

2008-010035

Klamath County, Oregon



00049653200800100350120127

07/11/2008 03:21:11 PM

Fee: \$76.00

MTC 82752-SH

**RECORDING COVER SHEET**

THIS COVER SHEET HAS BEEN PREPARED  
BY THE PERSON REPRESENTING THE  
ATTACHED INSTRUMENT FOR RECORDING.  
ANY ERRORS IN THIS COVER SHEET DO NOT  
AFFECT THE TRANSACTION(S) CONTAINED  
IN THE INSTRUMENT ITSELF.

**After Recording, Return To:**  
**JANET BIDE GARY**  
**2153 HARVARD**  
**KLAMATH FALLS, OR 97601**

**1. Name(s) of the Transaction(s):**

**DURABLE POWER OF ATTORNEY**

**2. Direct Party (Grantor):**

**JUNE PAULY**

**3. Indirect Party (Beneficiary):**

**JANET BIDE GARY**

**4. True and Actual Consideration Paid:**

**N/A**

**5. Legal Description:**

**N/A**

7/10/08

## DURABLE POWER OF ATTORNEY/ASSET MANAGEMENT

KNOW ALL MEN BY THESE PRESENTS, That I, JUNE PAULY, whose full name is June Irene Pauly, do by these presents appoint my Attorney in Fact designated in the order of preference specified in this Instrument; provided, however, in the event any Attorney in Fact designated in this Instrument should be unable, or decline, to act as Attorney in Fact, or should assume the duties of Attorney in Fact and should afterwards resign, die, or become incapacitated, then the one next in the order designated and specified in this Instrument shall act as my Attorney in Fact:

### Order of Preference:

First: Janet Bidegary, 2153 Harvard, Klamath Falls, Oregon 97601.  
(541) 882-8732.

Second: Raymond G. Bidegary, 2153 Harvard, Klamath Falls, Oregon  
97601. (541) 882-8732.

This Power of Attorney shall become effective only upon my incapacity. I shall conclusively be deemed incapacitated for the purposes of this Power of Attorney when my Attorney in Fact receives a separate written and signed opinion from two licensed independent physicians that I am either physically or mentally incapable of making the decisions which are the subject matters of the powers granted by this Power of Attorney. Such written opinions, when received, shall be attached to this Power of Attorney. Third parties may rely on my Attorney in Fact's authority without further evidence of incapacity when this Power of Attorney is presented with such physicians' opinions attached. No licensed physician who executes an opinion of incapacity shall be subject to liability because of such execution. I hereby waive any privilege that may apply to release of information included in such medical opinion.

While I am not incapacitated, this Power of Attorney may be modified by me at any time by written notice given by me to my Attorney in Fact and may be terminated at any time by either my then acting Attorney in Fact or me by written notice. This Power of Attorney shall continue after my incapacity in accordance with its terms. Upon my death, this Power of Attorney shall terminate. The power to modify or revoke this Power of Attorney is personal and shall not be exercised by my Attorney in Fact, guardian, or conservator.

My Attorney in Fact designated in this Power of Attorney is empowered to do those acts specified in it, together with full power to perform every act and thing which my Attorney in Fact may think necessary to be done in and about the premises; as fully to all intents and purposes as I might or could do if personally present. I hereby ratify and confirm all which my Attorney in Fact shall lawfully do or cause to be done by reason of this Power of Attorney.

**The powers granted by this Power of Attorney are:**

1. Exercise this Power of Attorney in favor of and for the benefit of my Attorney in Fact.

2. Have access to any safe deposit box which has been rented in my name or in my name and any other person. To access, add to, or remove any and all contents of my safe deposit box or other depository, for the purpose of exercising the powers set forth herein.

3. Make gifts outright or in trust for me.

4. Create an irrevocable or revocable trust for me or for the benefit of my dependant with due consideration to my then existing estate plan and to transfer assets to any revocable or irrevocable trust which may be then created, or which I have established, or may establish in the future, as my Attorney in Fact may determine in my Attorney in Fact's sole discretion. In the event a trust is created as provided herein, my attorney-in-fact shall have the power to accept, disclaim or assign all or any portion of any asset, property, income or benefits under the guidelines and restrictions of the trust and which is appropriate in the sole discretion of my attorney-in-fact.

5. Make gifts prior to my Medicaid eligibility to or for the benefit of my dependant, outright or in trust, in such amounts as my Attorney in Fact may determine, as permitted by federal and state law at the time of such gifts, which have the purpose of preserving assets in trust or otherwise for the supplemental needs and benefit of my dependant. I do not want all of my savings and resources spent down on my catastrophic health care costs alone, as it is in my best interests in my judgment, and in the public interest as determined by state and federal law now in existence, and in the interests of my dependant, for some portion of my assets (I leave the determination of amount of gift to the discretion of my trusted Attorney in Fact) to be preserved for my dependant's supplemental care and needs.

