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Vol. M92 Page 8219

When Recorded Return to:

STANDARD INSURANCE COMPANY
Post Office Box 711
Portland, OR 97207

Attn: Terri Eisenhauer, V-32A
Loan Closing

MTC 27158

ASSUMPTION/MODIFICATION AGREEMENT

PARTIES:

STANDARD: Standard Insurance Company,
an Oregon corporation

SELLER: Fred W. Veiga

BUYER: The Klamath Tribe,
a Federally Recognized Indian Tribe

DATE: April 1, 1992

LOAN NO.: 8-15297

RECITALS:

1. Standard Insurance Company made a loan in the amount of \$375,000.00, evidenced by a Note secured by a Deed of Trust and Assignment of Rents, dated March 17, 1986, recorded on March 31, 1986, in Book M-86, Page 5174, and re-recorded on April 21, 1986, in Book M-86, Page 6744, in Klamath County, State of Oregon. The Note was executed concurrently.

2. The secured property is under agreement to transfer title in accordance with the Purchase Sale Agreement between Fred E. Veiga, SELLER, and The Klamath Tribe, a Federally Recognized Indian Tribe, BUYER.

3. As a result of this transfer, the SELLER and the BUYER have requested Standard Insurance Company's written consent to the transfer of the secured property.

4. Standard Insurance Company has agreed to consent to the transfer of the secured property if this Assumption Agreement is executed by the BUYER and the SELLER. ~~BY THE SELLER AND THE BUYER AND THE SELLER'S ATTORNEY~~ Standard hereby waives the Administrative/Assumption fees on this transaction.

AGREEMENT:

5. The terms and conditions of the Note and security instruments securing the Note remain unchanged except as follows:

5.1 Notwithstanding the provisions of the sixth paragraph of the Deed of Trust Note, Standard hereby waives any prepayment charges for prepayment of the loan, which may be at any time prior to the maturity date of the loan.

5.2 Covenants Regarding Environmental Compliance. All references to Trustor in Paragraph 5.2 shall mean Buyer and Seller; Beneficiary shall mean Standard.

(a) Trustor will not use, generate, manufacture, produce, store, release,

discharge, or dispose of on, under or about the Property or transport to or from the Property any Hazardous Substance (as defined below) or allow any other person or entity to do so except in minor amounts under conditions permitted by applicable law.

(b) Trustor shall keep and maintain the Property in compliance with, and shall not cause or permit the Property to be in violation of, any Environmental Law (as defined below).

(c) Trustor shall give prompt written notice to Beneficiary of:

(i) any proceeding or inquiry by any governmental authority with respect to the presence of any Hazardous Substance on the Property or the migration thereof from or to other premises;

(ii) all claims made or threatened by any third party against Trustor or the Property relating to any loss or injury resulting from any Hazardous Substance; and

(iii) Trustor's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Property that could cause the Property or any part thereof to be subject to any restrictions on the ownership, occupancy, transferability or use of the Property under any Environmental Law.

(d) Beneficiary shall have the right to join and participate in, as a party if it so elects, any legal proceedings or actions initiated with respect to the Property in connection with any Environmental Law and have its attorneys' fees in connection therewith (including its fees on appeal) paid by Trustor.

(e) Trustor shall protect, indemnify and hold harmless Beneficiary, its directors, officers, employees, agents, successors and assigns from and against any and all loss, damage, cost, expense or liability (including attorneys' fees and costs, whether at trial, on appeal or otherwise) directly or indirectly arising out of or attributable to the use, generation, manufacture, production, storage, release, threatened release, discharge, disposal, or presence of a Hazardous Substance on, under or about the Property before the release, reconveyance or foreclosure of this Deed of Trust, including without limitation (i) all foreseeable consequential damages; and (ii) the costs of any required or necessary repair, cleanup or detoxification of the Property and the preparation and implementation of any closure, remedial or other required plans. This indemnity shall not survive the reconveyance of the lien of this Deed of Trust, or the extinguishment of the lien by foreclosure or action in lieu thereof, and this covenant shall not survive such reconveyance or extinguishment.

