

00-1211-CD
ASSOCIATES COMMERCIAL CORPORATION -vs- ROBERT M. EVANS

ASSOCIATES COMMERCIAL CORPORATION
Plaintiff

v.

83 ROBERT W. EVANS
Defendant

: IN THE COURT OF COMMON PLEAS
: CLEARFIELD COUNTY, PENNSYLVANIA
: NO. 00-1211-CO
: CIVIL DIVISION - LAW
: REPLEVIN COMPLAINT

NOTICE

YOU HAVE BEEN SUED IN COURT. IF YOU WISH TO DEFEND AGAINST THE CLAIM SET FORTH IN THE FOLLOWING PAGES, YOU MUST TAKE ACTION WITHIN TWENTY (20) DAYS AFTER THIS COMPLAINT AND NOTICE ARE SERVED, BY ENTERING A WRITTEN APPEARANCE PERSONALLY OR BY AN ATTORNEY AND FILING IN WRITING WITH THE COURT YOUR DEFENSES OR OBJECTIONS TO THE CLAIMS SET FORTH AGAINST YOU. YOU ARE WARNED THAT IF YOU FAIL TO DO SO THE CASE MAY PROCEED WITHOUT YOU AND A JUDGMENT MAY BE ENTERED AGAINST YOU BY THE COURT WITHOUT FURTHER NOTICE FOR ANY MONEY CLAIMED IN THE COMPLAINT OR FOR ANY OTHER CLAIM OR RELIEF REQUESTED BY THE PLAINTIFF. YOU MAY LOSE MONEY OR PROPERTY OR OTHER RIGHTS IMPORTANT TO YOU.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.

DAVID S. MEHOLICK, COURT ADMINISTRATOR
CLEARFIELD COUNTY COURTHOUSE
1 NORTH SECOND STREET
CLEARFIELD, PA 16830
814-765-2641, EXT. 32

FILED

OCT 02 2000

William A. Shaw
Prothonotary

NOTICA

LE HAN DEMANDADO A USTED EN LA CORTE. SI USTED QUIERE DEFENDERSE DE ESTAS DEMANDAS EXPUESTAS EN LAS PAGINAS SIGUIENTES, USTED TIENE VEINTE (20) DIAS DE PLAZO AL PARTIR DE LA FECHA DE LA DEMANDA Y LA NOTIFICACION. USTED DEBE PRESENTAR UNA APARIENCIA ESCRITA O EN PERSONA O POR ABOGADO Y ARCHIVAR EN LA CORTE EN FORMA ESCRITA SUS DEFENSAS O SUS OBJECCIONES A LAS DEMANDAS EN CONTRA DE SU PERSONA. SEA AVISADO QUE SI USTED NO SE DEFIENDE, LA CORTE TOMARA MEDIDAS Y PUEDA ENTRAR UNA ORDEN CONTRA USTED SIN PREVIO AVISO O NOTIFICACION Y POR CUALQUIER QUEJA O ALIVIO QUE ES PEDIDO EN LA PETICION DE DEMANDA. USTED PUEDE PERDER DINERO O SUS PROPIEDADES O OTROS DERECHOS IMPORTANTES PARA USTED.

LLEVE ESTA DEMANDA A UN ABOGADO IMMEDIATAMENTE. SI NO TIENE ABOGADO O SI NO TIENE EL DINERO SUFFICIENTE DE PAGAR TAL SERVICIO, VAYA EN PERSONA O LLAME POR TELEFONO A LA OFICINA CUYA DIRECCION SE ENCUENTRA ESCRITA ABAJO PARA AVERIGUAR DONDE SE PUEDE CONSEGUIR ASISTENCIA LEGAL.

DAVID S. MEHOLICK, COURT ADMINISTRATOR
CLEARFIELD COUNTY COURTHOUSE
1 NORTH SECOND STREET
CLEARFIELD PA 16830
814-765-2641, EXT. 32

ASSOCIATES COMMERCIAL CORPORATION	:	IN THE COURT OF COMMON PLEAS
Plaintiff	:	CLEARFIELD COUNTY, PENNSYLVANIA
	:	
v.	:	NO.
	:	
ROBERT W. EVANS	:	CIVIL DIVISION - LAW
Defendant	:	REPLEVIN COMPLAINT

C O M P L A I N T

The Plaintiff, ASSOCIATES COMMERCIAL CORPORATION, by its attorneys, **KNUPP, KODAK & IMBLUM, P.C.**, brings this action against the Defendant to recover possession of one 1994 Peterbilt 379 Tractor and one 1998 Peterbilt 379 Tractor, as more specifically identified hereinbelow, and in furtherance thereof, sets forth the following:

1. The Plaintiff, ASSOCIATES COMMERCIAL CORPORATION, is a corporation organized and existing under the laws of the State of Texas, having office and place of business at 50 Lakefront Boulevard, Suite 130, Buffalo, new York 14202-4388.

2. The Defendant, ROBERT W. EVANS, is an adult individual with a last known address of 610 Williams Street, Clearfield, Clearfield County, Pennsylvania 16830.

3. On or about March 18, 1998, one Robert G. Prisk did enter in a Security Agreement (Conditional Sale Contract) with Plaintiff for the purchase of a 1998 Peterbilt 379 Tractor, Vehicle Identification Number 1XP5D69X9WN446865. A true and correct copy of said Security Agreement (Conditional Sale Contract) is attached hereto, marked as Exhibit "A" and made a part hereof.

4. On or about January 8, 1999, Defendant, ROBERT W. EVANS, did enter into a Transfer and Assumption Agreement to assume the aforesaid account, thereby purchasing the 1998 Peterbilt 379 Tractor, Vehicle Identification Number

1XP5D69X9WN446865. A true and correct copy of said Transfer and Assumption Agreement is attached hereto, marked as Exhibit "B" and made a part hereof.

5. By the terms of the Security Agreement (Conditional Sale Contract) herein found at Exhibit "A" and the Transfer and Assumption Agreement herein found at Exhibit "B", Plaintiff maintained a security interest in the collateral known as the 1998 Peterbilt 379 Tractor, Vehicle Identification Number 1XP5D69X9WN446865.

6. Further evidencing Plaintiff's security interest in the collateral, attached hereto, marked as Exhibit "C" and made a part hereof is the Certificate of Title from the Commonwealth of Pennsylvania setting forth both Defendant's ownership and Plaintiff's first lien position.

7. On or about February 1, 1999, Defendant did enter into a Security Agreement (Conditional Sale Contract) with Plaintiff for the purchase of a 1994 Peterbilt 379 Tractor, Vehicle Identification Number 1XP5DE9X6RN342512. A true and correct copy of said Security Agreement (Conditional Sale Contract) is attached hereto, marked as Exhibit "D" and made a part hereof.

8. By the terms of the Security Agreement (Conditional Sale Contract) herein found at Exhibit "D", Plaintiff maintained a security interest in the collateral known as the 1994 Peterbilt 379 Tractor, Vehicle Identification Number 1XP5DE9X6RN342512.

9. Further evidencing Plaintiff's security interest in the collateral, attached hereto, marked as Exhibit "E" and made a part hereof is the Certificate of Title from the Commonwealth of Pennsylvania setting forth both Defendant's ownership and Plaintiff's first lien position.

10. Defendant has defaulted under the terms of the Security Agreements (Conditional Sale Contracts) attached hereto at Exhibits "A" and "D" by failing to make monthly payments when due and owing.

11. The two vehicles in question, due to Plaintiff's lack of knowledge as to their condition and mileage, have an unknown retail value.

12. Defendant has failed and refused, despite repeated demands from Plaintiff, to pay the balance due under the Security Agreements (Conditional Sale Contracts) or to deliver possession of the two identified vehicles in question to the Plaintiff.

WHEREFORE, Plaintiff demands Judgment of possession, together with reasonable attorney's fees, interest and costs.

Respectfully submitted,

KNUPP, KODAK & IMBLUM, P.C.



Robert D. Kodak
407 North Front Street
Post Office Box #11848
Harrisburg, PA 17108-1848
(717) 238-7151
Attorney ID No. 18041

Attorney for Plaintiff



SECURITY AGREEMENT
(Conditional Sale Contract)

The undersigned buyer, meaning all buyers jointly and severally ("Buyer"), having been quoted both a time sale price and cash sale price, has elected to purchase and hereby purchases from the undersigned seller ("Seller") for the time sale price equal to the cash price (item 1) plus the total insurance costs (item 4) plus the total other costs (item 5) plus the finance charge (item 7) shown below, under the terms and provisions of this agreement, the following described property (herein, with all present and future attachments, accessories, replacement parts, repairs, additions, and all proceeds thereof, referred to as "Collateral"):

Year	Make	Model	Description	Identification Number
1998	PETERBILT	379	TRACTOR	1XP5D69X9WN446865

Collateral Will Be Kept At (Address): **BOX 440 SCOHFIELD ST.** County **CLEARFIELD** State **PA**

INSURANCE COVERAGE

LIABILITY INSURANCE COVERAGE FOR BODILY INJURY AND PROPERTY DAMAGE CAUSED TO OTHERS IS NOT INCLUDED IN THIS AGREEMENT.

PHYSICAL DAMAGE INSURANCE COVERING THE COLLATERAL IS REQUIRED; however, Buyer has the option of furnishing the required insurance either through existing policies or through an agent or broker of Buyer's choice.

Buyer requests and authorizes Seller to obtain the insurance coverage checked 4(a) Insurance Costs on the Collateral for months and for the premium set forth 4(a) Insurance Costs.

CHECK
ONE
↓

Buyer has obtained the required coverages through:

(Agent's Name and Address)

(Name of Insurance Company)

CREDIT INSURANCE, if included, is not a factor in the approval of credit, is not required by the Seller and is for the term of the credit only.

Buyer desires Credit Insurance: Premium \$ (Enter above and in 4(b) - INSURANCE CHARGES)

CHECK
ONE
↓

Buyer hereby requests and authorizes Seller to obtain Credit Insurance, if checked above, to the extent the cost thereof is included in Item 4(b) - Insurance Charges.

↓

Buyer does not want Credit Insurance.

↓

BUYER *Robert G. Prisk* Date 03/18/98

(Only one person may sign above, and any credit insurance covers only that person. Credit insurance does not cover any co-buyer.)

Page 1 of 3 of Security Agreement dated 03/18/98 between ROBERT G. PRISK (Buyer) and LAKE DIESEL INC. DBA LAKE PETERBILT CO. (Seller) which includes, without limitation, an item of Collateral with the following serial number: 1XP5D69X9WN446865



(Total No. of Installments)

For equal successive monthly installments: (a) \$ 1,761.79 on 04/18/98 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 \$ 1,761.79.

For other than equal successive monthly installments:

(b)

A. COLLATERAL USE. Buyer warrants and agrees that: the Collateral was delivered to and accepted by Buyer in satisfactory condition; the Collateral will be used solely for business purposes; the Collateral is free from and will be kept free from all liens, claims, security interests and encumbrances other than that created hereby; notwithstanding Seller's claim to proceeds, Buyer will not, without Seller's prior written consent, sell, rent, lend, encumber, pledge, transfer, secrete or otherwise dispose of any of the Collateral, nor will Buyer 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 Buyer's business and in conformity with all applicable governmental laws and regulations; the Collateral shall remain personal property and not become part of any real property regardless of the manner of affixation; Seller may inspect the Collateral at all reasonable times and from time to time; and the Collateral will be kept by Buyer 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 Seller, except that an item of Collateral which is mobile and of a type normally used at more than one location may be used by Buyer away from said location in the regular course of Buyer's business provided that (a) such item is not removed from the State of said location, and (b) if such item is not returned to said location within 30 days, Buyer will immediately thereafter, and each 30 days thereafter until the item is returned, report the then current location thereof to Seller in writing.

B. COLLATERAL PRESERVATION. Buyer agrees, at its own cost and expense: to do everything necessary or expedient to perfect and preserve the security interests of Seller obtained hereunder; to defend any action, proceeding or claim affecting the Collateral including but not limited to any forfeiture action or proceeding; to pay all expenses incurred by Seller in enforcing its rights after the occurrence of an event of default hereunder, including the reasonable fees of any attorneys retained by Seller (15% 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. INSURANCE. Buyer shall at all times bear all risk of loss of, damage to or destruction of the Collateral. Buyer agrees to procure forthwith and maintain insurance on the Collateral, for the actual cash value thereof and for the life of this agreement, in the form of Fire Insurance with Combined Additional Coverage and Collision, Theft and/or Vandalism and Malicious Mischief Coverage when appropriate, plus such other insurance as Seller may specify from time to time, all in form and amount and with insurers satisfactory to Seller. Buyer agrees to deliver promptly to Seller certificates or, if requested, policies of insurance satisfactory to Seller, each with a standard long-form loss-payable endorsement naming Seller or assigns as loss-payee as their interests may appear. Each policy shall provide that Seller's interest therein will not be invalidated by the acts, omissions or neglect of anyone other than Seller, and will contain insurer's agreement to give 30 days prior written notice to Seller before cancellation of or any material change in the policy will be effective as to Seller, whether such cancellation or change is at the direction of Buyer or insurer. Seller's acceptance of policies in lesser amounts or risks will not be a waiver of Buyer's foregoing obligation. Buyer assigns to Seller all proceeds of any physical damage or credit insurance for which a charge is stated herein or which is maintained by Buyer in accordance herewith, including returned and unearned premiums, up to the amount owing hereunder by Buyer. Buyer directs all insurers to pay such proceeds directly to Seller. Buyer authorizes Seller to endorse Buyer's name to all remittances without the joinder of Buyer.

D. FINANCING STATEMENT. If permitted by law, Buyer agrees that a carbon, photographic or other reproduction of this agreement or of a financing statement may be filed as a financing statement.

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

F. DEFAULT. Time is of the essence. An event of default shall occur if: (a) Buyer fails to pay when due any amount owed by it to Seller or to any affiliate of Seller, whether hereunder or under any other instrument or agreement; (b) Buyer 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 Buyer to Seller or to any affiliate of Seller or otherwise acquired by Seller or any affiliate of Seller; (c) Buyer becomes insolvent or ceases to do business as a going concern; (d) any of the Collateral is lost or destroyed; (e) Buyer makes an assignment for the benefit of creditors or takes advantage of any law for the relief of debtors; (f) a petition in bankruptcy or for an arrangement, reorganization, or similar relief is filed by or against Buyer; (g) any property of Buyer is attached, or a trustee or receiver is appointed for Buyer or for a substantial part of its property, or Buyer applies for such appointment; or (h) there shall be a material change in the management, ownership or control of Buyer.

G. REMEDIES. Upon the occurrence of an event of default, and at any time thereafter as long as the default continues, Seller may, at its option, with or without notice to Buyer (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 Buyer to Seller 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 the right to require Buyer to assemble the Collateral and deliver it to Seller at a place to be designated by Seller 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 Seller, 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 Buyer. Unless otherwise provided by law, any requirement of reasonable notice which Seller may be obligated to give regarding the sale or other disposition of Collateral will be met if such notice is mailed to Buyer at its address shown herein at least ten days before the time of sale or other disposition. Seller may buy at any sale and become the owner of the Collateral. Buyer agrees that Seller may bring any legal proceedings it deems necessary to enforce the payment and performance of Buyer's obligations hereunder in any court in the State shown in Seller's address set forth herein, and service of process may be made upon Buyer by mailing a copy of the summons to Buyer at its address shown herein. The inclusion of a trade name or division name in the identification of Buyer hereunder shall not limit Seller's right, after the

Page 2 of 3 of Security Agreement dated 03/18/98 between ROBERT G. PRISK (Buyer) and LAKE DIESEL INC. DBA LAKE PETERBILT CO. (Seller) which includes, without limitation, an item of Collateral with the following serial number: 1XPSD69X9WN446865

occurrence of an event of default, to proceed against all of Buyer's assets, including those held or used by Buyer 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 Seller (15% of all sums then owing hereunder if permitted by law), and (b) all other legal expenses incurred by Seller. Buyer agrees that it is liable for and will promptly pay any deficiency resulting from any disposition of Collateral after default.

H. REINSTATEMENT At Seller's option, Buyer may reinstate this agreement and redeem the Collateral within 15 days after notice of repossession, if buyer pays all past due installments, accrued default charges and, if replevined by legal process authorized cost of suit, including reasonable attorney fees, but if default at time of repossession exceeds 15 days, Buyer shall pay also the expense of retaking, repairing and storage authorized by law. Buyer has the right (as distinguished from Seller's option) to redeem the Collateral and terminate this agreement within 15 days after notice of repossession, by paying the unpaid time balance, plus the foregoing applicable charges, costs and expenses, minus unearned finance charge. If Buyer does not so redeem, Buyer loses all claim to the Collateral.

