



LYNDA JENKINS
VICE PRESIDENT

THE LUBBOCK NATIONAL BANK

LUBBOCK, TEXAS

RECORDATION NO. **12768** Filed 1425

January 8, 1981

No. **1-0141092**
Date **JAN 14 1981**
\$50.00
Washington, D. C.

JAN 14 1981 11:25 AM
INTERSTATE COMMERCE COMMISSION

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

RE: Conveyance of Security Interest on One Hopper Railcar
From: Lemon Drop, A Partnership
106 Spring Creek Village
Dallas, Texas 75248

To: The Lubbock National Bank
P. O. Box 421
Lubbock, Texas 79408

Dear Sir:

Enclosed please find three acknowledged, manually executed original Security Agreements covering One, 100-Ton 4650 Cubic Foot Covered Hopper Railcar, Car Number MILW102054, used or intended for use in connection with Interstate Commerce or interests therein owned by Lemon Drop, A Partnership on the date of said Security Agreement.

Our check for the required \$50.00 filing fee is enclosed. Please record the enclosed documents and return the recorded original to me at this bank, P. O. Box 421, Lubbock, Texas 79408.

Cordially,

Lynnda Jenkins
Vice President

LJ:sb

Enclosures

RECEIVED
JAN 14 11 19 AM '81
I.C.C.
FEE OPERATION BR.

Interstate Commerce Commission
Washington, D.C. 20423

1/16/81

OFFICE OF THE SECRETARY

Lynnda Jenkins, VP
The Lubbock Natl. Bank
P.O. Box 421
Lubbock, Texas 79408

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 **1/14/81** at **11:25am**, and assigned re-
recording number(s). **12768**

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

THE LUBBOCK NATIONAL BANK
OF LUBBOCK, TEXAS

RECORDATION NO. 12768
F. 163 142b

JAN 14 1981 - 11 25 AM

INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT-EQUIPMENT AND CONSUMER GOODS

Lemon Drop, A Partnership

106 Spring Creek Village Dallas Dallas Texas 75248
(No. and Street) (City) (County) (State) (Zip Code)
hereinafter called "Debtor", and The Lubbock National Bank, 916 Main Street, Lubbock, Lubbock County, Texas, hereinafter called "Secured Party", agree as follows:

Section I. Creation of Security Interest.

Debtor hereby grants to Secured Party a security interest in the Collateral described in Section II of this Security Agreement to secure performance and payment of all obligations and indebtedness of Debtor to Secured Party of whatever kind and whenever or however created or incurred.

Section II. Collateral.

The Collateral of this Security Agreement is _____

One Certain Hopper Railcar _____ of the following description:

One 100-Ton, 4650 Cubic Foot covered Hopper Railcar,
Car Number MILW102054

now owned or hereafter acquired by Debtor, and all additions and accessions thereto, and proceeds thereof. The inclusion of proceeds in this Security Agreement does not authorize Debtor to sell, dispose of or otherwise use the Collateral in any manner not specifically authorized by this agreement.

Section III. Payment Obligations of Debtor.

(1) Debtor shall pay to Secured Party any sum or sums due or which may become due pursuant to any promissory note or notes now or hereafter executed by Debtor to evidence Debtor's indebtedness to Secured Party, in accordance with the terms of such promissory note or notes and the terms of this Security Agreement.

(2) Debtor shall pay to Secured Party on demand all expenses and expenditures, including reasonable attorneys' fees and other legal expenses incurred or paid by Secured Party in exercising or protecting its interests, rights and remedies under this Security Agreement, plus interest thereon at the rate of ten percent (10%) per annum.

(3) Debtor shall pay immediately, without notice, the entire unpaid indebtedness of Debtor to Secured Party, whether created or incurred pursuant to this Security Agreement or otherwise, upon Debtor's default under Section V of this Security Agreement.

Section IV. Debtor's Representations, Warranties and Agreements.

Debtor represents, warrants and agrees that:

(1) All information supplied and statements made by Debtor in any financial, credit or accounting statement or application for credit prior to, contemporaneously with or subsequent to the execution of this Security Agreement are and shall be true, correct, complete, valid and genuine.

