



**LIBERTY  
STATE  
BANK**



GET A SQUARE DEAL AT THE INDEPENDENT BANK

P.O. BOX 155  
LIBERTY, TN 37095  
Phone (615) 536-5101

14063

6-20-83

3:30PM

June 23, 1983

Interstate Commerce Commission  
12th St and Constitution Ave, N.W.  
Washington, D.C. 20423

Gentlemen:

RE: Letter of Transmittal and  
Security Agreement for Railroad  
Cars

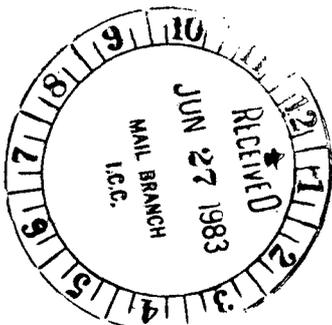
The following is for registration of security interest in Railroad Cars  
and Lease with Interstate Commerce Commission:

1. BORROWER: Mr. Charles N. Turner  
501 Petty Lane  
Winchester, TN 37398
2. CREDITOR: Liberty State Bank  
P. O. Box 155 - Main St.  
Liberty, Tn 37095
3. INFORMATION REQUESTED BY: Bob M. Hayes, Sr. Vice-President  
Phone #(615) 536-5101  
Liberty State Bank, Liberty, Tn
4. DESCRIPTION OF COLLATERAL: Four (4) 70-ton Railroad Boxcars  
being 50 ft 6 inches in length,  
Type XM; and bearing road numbers  
(serial numbers) I NOH 2014, I NOH  
15008, I NOH 15009, and PAM 1172,  
and all accession and additions thereto.

Yours very truly,

LIBERTY STATE BANK

Bob M. Hayes  
Senior Vice-President



BH:bsc

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

6/21/83

**OFFICE OF THE SECRETARY**

Bob M. Hayes  
Sr. Vice President  
Liberty State Bank  
P.O.Box 155  
Liberty, TN. 37095

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 6/20/83 at 3:30pm , and assigned re-  
recording number (s). 14063

Sincerely yours,

*Agatha L. Mergenovich*  
Agatha L. Mergenovich  
Secretary

Enclosure(s)

14063

RECORDATION NO. .... Filed 1426

JUN 20 1983 4: 30 PM

SECURITY AGREEMENT INTERSTATE COMMERCE COMMISSION

THIS AGREEMENT, made and entered into this 25<sup>th</sup> day of May, 1983, by and between CHARLES N. TURNER (the "Borrower") and LIBERTY STATE BANK, P. O. Box 155, Liberty, Tennessee 37095, a Tennessee banking corporation (the "Bank").

WHEREAS, the Bank has agreed to loan to Borrower the sum of Two Hundred Thousand Dollars (\$200,000.00) (the "Loan"), and Borrower has executed that certain Promissory Note in the original principal sum of Two Hundred Thousand Dollars (\$200,000.00) with Borrower as Payor and Bank as Payee, of even date herewith (the "Note"); and

WHEREAS, to secure the Borrower's payment of the Note, the Borrower desires to grant to the Bank a security interest in certain railroad boxcars, such railroad boxcars being more particularly described in Exhibit A attached hereto (the "Collateral");

NOW, THEREFORE, in consideration of the premises and the mutual covenants and promises hereinafter contained, it is agreed as follows:

1. Borrower hereby grants to the Bank a security interest in the property of Borrower described in Exhibit A attached hereto (the "Collateral"), to secure the payment and performance of all the Borrower's present or future debts or obligations to the Bank whether absolute or contingent.

2. Borrower agrees to repay the Loan to the Bank according to the terms and conditions of the Note executed by Borrower payable to the Bank of even date herewith, including any costs of collection or any other expenditure pursuant thereto, including any reasonable attorney's fees, court costs, and other expenses.

3. Borrower will not sell, assign, transfer, or otherwise dispose of the Collateral or any interest therein and will not otherwise do or permit anything to be done or occur that may impair the Collateral as security hereunder without the written consent of Bank. Borrower will do such acts as the Bank may request to establish and maintain in the Bank a valid security interest in the Collateral free and clear of all other liens and claims.

4. Upon the occurrence of any of the following events, which shall be deemed a default hereunder, the unpaid balance of the indebtedness of Borrower to the Bank, together with interest thereon (including costs of litigation, collection and reasonable attorney's fees), shall become forthwith due and payable on demand to the Bank without presentation, demand for payment, notice of dishonor, protest, or notice of protest of any kind, all of which are hereby expressly waived by Borrower:

(a) Any default by Borrower in the payment, when due, of any part of Borrower's indebtedness or interest thereon to the Bank;

(b) Any breach or failure of the Borrower to perform any term or condition of this Security Agreement;

(c) The insolvency or bankruptcy of the Borrower, or the making by the Borrower of an assignment for the benefit of creditors, or the consent of the Borrower to the appointment of a trustee or receiver or other officer of the court or other tribunal;

(d) The appointment of a trustee, receiver or other officer of a court for the Borrower, or for a substantial part of its properties, without its consent, where no discharge is effected within thirty (30) days;

(e) The institution of bankruptcy, reorganization, insolvency, or liquidation proceedings by or against Borrower, and if against Borrower, where such proceeding is consented to by it or remains undismissed for thirty (30) days;

(f) The entry of any judgment against the Borrower, or the issuance or entry of any attachment or lien against the Collateral for an amount in excess of Ten Thousand (\$10,000) Dollars, if undischarged, unbonded, or undismissed for thirty (30) days;

(g) The giving of any statement, certificate, or representation in or pursuant to this Agreement proving to be untrue in any respect.

