

ALLIED Mutual Insurance Company  
AMCO Insurance Company  
701 5th Ave.  
Des Moines, IA 50391-2008

## Collateral Mortgage Deed



WHEREAS, Myrna & Ralph Horn  
hereinafter referred to as Mortgagor, is now or will be principal, or has agreed or will agree to indemnify the mortgagee as surety on the following described bond(s):

Airlines Reporting Corporation Bond for Travel Agency  
Allied Mutual Insurance Co. Bond #BD 79 0 0537754

WHEREAS, ALLIED Mutual Insurance Company, and/or AMCO Insurance Company, 701 5th Ave., Des Moines, IA 50391-2008, hereinafter referred to as Mortgagee, is now or will be the surety for the principal on the bonds above described;

NOW, THEREFORE, as part of the consideration for the Mortgagee becoming surety on said bonds and on any other bonds as to which mortgagor may be either the principal or an indemnitor, and the mortgagee is the surety, whether presently in force or to be executed in the

future, the mortgagor (joined by as above his wife), does hereby convey unto the mortgagee, the following described real estate, to-wit:

15703 Black Bear Ct., Klamath Falls, OR 97601 :  
Lot 36, Block 38, Klamath River Acres, 6th Addition

1. The Mortgagor does hereby covenant with the said Mortgagee and its successors in interest, that said Mortgagor holds said real estate by title in fee simple; that he has good and lawful authority to sell and convey the same; that said premises are free and clear of all liens and encumbrances whatsoever, except mortgages and other contract liens of record, if any, and said Mortgagor covenants to warrant and defend the said premises against the lawful claims of all persons whomsoever.
2. Each of the undersigned hereby relinquish all rights of dower, homestead and distributive share in and to the above described premises.
3. This conveyance is given as collateral security to secure the mortgagee for any and all sums which are now or may in the future be due to the mortgagee from the mortgagor by reason of the fact that mortgagee has executed or may in the future execute certain bonds as surety in which the mortgagor is or will be either the principal, or has agreed or will agree to indemnify the mortgagee as surety, including but not limited to the bonds specifically described in this instrument, and specifically including any bonds to be executed by it as surety in the future, wherein mortgagor is either the principal on the bond or has agreed to indemnify the mortgagee as the surety on the bond. It is understood that this instrument secures all sums due or which may become due to mortgagee pursuant to the terms of all applications, indemnity agreements and other instruments now executed or which may be executed in the future by the mortgagor in connection with any such bonds, and also all sums due or which may become due to the mortgagee from the mortgagor by operation of law, statutory or otherwise, in connection with any such bonds.
4. This conveyance shall be in addition to any other security which the mortgagee now has or may in the future require from the mortgagor, and is not intended to in any manner limit any other or additional rights and remedies that mortgagee now has or may have in the future against the mortgagor, and in the event the mortgagor fails to pay any indebtedness which this mortgage secures promptly when due, then the mortgagee may without demand or notice, proceed to foreclose this mortgage or take any other action it deems proper at law or equity to enforce the terms hereof.
5. Mortgagor agrees to pay all taxes and special assessments against the real estate herein conveyed before the same become delinquent, and if not so paid, mortgagee may at its option pay the same, and all such payments with interest thereon at the highest legal rate from time of payment, shall be a lien against said premises.
6. In case of any action, or in any proceedings in any court, to collect any sums payable or secured by this mortgage, or to protect the lien or title herein of the mortgagee, or in any other case permitted by law in which attorney fees may be collected from mortgagor, or charged upon the above described property, they agree to pay reasonable attorney fees.
7. In the event of any default herein by mortgagors, mortgagee may, at the expense of mortgagors, procure an abstract of title, or continuation thereof, for said premises, and charge and add to the mortgage debt the cost of such abstract or continuation with interest upon such expense at the highest legal rate.
8. At any time after the commencement of an action in foreclosure, or during the period of redemption, the court having jurisdiction of the case shall, at the request of the Mortgagee, appoint a receiver to take immediate possession of said property, and of the rents and profits accruing therefrom, and to rent or cultivate the same as he may deem best for the interest of all parties concerned, and shall be liable to account to said Mortgagor only for the net profits, after application of rents, issues, and profits upon the costs and expenses of the receivership and foreclosure and the indebtedness, charges and expenses hereby secured and herein mentioned. And it is hereby agreed, that after any default in the payment of either principal or interest, such sums in default secured by this mortgage shall draw interest at the highest legal rate.

\*\* TOTAL PAGE 03 \*\*

9. This mortgage shall remain in full force and effect so long as any indebtedness which it secures, whether liquidated or unliquidated, or whether certain or contingent, remains unsatisfied.

10. Unless otherwise expressly stated, the word "Mortgagor" as used herein, includes heirs, executors, administrators, assigns and successors in interest of such "Mortgagor"; the word "Mortgagee" as used herein, unless otherwise expressly stated includes the heirs, executors, administrators, assigns and successors in interest of such "Mortgagee". All words referring to "Mortgagor" or "Mortgagee" shall be construed to be of the appropriate gender and number, according to the context. This construction shall include the acknowledgment hereof.

11. Wherever this instrument refers to bonds presently executed or to be executed in the future by the Mortgagee as surety for the Mortgagor, it shall be deemed to include all renewals and modifications (including increases or decreases in amounts) of presently existing bonds or bonds to be executed in the future.

Dated this 26<sup>TH</sup> day of MARCH, 1996.

Witness

Witness

### INDIVIDUAL ACKNOWLEDGMENT

STATE OF OR } ss.:  
COUNTY OF KLAMATH

On this 26 day of MARCH, in the year 19 96, before me personally come(s)  
MYRNA & RALPH HORN

to me known and known to me to be the person(s) who (is) (are) described in and who executed the foregoing instrument and acknowledge(s) to me that They executed the same.

### INDIVIDUAL ACKNOWLEDGMENT

STATE OF \_\_\_\_\_ } ss.:  
COUNTY OF \_\_\_\_\_  
On this \_\_\_\_\_ day of \_\_\_\_\_, in the year 19 \_\_\_\_\_, before me personally come(s)

to me known and known to me to be the person(s) who (is) (are) described in and who executed the foregoing instrument and acknowledge(s) to me that \_\_\_\_\_ he \_\_\_\_\_ executed the same.

(Signature and title of official taking acknowledgment)

### PARTNERSHIP ACKNOWLEDGMENT

STATE OF \_\_\_\_\_ } ss.:  
COUNTY OF \_\_\_\_\_  
On this \_\_\_\_\_ day of \_\_\_\_\_, in the year 19 \_\_\_\_\_, before me personally comes

a member of the co-partnership of \_\_\_\_\_  
to me known and known to me to be the person who is described in and who executed the foregoing instrument, and acknowledges to me that he executed the same as and for the act and deed of the said co-partnership.

(Signature and title of official taking acknowledgment)

### CORPORATE ACKNOWLEDGMENT

STATE OF \_\_\_\_\_ } ss.:  
COUNTY OF \_\_\_\_\_  
STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Roy E White CIC the 27th day  
of March A.D., 1996 at 3:34 o'clock P M., and duly recorded in Vol. M96  
of Mortgages on Page 8555

FEE \$15.00

Return: Great Basin Insurance  
P.O. Box 69/826 Main Street  
Klamath Falls, Oregon 97601

By Bernetha G. Letsch, County Clerk