

**OSTER**  
**Researching Services**

12897 Colonial Dr. • Mt. Airy, Md. 21771  
301-253-6040

August 2, 1989

9-214A028

Ms. Mildred Lee  
Recordations Unit  
Interstate Commerce Commission  
12th & Constitution Avenue, N.W.  
Washington, D.C. 20423

16457  
REGISTRATION NO. FILED IN

AUG 2 1989 -1 05 PM

INTERSTATE COMMERCE COMMISSION

Dear Ms. Lee:

Please record the enclosed Collateral Chattel Mortgage dated as of July 28, 1989, between the following parties:

Secured Party: Lakeside National Bank of  
Lake Charles  
One Lakeside Plaza  
Lake Charles  
Calcasieu Parish, LA 70601

Debtor: Transportation Maintenance Services,  
Inc.  
Charles F. Stenbeck, Jr.  
5920 Wright Road  
Lake Charles, LA 70601

The equipment involved in this agreement is as follows:

Equipment: 2, EMD NW2 Locomotives  
#885, #886

Please record this document as a primary agreement. The filing fee of \$13 is enclosed. Thank you.

Sincerely,

*Mary Ann Oster*

Mary Ann Oster  
Research Consultant

Enclosures

AUG 2 12 52 PM '89  
MOTOR OPERATING UNIT

*Copyfiled - Mary Ann*

Interstate Commerce Commission  
Washington, D.C. 20423

8/2/89

OFFICE OF THE SECRETARY

Mary Ann Oster  
Research Consultant  
Oster Researching Services  
12897 Colonial Dr.  
Mt. Airy MD. 21771

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 **8/2/89**, at **1:05pm** and assigned recordation number(s). **16457**

Sincerely yours,



Noreta R. McGee  
Secretary

Enclosure(s)

RECORDED 10457  
AUG 2 1989 - 1 05 PM

INTERSTATE COMMERCE COMMISSION

COLLATERAL CHATTEL MORTGAGE

BEFORE ME, the undersigned Notary Public, and in the presence of the witnesses whose names are subscribed hereinafter, on this day personally came and appeared Transportation Maintenance Services, Inc., herein represented by Charles F. Stenbeck, Jr.

whether one or more, hereinafter called "Mortgagor" (if Mortgagor be a corporation, then Mortgagor is represented by its undersigned officer duly authorized), who declared and acknowledged that Mortgagor is indebted unto any FUTURE HOLDER OR HOLDERS of the promissory note hereafter described ("Mortgage") in the full amount of SEVENTY FIVE THOUSAND AND NO/100

(\$75,000.00) DOLLARS in evidence of which Mortgagor has given one promissory note ("Note") of even date herewith in such amount payable to BEARER, with interest thereon from date paid at the rate of fourteen percent ( 14%) per annum, the principal and interest being payable on demand, to be used for collateral purposes or to secure future advances.

Said note further provides in the event it is necessary to place it in the hands of an attorney for collection, or placed in the hands of an attorney to protect the interest of the holder thereof, or for collection, compromise, or other action, whether said note has matured or not, the maker shall pay all costs of collection, including the fee of such attorney which is fixed at twenty-five per cent (25%) of the amount due or sued for, or claimed or sought to be protected, preserved, or enforced. Said note having been presented to me, Notary, has been paraphrased "Ne Varietur" to identify it herewith.

Mortgagor, to secure payment of the Note, interest and all costs of collection thereof, including the attorney's fee stipulated, together with any and all expenditures, advances or indebtedness which may be made or incurred by Mortgagee in accordance with the provisions of this mortgage, hereby MORTGAGES AND SPECIALLY HYPOTHECATES unto Mortgagee, on the terms, conditions and stipulations hereinafter set forth, the property described on Exhibit "A" which is attached hereto, made a part hereof, and paraphrased "Ne Varietur", for identification with this act of mortgage.

