

U-268A063

Date SEP 24 1980
Fee \$ 50.00



UNITED STATES NATIONAL BANK OF OREGON
A Subsidiary of U.S. Bancorp

August 22, 1980

EUGENE BRANCH
811 WILLAMETTE STREET
P.O. BOX 10308, EUGENE, OREGON 97400
HEAD OFFICE - PORTLAND

12225

RECORDATION NO. Filed 1425

Secretary
Interstate Commerce Commission
Washington, D. C. 20423

SEP 24 1980 -3 10 PM

INTERSTATE COMMERCE COMMISSION

Dear Sir/Madam:

Please record the enclosed documents. The following information is provided pursuant to ICC regulations.

1. Names and addresses of parties to the transaction:

(a) Mortgagor (debtor): Hutchinson, Harrell & Cox
a partnership, 777 High Street, Suite 200,
Eugene, Oregon 97401

(b) Mortgagee (secured party: U. S. National Bank
of Oregon, Eugene Main Branch, 811 Willamette
Eugene, Oregon 97401

(c) Guarantors: Stephen A. Hutchinson, Lee E. Harrell
and John G. Cox, 777 High Street, Suite 200
Eugene, Oregon 97401

2. General description of the equipment covered by the security agreement:

Three (3) 4,000 cubic foot cpapaity, 100-ton truck,
quick drop, rapkd discharge, used Ortner coal cars.
ICC road numbers PLMX 4070, PLMX 4071, PLMX 4078.

3. Please return the original document to:

Robert J. Pfau
U.S. National Bank of Oregon
Eugene Main Branch
P.O. Box 10308
Eugene, Oregon 97401

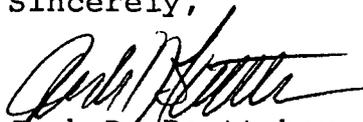
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I.C.C.
FEE OPERATION BR.

Secretary
Interstate Commerce Commission

August 22, 1980

Enclosed please find the required recordation fee of \$50.
Thank you for your prompt attention to this matter.

Sincerely,



Jack D. Boettcher
Vice President and Manager

JDB:vw

Enc.

Interstate Commerce Commission
Washington, D.C. 20423

9/26/80

OFFICE OF THE SECRETARY

Robert J. Pfau
U.S. National Bank Of Oregon
Eugene Main Branch
P.O.Box 10308
Eugene, Oregon 97401

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 **9/24/80** at **3:10pm**, and assigned re-
recording number(s). **12225**

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

SECURITY AGREEMENT COVERING CONSUMER GOODS, FIXTURES, OR EQUIPMENT
INCLUDING FARM EQUIPMENT

Counterpart 1

(May Be Used For Motor Vehicles In These Categories)

July 31, 1980

(Date)

1. Hutchinson, Harrell & Cox (a partnership)

(Name)

777 High Street Suite 200 Eugene Lane Oregon 97401

(No. and Street)

(City)

(County)

(State)

(Zip)

(hereinafter called "Borrower") hereby grants to UNITED STATES NATIONAL BANK OF OREGON (hereinafter called "Secured Party"), its successors and assigns, a security interest in the following property and any and all additions, attachments, and accessions thereto (hereinafter called the "Collateral"):

Three (3) 4,000 cubic foot capacity, 100 ton truck, quick drop, rapid discharge, used Ortner coal cars

ICC road numbers PLMX 4070
PLMX 4071
PLMX 4078

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Filed 1425

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INTERSTATE COMMERCE COMMISSION

2. The security interest granted hereby is to secure payment and performance of the liabilities and obligations of Borrower to Secured Party of every kind and description, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising including but not limited to all future advances of Secured Party to or on behalf of Borrower and also including liabilities of Borrower to Secured Party resulting from guarantees given by Borrower to Secured Party, plus extensions and renewals of all the foregoing (all hereinafter called "obligation").

3. BORROWER HEREBY WARRANTS AND COVENANTS:

3.01 TITLE. Borrower is the owner of the Collateral free from any adverse lien, security interest or encumbrance; and except for purchase money security interests in collateral acquired hereafter Borrower will defend the Collateral against all claims and demands of all other persons at any time claiming the same or any interest therein.

