

\$2918

## Loan Modification Agreement (Long-Term)

Effective January 1, 1995, for good and valuable consideration, the undersigned borrowers ("Borrower") and Lender agree that the note dated September 6, 1979 evidencing the above-identified loan and any amendments thereto (the "Original Note") and the Loan Documents shall be amended by the terms contained herein to provide for the indexing and adjustments of the interest rate, payment terms, or balance due on the obligation. The Original Note and Loan Documents shall remain in effect and are valid, binding, and enforceable according to their terms except as modified herein. The Original Note is secured by Mortgage(s) or Deed(s) of Trust and any other security documents (the "Loan Documents") which were executed and delivered to secure the payment of the Original Note. The Loan Documents shall continue to secure the payment of the Original Note as amended herein. The Original Note as amended by this Agreement shall hereinafter be referred to as the Note. Upon subsequent written agreement of the parties, the interest rate, payment terms, or balance due under the Loan Documents may be indexed, adjusted, renewed, or renegotiated. The Note, the security documents, and any other document or instrument signed in connection with the Original Note, the Note, the security documents, and any amendments thereto are referred to collectively as the "Loan Documents." The Adjusted Principal Balance on any date is the unpaid principal balance on such date minus the principal portion of any installment payment(s) which are due on or before such date and unpaid on such date.

Lender and Borrower agree there is a principal sum owing under the Note and Loan Documents of One Hundred Forty Four Thousand and 00/100 Dollars (\$144,000.00) as of the effective date hereof, which each of the undersigned as principals, jointly and severally, promise to pay to Lender, plus interest on the Adjusted Principal Balance from and after the effective date of this Agreement at an initial interest rate of 11.15 percent per annum (the "Initial Interest Rate"). The Initial Interest Rate may be changed as provided for hereinafter. The principal sum as of the effective date hereof includes all amounts owed under the Note and Loan Documents, including, but not limited to, Stock or Participation Certificates in the amount of 4 percent of the loan amount, and any fees or costs paid or advanced in connection with this Agreement. If the first payment hereunder is due less than one Installment Period from the effective date, Lender shall adjust the interest portion of such payment to reflect the interest, accrued and unpaid on the effective date, if any, and the interest that accrues from the effective date to the payment due date.

1. **Installment Period:** The Installment Period is a 12-month period.

2. **Payment Plan/Due Dates:**

☒ a. **Level Payment.** If checked, this loan has a level payment plan, and principal and interest shall be paid hereunder in installment payments of Sixteen Thousand Eight Hundred Forty One and 23/100 Dollars (\$ 16,841.23) each, beginning on the first day of the Installment Period commencing on April 1, 1995, and continuing on the first day of each Installment Period thereafter. The amount of each installment due after an Interest Change Date shall be changed by Lender to the amount which Lender in its sole discretion determines is sufficient to amortize the Adjusted Principal Balance over the remaining term of this Note.

☐ b. **Decreasing Payment.** If checked, this loan has a decreasing payment plan, and principal hereunder shall be paid in installment payments of      Dollars (\$     ) each, beginning on the first day of the Installment Period commencing on     , and continuing on the first day of each Installment Period thereafter. Any interest which has accrued on the Adjusted Principal Balance during the Installment Period immediately prior to a payment date for an installment payment of principal and remains unpaid shall be paid on such payment date.

3. **Final Maturity:** The unpaid principal balance, plus all accrued interest thereon, and all other amounts due on the Note, shall be paid in full on April 1, 2003, unless the debt shall be matured sooner by extra payments. Any payment, except a Prepayment Fee, if any, may be applied as of the date of receipt first to accounts receivables, then to accrued and unpaid interest, other amounts then due, and any remainder to the loan balance. Subject to the preceding sentence, Borrower may at any time pay any amount of principal in advance of its maturity subject to a Prepayment Fee, if any, as provided herein. Unless Lender otherwise elects, any such payment may operate to reduce the balance owing and to discharge the obligation at an earlier date, but shall not alter the obligation to pay full installments as provided herein.

☐ 4. **Prepayment Fee:** If checked, Borrower may, during any calendar year, prepay principal without charge which, in the aggregate, does not exceed an "Amount" equal to 10 percent of the unpaid principal balance of the effective date hereof. Borrower shall pay a Prepayment Fee equal to 4 percent of the portion of any principal prepayment, which prepayment when totaled together with any other prepayments during a calendar year, exceeds such Amount. Provided, however, no Prepayment Fee will be charged Borrower if principal is repaid within 60 days of an Interest Change Date.

5. **Interest Rates:**

☐ a. **Interest Rate.** If checked, Borrower shall pay interest at the rate set forth in the Loan Documents.

☒ b. **Variable Rate.** If checked, this is a variable rate loan. The AgAmerica, FCB Variable Base Rate ("FCB Variable Base") is a per annum interest rate determined from time to time by Lender in its sole discretion. The effective date of each change in the FCB Variable Base shall be determined by Lender in its sole discretion. The effective date of each change in the FCB Variable Base after the effective date of this Agreement is referred to as an "Interest Change Date." Borrower shall pay interest on the Adjusted Principal Balance on and after each Interest Change Date at the per annum interest rate equal to the sum of the FCB Variable Base in effect on such Interest Change Date + 2.55 percent per annum, until the next Interest Change Date.

☐ c. **Fixed Rate.** If checked, this is a fixed rate loan. The Initial Interest Rate shall remain in effect for the term of the loan unless changed to the default interest rate.

