

2001 FEB -2 AM 10:05

Vol M01 Page 4213

RECORDING REQUESTED BY ~~AND~~  
~~WHEN RECORDED RETURN TO:~~

FOOTHILL CAPITAL CORPORATION  
2450 Colorado Avenue  
Suite 3000 West  
Santa Monica, California 90404  
Attn: Business Finance Division Manager  
#65

AFTER RECORDING, MAIL TO:

CHICAGO TITLE INSURANCE CO.  
et. ATTN: LORETTA KARP  
171 N. CLARK ST - MLC: 04SP  
CHICAGO, IL 60601

LINE OF CREDIT INSTRUMENT

LINE OF CREDIT TRUST DEED, ASSIGNMENT OF RENTS AND LEASES,  
SECURITY AGREEMENT AND FIXTURE FILING

GRANTOR: GREYHOUND LINES, INC., a Delaware corporation  
BENEFICIARY: FOOTHILL CAPITAL CORPORATION, a California corporation  
TRUSTEE: CHICAGO TITLE INSURANCE COMPANY

Maximum Principal Amount to be Advanced: \$185,000,000

Term or Maturity Date: October 24, 2002

Tax Account Nos.: R413181 / Map: R-3809-032AA-01900-000

RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:

FOOTHILL CAPITAL CORPORATION  
2450 Colorado Avenue  
Suite 3000 West  
Santa Monica, California 90404  
Attn: Business Finance Division Manager

THIS DOCUMENT TO BE RECORDED BOTH AS  
A TRUST DEED AND FIXTURE FILING

THIS DOCUMENT SECURES OBLIGATIONS WHICH CONTAIN  
PROVISIONS FOR A VARIABLE RATE OF INTEREST

STATE OF OREGON           )  
                                  ) ss.  
COUNTY OF KLAMATH       )

LINE OF CREDIT TRUST DEED, ASSIGNMENT OF RENTS,  
SECURITY AGREEMENT and FIXTURE FILING made this 24<sup>TH</sup> day of  
October, 2000, between **GREYHOUND LINES, INC.**, a Delaware  
corporation ("Grantor") having an office at 15110 North  
Dallas Parkway, Suite 600, Dallas, Texas 75248, as grantor, a  
**TITLE INSURANCE COMPANY**, as trustee ("Trustee") and **FOOTHILL  
CAPITAL CORPORATION**, a California corporation, as agent,  
having an office at 2450 Colorado Avenue, Suite 3000 West,  
Santa Monica, California 90404, Attn: Business Finance  
Division Manager, as beneficiary.

WITNESSETH

THIS TRUST DEED CONSTITUTES A FIXTURE FILING UNDER  
THE UNIFORM COMMERCIAL CODE OF THE STATE OF OREGON. TO THE  
EXTENT THE GOODS ARE FIXTURES UNDER THE LAWS OF THE STATE OF  
OREGON, THE FIXTURES ARE OR ARE TO BECOME FIXTURES ON THE REAL  
PROPERTY LOCATED IN THE COUNTY OF KLAMATH, STATE OF OREGON,  
MORE PARTICULARLY DESCRIBED ON EXHIBIT A ATTACHED HERETO,  
COMMONLY KNOWN BY THE STREET ADDRESS: 1200 KLAMATH AVENUE,  
KLAMATH FALLS. THE NAME OF THE RECORD OWNER OF THE REAL  
PROPERTY IS **GREYHOUND LINES, INC.**

WHEREAS, Grantor is the owner of the premises described in Exhibit "A" annexed hereto and made a part hereof; and

WHEREAS, Grantor has executed and delivered that certain Loan and Security Agreement dated as of October 24, 2000 ("Loan Agreement": terms not defined herein or in the Code -- as hereinafter defined -- have the meaning set forth in the Loan Agreement) with Foothill Capital Corporation, a California corporation, (Foothill Capital Corporation and all of its successors in interest being hereinafter referred to as "Beneficiary") pursuant to which Beneficiary has agreed to make loans in the aggregate principal amount not to exceed \$185,000,000 at any time outstanding, which sum may include loan advances, whether obligatory or not, made by Beneficiary under a revolving line of credit after this Trust Deed is delivered to the recording offices for recordation.

FOR THE PURPOSE OF SECURING (a) the payment and performance of all indebtedness and obligations of Grantor arising under that certain Loan and Security Agreement, of even date herewith, to which beneficiary and Grantor are parties (the "Loan Agreement": Foothill Capital Corporation, or any successor agent appointed pursuant to the Loan Agreement, is hereinafter "Beneficiary") (initially capitalized terms not otherwise defined herein shall have the meaning set forth in the Loan Agreement) including, without limitation, those contained in Section 11 therein, and all modifications, extensions and/or renewals thereof, (b) the payment and performance of all indebtedness and obligations of Grantor arising under this Trust Deed and other documents executed by Grantor in connection herewith, and (c) payment of any money advanced by Beneficiary to Grantor, or its successors, with interest thereon, evidenced by notes (indicating that they are so secured) or by endorsement of the original note, executed by Grantor or its successor, Grantor has granted, mortgaged, bargained, sold, alienated, enfeoffed, released, conveyed and confirmed, and by these presents does grant, mortgage, bargain, sell, alienate, enfeoff, release, convey and confirm unto the Trustee, in trust, WITH POWER OF SALE, all its estate, right, title and interest in, to and under any and all of the property located in the City of Klamath Falls, County of Klamath, State of Oregon, and more particularly described in Exhibit A attached hereto and made a part hereof, including all easements, rights, privileges, tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining (including without limitation all minerals and quarries thereon or therein, all mining claims thereunto appertaining, all oil, gas and mineral rights and all royal-

ties of every kind and nature), and all of the estate, right, title, interest, claim, demand, reversion or remainder whatsoever of Grantor therein or thereto, either at law or in equity, in possession or expectancy, now or hereafter acquired, including, without limitation, all and singular the ways, waters, water courses, water rights and powers, liberties, privileges, sewers, pipes, conduits, wires and other facilities furnishing utility or other services to the property (collectively, the "Land");

TOGETHER with all of the right, title and interest of Grantor in and to all buildings, structures and improvements now or hereafter erected on the Land including all plant equipment, apparatus, machinery and fixtures of every kind and nature whatsoever now or hereafter located on or forming part of said buildings, structures and improvements (collectively, the "Improvements"; the Land and Improvements being hereinafter collectively referred to as the "Premises");

TOGETHER with all of the right, title and interest of Grantor in and to the land lying in the bed of any street, road, highway or avenue in front of or adjoining the Premises;

