



FIRST NATIONAL BANK
OF LAKELAND

An Equal Opportunity Employer

RECORDATION NO. 12669 Filed 1425

DEC 24 1980 - 1 35 PM

INTERSTATE COMMERCE COMMISSION

Post Office Box 2475 • Lakeland, Florida 33803
Telephone: (813) 688-8595 • Member F.D.I.C.

PHILLIP G. DONLEVY
Vice President

December 18, 1980

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

No. 0-359A-63
Date DEC 24 1980
Fee \$ 50.00
100 Washington, D. C.

Dear Sir:

We are enclosing an original executed Security Agreement together with two (2) certified true copies and our check for \$50.00 for recording.

The Security Agreement is by and between:

Debtor: Robert O. Ness and
Marilyn J. Ness (joint tenant with right of survivorship)
3129 Lee Warren Avenue
Lakeland, Florida 33803
AND

Creditor: First National Bank of Lakeland
2211 S. Florida Avenue
Lakeland, Florida 33803
COVERING

Collateral: One (1) - 100 Ton 4650 cubic foot covered hopper railcar - Car Number RRRX 1216
AAR Mechanical Designation "LO"

Upon recording, please return the original security agreement to:

Phillip G. DonLevy, Vice President
First National Bank of Lakeland
P. O. Box 2475
Lakeland, Florida 33803

Thank you for your assistance.

Sincerely
Phillip G. DonLevy
Phillip G. DonLevy
Vice President

PGD/ssh

Enclosure

DEC 24 12 38 PM '80
DOCUMENTS
BRANCH

Interstate Commerce Commission

Washington, D.C. 20423

12/29/80

OFFICE OF THE SECRETARY

Phillip G. DonLevy, VP.
First National Bank Of Lakeland
P.O.Box 2475
Lakeland, Florida 33803

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 12/24/80 at 1:35pm, and assigned re-
recording number (s). 12669

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure (s)

SECURITY AGREEMENT

12669

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DEC 24 1980 -1 35 PM

INTERSTATE COMMERCE COMMISSION

Robert O. Ness and Mayilyn Ness

Name(s) of Borrower(s) (and if more than one, each of them jointly and severally), hereinafter called "Borrower", of 3129 Lee Warren Rd. Lakeland No. and Street City Polk Fla. State for value received, hereby grants to

FIRST NATIONAL BANK OF LAKELAND, P.O. Box 2475, Lakeland, Florida 33803, hereinafter called "Bank", a security interest in the following property 1 - 100 Ton, 4650 cubic foot covered hopper railcar, Car Number RRRX 1216 AAR Mechanical designation 'LO'

together with all accessories, parts, equipment and accessions now attached to or used in connection therewith or which may hereafter at any time be placed in or added to the above-described property, and also any and all replacements of any such property (all of which is hereinafter called "Collateral"), to secure the payment of that certain indebtedness evidenced by a promissory note or notes executed by Borrower in the amount of Thirty One thousand, Three hundred Seven & 60/100 Dollars (\$ 31,307.60), of even date herewith, and all extensions and renewals thereof, and all other liabilities of the Borrower, or any of them, to the Bank, or to any other bank to the extent of the Bank's participation therein, whether absolute or contingent, direct or indirect, due or not due, now existing or hereafter arising, and whether created directly to or acquired by the Bank by assignment, participation or otherwise (all hereinafter called the "Obligations").

Borrower hereby warrants and agrees that:

1. Borrower represents and warrants to Bank the following, if checked:

- XX The property is consumer goods, and is used or bought for use primarily for personal, family or household purposes. (investment)
The property is equipment and is used or bought for use primarily in the business, occupation or profession of the Buyer; and, if checked here, the property is equipment used or bought for use in farming operations.
XX The Collateral is being acquired with the proceeds of the loan provided for in or secured by this Agreement, and the Bank may disburse such proceeds or any part thereof directly to the Seller of said Collateral.

2. The Collateral will be kept at No. and Street City County State or if left blank, at the address shown at the beginning of this agreement; Borrower will promptly notify Bank of any change in the location of the Collateral; and Borrower will not remove the Collateral from the County where the Collateral will be kept, as described above, without the written consent of Bank, except for temporary periods of not more than 14 consecutive days in the course of the ordinary use of the Collateral.

3. The interest of the Borrower in the property where the Collateral will be kept is Fee Simple; no other parties have any interest in or lien on said property except the following:

Name and Address Nature of Interest or Lien On demand of the Bank, Borrower will obtain from the parties named above such agreements as the Bank may reasonably require to protect its security interest in the Collateral and its right to remove the same from said property.

