

CONTRACT AND SECURITY AGREEMENT

THIS AGREEMENT, made and entered into this 8 day
 of ~~September, 1976~~ ^{October, 1977} by and between JOE MICKA, hereinafter referred
 to as Lender, and E-Z-D FARMS, INC., an Oregon Corporation, DONALD
 G. MICKA and ELSIE MICKA, husband and wife, hereinafter referred
 to as Borrowers.

W I T N E S S E T H:

1. Lender in consideration of the covenants and agreements
 set forth herein, agrees to extend to Borrowers a line of credit
 in the total amount of \$150,000.00. Lender agrees to furnish
 to Borrowers such sums as they shall request during the course of
 this agreement, however the liability of Borrowers to Lender shall
 never exceed the aforesaid amount.

The indebtedness of the Borrowers to Lender shall be
 evidenced by a promissory note with substantially the following
 provisions:

\$ 100,000.00

October 8, 19 77

ON DEMAND, we, jointly and severally, promise to
 pay to the order of JOE MICKA at Malin, Oregon,
~~One Hundred Thousand~~ DOLLARS,
 with no interest thereon. All or any portion of the
 principal hereof may be paid at any time. If this
 note is placed in the hands of an attorney for
 collection, I/we promise and agree to pay the holder's
 reasonable attorney's fees and collection costs, even
 though no suit or action is filed hereon; however, if
 if a suit or an action is filed, the amount of such
 reasonable attorney's fees shall be fixed by the court,
 or courts in which the suit or action, including any
 appeal therein, is tried, heard or decided. The
 undersigned acknowledge receipt of a copy of this
 note before signing same.

E-Z-D FARMS INC., an Oregon
 Corporation

BY

Donald G. Micka
 President

15388

BY

Elsie Micka
Secretary

Donald G. Micka Pres.
Donald G. Micka

Elsie Micka Sec.
Elsie Micka

2. Borrowers in consideration of Lender extending the aforesaid line of credit hereby warrants, represents, and agrees as follows:

2.1. Borrower agrees, in consideration of the foregoing extension of credit, to pay to Lender the sum of .065 cents per hundred weight for all U.S. No. 1 and U.S. No. 2 potatoes shipped by Borrowers during each shipping season.

3. Borrowers represents that their business operations, hereinafter called "business", is a potato sales business and packing shed.

4. Borrower agrees that the business will be continued and that the proceeds of the loan will be used only in connection with the business.

5. Borrower agrees that contemporaneously with the execution of each promissory note called for by the agreement, Borrower will assign to Lender the accounts receivable owned by the Borrower in an amount equal to the amount of said promissory note. To further secure the performance of this agreement, Borrower assigns to Lender a security interest in all the accounts receivable of Borrower.

6. As security for the loan, Borrower will deliver to Lender duly executed UCC-1 and UCC-2 financing statements conforming with the Uniform Commercial Code as adopted in the State of Oregon securing said accounts receivable.

IN WITNESS WHEREOF, the parties have executed this 15389
Agreement the day and year first above written and corporate Borrower
has caused this instrument to be executed by its President and
Secretary and its corporate seal hereinto affixed pursuant to a
resolution adopted by its Board of Directors.

LENDER:

Joseph Micka

E-3-D FARMS INC., an Oregon
Corporation

BY

Donald G. Micka Pres.
President

BY

Chas. Micka (Secretary)
Secretary

Donald G. Micka
Donald G. Micka

Elsie Micka
Elsie Micka

15390

October

8

1977

~~XXXXXXXXXX~~~~1976~~

STATE OF OREGON)
) ss.
 County of Klamath)

Personally appeared JOE MICKA, and acknowledged the foregoing instrument to be his voluntary act and deed.

BEFORE ME:

[Signature]
 My Comm. Exp. 10-79

STATE OF OREGON)
) ss.
 County of Klamath)

Personally appeared E-Z-D FARMS, INC., an Oregon Corporation, DONALD G. MICKA and ELSIE MICKA, husband and wife, and acknowledged the foregoing instrument to be their voluntary act and deed.

BEFORE ME:

[Signature]
 My Comm. Exp. 4-10-79

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record ~~at 10:00 AM~~

the 17th day of July A. D. 1978 at 4:29 o'clock P.M., on

July recorded in Vol. M78, of Deeds on Page 15387

Wm D. MILNE, County Clerk

[Signature]

Fee \$12.00

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Joe Micka =
 Prof 67 - Malin One