(f) In the event that any investigation, site monitoring, containment, cleanup, removal, restoration or other remedial work of any kind or nature (the "Remedial Work") is reasonably necessary or desirable under any applicable local, state or federal law or regulation, any judicial order, or by any governmental or nongovernmental entity or person because of, or in connection with, the current or future presence, suspected presence, release or suspected release of a Hazardous Substance in or into the air, soil, groundwater, surface water or soil vapor at, on, about, under or within the Property (or any portion thereof), Trustor shall within thirty (30) days after written demand for performance thereof by Beneficiary (or such shorter period of time as may be required under any applicable law, regulation, order or agreement), commence and thereafter diligently prosecute to completion, all such Remedial Work. All Remedial Work shall be performed by contractors approved in advance by Beneficiary, and under the supervision of a consulting engineer approved by Beneficiary. All costs and expenses of such Remedial Work shall be paid by Trustor including, without limitation, Beneficiary's reasonable attorneys' fees and costs

incurred in connection with monitoring or review of such Remedial Work. In the event Trustor shall fail to timely commence, or cause to be commenced, such Remedial Work, Beneficiary may, but shall not be required to, cause such Remedial Work to be performed and all costs and expenses thereof, or incurred in connection therewith, shall become part of the indebtedness secured hereby.

2. Representations and Warranties Relating to Environmental Matters. Trustor represents and warrants to Beneficiary that:

(a) Neither the Property nor the Trustor is in violation of or subject to any existing, pending or threatened investigation by any governmental authority under any Environmental Law.

(b) Trustor has not and is not required by any Environmental Law to obtain any permits or licenses to construct or use any improvements, fixtures or equipment forming a part of the Property.

(c) Trustor has made inquiry into previous uses and ownership of the Property, and after such inquiry has determined that no Hazardous Substance (as defined below) has been disposed of or released on or to the Property.

(d) Trustor's prior, present and intended use of the Property will not result in the disposal or release of any Hazardous Substance on or to the Property.

3. Definitions. "Environmental Law" means any federal, state or local law, statute, ordinance, or regulation pertaining to health, industrial hygiene, or the environmental conditions on, under or about the Property, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA") as amended, 42 U.S.C. Sections 9601 et seq., and the Resource Conservation and Recovery Act of 1976 ("RCRA"), 42 U.S.C. Sections 6901 et seq.

The term "Hazardous Substance" includes without limitation:

(i) Those substances included within the definitions of "hazardous substances," "hazardous materials," "toxic substances," or "solid waste" in CERCLA, RCRA, and the Hazardous Materials Transportation Act, 49 U.S.C. Sections 1801 et seq., and in the regulations promulgated pursuant to said laws;

(ii) Those substances defined as "hazardous wastes" under any applicable Oregon law and amendments thereto, and in the regulations promulgated pursuant to said laws;

(iii) Those substances listed in the United States Department of Transportation Table (49 CFR 172.101 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) as hazardous substances (40 CFR Part 302 and amendments thereto);

(iv) Such other substances, materials and wastes which are or become regulated under the applicable local, state or federal law, or the United States government, or which are classified as hazardous or toxic under federal, state, or local laws or regulations; and

(v) Any material, waste or substance which is (A) asbestos, (B) polychlorinated biphenyls, (C) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. Sections 1251 et seq. (c33 U.S.C. 1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. 1317); (D) explosives; (E) radioactive materials; or (F) material quantities of petroleum products.

6. All past due loan payments, late charges, delinquent interest and all

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taxes past due and currently payable, including interest and penalties, if any, must be brought current at the time the escrow for the transfer of the secured property closes.

7. All correspondence, notices of default, notices of late charges, year-end statements, and any other communications from Standard Insurance Company concerning this loan shall, until further written notice from SELLER, be sent to BUYER at:

The Klamath Tribe
Post Office Box 436
Chiloquin, OR 97624

8. BUYER assumes the obligation of and agrees to pay Standard Insurance Company's loan upon terms and conditions of the Note and all security instruments, upon assumption of this loan.