4. If the Collateral is acquired or used primarily for personal, family or household purposes, or for farming operations use, Borrower's residence in Florida is that shown at the beginning of this agreement and Borrower will immediately notify Bank of any change in the location of said residence.

5. Borrower will not cause or permit the Collateral to become a fixture to real estate or an accession to other goods.

6. If the Collateral is acquired or used primarily for business use and is of a type normally used in more than one state, whether or not so used, and Borrower has a place of Business in more than one state, the chief place of business of Borrower is: No. and Street City County State or,

if left blank, is that shown at the beginning of this agreement, and Borrower will immediately notify Bank in writing of any change in Borrower's chief place of business; and if certificates of title are issued or outstanding with respect to any of the Collateral, Borrower will cause the interest of Bank to be properly noted thereon.

7. Except for the security interest granted hereby, Borrower is the owner of the Collateral free from any adverse lien, security interest, or encumbrance; and Borrower will defend the Collateral against all claims and demands of all persons at any time claiming the same or any interest therein.

8. No Financing Statement covering any Collateral or any proceeds thereof is on file in any public office; Borrower authorizes Bank to file, in jurisdictions where this authorization will be given effect, a Financing Statement signed only by the Bank describing the Collateral in the same manner as it is described herein; and from time to time at the request of Bank, execute one or more Financing Statements and such other documents (and pay the cost of filing or recording the same in all public offices deemed necessary or desirable by the Bank) and do such other acts and things, all as the Bank may request to establish and maintain a valid security interest in the Collateral (free of all other liens and claims whatsoever) to secure the payment of the Obligations, including, without limitation, deposit with Bank of any certificates of title issuable with respect to any of the Collateral and notation thereon of the security interest hereunder.

On this 15th day of December, 1980, I have personally compared this copy to the original and hereby certify this to be a true and correct copy in all respects.

NOTARY PUBLIC - State of Florida My Commission Expires

(NOTARY SEAL)

