



9885

RECORDATION NO. Filed 1425

8-336A010

602-279-6231
6150 N. 16TH STREET, SUITE 2
POST OFFICE BOX 10334
PHOENIX, ARIZONA 85016

DEC. 6 1978 - 11 20 AM

INTERSTATE COMMERCE COMMISSION

DEC 6 1978
Date
Fee \$ 50.00

Secretary, Interstate Commerce
Commission
Washington, D.C. 20423

ICC Washington, D. C.

Dear Sir:

The enclosed documents, executed in connection with a Loan Security Agreement of railroad equipment, are hereby submitted for recordation pursuant to 49 U.S.C. 20c and ICC Regulations, 49 C.F.R. Subtitle B, Chapter X, Part 1116.

The following persons were parties to the Loan Security Agreement:

1. R & R Leasing Company - Debtor
4705 West Buckeye
P. O. Box 6966
Phoenix, Arizona 85005
2. Northwest Acceptance Corporation - Secured Party
6150 North 16th Street, Suite 2
P. O. Box 10334
Phoenix, Arizona 85016
3. Charles R. and Bonnie L. Newman - Guarantors
2010 East San Juan Avenue
Phoenix, Arizona 85016

The Loan Security Agreement covers the following equipment:

All of that personal property specifically described in Exhibit A attached hereto and by this reference made a part hereof.

A fee of \$50.00 is included herewith for recordation of this Loan Security Agreement. Please return the original document to:

John Petersen - Northwest Acceptance Corporation
P. O. Box 14490
Portland, Oregon 97214

Sincerely,

NORTHWEST ACCEPTANCE CORPORATION

William H. Hall

William H. Hall
Assistant Vice President

RECEIVED
DEC 6 11 10 AM '78
I.C.C.
FEE OPERATION BR.

Interstate Commerce Commission
Washington, D.C. 20423

12/8/78

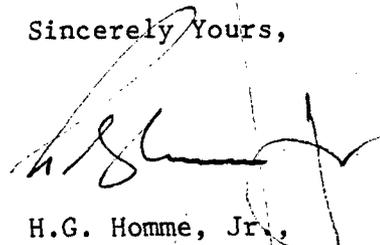
OFFICE OF THE SECRETARY

John Peterson
Northwest Acceptance Corp.
P.O.Box 14490
Portland, Oregon 97214

Dear Sir:

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 12/6/78 at 11:20am and assigned recordation number(s) 9885

Sincerely Yours,


H.G. Homme, Jr.,
Secretary

Enclosure(s)

SE-30-T
(2/78)



RECORDATION NO. 9885 Filed 1425

DEC 6 1978 - 11 20 AM

INTERSTATE COMMERCE COMMISSION

LOAN SECURITY AGREEMENT

R & R Leasing Company

("Borrower")

Address 4705 West Buckeye Phoenix Maricopa Arizona
STREET AND NUMBER OR RURAL ROUTE AND BOX NUMBER CITY COUNTY STATE

Borrower represents that the above address is: (CHECK ONE) [X] his principal (or sole) place of business in Arizona STATE
[] his residence, and he has no place of business in STATE

has borrowed from Northwest Acceptance Corporation ("Lender" or "Secured Party")
Business Address 6150 N. 16th Street, Suite 2 - P.O.Box 10334 - Phoenix, Arizona

Borrower owns the following described property (hereafter called "Collateral"):

All of that personal property specifically described in Exhibit A attached hereto and by this reference made a part hereof

In consideration of Ninety Thousand Sixty Four and 00/100 * * * * * Dollars (\$90,064.00) to him paid by Secured Party, and to secure the payment of the said amount and interest, Borrower hereby transfers to Secured Party the above described Collateral (including the proceeds thereof, but not by this reference authorizing the sale thereof without the written consent of Secured Party),

together with all tools, equipment, accessories, substitutions, additions, replacements, parts and accessions now or hereafter affixed to or used in connection with the Collateral.

Secured Party

PROMISE TO PAY: Borrower promises to pay said moneys in instalments as follows: *

[REDACTED SECTION]

*See Exhibit B attached hereto and by this reference made a part hereof.

The terms and conditions appearing on the back hereof are a part of this agreement to the same extent as though set forth herein.