(2) No Financing Statement covering the Collateral or its proceeds is on file in any public office; except for the security interest granted in this Security Agreement, there is no lien, security interest or encumbrance in or on the Collateral; and Debtor is the owner of the Collateral.

(3) Debtor's residence is the address shown at the beginning of this agreement, and Debtor will immediately notify Secured Party in writing of any change of Debtor's place of residence.

(4) If the Collateral is bought or used primarily for business use and is of a type normally used in more than one State (such as automotive equipment, rolling stock, airplanes, road building equipment, commercial harvesting equipment, construction machinery and the like), the chief place of business of Debtor is the address shown at the beginning of this agreement. Debtor will immediately notify Secured Party in writing of any change in Debtor's chief place of business. If certificates of title are issued or outstanding with respect to any of the Collateral, Debtor will cause the interest of Secured Party to be properly noted thereon.

(5) If the Collateral is to be wholly or partly affixed to real estate or other goods, a description of the real estate or other goods is as follows:

NA

and the name of the record owner of such real estate or other goods is NA

If the Collateral is wholly or partly affixed to real estate or installed in or affixed on other goods, Debtor will, on demand of Secured Party furnish the latter with a disclaimer or disclaimers, signed by all persons having an interest in the real estate or other goods, of any interest in the Collateral which is prior to Secured Party's interest. Unless the blank spaces in this paragraph are filled in when this Security Agreement is executed, the Collateral will not be affixed to any real estate or other goods so as to become fixtures on such real estate or accessions to other goods.

(6) The Collateral will be used primarily for:

- Personal, family or household purposes.
- Farming operations.

(c) Business use, unless Secured Party consents in writing to another use.

(d) And, in addition, is being acquired with the proceeds of the note of Debtor to Secured Party which Secured Party may disburse directly to the Seller of the Collateral. (Strike any inapplicable statement)

LEMON DROP, A PARTNERSHIP

LEMON DROP, A PARTNERSHIP

X Mary Anne Payne Partner

X Joseph A. Cohn Partner

Debtor Signs Here

(7) The Collateral shall remain in Debtor's possession or control at all times at Debtor's risk of loss and

be kept at Various locations within the continental United States

(No. and Street) (City) (County) (State)
where Secured Party may inspect it at any time. Except for its temporary removal in connection with its ordinary use, Debtor shall not remove the Collateral from the above address without obtaining prior written consent from Secured Party.

(8) The Collateral will not be misused or abused, wasted or allowed to deteriorate, except for the ordinary wear and tear of its intended primary use, and will not be used in violation of any statute or ordinance.

(9) Debtor will have and maintain insurance at all times with respect to all Collateral against risks of fire, theft and such other risks as Secured Party may require, including standard extended coverage, and in the case of motor

THE LUBBOCK NATIONAL BANK OF LUBBOCK -- SECURED PARTY

By: *[Signature]*

LEMNON DROP, A PARTNERSHIP
BY: *[Signature]* Partner
BY: *[Signature]* Partner

DEBTOR

EXECUTED this 30th day of December, 19 80

(4) The law governing this secured transaction shall be that of the State of Texas in force at the date of this instrument.
(3) The section headings appearing in this instrument have been inserted for convenience only and shall be given no substantive meaning or significance whatever in construing the terms and provisions of this instrument. Terms used in this instrument which are defined in the Texas Uniform Commercial Code are used with the meanings as therein defined.
(2) If more than one person executes this instrument as Debtor, their obligations under this instrument shall be joint and several.
(1) The term "Debtor" as used in this instrument shall be construed as singular or plural to correspond with the number of persons executing this instrument as Debtor. The pronouns used in this instrument are in the masculine gender but shall be construed as feminine or neuter as occasion may require. "Secured Party" and "Debtor" as used in this instrument include the heirs, executors or administrators, successors, representatives, receivers, trustees and assigns of those parties.

Section VII. Additional Agreements.
(3) The remedies of Secured Party hereunder are cumulative, and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any of the other remedies of Secured Party.
(2) Secured Party may remedy any default and may waive any default without waiting the default remedied or without waiting any other prior or subsequent default.

