



FIRST NATIONAL BANK
OF NEVADA

0-345A020



12563

RECORDATION NO. Filed 1425

December 3, 1980

DEC 10 1980 - 10 20 AM

No.] DEC 10 1980

Date.....

Fee \$.....

INTERSTATE COMMERCE COMMISSION

ICC Washington, D. C.

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

Dear Sir:

Please find enclosed UCC-1 Financing Statement concerning our interest in one Covered Hopper Railcar, Serial #RRRX3024 in accordance with Exhibit A, Code of Federal Regulations, Interstate Commerce Commission, Title 49, Chapter X, Part 1116, recordation of documents.

Subject railcar was purchased by Arthur W. and Doris A. Yelton of 5801 W. Bartlett, Las Vegas, Nevada, hereafter known as the debtor and the First National Bank of Nevada, North Las Vegas Branch, P. O. Box 4057, North Las Vegas, Nevada is the lender and secured party.

Please return recorded documents to First National Bank of Nevada, D.A. Frederick, P. O. Box 4057, North Las Vegas, Nevada 89030.

Sincerely,

D. A. Frederick
Assistant Vice President
Manager

DAF:nl
Enclosures

Dec 10 10 20 AM '80
DOCKET FILES
BRANCH

SECURITY AGREEMENT
(BANK NOT TO BE IN POSSESSION)

Jcc

GOODS—Consumer Goods, Equipment, Farm Products and Timber under Contract to be Cut and Removed.

In consideration of the covenants and agreements contained herein, and financial accommodations given, to be given or continued, the undersigned Borrower hereby, pursuant to the Nevada Uniform Commercial Code, grants to the Secured Party (Bank) a security interest in all of the Collateral described in paragraph 3 and indicated in paragraph 4 herein. The security interest created by this Agreement attaches immediately upon execution hereof or as soon as Borrower acquires rights to the Collateral and secures payment of any and all of Borrower's indebtedness (including all debts, obligations, or liabilities now or hereafter existing, absolute or contingent, and future advances) to Bank.

1. BORROWER(S)

a. Yelton, Arthur W. Yelton, Doris A. 445-26-1381 & 441-30-4744
 Name Social Security or Employer Number

b. _____
 Trade Name (if any)

c. _____
 Mailing Address City State Zip

d. _____
 Chief Place of Business City State Zip

e. 5801 W. Bartlett Las Vegas Nevada 89108
 Residence (individuals) City State Zip

2. SECURED PARTY—Name and Mailing Address (Transit and A.B.A. No.)

First National Bank of Nevada, P. O. Box 4057, North Las Vegas, Nevada 89030 94-38/1224

3. COLLATERAL DESCRIPTION (AND LOCATION):

One Covered Hopper Railcar #RRRX3024

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4. COLLATERAL (OTHER): Indicated by Borrower's initials:

a. EQUIPMENT:

- _____ All other equipment now owned by Borrower.
- _____ All after acquired equipment.
- _____ All accessions to equipment.

b. CROPS AND TIMBER UNDER CONTRACT TO BE CUT AND REMOVED:

- _____ All products (in unmanufactured state) of crops and timber.
- _____ All proceeds from crops and timber and products thereof.

c. LIVESTOCK:

- _____ All other livestock now owned by Borrower.
- _____ All after acquired livestock.
- _____ All increases of livestock.
- _____ All products (in unmanufactured state) of livestock.
- _____ All proceeds from livestock and products thereof.

d. FARM SUPPLIES:

- _____ All other farm supplies now owned by Borrower.
- _____ All after acquired farm supplies.

5. PURCHASE MONEY SECURITY INTEREST:

any If indicated by Borrower's initials, Bank is giving value to enable Borrower to acquire rights in, or the use of, Collateral.

6. INCORPORATION OF PROVISIONS ON REVERSE: All provisions on the reverse side are incorporated herein as if set forth fully at this point.