It is the intention of the Mortgagor to include herein all interest whatsoever owned by Mortgagor in and to, or relating to, or relating to said property whether or not the said interests or the said property is correctly described herein. Mortgagor covenants that Mortgagor will, from time to time, upon request, duly execute, acknowledge, deliver, record and file all such further and additional acts, deeds, instruments and assurances and will take all such further action as may be necessary or appropriate for assuring and confirming to the Mortgagee the property included or intended to be included by the above descriptions and the lien, security, mortgage and pledge hereby created and intended to be created.

Mortgagor further declares and stipulates that this Mortgage and Note are given as continuing collateral to secure loans or advances made, or from time to time to be made, to Mortgagor or to any party for whose debts Mortgagor is or may be liable, in whole or in part, not to exceed the original principal amount hereof outstanding and unpaid at any one time. Possession of the Note at any time by Mortgagor shall not extinguish same nor this Mortgage, but Mortgagor shall have the right to issue and reissue, pledge and repledge the Note without affecting the obligation of the Note or the security of this Mortgage.

The Above described property is to remain specifically mortgaged, pledged and hypothecated until the full and final payment of the above described promissory note, as well as any and all renewals or extensions thereof, however, evidenced, and until the full performance of and compliance with all the clauses and stipulations of this act, to gether with all costs, charges and attorney's fees as herein stipulated.