TOGETHER with any and all right, title and interest of Grantor in and to any award and awards heretofore made or hereafter to be made by any governmental authorities to the present and all subsequent owners of the Premises which may be made with respect to the Premises as a result of the return of excess taxes paid on the Mortgaged Property, the exercise of the right of eminent domain, the alteration of the grade of any street or any other injury to or decrease of value of the Premises, which said award or awards are hereby assigned to Beneficiary and Beneficiary, at its option, is hereby authorized, directed and empowered to collect and receive the proceeds of any such award or awards from the authorities making the same and to give proper receipts and acquittances therefor, and to apply the same as hereinafter provided; and Grantor hereby covenants and agrees to and with Beneficiary, upon request by Beneficiary, to make, execute and deliver, at Grantor's expense, any and all assignments and other instruments sufficient for the purpose of assigning the aforesaid award or awards to Beneficiary free, clear and discharged of any and all encumbrances of any kind or nature whatsoever;

TOGETHER with all right, title and interest of Grantor in and to any goods, equipment, machinery, furniture, furnishings, fixtures, appliances, inventory, building

materials, chattels and articles of personal property (other than personal property which is or at any time has become Hazardous Materials), including any interest therein, now or at any time hereafter affixed to, attached to, or used in any way in connection with or to be incorporated at any time into the Premises, or placed on any part thereof whether or not attached or incorporated to the premises thereto, together with any and all replacements thereof, appertaining and adapted to the complete and compatible use, enjoyment, occupancy, operation or improvement of the Premises (collectively, the "Chattels");

TOGETHER with all right, title and interest of Grantor in and to any leases of the Premises or the Chattels or any part thereof now or hereafter entered into and all right, title and interest of Grantor thereunder, including, without limitation, cash or securities deposited thereunder to secure performance by the lessees of their obligations thereunder (whether such cash or securities are to be held until the expiration of the terms of such leases or applied to one or more of the installments of rent coming due immediately prior to the expiration of such terms) and all rights to all insurance proceeds and unearned premiums arising from or relating to the Premises and all other rights and easements of Grantor now or hereafter existing pertaining to the use and enjoyment of the Premises and all right, title and interest of Grantor in and to all declarations of covenants, conditions and restrictions as may affect or otherwise relate to the Premises;

TOGETHER with all right, title and interest of Grantor in and to any sales agreements, deposit receipts, escrow agreements and other ancillary documents and agreements entered into with respect to the sale to any purchasers of any part of the Premises, and all deposits and other proceeds thereof;

TOGETHER with all right, title and interest of Grantor in and to any permits, plans, licenses, specifications, subdivision rights, tentative tract maps, final tract maps, security interests, contracts, contract rights or other rights as may affect or otherwise relate to the Premises;

TOGETHER with all right, title and interest of Grantor in and to any rights of Grantor in or to any fund, program or trust monies and any reimbursement therefrom directly or indirectly established, maintained or administered by any governmental authority or any other individual or

entity which is designed to or has the effect of providing funds (whether directly or indirectly or as reimbursement) for the repair or replacement of storage tanks (whether above or below ground) located on the Premises or the remediation or cleanup of any spill, leakage or contamination from any such tank or resulting from the ownership, use or maintenance of any such tank or to compensate third parties for any personal injury or property damage;

TOGETHER with all right, title and interest of Grantor in and to any rents, issues, profits, revenues, income and other benefits to which Grantor may now or hereafter be entitled from the Premises or the Chattels (which Premises, titles, interests, awards, Chattels, easements, rents, income, benefits, ways, waters, rights, powers, liberties, privileges, utilities, tenements, hereditaments, appurtenances, reversions, remainders, rents, issues, profits, estate, property, possession, claims and demands, are hereinafter collectively referred to as the "Mortgaged Property");

TO HAVE AND TO HOLD the Mortgaged Property unto Beneficiary, its successors and assigns forever.

#### ARTICLE I

And Grantor further covenants with the Trustee and Beneficiary as follows:

SECTION 1.01. Grantor has good and marketable title to an indefeasible fee estate in the Premises subject to no lien, charge, or encumbrance except the Permitted Liens; that it owns the Chattels free and clear of liens and claims except for Permitted Liens; that this Trust Deed is and will remain a valid and enforceable first and prior lien on the Mortgaged Property subject only to the exceptions referred to above; and that neither the entry nor the performance of and compliance with this Trust Deed, the Loan Agreement has resulted or will result in any violation of, or be in conflict with, or result in the creation of any deed of trust, trust deed, lien, encumbrance or charge (other than those created by the execution and delivery of, or permitted by, this Trust Deed, the Loan Agreement) upon any of the properties or assets of constitute a default under any deed of trust, trust deed, indenture Grantor, or, contract, agreement, instrument, franchise, permit, judgment, decree, order, statute, rule or regulation applicable to Grantor. Grantor has full power and, subject to Permitted Liens, lawful authority to convey the Mortgaged Property in the manner and form herein done or

intended hereafter to be done and will preserve such title, and will forever preserve, warrant and defend the same unto the Trustee and Beneficiary, and will forever preserve, warrant and defend the validity and priority of the lien hereof against the claims of all persons and parties whomsoever.

SECTION 1.02. (a) Grantor will, at its sole cost and expense, and without expense to the Trustee or Beneficiary, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, deeds of trust, assignments, notices of assignments, transfers and assurances as the Trustee or Beneficiary shall from time to time reasonably require, for the purpose of better assuring, conveying, assigning, transferring, pledging, mortgaging, warranting and confirming unto the Trustee the property and rights hereby conveyed or assigned or intended now or hereafter so to be, or which Grantor may be or may hereafter become bound to convey or assign to the Trustee, or for carrying out the intention or facilitating the performance of the terms of this Trust Deed, or for filing, registering or recording this Trust Deed and, on demand, will execute and deliver, and hereby authorizes Beneficiary to execute in the name of Grantor, to the extent it may lawfully do so, one or more financing statements, chattel mortgages or comparable security instruments, to evidence more effectively the lien hereof upon the Chattels.

(b) Grantor will pay all filing, registration or recording fees, all federal, state, county and municipal stamp taxes and other fees, taxes, duties, imposts, assessments and all other charges incident to, arising out of or in connection with the preparation, execution, delivery and enforcement of the Loan Agreement, this Trust Deed, any deed of trust or trust deed supplemental hereto, any security instrument with respect to the Chattels or any instrument of further assurance, except to the extent that the validity of such taxes, fees, duties, imposts, assessments and charges shall be the subject of a Permitted Protest.

(c) Grantor hereby appoints Beneficiary (acting through its authorized officers) its attorney-in-fact to execute, acknowledge and deliver for and in the name of Grantor any and all of the instruments mentioned in this Section 1.02, and this power, being coupled with an interest, shall be irrevocable as long as any part of the Obligations remain unpaid.

