

Port City Bank

REBECCA DOZIER
Vice President

13978
RECORDATION F.D. FILE 1983

3-062A121

February 15, 1983

MAR 3 1983 - 2 15 PM

No. MAR 3 1983
Date.....
Fee \$ 50.00

INTERSTATE COMMERCE COMMISSION

ICC Washington, D. C.

Secretary of the
Interstate Commerce Commission
Washington, D. C. 20433

Dear Sir:

We have this date taken a security interest in the following described collateral:

One (1) 34,000 gallon capacity tank car DOT 105A300W, non-coiled and insulated 100 ton roller bearing trucks, registration #LAMX 17 and all additions and accessions thereto, rentals, and profits therefrom, all accounts, chattel paper and general intangibles with respect thereto and proceeds thereof.

Enclosed is an original and one copy of our security instrument which we are forwarding to you for recordation. Please file instrument and return the recorded copy to us for our files in the enclosed, self-addressed envelope.

Thank you for your cooperation, and please contact us immediately should your office need any additional information or instruments to effect the filing of our interest in this tank car.

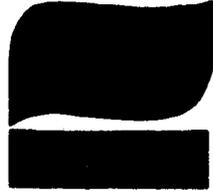
Sincerely yours,

Rebecca Dozier

RD/jr

Enclosures

RECEIVED
MAR 3 2 02 PM '83
FEE OPERATION BR.



Port City Bank

REBECCA DOZIER
Vice President

February 24, 1983

Interstate Commerce Commission
12th and Constitution Ave., Northwest, Room 2303
Washington, D. C. 20423

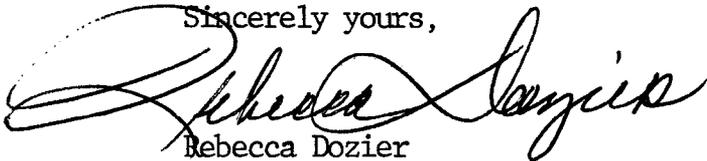
Attention: Mrs. Mildred Lee

Dear Mrs. Lee:

As we discussed enclosed please find the notary that you requested along with a cashier's check in the amount of \$50.00 covering the filing fees for our security interest in the railroad tank-car.

Thank you for your kind assistance and patience with us.

Sincerely yours,



Rebecca Dozier

Encl.

Interstate Commerce Commission
Washington, D.C. 20423

3/3/83

OFFICE OF THE SECRETARY

Rebecca Dozier
Port City Bank
P.O.Box 21129
Houston, Texas 77026

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 3/3/83 at 2:15pm, and assigned re-
recording number(s). 13978

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

SECURITY AGREEMENT - 1933 EDITION 3 PM

John B. Church (NAME) INTERSTATE COMMERCE COMMISSION 6606 Woodway (NO. AND STREET)
Houston (CITY) Harris (COUNTY) Texas (STATE) 77027 (ZIP CODE), hereinafter called "Debtor", and
Port City Bank (NAME) P. O. Box 21129 (NO. AND STREET)
Houston (CITY) Harris (COUNTY) Texas (STATE) 77226 (ZIP CODE), hereinafter called "Secured Party",

and from whom information concerning this security interest may be obtained at the address shown above, agree as follows:

Debtor hereby grants to Secured Party a security interest in the Collateral described in this Security Agreement to secure performance and payment of all obligations and indebtedness of Debtor to Secured Party of whatever kind and whenever or however created or incurred.

The Collateral of this Security Agreement is railroad tank car of the following description:

One (1) 34,000 gallon capacity tank car DOT 105A300W, non-coiled and insulated 100 ton roller bearing trucks, registration #LAMX 17 and all additions and accessions thereto, rentals and profits therefrom, all accounts, chattel paper and general intangibles with respect thereto and proceeds thereof.

deposited with Secured Party contemporaneously with the execution of this Security Agreement, and all other property previously, presently or in the future deposited with Secured Party. Collateral includes, without limitation, all money and property this day delivered to and deposited with Secured Party, and all money and property heretofore delivered or which shall hereafter be delivered to or come into the possession, custody or control of Secured Party in any manner or for any purpose whatever during the existence of this Security Agreement, and whether held in a general or special account, or deposited for safekeeping or otherwise, together with any stock rights, rights to subscribe, liquidating dividends, stock dividends, dividends paid in stock, new securities, or other property which Debtor may hereafter become entitled to receive on account of such securities or other property, and in the event Debtor receives any such property, Debtor will immediately deliver same to Secured Party to be held by Secured Party in the same manner as the property originally deposited as Collateral. The Collateral of this Security Agreement also includes the proceeds of any and all property described above.

