.

Section 2. Purchase Money Interest. Proceeds of the loan made by Bank to Debtor shall be used solely to enable Debtor to purchase the cars and any balance of the purchase price over and above the amount of loan proceeds shall be paid by Debtor using his own funds.

Section 3. Place of Business and Records. (1) Debtor's chief place of business and chief executive office and

office where his records of accounts and contract rights and other business records are kept is at the address in Tarrant County, Texas, shown above and shall not be changed without Bank's prior written approval.

(2) Debtor shall at all times keep complete and accurate records of the Collateral. Bank may, from time to time, have access to and examine and copy such records. When required by Bank, Debtor shall furnish Bank with such certificates (in such form as Bank may specify) and other data concerning any or all of the Collateral as Bank may require. Bank may request confirmation and information directly from RLC or any other persons managing or dealing with any of the cars on Debtor's behalf or from any lessee, account debtor or other obligor obligated with respect to any of the Collateral.

Section 4. Title. (1) Debtor is and shall remain absolute owner of all of the Collateral, free of any encumbrance or claim in favor of another, except for the security interest of Bank, and Debtor, at his expense, shall defend against all claims and demands of any person at any time claiming any interest in any of the Collateral adverse to Bank. All rights of RLC under the Management Agreement or of any other managing party and all present and future leases and subleases of any of the cars are and shall be subordinate to the rights of Bank.

(2) Except for any financing statement in favor of Bank, no financing statement or other filing covering any of the Collateral has been executed by Debtor or is on file with any public office. Debtor has not granted or given and shall not grant or give a security interest or financing statement covering any of the Collateral to anyone other than Bank. Upon Bank's request, and at Debtor's expense, Debtor shall execute and deliver to Bank and procure the

execution and delivery by third parties of such financing statements, transfers, agreements and other instruments and documents and do all other acts and things which, in the judgment of Bank, are necessary or proper to establish and maintain in favor of Bank a valid first and prior security interest in the Collateral. Upon Debtor's failure to do so, Bank may sign any financing statement or other instrument or document on Debtor's behalf. Debtor shall pay the cost of preparing and filing all financing statements and other instruments and documents.

(3) Debtor shall immediately cause each car to be plainly, distinctly, permanently and conspicuously stenciled with the following legend on each side of the car in letters of not less than one inch in height:

> THIS CAR IS SUBJECT TO A SECURITY AGREEMENT AND CHATTEL MORTGAGE RECORDED UNDER THE UNIFORM COMMERCIAL CODE AND SECTION 20c OF THE INTERSTATE COMMERCE ACT.

(4) Debtor shall conspicuously mark its copy of all leases covering any of the cars and its records of car leases with a notation reflecting this assignment to Bank. Upon Bank's request, Debtor shall deliver to Bank the original of any leases or other agreement covering any of the cars which are in Debtor's possession. Debtor shall cause RLC to note Bank's interest in its records of all leases of any of the cars.

(5) If any of the Collateral is or becomes subject to any certificate of title statute or similar registration law of any jurisdiction, Debtor shall cause Bank's interest to be noted on the certificate or otherwise in accordance with the law.

Section 5. Sales. Except as expressly provided in Section 6, Debtor may not sell, lease or otherwise dispose of any of the Collateral or any interest in any of the Collateral, except such items as to which Debtor has previously obtained Bank's written release.

Section 6. Leasing and Management of Cars. (1) The Management Agreement shall be in form and substance satisfactory to Bank. If not already executed as of the execution of this Agreement, Debtor shall execute and cause RLC to execute the Management Agreement promptly after the execution of this Agreement. Bank shall be furnished with a copy of the executed Management Agreement.

(2) So long as no Event of Default has occurred or exists, RLC may lease and let the cars in accordance with the Management Agreement, and RLC may continue to do so thereafter in the absence of contrary instructions from Bank. Debtor shall keep and perform all of its obligations under the Management Agreement and any leasing or letting of any of the cars and shall not suffer or permit any event or condition to occur or exist which gives rise to a right in favor of any lessee under any lease or letting or RLC under the Management Agreement to withhold rental or other payments from Debtor other than withholding normal expenses and management or service fees.

(3) Without Bank's prior written approval, Debtor may not amend, modify, supplement, change, terminate or accept a surrender of, the Management Agreement. Further, in the event of termination of the Management Agreement, Debtor shall obtain a similar agreement upon terms and conditions and with another managing party satisfactory to Bank and with a term commencing not later than the effective date of the termination of the Management Agreement.