SECTION 1.03. Grantor will punctually pay the principal and interest and all other sums to become due in respect of the Loan Agreement at the time and place and in the manner specified therein, all in any coin or currency of the United States of America which at the time of such payment shall be legal tender for the payment of public and private debts.

SECTION 1.04. Intentionally Deleted.

SECTION 1.05. Subject to the Permitted Liens, all right, title and interest of Grantor in and to all extensions, improvements, betterments, renewals, substitutes and replacements of, and all additions and appurtenances to, the Mortgaged Property, hereafter acquired by, or released to, or constructed, assembled or placed by Grantor on the Premises, and all conversions of the security constituted thereby, immediately upon such acquisition, release, construction, assembling, placement or conversion, as the case may be, and in each such case, without any further grant, conveyance, assignment or other act by Grantor, shall become subject to the first and prior lien and security interest of this Trust Deed as fully and completely, and with the same effect, as though now owned by Grantor and specifically described in the granting clause hereof, but at any and all times Grantor will execute and deliver to Beneficiary any and all such further assurances, deeds of trust, conveyances or assignments thereof with respect thereto as Beneficiary may reasonably require for the purpose of expressly and specifically subjecting the same to the lien and security interest of this Trust Deed.

SECTION 1.06. (a) Grantor, from time to time when the same shall become due, will pay and discharge, or cause to be paid and discharged, all taxes and governmental charges of every kind and nature that may at any time be assessed or levied against or with respect to the indebtedness secured by, and any other amounts payable pursuant to, this Trust Deed, or any part of such indebtedness or amounts, the Mortgaged Property or any part thereof including, without limiting the generality of the foregoing, real and personal property taxes and income, franchise, withholding, profits and gross receipts taxes, all general and special assessments, levies, permits, inspection and license fees, all water and sewer rents and charges, and all other public or governmental charges whether of a like or different nature, imposed upon or assessed or levied against Grantor or the Mortgaged Property or any part thereof or interest therein or upon all right, title and interest of Grantor in the revenues, rents, issues, income and profits of the Mortgaged Property or arising in respect of the



occupancy, use or possession thereof, except to the extent that the validity of such taxes, assessments, fees and charges shall be the subject of a Permitted Protest. Grantor will, upon the request of Beneficiary, deliver to Beneficiary receipts evidencing the payment, before any penalties accrued thereon, of all such taxes, assessments, levies, fees, rents and other public charges imposed upon or assessed against it, this Trust Deed, or the Mortgaged Property or all right, title and interest of Grantor in the revenues, rents, issues, income or profits thereof.

(b) Intentionally Deleted.

(c) Grantor will pay, except to the extent that the validity thereof shall be the subject of a Permitted Protest, from time to time when the same shall become due and payable, all lawful claims and demands of mechanics, materialmen, laborers, and others which, if unpaid, might result in, or permit the creation of, a lien on the Mortgaged Property or any part thereof, or on the revenues, rents, issues, income and profits arising therefrom and in general will do or cause to be done everything necessary so that the lien and security interest hereof shall be fully preserved, at the cost of Grantor, without expense to Beneficiary.

SECTION 1.07. In the event of the passage, after the date of this Trust Deed, of any law of the State of Oregon deducting from the value of the Mortgaged Property for the purpose of taxing the amount of any lien thereon, or changing in any way the laws now in force for the taxation of deeds of trust, or debts secured thereby, for state or local purposes, or the manner of operation of any such taxes so as to adversely affect the interest of Beneficiary, then and in such event, Grantor shall bear and pay the full amount of such taxes, provided that if for any reason payment by Grantor of any such new or additional taxes would be unlawful or if the payment thereof would constitute usury or render the Loan Agreement or the indebtedness secured hereby wholly or partially usurious under any of the terms or provisions of the Loan Agreement, or this Trust Deed, or otherwise, Beneficiary may, at its option, upon thirty (30) days' written notice to Grantor, (i) declare the whole indebtedness secured by this Trust Deed, with interest thereon, to be immediately due and payable, or (ii) pay that amount or portion of such taxes as renders the Loan Agreement, or the indebtedness secured hereby unlawful or usurious, in which event Grantor shall concurrently therewith pay the remaining lawful non-usurious portion or balance of said taxes.

SECTION 1.08. Except as permitted in the Loan Agreement, Grantor will not (i) further encumber, sell, convey or transfer any interest in, or any part of, the Mortgaged Property, or (ii) cause, permit or suffer, directly or indirectly, a Change of Control. At Beneficiary's option, Beneficiary's consent to a further encumbrance or transfer shall be subject to an increase in interest rate, modification of loan terms and/or the payment of a fee.

SECTION 1.09. Beneficiary and the Trustee shall have access to and the right to inspect the Premises and Chattels at all reasonable times.

SECTION 1.10. Grantor shall comply with all applicable restrictive covenants, zoning and subdivision ordinances and building codes and all other applicable laws, rules, regulations, requirements, directions, orders and notices of violations issued by any governmental agency, body or officer relating to or affecting the Premises or the business or activity being conducted thereon whether by Grantor or by any occupant thereof, except for non-compliance that would not constitute a Material Adverse Change.

SECTION 1.11. If Grantor shall fail to perform any of the covenants contained herein on its part to be performed, Beneficiary may, but shall not be required to, make advances to perform the same, or cause the same to be performed, on Grantor's behalf, and all sums so advanced shall bear interest, from and after the date advanced until repaid, at the lower of (i) the maximum rate permitted by law or (ii) the default rate set forth in the Loan Agreement, shall be a lien upon the Mortgaged Property and shall, at Beneficiary's option, be added to the indebtedness secured hereby. Grantor will repay on demand all sums so advanced on its behalf with interest at the rate herein set forth. This Section 1.11 shall not be construed as preventing any default by Grantor in the observance of any covenant contained in this Trust Deed from constituting an Event of Default hereunder.

SECTION 1.12. Grantor will not commit any waste at or with respect to the Mortgaged Property nor will Grantor do or fail to do anything which will in any way increase the risk of fire or other hazard to the Premises, Improvements or Chattels or to any part thereof. Grantor will, at all times, maintain the Improvements and Chattels in good order and condition and will promptly make, from time to time, all repairs, renewals, replacements, additions and improvements in connection therewith which are required in the Loan Agreement

Improvements shall not be removed, demolished or materially altered.

SECTION 1.13. Intentionally Deleted.