6. Collect, hold, retain, acquire, or dispose of any Asset (including any Asset in which my Attorney in Fact is personally interested) until, in the judgment of my Attorney in Fact, disposition of any Asset should be made. My Attorney in Fact need not sell any Asset merely for the sake of diversification nor for the sake of obtaining cash funds to invest in other assets which might produce more income.

7. Receive additions to any Asset.

8. Acquire an undivided interest in any Asset in which my Attorney in Fact may hold an undivided interest.

9. Invest and reinvest any Asset as my Attorney in Fact shall determine from time to time to be reasonable and prudent.

10. Sell any Asset for cash or on credit; at public or private sale.

11. Deposit any Asset in a bank including a bank operated by my Attorney in Fact.

12. Manage, develop, improve, exchange, partition, change the character of, or abandon, any Asset in connection with the exercise of any power vested in my Attorney in Fact.

13. Possess, manage and maintain all of my property, with the right to convey, sell, mortgage, lease or insure any or all of it.

14. Enter for any purpose into a lease as lessor or lessee with or without option to purchase or renew for a term within or extending beyond the term of this Power of Attorney.

15. Enter into a lease or arrangement for exploration and removal of minerals or other natural resources or enter into a pooling or unitization agreement.

16. Grant an option involving disposition of any Asset and to take an option for the acquisition of any Asset.

17. Purchase and sell Securities; open and maintain an account with any brokerage firm or company, including, but not limited to, a street account; conduct any and all Security trading activity, including, but not limited to, marginal trading or short selling; vote a Security, in person or by general or limited proxy; pay calls, assessments, and any other sums chargeable or accruing against or on account of a Security; sell or exercise stock subscription or conversion rights to consent, directly or through a committee or other my Attorney in Fact, to the reorganization, consolidation, merger, dissolution, or liquidation of a corporation or other business enterprise; hold a Security in the name of a nominee or in other form, but my Attorney in Fact shall be liable for any act of nominee in connection with the Security so held.

18. Insure any Asset, and my Attorney in Fact, against damage or loss or liability with respect to third persons.

19. Borrow money for my benefit or for the protection of any Asset or for all expenses, losses, and liability sustained in the administration of any Asset or because of the holding or ownership of any Asset; Encumber any Asset as security for repayment of the Indebtedness; and repay the Indebtedness from any Asset.

20. Advance money for my benefit or for the protection of any Asset or for all expenses, losses, and liability sustained in the administration of any Asset or because of the holding or ownership of any Asset; for the protection of any Asset or me; for which I grant my Attorney in Fact a lien on any Asset.

21. Pay, contest, or settle any claim by or against me or any Asset, and release, in whole or in part, any claim belonging to me or related to any Asset to the

extent the claim is uncollectible; by compromise, arbitration, or otherwise. Without limiting the generality of the foregoing, it includes the power to prosecute or defend actions, claims or proceedings in any jurisdiction for my benefit or for the protection of any Asset and is inclusive of any claim for personal injury to me.

22. Prepare and file all income and other federal and state tax returns that I am required to file; to sign my name on tax returns, including Federal and State income tax returns and death tax return as may from time to time be necessary; to hire preparers and advisers and pay for their services; and to do whatever is necessary to protect my assets from assessments for income taxes and other taxes. My Attorney in Fact is specifically authorized to receive confidential information; to receive checks in payment of any refund of taxes, penalties, or interest; to execute waivers (including offers of waivers) of restrictions on assessment or collection of tax deficiencies and waivers of notice of disallowance of claims for credit or refund; to execute consents extending the statutory period for assessment or collection of taxes; to execute closing agreements under Internal Revenue Code section 7121 or any successor statute; and to delegate authority or substitute another representative concerning all the above matters.

23. Pay taxes, assessments, reasonable compensation of my Attorney in Fact, and other expenses incurred for my benefit or for the protection of any Asset or for all expenses, losses, and liability sustained in the administration of any Asset or because of the holding or ownership of any Asset.

24. Allocate items of income or expense to either income or principal, including creation of reserves out of income for: depletion in mineral or timber properties; depreciation; obsolescence; or amortization.

25. Expend funds reasonably necessary for the support, care, maintenance, education, or benefit of me or my dependent with due regard to my, or my dependant's, accustomed standard of living.