Section 7. Collections. (1) In the absence of contrary instructions from Bank, Debtor, at his expense, shall take all necessary action promptly to collect rents and other payments included in the Collateral, including specifically (but without limitation) all payments due or becoming due Debtor under the Management Agreement, and shall promptly advise Bank of any nonpayment punctually when due by the

lessee, account debtor or other obligor obligated with respect to any of the Collateral.

(2) When and to the extent required by Bank, Debtor (a) shall immediately upon receipt deposit all proceeds of Collateral in a collateral collection account with Bank in the exact form received (with any necessary endorsement) and without commingling with other property and (b) shall immediately notify RLC and any lessees, account debtors and other obligors obligated with respect to any of the Collateral to make payments directly to Bank.

(3) At its option, at any time and at Debtor's expense, Bank may notify RLC, lessees, account debtors and other obligors obligated with respect to any of the Collateral to make payments directly to it and may collect, sue, compromise on terms it considers proper, endorse, settle or otherwise deal with any of the Collateral and proceeds of Collateral, either in its own name or that of Debtor. After deduction of any expenses of collection, including attorneys' fees, all proceeds received by Bank shall be applied to payment of the Secured Indebtedness, whether due or not, in such order as Bank may choose. At any time, and from time to time, Bank may make like application of the balance of the collateral collection account or it may release all or part of the balance to Debtor.

(4) Debtor shall furnish Bank with a copy of all reports of receipts and disbursements with respect to the cars received by Debtor from RLC or other party managing the cars on Debtor's behalf.

Section 8. Use and Maintenance of Collateral. (1) Debtor shall not suffer or permit the cars to be used or taken outside of the continental United States (excluding Alaska) and Canada or used in violation of any applicable law or governmental regulation.

(2) Debtor shall not suffer or permit the cars to be damaged, wasted or allowed to depreciate, ordinary wear and tear from their intended primary use excepted. Without limiting the foregoing, Debtor shall maintain the cars as may, from time to time, be required by all applicable governmental rules and regulations and interchange rules of the American Association of Railroads or similar rules governing use and maintenance of the cars.

(3) Bank may inspect the cars at any time, and upon request, Debtor shall inform Bank of the location of the cars.

Section 9. Taxes and Insurance. (1) Debtor shall pay when due all taxes and assessments and discharge any liens upon the Collateral or its use and shall maintain insurance as required by Section 9(2). All policies, or other proof of issuance satisfactory to Bank, together with proof of premium payment, shall be furnished to Bank, and all policies shall provide for a minimum of ten (10) days' written cancellation notice to Bank. Debtor appoints Bank his attorney-in-fact to cancel such insurance, to adjust and settle claims thereunder, and to endorse the drafts of any insurors. All proceeds of any policy, including any refunded unearned premium, may be received by Bank and applied to payment of the Secured Indebtedness, whether due or not in such order as Bank may elect. If Debtor fails to pay any tax or assessment, discharge any lien or maintain insurance as required, Bank may, at its option, pay, discharge or obtain the same, though not required to do so, and never to be liable for failing to do so, and Debtor shall reimburse Bank on demand for any payment made by Bank in so doing, with interest at the rate of 10% per annum from date of payment.

(2) Debtor shall maintain, or cause to be maintained, insurance written by companies and in amounts satisfactory

to Bank insuring the cars against loss or damage by collision, fire, explosion or other perils, the risk of which is customarily insured against by railroads or other owners of similar property, with a deductible not to exceed $5,000.00 per car, and also comprehensive general liability insurance with limits of bodily injury liability of not less than $300,000.00 each occurrence and in the aggregate and property damage liability of not less than $100,000.00 each occurrence and in the aggregate and an umbrella liability insurance policy with limits of liability of not less than $20,000,000.00. Bank shall be named a loss payee on all insurance covering any property in which the Bank holds a security interest.

Section 10. Law Applicable - Effect of Agreement. (1) This Agreement is made under and shall, in all respects, be governed by the law of the State of Texas, including (without limitation) all matters of construction, interpretation, validity, performance and perfection.

(2) This Agreement shall be deemed and construed to be, and may be enforced as, a security agreement, chattel mortgage, assignment or power of attorney, and as one or more of them if appropriate under the laws of any jurisdiction, and by granting Bank a security interest in the Collateral, it is intended to grant Bank such rights and remedies as are available under the laws of any other jurisdiction analogous to a security interest under the law of the State of Texas regardless of how such rights and remedies may be characterized under the law of the other jurisdiction.