TERMS AND CONDITIONS

A. SPECIAL COVENANTS OF THE MORTGAGOR.

1. MORTGAGOR EXPRESSLY WAIVES ALL LEGAL DELAYS, NOTICES AND DEMANDS, INCLUDING THE THREE (3) DAY NOTICE OF DEMAND FOR PAYMENT PROVIDED FOR IN ARTICLE 2639 OF THE LOUISIANA CODE OF CIVIL PROCEDURE.
2. MORTGAGOR DOES HEREBY CONFESS JUDGMENT IN FAVOR OF MORTGAGEE OR ANY SUBSEQUENT HOLDER OF SAID NOTE FOR PRINCIPAL, INTEREST, ATTORNEY'S FEES AND COST AND ALL OBLIGATIONS OF THIS MORTGAGE, and agrees that in the event the said note, or any part thereof, or any premium of insurance, taxes, or any other costs, charges or expenses herein provided for, be not paid when due, or should the mortgagor neglect or fail to comply with each and every obligation herein or in said note undertaken by mortgagor, or should any statement made by mortgagor in connection herewith prove to be false or untrue, or upon mortgagor's death, failure, suspension, or insolvency, or upon the filing of any application by or against mortgagor for an adjudication in bankruptcy, respite, assignment, receivership, or reorganization, or should the property herein mortgaged be seized, levied against, sequestered, provisionally seized, attached, distrained, or taken into custody, by any process of a judicial or administrative nature, at the instance of any person, firm, corporation or governmental officer or agency, the entire amount of said note, anything herein or therein to the contrary notwithstanding, shall, at the option of the then holder of said note, at once become due and payable without demand, notice or putting in default, mortgagor hereby waiving same and further agreeing that any judgment recognizing, establishing or enforcing the obligation of mortgagor under the aforesaid note or this mortgage, in whole or in part, may be rendered and signed either in term time or in vacation, and that the property hereby mortgaged, all and singular, may be seized and sold under executory process or other judicial process, without appraisal, either in its entirety or in lots or parcels, as the mortgagee may determine, to the highest bidder for cash or on such terms as plaintiff in such proceeding may direct, mortgagor hereby expressly waiving the benefit of all laws relative to the appraisal of property sold under judicial process, as well as the provisions of Article 2293 of the Code of Civil Procedure of the State of Louisiana.
3. WAIVER.  
IN THE EVENT OF FORECLOSURE AS AUTHORIZED HEREIN, MORTGAGOR DOES HEREBY DESIGNATE MORTGAGEE OR MORTGAGEE'S AGENT AS KEEPER OF ANY PROPERTY SEIZED HEREINABOVE DESCRIBED ALL AS AUTHORIZED BY R.S. 9:5136, ET SEQ., OR ANY OTHER LAWS RELATIVE THERETO, UNLESS SUCH APPOINTMENT IS PROHIBITED BY LAW.
4. MORTGAGOR REPRESENTS AND WARRANTS THAT THERE ARE NO MORTGAGES, LIENS, PRIVILEGES, ENCUMBRANCES, OR OUTSTANDING CLAIMS OF ANY CHARACTER, OF RECORD OR OTHERWISE, AGAINST THE SAID PROPERTY AND THAT MORTGAGOR IS THE LAWFUL OWNER THEREOF IN FULL OWNERSHIP.
5. MORTGAGOR DECLARES THAT IT HAS NOT FILED AND SHALL NOT FILE, SO LONG AS THERE ARE ANY SUMS DUE ON THE NOTE OR NOTES SECURED BY THIS MORTGAGE, A DECLARATION IN THE CONVEYANCE RECORDS OF THE PARISH IN WHICH THE PROPERTY HEREIN MORTGAGED IS LOCATED THAT SAID MORTGAGED PROPERTY IS OR IS DEEMED TO BE A COMPONENT PART OF IMMOVABLE PROPERTY, AS PROVIDED IN LOUISIANA CIVIL CODE ARTICLE 467.
6. Mortgagor shall pay all costs and expenses of recording and releasing this mortgage and any taxes now or hereafter levied upon or with respect to this mortgage, the Note, or payments made thereon.
7. Mortgagor is obligated hereby to maintain public liability and property damage insurance covering all operations conducted by or for said mortgagor with said property, to keep the property herein mortgaged constantly insured against risk of loss by fire, explosion, lightning, windstorm, tornado, floods and theft by insuring the same with a solvent insurance company or companies acceptable to mortgagee up to the full insurable value thereof, with loss payable clause to mortgagee as its interest may appear, and if the property herein mortgaged be a vehicle then mortgagor is obligated to keep the vehicle constantly insured against direct or accidental loss or damage caused by collision of the vehicle with another object, or by upset of the vehicle, with a deductible of not more than \$100.00 and to transfer the policy or policies of insurance to the holder of said note, and hereby authorized the holder of said note, in the event of default with regard to said insurance, to cause said insurance to be effected at the cost of mortgagor at a premium not to exceed the then current rates, but this clause is not to be interpreted as making it obligatory upon any holder of said note to cause said insurance to be effected upon the default of mortgagor or as imposing any liability upon said holder for failure so to do. Any amount expended by any holder of said note for premiums of insurance shall be secured by this mortgage. Any and all proceeds of insurance whether paid by reason of loss, injury, return of premium or otherwise, shall be applied toward the payment of the obligations secured hereby unless otherwise agreed to by the holder of said note. In event of foreclosure of this mortgage or other transfer of title to the property in extinguishment of the indebtedness secured hereby, all right, title and interest of the Mortgagor in and to any insurance policies then in force shall be transferred to pass to the Mortgagee.
8. Mortgagor is obligated hereby to pay all taxes, assessments, forced contributions, excises, licenses, local assessments and gubernatorial charges of every description legally imposed in respect to the property or in connection with the ownership, operation, or maintenance of said property herein mortgaged, and upon failure so to do, any holder of said note shall have the right, but this clause is not to be interpreted as making it obligatory upon any holder of said note, to pay said taxes, excises, licenses, and assessments, and all interest, penalties, and other charges thereon. Any amounts so expended by any holder of said note shall be secured by this mortgage. However, the mortgagor shall not be required to pay any tax, assessment or charge so long as the validity of the amount thereof shall be contested in good faith by the mortgagor, before the proper administrative body or in a court of competent jurisdiction, and as long as such contestation shall remain undetermined, but provided further, in such event, the mortgagee, at its option, and as a condition precedent to such, shall be entitled to demand of the mortgagor and the mortgagor agrees to furnish adequate security to protect the mortgagee in the premises.
9. Mortgagor is obligated to pay promptly the full amount of the aforementioned note, with interest thereon, and to make such payment without any deduction for taxes, assessments or governmental charges in the nature thereof upon said note or upon the use or interest evidenced thereby or in any part thereof, or upon this mortgage, which mortgagor, his heirs, administrators, successors, and assigns may be required or permitted to deduct, retain or pay therefrom or thereon, under or by reason of any present or future law of the United States, the State of Louisiana, or of any such municipality or taxing authority thereof, except insofar as prohibited by law.
10. Mortgagor is obligated hereby to use the mortgaged property with reasonable skill, care and caution to operate the same in a good and workmanlike manner and to keep said property in constant good condition and repair and, upon request, to exhibit the same to any holder of said note, at all reasonable times.
11. Mortgagor is obligated hereby not to sell, destroy, injure, conceal, mortgage, encumber or alienate the mortgaged property, in whole or in part, to the prejudice of this act; not to remove or allow to be removed from such property any improvements, fixtures, accessories, equipment, appliances, added or substituted parts placed thereon, affixed thereto, or used in connection therewith, nor to remove said property from the Parish where it is now located, nor to change the address of its present location within said Parish, nor to use said property to transport persons or property for hire, nor to sell, lease, loan, pledge, or commit the possession thereof unto any third person, without the prior written consent of the holder of said note, nor to use the said property in violation of any law, ordinance, order, rule or regulation of federal, state, parochial, municipal or police authority or in violation of the terms of any insurance policy required hereby nor to suffer or permit any of said things to be done.
12. Mortgagor agrees to keep valid and unimpaired the lien hereby created or intended to be created, and to that end to execute at any future time, and as often as may be determined necessary, on demand of the mortgagee, all such further instruments, assignments and Acts of Mortgage in due form and effect as may be deemed proper by the mortgagee to the better carrying out of the true intent and meaning of these presents, and especially at its own cost to do all other things as may be required by the mortgagee to make and keep valid the lien of the property herein described and each and every portion thereof, and to maintain the priority of the lien thereof on the property hereby mortgaged.