LOAN SECURITY AGREEMENT

IN WITNESS WHEREOF, the said Borrower has hereunto set his hand this 30 day of November 1978

Lender Northwest Acceptance Corporation
By William H. Hoce
Title AUP

PRINT OR TYPE) R & R Leasing Company
BORROWER'S NAME(S)
Borrower Signs By: [Signature] President
Borrower Signs

GUARANTY

In consideration of the Lender entering the transaction set forth above, each of us, as a primary obligor, jointly, severally and unconditionally guarantees to such Lender and any assigns of Lender (hereinafter called "holder") the payment promptly when due of every instalment thereof, irrespective of any invalidity or unenforceability thereof or the security therefor and the payment on demand of the entire unpaid balance if Borrower defaults in any payment of any instalment at its due date or in any other manner, without first requiring holder to proceed against Borrower or to liquidate any security, and agrees to be bound by and on demand to pay any deficiency established by a sale of the paper and/or security held, with or without notice to us. Each of us waives notice of acceptance hereof and of any defaults and consents that holder may, without affecting our liability, compromise or release, on terms satisfactory to it or by operation of law or otherwise, any rights against and grant extensions of time of payment to Borrower and other obligors or guarantors. This guaranty shall not be discharged or affected by death of any of the undersigned and shall bind our respective heirs, administrators, representatives, successors and assigns.

Witness our hands and seals this day of 19
Witness Guarantor
Witness Guarantor

THIS IS A TRUE AND CERTIFIED COPY OF THE ORIGINAL

Vicky Sewer
Notary Public

My Commission Expires June 14, 1981

TERMS AND CONDITIONS

1. OTHER CHARGES

a. EXPENSES OF SECURED PARTY. If Borrower fails to perform any acts or pay any amounts due other persons under this agreement, Secured Party may perform the acts or pay the sums due and the sums expended by Secured Party in the performance of any act or in the payment of such sums, with interest thereon at the highest lawful contract rate, shall be at once due to Secured Party and shall be added to and become a part of the obligation secured by this agreement without waiver of any rights arising from breach of any covenants herein contained.

b. FUTURE ADVANCES. This agreement is also given to secure any and all money due for work done or for material, supplies, accessories furnished or sold or money advanced to Borrower by Secured Party. Secured Party may add such amounts to the amount then due under this agreement. If Borrower fails to pay any such moneys when due, Secured Party may use any means herein provided for the collection or security thereof. If this agreement has been assigned, any such moneys becoming due and payable hereafter from Borrower to Lender may be added to the amount secured by this agreement by the consent of Lender and the then holder of this agreement. Any such moneys becoming due and payable hereafter from Borrower to any other person, partnership or corporation may likewise be added to the amount secured by this agreement by the consent of such third party and the then holder of this agreement.

c. COLLECTION COSTS. Any sums expended by Secured Party for the collection of the balance due upon this agreement and for the seizing and keeping of the Collateral, or any part thereof, together with the costs and expenses of sale, including a selling commission of not more than 15 per cent of the gross sale price, together with attorney's fees, including attorneys' fees on appeal, incurred in connection with the collection of the sums due or recovery of the property, whether or not in a legal proceeding, shall be added to the balance due under this agreement and secured hereby, and shall be immediately due upon demand made upon Borrower or may be paid from the proceeds of sale of the Collateral.

2. OTHER DUTIES OF BORROWER

a. PROTECTION OF COLLATERAL. Borrower agrees that he will, at his own cost and expense: (1) procure forthwith and maintain fire insurance with extended coverage on the Collateral for the full insurable value thereof, in such companies as are acceptable to the Secured Party or his assigns, for the life of this agreement, plus other insurance thereon in amounts and against such risks as the Secured Party or his assigns may specify, and promptly deliver each policy to the Secured Party or his assigns, with a standard long form endorsement attached thereto showing loss payable to Secured Party and his assigns as respective interests may appear; Secured Party's acceptance of policies in lesser amounts or risks shall not constitute a waiver of Borrower's foregoing obligations; (2) keep the Collateral at all times in good repair and free from all liens or charges of whatsoever kind or nature, whether for storage, repairs or otherwise; (3) pay all taxes levied upon the Collateral before the same become delinquent; (4) not suffer or permit the Collateral to be attached or seized on execution or otherwise; and (5) not, without the written consent of Secured Party, remove the Collateral from the ~~State of~~ Continental United States

b. AIDING SECURED PARTY. Borrower will join with Secured Party in executing, filing and doing whatever may be necessary under applicable law to perfect and continue Secured Party's security interest in the Collateral, all at Borrower's expense.