(3) Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent prohibited or unenforceable without invalidating the remaining provisions of this Agreement in that jurisdiction or any provision of this Agreement in any other jurisdiction. In the event of a partial invalidity in any juris-

diction, the remaining provisions of this Agreement shall be liberally construed so as to give effect, to the greatest extent permissible, to the intention expressed by the invalid provision.

Section 11. Additional Warranties. (1) To induce Bank to lend to Debtor, and for Bank's reliance in so doing, Debtor warrants to Bank, in addition to the other warranties and representations contained herein, that:

(a) Debtor's financial statement as of December 31, 1975, a copy of which has been furnished to Bank, fairly presents the financial condition of Debtor as of such date, and since such date, there has been no material adverse change in its financial condition. No litigation or governmental proceedings are pending or threatened against Debtor that would cause a material adverse change in Debtor's financial condition except any referred to (including estimates of dollar amounts involved) in such financial statement or in any schedule furnished to Bank upon execution of this Agreement, and Debtor has no material liability for taxes (either state, federal or local) or contingent liabilities not provided for or disclosed in such financial statement except those referred to (including estimates of dollar amounts involved) in any schedule furnished by Debtor to Bank upon execution of this Agreement.

(b) All information supplied and statements and representations made to Bank by or on behalf of Debtor in any financial, credit or accounting statement, application for credit, or other statement furnished to Bank prior to, contemporaneously with, or subsequent to the execution of this Agreement, and each certificate, document, schedule or other writing furnished to Bank pursuant to this Agreement, is and shall be true, correct, complete, valid and genuine and what they purport or are represented to Bank to be.

(c) Debtor is not in default with respect to any obligation to which it is a party or by which it is bound.

(d) The Management Agreement is, or on execution will be, the valid and binding obligation of the parties thereto, enforceable according to its terms and provisions. Debtor is not in default under the Management Agreement and no event or condition has occurred or exists under which RLC is entitled to terminate the Management Agreement or withhold any rental or other payment from Debtor (except for normal expenses or management or service fees), and no event or condition has occurred or exists under which any lessee of any of the cars is entitled to withhold any rental or other payment.

(2) All of the warranties and representations contained in this Agreement are and will be, in all respects, true and correct, both as of this date and as of the date of each advance by Bank to or for the benefit of Debtor, and the warranties contained in Section 11(1)(b) will be true and correct as of the date each item there mentioned is furnished to Bank.

Section 12. Other Covenants. From the date of this Agreement and until all of the Secured Indebtedness is fully paid and satisfied, Debtor agrees, in addition to the other agreements contained herein, that:

(a) Debtor shall furnish Bank with the following: (i) within 90 days after the end of each fiscal year of Debtor, a copy of Debtor's annual balance sheet as of the end of the fiscal year, accompanied by Debtor's certificate that the balance sheet fairly presents the financial position of Debtor as of the year end, and (ii) as Bank may from time to time require, any other financial reports or statements or other information concerning Debtor's financial condition, business and business affairs.

(b) Debtor shall pay, when due, all taxes, assessments, and other liabilities except and ao long as contested in good faith. Debtor shall give Bank prompt notice of his

contest of any claim made against him in excess of $5,000.00, the filing of any tax lien against it, or the commencement of any suit against him in which a claim of $5,000.00 or more is asserted.

(c) Debtor shall promptly and fully perform all of its obligations under this Agreement, Debtor's Note, and any other agreements with Bank (whether now existing or entered into hereafter).

(d) Debtor shall pay all filing fees and the cost of preparing, obtaining and furnishing to Bank all statements, opinions, reports, certificates, schedules, documents, insurance and all other items required to be furnished to Bank pursuant to this Agreement, or any request made by Bank pursuant to this Agreement, all of which shall be in form and substance satisfactory to Bank.

Section 13. Default and Remedies. As used in this Agreement, the term "Event of Default" means the occurrence or existence of any of the following events or conditions:

(a) Debtor's failure to make punctual payment when due of any of the Secured Indebtedness or the failure of Debtor to keep or perform any covenant, agreement or undertaking contained in this Agreement or any other agreement with Bank (whether now existing or made hereafter); or

(b) Any warranty, representation or statement contained in this Agreement or made or furnished to Bank by or on behalf of Debtor in connection with this Agreement or to induce Bank to extend credit to Debtor proves to have been false in any material respect when made or furnished; or

(c) The default by Debtor in the performance of any obligation owed to someone other than Bank resulting in acceleration or maturity of any indebtedness or the commencement of any foreclosure proceedings against Debtor except and so long as being contested in good faith provided Bank

is given prompt notice of the acceleration or commencement of proceedings; or

(d) Debtor's insolvency or business failure, or the appointment of a receiver for any part of the property of Debtor or Debtor's assignment for the benefit of creditors, or the commencement of any proceedings under any bankruptcy or insolvency law by or against Debtor; or