9. Neither Seller nor any successor in interest of Seller is released from personal liability for payment and performance of the terms and conditions of this loan.

10. Standard Insurance Company consents to the transfer of the secured property as described herein, but by consenting to this transfer, Standard does not consent to any other transfer of the secured property.

11. Any provisions of the Note or other security instruments to the contrary notwithstanding, the law of the state in which the Trust Property is located shall govern the validity, interpretation, construction and performance of the Note, the Deed of Trust and each of the other security instruments securing the Note.

12. It is specifically understood that all conditions and obligations set forth in said instruments, except to the extent herein modified, shall remain in full force and effect.

STANDARD INSURANCE COMPANY,
an Oregon Corporation

BUYER

The Klamath Tribe,
a Federally Recognized Indian Tribe

SE By: Vicki R. Chase
Vicki R. Chase
Vice President - Securities

By: Charles E. Kimbol, Sr.
Charles E. Kimbol, Sr.
Chairman

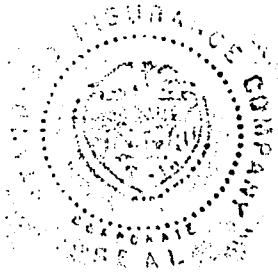
Attest: Mark Fisher
Mark Fisher
Assistant Secretary

XXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXX



SELLER

X By: Fred W. Veiga
Fred W. Veiga



State of Oregon

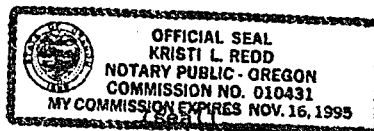
County of Klamath

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The foregoing instrument was acknowledged before me this April 10
19 92, by CHARLES E. KIMBOL, SR., President, and by CHAIRMAN of
~~XXXXXXXXXX~~ THE KLAMATH TRIBE, a Federally Recognized Indian Tribe
~~xxxxxxxxxxxxxxxxxxxxxx corporation, on behalf of the corporation.~~

WITNESS My hand and official seal.

Kristi L. Redd
Notary Public for Oregon
My Commission expires: 11/16/95



STATE OF OREGON.

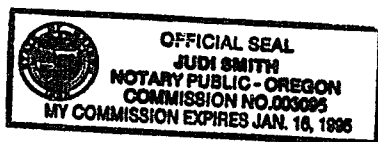
County of Multnomah

SS.

BE IT REMEMBERED, That on this 13th day of April, 19 22,
before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within
named Fred W. Veiga

known to me to be the identical individual..... described in and who executed the within instrument and acknowledged to me that he 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.



My Commission expires 1/16/95

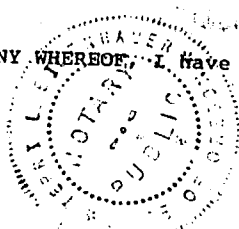
STATE OF OREGON


COUNTY OF MULTNOMAH

55.

On this 13th day of April, 1992, before me appeared VICKI R. CHASE and MARK FISHER, both to me personally known, who being duly sworn, did say that she, the said VICKI R. CHASE, is the Vice President - Securities, and he, the said MARK FISHER, is the Assistant Secretary of STANDARD INSURANCE COMPANY, the within named corporation, and that the seal affixed to said document is the corporate seal of said corporation, and that the said document was signed and sealed in behalf of said corporation by authority of its Board of Directors, and VICKI R. CHASE and MARK FISHER acknowledged said document to be the free act and deed of said corporation.

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




TERRI L. EISENHAUER
 Notary Public for the state of Oregon
 My commission expires 10-11-93

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 17th day
of April A.D., 19 92 at 1:39 o'clock P M., and duly recorded in Vol. M92,
of Mortgages on Page 8219.

FEE \$35.00

Evelyn Biehn County Clerk

By Pauline M. Henderson