Debtor shall pay to Secured Party any sum or sums due or which may become due pursuant to any promissory note or notes now or hereafter executed by Debtor to evidence Debtor's indebtedness to Secured Party, in accordance with the terms of such promissory note or notes and the terms of this Security Agreement. Debtor shall pay to Secured Party on demand all expenses and expenditures, including reasonable attorneys' fees and other legal expenses incurred or paid by Secured Party in exercising or protecting its interests, rights and remedies under this Security Agreement, plus interest thereon at the rate of ten per cent (10%) per annum. Debtor shall pay immediately, without notice, the entire unpaid indebtedness of Debtor to Secured Party, whether created or incurred pursuant to this Security Agreement or otherwise, upon Debtor's default under this Security Agreement.

Debtor represents, warrants and agrees that: (1) All financial or credit statements and Collateral deposited with or relied upon by Secured Party prior to, contemporaneously with, or subsequent to execution of this Security Agreement are or will be true, correct, complete, valid and genuine. (2) All investment securities, instruments, chattel paper, and any like property delivered to Secured Party as Collateral: (a) are genuine, free from adverse claims or other security interests, default, prepayment or defenses; (b) all persons appearing to be obligated thereon have authority and capacity to contract and are bound thereon as they appear to be from the face thereof; and (c) the same comply with applicable laws concerning form, content and manner of preparation and execution. (3) Debtor owns the Collateral and has the right to transfer any interest therein; the Collateral is not subject to the interest of any third person; and Debtor will defend the Collateral and its proceeds against the claims and demands of all third persons. (4) Secured Party's duty with reference to the Collateral shall be solely to use reasonable care in the custody and preservation of Collateral in Secured Party's possession. (5) Demand, notice, protest and all demands and notices of any action taken by Secured Party under this Security Agreement or in connection with any note or notes, except as otherwise provided in this Security Agreement, are hereby waived, and any indulgence of Secured Party, substitution for, exchange of or release of Collateral, in whole or in part, or addition or release of any person liable on the Collateral is hereby assented and consented to. (6) Secured Party shall not be responsible in any way for any depreciation in the value of the Collateral, nor shall any duty or responsibility whatsoever rest upon Secured Party to take necessary steps to preserve rights against prior parties or to enforce collection of the Collateral by legal proceedings or otherwise, the sole duty of Secured Party, its successors and assigns, being to receive collections, remittances and payments on such Collateral as and when made and received by Secured Party, and at Secured Party's option, applying the amount or amounts so received, after deduction of any collection costs incurred, as payment upon any indebtedness of Debtor to Secured Party pursuant to the provisions of this Security Agreement, or holding the same for the account and order of Debtor. (7) Debtor shall pay prior to delinquency all taxes, charges, liens and assessments against the Collateral, and upon Debtor's failure to do so, Secured Party at its option may pay any of them and shall be the sole judge of the legality or validity thereof and the amount necessary to discharge the same. Such payment shall become part of the indebtedness secured by this Security Agreement and shall be paid to Secured Party by Debtor immediately and without demand, with interest thereon at the rate of ten per cent (10%) per annum. (8) If Secured Party should at any time be of the opinion that the Collateral is not sufficient or has declined or may decline in value or should Secured Party deem payment of Debtor's obligations to Secured Party to be insecure, then Secured Party may call for additional Collateral satisfactory to Secured Party, and Debtor promises to furnish such additional security forthwith. The call for additional security may be oral or by telegram or by United States mail addressed to the address of Debtor shown at the beginning of this Security Agreement.

