

BancTEXAS Dallas N.A.  
P.O. Box 2249  
Dallas, Texas 75221  
214/658-6111

No. 4-258A072

Date ..SEP. 17 1984...

Fee \$ 50.00

ICC Washington, D. C.

September 10, 1984

**Banc  
TEXAS**

Dallas

14426

RECORDATION NO. FILE 1425

SEP 17 1984 - 12 00 AM

INTERSTATE COMMERCE COMMISSION

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

RE: Recordation of Documents

Gentlemen:

The enclosed instruments described below are being forwarded to your office for filing purposes.

One (1) original Chattel Mortgage and two (2) original executed counterparts thereof showing Missouri-Kansas-Texas Railroad Company as Mortgagor and BancTEXAS Dallas N.A. as Mortgagee.

The property being mortgaged to BancTEXAS Dallas N.A. is described as follows:

Ten (10) GATX Airslide Hopper Cars, 4,180 Cu.Ft. capacity, with 100-ton roller bearing trucks with white polyclutch interior lining, bearing identification numbers: MKT 9131, MKT 9132, MKT 9133, MKT 9134, MKT 9135, MKT 9136, MKT 9137, MKT 9138, MKT 9139, MKT 9140.

Also enclosed is a cashier's check in the amount of \$50.00 to cover the recording fee.

Sincerely,

  
Emmitt Q. Young  
Assistant Vice President

ECY/pr  
Encl/

SEP 17 11 52 AM '84  
MOTOR VEHICLE UNIT  
OFFICE OF THE SECRETARY  
INTERSTATE COMMERCE COMMISSION

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

9/17/84

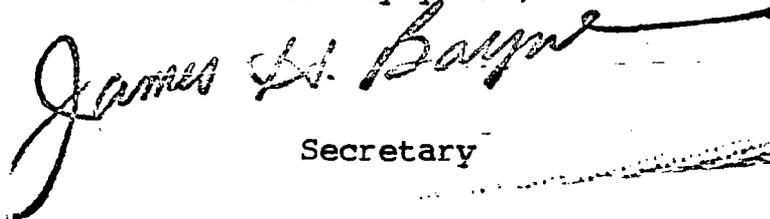
**OFFICE OF THE SECRETARY**

Emmitt C. Young  
Assist Vice President  
BancTexas Dallas N.A.  
P.O. Box 2249  
Dallas, Texas 75221

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 9/17/84 at 12:00pm and assigned re-  
recording number(s). 14426

Sincerely yours,

  
Secretary

Enclosure(s)

# SECURITY AGREEMENT SEP 17 1984 12 00 AM

This Agreement made this 4th day of September INTERSTATE COMMERCE COMMISSION 84

by and between MISSOURI-KANSAS-TEXAS RAILROAD COMPANY, 701 Commerce Street, Dallas, TX 75202

hereinafter referred to as "Debtor"), and BancTEXAS Dallas, N.A. (Name) Dallas, Texas (Address) (hereinafter referred to as "Secured Party"),

WITNESSETH:

The Debtor has, is or may from time to time obtain from the Secured Party such sums of money as the Secured Party may decide to advance (which additional advances are reasonably contemplated by the parties) to or for and in behalf of the Debtor. The Debtor desires to secure the repayment of such sums by giving to the Secured Party and does hereby grant to the Secured Party a security interest in the following described property:

and does hereby mortgage to Secured Party

Ten (10) GATX Airslide Hopper Cars, 4,180 cu. ft. capacity, with 100-ton roller bearing trucks with white polyclutch interior lining, bearing identification numbers:

- MKT 9131
- MKT 9132
- MKT 9133
- MKT 9134
- MKT 9135
- MKT 9136
- MKT 9137
- MKT 9138
- MKT 9139
- MKT 9140

together with all increases, parts, fittings, accessories, equipment, special tools, renewals and replacements of all or any part thereof and other goods of the same class, whether now owned or hereafter acquired, including additions and accessions thereto by the Debtor and the proceeds of the sale thereof. All of the above described property is collectively referred to as "goods" and is located or will be located at within the continental United States

If the chief place of business of the Debtor is other than that shown as Debtor's address, such chief place of business is at Denison, Texas

The security interest shall also cover proceeds of the collateral which shall include all cash, chattel paper, contract rights, instruments and accounts (as all are defined in the Uniform Commercial Code), either now owned or hereafter acquired, and arising out of and received by the Debtor upon the sale of any of the collateral.

The Debtor shall execute any financing statements as the Secured Party shall from time to time require and the Debtor authorizes the Secured Party to execute such statements and file same in his behalf, and Debtor shall pay all costs of filing all such financing, termination and/or continuation statements as the Secured Party may deem necessary or proper to file.

The Debtor has executed and delivered to Secured Party a promissory note in the principal amount of \$150,000.00, payable to the order of the Secured Party, dated the 4th day of September, 1984, and acknowledges that this security agreement is given as security for the payment of said indebtedness and may be held by the Secured Party as security for any and all debts and obligations to said Secured Party, whether such debts, liabilities and obligations now exist or are hereafter incurred or arise.