SECTION 1.14. The assignment of rents, income and other benefits (collectively, "rents") contained in the granting clause of this Trust Deed shall be fully operative without any further action on the part of Grantor or Beneficiary and specifically Beneficiary shall be entitled, at its option, to all rents from the Mortgaged Property whether or not Beneficiary takes possession of the Mortgaged Property. Grantor hereby further grants to Beneficiary the right (i) to enter upon and take possession of the Mortgaged Property for the purpose of collecting the rents, (ii) to dispossess by the usual summary proceedings any tenant defaulting in the payment thereof to Beneficiary, (iii) to let the Mortgaged Property or any part thereof, and (iv) to apply the rents, after payment of all necessary charges and expenses, on account of the indebtedness and other sums secured hereby. Such assignment and grant shall continue in effect until the indebtedness and other sums secured hereby are paid, the execution of this Trust Deed constituting and evidencing the irrevocable consent of Grantor to the entry upon and taking possession of the Mortgaged Property by Beneficiary pursuant to such grant, whether or not sale or foreclosure has been instituted. Neither the exercise of any rights under this Section by Beneficiary nor the application of the rents to the indebtedness and other sums secured hereby, shall cure or waive any Event of Default, or notice of default hereunder or invalidate any act done pursuant hereto, but shall be cumulative of all other rights and remedies.

The foregoing provisions hereof shall constitute an absolute and present assignment of the rents from the Mortgaged Property, subject, however, to the conditional permission given to Grantor to collect and use the rents until the occurrence of an Event of Default at which time such conditional permission shall automatically terminate; and the existence or exercise of such right of Grantor shall not operate to subordinate this assignment, in whole or in part, to any subsequent assignment by Grantor permitted under the provisions of this Trust Deed, and any such subsequent assignment by Grantor shall be subject to the rights of the Trustee and Beneficiary hereunder.

SECTION 1.15. (a) Grantor will not (i) execute an assignment of the rents or any part thereof from the Mortgaged Property in favor of any Person other than Beneficiary unless

such assignment shall provide that it is subject and subordinate to the assignment contained in this Trust Deed, and any additional or subsequent assignment executed pursuant hereto, or (ii) in any manner impair the value of the Mortgaged Property or the security of the Trustee or Beneficiary for the payment of the indebtedness secured hereby, or (iii) enter into any lease prohibited under the provisions of the Loan Agreement.

(b) If any lease provides for the giving by the lessee of certificates with respect to the status of such leases, Grantor shall exercise its right to request such certificates within fifteen (15) days of any demand therefor by Beneficiary.

(c) Grantor shall furnish to Beneficiary, within fifteen (15) days after a request by Beneficiary to do so, a written statement containing the names of all lessees for the Mortgaged Property, the terms of their respective leases, the spaces occupied, the rentals paid and any security therefor.

(d) Grantor shall, from time to time upon request of Beneficiary, specifically assign to Beneficiary as additional security hereunder, by an instrument in writing in such form as may be approved by Beneficiary, all right, title and interest of Grantor in and to any and all leases now or hereafter on or affecting the Mortgaged Property, together with all security therefor and all monies payable thereunder, subject to the conditional permission hereinabove given to Grantor to collect the rentals under any such lease. Grantor shall also execute and deliver to Beneficiary any notification, financing statement or other document reasonably required by Beneficiary to perfect the foregoing assignment.

#### SECTION 1.16. Intentionally Deleted.

SECTION 1.17. Grantor shall not use Beneficiary's name or the name of any person, firm, corporation or other entity controlling, controlled by or under common control with Beneficiary in connection with any of Grantor's activities, except as such use may be required by applicable law or regulation of any governmental body.

### EVENTS OF DEFAULT AND REMEDIES

SECTION 2.01. The occurrence of any one or more of the following events shall constitute an event of default ("Event of Default") hereunder:

(a) If Grantor shall default in the payment of (i) any regular installment of interest and/or principal on the Loan Agreement as and when the same shall have become due and payable, (ii) any other payment of interest and/or principal due on the Loan Agreement when the same shall become due and payable, whether at any stated maturity or by acceleration or otherwise, or (iii) any other sums required to be paid by Grantor pursuant to the Loan Agreement, or this Trust Deed on the date that such payments are therein or herein required to be made; or

(b) If Grantor and/or Guarantor, if any, shall breach, or be in default of, any of the covenants or provisions contained in the Loan Agreement or this Trust Deed, or of any chattel mortgage, other deed of trust, trust deed, security agreement or other document issued thereunder or in connection therewith or herewith; or

(c) If there shall be an "Event of Default" under the Loan Agreement.

All Events of Default shall be subject to the notice and cure rights provided for in the Loan Agreement.

Upon the occurrence of an Event of Default, and in every such case:

I. During the continuance of any Event of Default, Beneficiary personally, or by its agents or attorneys may enter into and upon all or any part of the Mortgaged Property, and each and every part thereof, and may exclude the party owning the beneficial interest in same, its agents and servants wholly therefrom; and having and holding the same, may use, operate, manage and control the Mortgaged Property for any lawful purpose and conduct the business thereof, either personally or by its superintendents, managers, agents, servants, attorneys or receivers; and upon every such entry, Beneficiary, at the expense of Grantor, from time to time, either by purchase, repairs or construction, may maintain and restore the Mortgaged Property, whereof it shall become possessed as aforesaid, may complete the construction of the Improvements and in the course of such completion may make such changes in the contemplated Improvements as it may deem desirable; may insure or reinsure the same as provided in the Loan Agreement, and likewise, from time to time, at the expense of Grantor, Beneficiary may make all necessary or proper repairs, renewals, replacements, alterations, additions, betterments and improvements to the Mortgaged Property or any part thereof and thereon as it may deem

advisable; and in every such case Beneficiary shall have the right to manage and operate the Mortgaged Property, possessed as aforesaid, and to carry on the business thereof and exercise all rights and powers of the party owning such property with respect thereto either in the name of such party or otherwise as it shall deem best; and Beneficiary shall be entitled to collect and receive all earnings, revenues, rents, issues, profits and income of the Mortgaged Property and every part thereof; and after deducting the expenses of conducting the business thereof and of all maintenance, repairs, replacements, alterations, additions, betterments and improvements and all payments which may be made for taxes, assessments, insurance, in payment of any prior deed of trust or trust deed and prior or other proper charges upon the Mortgaged Property or any part thereof, as well as just and reasonable compensation of Beneficiary for the services of Beneficiary and for all attorneys, counsel, agents, clerks, servants and other employees by it properly engaged and employed, Beneficiary shall apply the moneys arising as aforesaid, first, to the payment of any sums, other than interest and principal due pursuant to the Loan Agreement required to be paid by Grantor under this Trust Deed, second, to the payment of interest due pursuant to the Loan Agreement, third, to the payment of the principal due pursuant to the terms of the Loan Agreement when and as the same shall become payable (whether by acceleration or otherwise).

II. Beneficiary, at its option, may declare the entire unpaid balance of the indebtedness secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and written notice of default and of election to cause the Mortgaged Property to be sold, which notice Trustee shall cause to be duly filed for record. Beneficiary shall also deposit with the Trustee this Trust Deed, the Loan Agreement and all documents evidencing the expenditures secured hereby.