13. Mortgagor agrees to promptly pay and discharge all debts, claims and demands of whatever names or nature which might by law be entitled to superior in rank to that hereby created. But nothing herein contained shall be construed to require the mortgagor to pay any such debt, claim or demand, so long as the validity or amount thereof shall be contested in good faith in a competent court by the mortgagor, and such contestation shall remain undetermined, provided, however, that if the mortgagor elects to contest any such debt, claim or demand, the mortgagee, at its option, and as a condition precedent to such contest, shall be entitled to demand of the mortgagor, and mortgagor agrees to furnish additional security satisfactory to the mortgagee to protect the mortgagee in the premises.
14. Mortgagor shall maintain any lease of property covered by this mortgage in full force and effect during the existence hereof and to perform all covenants and conditions, expressed or implied therein, or in any assignments of sub-lease through which the same was acquired by the mortgagor, including the payment of all rentals and payments applicable thereto. In the event suit or other legal proceedings should be instituted against mortgagor to cancel or forfeit, in whole or in part, any lease covered by this mortgage, or any interest of mortgagor, therein, for failure to comply with the terms and provisions of any such lease or of any agreement affecting mortgagor's interest therein, or for any other cause, mortgagor shall promptly give the holder of the aforesaid note written notice of such suit or legal proceedings and shall take such action as is necessary to protect and preserve such lease and mortgagor's interest therein against cancellation or forfeiture, in whole or in part. In the event mortgagor shall fail or decline to take such action, then the holder of the aforesaid note may, at its or his option, take such action for and in behalf of mortgagor and at mortgagor's expense, any amounts so expended by mortgagee to be repaid by mortgagor upon demand, together with interest thereon, at the same rate of interest as is borne by the note aforesaid, from date of accrual, the said amounts, up to the sum of twenty-five (25%) per cent of the face amount of this collateral mortgage to be secured by this mortgage in the same manner as the present indebtedness is secured hereby.
15. Should it be discovered after the execution and delivery of this instrument that there exists upon the mortgaged property any lien or encumbrance equal or superior in rank to the lien created or intended to be created by this instrument, or should any such lien be hereafter incurred or claimed, mortgagor binds and obligates himself, his heirs, successors assigns, to remove promptly any such lien or encumbrance or claim thereon from said property and in this connection agrees to furnish, or cause to be furnished to mortgagee or any future holder or holders of the aforesaid note, at mortgagor's expense, not less frequently than every ninety (90) days, a certificate of the Clerk of Court of the Parish within which the liens or claims of liens against the property covered hereby.
16. Mortgagor further agrees that, in the event the herein described property should be seized to enforce a mechanic's lien and privilege, a landlord's lien and privilege, or any other lien and privilege, and although it is understood and known by both mortgagor and mortgagee that the mortgage herein granted primes all other liens and privileges upon the herein mortgaged property, it shall be at the option of any holder of said note to pay the sum in controversy, and the amount of money so expended shall be secured by this mortgage. Mortgagor warrants that he will upon demand of Mortgagee, and at Mortgagor's expense, secure a subordination of any other purported lien or privilege to the mortgage herein granted.
17. Should the mortgaged property be seized by anyone other than a holder of said note, mortgagor is obligated hereby to notify said holder at once.
18. The granting of indulgences, extensions, or the like, by reason of mortgagor's failure to comply with the obligations herein undertaken, shall in no manner operate as an estoppel against any holder of said note, or constitute a waiver of the right of any holder thereof to thereafter mature the entire amount thereof, in principal, interest and attorney's fees, on account of the failure of mortgagor, then or subsequently, to comply with any obligation herein undertaken.

