

**KANSAS
CITY
BANK &
TRUST
COMPANY**

MAIN AT 18TH ST. • KANSAS CITY, MO. 64108 • 816 842-1800
CHARTERED 1887 — MEMBER FDIC
WALK IN-BALTIMORE AT 13TH • DRIVE IN-MAIN AT 18TH

June 28, 1983

Ms. Mildred Lee
Interstate Commerce Commission
12th and Constitution Avenue N.W.
Room 2303
Washington, D.C. 20423

RECORDATION NO. 14067 + 14067 A
JUL 5 - 1983 11 50 AM
INTERSTATE COMMERCE COMMISSION

RE: Frank H. and Gloria P. Spurlock

Dear Ms. Lee:

Per our telephone conversation on Tuesday, June 21, I have enclosed the following documents for recording:

an original security agreement by and between the above referenced and Kansas City Bank & Trust Company dated May 3, 1983;

a notarized copy of the same security agreement;

a notarized copy of the invoice by California Railcar Corporation to the above referenced dated April 25, 1983;

a bank money order for an additional \$50.00 for the recording fees.

When recording has been completed, please return the original documents, if possible, with recording date endorsed thereon, to Kansas City Bank & Trust Company, 1801 Main Street, Kansas City, MO 64108.

KANSAS CITY BANK & TRUST COMPANY

By: Martin W. Cole, Jr.

Martin W. Cole, Jr.
Assistant Vice President

MWC/sb
enc



RECORDATION NO. 14067

JUN 21 1983 - 3 34 PM

INTERSTATE COMMERCE COMMISSION

Equipment

SECURITY AGREEMENT

Business Purposes

May 3, 19 83

1. Frank H. and Gloria P. Spurlock 7901 El Monte
 (Name) (Street Address)
Shawnee Mission Johnson Kansas 66208
 (City) (County) (State)

("Debtor"), hereby grants to Kansas City Bank & Trust Co., 1801 Main Street, Kansas City, Missouri ("Bank"), a security interest in all machinery and equipment now owned or hereafter acquired, together with all accessories, parts and equipment thereto or hereafter attached or used in connection therewith, including, but not limited to, the items hereinafter described or described in Exhibit A attached hereto and incorporated herein by this reference (hereinafter collectively called "Collateral"). Specific items of Collateral are described as follows:

100 ton Roller Bearing DOT 111A100W1 exterior coiled and insulated tank
car, 23,500 gallon, owner ID #CALX 3038

2. The security interest hereby granted is to secure payment and performance of Debtor's liabilities and obligations to Bank of every kind and description (whether or not evidenced by written instruments), direct or indirect, absolute or contingent, now existing or hereafter arising (hereinafter collectively called "Obligations").

3. DEBTOR'S WARRANTIES AND REPRESENTATIONS. Debtor warrants and represents to Bank as follows:

3.01. If the Collateral is being acquired with the proceeds of the loan secured hereby, Bank may disburse directly to _____.

3.02. The Collateral will at all times be kept at Debtor's principal place of business, which is (County and State) N/A; and other business locations are as follows: _____
 N/A

3.03. If a corporation, Debtor is duly organized and existing under the laws of the State of N/A, and qualified and in good standing in all states in which it is doing business.

3.04. If the Collateral is to be attached to real estate, said real estate is legally described as follows: _____
 N/A

and the name of the record owner of said real estate is _____.

OTHER TERMS AND CONDITIONS CONSTITUTING A PART OF THIS AGREEMENT APPEAR ON THE REVERSE SIDE HEREOF AND ARE INCORPORATED HEREIN BY THIS REFERENCE.

Receipt of a fully completed and executed copy of this agreement is acknowledged by the undersigned.

Alice L. Comstock
 ALICE L. COMSTOCK

Notary Public - State of Missouri
 Commissioned in Jackson County
 My Commission Expires October 18, 1985

ACCEPTED:

KANSAS CITY BANK & TRUST CO.

By: *Martin Cole* *ATP*
 (Name) (Title)

DEBTOR: _____
 (Corporate or Partnership Name)

By _____
 (Name) (Title)

Frank H. Spurlock
 Frank H. Spurlock (Name)

Gloria P. Spurlock
 Gloria P. Spurlock (Name)

I certify that this is a true and correct copy.

3.05. Debtor now owns the Collateral free and clear of all liens, encumbrances and security interests other than the security interest of Bank herein created, and Debtor agrees at its expense to defend the first lien priority of the Bank's security interest therein from adverse claims asserted at any time by others. Debtor shall pay all taxes and assessments necessary to keep the Collateral free from any liens whatsoever.

3.06. Debtor will execute and deliver to Bank such financing statements (and amendments or supplements thereto), and such other instruments as Bank may from time to time require to comply with the Uniform Commercial Code and to perfect, preserve and protect the security interest herein granted. All such filings or recordings will be at Debtor's expense.