B. Rights in Event of Default.
(1) Upon the occurrence of an Event of Default, or if Secured Party deems payment of Debtor's obligations to Secured Party to be insecure, and at any time thereafter, Secured Party may declare all obligations secured hereby immediately due and payable and shall have the rights and remedies of a Secured Party under the Uniform Commercial Code of Texas, including without limitation thereon, 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 Secured Party may enter upon any premises on which the Collateral or any part thereof may be situated and remove the same therefrom. Secured Party may require Debtor to assemble the Collateral and make it available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to both parties. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Secured Party will send Debtor reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or other disposition to Debtor at the address designated at the beginning of this Security Agreement 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 Secured Party's reasonable attorney's fees and legal expenses, plus interest thereon at the rate of ten per cent (10%) per annum. Debtor shall remain liable for any deficiency.
(2) Secured Party may remedy any default and may waive any default without waiting the default remedied or without waiting any other prior or subsequent default.
(3) The remedies of Secured Party hereunder are cumulative, and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any of the other remedies of Secured Party.

A. Rights Exclusive of Debtor.
(1) This Security Agreement, Secured Party's rights hereunder or the indebtedness hereby secured may be assigned from time to time, and in any such case the Assignee shall be entitled to all of the rights, privileges and remedies granted in this Security Agreement to Secured Party, and Debtor will assert no claims or defenses he may have against Secured Party against the Assignee, except those granted in this Security Agreement.
(2) Secured Party may enter upon Debtor's premises at any reasonable time to inspect the Collateral and Debtor's books and records pertaining to the Collateral, and Debtor shall assist Secured Party in making any such inspection.
(3) Secured Party may execute, sign, endorse, transfer or deliver in the name of Debtor notes, checks, drafts or other instruments for the payment of money and receipts, certificates of origin, applications for certificates of title or any other documents necessary to evidence, perfect or realize upon the security interest and obligations created by this Security Agreement.
(4) At its option, Secured Party may pay for insurance on the Collateral, may pay for the maintenance and preservation of the Collateral. Debtor agrees to reimburse Secured Party on demand for any payment made, or expense incurred by Secured Party pursuant to the foregoing authorization, plus interest thereon at the rate of ten per cent (10%) per annum.

Section VI. Secured Party's Rights and Remedies.
(8) Any guarantor, surety or endorser for Debtor defaults in any obligation or liability to Secured Party.
(7) The Collateral becomes, in the judgment of Secured Party, unsatisfactory or insufficient in character or value.
(6) Any statement of the financial condition of Debtor or of any guarantor, surety or endorser of any liability of Debtor to Secured Party submitted to Secured Party by Debtor or any such guarantor, surety or endorser proves to be false.
(5) Debtor's death, dissolution, termination of existence, insolvency or business failure; the appointment of a receiver of all or any part of the property of Debtor; an assignment for the benefit of creditors of Debtor; the calling of a meeting of creditors of Debtor; or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Debtor or any guarantor or surety for Debtor.
(4) Loss, theft, substantial damage, destruction, sale or encumbrance of or to any of the Collateral, or the making of any levy, seizure or attachment thereof or thereon.
(3) Any warranty, representation, or statement contained in this Security Agreement or made or furnished to Secured Party by or on behalf of Debtor in connection with this Security Agreement or to induce Secured Party to make a loan to Debtor proves to have been false in any respect when made or furnished.
(2) Default by Debtor in the punctual performance of any of the obligations, covenants, terms or provisions contained or referred to in this Security Agreement or in any note secured hereby.
(1) Debtor's failure to pay when due any indebtedness secured by this Security Agreement, either principal or interest.