26. Pay any income or principal from any Asset to which I or my dependent is entitled either directly to me or my dependent, or to any person having custody of me or my dependent, or to the guardian or conservator of me or my dependent, or to any person who, or corporation which, shall be furnishing support, care, maintenance, or education to me or my dependent. The receipt of any person to whom payment is made as herein authorized shall be sufficient voucher for my Attorney in Fact, and in the discretion of my Attorney in Fact, the recipient need not be required to account to my Attorney in Fact.

27. Employ any custodian, attorney, accountant, auditor, investment adviser, corporate fiduciary, or any other my Attorney in Fact, even though associated with my Attorney in Fact, to advise or assist my Attorney in Fact in the performance of powers granted by this Power of Attorney, and to act upon any recommendation of the foregoing persons without independent investigation.

28. Instead of acting personally, to employ one or more my Attorney in Fact to perform any act authorized by this Power of Attorney regardless of whether or not discretionary.

29. Execute and deliver all documents and/or instruments which will accomplish or facilitate the exercise of the powers granted by me in this Power of Attorney to my Attorney in Fact.

30. Make gifts (in a reasonable amount) in trust or otherwise, to members of my family, any Attorney in Fact of mine, or to charity.

31. Upon termination of this Power of Attorney, my Attorney in Fact, after meeting all claims and expenses authorized by it, shall pay over and distribute all Assets to me, my guardian, conservator, personal representative, or successor-in-interest as soon as possible.

32. Convey or release my contingent and expectant interests in property including marital property rights and any right of survivorship incident to joint tenancy or tenancy by the entirety.

33. Exercise or release my power as trustee, personal representative, custodian for minors, conservator, or donee of a power of appointment.

34. Create revocable or irrevocable trusts of any Asset which may extend beyond my life.

35. Exercise my rights to elect options and change beneficiaries under any insurance and annuity policy and to surrender any policy for its cash value.

36. Exercise my right to an elective share in the estate of my deceased spouse.

37. Renounce any interest by testate or intestate succession or by inter vivos transfer.

38. Consult with any lawyer.

39. Execute and deliver any power of attorney required by any Governmental Entity including, without limiting the generality of the foregoing, the Internal Revenue Service.

40. Seek appropriate court orders mandating acts that my Attorney in Fact deems appropriate if a third party refuses to comply with actions taken by my Attorney in Fact that are authorized by this document or enjoining acts by third parties that my Attorney in Fact has not authorized. In addition, my Attorney in Fact may sue a third

party who fails to comply with actions I have authorized my Attorney in Fact to take and may demand damages, including punitive damages, on my behalf for such noncompliance.

41. Be entitled to fair and reasonable compensation for services rendered as Attorney in Fact under this document. In determining what constitutes "fair and reasonable" compensation, the following factors may be considered: (1) the time devoted by my Attorney in Fact in administering my affairs, (2) my net worth, (3) the nature of the assets subject to my Attorney in Fact's control, and (4) the fees charged by professional fiduciaries acting in the same or similar capacities under similar circumstances. In addition to compensation for services, my Attorney in Fact shall be entitled to reimbursement for all out-of-pocket expenses incurred in administering my affairs, including without limitation, reasonable travel expenses, including land and air transportation, lodging, and meals. Nothing contained in this part of this document is to be construed as requiring my Attorney in Fact to pay my Attorney in Fact compensation or reimburse my Attorney in Fact for out-of-pocket expenses.

42. No Successor Attorney in Fact shall be liable for any act, omission, or default of a prior Attorney in Fact. The Successor Attorney in Fact may accept the accounting records of the prior Attorney in Fact showing assets on hand without further investigation and without incurring any liability to any person claiming or having an interest in my assets.

43. Any third party from whom my Attorney in Fact under this document may request information, records, or other documents regarding my personal affairs may release and deliver all such information, records, or documents to my Attorney in Fact without liability to me, my estate, heirs, successors, or assigns for release or delivery of such information, records, or other documents to my Attorney in Fact. I hereby waive any privilege that may apply to release of such information, records, or other documents, but only to the extent necessary to authorize such release.

44. My Attorney in Fact is authorized to make photocopies of this document and any attached documents as frequently and in such quantity as my Attorney in Fact deems appropriate. Each photocopy shall have the same force and effect as the original.

