



**ASSOCIATES COMMERCIAL CORPORATION**

A SUBSIDIARY OF ASSOCIATES CORPORATION OF NORTH AMERICA

March 30, 1994

Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

RECORDATION NO. **18770** FILED 1425

**0100187001**

APR 18 1994 - 9:20 AM

INTERSTATE COMMERCE COMMISSION

Dear Secretary:

I have enclosed one original and one copy/counterpart of the document(s) described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a Chattel Mortgage Security Agreement a primary document, dated March 14, 1994.

**Mortgagor:** Utilico Constructors, Inc.  
Omega TyTy Road, P.O. Box 1663  
Tifton, Georgia 31793

**Mortgagee:** Associates Commercial Corporation  
3091 Governors Lake Drive, Suite 240  
Norcross, Georgia 30071-1131

A description of the equipment covered by the document follows:

One (1) Prentice Model 410D Loader S/N 410P50849 , equipped with Hydro Ax 8 Ft. Rotary Cutter S/N A621E534 , Hydraulic Tilt Cab with Air Conditioner and Auxillary Oil Cooler, mounted on Mack DM600 Chassis S/N DM685S29101 , equipped with DMF High Rail Gear, Front Gear S/N 13964 , and Rear Gear S/N 13965 and Homemade Trailer S/N T343928.

A fee of \$16.00 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to Associates Commercial Corporation.

A short summary of the document to appear in the index follows: Chattel Mortgage Security Agreement between Utilico Constructors, Inc. and Associates Commercial Corporation dated March 14, 1994 covering one (1) Prentice Model 410D Loader S/N 410P50849 , equipped with Hydro Ax 8 Ft. Rotary Cutter S/N A621E534 , Hydraulic Tilt Cab with Air Conditioner and Auxillary Oil Cooler, mounted on Mack DM600 Chassis S/N DM685S29101 , equipped with DMF High Rail Gear, Front Gear S/N 13964 , and Rear Gear S/N 13965 and Homemade Trailer S/N T343928.

Sincerely,

  
Ray Mavolanic  
Branch Credit Manager

RECEIVED  
APR 18 1994

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

4/18/94

OFFICE OF THE SECRETARY

**Ray Navolanic**  
**Branch Credit Manager**  
**Associates Commercial Corp**  
**3091 Governors Lake Dr. Suite 240**  
**Norcross, Georgia 30092-7168**

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 4/18/94 at 9:20am, and assigned  
recording number(s). 18770

Sincerely yours,

Secretary  
SIDNEY L. STRICKLAND, JR.

Enclosure(s)



WAF

"Chattel Mortgage"

SECURITY AGREEMENT

WAF

(This form is subject to legal requirements of states where used)

The undersigned debtor, meaning all debtors jointly and severally ("Debtor"), to secure payment of the indebtedness set forth below, hereby grants to the below named secured party, its successors and assigns ("Secured Party"), a security interest in the following described property, complete with all present and future attachments, accessories, replacement parts, repairs, additions, and all proceeds thereof, all hereinafter referred to collectively as "Collateral":

(Describe Collateral fully, including make, kind of unit, model and serial numbers and any other pertinent information)

(1) One Prentice Model 410D Loader S/N 410P50849, equipped with Hydro Ax 8 Ft. Rotary Cutter S/N A621E534, Hydraulic Tilt Cab with Air Conditioner and Auxillary Oil Cooler, mounted on Mack Model DM600 Chassis S/N 0M685529101 WAF equipped with DMF High Rail Gear, Front Gear S/N 13964, and Rear Gear S/N 13965 and Homemade Trailer, S/N: T343928 WAF

REGISTRATION NO. 18770 FILED 1425 APR 18 1994 - 9 20 AM INTERSTATE COMMERCE COMMISSION

The Collateral is to be used primarily for: (X) business or commercial use other than farming operations; ( ) farming operations.

