

AGREEMENT

THIS AGREEMENT made this 30 day of October, 1975,  
by and between C. RICHARD ADREON, hereinafter called "seller,"  
and RUG RUNNERS HOME DECORATING CENTER, INC., an Oregon  
corporation, hereinafter called "purchaser";

## W I T N E S S E T H :

WHEREAS, seller is desirous of selling his two hundred  
fifty (250) shares of Rug Runners Home Decorating Center, Inc.;  
and

WHEREAS, purchaser is desirous of purchasing said stock;  
now, therefore,

IT IS HEREBY AGREED as follows:

Seller hereby sells and purchaser hereby purchases two  
hundred fifty (250) shares of Rug Runners Home Decorating Center,  
Inc., an Oregon corporation, for the agreed purchase price of  
Thirteen Thousand Four Hundred Seventy-Five Dollars (\$13,475),  
which purchase price is payable as follows: The full purchase  
price together with the interest on the unpaid balance at the  
rate of six percent (6%) per annum from September 18, 1975,  
shall be paid at the rate of Three Hundred Fifty Dollars (\$350)  
including interest, payable on or before the 10th day of each  
month commencing October 10, 1975, for a total of both principal  
and interest payments in the amount of Fifteen Thousand Dollars  
(\$15,000).

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It is further agreed that two (2) years from the date of this agreement, purchaser shall either transfer to seller Three Thousand Six Hundred Dollars (\$3,600) worth of shares of Rug Runners Home Decorating Center, Inc. at their book value as of that date or be liable to seller for an additional sum of Three Thousand Six Hundred Dollars (\$3,600) payable in monthly installments at the conclusion of the above payments and in like manner, except that said sum shall bear no interest.

Seller shall immediately upon the execution of this agreement convey his two hundred fifty (250) shares to purchaser. Said shares shall at all times remain as security for the payment of all sums specified above. The books and records of said corporation shall at all times contain a copy of this agreement and the stock certificate representing ownership of said shares shall bear a notation of said security until all sums payable herein shall have been paid in full.

The parties hereto recognize the limitations placed on purchaser by Oregon Revised Statutes 57.035, applicable portions of which provide:

"(1) A corporation shall have the right to purchase, take, receive or otherwise acquire, hold, own, pledge, transfer or otherwise dispose of its own shares, but purchases of its own shares, whether direct or indirect, shall be made only to the extent of unreserved and unrestricted earned surplus available therefor, . . ."

Said earned surplus shall be determined by the corporation at the time of payments hereinabove provided for rather than at

the time of making of this agreement and said provisions for Oregon law shall in no way act to cancel the obligation of purchaser pursuant to this agreement.

Time is of the essence of this agreement.

If either party shall be required to institute suit or action for the enforcement of this agreement, the court shall award the prevailing party reasonable attorney's fees.

IN WITNESS WHEREOF, the parties have executed this agreement on the date first above written at Klamath Falls, Oregon.

C. Richard Adreon  
C. Richard Adreon SELLER

*Sub.  
Rug Runners Home Dec. Ctr.  
357 East Main  
Klamath Falls*

RUG RUNNERS HOME DECORATING CENTER, INC.

By Frederick R. Marchand  
Frederick R. Marchand, President PURCHASER

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at \_\_\_\_\_  
this 23rd day of JANUARY A. D. 1976 at 10:53 o'clock A. M. in  
duly recorded in Vol. 476 of DEEDS on Page 1120

FEE \$ 9.00

Wm. D. MILNE, County Clerk  
By Wm. D. Milne