I. PREPAYMENT Upon the prepayment in full of all amounts due hereunder, Buyer shall be allowed a prepayment rebate representing the portion of the finance charge which the sum of the periodic time balances after the date of prepayment bears to the sum of all periodic time balances under the payment schedule provided herein, but seller shall be permitted to retain a minimum finance charge of \$10.00.

J. GENERAL. Waiver of any default shall not be a waiver of any other default; all of Seller's rights are cumulative and not alternative. No waiver or change in this agreement or in any related note shall bind Seller unless in writing signed by one of its officers. The term "Seller" shall include any assignee of Seller who is the holder of this agreement. After assignment of this agreement by Seller, the assignor will not be the assignee's agent for any purpose and Buyer'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 Buyer for breach of warranty or for any other reason whatsoever. 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. Buyer waives all exemptions to the extent permitted by law. Buyer hereby waives any right to trial by jury in any action relating to this agreement. Seller may correct patent errors herein. All of the terms and provisions of this agreement shall apply to and be binding upon Buyer, its heirs, personal representatives, successors and assigns and shall inure to the benefit of Seller, its successors and assigns.

K. ACCELERATION INTEREST. Buyer agrees to pay Seller, 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 Buyer can legally obligate itself to pay and/or Seller can legally collect. Any note taken herewith evidences indebtedness and not payment. All amounts payable hereunder are payable at Seller's address shown below or at such other address as Seller may specify from time to time in writing.

L. LATE INSTALLMENTS. For each installment not paid within ten (10) days of its scheduled due date Buyer agrees to pay Seller a default charge of 4% of the amount of such installment.

M. SECURITY INTEREST. To secure payment of the TIME BALANCE (Item 8), Seller retains title to and a security interest in the Collateral regardless of any retaking and redelivery of the Collateral to Buyer.

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

O. DISCLAIMER. There are no warranties other than those made by the manufacturer of the Collateral. SELLER MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE QUALITY, WORKMANSHIP, DESIGN, MERCHANTABILITY, MERCHANTABILITY, SUITABILITY, OR FITNESS OF THE COLLATERAL FOR ANY PARTICULAR PURPOSE, OR ANY OTHER REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, unless such warranties are in writing and signed by Seller. Seller shall not under any circumstances be liable for loss of anticipatory profits or for consequential damages.

P. ADDITIONAL COVENANTS AND ORAL AGREEMENT. THIS AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THEREOF constitutes a part of this agreement.

Q. CHATTEL PAPER. This specific Security Agreement is to be sold only to ASSOCIATES COMMERCIAL CORPORATION and is subject to the security interest of ASSOCIATES COMMERCIAL CORPORATION. The only copy of this Security Agreement which constitutes Chattel Paper for all purposes of the Uniform Commercial Code is the copy marked "ORIGINAL FOR ASSOCIATES" which is delivered to and held by ASSOCIATES COMMERCIAL CORPORATION. Any change in the name of the assignee of this Security Agreement from ASSOCIATES COMMERCIAL CORPORATION shall render the copy of this Security Agreement so changed VOID and of no force and effect. No assignee or secured party other than Associates Commercial Corporation will under any circumstances acquire any rights in, under or to this Security Agreement or any sums due

NOTICE TO BUYER :
DO NOT SIGN THIS CONTRACT IN BLANK.
YOU ARE ENTITLED TO AN EXACT COPY OF THE CONTRACT YOU SIGN.
KEEP IT TO PROTECT YOUR LEGAL RIGHTS.

Buyer hereby acknowledges receipt of an exact copy of this contract.

Date 03/18/98

LAKE DIESEL INC. DBA LAKE PETERBILT CO.

Seller
(Name of individual, corporation or partnership.)

By Title
(If corporation, authorized party must sign and show corporate title. If partnership, a general partner must sign. If owner or partner, show which.)

8125 WATTSBURG ROAD
(Street Address)

ERIE PA 16509
(City, State and Zip Code)

ROBERT G. PRISK

Buyer(s)
(Name of individual(s), corporation or partnership. Give trade style, if any, after name.)

By Title INDIVIDUAL
(If corporation, authorized party must sign and show corporate title. If partnership, a general partner must sign. If owner(s) or partner, show which.)

By Title
(If co-buyer, co-partner or co-officer, sign here and show which.)

BOX 440 SCOFIELD ST.
(Street Address)

CURWENSVILLE
(City, COUNTY, State, and Zip Code)

CLEARFIELD PA 16833

Buyer's Initials R.P.

Page 3 of 3 of Security Agreement dated 03/18/98 between ROBERT G. PRISK
and LAKE DIESEL INC DBA LAKE PETERBILT CO. (Seller) which includes, without limitation, an item of Collateral with the following
serial number: 1XP5D69X9WN446865 (Buyer)

SELLER'S AGREEMENT

For value received, the undersigned ("Assignor") hereby sells, assigns and transfers to ASSOCIATES COMMERCIAL CORPORATION, its successors and assigns ("Assignee"), all Assignor's right, title and interest in and to (a) that certain security agreement dated 03/18/98, between ROBERT G. PRISK, ("Buyer") and Assignor which includes, without limitation, an item of Collateral, as defined herein, with the following serial number: 1XP5D69X9WN446865 (the "Security Agreement"), (b) any notes, guaranties and other documents executed in connection with the Security Agreement (herein, with the Security Agreement, called the "Documents"), (c) all amounts due and to become due under the Documents, (d) the property in which a security interest is granted to or reserved by Assignor under the Security Agreement (the "Collateral"), and (e) all of Assignor's rights and remedies under or in connection with the Documents, including the right, without notice to Assignor and without affecting Assignor's liability hereunder: (i) to collect any and all amounts owing under the Documents, (ii) to endorse Assignor's name on any note or remittance received, (iii) to release or discharge the Buyer under the Security Agreement or any other persons obligated under the Documents, on terms satisfactory to Assignee, by operation of law or otherwise, (iv) to settle, compromise or adjust any and all rights against and to grant extensions of time of payment to Buyer or any other persons obligated under the Documents, and (v) to take any other action Assignor might take but for this assignment. Assignor warrants that: the Documents are genuine, enforceable and in all respects what they purport to be; all signatures, names, addresses, amounts and other statements and facts contained in the Documents and herein are true and correct; the Collateral was sold to Buyer in a bona fide time sale transaction; Buyer has paid the down payment in cash or as otherwise set forth in the Security Agreement, and no part thereof was loaned directly or indirectly by Assignor; the Collateral was delivered in satisfactory condition to Buyer on the date set forth below and was accepted by Buyer; any notice of insurance or certificate or policy thereof was or will be delivered to Buyer within the time required by law; all parties to the Documents have the capacity to contract and none of such parties is a minor; the security interest and reservation of title evidenced by the Security Agreement are valid, first, prior to all others and effective against all persons;

Assignor has caused or will promptly cause such actions or procedures to be taken as are required or permitted by statute or regulation to perfect such security interest and reservation of title in Assignee's favor, including, without limitation, filing financing statements, recording documents and obtaining Certificates of Title disclosing Assignee's interest; Assignor has full title to and the right to sell and assign the Documents and the security interest and reserved title evidenced thereby, and this assignment conveys the same free and clear of all liens and encumbrances whatsoever; the Documents are and will continue free from defenses, counterclaims, cross-claims, and set-offs; and Assignor shall continue to be liable hereunder, notwithstanding Assignee's waiver of or failure to enforce any of the terms, covenants or conditions contained in the Documents or any release of, or failure on the part of Assignee to realize upon or protect, the Collateral or any lien thereon. If any of the foregoing warranties are untrue, regardless of Assignee's knowledge thereof or lack of reliance thereon, or if Assignor breaches any provision hereof, Assignor hereby unconditionally agrees to (i) indemnify and hold Assignee harmless from any losses, damages or claims arising therefrom, and (ii) purchase the Documents on written demand from Assignee for the balance remaining unpaid thereunder, plus any expenses of collection, repossession, transportation and storage, and reasonable attorneys' fees and court costs incurred by Assignee, less any customary refund by Assignee of unearned finance charges.

ANY REASSIGNMENT OF THE DOCUMENTS AND/OR THE COLLATERAL BY ASSIGNEE SHALL BE WITHOUT RE COURSE OR WARRANTY OF ANY KIND. Assignor waives notice of acceptance hereof, presentment and demand for payment, protest and notice of non-payment, and subordinates all rights Assignor may now or hereafter have against Buyer to any rights Assignee may now or hereafter have against Buyer. Assignor shall have no authority to, and will not, without Assignee's prior consent, accept collections, repossess, substitute or consent to the return of the Collateral or modify the terms of the Documents.

The Collateral was delivered to Buyer on 03/18/98 (Date)

WITH RE COURSE: If Buyer fails to pay any payment on the Documents when due, or if Buyer is otherwise in default under the terms of the Documents, or if Buyer or Assignor becomes insolvent or makes an assignment for the benefit of creditors, or if a petition for a receiver or in bankruptcy is filed by or against Buyer or Assignor, then in any of such events Assignor will, without requiring Assignee to proceed against Buyer or any other person or any security, repurchase the Documents on written demand and pay Assignee in cash the balance remaining unpaid thereunder plus any expenses of collection, repossession, transportation and storage, and reasonable attorneys' fees and court costs incurred by Assignee, less any customary refund by Assignee of unearned finance charges. The terms and provisions of Seller's Assignment above the following described agreement are incorporated herein by reference:

(Identify specific agreement or, if none, show "None")

Assignor (Name of individual, corporation or partnership.)

Dated 03/18/98

By (If corporation, authorized party must sign and show corporate title. If partnership, a general partner must sign. If owner or partner, show which.)

WITHOUT RE COURSE: This assignment is Without Recourse as to the financial ability of the Buyer to pay, except as provided in Seller's Assignment above or as may be otherwise provided in the following described agreement between Assignor and Assignee. The terms and provisions of Seller's Assignment above and the following described agreement are incorporated herein by reference.

SPECIAL WOR DEALER AGREEMENT
THE ASSOCIATES SPECIAL DEALER AGREEMENT-WOR
DATED 09-12-97
(Identify specific agreement or, if none, show "None")

LAKE DIESEL INC DBA LAKE PETERBILT CO.

Assignor (Name of individual, corporation or partnership.)

By *John S. Schell* Title V-125
(If corporation, authorized party must sign and show corporate title. If partnership, a general partner must sign. If owner or partner, show which.)

REPURCHASE: Assignor hereby agrees with Assignee that in the event of repossession of the Collateral Assignor on written demand will purchase the Security Agreement from Assignee at a place designated by Assignee for the balance remaining unpaid under the Security Agreement plus any expenses of collection, repossession, transportation and storage, and reasonable attorneys' fees and court costs incurred by Assignee, less any customary refund by Assignee of unearned finance charges, and will so purchase the Security Agreement even though Assignee may have waived full performance of the provisions of the Security Agreement by Buyer without Assignor's consent. The terms and provisions of Seller's Assignment above and the following described agreement are incorporated herein by reference.

(Identify specific agreement or, if none, show "None")

Assignor (Name of individual, corporation or partnership.)

Dated 03/18/98

By (If corporation, authorized party must sign and show corporate title. If partnership, a general partner must sign. If owner or partner, show which.)

AGREEMENT



ASSOCIATES COMMERCIAL CORPORATION

ASSOCIATES COMMERCIAL CORPORATION

50 LAKEFRONT BLVD STE. 130

BUFFALO, NY 14202

Gentlemen:

You have purchased one or more conditional sale contracts, lease agreements, chattel mortgages, security agreements, notes and other choses in action (herein designated "Accounts") arising from the sale or lease to us, by various vendors or lessors, of equipment and/or inventory (herein designated "Collateral") and/or you have made direct loans to us and/or leased Collateral to us and/or otherwise extended credit to us evidenced by Accounts creating security interests in Collateral.

In order to induce you to extend our time of payment on one or more Accounts and/or to make additional loans to us and/or to lease Collateral to us and/or to purchase additional Accounts, and in consideration of you so doing, and for other good and valuable consideration, the receipt of which we hereby acknowledge, we agree as follows:

All presently existing and hereafter acquired Collateral (the description of which is incorporated herein by reference) in which you have or shall have a security interest shall secure the payment and performance of all our liabilities and obligations to you of every kind and character, whether joint or several, direct or indirect, absolute or contingent, due or to become due, and whether under presently existing or hereafter created Accounts or agreements, or otherwise (herein individually and collectively designated "Obligations").

We further agree that your security interest in the Collateral covered by any Account now held or hereafter acquired by you shall not be terminated in whole or in part until and unless all of our Obligations to you are fully paid and satisfied and the terms of every Account now owned or hereafter acquired by you have been fully performed by us. It is further agreed that you are to retain your security interest in all Collateral covered by all Accounts now owned or hereafter acquired by you, as security for payment and performance under each such Account, notwithstanding the fact that one or more of such Accounts may become fully paid.

A default under any Account or other agreement between us shall be deemed to be a default under all other Accounts and agreements. A default shall result if we fail to pay any sum when due on any Account or agreement, or if we breach any of the other terms and conditions thereof, or if we become insolvent, cease to do business as a going concern, make an assignment for the benefit of creditors, or if a petition for a receiver or in bankruptcy is filed by or against us, or if any of our property is seized, attached or levied upon. Upon our default any or all Accounts and agreements shall, at your option, become immediately due and payable without notice or demand to us or any other party obligated thereon, and you shall have and may exercise any and all rights and remedies of a secured party under the Uniform Commercial Code as enacted in the applicable jurisdiction(s) and as otherwise granted or accorded to you under any Account, other agreement, rule of law, judicial decision or statute. We hereby waive, to the maximum extent permitted by law, notices of default, notices of repossession and sale or the disposition of Collateral, and all other notices, and in the event any such notice cannot be waived, we agree that if such notice is mailed to us postage prepaid at the address shown below at least ten (10) days prior to the exercise by you of any of your rights or remedies, such notice shall be deemed to be reasonable and shall fully satisfy any requirement for giving notice.

All rights and remedies granted to you hereunder shall be cumulative and not alternative, shall be in addition to and shall in no manner impair or affect your rights and remedies under any existing Account, agreement, statute, judicial decision or rule of law.

This instrument is intended to create cross-default and cross-security between and among all Accounts now owned or hereafter acquired by you.

This agreement may not be varied or altered nor its provisions waived except by your duly executed written agreement. This agreement shall inure to the benefit of your successors and assigns and shall be binding upon our heirs, administrators, executors, legal representatives, successors and assigns.

IN WITNESS WHEREOF, we have executed this Agreement on 03/18/98
(Date)

ROBERT G. PRISK

(Name of Proprietorship, Partnership or Corporation, as applicable)

BOX 440 SCOFIELD ST.

CURWENSVILLE PA 16833

(Principal Place of Business)

By Robert W. Park INDIVIDUAL
(Signature) (Owner, Partner or Officer, as applicable)

By _____
(Signature) (Owner, Partner or Officer, as applicable)

Accepted and agreed to on

03/18/98

(Date)

ASSOCIATES COMMERCIAL CORPORATION

By John Smith (Name and Title)

By John Doe (Name and Title)

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF TRANSPORTATION

CERTIFICATE OF TITLE FOR A VEHICLE

8-370

990223030000106-002

1XP5069X9HN446865

VEHICLE IDENTIFICATION NUMBER

98

YEAR PETERBILT

MAKE OF VEHICLE

53845890502 RD

TITLE NUMBER

11	0	SEAT CAP	1988	1/22/99	6000000	0
3/31/98	3/22/99	17,230	UNLADEN WEIGHT	GVWR	50,000	TITLE BRANDS
DATE PA TITLED	DATE OF ISSUE	UNLADEN WEIGHT	GVWR	GOOM MILES	GOOM STATUS	

REGISTERED OWNER(S)

ROBERT W EVANS D/B/A
 BOB EVANS TRUCKING
 R D 2 BOX 48
 CURWENSVILLE PA 16833

ODOMETER STATUS	
1	ACTUAL MILEAGE
2	MILEAGE EXCEEDS THE MECHANICAL LIMIT
3	NOT THE ACTUAL MILEAGE
4	NOT THE ACTUAL MILEAGE-Odometer TAMPERED/VERIFIED
5	EXEMPT FROM COMPLIANCE/IN DISCLOSURE

TITLE DRAMIS	
A	ANTIQUE VEHICLE
B	CLASSIC VEHICLE
C	COLLECTOR VEHICLE
D	OUT OF COUNTRY
E	ORIGINALLY IMPORTED FOR PERSONAL OR BUSINESS
F	REPRODUCTION VEHICLE
G	LOW MILEAGE VEHICLE
H	COMPANY VEHICLE
I	RECREATIONAL VEHICLE
J	TRACTOR
K	STREET ROD
L	RECONSTRUCTED VEHICLE
M	VEHICLE CONTAINS RE CYCLED WASTE
N	FLOOD VEHICLE
O	JUMBO TAXI

FIRST LIEN FAVOR OF

ASSOCIATES COMMERCIAL

SECOND LIEN FAVOR OF

FIRST LIEN RELEASED

DATE

U is second lienholder is. Enclosed upon satisfaction of the first lien the last
 lienholder must forward the Title to the Bureau of Motor Vehicles with the
 appropriate form and fee.