Debtor shall be in default under this Security Agreement upon the happening of any of the following events or conditions (herein called an "Event of Default"):

Section V. Events of Default.
(14) If Secured Party should at any time be of the opinion that the Collateral is not sufficient or has declined or may decline in value or should Secured Party deem payment of Debtor's obligations to Secured Party to be insecure, then Secured Party may call for additional Collateral satisfactory to Secured Party, and Debtor promises to furnish such additional security forthwith. The call for additional security may be oral or by telegram or by United States mail addressed to the address of Debtor shown at the beginning of this agreement.
(13) Debtor will not lend, rent, lease or otherwise dispose of the Collateral or any interest therein except as authorized in this Security Agreement or in writing by Secured Party, and Debtor shall keep the Collateral, in-cluding the proceeds from any disposition thereof, free from unpaid charges, including taxes, and from liens, encumbrances, and security interests other than that of Secured Party.
(12) Debtor will, at its own expense, do, make, procure, execute and deliver all acts, things, rights and remedies created by, provided in or emanating from this Security Agreement.
(11) Debtor will sign and execute alone or with Secured Party any Financing Statement or other document or procure any document, and pay all connected costs, necessary to protect the security interest under this Security Agreement against the rights or interests of third persons.
(10) The Collateral will not be sold, transferred or disposed of by Debtor or be subjected to any unpaid charge, including rent and taxes, or to any subsequent interest of a third person created or suffered by Debtor voluntarily or involuntarily, unless Secured Party consents in advance in writing to such sale, transfer, disposition, charge, or subsequent interest.
(9) Debtor will sign and execute alone or with Secured Party any Financing Statement or other document or procure any document, and pay all connected costs, necessary to protect the security interest under this Security Agreement against the rights or interests of third persons.
(8) Debtor will, at its own expense, do, make, procure, execute and deliver all acts, things, rights and remedies created by, provided in or emanating from this Security Agreement.
(7) Debtor will not lend, rent, lease or otherwise dispose of the Collateral or any interest therein except as authorized in this Security Agreement or in writing by Secured Party, and Debtor shall keep the Collateral, in-cluding the proceeds from any disposition thereof, free from unpaid charges, including taxes, and from liens, encumbrances, and security interests other than that of Secured Party.
(6) Any statement of the financial condition of Debtor or of any guarantor, surety or endorser of any liability of Debtor to Secured Party submitted to Secured Party by Debtor or any such guarantor, surety or endorser proves to be false.
(5) Debtor's death, dissolution, termination of existence, insolvency or business failure; the appointment of a receiver of all or any part of the property of Debtor; an assignment for the benefit of creditors of Debtor; the calling of a meeting of creditors of Debtor; or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Debtor or any guarantor or surety for Debtor.
(4) Loss, theft, substantial damage, destruction, sale or encumbrance of or to any of the Collateral, or the making of any levy, seizure or attachment thereof or thereon.
(3) Any warranty, representation, or statement contained in this Security Agreement or made or furnished to Secured Party by or on behalf of Debtor in connection with this Security Agreement or to induce Secured Party to make a loan to Debtor proves to have been false in any respect when made or furnished.
(2) Default by Debtor in the punctual performance of any of the obligations, covenants, terms or provisions contained or referred to in this Security Agreement or in any note secured hereby.
(1) Debtor's failure to pay when due any indebtedness secured by this Security Agreement, either principal or interest.

THE LUBBOCK NATIONAL BANK
OF LUBBOCK, TEXAS

RECORDATION NO. 12768
JAN 14 1981 - 11 25 AM

SECURITY AGREEMENT-EQUIPMENT AND CONSUMER GOODS INTERSTATE COMMERCE COMMISSION

Lemon Drop, A Partnership

(Name)

106 Spring Creek Village Dallas Dallas Texas 75248
(No. and Street) (City) (County) (State) (Zip Code)

hereinafter called "Debtor", and The Lubbock National Bank, 916 Main Street, Lubbock, Lubbock County, Texas, hereinafter called "Secured Party", agree as follows:

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Debtor hereby grants to Secured Party a security interest in the Collateral described in Section II of this Security Agreement to secure performance and payment of all obligations and indebtedness of Debtor to Secured Party of whatever kind and whenever or however created or incurred.

Section II. Collateral.