45. My Attorney in Fact nominated in this document shall not be required to post any bond or bonds at any time.

46. In construing this Power of Attorney, the following shall control:

a. This Power of Attorney shall be construed by the law of the state in which it is exercised regardless of where executed.

b. All provisions contained in this Power of Attorney are severable, and, in the event any provision contained in it shall be determined invalid by any

court of competent jurisdiction, this Power of Attorney shall be interpreted as though the invalid provision was not contained in it.

c. Nouns and pronouns used in this Power of Attorney shall be construed in accordance with the appropriate gender or neuter, and as either singular or plural, as the context requires.

d. All parties dealing with my Attorney in Fact are authorized to rely fully on a clerk's or recorder's certified copy of the original of this Power of Attorney which has been duly recorded as required by the law of the state in which this Power of Attorney is to be exercised.

e. The term "Asset" shall mean any property (real, personal, mixed, tangible, intangible, legal, or equitable) in which I shall have any interest of any kind or nature regardless of how created or evidenced.

f. The term "Encumber" shall mean and include the execution and delivery of a mortgage, deed of trust, security agreement, financing statement, pledge, or other instrument of hypothecation.

g. The term "Governmental Entity" shall mean the United States of America, State thereof, or political subdivision of such State, or any country other than the United States of America.

h. The term "Indebtedness" shall mean and include all obligations, debts, and liabilities arising out of, a debtor-creditor relationship.

i. The term "Security" shall mean any stock, bond, or evidence of investment or indebtedness, issued by or insured by any Governmental Entity, person, firm or corporation and any common or preferred stocks, notes, debentures, fractional shares, and stock subscription or commission rights of any corporation.

#### WARNING TO PERSON EXECUTING THIS DOCUMENT

This is an important legal document. It creates a durable power of attorney. Before executing this document, you should know these important facts:

1. This document may provide the person you designate as your Attorney in Fact with broad powers to dispose, sell, convey, and Encumber your real and personal property.

2. These powers will exist for an indefinite period of time unless you limit their duration in this document. These powers will continue to exist notwithstanding your subsequent disability or incapacity.



3. You have the right to revoke or terminate this durable power of attorney at any time.

IN WITNESS WHEREOF I have hereunto set my hand this 5<sup>th</sup> day of September, 2001.

*June June Pauly*  
JUNE PAULY

### STATEMENT OF WITNESSES

I declare under penalty of perjury under the laws of Oregon that the person who signed or acknowledged this Power of Attorney is personally known to me to be the principal, that the principal signed or acknowledged this Power of Attorney in my presence, that the principal appears to be of sound mind and under no duress, fraud, or undue influence, that I am not the person appointed as attorney in fact by this document, and that I am not a health care provider, an employee of a health care provider, the operator of a community care facility, nor an employee of an operator of a community care facility; further, I am not related to the principal by blood, marriage or adoption, and to the best of my knowledge, I am not entitled to any part of the estate of the principal upon the death of the principal under a Will now existing or by operation of law.

Date: September 5<sup>th</sup>, 2001.

*Karen Chasney, Klamath Falls,*  
Witness name & Residence Address: OR.

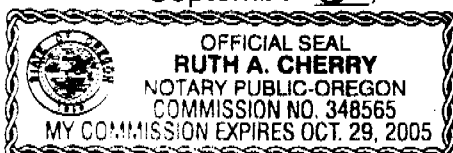
Date September 5<sup>th</sup>, 2001.

*Lisa M<sup>c</sup> Donald* *Klamath Falls,*  
Witness name & Residence Address: OR.

STATE OF OREGON           )  
  ) ss:  
County of Klamath        )

Personally appeared before me the above named JUNE PAULY and acknowledged the foregoing instrument to be JUNE PAULY'S voluntary act and deed.

September 5, 2001.



*[Signature]*  
Notary Public for Oregon

## CERTIFICATE OF LAWYER

I am a lawyer authorized to practice law in the State where this Power of Attorney was executed, and June Pauly was my client at the time when this Power of Attorney was executed. I have advised my client concerning my client's rights in connection with this Power of Attorney and the applicable law and the consequences of signing or not signing this Power of Attorney, and my client, after being so advised, has executed this Power of Attorney.

Date: September 05, 2001

A handwritten signature in black ink, appearing to read 'Ruth A. Cherry', written over a horizontal line.

Ruth A. Cherry, OSB#91236  
706 Main Street  
Klamath Falls, Oregon 97601  
(541) 273-9386

ACCEPTANCE AND APPROVAL

I accept the appointment as Attorney in Fact and agree to act as Attorney in Fact according to the terms of the Power of Attorney.

Date: September 5, 2001.

June L Bidgory

ACCEPTANCE AND APPROVAL

I accept the appointment as Attorney in Fact and agree to act as Attorney in Fact according to the terms of the Power of Attorney.

Date: September 5, 2001.

Raymond & Belgrave