BY

AUTHORIZED REPRESENTATIVE

MAILING ADDRESS

031250
 ASSOCIATES COMMERCIAL
 BOX 168647
 IRVING TX 75016

SECOND LIEN RELEASED

DATE

BY

AUTHORIZED REPRESENTATIVE

I hereby do, at the date of issue, the official records of the Pennsylvania Department
 of Transportation reflect that the person(s) or company listed herein is the lawful owner
 of the said vehicle.

BRADLEY L. MALLORY

Secretary of Transportation

D. APPLICATION FOR TITLE AND LIEN INFORMATION

SUBSCRIBED AND SWORN
TO BEFORE ME

M.D. DAY YEAR

SIGNATURE OF PERSON ADMINISTERING OATH

SEAL
 The undersigned hereby makes application for Certificate of Title to the vehicle described
 above, subject to the encumbrances and other legal claims set forth here.

SIGNATURE OF APPLICANT OR UNMARRIED MARRIED

When applying for title with a co-owner, other than your spouse, check one of
 these boxes. If both are checked, title will be issued as "Tenants in Common".
 A Two (2) equal shares of ownership
 B Two (2) unequal shares of ownership (in name of one owner, name given
 to the surviving owner).

1ST LIEN DATE.

→ IF NO LIEN, CHECK

1ST LIENHOLDER

STREET

CITY

STATE

ZIP

FINANCIAL INSTITUTION NUMBER

2ND LIEN DATE.

→ IF NO LIEN, CHECK

2ND LIENHOLDER

STREET

CITY

STATE

ZIP

SIGNATURE OF CO-APPLICANT/TITLE OF AUTHORITY

SIGNATURE NUMBER

SIGNATURE OF ATTORNEY/REPRESENTATIVE

EXHIBIT 3

一一二

EXHIBIT



SECURITY AGREEMENT
(Conditional Sale Contract)

The undersigned buyer, meaning all buyers jointly and severally ("Buyer"), having been quoted both a time sale price and cash sale price, has elected to purchase and hereby purchases from the undersigned seller ("Seller") for the time sale price equal to the cash price (item 1) plus the total insurance costs (item 4) plus the total other costs (item 5) plus the finance charge (item 7) shown below, under the terms and provisions of this agreement, the following described property (herein, with all present and future attachments, accessories, replacement parts, repairs, additions, and all proceeds thereof, referred to as "Collateral"):

Year	Make	Model	Description	Identification Number
1994	PETERBILT	379	TRACTOR	1XP5DE9X6RN342512

Collateral Will Be Kept At (Address): CURWENSVILLE County CLEARFIELD State PA

INSURANCE COVERAGE

LIABILITY INSURANCE COVERAGE FOR BODILY INJURY AND PROPERTY DAMAGE CAUSED TO OTHERS IS NOT INCLUDED IN THIS AGREEMENT.

PHYSICAL DAMAGE INSURANCE COVERING THE COLLATERAL IS REQUIRED; however, Buyer has the option of furnishing the required insurance either through existing policies or through an agent or broker of Buyer's choice.

Buyer requests and authorizes Seller to obtain the insurance coverage checked 4(a) Insurance Costs on the Collateral for months and for the premium set forth 4(a) Insurance Costs.

CHECK
ONE
↑
↓

Buyer has obtained the required coverages through:

..... (Agent's Name and Address)

..... (Name of Insurance Company)

CREDIT INSURANCE, if included, is not a factor in the approval of credit, is not required by the Seller and is for the term of the credit only.

Buyer desires Credit Insurance: Premium \$ 572.80
(Enter above and in 4(b) - INSURANCE CHARGES)

CHECK
ONE
↑
↓

Buyer hereby requests and authorizes Seller to obtain Credit Insurance, if checked above, to the extent the cost thereof is included in item 4(b) - Insurance Charges.

Buyer does not want Credit Insurance.

BUYER

Robert W. Evans Date *2-1-99*
(Only one person may sign above, and any credit insurance covers only that person. Credit insurance does not cover any co-buyer.)

Page 1 of 3 of Security Agreement dated *2-1-99* between **ROBERT W. EVANS DBA BOB EVANS TRUCKING** (Buyer) and **LAKE DIESEL, INC. DBA LAKE PETERBILT CO.** (Seller) serial number: **1XP5DE9X6RN342512**.

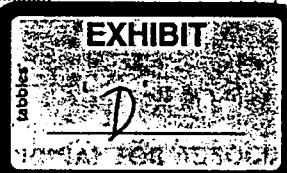


EXHIBIT D

PAYMENT SCHEDULE: Buyer promises to pay Seller the TIME BALANCE (Item 8 above) in 38 installments as follows:

3-1-99 (Total No. of installments)

02/15/99

For equal successive monthly (a) \$ 1.283.16 on 1/15/99 (Date) and a like sum on the like date of each installment: month thereafter until fully paid; provided, however, that the final installment shall be in the amount of \$ 1.283.16.

For other than equal successive monthly installments:

(b)

A. COLLATERAL USE. Buyer warrants and agrees that: the Collateral was delivered to and accepted by Buyer in satisfactory condition; the Collateral will be used solely for business purposes; the Collateral is free from and will be kept free from all liens, claims, security interests and encumbrances other than that created hereby; notwithstanding Seller's claim to proceeds, Buyer will not, without Seller's prior written consent, sell, rent, lend, encumber, pledge, transfer, secrete or otherwise dispose of any of the Collateral, nor will Buyer 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 Buyer's business and in conformity with all applicable governmental laws and regulations; the Collateral shall remain personal property and not become part of any real property regardless of the manner of affixation; Seller may inspect the Collateral at all reasonable times and from time to time; and the Collateral will be kept by Buyer 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 Seller, except that an item of Collateral which is mobile and of a type normally used at more than one location may be used by Buyer away from said location in the regular course of Buyer's business provided that (a) such item is not removed from the State of said location, and (b) if such item is not returned to said location within 30 days, Buyer will immediately thereafter, and each 30 days thereafter until the item is returned, report the then current location thereof to Seller in writing.

B. COLLATERAL PRESERVATION. Buyer agrees, at its own cost and expense: to do everything necessary or expedient to perfect and preserve the security interests of Seller obtained hereunder; to defend any action, proceeding or claim affecting the Collateral including but not limited to any forfeiture action or proceeding; to pay all expenses incurred by Seller in enforcing its rights after the occurrence of an event of default hereunder, including the reasonable fees of any attorneys retained by Seller (15% 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. INSURANCE. Buyer shall at all times bear all risk of loss of, damage to or destruction of the Collateral. Buyer agrees to procure forthwith and maintain insurance on the Collateral, for the actual cash value thereof and for the life of this agreement, in the form of Fire Insurance with Combined Additional Coverage and Collision, Theft and/or Vandalism and Malicious Mischief Coverage when appropriate, plus such other insurance as Seller may specify from time to time, all in form and amount and with insurers satisfactory to Seller. Buyer agrees to deliver promptly to Seller certificates or, if requested, policies of insurance satisfactory to Seller, each with a standard long-form loss-payable endorsement naming Seller or assigns as loss-payee as their interests may appear. Each policy shall provide that Seller's interest therein will not be invalidated by the acts, omissions or neglect of anyone other than Seller, and will contain insurer's agreement to give 30 days prior written notice to Seller before cancellation of or any material change in the policy will be effective as to Seller, whether such cancellation or change is at the direction of Buyer or insurer. Seller's acceptance of policies in lesser amounts or risks will not be a waiver of Buyer's foregoing obligation. Buyer assigns to Seller all proceeds of any physical damage or credit insurance for which a charge is stated herein or which is maintained by Buyer in accordance herewith, including returned and unearned premiums, up to the amount owing hereunder by Buyer. Buyer directs all insurers to pay such proceeds directly to Seller. Buyer authorizes Seller to endorse Buyer's name to all remittances without the joinder of Buyer.

D. FINANCING STATEMENT. If permitted by law, Buyer agrees that a carbon, photographic or other reproduction of this agreement or of a financing statement may be filed as a financing statement.

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

F. DEFAULT. Time is of the essence. An event of default shall occur if: (a) Buyer fails to pay when due any amount owed by it to Seller or to any affiliate of Seller, whether hereunder or under any other instrument or agreement; (b) Buyer 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 Buyer to Seller or to any affiliate of Seller or otherwise acquired by Seller or any affiliate of Seller; (c) Buyer becomes insolvent or ceases to do business as a going concern; (d) any of the Collateral is lost or destroyed; (e) Buyer makes an assignment for the benefit of creditors or takes advantage of any law for the relief of debtors; (f) a petition in bankruptcy or for an arrangement, reorganization, or similar relief is filed by or against Buyer; (g) any property of Buyer is attached, or a trustee or receiver is appointed for Buyer or for a substantial part of its property, or Buyer applies for such appointment; or (h) there shall be a material change in the management, ownership or control of Buyer.

G. REMEDIES. Upon the occurrence of an event of default, and at any time thereafter as long as the default continues, Seller may, at its option, with or without notice to Buyer (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 Buyer to Seller 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 the right to require Buyer to assemble the Collateral and deliver it to Seller at a place to be designated by Seller 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 Seller, 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 Buyer. Unless otherwise provided by law, any requirement of reasonable notice which Seller may be obligated to give regarding the sale or other disposition of Collateral will be met if such notice is mailed to Buyer at its address shown herein at least ten days before the time of sale or other disposition. Seller may buy at any sale and become the owner of the Collateral. Buyer agrees that Seller may bring any legal proceedings it deems necessary to enforce the payment and performance of Buyer's obligations hereunder in any court in the State shown in Seller's address set forth herein, and service of process may be made upon Buyer by mailing a copy of the summons to Buyer at its address shown herein. The inclusion of a trade name or division name in the identification of Buyer hereunder shall not limit Seller's right, after the

2-1-99
Page 2 of 3 of Security Agreement dated 1/15/99 between ROBERT W. EVANS DBA BOB EVANS TRUCKING (Buyer) and LAKE DIESEL, INC. DBA LAKE PETERBILT CO. (Seller) which includes, without limitation, an item of Collateral with the following serial number: 1XP5DE9X6RN342512.

occurrence of an event of default, to proceed against all of Buyer's assets, including those held or used by Buyer 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 Seller (15% of all sums then owing hereunder if permitted by law), and (b) all other legal expenses incurred by Seller. Buyer agrees that it is liable for and will promptly pay any deficiency resulting from any disposition of Collateral after default.

H. REINSTATEMENT. At Seller's option, Buyer may reinstate this agreement and redeem the Collateral within 15 days after notice of repossession, if buyer pays all past due installments, accrued default charges and, if replevined by legal process authorized cost of suit, including reasonable attorney's fees, but if default at time of repossession exceeds 15 days, Buyer shall pay also the expense of retaking, repairing and storage authorized by law. Buyer has the right (as distinguished from Seller's option) to redeem the Collateral and terminate this agreement within 15 days after notice of repossession, by paying the unpaid time balance, plus the foregoing applicable charges, costs and expenses, minus unearned finance charge. If Buyer does not so redeem, Buyer loses all claim to the Collateral.

I. PREPAYMENT Upon the prepayment in full of all amounts due hereunder, Buyer shall be allowed a prepayment rebate representing the portion of the finance charge which the sum of the periodic time balances after the date of prepayment bears to the sum of all periodic time balances under the payment schedule provided herein, but seller shall be permitted to retain a minimum finance charge of \$10.00.

J. GENERAL. Waiver of any default shall not be a waiver of any other default; all of Seller's rights are cumulative and not alternative. No waiver or change in this agreement or in any related note shall bind Seller unless in writing signed by one of its officers. The term "Seller" shall include any assignee of Seller who is the holder of this agreement. After assignment of this agreement by Seller, the assignor will not be the assignee's agent for any purpose and Buyer'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 Buyer for breach of warranty or for any other reason whatsoever. 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. Buyer waives all exemptions to the extent permitted by law. Buyer hereby waives any right to trial by jury in any action relating to this agreement. Seller may correct patent errors herein. All of the terms and provisions of this agreement shall apply to and be binding upon Buyer, its heirs, personal representatives, successors and assigns and shall inure to the benefit of Seller, its successors and assigns.

K. ACCELERATION INTEREST. Buyer agrees to pay Seller, 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 Buyer can legally obligate itself to pay and/or Seller can legally collect. Any note taken herewith evidences indebtedness and not payment. All amounts payable hereunder are payable at Seller's address shown below or at such other address as Seller may specify from time to time in writing.

L. LATE INSTALLMENTS. For each installment not paid within ten (10) days of its scheduled due date Buyer agrees to pay Seller a default charge of 4% of the amount of such installment.

M. SECURITY INTEREST. To secure payment of the TIME BALANCE (Item 8), Seller retains title to and a security interest in the Collateral regardless of any retaking and redelivery of the Collateral to Buyer.

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

O. DISCLAIMER. There are no warranties other than those made by the manufacturer of the Collateral. SELLER MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE QUALITY, WORKMANSHIP, DESIGN, MERCHANTABILITY, SUITABILITY, OR FITNESS OF THE COLLATERAL FOR ANY PARTICULAR PURPOSE, OR ANY OTHER REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, unless such warranties are in writing and signed by Seller. Seller shall not under any circumstances be liable for loss of anticipatory profits or for consequential damages.

P. ADDITIONAL COVENANTS AND ORAL AGREEMENT. THIS AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES. Buyer and Seller agree that this is a three page agreement and each page hereof constitutes a part of this agreement.

Q. **CHATTEL PAPER.** This specific Security Agreement is to be sold only to **ASSOCIATES COMMERCIAL CORPORATION** and is subject to the security interest of **ASSOCIATES COMMERCIAL CORPORATION**. The only copy of this Security Agreement which constitutes Chattel Paper for all purposes of the Uniform Commercial Code is the copy marked "**ORIGINAL FOR ASSOCIATES**" which is delivered to and held by **ASSOCIATES COMMERCIAL CORPORATION**. Any change in the name of the assignee of this Security Agreement from **ASSOCIATES COMMERCIAL CORPORATION** shall render the copy of this Security Agreement so changed **VOID** and of no force and effect. No assignee or secured party other than **Associates Commercial Corporation** will under any circumstances acquire any rights in, under or to this Security Agreement or any sums due

NOTICE TO BUYER :

DO NOT SIGN THIS CONTRACT IN BLANK.

YOU ARE ENTITLED TO AN EXACT COPY OF THE CONTRACT YOU SIGN.
KEEP IT TO PROTECT YOUR LEGAL RIGHTS.

Buyer hereby acknowledges receipt of an exact copy of this contract.