NOTARY PUBLIC STATE OF FLORIDA AT LARGE MY COMMISSION EXPIRES ON 12/31/81 BUNDED THIRD GENERAL INS. UNDERWRITERS

9. Borrower will not sell, transfer, lease, or otherwise dispose of any of the Collateral or any interest therein, or offer so to do, without the prior written consent of Bank.
10. Borrower will at all times keep the Collateral insured in amounts not less than the full insurable value thereof, against loss, damage, theft, and such other risks as Bank may require in such companies and under such policies and in such form, and for such periods, as shall be satisfactory to Bank. If the Collateral or any portion thereof is a motor vehicle or vehicles, such policies shall include collision, upset and comprehensive coverage. And each such policy shall provide, by New York Standard or Union Standard endorsement, that loss thereunder and proceeds payable thereunder shall be payable to Bank as its interest may appear (and Bank may apply any proceeds of such insurance which may be received by Bank toward payment of the Obligations, whether or not due, in such order of application as Bank may determine) and each such policy shall provide for 10 days' written minimum cancellation notice to Bank; and each such policy, if Bank so requests, be deposited with Bank; and Bank may act as attorney for Borrower in obtaining, adjusting, settling, and cancelling such insurance and endorsing any drafts.
11. Borrower shall at all times keep the Collateral free from any adverse lien, security interest, or encumbrance and in good order and repair and will not waste or destroy the Collateral or any part thereof; and Borrower will not use the Collateral in violation of any statute or ordinance; and Bank may examine and inspect the Collateral at any time, wherever located.
12. Borrower will pay promptly when due all taxes and assessments upon the Collateral or for its use or operation or upon this agreement or upon any note or notes evidencing the Obligations, or any of them.
13. At its option, Bank may discharge taxes, liens or security interests or other encumbrances at any time levied or placed on the Collateral, may pay for insurance on the Collateral, and may pay for the maintenance and preservation of the Collateral. Borrower agrees to reimburse Bank on demand for any payment made, or any expense incurred by Bank pursuant to the foregoing authorization. Such payments by the Bank shall not affect any rights under this agreement, and every payment so made shall bear interest from the date thereof at the rate of 8% per annum and each such payment and interest thereon shall be secured by this agreement. Until default, Borrower may have possession of the Collateral and use it in any lawful manner not inconsistent with this agreement and not inconsistent with any policy of insurance thereon.
14. Borrower shall be in default under this agreement upon the happening of any of the following events or conditions: (a) failure or omission to pay when due any Obligation (or any installment thereof or interest thereon), or default in the payment or performance of any obligation, covenant, agreement, or liability contained or referred to herein; (b) any warranty, representation, or statement made or furnished to Bank by or on behalf of any Borrower proves to have been false in any material respect when made or furnished; (c) loss, theft, substantial damage, destruction, sale, or encumbrance to or of any of the Collateral, or the making of any levy, or attachment thereof or thereon; (d) any Obligor (which term, as used herein, shall mean each Borrower and each other party primarily or secondarily or contingently liable on any of the Obligations) becomes insolvent or unable to pay debts as they mature or makes an assignment for the benefit of creditors, or any proceeding is instituted by or against any Obligor alleging that such Obligor is insolvent or unable to pay debts as they mature; (e) entry of any judgment against any Obligor; (f) death or incompetency of any Obligor who is a natural person, or of any partner of any Obligor which is a partnership; (g) dissolution, merger or consolidation, or transfer of a substantial part of the property of any Obligor which is a corporation or a partnership; (h) appointment of a receiver for the Collateral or any part thereof or for any property in which any Borrower has an interest.
15. Upon the occurrence of any such default or at any time thereafter, or whenever the Bank feels insecure for any reason whatsoever, Bank may, at its option, declare all Obligations secured hereby, or any of them (notwithstanding any provisions thereof), immediately due and payable without demand or notice of any kind and the same thereupon shall immediately become and be due and payable without demand or notice (but with such adjustments, if any, with respect to interest or other charges as may be provided for in the promissory note or other writing evidencing such liability), and Bank shall have and may exercise from time to time any and all rights and remedies of a Secured Party under the Uniform Commercial Code and any and all rights and remedies available to it under any other applicable law; and upon request or demand of Bank, Borrower shall, at its expense, assemble the Collateral and make it available to the Bank at a convenient place acceptable to Bank and Borrower shall promptly pay all costs of Bank of collection of any and all the Obligations, and enforcement of rights hereunder, including reasonable attorneys' fees and legal expenses and expenses of any repairs to any of the Collateral and expenses of any repairs to any realty or other property to which any of the Collateral may be affixed or be a part. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Bank will give Borrower reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. The requirements of reasonable notice shall be met if such notice is mailed, postage prepaid, to any Borrower at the address of Borrower shown at the beginning of this agreement or at any other address shown on the records of Bank, at least five days before the time of the sale or disposition. Expenses of retaking, holding, preparing for sale, selling, or the like, shall include Bank's reasonable attorneys' fees and legal expenses. Upon disposition of any Collateral after the occurrence of any default hereunder or if Bank feels insecure for any reason, Borrower shall be and remain liable for any deficiency; and Bank shall account to Borrower for any surplus, but Bank shall have the right to apply all or any part of such surplus (or to hold the same as a reserve against) all or any of the Obligations, whether or not they, or any of them, be then due, and in such order of application as Bank may from time to time elect.
16. No waiver by Bank of any default shall operate as a waiver of any other default or of the same default on a future occasion. No delay or omission on the part of Bank in exercising any right or remedy shall operate as a waiver thereof, and no single or partial exercise by Bank of any right or remedy shall preclude an other or further exercise thereof or the exercise of any other right or remedy. Time is of the essence of this agreement. The provisions of this agreement are cumulative and in addition to the provisions of any note secured by this agreement and Bank shall have all the benefits, rights and remedies of and under any note secured hereby. If more than one party shall execute this agreement, the term "Borrower" shall mean all parties signing this agreement and each of them, and all such parties shall be jointly and severally obligated and liable hereunder. The singular pronoun, when used herein, shall include the plural. If this agreement is not dated when executed by the Borrower, the Bank is authorized, without notice to the Borrower, to date this agreement. This agreement shall become effective as of the date of this agreement. All rights of Bank hereunder shall inure to the benefit of its successors and assigns; and all Obligations of Borrower shall bind the heirs, executors, administrators, successors and assigns of each Borrower.
17. This agreement has been delivered in the State of Florida and shall be construed in accordance with the laws of Florida. Wherever possible, each provision of this agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this agreement.

IN WITNESS WHEREOF, this agreement has been duly executed as of the 2 day of September, 19 80

Signed, sealed and delivered
in the presence of:

[Signature]
[Signature]

[Signature] (SEA)
Robert O. Ness
[Signature] (SEA)
Marilyn Ness
Borrower (SEA)

STATE OF FLORIDA - COUNTY OF POLK

On this 2 day of SEPT., 1980, before me personally appeared ROBERT O. NESS and MARILYN NESS, to me known to be the persons described in and who executed the foregoing instrument and they acknowledged that they executed the same as their free act and deed.

(NOTARY SEAL)

[Signature]
NOTARY PUBLIC - State of Florida
My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES DEC 3 1983
ACQUED, IRBY, GENERAL, INS, UNDERWRITERS