Dated August 18, 19 80

Dated August 18, 19 80

FIRST NATIONAL BANK OF NEVADA

Arthur W. Yelton
Arthur W. Yelton

Doris A. Yelton
Doris A. Yelton

By D. A. Frederick

By _____

D. A. Frederick, Asst. Vice Pres./ Manager
NAME & TITLE

Title _____
SIGNATURE OF BORROWER(S)

SECURITY AGREEMENT

(BANK NOT TO BE IN POSSESSION)

I. WARRANTIES AND REPRESENTATIONS: Borrower warrants and represents that:

1. Borrower's Title—Except as specified herein, Borrower has, or upon acquisition will have, title to all Collateral and no other person, entity, agency, or government has or purports to have, or upon acquisition will have, any right, title, lien, encumbrance, adverse claim, or interest in any Collateral.
2. Borrower's Authority—Borrower has authority to enter into the Agreement and any person signing it on Borrower's behalf has been duly authorized to execute the Agreement for Borrower.
3. Information—Any and all information now or hereafter supplied to Bank by Borrower, or at Borrower's request or instruction is correct.

II. COVENANTS AND AGREEMENTS: Borrower covenants and agrees that:

1. Payment—Borrower will pay any of Borrower's Indebtedness to Bank promptly when due and Borrower will repay immediately and without demand, all expenses (including reasonable attorneys' fees, legal expenses and costs) incurred by Bank under the Agreement with interest at the legal rate from the date of expenditure.
2. Financial Condition—Borrower will not commence nor permit to continue any proceeding in bankruptcy, receivership, or similar proceedings concerned with involuntary liquidation, reorganization or dissolution or arrangements with creditors; nor will it commit any act of bankruptcy, nor make an assignment for creditors, or become insolvent.
3. Additional Information—Borrower will, upon Bank's demand, establish the correctness of any information supplied to Bank and will promptly notify Bank of any adverse changes in any information supplied to Bank and of any change in Borrower's residence, chief place of business or mailing address, and of any change of address to which notices should be sent.
4. Additional Documents—Borrower will execute any additional agreements, assignments or documents that may be deemed necessary or advisable by Bank to effectuate the purpose of the Agreement.
5. Location and Identification—Borrower will keep the Collateral separate and identifiable and at the location described herein and will not remove the Collateral from that location without the Bank's written consent.
6. Sale, Lease, or Disposition—Except as specified herein, Borrower will not, without written consent of Bank, sell, contract to sell, lease, encumber, or dispose of the Collateral until the Indebtedness to Bank has been completely discharged.
7. Maintenance, Repair, Use, and Inspection—Borrower will maintain and repair the Collateral; will use the Collateral lawfully and only within insurance coverage; will not use the Collateral so as to cause or result in any waste, unreasonable deterioration or depreciation; and will permit Bank to enter on Borrower's property and to inspect the Collateral at any reasonable time.
8. Cultivation and Animal Husbandry—If the Collateral is timber, crops or livestock, Borrower will protect and cultivate, or husband the Collateral using methods of cultivation and animal husbandry acceptable to Bank.
9. Insurance—Borrower will insure the Collateral, with Bank as Loss Payee, in form and amounts, with companies, and against risks and liability satisfactory to Bank and hereby assigns the policies to Bank, agrees to deliver them to Bank at Bank's request, and authorizes Bank to make any claim thereunder, to cancel the insurance upon default, and to receive payment of and endorse any instrument in payment of loss or return premium or other refund or return.
10. Decrease in Value of Collateral—Borrower will, if in the Bank's judgment the Collateral has materially decreased in value, either provide enough additional collateral to satisfy the Bank or reduce the total Indebtedness by an amount sufficient to satisfy the Bank.
11. Taxes-Assessments-Charges-Liens-Encumbrances—Borrower will pay when due all taxes, assessments, charges, liens or encumbrances now or hereafter affecting the Collateral, and, if the Collateral is on or attached to realty owned by Borrower, the realty on which the Collateral is located.
12. Defense of Title—Borrower at its own cost and expense will appear in and defend any action or proceeding which may affect the Bank's security interest in or Borrower's title to any Collateral.
13. Appointment of Bank as Attorney in Fact—Reimbursement—Borrower will and hereby does appoint Bank as Borrower's Attorney in Fact to do any act which Borrower is obligated by the Agreement to do, to exercise such rights as Borrower might exercise, to use such equipment as Borrower might use, and to collect such proceeds as Borrower might collect, all to protect and preserve Bank's rights hereunder and the Collateral. Borrower will immediately reimburse Bank for any expenses Bank may incur while acting as Borrower's Attorney in Fact.
14. Endorser-Surety-Guarantor—Borrower will, if any present endorser, surety, or guarantor, dies or does any act described in covenant 2, either at Bank's option, pay all of Borrower's Indebtedness or substitute an endorser, surety, or guarantor acceptable to Bank.
15. Purchase Money—Borrower will, if Bank, as indicated herein, gives value to enable Borrower to acquire rights in or the use of Collateral, use such value for such purpose.