Date 7/15/99

21-998
~~115199~~

ROBERT W. EVANS DBA BOB EVANS TRUCKING

)

By S. L. Miller Title INDIVIDUAL

By Title

RD # 2 BOX 48 **Street Address**

ERIE PA. 16509
(City, State and Zip Code)

CUBWENSVILLE CLEARFIELD PA 16823

PA 16833
(City, COUNTY, State, and Zip Code)

Page 3 of 3 of Security Agreement dated 2-1-94
and 1-15-90 between ROBERT W. EVANS DBA BOB EVANS TRUCKING (Buyer)
serial number: 1XP5DE9X6RN342512 (Seller) which includes, without limitation, an item of Collateral with the following

SELLER'S AGREEMENT

For value received, the undersigned ("Assignor") hereby sells, assigns and transfers to ASSOCIATES COMMERCIAL CORPORATION, its successors and assigns ("Assignee"), all Assignor's right, title and interest in and to (a) that certain security agreement dated 11-15-99 between ROBERT W. EVANS DBA BOB EVANS TRUCKING ("Buyer") and Assignor which includes, without limitation, all item of Collateral, as defined herein, with the following serial number: 1XP5DE9X6RN342512 (the "Security Agreement"), (b) any notes, guaranties and other documents executed in connection with the Security Agreement herein, with the Security Agreement, called the "Documents"), (c) all amounts due and to become due under the Documents, (d) the property in which a security interest is granted to or reserved by Assignor under the Security Agreement (the "Collateral"), and (e) all of Assignor's rights and remedies under or in connection with the Documents, including the right, without notice to Assignor and without affecting Assignor's liability hereunder, (i) to collect any and all amounts owing under the Documents, (ii) to endorse Assignor's name on any note or remittance received, (iii) to release or discharge the Buyer under the Security Agreement or any other persons obligated under the Documents, on terms satisfactory to Assignee, by operation of law or otherwise, (iv) to settle, compromise or adjust any and all rights against and to grant extensions of time of payment to Buyer or any other persons obligated under the Documents, and (v) to take any other action Assignor might take but for this assignment. Assignor warrants that: the Documents are genuine, enforceable and in all respects what they purport to be; all signatures, names, addresses, amounts and other statements and facts contained in the Documents and herein are true and correct; the Collateral was sold to Buyer in a bona fide time sale transaction; Buyer has paid the down payment in cash, or as otherwise set forth in the Security Agreement, and no part thereof was loaned directly or indirectly by Assignor; the Collateral was delivered in satisfactory condition to Buyer on the date set forth below and was accepted by Buyer; any notice of insurance or certificate or policy thereof was or will be delivered to Buyer within the time required by law; all parties to the Documents have the capacity to contract and none of such parties is a minor; the security interest and reservation of title evidenced by the Security Agreement are valid, first, prior to all others and effective against all persons;

Assignor has caused or will promptly cause such actions or procedures to be taken as are required or permitted by statute, or regulation to perfect such security interest and reservation of title in Assignee's favor, including, without limitation, filing financing statements, recording documents and obtaining Certificates of Title disclosing Assignee's interest; Assignor has full title to and the right to sell and assign the Documents and the security interest and reserved title evidenced thereby, and this assignment conveys the same free and clear of all liens and encumbrances whatsoever; the Documents are and will continue free from defenses, counterclaims, cross-claims, and set-offs; and Assignor shall continue to be liable hereunder, notwithstanding Assignee's waiver of or failure to enforce any of the terms, covenants or conditions contained in the Documents or any release of, or failure on the part of Assignee to realize upon or protect, the Collateral or any lien thereon. If any of the foregoing warranties are untrue, regardless of Assignee's knowledge thereof or lack of reliance thereon, or if Assignor breaches any provision hereof, Assignor hereby unconditionally agrees to (i) indemnify and hold Assignee harmless from any losses, damages or claims arising therefrom, and (ii) purchase the Documents on written demand from Assignee for the balance remaining unpaid thereunder, plus any expenses of collection, repossession, transportation and storage, and reasonable attorneys' fees and court costs incurred by Assignee, less any customary refund by Assignee of unearned finance charges.

ANY REASSIGNMENT OF THE DOCUMENTS AND/OR THE COLLATERAL BY ASSIGNEE SHALL BE WITHOUT RE COURSE OR WARRANTY OF ANY KIND. Assignor waives notice of acceptance hereof, presentment and demand for payment, protest and notice of non-payment, and subordinates all rights Assignor may now or hereafter have against Buyer to any rights Assignee may now or hereafter have against Buyer. Assignor shall have no authority to, and will not, without Assignee's prior consent, accept collections, repossess, substitute or consent to the return of the Collateral or modify the terms of the Documents.

K. J. Lewis
The Collateral was delivered to Buyer on 2-1-99

11-15-99

(Date)

WITH RE COURSE: If Buyer fails to pay any payment on the Documents when due, or if Buyer is otherwise in default under the terms of the Documents, or if Buyer or Assignor becomes insolvent or makes an assignment for the benefit of creditors, or if a petition for a receiver or in bankruptcy is filed by or against Buyer or Assignor, then in any of such events Assignor will, without requiring Assignee to proceed against Buyer or any other person or any security, repurchase the Documents on written demand and pay Assignee in cash the balance remaining unpaid thereunder plus any expenses of collection, repossession, transportation and storage, and reasonable attorneys' fees and court costs incurred by Assignee, less any customary refund by Assignee of unearned finance charges. The terms and provisions of Seller's Assignment above the following described agreement are incorporated herein by reference:

(Identify specific agreement or, if none, show "None")

Assignor
(Name of individual, corporation or partnership.)

Dated
.....

By
(If corporation, authorized party must sign and show corporate title. If partnership, a general partner must sign. If owner or partner, show which.)

WITHOUT RE COURSE: This assignment is Without Recourse as to the financial ability of the Buyer to pay, except as provided in Seller's Assignment above or as may be otherwise provided in the following described agreement between Assignor and Assignee. The terms and provisions of Seller's Assignment above and the following described agreement are incorporated herein by reference.

THE ASSOCIATES/GENERAL DEALER AGREEMENT DATED 9/12/97

(Identify specific agreement or, if none, show "None")

Dated
2-1-99

LAKE DIESEL INC., DBA LAKE PETERBILT CO.

Assignor
(Name of individual, corporation or partnership.)

By *D. C. Lewis*
(If corporation, authorized party must sign and show corporate title. If partnership, a general partner must sign. If owner or partner, show which.)

REPURCHASE: Assignor hereby agrees with Assignee that in the event of repossession of the Collateral Assignor on written demand will purchase the Security Agreement from Assignee at a place designated by Assignee for the balance remaining unpaid under the Security Agreement plus any expenses of collection, repossession, transportation and storage, and reasonable attorneys' fees and court costs incurred by Assignee, less any customary refund by Assignee of unearned finance charges, and will so purchase the Security Agreement even though Assignee may have waived full performance of the provisions of the Security Agreement by Buyer without Assignor's consent. The terms and provisions of Seller's Assignment above and the following described agreement are incorporated herein by reference.

(Identify specific agreement or, if none, show "None")

Assignor
(Name of individual, corporation or partnership.)

Dated
.....

By
(If corporation, authorized party must sign and show corporate title. If partnership, a general partner must sign. If owner or partner, show which.)

1401
COMMONWEALTH OF PENNSYLVANIA
CERTIFICATE OF TITLE FOR A VEHICLE

990363174000040-001

1XP5DE9XLRN3425123
VEHICLE IDENTIFICATION NUMBER

94 PETERBILT
YEAR

46445765202-EV
TITLE NUMBER

TT	0	0	SEAT CAP	PRIOR TITLE STATE	2/05/99	0000000	0
BODY TYPE	DUP	SEAT CAP		PRIOR TITLE STATE	ODOM PROD DATE	ODOM MILES	ODOM STATUS

8/16/93	2/05/99	15,070	UNLADEN WEIGHT	0000000	80,000	CCMRA
DATE PA TITLED	DATE OF ISSUE					TITLE GRANOS

8/16/93	2/05/99	15,070	UNLADEN WEIGHT	0000000	80,000	CCMRA
DATE PA TITLED	DATE OF ISSUE					TITLE GRANOS

REGISTERED OWNER(S)

EVANS, ROBERT W DBA RWT
EVANS TRUCKING
R D 2 BOX 48
CURRENSVILLE PA 16833

1ST LIEN FAVOR OF

ASSOCIATE COMMERCIAL

1ST LIEN RELEASED

DATE

BY

AUTHORIZED REPRESENTATIVE

MAILING ADDRESS

ASSOCIATE COMMERCIAL
BOX 168647
IRVING TX 75016

SECOND LIEN FAVOR OF

SECOND LIEN RELEASED

DATE

BY

AUTHORIZED REPRESENTATIVE

If a second benholder is listed upon satisfaction of the first, the first
benholder must forward the Title to the Bureau of Motor Vehicles with the
appropriate form and fee.

ODOMETER STATUS
0 - ACTUAL MILEAGE
1 - MILEAGE EXCEEDS THE MECHANICAL
LIMITS
2 - NOT THE ACTUAL MILEAGE
3 - NOT THE ACTUAL MILEAGE - ODOMETER
TAMPERED VERIFIED
4 - EXEMPT FROM ODOMETER DISCLOSURE

TITLE GRANOS
A - ANTIQUE VEHICLE
C - CLASSIC VEHICLE
D - COLLECTIBLE VEHICLE
F - OUT-OF-COUNTRY
G - ORIGINALLY IMPORTED FOR NON-U.S.
DISTRIBUTION
H - AGRICULTURAL VEHICLE
L - LOGGING VEHICLE
P - IS/WAS A POLICE VEHICLE
R - RECONSTRUCTED
S - STREET ROD
T - RECOVERED THEFT VEHICLE
V - VEHICLE CONTAINS REISSUED VIN
W - FLOOD VEHICLE
X - IS/WAS A TAXI

DO NOT ACCEPT DOCUMENT WITHOUT VERIFYING THE PRESENCE OF THE LIBERTY BELL WATERMARK



Secretary of Transportation

D. APPLICATION FOR TITLE AND LIEN INFORMATION

TO BE COMPLETED BY PURCHASER WHEN VEHICLE IS SOLD AND THE
APPROPRIATE SECTIONS ON THE REVERSE SIDE OF THIS DOCUMENT ARE
COMPLETED.

SUBSCRIBED AND SWORN
TO BEFORE ME

NO. DAY YEAR

- SIGNATURE OR PERSON ADMINISTERING OATH

SIGN IN PRESENCE OF

The undersigned hereby makes application for Certificate of Title to the vehicle described
above, subject to the encumbrances and other legal claims as set forth here.

SIGNATURE OF APPLICANT OR AUTHORIZED SIGNER

1ST LIEN DATE → IF NO LIEN CHECK

1ST LIENHOLDER

STREET

CITY

STATE

ZIP

FINANCIAL INSTITUTION NUMBER

2ND LIEN DATE

→ IF NO LIEN CHECK

2ND LIENHOLDER

STREET

CITY

STATE

ZIP

EXHIBIT

ALTERATION OR ERASURE VOIDS THIS TITLE

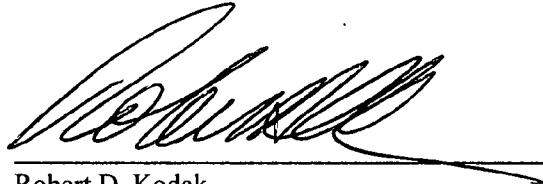
STORE IN A SAFE PLACE - IF LOST

00131708

VERIFICATION

I, ROBERT D. KODAK, state that I am not a party to the action but that, at the request of the Plaintiff, ASSOCIATES COMMERCIAL CORPORATION, and based upon knowledge, information, records and documents supplied to me by the Plaintiff, the averments set forth in Plaintiff's Replevin Complaint are true. A Verification executed by the Plaintiff can be supplied at time of trial or upon request.

I understand that false statements herein are made subject to the penalties of 18 Pa. C.S. §4904 relating to unsworn falsification to authorities.



Robert D. Kodak

Dated: 9/27/00

HARRISBURG, PA 17108-1848
P.O. BOX 11848
407 NORTH FRONT STREET
CAMERON MANSION
KNUPP, KODAK & IMBLUM, P.C.
LAW OFFICES OF

FILED

OCT 02 2000
MAILED
William A. Shaw
Prothonotary

1cc Shultz
cc Shultz

TO THE ABOVE NAMED DEFENDANT:
YOU ARE HEREBY NOTIFIED TO
PLEAD TO THE ENCLOSED COMPLAINT
WITHIN TWENTY (20) DAYS OF SERVICE
HEREOF OR A DEFALUT JUDGMENT
WILL BE ENTERED AGAINST YOU.

By:
William A. Shaw
KNUPP, KODAK & IMBLUM, P.C.

LAW OFFICES OF
KNUPP, KODAK & IMBLUM, P.C.
CAMERON MANSION
407 NORTH FRONT STREET
P.O. BOX 11848
HARRISBURG, PA 17108-1848

In The Court of Common Pleas of Clearfield County, Pennsylvania

Sheriff Docket # 10239

ASSOCIATES COMMERCIAL CORPORATION

00-1211-CD

VS.
EVANS, ROBERT W.

COMPLAINT IN REPLEVIN

SHERIFF RETURNS

NOW DECEMBER 11, 2000 AFTER DILIGENT SEARCH IN MY BAILIWICK I RETURN
THE WITHIN COMPLAINT IN REPLEVIN "NOT FOUND" AS TO ROBERT W. EVANS,
DEFENDANT. SEVERAL ATTEMPTS NOT HOME.

FILED
13:02 PM
DEC 11, 2000
WILLIAM A. SHAW
Prothonotary

Return Costs

Cost	Description
17.66	SHFF. HAWKINS PAID BY: ATTY.
10.00	SURCHARGE PAID BY: ATTY.

Sworn to Before Me This

15 Day Of Dec 2000
William A. Shaw

WILLIAM A. SHAW
Prothonotary
My Commission Expires
1st Monday in Jan. 2002
Clearfield Co. Clearfield, PA.

So Answers,

*Chester Hawkins
by Marilyn Harris*
Chester A. Hawkins
Sheriff

ASSOCIATES COMMERCIAL CORPORATION
Plaintiff

v.

ROBERT W. EVANS
Defendant

: IN THE COURT OF COMMON PLEAS
: CLEARFIELD COUNTY, PENNSYLVANIA
: NO. 00-1211-CD
: CIVIL DIVISION - LAW
: REPLEVIN COMPLAINT

NOTICE

YOU HAVE BEEN SUED IN COURT. IF YOU WISH TO DEFEND AGAINST THE CLAIM SET FORTH IN THE FOLLOWING PAGES, YOU MUST TAKE ACTION WITHIN TWENTY (20) DAYS AFTER THIS COMPLAINT AND NOTICE ARE SERVED, BY ENTERING A WRITTEN APPEARANCE PERSONALLY OR BY AN ATTORNEY AND FILING IN WRITING WITH THE COURT YOUR DEFENSES OR OBJECTIONS TO THE CLAIMS SET FORTH AGAINST YOU. YOU ARE WARNED THAT IF YOU FAIL TO DO SO THE CASE MAY PROCEED WITHOUT YOU AND A JUDGMENT MAY BE ENTERED AGAINST YOU BY THE COURT WITHOUT FURTHER NOTICE FOR ANY MONEY CLAIMED IN THE COMPLAINT OR FOR ANY OTHER CLAIM OR RELIEF REQUESTED BY THE PLAINTIFF. YOU MAY LOSE MONEY OR PROPERTY OR OTHER RIGHTS IMPORTANT TO YOU.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.

DAVID S. MEHOLICK, COURT ADMINISTRATOR
CLEARFIELD COUNTY COURTHOUSE
1 NORTH SECOND STREET
CLEARFIELD, PA 16830
814-765-2641, EXT. 32

NOTICA

LE HAN DEMANDADO A USTED EN LA CORTE. SI USTED QUIERE DEFENDERSE DE ESTAS DEMANDAS EXPUESTAS EN LAS PAGINAS SIGUIENTES, USTED TIENE VEINTE (20) DIAS DE PLAZO AL PARTIR DE LA FECHA DE LA DEMANDA Y LA NOTIFICACION. USTED DEBE PRESENTAR UNA APARIENCIA ESCRITA O EN PERSONA O POR ABOGADO Y ARCHIVAR EN LA CORTE EN FORMA ESCRITA SUS DEFENSAS O SUS OBJECCIONES A LAS DEMANDAS EN CONTRA DE SU PERSONA. SEA AVISADO QUE SI USTED NO SE DEFIENDE, LA CORTE TOMARA MEDIDAS Y PUEDA ENTRAR UNA ORDEN CONTRA USTED SIN PREVIO AVISO O NOTIFICACION Y POR CUALQUIER QUEJA O ALIVIO QUE ES PEDIDO EN LA PETICION DE DEMANDA. USTED PUEDE PERDER DINERO O SUS PROPIEDADES O OTROS DERECHOS IMPORTANTES PARA USTED.

LLEVE ESTA DEMANDA A UN ABOGADO IMMEDIATAMENTE. SI NO TIENE ABOGADO O SI NO TIENE EL DINERO SUFFICIENTE DE PAGAR TAL SERVICIO, VAYA EN PERSONA O LLAME POR TELEFONO A LA OFICINA CUYA DIRECCION SE ENCUENTRA ESCRITA ABAJO PARA AVERIGUAR DONDE SE PUEDE CONSEGUIR ASISTENCIA LEGAL.

I hereby certify this to be a true and attested copy of the original statement filed in this case.

DAVID S. MEHOLICK, COURT ADMINISTRATOR
CLEARFIELD COUNTY COURTHOUSE
1 NORTH SECOND STREET
CLEARFIELD PA 16830
814-765-2641, EXT. 32

OCT 02 2000

Attest:

William J. O'Brien
Prothonotary

ASSOCIATES COMMERCIAL CORPORATION
Plaintiff

v.

ROBERT W. EVANS
Defendant

: IN THE COURT OF COMMON PLEAS
: CLEARFIELD COUNTY, PENNSYLVANIA
:
: NO.
:
: CIVIL DIVISION - LAW
: REPLEVIN COMPLAINT

COMPLAINT

The Plaintiff, ASSOCIATES COMMERCIAL CORPORATION, by its attorneys, **KNUPP, KODAK & IMBLUM, P.C.**, brings this action against the Defendant to recover possession of one 1994 Peterbilt 379 Tractor and one 1998 Peterbilt 379 Tractor, as more specifically identified hereinbelow, and in furtherance thereof, sets forth the following:

1. The Plaintiff, ASSOCIATES COMMERCIAL CORPORATION, is a corporation organized and existing under the laws of the State of Texas, having office and place of business at 50 Lakefront Boulevard, Suite 130, Buffalo, new York 14202-4388.