3. GENERAL

a. APPLICATION OF PAYMENTS. If any of the Collateral shall be sold at any time, the proceeds from such sale shall be applied upon the instalments due on the balance in inverse order of maturity, unless the holder of the note and Borrower shall otherwise agree by instrument in writing signed by each of them.

b. ASSIGNMENT. This agreement may be assigned by Secured Party and wherever any right, privilege or power is given in this instrument to Secured Party, it is understood that such right, privilege or power shall pass to the assignee. Borrower agrees not to assert against the assignee any claim or defense which it may have against Lender except defenses of a type assertable against a holder in due course of a negotiable instrument.

c. INSURANCE DURING DEFAULT. Insurance shall not be in effect or collectible by Borrower on the above Collateral, if payments are in default or delinquent.

d. NOTICE. Each demand, notice or other communication shall be served or given by mail or telegraph addressed to the party at his address set forth herein or as changed by written notice to the other party, or by personal service upon the party. Reasonable notice, when notice is required, shall be deemed to be five days.

e. WAIVER. Secured Party shall not be deemed to have waived any of its rights under this or any other agreement or instrument signed by the Borrower unless the waiver is in writing signed by the Secured Party. No delay in exercising its rights shall be a waiver nor shall a waiver on one occasion operate as a waiver of such right on a future occasion. Acceptance by Secured Party of any payment hereunder after the same is due, shall not constitute a waiver of any provision of this agreement.

f. All of the terms herein and the rights, duties and remedies of the parties shall be governed by the laws of Arizona (STATE)
Any part of this agreement contrary to the law of any state having jurisdiction shall not invalidate other parts of this agreement in that state.

4. DEFAULT

Borrower shall be in default under this agreement if (1) he fails to make payment of any instalment of principal or interest/ ~~thereunder~~ ^{required hereunder} as and when the same shall become due; (2) he shall fail to perform any of the covenants or conditions to be by him kept and performed; (3) any attempt shall be made to remove, injure, or dispose of the Collateral; (4) the Collateral is attached or levied upon; (5) without the written consent of the Secured Party, the Borrower encumbers the Collateral with a subsequent security interest or purchases goods under a security agreement with any third person, which goods are to be attached as accessions to or used in connection with the Collateral; (6) Borrower permits any lien to be filed or levied upon the Collateral; (7) the Collateral shall not be safely or properly kept, cared for, and protected by Borrower; (8) the Secured Party deems or has reasonable cause to deem itself insecure; (9) Borrower makes any misrepresentation or materially false certificate or statement to Secured Party, whether or not in connection with this agreement; (10) Borrower dies; (11) Borrower becomes insolvent or insolvency proceedings are commenced by or against Borrower.

5. REMEDIES

In addition to all the rights and remedies of a secured party upon default set forth in the Uniform Commercial Code, ~~thereunder~~ and this agreement, the Secured Party may declare the balance immediately due and payable, may require the Borrower to assemble the Collateral and make it available at a reasonably convenient place designated by the Secured Party, and may transfer, assign, endorse and set over the certificate of title covering any vehicle herein described in Borrower's name, place and stead.



EXHIBIT B

SCHEDULE OF INSTALLMENTS TO BE PAID
BY BORROWER TO SECURED PARTY

35 equal consecutive monthly principal installments in the amount of \$2,502.00 each commencing January 5, 1979, and then on a like date each month thereafter, and a final principal installment in the amount of \$2,494.00 due December 5, 1981, together with interest payable monthly on the unpaid principal balances from the date hereof until the obligation has been paid in full, at a simple interest rate per annum equal to five percent (5%) above the greater of the prime rate of The Chase Manhattan Bank of New York, N.Y., or the prime rate of Bank of America, San Francisco, California, in effect as of the first day of each calendar quarter. Prime rate means the rate of interest charged by a bank for commercial loans of short term maturities to its most creditworthy borrowers. Interest shall be paid coincidentally with the monthly principal payments described herein and in addition to said principal payments. The agreed rate of interest payable by Borrower to Secured Party is, as of the date hereof, sixteen and one half percent (16½%) simple per annum. It is understood and agreed, however, that the interest rate shall be increased or decreased quarterly in the event of a change in the applicable prime rate. In the event of a change in the applicable prime rate, then the interest rate payable hereunder shall be increased or decreased, as the case may be, by the same amount as the change in the applicable prime rate. Any change in the rate of interest payable hereunder shall become effective on the first day of the calendar quarter following the calendar quarter in which the change in the applicable prime rate occurs. All payments shall be applied first to interest and then to principal. Notwithstanding anything herein contained to the contrary, in no event shall the interest due and payable hereunder exceed the maximum rate permitted by law.

NORTHWEST ACCEPTANCE CORPORATION
Secured Party

R & R LEASING COMPANY
Borrower

BY: William H. Hacc

BY: * Robert R. Anderson

TITLE: AV?