III. REMEDIES: Borrower understands and agrees that in the event that: (a) Any warranty or representation is false or is believed in good faith by Bank to be false; (b) any covenant or agreement is violated; or (c) Bank in good faith deems itself insecure (because the prospect of payment is impaired; the prospect of performance of any covenant or agreement is impaired; or the value or priority of the security interest is impaired) Bank, in addition to any remedies provided by law or the Agreement, and to the extent provided by law, may:

1. Expenses—incure expenses (including reasonable attorney's fees, legal expenses and costs) to exercise any right or power under the Agreement.
2. Require Additional Collateral—demand that Borrower provide enough additional Collateral to satisfy the Bank.
3. Performance of Borrower's Obligations by Bank—(but need not) perform any obligation of Borrower, and may (but need not) make payments, purchase, contest or compromise any encumbrance, charge or lien, and pay taxes and expenses.
4. Set-Off—exercise all rights of set-off and Banker's lien to the same effect and in the same manner as if no Collateral had been given.
5. Default—declare, without notice to the Borrower, that a default has occurred.
6. Acceleration—declare, without notice to the Borrower, that the entire Indebtedness is immediately due and payable.
7. Possession—if not then in possession of the Collateral, take possession of and protect the Collateral; require the Borrower or other person in possession to assemble the Collateral and make it available to Bank at a reasonably convenient place to be designated by Bank; render the Collateral unusable without removing it; and enter upon such lands and properties where the Collateral might be located.
8. Notice—notify other interested persons or entities of the default, acceleration and other actions of the Bank.
9. Suit, Retention or Disposition of Collateral, Application of Proceeds—sue the Borrower or any other person or entity liable for the Indebtedness; retain the Collateral in satisfaction of the obligation and Indebtedness; dispose of the Collateral; and apply the proceeds of disposition, including provision for reasonable attorneys' fees and legal expenses incurred by Bank; all as provided by law.

IV. RULES TO CONSTRUE AGREEMENT: Borrower understands and agrees that:

1. Time of Essence—Time is of the essence of the Agreement.
2. Waiver—Bank's acceptance of partial or delinquent payments or failure of Bank to exercise any right or remedy shall not be a waiver of any obligation of Borrower or right of Bank nor constitute a modification of the Agreement, nor constitute a waiver of any other similar default subsequently occurring.
3. Entire Agreement—The Agreement contains the entire security agreement between Bank and Borrower.
4. Assignments, etc.—The provisions of the Agreement are hereby made applicable to and shall inure to the benefit of Bank's successors and assigns and bind Borrower's heirs, legatees, devisees, administrators, executors, successors and assigns.
5. Multiple Borrowers—When more than one Borrower signs the Agreement all agree:
 - a. Construction—that whenever "Borrower" appears in the Agreement it shall read "each Borrower."
 - b. Breach—that breach of any covenant or warranty by any Borrower may, at the Bank's option, be treated as a breach by all Borrowers.
 - c. Liability—that the liability of each Borrower is joint and several and the discharge of any Borrower, for any reason other than full payment, or any extension, forbearance, change of rate of interest, or acceptance, release or substitution of security or any impairment or suspension of Bank's remedies or rights against one Borrower, shall not affect the liability of any other Borrower.
 - d. Waiver—all Borrowers waive the right to require the Bank to proceed against one Borrower before any other or to pursue any other remedy in Bank's power.