III. After the Trustee has commenced foreclosure by advertisement and sale, and at any time prior to 5 days before the date the Trustee conducts the sale, the Grantor or any other person so privileged by ORS 86.753, may cure the Event or Events of Default. If the default consists of a failure to pay, when due, sums secured by this Trust Deed, the default may be cured by paying the entire amount due at the time of the cure other than such portion as would not then be due had no default occurred. Any other default that is capable of being cured may be cured by tendering the complete performance required under the Obligations or Trust Deed. In any case, in addition to curing the Event or Events of Default, the person

effecting the cure shall pay to the Beneficiary all costs and expenses actually incurred in enforcing the obligation of this Trust Deed together with Trustee's and attorney's fees not exceeding the amounts provided by law.

IV. After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Grantor, shall sell the Mortgaged Property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. If the Mortgaged Property consists of several known lots or parcels, Beneficiary may designate the order in which such parcels shall be sold or offered for sale. Any person, including Grantor, Trustee or Beneficiary, may purchase at such sale.

V. Trustee may postpone sale of all or any portion of the Mortgaged Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement.

VI. On and after the occurrence of an Event of Default, Grantor shall pay all rents, issues and profits thereafter received by Grantor from the Mortgaged Property to Beneficiary and to the extent not paid shall hold such amounts as trust funds for the benefit of Beneficiary and such rents, issues and profits shall be deemed "cash collateral" of Beneficiary under 11 U.S.C., as amended.

SECTION 2.02. (a) Beneficiary may adjourn from time to time, as permitted by law, any sale to be made by it under or by virtue of this Mortgage by announcement at any time and place appointed for such sale or for such adjourned sale or sales; and Beneficiary, without further notice or publication, except as otherwise provided by any applicable provision of law, may make such sale at the time and place to which the same shall be so adjourned.

(b) Upon the completion of any sale or sales made by Beneficiary under or by virtue of this Mortgage, Beneficiary, or an officer of any court empowered to do so, shall execute and deliver to the accepted purchaser or purchasers a good and sufficient deed and such other instrument, or instruments, as may be necessary to convey, assign and transfer all estate, right, title and interest in

and to the Mortgaged Property and rights sold, but without any covenant or warranty, express or implied, and without any representation, express or implied, as to the existence, or lack thereof, of Hazardous Materials on the Mortgaged Property. Beneficiary is hereby irrevocably appointed the true and lawful attorney of Mortgagor in its name and stead, to make all necessary conveyances, assignments, transfers and deliveries of the Mortgaged Property and rights so sold and for that purpose Beneficiary may execute all necessary instruments of conveyance, assignment and transfer, and may substitute one or more persons with like power, Mortgagor hereby ratifying and confirming all that its said attorney or such substitute or substitutes shall lawfully do by virtue hereof. Nevertheless, Mortgagor if so requested by Beneficiary shall ratify and confirm any such sale or sales by executing and delivering to Beneficiary or to such purchaser or purchasers all such instruments as may be advisable, in the judgment of Beneficiary, for the purpose, and as may be designated in such request. The receipt of Beneficiary of the Loan Documents, or of the court officer conducting any such sale, for the purchase money paid at any such sale shall be a sufficient discharge therefor to any purchaser of the Mortgaged Property, or any part thereof, sold as aforesaid; and no such purchaser or his representatives, grantees or assigns, after paying such purchase money and receiving such a receipt, shall be bound to see to the application of such purchase money upon or for the purpose of this Mortgage or the Loan Agreement, or shall be answerable in any manner whatsoever for any loss, misapplication or non-application of any such purchase money or any part thereof, nor shall any such purchaser be bound to inquire as to the necessity or expediency of any such sale. Any such sale or sales made under or by virtue of this Mortgage (whether made under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale) shall operate to divest all the estate, right, title, interest, claim and demand whatsoever, whether at law or in equity, of Grantor in and to the Mortgaged Property so sold, and shall be a perpetual bar both at law and in equity against Grantor and against any and all persons claiming or who may claim the same, or any part thereof from, through or under Grantor.

(c) The purchase money proceeds or avails of any sale made under or by virtue of this Mortgage, together with any other sums which then may be held by Beneficiary under this Mortgage, shall be applied as follows:

First: To the payment of the costs and expenses of such sale, and costs of title evidence and



reasonable compensation to Beneficiary , its agents, attorneys and counsel, and of any judicial proceedings wherein the same may be made, and of all expenses, liabilities and advances made or incurred by Beneficiary under this Mortgage (including, without limitation, attorney's fees and costs incurred in connection with the enforcement of this Mortgage, including, but not limited to, such fees and costs incurred pursuant to 11 U.S.C.), together with interest at the default rate set forth in the Loan Agreement, on all advances made by Beneficiary and all taxes or assessments, except any taxes, assessments or other charges subject to which the Mortgaged Property shall have been sold.

Second: To the payment of interest on the Loan Agreement, including interest at the default rate set forth in the Loan Agreement from and after the happening of any Event of Default until the same is paid.

Third: To the payment of the principal and interest on the Loan Agreement then remaining unpaid.

Fourth: LASTLY, the balance or surplus, if any, of such proceeds of sale to the person or persons legally entitled thereto, upon satisfactory proof of such right.

(d) In the event of a sale of the Mortgaged Property, or any part thereof, and the execution of a deed or deeds therefor, the recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof and of the fact that said sale was regularly and validly made in accordance with all requirements of the laws of the Commonwealth of Massachusetts and of this Mortgage; and any such deed or deeds, with such recitals therein, shall be effectual and conclusive against Grantor and all other persons; and the receipt for the purchase money recited or contained in any deed executed to the purchaser as aforesaid shall be sufficient discharge to such purchaser from all obligations to see to the proper application of the purchase money according to the trusts aforesaid.

(e) Upon any sale made under or by virtue of this Mortgage, whether made by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, Beneficiary may bid for and acquire the Mortgaged Property or any part thereof and in lieu of paying cash therefor may make settlement for the purchase price by crediting upon the indebtedness secured hereby, the net sales price after deducting therefrom the

expenses of the sale and the costs of the action and any other sums which Beneficiary is authorized to deduct under this Mortgage. Beneficiary, upon so acquiring the Mortgaged Property, or any part thereof, shall be entitled to hold, lease, rent, operate, manage and sell the same in any manner provided by applicable laws.

(f) In the event of any sale made under or by virtue of this Mortgage (whether made by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale), the indebtedness secured hereby if not previously due and payable, and all other sums required to be paid by Grantor pursuant to this Mortgage, immediately thereupon shall, anything in the Loan Agreement or in this Mortgage to the contrary notwithstanding, become due and payable.