Debtor shall be in default under this Security Agreement upon the happening of any of the following events or conditions (herein called an "Event of Default"): (1) Debtor's failure to pay when due any indebtedness secured by this Security Agreement, either principal or interest; or (2) Default by Debtor in the punctual performance of any of the obligations, covenants, terms or provisions contained or referred to in this Security Agreement or in any note secured hereby; or (3) Any warranty, representation, or statement contained in this Security Agreement or made or furnished to Secured Party by or on behalf of Debtor in connection with this Security Agreement or to induce Secured Party to make a loan to Debtor proves to have been false in any respect when made or furnished; or (4) The making of any levy on or seizure or attachment of any of the Collateral; or (5) Debtor's death, dissolution, termination of existence, insolvency or business failure; the appointment of a receiver of all or any part of the property of Debtor; an assignment for the benefit of creditors by Debtor; the calling of a meeting of creditors of Debtor; or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Debtor or any guarantor, surety or endorser for Debtor; or (6) Any statement of the financial condition of Debtor or of any guarantor, surety or endorser of any liability of Debtor to Secured

Party submitted to Secured Party by Debtor or any such guarantor, surety or endorser proves to be false; or (7) The Collateral becomes, in the judgment of Secured Party, unsatisfactory or insufficient in character or value; or (8) Any guarantor, surety or endorser for Debtor defaults in any obligation or liability to Secured Party.

This Security Agreement, Secured Party's rights hereunder or the indebtedness hereby secured may be assigned from time to time, and in any such case the Assignee shall be entitled to all of the rights, privileges and remedies granted in this Security Agreement to Secured Party, and Debtor will assert no claims or defenses he may have against Secured Party against the Assignee except those granted in this Security Agreement. Secured Party may at any time transfer the Collateral to itself or its nominee, receive income, including money, thereon and hold the income as Collateral or apply the income to any of Debtor's indebtedness to Secured Party, the manner and distribution of the application to be in the sole discretion of Secured Party. Secured Party may at any time demand, sue for, collect or make any compromise or settlement with reference to the Collateral as Secured Party, in its sole discretion, chooses. Secured Party may delay exercising or omit to exercise any right or remedy under this Security Agreement without waiving that or any other past, present or future right or remedy, except in writing signed by Secured Party.

Upon the occurrence of an Event of Default, or if Secured Party deems payment of Debtor's obligations to Secured Party to be insecure, and at any time thereafter: (1) Secured Party may declare all obligations secured hereby immediately due and payable; (2) Secured Party shall have, then or at any time thereafter, the rights and remedies provided in the Uniform Commercial Code in force in the State of Texas at the date of execution of this Security Agreement; and (3) In addition to the rights and remedies referred to above, Secured Party may in its discretion, sell, assign and deliver all or any part of the Collateral at any Broker's Board or at public or private sale without notice or advertisement, and bid and become purchaser at any public sale or at any Broker's Board. If notice to Debtor is required by the Uniform Commercial Code of Texas of public or private sale of Collateral, Secured Party may give written notice to Debtor five days prior to the date of public sale of the Collateral or prior to the date after which private sale of the Collateral will be made, by mailing such notice to Debtor at the address designated at the beginning of this Security Agreement. Secured Party may apply the proceeds of any disposition of Collateral available for satisfaction of Debtor's indebtedness and the expenses of sale in any order of preference which Secured Party, in its sole discretion, chooses. Debtor shall remain liable for any deficiency.

The term "Debtor" as used in this instrument shall be construed as singular or plural to correspond with the number of persons executing this instrument as Debtor. The pronouns used in this instrument are in the masculine gender but shall be construed as feminine or neuter as occasion may require. "Secured Party" and "Debtor" as used in this instrument include the heirs, executors or administrators, successors, representatives, receivers, trustees and assigns of those parties. If more than one person executes this instrument as Debtor, their obligations under this instrument shall be joint and several. Terms used in this instrument which are defined in the Texas Uniform Commercial Code are used with the meanings as therein defined. The law governing this secured transaction shall be that of the State of Texas in force at the date of this instrument.

EXECUTED this 5th day of January, 19 83.

SECURED PARTY:

Port City Bank

By

Bill W. Davis, President

DEBTOR

John B. Church

This is to certify that the foregoing is a true and correct copy of the security agreement executed by John B. Church to Port City Bank, Houston, Harris County, Texas on the 5th day of January, 1982.

THE STATE TO TEXAS

COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared JOHN B. CHURCH, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND and seal of office, this the 5th day of January, 1983.



Mary Washington

Notary Public in and for Harris County, Texas.

Mary Washington; my commission expires 9-22-84

THE STATE OF TEXAS

COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared REBECCA DOZIER, VICE PRESIDENT of PORT CITY BANK, a corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND and seal of office, this the 5th day of January, 1983.



Mary Washington

Notary Public in and for Harris County, Texas

Mary Washington; my commission expires 9-22-84