If checked here,  the advance made by the Secured Party as evidenced by said indebtedness referred to above is for the purpose of enabling the undersigned Debtor to purchase the collateral described above, and the Secured Party shall have the right to pay such advance directly to the seller of the collateral.

Debtor warrants that Debtor (1) is the owner of the collateral clear of all liens and security interests except the security interest granted hereby, (2) has the right to make this agreement, and (3) the collateral is used or bought for use primarily for the purpose checked below:

- Personal, family or household purposes
- Farm purposes and the purchase price of the collateral bought for farm purposes was at top of agreement
- Business purposes and that the location specified is Debtor's corporate office.

If the collateral is used or bought for use primarily for personal, family or household purposes, or for farm purposes, Debtor will immediately advise the Secured Party in writing of any change in the Debtor's residence; or if the collateral is bought for business purposes, will immediately advise the Secured Party in writing of any change in the Debtor's place of business address or the opening of any new place of business.

Debtor agrees that the security interest hereby created shall extend to any renewal or extension of the indebtedness hereby secured, and this security interest shall continue and be in force until all of the indebtedness above referred to, and each and every extension and renewal thereof, shall have been fully paid. The Debtor further agrees that this security interest shall secure the payment of said note or notes hereinabove described, together with all extensions and renewals thereof, together with interest thereon, and shall also extend to and secure the payment of all other indebtedness of said Debtor of every description, either as principal or endorser, surety or guarantor, due by Debtor to said Secured Party, or to any transferee or assignee hereof, whether said indebtedness be now contracted or hereinafter contracted.

So long as any part of the secured indebtedness remains unpaid, Debtor covenants and agrees: (a) to use the collateral with reasonable care, skill and caution, (b) to keep the collateral in good repair, working order and condition, and promptly to make all necessary repairs and replacements to that end, (c) to keep the collateral properly sheltered, and not to permit the collateral to be damaged, injured or depreciated, (d) to pay, before delinquent, all taxes lawfully levied and assessed against the collateral, (e) to keep the collateral fully insured against fire and theft, with comprehensive coverage, to the full extent of its insurable value or the amount of secured indebtedness, if that be less, in solvent insurance companies approved by the Secured Party with less payable to Secured Party as its interest may appear, and from time to time on request of Secured Party to furnish to Secured Party satisfactory proof of maintenance of such insurance and the payment of premiums thereon, (f) from time to time promptly to execute and deliver to Secured Party all such other assignments, certificates and supplemental documents and do all such other acts or things as Secured Party may reasonably request in order to more fully evidence and effectuate the security interest herein, and (g) punctually and properly to perform all agreements, covenants and conditions of any other security agreement of any kind, now or hereafter existing as security for the payment of the secured indebtedness or any part thereof.

So long as any part of the secured indebtedness remains unpaid, Debtor covenants and agrees that, without the prior written consent of Secured Party, Debtor will not (a) remove the collateral to be removed from the county where it is located as above specified, (b) sell, assign, transfer or otherwise dispose of the collateral or any interest therein, or (c) encumber the collateral or any interest therein or permit the collateral or any interest therein to be or become subject to any security interest, or to any attachment, execution, sequestration or other legal or equitable process or to any encumbrance whatsoever, except the lien hereof.

The term "default" as used herein shall mean the occurrence of any of the following events: (a) the failure of Debtor to pay the secured indebtedness or any part thereof as the same becomes due, in accordance with the terms of the note or notes evidencing the same, or when accelerated pursuant to any power to accelerate, or (b) the failure of Debtor, punctually and faithfully, to perform any covenant, agreement or condition contained herein, or (c) the breach by Debtor of any covenant, agreement or condition contained in any other security agreement of any kind securing the payment of the secured indebtedness or any part thereof, or (d) the execution by Debtor of an assignment for the benefit of creditors, or (e) the levy against the collateral of any execution, attachment, sequestration or other writ, or (f) the appointment of a receiver of Debtor or of the collateral, or of any substantial part thereof, or (g) the adjudication of Debtor as a bankrupt or (h) the filing by Debtor either of a voluntary or involuntary petition or answer for an adjudication as a bankrupt, or seeking any other relief under any bankruptcy or insolvency law now or hereafter existing, or (i) the existence of any circumstances which causes Secured Party to deem the secured indebtedness or any security therefor unsafe or insecure, or (j) the insolvency of Debtor.