The Collateral of this Security Agreement is _____

One Certain Hopper Railcar of the following description:

One 100-Ton, 4650 Cubic Foot covered Hopper Railcar,
Car Number MILW102054

now owned or hereafter acquired by Debtor, and all additions and accessions thereto, and proceeds thereof. The inclusion of proceeds in this Security Agreement does not authorize Debtor to sell, dispose of or otherwise use the Collateral in any manner not specifically authorized by this agreement.

Section III. Payment Obligations of Debtor.

(1) Debtor shall pay to Secured Party any sum or sums due or which may become due pursuant to any promissory note or notes now or hereafter executed by Debtor to evidence Debtor's indebtedness to Secured Party, in accordance with the terms of such promissory note or notes and the terms of this Security Agreement.

(2) Debtor shall pay to Secured Party on demand all expenses and expenditures, including reasonable attorneys' fees and other legal expenses incurred or paid by Secured Party in exercising or protecting its interests, rights and remedies under this Security Agreement, plus interest thereon at the rate of ten percent (10%) per annum.

(3) Debtor shall pay immediately, without notice, the entire unpaid indebtedness of Debtor to Secured Party, whether created or incurred pursuant to this Security Agreement or otherwise, upon Debtor's default under Section V of this Security Agreement.

Section IV. Debtor's Representations, Warranties and Agreements.

Debtor represents, warrants and agrees that:

(1) All information supplied and statements made by Debtor in any financial, credit or accounting statement or application for credit prior to, contemporaneously with or subsequent to the execution of this Security Agreement are and shall be true, correct, complete, valid and genuine.

(2) No Financing Statement covering the Collateral or its proceeds is on file in any public office; except for the security interest granted in this Security Agreement, there is no lien, security interest or encumbrance in or on the Collateral; and Debtor is the owner of the Collateral.

(3) Debtor's residence is the address shown at the beginning of this agreement, and Debtor will immediately notify Secured Party in writing of any change of Debtor's place of residence.

(4) If the Collateral is bought or used primarily for business use and is of a type normally used in more than one State (such as automotive equipment, rolling stock, airplanes, road building equipment, commercial harvesting equipment, construction machinery and the like), the chief place of business of Debtor is the address shown at the beginning of this agreement. Debtor will immediately notify Secured Party in writing of any change in Debtor's chief place of business. If certificates of title are issued or outstanding with respect to any of the Collateral, Debtor will cause the interest of Secured Party to be properly noted thereon.

(5) If the Collateral is to be wholly or partly affixed to real estate or other goods, a description of the real estate or other goods is as follows:

NA

and the name of the record owner of such real estate or other goods is NA

If the Collateral is wholly or partly affixed to real estate or installed in or affixed on other goods, Debtor will, on demand of Secured Party furnish the latter with a disclaimer or disclaimers, signed by all persons having an interest in the real estate or other goods, of any interest in the Collateral which is prior to Secured Party's interest. Unless the blank spaces in this paragraph are filled in when this Security Agreement is executed, the Collateral will not be affixed to any real estate or other goods so as to become fixtures on such real estate or accessions to other goods.

(6) The Collateral will be used primarily for:

Personal, family or household purposes.

Farming operations.

(c) Business use, unless Secured Party consents in writing to another use.

(d) And, in addition, is being acquired with the proceeds of the note of Debtor to Secured Party which Secured Party may disburse directly to the Seller of the Collateral. (Strike any inapplicable statement)

LEMON DROP A PARTNERSHIP

LEMON DROP A PARTNERSHIP

X Mary Anne Paape Partner

X [Signature] Partner

Debtor Signs Here

(7) The Collateral shall remain in Debtor's possession or control at all times at Debtor's risk of loss and

be kept at Various locations within the continental United States
(No. and Street) (City) (County) (State)

where Secured Party may inspect it at any time. Except for its temporary removal in connection with its ordinary use, Debtor shall not remove the Collateral from the above address without obtaining prior written consent from Secured Party.

(8) The Collateral will not be misused or abused, wasted or allowed to deteriorate, except for the ordinary wear and tear of its intended primary use, and will not be used in violation of any statute or ordinance.