3.02 USE. The Collateral is bought or used primarily for
 Personal, family or household purposes
 Farming operations
 Business use

and if checked here , is being acquired with the proceeds of loans by Secured Party to Borrower, which Secured Party may disburse directly to the seller of the Collateral.

3.03 LOCATION OF COLLATERAL. The Collateral will be kept at

Rolling stock

(No. and Street)

(City)

(County)

(State)

or if left blank, at the address shown at the beginning of this agreement. Borrower will not remove the Collateral from said state without the written consent of Secured Party.

3.04 LOCATION OF BUSINESS. If the Collateral is bought or used primarily for business use, Borrower's place of business in said state is

(No. and Street)

(City)

(County)

(If none, write "none"), or if left blank, is that shown at the beginning of this agreement. Borrower has , does not have (check one) places of business in more than one county in said state.

3.05 FIXTURES. If the Collateral is to be or has been attached to real estate, a description of the real estate is as follows:

and the name of the record owner is _____

Borrower 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, of any interest in the Collateral which is prior to Secured Party's interest.

3.06 PERFECTION OF SECURITY INTEREST. The Borrower agrees to execute and file financing statements and do whatever may be necessary under applicable law to perfect and continue the Secured Party's interest in the Collateral, all at Borrower's expense.

3.07 SALE PROHIBITED. Borrower will not sell or offer to sell or otherwise transfer the Collateral or any interest therein without the written consent of Secured Party, but in case of any such sales or transfers the Secured Party shall have a security interest in the proceeds.

3.08 INSURANCE. Borrower will have and maintain insurance at all times with respect to all Collateral against such risks as Secured Party may require, in such form, for such periods and written by such companies as may be satisfactory to Secured Party. All policies of insurance shall have endorsed thereon Secured Party's standard loss payable clause and/or such other endorsements as Secured Party may from time to time request and Borrower will promptly provide Secured Party with evidence of such insurance. Secured Party is hereby made attorney in fact for Borrower to obtain, adjust, settle, and cancel, in its sole discretion, such insurance and endorse any drafts. In the event of failure to provide insurance as herein provided, Secured Party may, at Secured Party's option, provide such insurance.

3.09 ADVERSE LIENS AND USE. Borrower will keep the Collateral free from any adverse lien, security interest (except as provided in paragraph 3.01 above) or encumbrance and in good order and repair and will not waste or destroy the Collateral or any part thereof. Borrower will not use or permit any one to use the Collateral in violation of any statute, ordinance, or state or federal regulation; and Secured Party may examine and inspect the Collateral at any time, wherever located.

3.10 TAXES AND ASSESSMENTS. 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.

4. SECURED PARTY'S RIGHT TO PAY TAXES, ETC.; BORROWER'S RIGHT TO POSSESSION. 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.

4.1 Until default Borrower may have possession of the Colla

and use it in any lawful manner not inconsistent with this agreement and not inconsistent with any policy of insurance thereon.

5. **DEFAULT.** Borrower shall be in default under this agreement upon the happening of any of the following events or conditions:

5.01 default in the payment or performance of any obligation, covenant or liability contained or referred to herein or in any note evidencing the same;

5.02 any warranty, representation or statement made or furnished to Secured Party by or on behalf of Borrower proves to have been false in any material respect when made or furnished;

5.03 any event which results in the acceleration of the maturity of the indebtedness of Borrower to others under any indenture, agreements or undertaking.

5.04 loss, theft, damage, destruction, sale or encumbrance to or of any of the Collateral, or the making of any levy, seizure or attachment thereof or thereon;

5.05 death, dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against, Borrower or any guarantor or surety for Borrower, or entry or any judgment against them, or failure of any guarantor or surety for Borrower to provide Secured Party with financial information promptly when requested by Secured Party.