SECTION 2.03. (a) Upon the occurrence of an Event of Default then, upon written demand of Beneficiary, Grantor will pay to Beneficiary the entire indebtedness secured hereby, and after the happening of said Event of Default will also pay to Beneficiary interest at the default rate set forth in the Loan Agreement, and also pay all other sums required to be paid by Grantor pursuant to any provision of this Mortgage, and in addition thereto such further amount as shall be sufficient to cover the costs and expenses of collection incurred by Beneficiary hereunder including reasonable compensation to Beneficiary, its agents, attorneys and counsel (including, but not limited to, fees and costs pursuant to 11 U.S.C.). In the event Grantor shall fail forthwith to pay such amounts upon such demand, Beneficiary, in its own name, shall be entitled and empowered to institute any action or proceedings at law or in equity for the collection of the amounts so due and unpaid, and may prosecute any such action or proceedings to judgment or final decree, and may enforce any such judgment or final decree against Grantor and collect, out of the property of Grantor wherever situated, as well as out of the Mortgaged Property, in the manner provided by law, the moneys adjudged or decreed to be payable.

(b) Beneficiary shall, if permitted by law, be entitled to recover judgment as aforesaid either before or after or during the pendency of any proceedings for the foreclosure of the lien and provisions of this Mortgage. The right of Beneficiary to recover such judgment shall not be affected by any entry or sale hereunder, or by the exercise of any other right, power or remedy for the enforcement of the provisions of this Mortgage, or the foreclosure of the lien hereof. In the event of a sale of the Mortgaged Property, and

of the application of the proceeds of sale to the payment of the indebtedness secured hereby, Beneficiary shall be entitled to enforce payment of, and to receive the entire indebtedness secured hereby and to enforce payment of all charges, payments and costs due under this Mortgage, and shall be entitled to recover judgment for any sums due under the Loan Agreement or this Mortgage remaining unpaid, with interest at the default rate set forth in the Loan Agreement. In case there shall be pending proceedings for the bankruptcy or liquidation of assets or for the reorganization of Grantor under the Federal bankruptcy laws or any other applicable law, or in case a receiver or Beneficiary shall have been appointed for the property of Grantor or in case of any other similar judicial proceedings relative to Grantor, or to the creditors or property of Grantor, Beneficiary shall be entitled and empowered to prove against Grantor the whole amount of the indebtedness secured hereby to the full amount thereof, and all other payments, charges and costs due under this Mortgage, without deducting therefrom any proceeds obtained from the sale of the whole or any part of the Mortgaged Property, provided, however, that in no event shall Beneficiary receive from the aggregate amount of the proceeds of the sale of the Mortgaged Property and the distribution from the estate of Grantor an amount greater than the entire amount secured hereby and such other payments, charges and costs.

(c) No recovery of any judgment by Beneficiary and no levy of an execution under any judgment upon the Mortgaged Property or upon any other property of Grantor shall affect in any manner or to any extent, the lien of this Mortgage upon the Mortgaged Property or any part thereof, or any liens, rights, powers or remedies of Beneficiary hereunder, but such liens, rights powers and remedies of Beneficiary shall continue unimpaired as before.

(d) Any moneys thus collected by Beneficiary under this Section 2.03 shall be applied by Beneficiary in accordance with the provisions of subsection 2.02(c).

SECTION 2.04. Intentionally Deleted.

SECTION 2.05. No remedy herein conferred upon or reserved to Beneficiary is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission of Beneficiary to exercise any right or power occurring upon the

Event of Default shall impair any such right or power or shall be construed to be a waiver thereof or an acquiescence therein; and every power and remedy given by this Mortgage to Beneficiary may be exercised from time to time and as often as may be deemed expedient by Beneficiary. Nothing in this Mortgage or in the Loan Agreement shall affect the obligation of Grantor to pay the principal of, interest on, and all sums due under the Loan Agreement in the manner and at the time and place therein respectively expressed.

SECTION 2.06. To the extent permitted by law, Grantor will not at any time insist upon, or plead, or in any manner whatever claim or take any benefit or advantage of, any stay or extension or moratorium law, any exemption from execution or sale of the Mortgaged Property or any part thereof, wherever enacted, now or at any time hereafter in force, which may affect the covenants and terms of performance of this Mortgage; nor claim, take or insist upon any benefit or advantage of any law now or hereafter in force providing for the marshalling of the Mortgaged Property or on the valuation or appraisal of the Mortgaged Property, or any part thereof, prior or subsequent to any sale or sales thereof which may be made pursuant to any provision herein, or pursuant to the decree, judgment or order of any court of competent jurisdiction; nor, after any such final sale or sales, claim or exercise any right under any statute or otherwise, to redeem the property so sold or any part thereof; and Grantor hereby expressly waives all benefit or advantage of any such law or laws, and covenants not to hinder, delay or impede the execution of any power herein granted or delegated to Beneficiary, but to suffer and permit the execution of every power as though no such law or laws had been made or enacted. Grantor hereby waives the right to require any sale to be made in parcels, or the right to select parcels to be so sold, and there shall be no requirement for marshalling of assets. Grantor hereby further waives any rights it may have under applicable law relating to the prohibition of the obtaining of a deficiency judgment by Beneficiary against Grantor.

SECTION 2.07. Intentionally Deleted.

SECTION 2.08. Without affecting the personal liability of any person, firm, corporation, or other entity, including Grantor (other than any person released pursuant hereto), for the payment of the indebtedness secured hereby, and without affecting the lien of this Mortgage for the full amount of the indebtedness remaining unpaid upon any property not reconveyed pursuant hereto, Beneficiary is authorized and empowered as follows: Beneficiary may, at any time and from

time to time, either before or after the termination or expiration of the Loan Agreement and without notice:

(a) release any person liable for the payment of any of the indebtedness, (b) make any agreement extending the time or otherwise altering the terms of payment of any of the indebtedness, (c) accept additional security therefor of any kind, (d) release any property, real or personal, securing the indebtedness. Beneficiary may, without liability therefor and without notice, at any time and from time to time so long as the lien or charge hereof shall subsist: (a) consent to the making of any map or plat of the Land, (b) join in granting any easement thereon or in creating any covenants restricting use or occupancy thereof, (c) reconvey, without warranty, any part of the Mortgaged Property, (d) join in any extension agreement or in any agreement subordinating the lien or charge hereof.

SECTION 2.09. This Trust Deed constitutes a Security Agreement under the laws of the State of Oregon so that Beneficiary shall have and may endorse a security interest in any or all of the Mortgaged Property which may or might now or hereafter be or be deemed to be personal property, fixtures or property other than real estate (collectively, "Personal Property") and Grantor hereby grants to Beneficiary a security interest in the Personal Property and agrees to execute, as debtor, such financing statement or statements as Beneficiary may now or hereafter reasonably request in order that such security interest or interests may be perfected pursuant to such laws. This Trust Deed further constitutes a fixture filing under the Oregon Commercial Code, as amended or recodified from time to time; provided, however{,} that the execution and/or filing hereof does not imply that the items of Personal Property included in the Mortgaged Property are or are to become fixtures. The filing hereof as a fixture filing is intended to protect the parties from unwarranted assertions by third parties.