- d. **Adjustable Rate.** If checked, this is an adjustable rate loan. The index in effect on any Interest Change Date is the per annum rate of interest equal to the weekly average yield on United States Treasury securities adjusted to a constant maturity of    year(s), as made available by the Federal Reserve Board in the latest Federal Reserve Statistical Release H.15(519) ("Index Source") published on or before the 45th day prior to such Interest Change Date. If the Index or Index Source is no longer available, Lender will choose a new index or index source which it determines in its sole discretion is comparable.

The first day of   , and the first day of    every    year(s) thereafter is referred to as an "Interest Change Date." Borrower shall pay interest on the Adjusted Principal Balance on and after each Interest Change Date at the per annum interest rate equal to the sum of the Index in effect on such Interest Change Date, rounded to the nearest one-twentieth of one percent (.05%) per annum, plus    percent per annum (the "New Interest Rate"), until the next Interest Change Date. The interest rate in effect under this Note on any date, including interest at the default interest rate, if applicable, is the "Current Interest Rate."

The New Interest Rate on any Interest Change Date shall not increase or decrease from the Current Interest Rate on the date immediately prior to such Interest Change Date by more than    percent per annum. Provided, however, the New Interest Rate shall not increase or decrease from the Initial Interest Rate by more than 6 percent per annum. After a default, Borrower shall pay interest at the default interest rate as provided for herein. The default interest rate is not limited by the interest rate caps contained in this paragraph unless this loan is subject to the Truth in Lending law.

- e. **Default Interest/Late Fees.** The nonpayment of any sums due under the terms of the Loan Documents shall cause default interest to accrue and, if provided in the Loan Documents, late charges to be charged. If the Loan Documents provide for a late charge, the late charge shall be 5 percent of any payment, or any portion thereof, that is not paid when due. The default rate after the effective date hereof is the Current Interest Rate plus 4 percent per annum which shall be charged on the total amount of the payment due on any payment date until the earlier of the date such payment is paid or the date of Acceleration. After Acceleration, the entire amount due and payable shall thereafter bear interest until paid at the Current Interest Rate plus 4 percent per annum.
6. **General:** If any Borrower hereto was not personally liable under the Original Note and Loan Documents, said Borrower assumes and agrees to pay the entire debt owing hereunder, and to perform each of the other agreements contained in this Agreement and the Loan Documents. Time is of the essence. The indebtedness and obligations secured by the Loan Documents are personal to the Borrower and are not assignable by Borrower. If Borrower sells, transfers or conveys or contracts to sell, transfer or convey the real property collateral, or any portion thereof, or if the ownership of any corporation or partnership, owning all or any portion of the real property collateral shall be changed either by voluntary or involuntary sale or transfer or by operation of law, without prior written consent of Lender, Borrower shall be in default hereunder. The failure of Borrower to make any payment or perform any obligation when required to be paid or performed by the Loan Documents shall constitute a default. Lender may at its option declare the entire indebtedness due and payable ("Acceleration") upon a default. Borrower shall pay Lender on demand all attorneys fees and costs incurred to protect or enforce any of Lender's rights in bankruptcy, appellate proceedings, or otherwise, under the Loan Documents. Lender may charge interest on such fees or costs at the rate in effect from the date such amounts are paid by Lender. Borrower agrees to maintain complete and accurate financial books and records for Borrower's business. Each Borrower shall provide annually, within 90 days of the end of Borrower's fiscal year, in a form prescribed by or acceptable to Lender, a current balance sheet and an income and expense statement that have been certified as true and correct. Borrower agrees to take any action requested by Lender to perfect or continue the lien and priority of the Loan Documents. Lender may record this Agreement or any memorandum thereof. This Agreement is for the benefit of and is binding upon the heirs, representatives, successors, and assigns of the parties hereto.

#### 7. Special Provisions:

The following parties join in this instrument to consent to and affirm the Lender's lien position in collateral as established by the Loan Documents which collateral shall continue to be security for the debt evidenced by the Loan Documents; provided, however, said parties assume no liability for payment of the debt:

12/22/94  
Date

Darrell A. Micka  
Darrell A. Micka Borrower

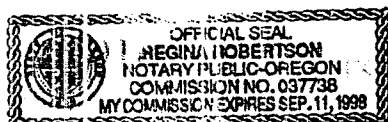
Lender: AgAmerica, FCB, successor in interest to  
Federal Land Bank of Spokane

Phyllis M. Micka  
Phyllis M. Micka Borrower

By: Stephen H. Rantz  
Authorized Agent

State of Oregon  
(SS.  
County of Klamath)

On this 22 day of December, 1994, before me personally appeared Darrell A. and Phyllis M. Micka, to me known to be the persons described in and who executed the within instrument, and acknowledged that they executed the same as their free act and deed.

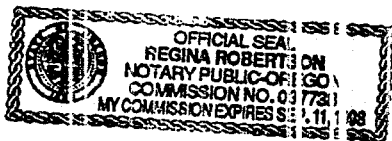


Regina Robertson  
Notary Public for the State of Oregon  
Residing at 15684 Highway 66, Keno, OR

State of Oregon)  
County of Klamath)

38910

On this 22 day of December, 1994, before me personally appeared Stephen D. Revis, known to me to be an authorized agent of AgAmerica, Inc., successor in interest to Federal Land Bank of Spokane, that executed the within instrument, and acknowledged to me that such corporation executed the same as its free act and deed; and on oath stated that he was authorized to execute said instrument.



Regina Robertson  
Notary Public for the State of Oregon  
Residing at 15684 Highway 66, Keno, OR

STATE OF OREGON: COUNTY OF KLAMATH: s.

Filed for record at request of Farm Credit  
of Dec A.D., 1994 at 1:49 o'clock P.M., and duly recorded in Vol. M94  
of Mortgages on Page 38908.

FEE \$20.00

Evelyn Biehn County Clerk

By Dorene Mullendore