(e) The attachment, garnishment or other seizure by judicial process of any amount loaned or advanced or to be loaned or advanced to Debtor under this Agreement or of any property of Debtor, or any loss, theft, substantial damage or destruction of any of the cars; or

(f) The commencement or existence of any litigation or governmental proceedings against Debtor which, in the opinion of Bank, will materially adversely affect the financial condition or continued operation of Debtor; or

(g) Any material adverse change in the financial condition of Debtor; or

(h) Termination of the Management Agreement unless Debtor obtains a similar agreement upon terms and conditions and with another managing party satisfactory to Bank and with a term commencing not later than the effective date of termination of the Management Agreement; or

(i) The occurrence or existence of any event or condition which gives rise to a right in favor of RLC under the Management Agreement to withhold rental or other payments from Debtor other than withholding for normal expenses and management or service fees; or

(j) The repudiation or denial (whether anticipatory or otherwise) by Richmond Tank Car Company of its obligations to Bank under the Repurchase Agreement referred to below.

Section 14. Remedies. (1) Upon the occurrence of an Event of Default, and at any time thereafter, Bank may, without notice to Debtor, declare all or any of the Secured Indebtedness immediately due and payable and Bank will have, in addition to all other rights and remedies, the rights and remedies of a secured party under the Uniform Commercial Code of Texas, including, without limitation, the right to sell, lease or otherwise dispose of any or all of the Collateral and the right to take possession of the Collateral, and for that purpose Bank may enter upon any premises upon which the Collateral or any part thereof may be situated and remove it. Bank may require Debtor to assemble the Collateral and make it available to Bank at a place to be designated by Bank.

(2) Unless the Collateral is perishable or threatens to decline speedily in value, or is of the type customarily sold on a recognized market, Bank shall give Debtor notice of the time and place of any public sale or other disposition of Collateral or the time after which any private sale or other disposition is to be made by sending notice, as provided below, at least five (5) days before the sale or disposition, which provisions for notice Debtor agrees are reasonable. Debtor has obtained the agreement (the "Repurchase Agreement") of Richmond Tank Car Company to repurchase the cars in the event of Debtor's default. Without in any way limiting the manner in which Bank may make disposition of the cars, Debtor agrees that sale of any of the cars to Richmond Tank Car Company in accordance ith the Repurchase Agreement as it now exists or may hereafter be amended will, for all purposes and in all respects, constitute a commercially reasonable disposition of the cars.

(3) After deducting all costs and expenses of every kind incurred or incidental to the retaking, holding, advertising, preparing for sale or disposition or selling, leasing or otherwise disposing of the Collateral, or in any way relating to Bank's rights, including, without limitation, attorneys' fees, legal expenses and costs of any repairs considered necessary by Bank, all of which costs and expenses Debtor agrees to pay, Bank may

apply the net proceeds of any sale, lease or other disposition of the Collateral to payment of the Secured Indebtedness, whether due or not, in such order as Bank may elect, and only after full payment of all Secured Indebtedness and all other payments which Bank may be required by law to make, need Bank account to Debtor for any surplus. Debtor shall remain liable to Bank for the payment of any deficiency, with interest at the rate of 10% per annum.

(4) The Management Agreement and all present and future leases and subleases of the cars are and shall be subordinate to the rights of Bank. Upon the occurrence of an Event of Default Bank may, at its option, take possession of the cars and terminate all services of RLC with respect to the cars regardless of whether Bank's so doing may result in any breach of contract on the part of Debtor, and Bank shall have no liability to Debtor, RLC or any lessee, sublessee or any other person for so doing. Debtor shall indemnify Bank from all claims and demands which may be asserted against it by reason of Bank's termination of the services of RLC or other managing party or taking possession of the cars after an Event of Default.

(5) Whenever an attorney is used to collect any Secured Indebtedness or enforce any right of Bank against Debtor under this Agreement, whether by suit or other means, Debtor agrees to pay to Bank a reasonable attorneys' fee. Debtor also agrees to pay Bank's attorneys a reasonable fee for enforcing against third parties any other rights of Bank pertaining hereto, including undertaking collection of any Collateral and defending against any claims pertaining to the Collateral.

Section 15. Computation of Interest. (1) Interest on Debtor's Note shall be computed on loan proceeds advanced from the date proceeds are advanced to or for the benefit of Debtor.