2. The Defendant, ROBERT W. EVANS, is an adult individual with a last known address of 610 Williams Street, Clearfield, Clearfield County, Pennsylvania 16830.

3. On or about March 18, 1998, one Robert G. Prisk did enter in a Security Agreement (Conditional Sale Contract) with Plaintiff for the purchase of a 1998 Peterbilt 379 Tractor, Vehicle Identification Number 1XP5D69X9WN446865. A true and correct copy of said Security Agreement (Conditional Sale Contract) is attached hereto, marked as Exhibit "A" and made a part hereof.

4. On or about January 8, 1999, Defendant, ROBERT W. EVANS, did enter into a Transfer and Assumption Agreement to assume the aforesaid account, thereby purchasing the 1998 Peterbilt 379 Tractor, Vehicle Identification Number

1XP5D69X9WN446865. A true and correct copy of said Transfer and Assumption Agreement is attached hereto, marked as Exhibit "B" and made a part hereof.

5. By the terms of the Security Agreement (Conditional Sale Contract) herein found at Exhibit "A" and the Transfer and Assumption Agreement herein found at Exhibit "B", Plaintiff maintained a security interest in the collateral known as the 1998 Peterbilt 379 Tractor, Vehicle Identification Number 1XP5D69X9WN446865.

6. Further evidencing Plaintiff's security interest in the collateral, attached hereto, marked as Exhibit "C" and made a part hereof is the Certificate of Title from the Commonwealth of Pennsylvania setting forth both Defendant's ownership and Plaintiff's first lien position.

7. On or about February 1, 1999, Defendant did enter into a Security Agreement (Conditional Sale Contract) with Plaintiff for the purchase of a 1994 Peterbilt 379 Tractor, Vehicle Identification Number 1XP5DE9X6RN342512. A true and correct copy of said Security Agreement (Conditional Sale Contract) is attached hereto, marked as Exhibit "D" and made a part hereof.

8. By the terms of the Security Agreement (Conditional Sale Contract) herein found at Exhibit "D", Plaintiff maintained a security interest in the collateral known as the 1994 Peterbilt 379 Tractor, Vehicle Identification Number 1XP5DE9X6RN342512.

9. Further evidencing Plaintiff's security interest in the collateral, attached hereto, marked as Exhibit "E" and made a part hereof is the Certificate of Title from the Commonwealth of Pennsylvania setting forth both Defendant's ownership and Plaintiff's first lien position.

10. Defendant has defaulted under the terms of the Security Agreements (Conditional Sale Contracts) attached hereto at Exhibits "A" and "D" by failing to make monthly payments when due and owing.

11. The two vehicles in question, due to Plaintiff's lack of knowledge as to their condition and mileage, have an unknown retail value.

12. Defendant has failed and refused, despite repeated demands from Plaintiff, to pay the balance due under the Security Agreements (Conditional Sale Contracts) or to deliver possession of the two identified vehicles in question to the Plaintiff.

WHEREFORE, Plaintiff demands Judgment of possession, together with reasonable attorney's fees, interest and costs.

Respectfully submitted,

KNUPP, KODAK & IMBLUM, P.C.



Robert D. Kodak
407 North Front Street
Post Office Box #11848
Harrisburg, PA 17108-1848
(717) 238-7151
Attorney ID No. 18041

Attorney for Plaintiff



SECURITY AGREEMENT
(Conditional Sale Contract)

The undersigned buyer, meaning all buyers jointly and severally ("Buyer"), having been quoted both a time sale price and cash sale price, has elected to purchase and hereby purchases from the undersigned seller ("Seller") for the time sale price equal to the cash price (item 1) plus the total insurance costs (item 4) plus the total other costs (item 5) plus the finance charge (item 7) shown below, under the terms and provisions of this agreement, the following described property (herein, with all present and future attachments, accessories, replacement parts, repairs, additions, and all proceeds thereof, referred to as "Collateral"):

Year	Make	Model	Description	Identification Number
1998	PETERBILT	379	TRACTOR	1XP5D69X9WN446865

Collateral Will Be Kept At (Address): BOX 440 SCOFIELD ST. County CLEARFIELD State PA

INSURANCE COVERAGE

LIABILITY INSURANCE COVERAGE FOR BODILY INJURY AND PROPERTY DAMAGE CAUSED TO OTHERS IS NOT INCLUDED IN THIS AGREEMENT.

PHYSICAL DAMAGE INSURANCE COVERING THE COLLATERAL IS REQUIRED; however, Buyer has the option of furnishing the required insurance either through existing policies or through an agent or broker of Buyer's choice.

Buyer requests and authorizes Seller to obtain the insurance coverage checked 4(a) Insurance Costs on the Collateral for months and for the premium set forth 4(a) Insurance Costs.

CHECK
ONE
↓

Buyer has obtained the required coverages through:

(Agent's Name and Address)

(Name of Insurance Company)

CREDIT INSURANCE, if included, is not a factor in the approval of credit, is not required by the Seller and is for the term of the credit only.

Buyer desires Credit Insurance: Premium \$ (Enter above and in 4(b) - INSURANCE CHARGES)

CHECK
ONE
↓

Buyer hereby requests and authorizes Seller to obtain Credit Insurance, if checked above, to the extent the cost thereof is included in Item 4(b) - Insurance Charges.

Buyer does not want Credit Insurance.

BUYER Robert G. Prisk Date 03/18/98

(Only one person may sign above, and any credit insurance covers only that person. Credit insurance does not cover any co-buyer.)

Page 1 of 3 of Security Agreement dated 03/18/98 between ROBERT G. PRISK (Buyer) and LAKE DIESEL INC. DBA LAKE PETERBILT CO. (Seller) which includes, without limitation, an item of Collateral with the following serial number: 1XP5D69X9WN446865

1. CASH PRICE	\$ <u>96,500.00</u>
2. (a) Cash Down Payment	\$ <u>0.00</u>
Trade-In:	
Gross Allowance	\$ <u>49,500.00</u>
Less Amount Owing	\$ <u>46,185.48</u>
(b) Trade-in (Net Allowance)	\$ <u>3,314.52</u>
Description of Trade-In:	
TOTAL DOWN PAYMENT (a + b)	\$ <u>3,314.52</u>
3. UNPAID CASH	
PRICE BALANCE (1 Minus 2)	\$ <u>93,185.48</u>
4. INSURANCE COSTS	
(a) Physical Damage	
Insurance coverage,	
as checked below,	
for months from	
the date hereof <u>03/18/98</u>	\$ <u>0.00</u>
<input type="checkbox"/> \$ Deductible Fire, Theft, Combined	
<input type="checkbox"/> \$ Additional Coverage, and	
<input type="checkbox"/> \$ Deductible Collision; or	
<input type="checkbox"/> \$ Deductible Comprehensive and	
<input type="checkbox"/> \$ Deductible Collision.	
(b) Credit Life Insurance	
for the term of the	
credit only	\$ <u>0.00</u>
TOTAL INSURANCE COSTS (a+b)	\$ <u>0.00</u>
5. OTHER COSTS (Itemize)	
(a) Registration or License	\$ <u>0.00</u>
(b) Title Fee	\$ <u>0.00</u>
(c)	\$ <u>0.00</u>
TOTAL OTHER COSTS (a+b+c)	\$ <u>0.00</u>
6. PRINCIPAL AMOUNT FINANCED (3 + 4 + 5)	\$ <u>93,185.48</u>
7. FINANCE CHARGE	\$ <u>33,663.40</u>
8. TIME BALANCE (6 + 7)	\$ <u>126,848.88</u>

PAYMENT SCHEDULE: Buyer promises to pay Seller the TIME BALANCE (Item 3 above) in 72 installments as follows:

(Total No. of Installments)

For equal successive monthly installments: (a) \$ 1,761.79 on 04/18/98 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 \$ 1,761.79.

For other than equal successive monthly installments: (b)

A. COLLATERAL USE. Buyer warrants and agrees that: the Collateral was delivered to and accepted by Buyer in satisfactory condition; the Collateral will be used solely for business purposes; the Collateral is free from and will be kept free from all liens, claims, security interests and encumbrances other than that created hereby; notwithstanding Seller's claim to proceed, Buyer will not, without Seller's prior written consent, sell, rent, lend, encumber, pledge, transfer, secrete or otherwise dispose of any of the Collateral, nor will Buyer 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 Buyer's business and in conformity with all applicable governmental laws and regulations; the Collateral shall remain personal property and not become part of any real property regardless of the manner of affixation; Seller may inspect the Collateral at all reasonable times and from time to time; and the Collateral will be kept by Buyer 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 Seller, except that an item of Collateral which is mobile and of a type normally used at more than one location may be used by Buyer away from said location in the regular course of Buyer's business provided that (a) such item is not removed from the State of said location, and (b) if such item is not returned to said location within 30 days, Buyer will immediately thereafter, and each 30 days thereafter until the item is returned, report the then current location thereof to Seller in writing.

B. COLLATERAL PRESERVATION. Buyer agrees, at its own cost and expense: to do everything necessary or expedient to perfect and preserve the security interests of Seller obtained hereunder; to defend any action, proceeding or claim affecting the Collateral including but not limited to any forfeiture action or proceeding; to pay all expenses incurred by Seller in enforcing its rights after the occurrence of an event of default hereunder, including the reasonable fees of any attorneys retained by Seller (15% 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. INSURANCE. Buyer shall at all times bear all risk of loss of, damage to or destruction of the Collateral. Buyer agrees to procure forthwith and maintain insurance on the Collateral, for the actual cash value thereof and for the life of this agreement, in the form of Fire Insurance with Combined Additional Coverage and Collision, Theft and/or Vandalism and Malicious Mischief Coverage when appropriate, plus such other insurance as Seller may specify from time to time, all in form and amount and with insurers satisfactory to Seller. Buyer agrees to deliver promptly to Seller certificates or, if requested, policies of insurance satisfactory to Seller, each with a standard long-form loss-payable endorsement naming Seller or assigns as loss-payee as their interests may appear. Each policy shall provide that Seller's interest therein will not be invalidated by the acts, omissions or neglect of anyone other than Seller, and will contain insurer's agreement to give 30 days prior written notice to Seller before cancellation of or any material change in the policy will be effective as to Seller, whether such cancellation or change is at the direction of Buyer or insurer. Seller's acceptance of policies in lesser amounts or risks will not be a waiver of Buyer's foregoing obligation. Buyer assigns to Seller all proceeds of any physical damage or credit insurance for which a charge is stated herein or which is maintained by Buyer in accordance herewith, including returned and unearned premiums, up to the amount owing hereunder by Buyer. Buyer directs all insurers to pay such proceeds directly to Seller. Buyer authorizes Seller to endorse Buyer's name to all remittances without the joinder of Buyer.

D. FINANCING STATEMENT. If permitted by law, Buyer agrees that a carbon, photographic or other reproduction of this agreement or of a financing statement may be filed as a financing statement.

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

F. DEFAULT. Time is of the essence. An event of default shall occur if: (a) Buyer fails to pay when due any amount owed by it to Seller or to any affiliate of Seller, whether hereunder or under any other instrument or agreement; (b) Buyer 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 Buyer to Seller or to any affiliate of Seller or otherwise acquired by Seller or any affiliate of Seller; (c) Buyer becomes insolvent or ceases to do business as a going concern; (d) any of the Collateral is lost or destroyed; (e) Buyer makes an assignment for the benefit of creditors or takes advantage of any law for the relief of debtors; (f) a petition in bankruptcy or for an arrangement, reorganization, or similar relief is filed by or against Buyer; (g) any property of Buyer is attached, or a trustee or receiver is appointed for Buyer or for a substantial part of its property, or Buyer applies for such appointment; or (h) there shall be a material change in the management, ownership or control of Buyer.

G. REMEDIES. Upon the occurrence of an event of default, and at any time thereafter as long as the default continues, Seller may, at its option, with or without notice to Buyer (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 Buyer to Seller 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 the right to require Buyer to assemble the Collateral and deliver it to Seller at a place to be designated by Seller 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 Seller, 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 Buyer. Unless otherwise provided by law, any requirement of reasonable notice which Seller may be obligated to give regarding the sale or other disposition of Collateral will be met if such notice is mailed to Buyer at its address shown herein at least ten days before the time of sale or other disposition. Seller may buy at any sale and become the owner of the Collateral. Buyer agrees that Seller may bring any legal proceedings it deems necessary to enforce the payment and performance of Buyer's obligations hereunder in any court in the State shown in Seller's address set forth herein, and service of process may be made upon Buyer by mailing a copy of the summons to Buyer at the address shown herein. The inclusion of a trade name or division name in the identification of Buyer hereunder shall not limit Seller's right, after the

Page 2 of 3 of Security Agreement dated 03/18/98 between ROBERT G. PRISK (Buyer) and LAKE DIESEL INC. DBA LAKE PETERBILT CO. (Seller) which includes, without limitation, an item of Collateral with the following serial number: 1XP5D69X9WN446865.

occurrence of an event of default, to proceed against all of Buyer's assets, including those held or used by Buyer 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 Seller (15% of all sums then owing hereunder if permitted by law), and (b) all other legal expenses incurred by Seller. Buyer agrees that it is liable for and will promptly pay any deficiency resulting from any disposition of Collateral after default.

H. REINSTATEMENT At Seller's option, Buyer may reinstate this agreement and redeem the Collateral within 15 days after notice of repossession, if buyer pays all past due installments, accrued default charges and, if replevined by legal process authorized cost of suit, including reasonable attorney's fees, but if default at time of repossession exceeds 15 days, Buyer shall pay also the expense of retaking, repairing and storage authorized by law. Buyer has the right (as distinguished from Seller's option) to redeem the Collateral and terminate this agreement within 15 days after notice of repossession, by paying the unpaid time balance, plus the foregoing applicable charges, costs and expenses, minus unearned finance charge. If Buyer does not so redeem, Buyer loses all claim to the Collateral.

I. PREPAYMENT Upon the prepayment in full of all amounts due hereunder, Buyer shall be allowed a prepayment rebate representing the portion of the finance charge which the sum of the periodic time balances after the date of prepayment bears to the sum of all periodic time balances under the payment schedule provided herein, but seller shall be permitted to retain a minimum finance charge of \$10.00.

J. GENERAL Waiver of any default shall not be a waiver of any other default; all of Seller's rights are cumulative and not alternative. No waiver or change in this agreement or in any related note shall bind Seller unless in writing signed by one of its officers. The term "Seller" shall include any assignee of Seller who is the holder of this agreement. After assignment of this agreement by Seller, the assignor will not be the assignee's agent for any purpose and Buyer'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 Buyer for breach of warranty or for any other reason whatsoever. 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. Buyer waives all exemptions to the extent permitted by law. Buyer hereby waives any right to trial by jury in any action relating to this agreement. Seller may correct patent errors herein. All of the terms and provisions of this agreement shall apply to and be binding upon Buyer, its heirs, personal representatives, successors and assigns and shall inure to the benefit of Seller, its successors and assigns.

K. ACCELERATION INTEREST. Buyer agrees to pay Seller, 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 Buyer can legally obligate itself to pay and/or Seller can legally collect. Any note taken herewith evidences indebtedness and not payment. All amounts payable hereunder are payable at Seller's address shown below or at such other address as Seller may specify from time to time in writing.

L. LATE INSTALLMENTS. For each installment not paid within ten (10) days of its scheduled due date Buyer agrees to pay Seller a default charge of 4% of the amount of such installment.

M. SECURITY INTEREST. To secure payment of the TIME BALANCE (Item 8), Seller retains title to and a security interest in the Collateral regardless of any retaking and redelivery of the Collateral to Buyer.

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

O. DISCLAIMER. There are no warranties other than those made by the manufacturer of the Collateral. SELLER MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE QUALITY, WORKMANSHIP, DESIGN, MERCHANTABILITY, SUITABILITY, OR FITNESS OF THE COLLATERAL FOR ANY PARTICULAR PURPOSE, OR ANY OTHER REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, unless such warranties are in writing and signed by Seller. Seller shall not under any circumstances be liable for loss of anticipatory profits or for consequential damages.

P. ADDITIONAL COVENANTS AND ORAL AGREEMENT. THIS AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES. Buyer and Seller agree that this is a three page agreement and each page hereof constitutes a part of this agreement.