Notwithstanding any release of any or all of the property included in the Premises which is deemed "real property", any proceedings to foreclose this Trust Deed, or its satisfaction of record, the terms hereof shall survive as a security agreement with respect to the security interest created hereby and referred to above until the repayment or satisfaction in full of the obligations of Grantor as are now or hereafter evidenced by the Loan Agreement.

Grantor agrees that Beneficiary may file this Trust Deed or a reproduction hereof in the real estate records or other appropriate office or index, as a fixture filing or

financing statement for any of the items specified above as part of the Mortgaged Property. Any reproduction or recording of this Trust Deed shall be sufficient as a fixture filing or financing statement.

SECTION 2.10. During the continuance of any Event of Default, Beneficiary shall have all of the rights and remedies of a secured party under the Uniform Commercial Code (the "Code") of the State of Oregon, and specifically the right to direct notice and collections of any obligation owing to Grantor by any lessee. In addition to its rights to foreclose this Trust Deed, Beneficiary shall have the right to sell the Personal Property or any part thereof, or any further, or additional, or substituted Personal Property, at one or more times, and from time to time, at public sale or sales or at private sale or sales, on such terms as to cash or credit, or partly for cash and partly on credit, as Beneficiary may deem proper. Beneficiary shall have the right to become the purchaser at any such public sale or sales, free and clear of any and all claims, rights of equity of redemption in Grantor, all of which are hereby waived and released. Grantor shall not be credited with the amount of any part of such purchase price, unless, until and only to the extent that such payment is actually received in cash. Notice of public sale, if given, shall be sufficiently given, for all purposes, if published not less than seven days prior to any sale, in any newspaper of general circulation distributed in the city in which the property to be sold is located or as otherwise required by the Code. The net proceeds of any sale of the Personal Property which may remain after the deduction of all costs, fees and expenses incurred in connection therewith, including, but not limited to, all advertising expenses, broker's or brokerage commissions, documentary stamps, recording fees, foreclosure costs, stamp taxes and counsel fees, shall be credited by Beneficiary against the liabilities, obligations and indebtedness of Grantor to Beneficiary secured by this Trust Deed and evidenced by the Loan Agreement. Any portion of the Personal Property which may remain unsold after the full payment, satisfaction and discharge of all of the liabilities, obligations and indebtedness of Grantor to Beneficiary shall be returned to the respective parties which delivered the same to Beneficiary. If at any time Grantor or any other party shall become entitled to the return of any of the Personal Property hereunder, any transfer or assignment thereof by Beneficiary shall be, and shall recite that the same is, made wholly without representation or warranty whatsoever by, or recourse whatsoever against Beneficiary.

SECTION 2.11. All rights, remedies and powers provided by Sections 2.01-2.10 hereof may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law in the jurisdiction in which the Premises are located, and all such provisions are intended to be subject to all applicable provisions of law which may be controlling in such jurisdiction and to be limited to the extent necessary so that they will not render this Trust Deed invalid, illegal or unenforceable under the provisions of any applicable law.

### ARTICLE III

#### MISCELLANEOUS

SECTION 3.01. In the event any one or more of the provisions contained in this Trust Deed shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Trust Deed, but this Trust Deed shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

SECTION 3.02. All notices or demands by any party relating to this Trust Deed or any other agreement entered into in connection herewith shall be in the form set forth in the Loan Agreement.

The parties hereto may change the address at which they are to receive notices hereunder, by notice in writing in the foregoing manner given to the other. All notices or demands sent in accordance with this Section 3.02 other than notices by Beneficiary in connection with Sections 9504 or 9505 of the Code, shall be deemed received on the earlier of the date of actual receipt or three (3) calendar days after the deposit thereof in the mail. Grantor acknowledges and agrees that notices sent by Beneficiary in connection with Sections 9504 or 9505 of the Code shall be deemed sent when deposited in the mail or transmitted by telefacsimile or other similar method permitted by law.

SECTION 3.03. Whenever in this Trust Deed the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person or persons entitled to receive such notice.

SECTION 3.04. All of the grants, covenants, terms, obligations, provisions and conditions herein contained shall

run with the land and shall apply to, bind and inure to the benefit of, the successors and assigns of Grantor and Beneficiary and to the successors of the Trustee.

SECTION 3.05. This Trust Deed may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts shall together constitute but one and the same Trust Deed.

SECTION 3.06. It shall be lawful for the Trustee, or Beneficiary, at its election, upon the occurrence of an Event of Default, to sue out forthwith a complaint in foreclosure upon this Trust Deed and to proceed thereon to judgment and execution for the recovery of all sums payable by Grantor pursuant to the terms of this Trust Deed without further stay, any law, usage or custom to the contrary notwithstanding.

SECTION 3.07. Notwithstanding the appointment of any receiver, liquidator or trustee of Grantor, or of any of its property, or of the Mortgaged Property, or any part thereof, the Trustee shall be entitled to retain possession and control of all property now or hereafter held under this Trust Deed.

SECTION 3.08. Intentionally Deleted.

SECTION 3.09. Grantor hereby waives and relinquishes unto, and in favor of Beneficiary, all benefit under all laws, now in effect or hereafter passed, to relieve Grantor in any manner from the obligations.

SECTION 3.10. Neither Grantor nor any other person now or hereafter obligated for payment for all or any part of the indebtedness secured hereby shall be relieved of such obligation by reason of the failure of Beneficiary to comply with any request of Grantor or of any other person so obligated to take action to foreclose on this Trust Deed or otherwise enforce any provisions hereof or under the Loan Agreement or by reason of the release, regardless of consideration, of all or any part of the security held for the indebtedness secured hereby, or by reason of any agreement of stipulation between any subsequent owner of the Mortgaged Property and Beneficiary extending the time of payment or modifying the terms hereof without first having obtained the consent of Grantor or such other person; and in the latter event Grantor and all other such persons shall continue to be liable to make payment according to the terms of any such



extension or modification agreement, unless expressly released and discharged in writing by Beneficiary.

SECTION 3.11. By accepting or approving anything required to be observed, performed or fulfilled or to be given to Beneficiary pursuant to this Trust Deed, including (but not limited to) any certificate, balance sheet, statement of profit and loss or other financial statement, survey, appraisal or insurance policy, Beneficiary shall not be deemed to have warranted or represented the sufficiency, legality, effectiveness or legal effect of the same, or of any term, provision or condition thereof, and such acceptance or approval thereof shall not be or constitute any warranty or representation with respect thereto by Beneficiary.