(9) Debtor will have and maintain insurance at all times with respect to all Collateral against risks of fire, theft and such other risks as Secured Party may require, including standard extended coverage, and in the case of motor

vehicles, including collision coverage. Such insurance policies shall contain such terms, be in a form, for a period and be written by companies satisfactory to Secured Party. Such insurance policies shall also contain a standard mortgagee's endorsement providing for payment of any loss to Secured Party. All policies of insurance shall provide for ten days written minimum cancellation notice to Secured Party. Debtor shall furnish Secured Party with certificates or other evidence satisfactory to Secured Party of compliance with the foregoing insurance provisions. Secured Party may act as attorney for Debtor in obtaining, adjusting, settling and cancelling such insurance and endorsing any drafts drawn by insurers of the Collateral. Secured Party may apply any proceeds of such insurance which may be received by it in payment on account of the obligations secured hereby, whether due or not.

(10) The Collateral will not be sold, transferred or disposed of by Debtor or be subjected to any unpaid charge, including rent and taxes, or to any subsequent interest of a third person created or suffered by Debtor voluntarily or involuntarily, unless Secured Party consents in advance in writing to such sale, transfer, disposition, charge, or subsequent interest.

(11) Debtor will sign and execute alone or with Secured Party any Financing Statement or other document or procure any document, and pay all connected costs, necessary to protect the security interest under this Security Agreement against the rights or interests of third persons.

(12) Debtor will, at its own expense, do, make, procure, execute and deliver all acts, things, writing and assurances as Secured Party may at any time request to protect, assure or enforce its interests, rights and remedies created by, provided in or emanating from this Security Agreement.

(13) Debtor will not lend, rent, lease or otherwise dispose of the Collateral or any interest therein except as authorized in this Security Agreement or in writing by Secured Party, and Debtor shall keep the Collateral, including the proceeds from any disposition thereof, free from unpaid charges, including taxes, and from liens, encumbrances, and security interests other than that of Secured Party.

(14) If Secured Party should at any time be of the opinion that the Collateral is not sufficient or has declined or may decline in value or should Secured Party deem payment of Debtor's obligations to Secured Party to be insecure, then Secured Party may call for additional Collateral satisfactory to Secured Party, and Debtor promises to furnish such additional security forthwith. The call for additional security may be oral or by telegram or by United States mail addressed to the address of Debtor shown at the beginning of this agreement.

Section V. Events of Default.

Debtor shall be in default under this Security Agreement upon the happening of any of the following events or conditions (herein called an "Event of Default"):

(1) Debtor's failure to pay when due any indebtedness secured by this Security Agreement, either principal or interest.

(2) Default by Debtor in the punctual performance of any of the obligations, covenants, terms or provisions contained or referred to in this Security Agreement or in any note secured hereby.

(3) Any warranty, representation, or statement contained in this Security Agreement or made or furnished to Secured Party by or on behalf of Debtor in connection with this Security Agreement or to induce Secured Party to make a loan to Debtor proves to have been false in any respect when made or furnished.

(4) Loss, theft, substantial damage, destruction, sale or encumbrance of or to any of the Collateral, or the making of any levy, seizure or attachment thereof or thereon.

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

(6) Any statement of the financial condition of Debtor or of any guarantor, surety or endorser of any liability of Debtor to Secured Party submitted to Secured Party by Debtor or any such guarantor, surety or endorser proves to be false.

(7) The Collateral becomes, in the judgment of Secured Party, unsatisfactory or insufficient in character or value.

(8) Any guarantor, surety or endorser for Debtor defaults in any obligation or liability to Secured Party.

Section VI. Secured Party's Rights and Remedies.

A. Rights Exclusive of Default.

(1) This Security Agreement, Secured Party's rights hereunder or the indebtedness hereby secured may be assigned from time to time, and in any such case the Assignee shall be entitled to all of the rights, privileges and remedies granted in this Security Agreement to Secured Party, and Debtor will assert no claims or defenses he may have against Secured Party against the Assignee, except those granted in this Security Agreement.

(2) Secured Party may enter upon Debtor's premises at any reasonable time to inspect the Collateral and Debtor's books and records pertaining to the Collateral, and Debtor shall assist Secured Party in making any such inspection.