Q. CHATTEL PAPER. This specific Security Agreement is to be sold only to ASSOCIATES COMMERCIAL CORPORATION and is subject to the security interest of ASSOCIATES COMMERCIAL CORPORATION. The only copy of this Security Agreement which constitutes Chattel Paper for all purposes of the Uniform Commercial Code is the copy marked "ORIGINAL FOR ASSOCIATES" which is delivered to and held by ASSOCIATES COMMERCIAL CORPORATION. Any change in the name of the assignee of this Security Agreement from ASSOCIATES COMMERCIAL CORPORATION shall render the copy of this Security Agreement so changed VOID and of no force and effect. No assignee or secured party other than Associates Commercial Corporation will under any circumstances acquire any rights in, under or to this Security Agreement or any sums due

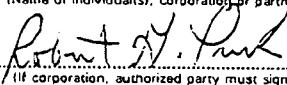
NOTICE TO BUYER :
DO NOT SIGN THIS CONTRACT IN BLANK.
YOU ARE ENTITLED TO AN EXACT COPY OF THE CONTRACT YOU SIGN.
KEEP IT TO PROTECT YOUR LEGAL RIGHTS.

Buyer hereby acknowledges receipt of an exact copy of this contract.

Date 03/18/98

ROBERT G. PRISK

Buyer(s) (Name of individual, corporation or partnership. Give trade style, if any, after name.)

By  Title INDIVIDUAL
(If corporation, authorized party must sign and show corporate title. If partnership, a general partner must sign. If owner(s) or partner, show which.)

By Title
(If co-owner, co-partner or co-officer, sign here and show which.)

LAKE DIESEL INC. DBA LAKE PETERBILT CO.

Seller (Name of individual, corporation or partnership.)

By Title
(If corporation, authorized party must sign and show corporate title. If partnership, a general partner must sign. If owner or partner, show which.)

8125 WATTSBURG ROAD

(Street Address)

BOX 440 SCOHFIELD ST.

(Street Address)

ERIE PA 16509

(City, State and Zip Code)

CURWENSVILLE

CLEARFIELD PA 16833

(City, County, State, and Zip Code)

Buyer's Initials 

Page 3 of 3 of Security Agreement dated 03/18/98 between ROBERT G. PRISK and LAKE DIESEL INC. DBA LAKE PETERBILT CO. (Buyer) (Seller) which includes, without limitation, an item of Collateral with the following serial number: 1XPSD69X9WN446865.

SELLER'S AGREEMENT

For value received, the undersigned ("Assignor") hereby sells, assigns and transfers to ASSOCIATES COMMERCIAL CORPORATION, its successors and assigns ("Assignee"), all Assignor's right, title and interest in and to (a) that certain security agreement dated 03/18/98 between ROBERT G. PRISK ("Buyer") and Assignor which includes, without limitation, an item of Collateral, as defined herein, with the following serial number: XPS5D93X9WN446893 (the "Security Agreement"), (b) any notes, guaranties and other documents executed in connection with the Security Agreement (herein, with the Security Agreement, called the "Documents"), (c) all amounts due and to become due under the Documents, (d) the property in which a security interest is granted to or reserved by Assignor under the Security Agreement (the "Collateral"), and (e) all of Assignor's rights and remedies under or in connection with the Documents, including the right, without notice to Assignor and without affecting Assignor's liability hereunder: (i) to collect any and all amounts owing under the Documents, (ii) to endorse Assignor's name on any note or remittance received, (iii) to release or discharge the Buyer under the Security Agreement or any other persons obligated under the Documents, on terms satisfactory to Assignee, by operation of law or otherwise, (iv) to settle, compromise or adjust any and all rights against and to grant extensions of time of payment to Buyer or any other persons obligated under the Documents, and (v) to take any other action Assignor might take but for this assignment. Assignor warrants that: the Documents are genuine, enforceable and in all respects what they purport to be; all signatures, names, addresses, amounts and other statements and facts contained in the Documents and herein are true and correct; the Collateral was sold to Buyer in a bona fide time sale transaction; Buyer has paid the down payment in cash or as otherwise set forth in the Security Agreement, and no part thereof was loaned directly or indirectly by Assignor; the Collateral was delivered in satisfactory condition to Buyer on the date set forth below and was accepted by Buyer; any notice of insurance or certificate or policy thereof was or will be delivered to Buyer within the time required by law; all parties to the Documents have the capacity to contract and none of such parties is a minor; the security interest and reservation of title evidenced by the Security Agreement are valid, first, prior to all others and effective against all persons;

Assignor has caused or will promptly cause such actions or procedures to be taken as are required or permitted by statute or regulation to perfect such security interest and reservation of title in Assignee's favor, including, without limitation, filing financing statements, recording documents and obtaining Certificates of Title disclosing Assignee's interest; Assignor has full title to and the right to sell and assign the Documents and the security interest and reserved title evidenced thereby, and this assignment conveys the same free and clear of all liens and encumbrances whatsoever; the Documents are and will continue free from defenses, counterclaims, cross-claims, and set-offs; and Assignor shall continue to be liable hereunder, notwithstanding Assignee's waiver of or failure to enforce any of the terms, covenants or conditions contained in the Documents or any release of, or failure on the part of Assignee to realize upon or protect, the Collateral or any lien thereon. If any of the foregoing warranties are untrue, regardless of Assignee's knowledge thereof or lack of reliance thereon, or if Assignor breaches any provision hereof, Assignor hereby unconditionally agrees to (i) indemnify and hold Assignee harmless from any losses, damages or claims arising therefrom, and (ii) purchase the Documents on written demand from Assignee for the balance remaining unpaid thereunder, plus any expenses of collection, repossession, transportation and storage, and reasonable attorneys' fees and court costs incurred by Assignee, less any customary refund by Assignee of unearned finance charges.

ANY REASSIGNMENT OF THE DOCUMENTS AND/OR THE COLLATERAL BY ASSIGNEE SHALL BE WITHOUT RE COURSE OR WARRANTY OF ANY KIND. Assignor waives notice of acceptance hereof, presentment and demand for payment, protest and notice of non-payment, and subordinates all rights Assignor may now or hereafter have against Buyer to any rights Assignee may now or hereafter have against Buyer. Assignor shall have no authority to, and will not, without Assignee's prior consent, accept collections, repossess, substitute or consent to the return of the Collateral or modify the terms of the Documents.

The Collateral was delivered to Buyer on 03/18/98
(Date)

WITH RE COURSE: If Buyer fails to pay any payment on the Documents when due, or if Buyer is otherwise in default under the terms of the Documents, or if Buyer or Assignor becomes insolvent or makes an assignment for the benefit of creditors, or if a petition for a receiver or in bankruptcy is filed by or against Buyer or Assignor, then in any of such events Assignor will, without requiring Assignee to proceed against Buyer or any other person or any security, repurchase the Documents on written demand and pay Assignee in cash the balance remaining unpaid thereunder plus any expenses of collection, repossession, transportation and storage, and reasonable attorneys' fees and court costs incurred by Assignee, less any customary refund by Assignee of unearned finance charges. The terms and provisions of Seller's Assignment above the following described agreement are incorporated herein by reference:

Dated
(Identify specific agreement or, if none, show "None")

Assignor
(Name of individual, corporation or partnership.)

By
(If corporation, authorized party must sign and show corporate title. If partnership, a general partner must sign. If owner or partner, show which.)

WITHOUT RE COURSE: This assignment is Without Recourse as to the financial ability of the Buyer to pay, except as provided in Seller's Assignment above or as may be otherwise provided in the following described agreement between Assignor and Assignee. The terms and provisions of Seller's Assignment above and the following described agreement are incorporated herein by reference.

SPECIAL DEALER AGREEMENT
THE ASSOCIATES SPECIAL DEALER AGREEMENT-WOR
DATED 09-12-97
(Identify specific agreement or, if none, show "None")

Dated 03/18/98

LAKE DIESEL INC DBA LAKE PETERBILT CO.
Assignor
(Name of individual, corporation or partnership.)

By *Robert G. Prisk*
(If corporation, authorized party must sign and show corporate title. If partnership, a general partner must sign. If owner or partner, show which.)

REPURCHASE: Assignor hereby agrees with Assignee that in the event of repossession of the Collateral Assignor on written demand will purchase the Security Agreement from Assignee at a place designated by Assignee for the balance remaining unpaid under the Security Agreement plus any expenses of collection, repossession, transportation and storage, and reasonable attorneys' fees and court costs incurred by Assignee, less any customary refund by Assignee of unearned finance charges, and will so purchase the Security Agreement even though Assignee may have waived full performance of the provisions of the Security Agreement by Buyer without Assignor's consent. The terms and provisions of Seller's Assignment above and the following described agreement are incorporated herein by reference.

Dated
(Identify specific agreement or, if none, show "None")

Assignor
(Name of individual, corporation or partnership.)

By
(If corporation, authorized party must sign and show corporate title. If partnership, a general partner must sign. If owner or partner, show which.)

AGREEMENT



ASSOCIATES COMMERCIAL CORPORATION

ASSOCIATES COMMERCIAL CORPORATION

50 LAKEFRONT BLVD STE. 130

BUFFALO, NY 14202

Gentlemen:

You have purchased one or more conditional sale contracts, lease agreements, chattel mortgages, security agreements, notes and other choses in action (herein designated "Accounts") arising from the sale or lease to us, by various vendors or lessors, of equipment and/or inventory (herein designated "Collateral") and/or you have made direct loans to us and/or leased Collateral to us and/or otherwise extended credit to us evidenced by Accounts creating security interests in Collateral.

In order to induce you to extend our time of payment on one or more Accounts and/or to make additional loans to us and/or to lease Collateral to us and/or to purchase additional Accounts, and in consideration of you so doing, and for other good and valuable consideration, the receipt of which we hereby acknowledge, we agree as follows:

All presently existing and hereafter acquired Collateral (the description of which is incorporated herein by reference) in which you have or shall have a security interest shall secure the payment and performance of all our liabilities and obligations to you of every kind and character, whether joint or several, direct or indirect, absolute or contingent, due or to become due, and whether under presently existing or hereafter created Accounts or agreements, or otherwise (herein individually and collectively designated "Obligations").

We further agree that your security interest in the Collateral covered by any Account now held or hereafter acquired by you shall not be terminated in whole or in part until and unless all of our Obligations to you are fully paid and satisfied and the terms of every Account now owned or hereafter acquired by you have been fully performed by us. It is further agreed that you are to retain your security interest in all Collateral covered by all Accounts now owned or hereafter acquired by you, as security for payment and performance under each such Account, notwithstanding the fact that one or more of such Accounts may become fully paid.

A default under any Account or other agreement between us shall be deemed to be a default under all other Accounts and agreements. A default shall result if we fail to pay any sum when due on any Account or agreement, or if we breach any of the other terms and conditions thereof, or if we become insolvent, cease to do business as a going concern, make an assignment for the benefit of creditors, or if a petition for a receiver or in bankruptcy is filed by or against us, or if any of our property is seized, attached or levied upon. Upon our default any or all Accounts and agreements shall, at your option, become immediately due and payable without notice or demand to us or any other party obligated thereon, and you shall have and may exercise any and all rights and remedies of a secured party under the Uniform Commercial Code as enacted in the applicable jurisdiction(s) and as otherwise granted or accorded to you under any Account, other agreement, rule of law, judicial decision or statute. We hereby waive, to the maximum extent permitted by law, notices of default, notices of repossession and sale or the disposition of Collateral, and all other notices, and in the event any such notice cannot be waived, we agree that if such notice is mailed to us postage prepaid at the address shown below at least ten (10) days prior to the exercise by you of any of your rights or remedies, such notice shall be deemed to be reasonable and shall fully satisfy any requirement for giving notice.

All rights and remedies granted to you hereunder shall be cumulative and not alternative, shall be in addition to and shall in no manner impair or affect your rights and remedies under any existing Account, agreement, statute, judicial decision or rule of law.

This instrument is intended to create cross-default and cross-security between and among all Accounts now owned or hereafter acquired by you.

This agreement may not be varied or altered nor its provisions waived except by your duly executed written agreement. This agreement shall inure to the benefit of your successors and assigns and shall be binding upon our heirs, administrators, executors, legal representatives, successors and assigns.

IN WITNESS WHEREOF, we have executed this Agreement on 03/18/98
(Date)

ROBERT G. PRISK

(Name of Proprietorship, Partnership or Corporation, as applicable)

BOX 440 SCOHFIELD ST.

CURWENSVILLE PA 16833

(Principal Place of Business)

By Robert G. Prisk INDIVIDUAL
(Signature) (Owner, Partner or Officer, as applicable)

By _____
(Signature) (Owner, Partner or Officer, as applicable)

Accepted and agreed to on _____

03/18/98

(Date)

ASSOCIATES COMMERCIAL CORPORATION

By John D. Prisk
(Name and Title)

TRANSFER AND ASSUMPTION
AGREEMENT

1384620

ACCOUNT NUMBER

This Transfer and Assumption Agreement dated 01/08/99

is entered into by and between the undersigned

Transferor ("Transferor"), the undersigned transferee ("Transferee"), Associates Commercial Corporation, 50 Lakeshore Blvd., Suite 130, Buffalo, NY 14202 ("Assignee") and any guarantor, endorser or dealer signed below.

On 03/18/98

Transferor purchased or leased from Lake Diesel, Inc. DBA Lake Peterbilt Co. ("Dealer")
6123 Wallisburg Rd., Erie PA 16514

the following described property (herein, with all present and future attachments, accessories, replacements parts, repairs, add-ons, and all proceeds thereof, referred to as "Collateral"):

1998 Peterbilt 379 Tractor S#1XP5D69X9WN446865

and on that date executed a Security Agreement, Conditional Sale Contract, Chattel Mortgage or Lesse (herein, with all amendments, hereeto and any accompanying notes, referred to as the "Contract") as evidence of and as security for the payment of the amount set forth therein, of which there now remains unpaid under the Contract the sum of \$ 112,754.56 ("Present Balance") which is payable in 64 remaining installments as follows:

For equal successive monthly installments:

(a) \$ _____ on _____ (date) 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) Transferee to pay \$2,328.06 at the time of transfer which represents 12/18/98 installement, \$317.07 in Late Charges and \$250.00 Transfer Fee followed by 63 installments of \$1,761.79 commencing on 01/18/99
followed by a like sum on a like date thereafter until fully paid

The Contract together with any guarantees or other documents executed in connection with the Contract have been assigned to Assignee and are now owned by Assignee. The Contract and any such guarantees and other documents and the Dealer's assignment thereof are herein collectively called the "Document". Transferor has advised Assignee that Transferor desires to sell to Transferee, and that Transferee desires to purchase, subject to the security interest, lien and/or reservations of title evidenced by the Contract, Transferor's interest in the Collateral, but Transferor is prohibited from doing so without first obtaining the written consent of Assignee to such sale. Transferor has requested Assignee to consent to the sale of the Collateral by Transferor to Transferee. Assignee has expressed its willingness to give its written consent to such sale provided that: (i) this Agreement is executed by Transferor and Transferee and delivered to Assignee; (ii) any guarantors and/or endorsers of Transferor's obligations under the Contract (individually and collectively called the "Guarantor") and the Dealer and/or manufacturer, if required by Assignee, executed and delivered to Assignee this Agreement or such other consent and acknowledgement of the continuance of their obligations and liabilities under the Documents as Assignee may require; and (iii) the security interest, lien and/or reservation of title evidenced by the Contract is and continues to be valid, first, prior to all others and effective against all persons whether such persons are claiming by, through or under Transferor, Transferee or any other person.

NOW, THEREFORE, Transferor, for and in consideration of One Dollar and other valuable consideration paid by Transferor to Transferee, hereby sells and assigns to Transferee, all of Transferor's rights, title and interest in and to the Collateral, subject to the terms, conditions and agreements hereof and of the Contract, including, without limitation, the security interest, lien and/or reservation of title evidenced thereby.

The Collateral will be kept at: RD#2 Box 48 Curwensville, PA 16833
(Street Address & City) (County) (State/Province & Zip Code)

Present location of the Collateral if different from the foregoing: Street Address & City (County) (State/Province & Zip Code)

No oral Agreement, Guarantee, Promise, Representation or Warranty shall be binding on Assignee.

The additional terms and conditions on the reverse side are a part of this agreement.

IN WITNESS WHEREOF, we have hereunder set our hands and seals as of the day and year first above written.

TRANSFEROR HEREBY ACKNOWLEDGES RECEIPT OF AN EXACT COPY OF THIS AGREEMENT AND THE CONTRACT

TRANSFEROR Robert G. Prisk
(Name of individual, corporation or partnership
Give trade style, if any, after name.)

BY: *Robert G. Prisk* TITLE: Individual
If corporation, authorized party must sign and name corporate
title. If partnership, a general partner must sign. If owner(s) or
partner, show which.)

TRANSFEROR HEREBY ACKNOWLEDGES RECEIPT OF AN EXACT COPY OF THIS AGREEMENT AND THE CONTRACT

TRANSFEREE Robert W. Evans
(Name of individual, corporation or partnership
Give trade style, if any, after name.)