(2) No provision of any note or this Agreement or any other agreement between the parties shall require the payment or permit the collection of interest in excess of the maximum lawful rate

which Debtor may stipulate and agree to pay as determined by a court of competent jurisdiction. If it should be so determined that any excess interest is provided for by any note or this Agreement or any other agreement between the parties, then this Section 15(2) shall govern, and Debtor shall not be obligated to pay the amount of interest to the extent that it is in excess of the amount permitted by law and any excess interest paid shall be credited to Debtor.

Section 16. Miscellaneous Provisions. (1) Debtor releases Bank from any and all claims for loss or damage caused by any act or omission (except willful misconduct) on the part of Bank, its officers, agents and employees, including without limitation, failure to collect any payment included in the Collateral, to preserve rights against prior parties, or to enforce any other right. Debtor waives protest of all commercial paper at any time held by Bank on which Debtor is in any way liable, notice of nonpayment at maturity of any instrument, account, chattel paper or other obligation, and notice of any action taken by Bank except where action is required by this Agreement.

(2) No act, delay, omission or course of dealing between Debtor and Bank will be a waiver of any of Bank's rights or remedies under this Agreement, and no waiver, change, modification or discharge in whole or in part of this Agreement or of any of the Secured Indebtedness will be effective unless in a writing signed by Bank. A waiver by Bank of any rights or remedies under the terms of this Agreement or with respect to any Secured Indebtedness on any occasion will not be a bar to the exercise of any right or remedy on any subsequent occasion. All rights and remedies of Bank hereunder are cumulative and may be exercised singly or concurrently and the exercise of any one or more of them will not be a waiver of any other. The rights specified in this Agreement are in addition to those otherwise created, whether by law or agreement.

(3) This Agreement is binding upon Debtor, his heirs, personal representatives, successors, assigns, receivers and trustees, and shall inure to the benefit of Bank, its successors and assigns.

(4) Debtor shall pay all expenses (including attorneys' fees and legal expenses) incurred by Bank in connection with the preparation of this Agreement and other loan papers or otherwise in connection with Bank's loan to Debtor.

(5) Any notice required or permitted by any party to this Agreement shall be in writing and may be delivered personally to the person in charge of the office of the party being given such notice or by certified mail, return receipt requested, at the party's address indicated below, and any notice will be effective upon delivery in the case of personal delivery or upon depositing in the mail, postage prepaid, in the case of delivery by mail. The addresses of the parties are as follows:

Bank:	Continental National Bank of Fort Worth 714 Houston Street Fort Worth, Texas 76102 Attention: W. L. Nix
Debtor:	Glenn Boydstun 3524 Raider Road Hurst, Texas 76053

(6) Section headings used in this Agreement are intended for convenience only and not necessarily to describe the content of a particular section and, therefore, shall not be construed as limiting the effect of any provision of this Agreement.

(7) As used in this Agreement: (a) "Bank" and "Debtor" include their respective successors, representatives, receivers and trustees and assigns; and (b) unless context otherwise requires, (i) words in the singular number include the plural and in the plural number include the singular and (ii) words of the masculine gender include the feminine and neuter and words of the neuter gender may refer to any gender.

EXECUTED in multiple originals at Fort Worth, Tarrant County, Texas, on the date first above written.

DEBTOR:

Glenn Boydstun

Glenn Boydstun

BANK:

CONTINENTAL NATIONAL BANK OF FORT WORTH

By W. L. Nix
W. L. Nix, Vice President

ATTEST:

Kenneth L. Knowles
Asst. V.P.

THE STATE OF TEXAS §
§
COUNTY OF TARRANT §

On this 29th day of September, 1976, before me personally appeared Glenn Boydstun, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that he executed the same as his free act and deed.

Nancy Lynn Scott
Notary Public In and For Tarrant County, Texas

My Commission Expires: June 1, 1977

THE STATE OF TEXAS §
§
COUNTY OF TARRANT §

On this 29th day of September, 1976, before me personally appeared W. L. NIX, to me personally known, who being by me duly sworn, says that he is the Vice President of CONTINENTAL NATIONAL BANK OF FORT WORTH, that the seal affixed to the foregoing instrument is the corporate seal of said Bank, that said instrument has been signed and sealed on behalf of the said Bank by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Bank.

Nancy Lynn Scott
Notary Public In and For Tarrant County, Texas

My Commission Expires: June 1, 1977

NANCY LYNN SCOTT, Notary Public
IN AND FOR TARRANT COUNTY, TEXAS
MY COMMISSION EXPIRES JUNE 1, 1977