SECTION 3.12. Beneficiary may from time to time, without notice to Grantor or to the Trustee, and with or without cause and with or without the resignation of the Trustee substitute a successor or successors to the Trustee named herein or acting hereunder to execute this trust. Upon such appointment and without conveyance to the successor Trustee, the latter shall be vested with all title, powers and duties conferred upon the Trustee herein named or acting hereunder. Each such appointment and substitution shall be made by written document executed by Beneficiary, containing reference to this Trust Deed and its place of record, which when duly filed for record in the proper office, shall be conclusive proof of proper appointment of the successor Trustee. The procedure herein provided for substitution of the Trustee shall be conclusive of all other provisions for substitution, statutory or otherwise.

SECTION 3.13. Intentionally Deleted

SECTION 3.14. Intentionally Deleted.

SECTION 3.15. EXCEPT AS OTHERWISE PROVIDED HEREIN, THE CREATION, PERFECTION AND ENFORCEMENT OF THE LIENS GRANTED BY THIS TRUST DEED SHALL BE GOVERNED BY THE LAWS OF THE STATE OF OREGON AND IN ALL OTHER RESPECTS THIS Trust Deed SHALL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA.

SECTION 3.16. Grantor shall pay to Beneficiary the maximum amount as may from time to time be permitted by law for furnishing in connection with the Obligations, each statement pursuant to any statute at the time then in force. Grantor shall pay Trustee's and Beneficiary's fees, charges and expenses for any other statement, information or services furnished by Trustee or Beneficiary in connection with the

Obligations. Said services may include, but shall not be limited to, the processing by Trustee or Beneficiary of assumption, substitutions, modifications, extensions, renewals, subordinations, rescissions, changes of owner, recordation of map, plat or record of survey, grants of easements, and full and partial releases, and the obtaining by Beneficiary of any policies of insurance pursuant to any of the provisions contained in this Trust Deed.

SECTION 3.17. It is the intention of Grantor and Beneficiary to conform strictly to state and federal usury laws applicable to the payment of the Obligations and permitting the highest rate of interest. Accordingly, it is agreed that notwithstanding any provisions to the contrary in this instrument or in any of the instruments representing part or all of the Obligations or otherwise relating hereto, the aggregate of all interest and any other charges constituting interest under applicable law contracted for, chargeable or receivable under the Obligations or otherwise in connection herewith, shall under no circumstances exceed the maximum amount of interest permitted by law. If any excess of interest in such respect is provided for in this instrument or in any of the installments representing part or all of the Obligations or otherwise relating hereto, then in such event (a) the provisions of this paragraph shall govern and control, (b) neither Grantor nor Grantor's heirs, legal representatives, successors or assigns or any other party liable for the payment of the Obligations shall be obligated to pay the amount of such interest to the extent that it is in excess of the maximum permitted by law, (c) any excess shall be deemed a mistake and cancelled automatically and if theretofore paid, shall, at the option of the holder of the Obligations be refunded to Grantor or credited on the principal amount of the Obligations, and (d) the effective rate of interest shall be automatically subject to reduction to the maximum lawful contract rate allowed under such laws as now or hereafter exist as the same may now or hereafter be construed by courts of appropriate jurisdiction.

SECTION 3.18. THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

SECTION 3.19. UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY BENEFICIARY AFTER OCTOBER 3, 1989, CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OR SECURED SOLELY BY THE BORROWER'S RESIDENCE MUST BE IN WRITING, EXPRESS CONSIDERATION, AND BE SIGNED BY BENEFICIARY TO BE ENFORCEABLE.

SECTION 3.20. Simultaneously with, and in addition to, the execution of this Trust Deed, Grantor, and/or related or affiliated entities of Grantor, has executed and delivered as security for the Loan Agreement a mortgage, trust deed, or Trust Deed on parcels of property which may or may not be outside the boundaries of this county. Grantor agrees that the occurrence of an Event of Default hereunder, or under any of such other mortgages or deeds of trust, shall be an Event of Default under each and every one of such mortgages and deeds of trust, including this Trust Deed, permitting Beneficiary to proceed against any or all of the property comprising the Mortgaged Property or against any other security for the Loan Agreement in such order as Beneficiary, in its sole and absolute discretion may determine. Grantor hereby waives, to the extent permitted by applicable law, the benefit of any statute or decision relating to the marshalling of assets which is contrary to the foregoing. Beneficiary shall not be compelled to release or be prevented from foreclosing this instrument or any other instrument securing the Loan Agreement unless all indebtedness evidenced by the Loan Agreement and all items hereby secured shall have been paid in full and Beneficiary shall not be required to accept any part or parts of any property securing the Loan Agreement, as distinguished from the entire whole thereof, as payment of or upon the Loan Agreement to the extent of the value of such part or parts, and shall not be compelled to accept or allow

any apportionment of the indebtedness evidenced by the Loan Agreement to or among any separate parts of said property.

IN WITNESS WHEREOF, Grantor has caused this Trust Deed to be executed as of the day and year first above written.

"GRANTOR"

GREYHOUND LINES, INC.,  
a Delaware corporation

By   
Jeffrey W. Sanders,  
CFO and Senior Vice President

STATE OF TEXAS )  
 ) ss.  
COUNTY OF DALLAS )

~~January~~ This instrument was acknowledged before me on  
~~December~~ 3, 2001, by JEFFREY W. SANDERS as Chief  
Financial Officer and Senior Vice President of Greyhound  
Lines, Inc., a Delaware corporation.

Mary Ann Medans  
Notary Public for Oregon  
My commission expires 11-20-03

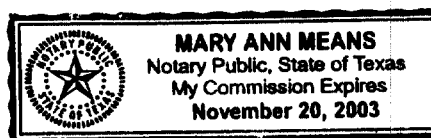


EXHIBIT A

Lots 1, 17, 18 and 19 in Block 4 of Canal Addition to the City of Klamath Falls, Oregon, according to the official plat thereof on file in the office of the County Clerk, Klamath County, Oregon, SAVING AND EXCEPTING the following described parcel: Beginning at the Northeasterly corner of Lot 17, Block 4, Canal Addition to the City of Klamath Falls, Oregon; thence South 52°51' West along the Southeasterly line of Klamath Avenue, a distance of 10.0 feet; thence South 63°34½' East 8.89 feet to a point on the Westerly line of Commercial Street, thence North along the Westerly line of Commercial Street, a distance of 10.0 feet to the point of beginning.

Site 108  
Klamath Falls, Oregon  
Klamath County

State of Oregon, County of Klamath  
Recorded 02/02/01, at 10:05a.m.  
In Vol. M01 Page 4213  
*Linda Smith,*  
County Clerk Fee\$ 181<sup>00</sup>