BY: *Robert W. Evans* TITLE: Individual
If corporation, authorized party must sign and name corporate
title. If partnership, a general partner must sign. If owner(s) or
partner, show which.)

RD#2 Box 48
(Street Address of Transferee)

Curwensville Clearfield, PA 16833
(City, COUNTY, State or Province and Zip Code)

Witness to
Transferor's
signature *Laird R. Stevenson*
(Witness)

Witness to
Transferor's
signature *Laird R. Stevenson*
(Witness)

GUARANTOR HEREBY ACKNOWLEDGES RECEIPT OF AN EXACT COPY OF THIS AGREEMENT

GUARANTOR
OR ENDORSER NONE
(Name of individual, corporation or partnership)

BY
(Individuals or partners must sign and name
Sign simply "John Smith", not "John Smith, President")

BY
(Individuals or partners must sign and name
Sign simply "John Smith", not "John Smith, President")

DEALER HEREBY ACKNOWLEDGES RECEIPT OF AN EXACT COPY OF THIS AGREEMENT.

DEALER Lake Diesel, Inc. DBA Lake Peterbilt Co.

By *Laird Stevenson* TITLE *✓-Pss*

Assignee hereby consents to the above sale, transfer and assumption pursuant to the terms and conditions of the above Agreement

ASSOCIATES COMMERCIAL CORPORATION,

EXHIBIT

AUTHORIZED REPRESENTATIVE

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF TRANSPORTATION
CERTIFICATE OF TITLE FOR A VEHICLE

8-370

990223030000106-002

EXP5069X9HN446865
VEHICLE IDENTIFICATION NUMBER98 PETERBILT
YEAR NAME OF VEHICLE51845890502 RO
TITLE NUMBER

TT	0	0	0	1/22/99	800000	0
BODY TYPE	OUT	SEAT CAP	OWNER TITLE STATE	ODOM. MILEAGE DATE	ODOM. MILES	ODOM. STATUS
3/31/98	3/22/99	17,230	UNLOAD. WEIGHT	CYMM	80,000	GOVM
DATE OF TITLE CO	DATE OF ISSUE				GOVM	TITLE BRANDS

ODOMETER STATUS
 1 - ACTUAL MILEAGE
 2 - MILEAGE EXACTS THE MECHANICAL
 LIMIT
 3 - NOT THE ACTUAL MILEAGE
 4 - NOT THE ACTUAL MILEAGE-Odometer
 TAMPERED VERIFIED
 4 - EXEMPT FROM ODOMETER DISCLOSURE

TITLE BRANDS
 1 - ANTI-DEPRECIATION
 2 - CHAGED VEHICLE
 3 - COMMERCIAL VEHICLE
 4 - OUT OF COUNTRY
 5 - ORIGINALLY IMPORT FOR NORMAL
 DISTRIBUTION
 6 - AGRICULTURAL VEHICLE
 7 - LOGGING VEHICLE
 8 - PERSONAL USE VEHICLE
 9 - RECONDITIONED
 10 - STREET CAR
 11 - RECONVOLVED TRUCK VEHICLE
 12 - VEHICLE CONTAINS REINFORCED
 13 - FLOOD VEHICLE
 14 - JUMPS A TAX

RECORDED OWNERS

ROBERT W EVANS D/B/A
 BOB EVANS TRUCKING
 R D 2 BOX 48
 CURWENSVILLE PA 16833

FIRST LIEN FAVOR OF:

ASSOCIATES COMMERCIAL

SECOND LIEN FAVOR OF:

U = Second lienholder is kept upon expiration of the first lien. On the last
 anniversary date forward the Title to the Bureau of Motor Vehicles with the
 appropriate form and fee.

FIRST LIEN RELEASED _____ DATE _____

BY _____ AUTHORIZED REPRESENTATIVE _____

MAILING ADDRESS

031250
 ASSOCIATES COMMERCIAL
 BOX 168647
 IRVING TX 75016

SECOND LIEN RELEASED _____ DATE _____

BY _____ AUTHORIZED REPRESENTATIVE _____

I certify as of the date of issue, the official records of the Pennsylvania Department
 of Transportation reflect that the person(s) or company named herein is the lawful
 owner of the said vehicle.

BRADLEY L MALLORY

Secretary of Transportation

D. APPLICATION FOR TITLE AND LIEN INFORMATION

SUBSCRIBED AND SWORN
TO BEFORE ME

NO. 047 YEAR

When applying for title with a co-owner, other than your spouse, check one of
 these blocks. If no block is checked, title will be issued as "Tenants in Common".

Joint Tenants with Right of Survivorship (or Tenant in One Common, non-perv.
 to the surviving owner)

Tenants in Common (or death of one owner, interest of deceased owner
 goes in his or her heirs or estate)

SIGNATURE OF PERSON AUTHENTICATING DATA

SEAL

The undersigned hereby certifies application for Certificate of Title to the vehicle described
 above, subject to the encumbrances and other legal claims set forth here.

SIGNATURE OF APPLICANT OR AUTHORIZED SIGNER

SIGNATURE OF CO-APPLICANT/ TITLE OF AUTH.

EXHIBIT

REPORT

SIGNATURE NUMBER

STATE THAT THE VEHICLE IS TITLE

TO THE BUREAU OF MOTOR VEHICLES



SECURITY AGREEMENT
(Conditional Sale Contract)

The undersigned buyer, meaning all buyers jointly and severally ("Buyer"), having been quoted both a time sale price and cash sale price, has elected to purchase and hereby purchases from the undersigned seller ("Seller") for the time sale price equal to the cash price (item 1) plus the total insurance costs (item 4) plus the total other costs (item 5) plus the finance charge (item 7) shown below, under the terms and provisions of this agreement, the following described property (herein, with all present and future attachments, accessories, replacement parts, repairs, additions, and all proceeds thereof, referred to as "Collateral"):

Year	Make	Model	Description	Identification Number
1994	PETERBILT	379	TRACTOR	1XP5DE9X6RN342512

Collateral Will Be Kept At (Address): CURWENSVILLE County CLEARFIELD State PA

INSURANCE COVERAGE

LIABILITY INSURANCE COVERAGE FOR BODILY INJURY AND PROPERTY DAMAGE CAUSED TO OTHERS IS NOT INCLUDED IN THIS AGREEMENT.

PHYSICAL DAMAGE INSURANCE COVERING THE COLLATERAL IS REQUIRED; however, Buyer has the option of furnishing the required insurance either through existing policies or through an agent or broker of Buyer's choice.

Buyer requests and authorizes Seller to obtain the insurance coverage checked 4(a) Insurance Costs on the Collateral for months and for the premium set forth 4(a) Insurance Costs.

CHECK
ONE
↑
↓

Buyer has obtained the required coverages through:

(Agent's Name and Address)

(Name of Insurance Company)

CREDIT INSURANCE, if included, is not a factor in the approval of credit, is not required by the Seller and is for the term of the credit only.

Buyer desires Credit Insurance: Premium \$ 572.80
(Enter above and in 4(b) - INSURANCE CHARGES)

CHECK
ONE
↑
Buyer hereby requests and authorizes Seller to obtain Credit Insurance, if checked above, to the extent the cost thereof is included in Item 4(b) - Insurance Charges.

Buyer does not want Credit Insurance.

BUYER

Robert W. Evans Date *2-1-99*
(Only one person may sign above, and any credit insurance covers only that person. Credit insurance does not cover any co-buyer.)

Page 1 of 3 of Security Agreement dated 2-1-99 between ROBERT W. EVANS DBA BOB EVANS TRUCKING and LAKE DIESEL, INC. DBA LAKE PETERBILT CO. serial number: 1XP5DE9X6RN342512

EXHIBIT

Labels

D
600178 Rev. 4-94
Comm'l Veh-PA
1.02

TES

Buyer's
Initials
RWE

(Buyer) includes, without limitation, an item of Collateral with the following

PAYMENT SCHEDULE: Buyer promises to pay Seller the TIME BALANCE (Item 8 above) in *38* installments as follows:

3-1-99 (Total No. of installments)

02/15/99

For equal successive monthly installments: (a) \$ 1,283.16 on 1/15/99 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 \$ 1,283.16.

For other than equal successive monthly installments: (b)

A. COLLATERAL USE. Buyer warrants and agrees that: the Collateral was delivered to and accepted by Buyer in satisfactory condition; the Collateral will be used solely for business purposes; the Collateral is free from and will be kept free from all liens, claims, security interests and encumbrances other than that created hereby; notwithstanding Seller's claim to proceeds, Buyer will not, without Seller's prior written consent, sell, rent, lend, encumber, pledge, transfer, secrete or otherwise dispose of any of the Collateral, nor will Buyer 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 Buyer's business and in conformity with all applicable governmental laws and regulations; the Collateral shall remain personal property and not become part of any real property regardless of the manner of affixation; Seller may inspect the Collateral at all reasonable times and from time to time; and the Collateral will be kept by Buyer 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 Seller, except that an item of Collateral which is mobile and of a type normally used at more than one location may be used by Buyer away from said location in the regular course of Buyer's business provided that (a) such item is not removed from the State of said location, and (b) if such item is not returned to said location within 30 days, Buyer will immediately thereafter, and each 30 days thereafter until the item is returned, report the then current location thereof to Seller in writing.

B. COLLATERAL PRESERVATION. Buyer agrees, at its own cost and expense: to do everything necessary or expedient to perfect and preserve the security interests of Seller obtained hereunder; to defend any action, proceeding or claim affecting the Collateral including but not limited to any forfeiture action or proceeding; to pay all expenses incurred by Seller in enforcing its rights after the occurrence of an event of default hereunder, including the reasonable fees of any attorneys retained by Seller (15% 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. INSURANCE. Buyer shall at all times bear all risk of loss of, damage to or destruction of the Collateral. Buyer agrees to procure forthwith and maintain insurance on the Collateral, for the actual cash value thereof and for the life of this agreement, in the form of Fire Insurance with Combined Additional Coverage and Collision, Theft and/or Vandalism and Malicious Mischief Coverage when appropriate, plus such other insurance as Seller may specify from time to time, all in form and amount and with insurers satisfactory to Seller. Buyer agrees to deliver promptly to Seller certificates or, if requested, policies of insurance satisfactory to Seller, each with a standard long-form loss-payable endorsement naming Seller or assigns as loss-payee as their interests may appear. Each policy shall provide that Seller's interest therein will not be invalidated by the acts, omissions or neglect of anyone other than Seller, and will contain insurer's agreement to give 30 days prior written notice to Seller before cancellation of or any material change in the policy will be effective as to Seller, whether such cancellation or change is at the direction of Buyer or insurer. Seller's acceptance of policies in lesser amounts or risks will not be a waiver of Buyer's foregoing obligation. Buyer assigns to Seller all proceeds of any physical damage or credit insurance for which a charge is stated herein or which is maintained by Buyer in accordance herewith, including returned and unearned premiums, up to the amount owing hereunder by Buyer. Buyer directs all insurers to pay such proceeds directly to Seller. Buyer authorizes Seller to endorse Buyer's name to all remittances without the joinder of Buyer.

D. FINANCING STATEMENT. If permitted by law, Buyer agrees that a carbon, photographic or other reproduction of this agreement or of a financing statement may be filed as a financing statement.

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

F. DEFAULT. Time is of the essence. An event of default shall occur if: (a) Buyer fails to pay when due any amount owed by it to Seller or to any affiliate of Seller, whether hereunder or under any other instrument or agreement; (b) Buyer 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 Buyer to Seller or to any affiliate of Seller or otherwise acquired by Seller or any affiliate of Seller; (c) Buyer becomes insolvent or ceases to do business as a going concern; (d) any of the Collateral is lost or destroyed; (e) Buyer makes an assignment for the benefit of creditors or takes advantage of any law for the relief of debtors; (f) a petition in bankruptcy or for an arrangement, reorganization, or similar relief is filed by or against Buyer; (g) any property of Buyer is attached, or a trustee or receiver is appointed for Buyer or for a substantial part of its property, or Buyer applies for such appointment; or (h) there shall be a material change in the management, ownership or control of Buyer.

G. REMEDIES. Upon the occurrence of an event of default, and at any time thereafter as long as the default continues, Seller may, at its option, with or without notice to Buyer (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 Buyer to Seller 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 the right to require Buyer to assemble the Collateral and deliver it to Seller at a place to be designated by Seller 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 Seller, 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 Buyer. Unless otherwise provided by law, any requirement of reasonable notice which Seller may be obligated to give regarding the sale or other disposition of Collateral will be met if such notice is mailed to Buyer at its address shown herein at least ten days before the time of sale or other disposition. Seller may buy at any sale and become the owner of the Collateral. Buyer agrees that Seller may bring any legal proceedings it deems necessary to enforce the payment and performance of Buyer's obligations hereunder in any court in the State shown in Seller's address set forth herein, and service of process may be made upon Buyer by mailing a copy of the summons to Buyer at its address shown herein. The inclusion of a trade name or division name in the identification of Buyer hereunder shall not limit Seller's right, after the

2-1-99 *LWJ*
Page 2 of 3 of Security Agreement dated *1/15/99* between ROBERT W. EVANS DBA BOB EVANS TRUCKING (Buyer) and LAKE DIESEL, INC. DBA LAKE PETERBILT CO. (Seller) which includes, without limitation, an item of Collateral with the following serial number: 1XP5DE9X6RNJ42512.

occurrence of an event of default, to proceed against all of Buyer's assets, including those held or used by Buyer 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 Seller; 15% of all sums then owing hereunder if permitted by law; and (b) all other legal expenses incurred by Seller. Buyer agrees that it is liable for and will promptly pay any deficiency resulting from any disposition of Collateral after default.

H. REINSTATEMENT. At Seller's option, Buyer may reinstate this agreement and redeem the Collateral within 15 days after notice of repossession, if buyer pays all past due installments, accrued default charges and, if replevined by legal process authorized cost of suit, including reasonable attorney' fees, but if default at time of repossession exceeds 15 days, Buyer shall pay also the expense of retaking, repairing and storage authorized by law. Buyer has the right (as distinguished from Seller's option) to redeem the Collateral and terminate this agreement within 15 days after notice of repossession, by paying the unpaid time balance, plus the foregoing applicable charges, costs and expenses, minus unearned finance charge. If Buyer does not so redeem, Buyer loses all claim to the Collateral.

I. PREPAYMENT. Upon the prepayment in full of all amounts due hereunder, Buyer shall be allowed a prepayment rebate representing the portion of the finance charge which the sum of the periodic time balances after the date of prepayment bears to the sum of all periodic time balances under the payment schedule provided herein, but seller shall be permitted to retain a minimum finance charge of \$10.00.

J. GENERAL. Waiver of any default shall not be a waiver of any other default; all of Seller's rights are cumulative and not alternative. No waiver or change in this agreement or in any related note shall bind Seller unless in writing signed by one of its officers. The term "Seller" shall include any assignee of Seller who is the holder of this agreement. After assignment of this agreement by Seller, the assignor will not be the assignee's agent for any purpose and Buyer'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 Buyer for breach of warranty or for any other reason whatsoever. 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. Buyer waives all exemptions to the extent permitted by law. Buyer hereby waives any right to trial by jury in any action relating to this agreement. Seller may correct patent errors herein. All of the terms and provisions of this agreement shall apply to and be binding upon Buyer, its heirs, personal representatives, successors and assigns and shall inure to the benefit of Seller, its successors and assigns.

K. ACCELERATION INTEREST. Buyer agrees to pay Seller, 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 Buyer can legally obligate itself to pay and/or Seller can legally collect. Any note taken herewith evidences indebtedness and not payment. All amounts payable hereunder are payable at Seller's address shown below or at such other address as Seller may specify from time to time in writing.

L. LATE INSTALLMENTS. For each installment not paid within ten (10) days of its scheduled due date Buyer agrees to pay Seller a default charge of 4% of the amount of such installment.

M. SECURITY INTEREST. To secure payment of the TIME BALANCE (Item 8), Seller retains title to and a security interest in the Collateral regardless of any retaking and redelivery of the Collateral to Buyer.

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

O. DISCLAIMER. There are no warranties other than those made by the manufacturer of the Collateral. SELLER MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE QUALITY, WORKMANSHIP, DESIGN, MERCHANTABILITY, SUITABILITY, OR FITNESS OF THE COLLATERAL FOR ANY PARTICULAR PURPOSE, OR ANY OTHER REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, unless such warranties are in writing and signed by Seller. Seller shall not under any circumstances be liable for loss of anticipatory profits or for consequential damages.

P. ADDITIONAL COVENANTS AND ORAL AGREEMENT. THIS AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES. Buyer and Seller agree that this is a three page agreement and each page hereof constitutes a part of this agreement.