INSTALMENT NOTE

No. _____

DAF 610

(Principal Payable in Instalments -- Interest Separately)

\$ 50,000.00 North Las Vegas, Nevada, August 18 19 80

For value received, I promise to pay in lawful money of the United States of America, to the order of

FIRST NATIONAL BANK OF NEVADA

RENO, NEVADA

at its North Las Vegas office in this city, FIFTY THOUSAND AND NO/100

dollars (\$ 50,000.00) on demand; if no demand is made, then in instalments with interest in lawful money from date at the ANNUAL PERCENTAGE RATE of LOCAL PRIME PLUS 2.50% FLOOR OF 11%

until paid, on the decreasing balance of said principal as follows: EIGHT HUNDRED THIRTY THREE AND 33/100

dollars (\$ 833.33) plus interest on the 10th day of September 19 80, and EIGHT HUNDRED THIRTY THREE AND 33/100 dollars (\$ 833.33 on the 10th day of each and every month thereafter until the 10th day of August 19 85, on which said date the entire balance of principal and interest then unpaid shall be due and payable.

A balloon payment of \$ -0- may be refinanced if not paid when due, at prevailing interest rates and terms agreeable to the holder of this note.

Should default be made in the payment when due of any part or instalment of principal or interest, then the whole sum of principal and interest shall become immediately due and payable at the option of the holder of this note.

In addition hereto, I promise to pay reasonable attorney's fees and costs incurred in the collection of this note or any part hereof without suit or in the event of suit such additional sums as attorney's fees as the court may adjudge reasonable.

A Security Agreement of even date 12563 secures the indebtedness as evidenced by this note. Description:

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Amount Financed \$ 50,000.00
FINANCE CHARGE \$
Total of Payments \$
ANNUAL PERCENTAGE RATE 2.50 OVER PRIME FLOOR OF 11.00%

5801 W. Bartlett Address
Las Vegas, Nevada 89108 Address

Arthur W. Yelton Maker
Doris A. Yelton Maker

The maker(s) signing above acknowledge(s) receipt of a copy of this note as evidence of disclosure.

N-317 (4-69)

THIS IS CERTIFIED TO BE A TRUE AND CORRECT COPY OF THE ORIGINAL.

D. A. Frederick Assistant Vice President Manager

This **FINANCING STATEMENT** is presented for filing pursuant to the Nevada Uniform Commercial Code