**B. RIGHTS AND PRIVILEGES OF THE MORTGAGEE.**

1. In the event of execution in any manner upon this mortgage, Mortgagee may, at Mortgagor's expense, place the property in the most saleable condition of repair and the cost thereof shall be secured by this mortgage.
2. If Mortgagor fails to pay any claim, lien or emcumbrance which is or may be or become superior to this mortgage, or, when due, any tax, assessment or insurance premium, or to keep the property in repair, or shall commit or permit waste, or if there be commenced any action or proceeding affecting the property or the title thereto, then Mortgagee, in addition to the other rights given by this act or by law, may, at its option, pay said claim, lien, encumbrance, tax, assessment or premium, with the right of subrogaton thereunder, may make such repairs and take such steps as it deems advisable to prevent or cure such waste, and may appear in any such action or proceeding and retain counsel therein, and take such action therein as Mortgagee deems advisable, for any of said purposes Mortgagee may advance such sums of money as it deems necessary under the circumstances.
3. Payments made or expenses incurred by Mortgagee under any of the terms of this act shall be added to the indebtedness secured hereby; and shall be demand obligations immediately due and owing bearing interest at the rate of interest as stipulated hereinabove from the date paid or incurred by Mortgagee; and shall be secured by this mortgage.
4. Mortgagor may transfer, negotiate, pledge or otherwise deal with the aforesaid promissory note, and should any person pay said note and become subrogated to the rights and claims of the mortgagee, then in either of said events, the mortgagee shall have the right to transfer or pledge to the transferee, pledgee or subrogee of said note, as the case may be, as security for the payment of said note, all the rights herein mortgaged, pledged and assigned to the mortgagee, but no such transfer or pledge shall have the effect of enlarging the obligations or prejudicing any of the rights of mortgagor under this Act or said note.

**C. OTHER TERMS AND CONDITIONS.**

1. If Mortgagor is, in fact, more than one person, each shall be liable hereunder in solido to Mortgagee, and each shall comply with all of the terms and provisions hereof. Any act, event or occurrence permitting Mortgagee to demand payment in full of the Note or any obligation secured by this mortgage with respect to any individual party Mortgagor shall in like manner permit Mortgagee to accelerate or mature such debt or obligation with respect to all parties Mortgagor.
2. Should it become necessary to institute a search for the mortgaged property at the time of seizure, or any other time, the expense of said search shall be secured by this mortgage.
3. The property hereby mortgaged shall remain strictly movable or personal property, irrespective of whether same be affixed or attached to, or located in, any building or structure, or used in connection with immovable property, and no holder of the aforesaid note shall be liable to repair any damage done to any person, entity, firm, corporation or otherwise in detaching or removing said property.