5.06 Upon such default 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. Secured Party may require Borrower 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. Secured Party shall in addition have the specific right to take any personal property found in or on the Collateral and to hold such property in safekeeping for the lawful owner thereof and if the lawful owner does not reclaim such property within 180 days, Secured Party may without notice to the owner dispose of the property in such manner and on such terms as seem appropriate in the Secured Party's discretion. 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 give Borrower reasonable notice 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 the address of Borrower shown at the beginning of this agreement at least ten 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, whether or not litigation is commenced and also such fees and expenses on appeal.

6. **ADDITIONAL SECURITY.** Regardless of the adequacy of any security which the Secured Party may at any time hold hereunder, and regardless of the adequacy of any other security which the Secured Party may obtain at any of its offices from Borrower in connection with any other transactions, any deposits or other monies or property due from Secured Party at any of its offices to Borrower shall constitute additional security for, and may be set off against, obli-

8. **SPECIAL PROVISIONS.** (If none, write "None")

gations secured hereby even though said obligations may not then be due. Any and all instruments, documents, policies and certificates of insurance, securities, goods, accounts receivable, choses in action, chattel paper, cash, property and the proceeds thereof owned by Borrower or in which Borrower has an interest, which now or hereafter are at any time in possession or control of Secured Party at any of its offices or in transit by mail or carrier to or from Secured Party or in the possession of any third party acting in Secured Party's behalf, without regard to whether Secured Party received the same in pledge, for safekeeping, as agent for collection or transmission, or otherwise, or whether Secured Party has conditionally released the same, shall constitute additional security for obligations and may be applied at any time to obligations which are then due whether by acceleration or otherwise.

7. **GENERAL.** Secured Party shall not be deemed to have waived any of Secured Party's rights hereunder or under any other writing signed by Borrower unless such waiver be in writing and signed by Secured Party. No delay or omission on the part of Secured Party in exercising any right shall operate as a waiver of such right or any other right. A waiver on any one occasion shall not be construed as a bar to or waiver of any right or remedy on any future occasion. All Secured Party's rights and remedies, whether evidenced hereby or by any other writing shall be cumulative and may be exercised singularly or concurrently. Any demand upon or notice to Borrower that Secured Party may give shall be effective when addressed and mailed to Borrower's address at which Secured Party customarily communicates with Borrower. This agreement and all rights and liabilities hereunder and in and to any and all obligations secured hereby, and in and to all collateral described above, shall inure to the benefit of the Secured Party and its successors and assigns, and shall be binding upon the Borrower and its successors and assigns. Whenever there is no outstanding obligation on the part of the Borrower and no commitment on the part of Secured Party under any agreement which might give rise to an obligation, Borrower may terminate this agreement upon written notice to Secured Party. Prior to such termination this shall be a continuing agreement in every respect. This agreement shall be governed by the law of Oregon. This agreement is intended to take effect when signed by Borrower and delivered to Secured Party.

7.1 Borrower shall pay to Secured Party on demand, together with interest at the highest rate allowed by law, any and all expenses, (including legal expenses and reasonable attorneys' fees whether or not litigation is commenced and also such fees and expenses on appeal) reasonably incurred or expended by Secured Party in the insurance, discharge of encumbrances as provided by paragraph 4 above, protection, storage, maintenance, and liquidation of Collateral pledged hereunder and in the collection or attempted collection of proceeds thereof and in protecting and enforcing the covenants and other rights of Secured Party hereunder. Secured Party may, in its sole discretion, require Borrower to compensate Secured Party for any and all expenses incurred under this agreement by adding a proportionate amount of such expenses, plus interest at the highest rate allowed by law, to Borrower's monthly instalments on any obligation secured by this agreement.

7.2 If anything in this agreement is held to be illegal, then only that portion is void and not the entire agreement.

7.3 If this agreement is signed by two or more persons they shall be jointly and severally liable thereunder.

Signed and delivered to Secured Party on the day and year first above written.

(Name of Co-Borrower)

(Co-Borrower's Signature)

Hutchinson, Harrell & Cox

(Name of Borrower)

By

(Authorized Signature)
BORROWER