The Collateral will be kept at Omega TyTy Road Tifton (Street Address and City, not PO Box)

County of Tift State of Georgia

Mobile Collateral only: The Collateral will be used in the State(s) named above and in the State(s) of

Table with 2 columns: Description (Principal Balance, Total Interest Charge, Total Sum) and Amount (\$ 107,320.21, \$ 18,439.79, \$ 125,760.00)

Debtor promises to pay Secured Party the Total Sum of \$ 125,760.00 in 48 installments as follows: (Total No. of Installments)

For equal successive monthly installments: (a) \$ 2,620.00 on April 14 1994, and a like sum on the like date of each month thereafter until fully paid, provided, however, that the final installment shall be in the amount of the remaining unpaid balance.

For other than equal successive monthly installments: (b)

Debtor and Secured Party agree that the Total Interest Charge is computed on the basis of 8.0% simple interest per annum on the assumption that all payments will be made on their respective due dates. Debtor agrees to pay Secured Party, upon acceleration of the above indebtedness, interest on all sums then owing hereunder at the rate of 1 1/2% per month if not prohibited by law, otherwise at the highest rate that Debtor can legally obligate itself to pay and/or Secured Party can legally collect.

CROSS SECURITY: Debtor grants to Secured Party a security interest in the Collateral to secure the payment and performance of all absolute and all contingent obligations and liabilities of Debtor to Secured Party, or to any assignee of Secured Party, now existing or hereafter arising, whether under this agreement or under any other agreement and whether due directly or by assignment; provided, however, upon any assignment of this agreement by Secured Party, the assignee will be deemed for the purpose of this paragraph the only party with a security interest in the Collateral.

ORAL AGREEMENT: No oral agreement, guaranty, promise, representation or warranty shall be binding upon Secured Party.

(The additional terms and provisions on the reverse side are a part of this security agreement.)

Dated March 14, 1994

Secured Party Associates Commercial Corporation (Name of individual, corporation or partnership)

Debtor Utilco Constructors, Inc. (Name of individual, corporation or partnership. Give trade style, if any, after name.)

By [Signature] Branch Credit Title Manager (If corporation, authorized officer must sign and show corporate title. If partnership, a general partner must sign. If owner or partner, show which.)

By [Signature] Title President (If corporation, authorized officer must sign and show corporate title. If partnership, a general partner must sign. If owner or partner, show which.)

3091 Governors Lake Drive Ste. 240 (Street Address) Norcross, Georgia 30092 (City, State and Zip Code)

Omega TyTy Road P.O. Box 1663 (Street Address) Tifton, Tift Cty, Georgia 31793 (City, COUNTY, State and Zip Code)

(Additional terms and provisions of security agreement)

A. Debtor warrants and agrees that: Debtor is justly indebted to Secured Party for the full amount of the indebtedness specifically described herein and any interest thereon; Debtor lawfully possesses and owns the Collateral; the Collateral is free from and will be kept free from all liens, claims, security interests and encumbrances other than that created hereby; no financing statement covering the Collateral or any proceeds thereof is now on file in favor of anyone other than Secured Party; notwithstanding Secured Party's claim to proceeds, Debtor will not, without Secured Party's prior written consent, sell, rent, lend, encumber, pledge, transfer, secrete or otherwise dispose of any of the Collateral, nor will Debtor permit any such act; the Collateral will be maintained in good operating condition, repair and appearance, and will be used and operated with care, only by qualified personnel in the regular course of Debtor's business and in conformity with all applicable governmental laws and regulations; there will be no material change in the managerial control of Debtor; the Collateral shall remain personal property and not become part of any real property regardless of the manner of affixation; Secured Party may inspect the Collateral at all reasonable times and from time to time; and the Collateral will be kept by Debtor at the location set forth for it on the face hereof and will not be removed from said location without the prior written consent of Secured Party, except that an item of Collateral which is mobile and of a type normally used at more than one location may be used by Debtor away from said location in the regular course of Debtor's business provided that (a) such item is not removed from the State(s) of use indicated on the face hereof, and (b) if such item is not returned to said location within 30 days, Debtor will immediately thereafter, and each 30 days thereafter until the item is returned, report the then current location thereof to Secured Party in writing.