**D. WAIVER OF EXEMPTIONS FROM SEIZURE.**

1. MORTGAGOR DOES HEREBY WAIVE AND RELINQUISH, WITH RESPECT TO THE PROPERTY, ANY AND ALL HOMESTEAD AND OTHER CLAIMS TO EXEMPTION FROM SEIZURE WHICH, UNDER EXISTING OR FUTURE STATE, FEDERAL OR OTHER LAWS, MIGHT BE ASSERTED AGAINST ENFORCEMENT OF PAYMENT OF THE INDEBTEDNESS SECURED HEREBY.
2. AND NOW APPEARS THE WIFE ABOVE NAMED OR MORTGAGOR, WHO DECLARED THAT SHE JOINS IN AND DOES HEREBY WAIVE ALL HOMESTEAD AND OTHER EXEMPTIONS AS HEREIN STIPULATED.

**E. MISCELLANEOUS PROVISIONS.**

1. All references to the singular shall include the plural and the masculine gender shall include the feminine and neuter, whenever the context of this instrument shall require it.
2. All references to the term mortgagor shall also include the mortgagor's heirs, administrators, successors and assigns.
3. All references herein to the term "Mortgagee" shall include the future holder or holders of the note secured hereby.

THUS DONE AND SIGNED in my office, at Lake Charles, Louisiana  
 Calcasieu Parish, Louisiana, on this 28<sup>th</sup> day of July, 1989, in the presence of the undersigned competent witnesses.

WITNESSES:

Mary East  
Tracy Crocker

TRANSPORTATION MAINTENANCE SERVICES, INC.  
 BY: Charles F. Stenbeck, Jr.  
 CHARLES F. STENBECK, JR.  
 MORTGAGOR  
 FUTURE HOLDER OR HOLDERS

BEFORE ME: [Signature]  
 Notary Public in and for Calcasieu Parish, Louisiana

Exhibit "A"

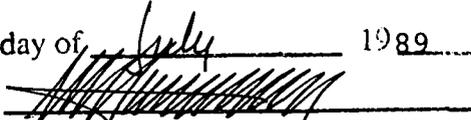
1 EMD NW2 Locomotive Unit PD #3, Built 6/39, Serial #885 .

1 EMD NW2 Locomotive Unit PD #4, Built 6/39, Serial #886 .

NE VARIETUR  
FOR IDENTIFICATION WITH  
An Act of Collateral Chattel Mortgage

Passed before me this 28<sup>th</sup>

day of July 1989

  
Notary Public, Calcasieu Parish, La.

NOTICE OF SECURITY INTEREST

DATE: July 28, 1989

TRANSPORTATION MAINTENANCE SERVICES, INC. has granted a Louisiana Collateral Chattel Mortgage. The obligation secured by the mortgage is in favor of FUTURE HOLDER OR HOLDERS payable at Lakeside National Bank of Lake Charles and matures on April 15, 1991 or is otherwise described as follows:

The Collateral Chattel mortgagor's domicile, registered office, or principal place of business, as applicable, is

5920 Wright Road  
Lake Charles, Louisiana 70601

The Chattels mortgaged are generally described as follows:

- (1) 1 END NW2 Locomotive Unit PD #3, Built 6/39, Serial #885,
- (2) 1 EMD NW2 Locomotive Unit PD #4, Built 6/39, Serial #886,

The holder of the obligation at the time of the filing of this notice is:

LAKESIDE NATIONAL BANK OF LAKE CHARLES

whose business address is:

One Lakeside Plaza  
Lake Charles  
Calcasieu Parish  
Louisiana 70601

TRANSPORTATION MAINTENANCE  
SERVICES, INC.

BY: Charles F. Stenbeck, Jr.  
CHARLES F. STENBECK, JR.

LAKESIDE NATIONAL BANK OF  
LAKE CHARLES

BY: [Signature]  
HOLDER OF OBLIGATION  
Secured by Collateral  
Chattel Mortgage