



which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by grantor in such proceedings, shall be paid to beneficiary and applied by beneficiary in the trial and appellate courts, necessarily paid or incurred by beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby; and grantor agrees at its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation, promptly upon beneficiary's request.

9. At any time and from time to time on written request of beneficiary, payment of its fees and presentation of this deed and the note for endorsement (in case of full reconveyance, for cancellation of the property; (b) join in granting any easement or creation of any restriction thereon; (c) join in any agreement affecting this deed or the lien or charge thereon; (d) grantee in any reconveyance may be described as the "person or persons" of any matter or facts shall be conclusive proof of the truthfulness thereof. Trustee's fees shall be not less than \$5.

10. Upon any default by grantor hereunder, beneficiary may be appointed by a court and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the property or any part thereof, and its own name and expenses of operation and collection, including reasonable attorney's fees upon any determination of the collection of such rents, issues and profits, or the proceeds of fire insurance or damage of the property, and the application or release thereof as hereunder or invalidate any act done pursuant to such notice.

11. The entering upon and taking possession of the property or any part thereof shall not constitute a waiver of any default by grantor hereunder.

12. Upon default by grantor in payment of any principal or interest due and payable in such event the beneficiary may elect to foreclose this trust deed by advertisement and sale, or in equity which the beneficiary may have. In the event the beneficiary elects to foreclose by advertisement and sale, the beneficiary shall secure and cause to be recorded a written notice of default and election to sell the property to satisfy the obligation of the trust deed together with trustee's and attorney's fees not exceeding the amounts provided by law.

13. After the trustee has commenced foreclosure by advertisement and sale, the grantor or any other person so privileged by ORS 86.750 may cure the default or defaults. If the default consists of a failure to pay when due, such cure shall not then be required may be cured by tendering the performance required under the obligation or trust deed. In any case, in addition to curing the default or defaults, the person effecting the cure shall pay to the beneficiary all costs and expenses actually incurred in enforcing the obligation of the trust deed together with trustee's and attorney's fees not exceeding the amounts provided by law.

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale or the time to which the parcel or parcels at auction to the highest bidder for cash, available at the time of sale. Trustee shall deliver to the purchaser its deed without any covenant or warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusive proof of the truthfulness thereof. Any person, excluding the trustee, but including the grantor and beneficiary may purchase at the sale.

15. When trustee sells pursuant to the powers provided herein, trustee shall apply the proceeds of sale to payment of (1) the reasonable charge by trustee's attorney, (2) the obligation secured by the trust deed, (3) to all persons having recorded liens subsequent to the interest of the trustee in the trust deed as their interests may appear in the order of their priority and (4) the surplus, if any, to the grantor or to any successor in interest entitled to such surplus.

16. Beneficiary may from time to time appoint a successor trustee named herein or to any successor trustee named hereunder. Each such appointment and substitution shall be recorded in the mortgage records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment and acknowledged, is made a public record as provided by law. Trustee and acknowledged, is made a public record as provided by law. Trustee and acknowledged, is made a public record as provided by law.

17. Trustee excepts this trust when the deed is duly executed and acknowledged, is made a public record as provided by law. Trustee and acknowledged, is made a public record as provided by law. Trustee and acknowledged, is made a public record as provided by law.

and that the grantor will warrant and forever defend the same against all persons whomsoever.

The grantor warrants that the proceeds of the trust deed (1) to all persons having recorded liens subsequent to the interest of the trustee in the trust deed as their interests may appear in the order of their priority and (2) the surplus, if any, to the grantor or to any successor in interest entitled to such surplus.

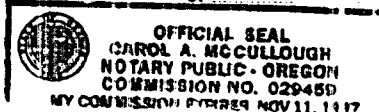
This deed applies to mortgages to the beneficiary and its successors and assigns, whether or not named as a party hereto, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, and assigns.

In construing this trust deed, it is understood that the grantor, trustee and or beneficiary may each be more than one person; that the context so requires, the singular shall be taken to mean the plural, and that generally all grammatical changes shall be made assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

IN WITNESS WHEREOF, the grantor has executed this instrument the day and year first above written.

\*IMPORTANT NOTICE Delete, by lining out, whichever warranty (a) or (b) is not applicable; if warranty (a) is applicable and the beneficiary is a creditor on such word is defined in the Truth-in-Lending Act and Regulation Z, the beneficiary MUST comply with the Act and Regulation by making required disclosures; for this purpose use Stevens-Noss Form No. 319, or equivalent. If compliance with the Act is not required, disregard this notice.

STATE OF OREGON, County of Klamath ) ss.  
This instrument was acknowledged before me on February 23, 19 95,  
by \*\*\* HAROLD R. POLLARD \*\*\*  
This instrument was acknowledged before me on \_\_\_\_\_, 19 \_\_\_\_\_,  
by \_\_\_\_\_,  
as \_\_\_\_\_,  
of \_\_\_\_\_.



Carol A. McCullough  
Notary Public for Oregon  
My commission expires Nov. 11, 1997

STATE OF OREGON COUNTY OF KLAMATH ) ss.

Filed for record at request of Harold Pollard the 24th day  
of Feb, A.D. 19 95, at 11:01 o'clock A M., and duly recorded in Vol. M95  
of M95 Pages 4180

FEE \$15.00

Bernetha G. Letsch, County Clerk

By Bernetha G. Letsch