B. Debtor agrees, at its own cost and expense: to do everything necessary or expedient to perfect and preserve the security interests of Secured Party obtained hereunder; to defend any action, proceeding, or claim affecting the Collateral; to furnish Secured Party promptly with such financial statements and other information as Secured Party may reasonably request from time to time; to pay all expenses incurred by Secured Party in enforcing its rights after the occurrence of an event of default hereunder, including the reasonable fees of any attorneys retained by Secured Party (20% of all sums then owing hereunder if permitted by law); and to pay promptly all taxes, assessments, license fees and other public or private charges when levied or assessed against the Collateral, this agreement or any accompanying note.

C. Debtor shall at all times bear all risk of, damage to or destruction of the Collateral. Debtor agrees to procure forthwith and maintain insurance on the Collateral, for the full insurable value thereof and for the life of this agreement, in the form of Fire insurance with Extended Coverage or Combined Additional Coverage, as appropriate, and Collision, Theft and/or Vandalism and Malicious Mischief Coverage when appropriate, plus such other insurance as Secured Party may specify from time to time, all in form and amount and with insurers satisfactory to Secured Party. Debtor agrees to deliver promptly to Secured Party certificates or, if requested, policies of insurance satisfactory to Secured Party, each with a standard long-form loss-payable endorsement naming Secured Party or assigns as loss-payee as their interests may appear. Each policy shall provide that Secured Party's interest therein will not be invalidated by the acts, omissions or neglect of anyone other than Secured Party, and will contain insurer's agreement to give 30 days prior written notice to Secured Party before cancellation of or any material change in the policy will be effective as to Secured Party, whether such cancellation or change is at the direction of Debtor or insurer. Secured Party's acceptance of policies in lesser amounts or risks will not be a waiver of Debtor's foregoing obligation. Debtor assigns to Secured Party all proceeds of any physical damage or credit insurance for which a charge is stated herein or which is maintained by Debtor in accordance herewith, including returned and unearned premiums, up to the amount owing hereunder by Debtor. Debtor directs all insurers to pay such proceeds directly to Secured Party. Debtor authorizes Secured Party to endorse Debtor's name to all remittances without the joinder of Debtor.

D. If Debtor fails to perform any of its obligations hereunder, Secured Party may perform the same, but shall not be obligated to do so, for the account of Debtor to protect the interest of Secured Party or Debtor or both, at Secured Party's option, and Debtor shall immediately repay to Secured Party any amounts paid by Secured Party in such performance, together with interest thereon at the same rate as is set forth on the face hereof as payable upon acceleration.

E. If permitted by law, Debtor agrees that a carbon, photographic or other reproduction of this agreement or of a financing statement may be filed as a financing statement.

F. Time is of the essence. An event of default shall occur if: (a) Debtor fails to pay when due any amount owed by it to Secured Party or to any affiliate of

Secured Party, whether hereunder or under any other instrument or agreement; (b) Debtor fails to perform or observe any other term or provision to be performed or observed by it hereunder or under any other instrument or agreement furnished by Debtor to Secured Party or to any affiliate of Secured Party or otherwise acquired by Secured Party or any affiliate of Secured Party; (c) any representation or warranty made by Debtor herein or in any document or certificate furnished by Debtor to Secured Party or to any affiliate of Secured Party was incorrect in any material respect when made; (d) Debtor becomes insolvent or ceases to do business as a going concern; (e) any of the Collateral is lost or destroyed; (f) Debtor makes an assignment for the benefit of creditors or takes advantage of any law for the relief of debtors; (g) a petition in bankruptcy, or for an arrangement, reorganization or similar relief is filed by or against Debtor; (h) any property of Debtor is attached, or a trustee or receiver is appointed for Debtor or for a substantial part of its property, or Debtor applies for such appointment; (i) Debtor or its shareholders take any action looking to its dissolution or liquidation; (j) a default is declared on any job contracted by Debtor, or a surety takes over performance of such job or extends financial assistance to Debtor; or (k) Secured Party in good faith believes that the prospect of payment or performance hereunder is impaired.