Q. CHATTAL PAPER. This specific Security Agreement is to be sold only to ASSOCIATES COMMERCIAL CORPORATION and is subject to the security interest of ASSOCIATES COMMERCIAL CORPORATION. The only copy of this Security Agreement which constitutes Chattel Paper for all purposes of the Uniform Commercial Code is the copy marked "ORIGINAL FOR ASSOCIATES" which is delivered to and held by ASSOCIATES COMMERCIAL CORPORATION. Any change in the name of the assignee of this Security Agreement from ASSOCIATES COMMERCIAL CORPORATION shall render the copy of this Security Agreement so changed VOID and of no force and effect. No assignee or secured party other than Associates Commercial Corporation will under any circumstances acquire any rights in, under or to this Security Agreement or any sums due

NOTICE TO BUYER :
DO NOT SIGN THIS CONTRACT IN BLANK.
YOU ARE ENTITLED TO AN EXACT COPY OF THE CONTRACT YOU SIGN.
KEEP IT TO PROTECT YOUR LEGAL RIGHTS.

Buyer hereby acknowledges receipt of an exact copy of this contract.

2-1-99 EWE
1/15/99

Date

ROBERT W. EVANS DBA BOB EVANS TRUCKING

Buyer(s)

(Name of individual(s), corporation or partnership. Give trade style, if any, after name.)

X EWE

Title INDIVIDUAL

(If corporation, authorized party must sign and show corporate title. If partnership, a general partner must sign. If owner(s) or partner, show which.)

By

Title

(If co-buyer, co-partner or co-owner, sign here and show which.)

LAKE DIESEL, INC. DBA LAKE PETERBILT CO.

Seller

(Name of individual, corporation or partnership.)

By X EWE Title EWE

(If corporation, authorized party must sign and show corporate title. If partnership, a general partner must sign. If owner or partner, show which.)

8125 WATTSBURG ROAD

(Street Address)

RD # 2 BOX 48

(Street Address)

ERIE

PA 16509

(City, State and Zip Code)

CURWENSVILLE

PA 15833

(City, County, State, and Zip Code)

Page 3 of 3 of Security Agreement dated 2-1-99 between ROBERT W. EVANS DBA BOB EVANS TRUCKING and LAKE DIESEL, INC. DBA LAKE PETERBILT CO. and serial number: 1XP50E9X6RN342512.

(Buyer) (Seller) which includes, without limitation, an item of Collateral with the following

SELLER'S AGREEMENT

For value received, the undersigned ("Assignor") hereby sells, assigns and transfers to ASSOCIATES COMMERCIAL CORPORATION, its successors and assigns ("Assignee"), all Assignor's right, title and interest in and to (a) that certain security agreement dated 1-15-99 between Assignor and ROBERT W. EVANS DBA BOB EVANS TRUCKING ("Buyer") and Assignor which includes, without limitation, an item of Collateral, as defined herein, with the following serial number: 1XP50E9X6RN342512 (the "Security Agreement"), (b) any notes, guaranties and other documents executed in connection with the Security Agreement (herein, with the Security Agreement, called the "Documents"), (c) all amounts due and to become due under the Documents, (d) the property in which a security interest is granted to or reserved by Assignor under the Security Agreement (the "Collateral"), and (e) all of Assignor's rights and remedies under or in connection with the Documents, including the right, without notice to Assignor and without affecting Assignor's liability hereunder: (i) to collect any and all amounts owing under the Documents, (ii) to endorse Assignor's name on any note or remittance received, (iii) to release or discharge the Buyer under the Security Agreement or any other persons obligated under the Documents, on terms satisfactory to Assignee, by operation of law or otherwise, (iv) to settle, compromise or adjust any and all rights against and to grant extensions of time of payment to Buyer or any other persons obligated under the Documents, and (v) to take any other action Assignor might take but for this assignment. Assignor warrants that: the Documents are genuine, enforceable and in all respects what they purport to be; all signatures, names, addresses, amounts and other statements and facts contained in the Documents and herein are true and correct; the Collateral was sold to Buyer in a bona fide time sale transaction; Buyer has paid the down payment in cash or as otherwise set forth in the Security Agreement, and no part thereof was loaned directly or indirectly by Assignor; the Collateral was delivered in satisfactory condition to Buyer on the date set forth below and was accepted by Buyer; any notice of insurance or certificate or policy thereof was or will be delivered to Buyer within the time required by law; all parties to the Documents have the capacity to contract and none of such parties is a minor; the security interest and reservation of title evidenced by the Security Agreement are valid, first, prior to all others and effective against all persons;

Assignor has caused or will promptly cause such actions or procedures to be taken as are required or permitted by statute or regulation to perfect such security interest and reservation of title in Assignee's favor, including, without limitation, filing financing statements, recording documents and obtaining Certificates of Title disclosing Assignee's interest; Assignor has full title to and the right to sell and assign the Documents and the security interest and reserved title evidenced thereby, and this assignment conveys the same free and clear of all liens and encumbrances whatsoever; the Documents are and will continue free from defenses, counterclaims, cross-claims, and set-offs; and Assignor shall continue to be liable hereunder, notwithstanding Assignee's waiver of or failure to enforce any of the terms, covenants or conditions contained in the Documents or any release of, or failure on the part of Assignee to realize upon or protect, the Collateral or any lien thereon. If any of the foregoing warranties are untrue, regardless of Assignee's knowledge thereof or lack of reliance thereon, or if Assignor breaches any provision hereof, Assignor hereby unconditionally agrees to (i) indemnify and hold Assignee harmless from any losses, damages or claims arising therefrom, and (ii) purchase the Documents on written demand from Assignee for the balance remaining unpaid thereunder, plus any expenses of collection, repossession, transportation and storage, and reasonable attorneys' fees and court costs incurred by Assignee, less any customary refund by Assignee of unearned finance charges.

ANY REASSIGNMENT OF THE DOCUMENTS AND/OR THE COLLATERAL BY ASSIGNEE SHALL BE WITHOUT RECOURE OR WARRANTY OF ANY KIND. Assignor waives notice of acceptance hereof, presentment and demand for payment, protest and notice of non-payment, and subordinates all rights Assignor may now or hereafter have against Buyer to any rights Assignee may now or hereafter have against Buyer. Assignor shall have no authority to, and will not, without Assignee's prior consent, accept collections, repossess, substitute or consent to the return of the Collateral or modify the terms of the Documents.

L.J. E
2-1-99
The Collateral was delivered to Buyer on 2-1-99
(Date)

WITH RECOURE: If Buyer fails to pay any payment on the Documents when due, or if Buyer is otherwise in default under the terms of the Documents, or if Buyer or Assignor becomes insolvent or makes an assignment for the benefit of creditors, or if a petition for a receiver or in bankruptcy is filed by or against Buyer or Assignor, then in any of such events Assignor will, without requiring Assignee to proceed against Buyer or any other person or any security, repurchase the Documents on written demand and pay Assignee in cash the balance remaining unpaid thereunder plus any expenses of collection, repossession, transportation and storage, and reasonable attorneys' fees and court costs incurred by Assignee, less any customary refund by Assignee of unearned finance charges. The terms and provisions of Seller's Assignment above the following described agreement are incorporated herein by reference:

.....
(Identify specific agreement or, if none, show "None")

Assignor
(Name of individual, corporation or partnership.)

Dated
.....

By
(If corporation, authorized party must sign and show corporate title. If partnership, a general partner must sign. If owner or partner, show which.)

WITHOUT RECOURE: This assignment is Without Recourse as to the financial ability of the Buyer to pay, except as provided in Seller's Assignment above or as may be otherwise provided in the following described agreement between Assignor and Assignee. The terms and provisions of Seller's Assignment above and the following described agreement are incorporated herein by reference.

THE ASSOCIATES/GENERAL DEALER AGREEMENT DATED 9/12/97

.....
(Identify specific agreement or, if none, show "None")

Dated 2-1-99

LAKE DIESEL INC., DBA LAKE PETERBILT CO.

Assignor
(Name of individual, corporation or partnership.)

By *John W. Vice*
(If corporation, authorized party must sign and show corporate title. If partnership, a general partner must sign. If owner or partner, show which.)

REPURCHASE: Assignor hereby agrees with Assignee that in the event of repossession of the Collateral Assignor on written demand will purchase the Security Agreement from Assignee at a place designated by Assignee for the balance remaining unpaid under the Security Agreement plus any expenses of collection, repossession, transportation and storage, and reasonable attorneys' fees and court costs incurred by Assignee, less any customary refund by Assignee of unearned finance charges, and will so purchase the Security Agreement even though Assignee may have waived full performance of the provisions of the Security Agreement by Buyer without Assignor's consent. The terms and provisions of Seller's Assignment above and the following described agreement are incorporated herein by reference.

.....
(Identify specific agreement or, if none, show "None")

Assignor
(Name of individual, corporation or partnership.)

Dated

By
(If corporation, authorized party must sign and show corporate title. If partnership, a general partner must sign. If owner or partner, show which.)

COMMONWEALTH OF PENNSYLVANIA
CERTIFICATE OF TITLE FOR A VEHICLE

807100
99036 3174000040-001

1XP50E9XLRN3425127
VEHICLE IDENTIFICATION NUMBER

1994 PETERBILT
YEAR
MAKE OF VEHICLE

34445715202-EV
TITLE NUMBER

TT	BODY TYPE	DUP	SEAT CAP	PRIOR TITLE STATE	ODOM. PROCD. DATE	ODOM. MILES	ODOM. STATUS
8/16/93	DATE PA TITLED	2/05/99	DATE OF ISSUE	15,090	UNLADEN WEIGHT	80,000	CCMVA

TITLE BRANDS

ODOMETER STATUS
0 = ACTUAL MILEAGE
1 = MILEAGE EXCEEDS THE MECHANICAL
LIMITS
2 = NOT THE ACTUAL MILEAGE
3 = NOT THE ACTUAL MILEAGE & ODOMETER
TAMPERING VERIFIED
4 = EXEMPT FROM ODOMETER DISCLOSURE

REGISTERED OWNER(S)

EVANS, ROBERT W DBA BIR
EVANS TRUCKING
R.D. 2 BOX 48
CURRINSVILLE PA 16833

FIRST LIEN FAVOR OF

SECOND LIEN FAVOR OF

ASSOCIATE COMMERCIAL

FIRST LIEN RELEASED _____ DATE

BY _____ AUTHORIZED REPRESENTATIVE

MAILING ADDRESS

SECOND LIEN RELEASED _____ DATE

BY _____ AUTHORIZED REPRESENTATIVE

ASSOCIATE COMMERCIAL
BOX 168647
IRVING TX 75016

If a second lienholder is listed upon satisfaction of the first, the first
lienholder must forward the title to the Bureau of Motor Vehicles with the
appropriate form and fee.

BUREAU OF MOTOR VEHICLES
Secretary of Transportation

Identify all of the data of issue, the below records of the Pennsylvania Department
of Transportation reflect that the person(s) or company named herein is the lawful owner
of the said vehicle.

D. APPLICATION FOR TITLE AND LIEN INFORMATION

SUBSCRIBED AND SWORN
TO BEFORE ME: _____

MO DAY YEAR

- SIGNATURE OF PERSON ADMINISTERING OATH

SIGN IN PRESENCE: (1)

Warning: Unprivileged third parties application for Certificate of Title is not valid
unless subject to the understanding and other legal claims on both forms.

SIGNATURE OF APPLICANT OR AUTHORIZED SIGNER

STORE IN A SAFE PLACE - IF LOST

TO BE COMPLETED BY PURCHASER WHEN VEHICLE IS SOLD AND THE
APPROPRIATE SECTIONS ON THE REVERSE SIDE OF THIS DOCUMENT ARE
COMPLETED.

If a co-purchaser other than your spouse is listed and you want the title to
be listed as "Joint Tenants With Right of Survivorship" (On death of one
owner, title goes to surviving owner) CHECK HERE Otherwise, the title
will be issued as "Tenants in Common" (On death of one owner, interest of
deceased owner goes to his/her heirs or estate)

1ST LIEN DATE IF NO LIEN CHECK

1ST LIENHOLDER

STREET

CITY

STATE

ZIP

FINANCIAL INSTITUTION NUMBER

2ND LIEN DATE IF NO LIEN CHECK

2ND LIENHOLDER

STREET

CITY

STATE

ZIP

EXHIBIT

ALTERATION OR ERASURE VOIDS THIS TITLE

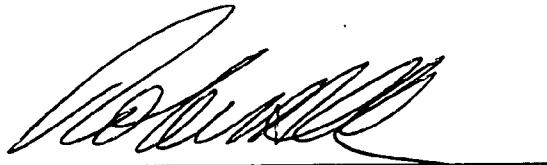
1401

807100

VERIFICATION

I, ROBERT D. KODAK, state that I am not a party to the action but that, at the request of the Plaintiff, ASSOCIATES COMMERCIAL CORPORATION, and based upon knowledge, information, records and documents supplied to me by the Plaintiff, the averments set forth in Plaintiff's Replevin Complaint are true. A Verification executed by the Plaintiff can be supplied at time of trial or upon request.

I understand that false statements herein are made subject to the penalties of 18 Pa. C.S. §4904 relating to unsworn falsification to authorities.



Robert D. Kodak

Dated: 9/27/00

CC 11
C
LAW OFFICES OF
KNUPP, KODAK & IMBLUM, P.C.
407 NORTH FRONT STREET
CAMERON MANSION
HARRISBURG, PA 17108-1848
P.O. BOX 11848
407 NORTH FRONT STREET
CAMERON MANSION
HARRISBURG, PA 17108-1848

TO THE ABOVE-NAMED DEFENDANT:
YOU ARE HEREBY NOTIFIED TO
FILE TO THE EXCLOSED COMPLAINT
WITHIN TWENTY (20) DAYS OF SERVICE
HEREOF OR A DEFAULT JUDGMENT
WILL BE ENTERED AGAINST YOU.

KNUPP, KODAK & IMBLUM, P.C.

BY:

LAW OFFICES OF
KNUPP, KODAK & IMBLUM, P.C.
407 NORTH FRONT STREET
CAMERON MANSION
HARRISBURG, PA 17108-1848



OFFICE OF COURT ADMINISTRATOR
FORTY-SIXTH JUDICIAL DISTRICT OF PENNSYLVANIA

 COPY

CLEARFIELD COUNTY COURTHOUSE
SUITE 228, 230 EAST MARKET STREET
CLEARFIELD, PENNSYLVANIA 16830

DAVID S. MEHOLICK
COURT ADMINISTRATOR

PHONE: (814) 765-2641
FAX: 1-814-765-7649

MARCY KELLEY
DEPUTY COURT ADMINISTRATOR

Notice of Proposed Termination of Court Case

November 10, 2005

FILED

NOV 10 2005

William A. Shan
Prothonotary/Clerk of Courts

RE: 00-1211-CD
Associates Commercial Corporation
Vs.
Robert W. Evans

Dear Plaintiff/Defendant:

Please be advised that the Court intends to terminate the above captioned case without notice, because the Court records show no activity in the case for a period of at least two years.

You may stop the Court terminating the case by filing a Statement of Intention to Proceed. The Statement of Intention to Proceed must be filed with the **Prothonotary** of Clearfield County, 230 East Market Street, Clearfield, Pennsylvania 16830. The Statement of Intention to Proceed must be filed on or before January 17, 2005.

If you fail to file the required statement of intention to proceed within the required time period, the case will be terminated.

By the Court,

A handwritten signature in black ink that appears to read "David S. Meholick".

David S. Meholick
Court Administrator



**OFFICE OF COURT ADMINISTRATOR
FORTY-SIXTH JUDICIAL DISTRICT OF PENNSYLVANIA**

CLEARFIELD COUNTY COURTHOUSE
SUITE 228, 230 EAST MARKET STREET
CLEARFIELD, PENNSYLVANIA 16830

DAVID S. MEHOLICK
COURT ADMINISTRATOR

PHONE: (814) 765-2641
FAX: 1-814-765-7649

MARCY KELLEY
DEPUTY COURT ADMINISTRATOR

Notice of Proposed Termination of Court Case

November 10, 2005

RE: 00-1211-CD
Associates Commercial Corporation
Vs.
Robert W. Evans

Dear Plaintiff/Defendant:

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If you fail to file the required statement of intention to proceed within the required time period, the case will be terminated.

By the Court,

A handwritten signature in black ink, appearing to read "David S. Meholick".

David S. Meholick
Court Administrator

Court of Common Pleas of Clearfield County, Pennsylvania
Civil Division

Associates Commercial Corporation

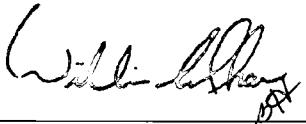
Vs.

00-1211-CD

Robert W. Evans

Termination of Inactive Case

This case is hereby terminated with prejudice
this 17th day of January, 2006, as per Rule 230.2.



William A. Shaw
Prothonotary

FILED

JAN 17 2006

William A. Shaw
Prothonotary/Clerk of Courts