

NOTE AND SECURITY AGREEMENT

LENDER: C.I.T. FINANCIAL SERVICES, INC.
 ADDRESS: 432 So. Seventh St., Klamath Falls, Oregon

BORROWER (1): BURRELL D. CARVER
 BORROWER (2): MARIA A. CARVER
 ADDRESS: 631 COOLIDGE ST., KLAMATH FALLS, OREGON 97601

Page 10087
 LICENSE NO.

05093

72 126.05	DATE OF THIS LOAN 8-10-72	AGE 45	BRANCH 45218	LOAN NO. 4 1693	812
R C					10
RE DM					
		TOTAL OF PAYMENTS \$ 9075.60			
				LIFE INSURANCE PREMIUM \$ 326.77	
				JOINT LIFE INSURANCE PREMIUM \$ -0-	
				DISABILITY INSURANCE PREMIUM \$ -0-	

FOR VALUE RECEIVED, the undersigned (herein called "Borrower") jointly and severally promise to pay to the order of the above named Lender, at the above indicated address, the Total of Payments stated above on the Maturity Date stated above, together with interest on any unpaid balance after maturity at the rate of 10% per annum if permitted by law.

As collateral security for the payment of this note, the undersigned has assigned to the above named Lender the above described Installment Investment Certificate of Lender.

An extension charge of five cents per week shall be assessed on each dollar delinquent one week or more on any installment due under the Installment Investment Certificate described above, but no extension charge will be assessed upon any delinquent installment for more than four weeks. When an extension charge has been paid as provided herein each subsequent installment shall be extended for the length of time for which the extension charge was made.

Borrower hereby assigns to Lender and directs any insurer to pay to Lender any monies which may become payable under any insurance, including return or unearned premiums, for application to the unpaid balance, and authorizes Lender to endorse any draft.

<input type="checkbox"/> This loan is secured by an Installment Investment Certificate in the amount of the Total of Payments described above.			
<input checked="" type="checkbox"/> A security interest has been taken in the property checked and described below and the proceeds thereof to secure this and any future loan:			
<input type="checkbox"/> MOTOR VEHICLE—Year & Make	SERIES NAME (Also "No." if applicable)	BODY TYPE & MODEL NUMBER	IDENTIFICATION NUMBER (Motor or Serial No.)
<input type="checkbox"/> HOUSEHOLD GOODS—All Household Goods wherever located now owned, owned at the time of any future loan or acquired within ten days of this or any future loan.		<input type="checkbox"/> OTHER COLLATERAL (Describe)	
<input checked="" type="checkbox"/> REAL ESTATE (Describe) Lots 1,2,&3 Blk 17 Chelsea Addt. Together with present and future improvements thereon.			
<input checked="" type="checkbox"/> LOCATION OF COLLATERAL IF OTHER THAN ABOVE ADDRESS			

Default in the payment of any installment under the Installment Investment Certificate, or any other default, shall, at the option of the holder hereof, and without notice or demand, render this note immediately due and payable. On any such default, or upon maturity of this note, Lender may apply any payments received under the above described Installment Investment Certificate to Borrower's obligation under this note and any deficiency owed to Lender after said application shall be immediately paid by Borrower to Lender.

Borrower agrees to pay all attorney's fees and any other expenses incurred by Lender to collect the loan or realize on security after default to the extent permitted by law. Borrower agrees that any separate property and community property owned by Borrower shall be subject to the payment of this note and any other obligation due Lender.

Each of the makers, endorsers and guarantors hereof agree that no variation or extension of time hereunder shall affect his respective obligations. Protest and

To secure payment of this note and any other obligations of Borrower to Lender, present and future, Borrower, residing at the above address, to Lender, its successors and assigns, a security interest in the collateral described above.

Borrower represents that he owns and lawfully possesses the collateral and that it is and will continue free from all encumbrances. Borrower agrees to pay promptly when due all taxes and assessments on the collateral and to satisfy all liens impressed against it. Borrower agrees that all equipment, accessories and parts added or attached to the collateral shall become part of it by accession. Borrower will keep the collateral at his above residence or other address below and will not dispose of it; Lender's interest will, nevertheless, extend to all proceeds.

The collateral shall at all times be at Borrower's risk. Borrower will keep the collateral insured, in form satisfactory to Lender, against substantial risk of loss, damage or destruction.

On any default, Borrower will, upon Lender's request, deliver the collateral to Lender who may take and retain possession thereof and of anything found therein, as custodian; Lender may also enter any premises where the collateral may be to take possession thereof, and may dispose of it in any reasonable manner, upon at least ten days' notice. Any net surplus less attorney's fees and any other expenses to collect the loan or realize security after default to the extent permitted by law will be paid to Borrower who agrees to apply any deficiency forthwith. Lender shall have, in addition, all of the remedies of a secured party under the Uniform Commercial Code.

Acceptance of any payments after maturity, or waiver or condonation of any breach or default, shall not constitute a waiver of any later or other breach or default. No representations, promises or statements have been made by Lender unless contained herein in writing. Any provision hereof shall be deemed modified, or, if necessary, deleted to conform to the laws of this state.

Lincoln L. Nara (Witness)
Burrell D. Carver Borrower
Maria A. Carver Borrower
Betsy Smith (Witness)

STATE OF OREGON,

County of Klamath

10088

FORM NO. 23 — ACKNOWLEDGMENT
STEVENS-HESS LAW PUB. CO., PORTLAND, ORE.

BE IT REMEMBERED, That on this 10th day of August, 1972, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Durrell D. Carver and Maria A. Carver

known to me to be the identical individual^s described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

RICHARD J. WICKLINE

Notary Public — OREGON

My Commission expires

My Commission Expires 10-14-75

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of TRANSAMERICA TITLE INS. CO

this 7th day of September A. D. 1972 at 3:52

duly recorded in Vol. M 72 of MORTGAGES on Page 10087

FEE \$4.00

Wm D. MILNE, County Clerk

By Hazel Brazil

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