G. Upon the occurrence of an event of default, and at any time thereafter as long as the default continues, Secured Party may, at its option, with or without notice to Debtor, (i) declare this agreement to be in default, (ii) declare the indebtedness hereunder to be immediately due and payable, (iii) declare all other debts then owing by Debtor to Secured Party to be immediately due and payable, (iv) cancel any insurance and credit any refund to the indebtedness, and (v) exercise all of the rights and remedies of a secured party under the Uniform Commercial Code and any other applicable laws, including, without limitation, the right to require Debtor to assemble the Collateral and deliver it to Secured Party at a place to be designated by Secured Party which is reasonably convenient to both parties, and to lawfully enter any premises where the Collateral may be without judicial process and take possession thereof. Acceleration of any and all indebtedness, if so elected by Secured Party, shall be subject to all applicable laws, including those pertaining to refunds and rebates of unearned charges. Any property other than Collateral which is in or upon the Collateral at the time of repossession may be taken and held without liability until its return is requested by Debtor. Unless otherwise provided by law, any requirement of reasonable notice which Secured Party may be obligated to give regarding the sale or other disposition of Collateral will be met if such notice is mailed to Debtor at its address shown herein at least ten days before the time of sale or other disposition. Secured Party may buy at any sale and become the owner of the Collateral. Debtor agrees that Secured Party may bring any legal proceedings it deems necessary to enforce the payment and performance of Debtor's obligations hereunder in any court in the State shown in Secured Party's address set forth herein, and service of process may be made upon Debtor by mailing a copy of the summons to Debtor at its address shown herein. The inclusion of a trade name or division name in the identification of Debtor hereunder shall not limit Secured Party's right, after the occurrence of an event of default, to proceed against all of Debtor's assets, including those held by Debtor individually or under another trade or division name. Expenses of retaking, holding, preparing for sale, selling and the like shall include (a) the reasonable fees of any attorneys retained by Secured Party (20% of all sums then owing hereunder if permitted by law), and (b) all other legal expenses incurred by Secured Party. Debtor agrees that it is liable for and will promptly pay any deficiency resulting from any disposition of Collateral after default.

H. Waiver of any default shall not be a waiver of any other default; all of Secured Party's rights are cumulative and not alternative. No waiver or change in this agreement or in any related note shall bind Secured Party unless in writing signed by one of its officers. The term "Secured Party" shall include any assignee of Secured Party who is the holder of this agreement. After assignment of this agreement by Secured Party, the assignor will not be the assignee's agent for any purpose and Debtor's obligations and liabilities hereunder to the assignee will be absolute and unconditional and will not be subject to any abatement, reduction, recoupment, defense, set-off or counterclaim available to Debtor for breach of warranty or for any other reason whatsoever. Upon full payment of all obligations secured by this agreement, the assignee may deliver all original papers to the assignor for Debtor. Any provisions hereof contrary to, prohibited by or invalid under applicable laws or regulations shall be inapplicable and deemed omitted herefrom, but shall not invalidate the remaining provisions hereof. Debtor waives all exemptions to the extent permitted by law. Secured Party may correct patent errors herein and fill in blanks. Debtor acknowledges receipt of a true copy and waives acceptance hereof. If Debtor is a corporation, this agreement is executed pursuant to authority of its Board of Directors. All of the terms and provisions of this agreement shall apply to and be binding upon Debtor, its heirs, personal representatives, successors and assigns and shall inure to the benefit of Secured Party, its successors and assigns.

CORPORATE FORM OF ACKNOWLEDGMENT

I, Ray Navolanic, certify that I am Branch Credit Manager of Associates Commercial Corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that the instrument was signed and sealed on behalf of the corporation by authority of its Board of Directors, and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the corporation. I further declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on March 30, 1994

  
Signature

CORPORATE FORM OF ACKNOWLEDGMENT

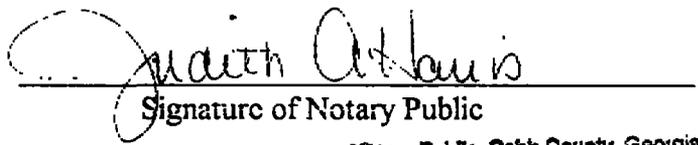
State of Georgia

ss:

County of Cobb

On this 30 day of March, 1994 before me personally appeared Ray Navolanic, to me personally known, who being by me duly sworn, says that (s)he is the Branch Credit Mgr. of Associates Commercial Corporation, that the seal 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 (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(SEAL)

  
Signature of Notary Public

Notary Public, Cobb County, Georgia  
My commission expires August 25, 1995