(3) Secured Party may execute, sign, endorse, transfer or deliver in the name of Debtor notes, checks, drafts or other instruments for the payment of money and receipts, certificates of origin, applications for certificates of title or any other documents necessary to evidence, perfect or realize upon the security interest and obligations created by this Security Agreement.

(4) At its option, Secured Party 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. Debtor agrees to reimburse Secured Party on demand for any payment made, or expense incurred by Secured Party pursuant to the foregoing authorization, plus interest thereon at the rate of ten per cent (10%) per annum.

B. Rights in Event of Default.

(1) Upon the occurrence of an Event of Default, or if Secured Party deems payment of Debtor's obligations to Secured Party to be insecure, and at any time thereafter, Secured Party may declare all obligations secured hereby immediately due and payable and shall have the rights and remedies of a Secured Party under the Uniform Commercial Code of Texas, including without limitation thereto, 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 Secured Party may enter upon any premises on which the Collateral or any part thereof may be situated and remove the same therefrom. Secured Party may require Debtor to assemble the Collateral and make it available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to both parties. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Secured Party will send Debtor reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or other disposition thereof is to be made. The requirement of sending reasonable notice shall be met if such notice is mailed, postage prepaid, to Debtor at the address designated at the beginning of this Security Agreement 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 Secured Party's reasonable attorneys' fees and legal expenses, plus interest thereon at the rate of ten per cent (10%) per annum. Debtor shall remain liable for any deficiency.

(2) Secured Party may remedy any default and may waive any default without waiving the default remedied or without waiving any other prior or subsequent default.

(3) The remedies of Secured Party hereunder are cumulative, and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any of the other remedies of Secured Party.

Section VII. Additional Agreements.

(1) The term "Debtor" as used in this instrument shall be construed as singular or plural to correspond with the number of persons executing this instrument as Debtor. The pronouns used in this instrument are in the masculine gender but shall be construed as feminine or neuter as occasion may require. "Secured Party" and "Debtor" as used in this instrument include the heirs, executors or administrators, successors, representatives, receivers, trustees and assigns of those parties.

(2) If more than one person executes this instrument as Debtor, their obligations under this instrument shall be joint and several.

(3) The section headings appearing in this instrument have been inserted for convenience only and shall be given no substantive meaning or significance whatever in construing the terms and provisions of this instrument. Terms used in this instrument which are defined in the Texas Uniform Commercial Code are used with the meanings as therein defined.

(4) The law governing this secured transaction shall be that of the State of Texas in force at the date of this instrument.

EXECUTED this 30th day of December, 19 80

THE LUBBOCK NATIONAL BANK of
LUBBOCK -- SECURED PARTY

By: Tjandra Jenkins

LD-46B

LEMON DROP, A PARTNERSHIP

BY: Mary Anne Payne Partner

BY: Judith G. Coker Partner

DEBTOR

ACKNOWLEDGEMENTS

SINGLE ACKNOWLEDGMENT

THE STATE OF TEXAS, }
COUNTY OF DALLAS }

BEFORE ME, the undersigned authority,

in and for said County, Texas, on this day personally appeared MARY ANNE PAYNE AND
JUDITH A. COHN, partners of LEMON DROP

known to me to be the person S whose name S subscribed to the foregoing instrument, and acknowledged to me
that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, This 6 day of January, A.D. 1981

(L.S.)

Notary Public, Dallas County, Texas

My Commission Expires June 1, 19
Marion B. Stevenson
My commission expires
5-18-84

MARTIN Stationery Co., Dallas

CORPORATION ACKNOWLEDGMENT

THE STATE OF TEXAS, }
COUNTY OF Lubbock }

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared
Lynnda Jenkins, Vice President,

, known to me to be the person and officer
whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said
The Lubbock National Bank, A National Banking Association
~~incorporation~~ and that she executed the same as the act of such ~~incorporation~~ ^{Bank} for the purposes and consideration therein
expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 30th day of December A. D. 19 80

(L.S.)

Swirl A. Barron
Notary Public in and for Lubbock County, Texas.