3.07. Debtor will insure the Collateral and keep the Collateral insured during the term of the Obligations in an amount not less than the principal amount of such Obligations against loss or damage by fire, theft, collision and comprehensive in the case of vehicles, and such other risks of loss or damage as Bank shall request. Such insurance policies shall be payable to Debtor and Bank as their interests may appear. At Bank's request, Debtor shall furnish Bank with true copies of such policies or with certificates evidencing such policies.

3.08. Unless default occurs hereunder or under any of the Obligations, Debtor may have possession of the Collateral and use the same in any lawful manner not inconsistent with this agreement. Debtor agrees to take no action nor to permit anything to be done to the Collateral which would impair its value during the term hereof and agrees to maintain the Collateral in good repair and condition at Debtor's expense. Debtor will allow Bank to inspect the Collateral at any time.

3.09. Debtor will furnish Bank with annual financial statements within ninety (90) days after the end of Debtor's fiscal year in such detail as Bank shall reasonably request. Bank may also require Debtor to make periodic written reports respecting the Collateral and the Debtor's operations in such detail, in such form, and with such certification as to accuracy as Bank may require.

4. EVENTS OF DEFAULT. Debtor will be in default upon any of these events or conditions (hereafter called an "Event of Default"):

4.01. Failure to pay when due any of the Obligations or to perform any of the terms of this agreement or any other agreement executed in connection with any of the Collateral;

4.02. Any warranty or representation made by Debtor herein or otherwise to induce Bank to extend credit to Debtor proves to have been false in any material respect when made or furnished;

4.03. At any time when, in the sole opinion of Bank, the financial condition of the Debtor becomes materially impaired;

4.04. Loss, theft, damage, destruction, sale or encumbrance of the Collateral or any part thereof, or the making of any levy, seizure or attachment thereon; or

4.05. Debtor's death, if an individual, or the dissolution or other termination of existence, insolvency, business failure, appointment of a receiver for any part of the property of, the calling of any meeting of or the assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency laws, by or against Debtor or any guarantor or surety for Debtor.

5. BANK'S REMEDIES UPON DEFAULT.

5.01. Upon the occurrence of an Event of Default, and at any time thereafter, Bank may declare all or any of the Obligations immediately due and payable and shall thereupon have, in addition to all other rights and remedies, the rights and remedies of a secured party under the Uniform Commercial Code. Bank may require Debtor to assemble the Collateral and make it available to Bank at a location designated by Bank. Bank is authorized to enter upon any premises where the Collateral might be located to take possession thereof.

5.02. If Debtor fails to maintain any required insurance, or fails to pay taxes, assessments, costs and expenses which Debtor is required to pay hereunder, or fails to keep the Collateral free from other security interests, liens, encumbrances or claims, Bank may make expenditures for any or all such purposes and the amount so expended (together with interest thereon at the rate specified in the Obligations) shall become immediately due and payable by Debtor to Bank and shall have the benefit of and be secured by the security interest herein granted. All costs and expenses of Bank in retaking, holding, preparing for sale and selling, or otherwise realizing upon any Collateral in the event of any default by Debtor, including court costs and reasonable attorneys' fees, shall likewise constitute additional indebtedness of Debtor which Debtor promises to pay on demand and which shall be entitled to the benefit of and be secured by said security interest.

6. GENERAL PROVISIONS.

6.01. All requirements of the Uniform Commercial Code or of this Security Agreement for reasonable notice to Debtor shall be met if such notice is mailed, postage prepaid, to the Debtor at the business address shown in paragraph 1 at least five (5) days before the time of the event giving rise to the required notice.

6.02. Any indebtedness of Bank to Debtor may be offset and applied by Bank on any indebtedness or liability of Debtor to Bank at any time and from time to time either before or after maturity of the indebtedness of either party to the other and without demand upon or notice to anyone.

6.03. No delay or omission in exercising any right or power under this Security Agreement by Bank shall operate as a waiver of such right or any other right under this Security Agreement, and a waiver on one occasion shall not be construed as a bar to or a waiver of any such right or remedy on future occasions.

6.04. This Security Agreement shall be deemed to be effective upon the execution hereof by Debtor and delivery of the same to Bank, and it shall not be necessary for Bank to execute any acceptance hereof nor otherwise signify or express its acceptance hereof. This Security Agreement shall continue in force until all of the Obligations are paid in full and Bank's security interest is released of record.

6.05. All rights and liabilities hereunder shall inure to the benefit of the Bank and its successors and assigns. This agreement shall be construed in accordance with the laws of the State of Missouri. If this agreement is signed by more than one person as Debtor, it will be a joint and several agreement of all persons signing. This agreement shall be binding upon the heirs, personal representatives, successors and assigns of Debtor.