5. As to all Collateral in the Borrower's possession, until specifically otherwise agreed by Bank in writing, Borrower will:

(a) Not sell, contract to sell, encumber, or transfer the Collateral until the Loan has been repaid in full, together with interest thereon, even though the Bank has a security interest in the proceeds of such Collateral, provided, however, the Borrower with the prior written consent of the Bank shall have the right to sell or substitute the Collateral, applying the proceeds of sale to the payment of the Note or otherwise as specifically approved by the Bank, and in connection therewith the Bank covenants and agrees that its consent for sale or substitution of Collateral subject to this agreement will not be unreasonably withheld.

6. In the event of the nonpayment of any indebtedness when due, or upon the happening of any of the events specified in Paragraph 4 herein, the Bank may then, or at any time thereafter at its election, apply, set-off, collect, or sell in one or more sales, with or without any previous demands or demand of performance or any presentment, protest, notice of protest or dishonor of any instrument evidencing any obligation secured hereby, the whole or any part of the Collateral in such order as the Bank may elect, and any such sale may be a public or private sale of the Collateral and that if any other collateral be perishable or threatens to decline in value speedily or be of a type customarily sold on any recognized market or listed on any exchange, the same may be sold by the Bank without notice upon any default. At any public sale, the Bank may become a purchaser of the Collateral and any officer, employee, or attorney for the Bank may act as auctioneer. The Bank is also authorized to sell any evidence of debt pledged to it, whether the

same be the obligation of one or more individuals, corporations, partnership, or other organizations, or otherwise.

7. The proceeds of the sale of any Collateral and all sums received or collected by Bank from or on account of such Collateral shall be applied by the Bank to the payment of expenses incurred or paid by Bank in connection with any sale, transfer, or delivery of the Collateral, to the payment of any other costs, charges, attorney's fees or expenses mentioned herein, and to the payment of the indebtedness or any part thereof, all in such order and manner as Bank in its discretion may determine. The Bank shall pay any balance to the undersigned or to the person or persons entitled thereto upon proper demand being made therefor.

8. Bank's acceptance of partial or delinquent payments or failure of the Bank to exercise any right guaranteed to it hereunder shall not waive any obligation of Borrower or right of Bank to modify this Agreement or waive any other similar default.

9. This Agreement benefits and shall be binding upon the successors and assigns of both the Bank and the Borrower.

10. This Agreement and any supplementary schedules hereto contain the entire Security Agreement between Bank and Borrower. The Borrower will execute any additional agreements, assignments or documents reasonably required by the Bank to effectuate this Agreement and/or perfect the security interests assigned to the Bank herein.

11. The Bank is irrevocably appointed Borrower's attorney-in-fact to do any act which the Borrower is obligated hereby to do, to exercise such rights as the Borrower might exercise, to use such equipment as the Borrower might use, to enter the Borrower's premises to give notice of the Bank's security interest in, and to collect the Collateral and proceeds, and to execute and sign the Borrower's name in any financing statements and amendments thereto required to perfect the Bank's security interest hereunder, to protect and preserve the Collateral and the Bank's rights hereunder. The Bank may make extension agreements with respect to or affecting the Collateral, exchange it for other collateral, release persons liable thereon, or take security for the payment thereof, and compromise disputes in connection therewith, and the Bank may further use or operate the Collateral for the purpose of preserving the Collateral or its value and for preserving or liquidating the Collateral.

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be executed on the day and year first above written.

BORROWER



\_\_\_\_\_  
(Charles N. Turner)

LIBERTY STATE BANK

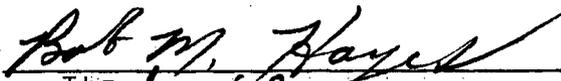
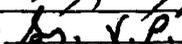
By   
Its 

EXHIBIT A

TO THE SECURITY AGREEMENT BY AND BETWEEN

CHARLES N. TURNER AND LIBERTY STATE BANK

DATED MAY 25, 1983

Four (4) 70-ton railroad boxcars being 50'6" in length, Type XM; and bearing road numbers (Serial Numbers) I NOH 2014, I NOH 15008, I NOH 15009, and PAM 1172, and all accessions and additions thereto.

STATE OF TENNESSEE )  
 )  
COUNTY OF DEKALB )

On this 25th day of May, 1983, before me personally appeared Charles N. Turner with whom I am personally acquainted, and who, upon oath, acknowledged that he executed the within instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal.

Sally Griffin  
Notary Public  
My Commission expires: 3-19-85



STATE OF TENNESSEE )  
 )  
COUNTY OF DEKALB )

On this 25th day of May, 1983, before me personally appeared Mr. Bob M. Hayes with whom I am personally acquainted, and who upon oath acknowledged himself to be the Senior Vice-President of Liberty State Bank, Liberty, Tennessee, the within named bargainor, a corporation, and that he as such Officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as such Officer thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal.

Sally Griffin  
Notary Public  
My commission expires 3-19-85