Upon the occurrence of a default, Secured Party, at its option, may (a) have and exercise all of the rights and remedies of a secured party under the Uniform Commercial Code and all rights provided herein, all of which rights and remedies shall, to the extent permitted by law, be cumulative, (b) require Debtor to assemble the Collateral and make it available to the Secured Party at a place to be designated by the Secured Party which is reasonably convenient to the Secured Party and the Debtor, (c) declare the entire unpaid balance of principal of the secured indebtedness, all interest accrued thereon and reasonable attorney's fees as provided for in the note immediately due and payable without further demand or presentment to Debtor or any other person obligated for the payment of the secured indebtedness, which demand and presentment are hereby expressly waived, (d) enter upon the premises where the collateral may be and take possession thereof and remove the same without being guilty of any manner of trespass, (e) render the collateral unusable and leave it with the Debtor, (f) sell, lease or otherwise dispose of the collateral (in its then condition or following any commercially reasonable preparation or processing), as a whole, or in units or parcels, either at public auction or private sale at Dallas, Texas, or elsewhere, at which sale the Secured Party may purchase the collateral; it also being agreed that it is commercially reasonable for the method, manner, time, place and terms of the disposition to be determined by the Secured Party, without demand or advertisement, which are hereby expressly waived, upon Secured Party's furnishing reasonable notice to the Debtor of the time and place of any public sale or of the time after which a private sale or other intended disposition is to be made, and if the collateral be disposed of in lots or parcels, such sales may be made from time to time until all of such property be disposed of or until the secured indebtedness be paid in full, (g) foreclose this security agreement by legal action or (h) institute and prosecute any other legal or equitable action or suit for the collection of the secured indebtedness and the enforcement of the security therefor, and upon the filing of any such suit or action, Debtor consents without further notice to the appointment on application of Secured Party of a receiver for the collateral. After such disposition is made of the Collateral, the Secured Party may apply the proceeds of the disposition as follows: first, to the reasonable expense of retaking and holding the collateral, preparing it for sale and selling it, and to the extent provided for in this security agreement and not prohibited by law, the reasonable attorney's fees and legal expenses incurred by the Secured Party; next, to the satisfaction of any indebtedness secured by the Secured Party's security interest; and finally, to the satisfaction of any indebtedness secured by any subordinate security interest of a third person in the collateral provided that the Secured Party has received proper and timely notification and demand for such satisfaction. If there is any deficiency due to the fact that the proceeds of the disposition were inadequate, the Debtor shall be liable for such deficiency. All of such rights and remedies are cumulative of each other and every other right or remedy which the Secured Party may otherwise have hereunder or at law or in equity or under any other document for the enforcement or collection of the secured indebtedness and the security therefor and the exercise of one or more rights or remedies shall not prejudice or impair the concurrent or subsequent exercises of other rights or remedies.

Any notice of sale, disposition or other intended action by the Secured Party sent to the Debtor at the address specified above, or such other address of Debtor as may from time to time be shown on the records of the Secured Party, at least five (5) days prior to such action, shall constitute reasonable notice to the Debtor.

It is agreed that any law, custom or usage to the contrary notwithstanding, the Secured Party shall have the right at all times to enforce the covenants and provisions of this agreement in strict accordance with its terms hereof, notwithstanding any conduct or custom on the part of the Secured Party in refraining from so doing at any time.

Upon payment in full of the indebtedness secured by this instrument, the same shall be cancelled and released at the expense of the Debtor. The taking of this Security Agreement shall not waive or impair any other security Secured Party may have or hereafter acquire for payment of the above indebtedness, nor shall the taking of any such additional security waive or impair this Security Agreement, but said Secured Party may resort to any security it may have in the order it may elect. The rights of Secured Party, as herein set out, shall extend to Secured Party's successors, assigns and legal representatives.

This agreement shall be construed and enforced in accordance with the laws of the State of Texas, and is generally performable in Dallas County, Texas.

Debtor agrees not to assert against any assignee a claim or defense arising out of the sale of the collateral, provided that such assignee has acquired the Agreement in good faith and for value. The Debtor acknowledges that the Secured Party is not an agent of the Secured Party's assignee.

EXECUTED by Debtor this 10 day of September, 1984.

\* (e) to keep the collateral fully insured subject to Debtor's self-insurance retention program coupled with umbrella coverages normal in Debtor's industry,



DEBTOR

IN WITNESS WHEREOF, the Debtor, MISSOURI-KANSAS-TEXAS RAILROAD COMPANY, has caused these presents to be executed and its seal to be affixed by its duly elected and authorized officers pursuant to lawful resolutions; and the Secured Party, Banc TEXAS Dallas, N.A., has caused these presents to be executed and its seal to be affixed by its duly elected and authorized officers pursuant to lawful resolutions, all as of the day, month and year first above written.

MISSOURI-KANSAS-TEXAS RAILROAD COMPANY

By: *Karl Ziebarth*  
Vice-President

BANC TEXAS DALLAS, N.A.

By: *Sharon A. Johnson*  
Asst. Vice-President

THE STATE OF TEXAS )

On this 4th day of September, 1984, before me personally appeared Sharon A. Johnson, to me personally known, who, being by me first duly sworn, says that she is a <sup>Asst.</sup> Vice President of Banc TEXAS Dallas, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

*Ru Couvillion*  
Notary Public in and for the State of Texas

My Commission expires: 1-20-86.

THE STATE OF TEXAS )

On this 4th day of September, 1984, before me personally appeared Karl R. Ziebarth, to me personally known, who, being by me duly sworn says that he is Vice President of Missouri-Kansas-Texas Railroad Company, that one of the seals affixed to the foregoing instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporations.

*Virginia A. Schoeneberger*  
Virginia A. Schoeneberger  
Notary Public in and for the State of Texas

My Commission expires: March 24, 1986.