TITLE: pres

THIS IS A TRUE AND CERTIFIED COPY OF THE ORIGINAL

Vicky Penney
Notary Public

My Commission Expires June 14, 1981

EXHIBIT B

SCHEDULE OF INSTALLMENTS TO BE PAID
BY BORROWER TO SECURED PARTY

35 equal consecutive monthly principal installments in the amount of \$2,502.00 each commencing January 5, 1979, and then on a like date each month thereafter, and a final principal installment in the amount of \$2,494.00 due December 5, 1981, together with interest payable monthly on the unpaid principal balances from the date hereof until the obligation has been paid in full, at a simple interest rate per annum equal to five percent (5%) above the greater of the prime rate of The Chase Manhattan Bank of New York, N.Y., or the prime rate of Bank of America, San Francisco, California, in effect as of the first day of each calendar quarter. Prime rate means the rate of interest charged by a bank for commercial loans of short term maturities to its most creditworthy borrowers. Interest shall be paid coincidentally with the monthly principal payments described herein and in addition to said principal payments. The agreed rate of interest payable by Borrower to Secured Party is, as of the date hereof, sixteen and one half percent (16½%) simple per annum. It is understood and agreed, however, that the interest rate shall be increased or decreased quarterly in the event of a change in the applicable prime rate. In the event of a change in the applicable prime rate, then the interest rate payable hereunder shall be increased or decreased, as the case may be, by the same amount as the change in the applicable prime rate. Any change in the rate of interest payable hereunder shall become effective on the first day of the calendar quarter following the calendar quarter in which the change in the applicable prime rate occurs. All payments shall be applied first to interest and then to principal. Notwithstanding anything herein contained to the contrary, in no event shall the interest due and payable hereunder exceed the maximum rate permitted by law.

NORTHWEST ACCEPTANCE CORPORATION
Secured Party

R & R LEASING COMPANY
Borrower

BY: William H. Hacc

BY: x Charles R. [unclear]

TITLE: AVP

TITLE: [unclear]

THIS IS A TRUE AND CERTIFIED COPY OF THE ORIGINAL

Vicky [unclear]
Notary Public

My Commission Expires June 14, 1981





EXHIBIT A

Part of a Loan Security Agreement

between R & R Leasing Company and Northwest Acceptance Corporation
Debtor Secured Party

dated November 30 1978, in the amount of \$ 90,064.00 plus interest

- (1) American Car & Foundry Company 50 ton four door ballast (hopper) car, S/N W-1300 complete, including Rule 88 refurbishing and all accessories & attachments
(1) American Car & Foundry Company 50 ton four door ballast (hopper) car, S/N W-1301 complete, including Rule 88 refurbishing and all accessories & attachments
... (1) American Car & Foundry Company 50 ton four door ballast (hopper) car, S/N W-1321 complete, including Rule 88 refurbishing and all accessories & attachments

R & R Leasing Company

Northwest Acceptance Corporation

Debtor

Secured Party

By Charles R. Newman

By William H. Haege

Title Pres

Title ADP



EXHIBIT A

Part of a Loan Security Agreement

between R & R Leasing Company and Northwest Acceptance Corporation
Debtor Secured Party

dated November 30 19 78, in the amount of \$ 90,064.00 plus interest

- (1) American Car & Foundry Company 50 ton four door ballast (hopper) car, S/N W-1322 complete including Rule 88 refurbishing and all accessories & attachments
- (1) American Car & Foundry Company 50 ton four door ballast (hopper) car, S/N W-1323 complete including Rule 88 refurbishing and all accessories & attachments
- (1) American Car & Foundry Company 50 ton four door ballast (hopper) car, S/N W-1324 complete including Rule 88 refurbishing and all accessories & attachments
- (1) American Car & Foundry Company 50 ton four door ballast (hopper) car, S/N W-1325 complete including Rule 88 refurbishing and all accessories & attachments
- (1) American Car & Foundry Company 50 ton four door ballast (hopper) car, S/N W-1326 complete including Rule 88 refurbishing and all accessories & attachments
- (1) American Car & Foundry Company 50 ton four door ballast (hopper) car, S/N W-1327 complete including Rule 88 refurbishing and all accessories & attachments
- (1) American Car & Foundry Company 50 ton four door ballast (hopper) car, S/N W-1328 complete including Rule 88 refurbishing and all accessories & attachments
- (1) American Car & Foundry Company 50 ton four door ballast (hopper) car, S/N W-1329 complete including Rule 88 refurbishing and all accessories & attachments

R & R Leasing Company
Debtor
By *Charles R. Stearns*
Title *Pres.*

Northwest Acceptance Corporation
Secured Party
By *William H. Hoel*
Title *AVP*