1. DEBTOR (LAST NAME FIRST) Yelton, Arthur W.		1A. SOCIAL SECURITY OR FEDERAL TAX NO. 445-26-1381	
1B. MAILING ADDRESS 5801 W. Bartlett		1C. CITY, STATE Las Vegas, Nevada	
1E. RESIDENCE ADDRESS (IF AN INDIVIDUAL AND DIFFERENT THAN 1B)		1F. CITY, STATE	
1D. ZIP CODE 89108		1G. ZIP CODE	
2. ADDITIONAL DEBTOR (IF ANY) (LAST NAME FIRST) Yelton, Doris A.		2A. SOCIAL SECURITY OR FEDERAL TAX NO. 441-30-4744	
2B. MAILING ADDRESS 5801 W. Bartlett		2C. CITY, STATE Las Vegas, Nevada	
2E. RESIDENCE ADDRESS (IF AN INDIVIDUAL AND DIFFERENT THAN 2B)		2F. CITY, STATE	
2D. ZIP CODE 89108		2G. ZIP CODE	
3. DEBTOR(S) TRADE NAME OR STYLE (IF ANY)		3A. FEDERAL TAX NO.	
4. ADDRESS OF DEBTOR(S) CHIEF PLACE OF BUSINESS (IF ANY)		4A. CITY, STATE	
4B. ZIP CODE		5. SECURED PARTY	
NAME First National Bank of Nevada		5A. SOCIAL SECURITY NO., FEDERAL TAX NO. OR BANK TRANSIT AND A.B.A. NO.	
MAILING ADDRESS P. O. Box 4057		94-38/1224	
CITY North Las Vegas STATE Nevada ZIP CODE 89030			
6. ASSIGNEE OF SECURED PARTY (IF ANY)		6A. SOCIAL SECURITY NO., FEDERAL TAX NO. OR BANK TRANSIT AND A.B.A. NO.	
NAME			
MAILING ADDRESS			
CITY STATE ZIP CODE			

7. This FINANCING STATEMENT covers the following types or items of property (if crops or timber, include description of real property on which growing or to be grown and name of record owner of such real estate; if fixtures, include description of real property to which affixed or to be affixed and name of record owner of such real estate; if oil, gas or minerals, include description of real property from which to be extracted.

One Covered Hopper Railroad #RRRX3024

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7A. _____ SIGNATURE OF RECORD OWNER		7C. \$ _____ MAXIMUM AMOUNT OF INDEBTEDNESS TO BE SECURED AT ANY ONE TIME (OPTIONAL)	
7B. _____ (TYPE) RECORD OWNER OF REAL PROPERTY			
8. Check <input checked="" type="checkbox"/> if Applicable	A <input type="checkbox"/> Proceeds of collateral are also covered	B <input type="checkbox"/> Products of collateral are also covered	C <input type="checkbox"/> Proceeds of above described original collateral in which a security interest was perfected
	D <input type="checkbox"/> Collateral was brought into this State subject to security interest in another jurisdiction		
9. Check <input checked="" type="checkbox"/> if Applicable	<input type="checkbox"/> DEBTOR IS A "TRANSMITTING UTILITY" IN ACCORDANCE WITH NRS 704.205 AND NRS 104.9403		

10. (Date) August 18 19 80

By: Arthur W. Yelton
Arthur W. Yelton

By: Doris A. Yelton
SIGNATURE(S) OF DEBTOR(S) Doris A. Yelton (TITLE)

By: First National Bank of Nevada

By: D. A. Frederick
SIGNATURE(S) OF SECURED PARTY (IES) D. A. Frederick (TITLE)
Asst. Vice Pres.
Manager

12. This Space for Use of Filing Officer (Date, Time, File Number and Filing Officer)

11. **Return Copy to**

NAME First National Bank of Nevada
ADDRESS P. O. Box 4057
CITY, STATE North Las Vegas, Nevada 89030
AND ZIP

THIS SPACE FOR USE OF FILING OFFICER

STATE OF NEVADA

County of Clark

} ss.

On this 2nd day of December A. D. one thousand nine hundred and eighty

personally appeared before me Nadine Lovato, a Notary Public in and for said

County of Clark D. A. Frederick

known (or proved) to me to be the person... described in and who executed the annexed instrument, who acknowledged to me that S.he... executed the same, freely and voluntarily,

and for the uses and purposes therein mentioned.

NADINE LOVATO

Notary Public - State of Nevada
COUNTY OF CLARK

My Commission Expires Apr. 18, 1981

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at my office in the County of Clark, the day and year in this Certificate first above written.

Nadine Lovato

Notary Public in and for the County of Clark, State of Nevada.

My commission expires April 18, 1981

