

Ron Kerl, Esq. #1768  
**COOPER & LARSEN, CHARTERED**  
151 North Third Avenue, Suite 210  
P.O. Box 4229  
Pocatello, ID 83205-4229  
Telephone: (208) 235-1145  
Facsimile: (208) 235-1182

US DISTRICT &  
COURT  
200 OCT 27 A 8:20

*Counsel for Deere & Company*

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF IDAHO

FEE PAID  
RCPT # 24824

In the Matter of: )  
)  
)  
LYNN KETTERLING, )  
JEANNE KETTERLING, )  
)  
Debtors. )  
\_\_\_\_\_ )

CASE NO.03-41318  
**MOTION FOR STAY RELIEF**

COMES NOW Deere & Company, a secured creditor herein, by and through its attorneys of record, and pursuant to Title 11, United States Code, 362 respectfully moves the Court for its Order granting relief to this Creditor from the effect of the automatic stay existing by virtue of 11 U.S.C. §362(a) on the property hereinafter described, by annulling, modifying or otherwise terminating the automatic stay so as to allow this Creditor to enforce its rights under the contracts and agreements it has with the Debtors. In support of this Motion, Deere & Company represents as follows:

1. On April 13, 1999, the Debtors entered into a Loan Contract - Security Agreement with Deere & Company, in which Debtors agreed to pay Deere and Company \$23,065.00. The contract related to Debtors' purchase of a 1999 John Deere Wheel Loader with two buckets and pallet forks, Manufacturer's ID No. MO8875X030747. That Agreement provides, in part, that Deere

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& Company was granted a security interest in that same 1999 John Deere Wheel Loader with two buckets and pallet forks. Pursuant to the statutes of the State of Idaho, Deere & Company perfected its security interest in the 1999 John Deere Wheel Loader with two buckets and pallet forks. A copy of the Loan Contract -Security Agreement and proof of perfection of Deere's security interest are attached hereto as Exhibit "A" and incorporated hereby by this reference as if set forth at length.

2. On September 27, 1999, the Debtors entered into a Loan Contract - Security Agreement with Deere & Company, in which Debtors agreed to pay Deere & Company \$4,800. The contract related to Debtors' purchase of a 1999 John Deere 2 x 2 Gator, Manufacturer's ID No. W004X2X044342. That Agreement provides, in part, that Deere & Co. was granted a security interest in that same 1999 John Deere 2 x 2 Gator. Pursuant to the statutes of the State of Idaho, Deere & Co. perfected its security interest in the 1999 John Deere 2 x 2 Gator. A copy of the Loan Contract -Security Agreement and proof of perfection of Deere's security interest are attached hereto as Exhibit "B" and incorporated hereby by this reference as if set forth at length.

3. On February 2, 2001, the Debtors entered into a Loan Contract - Security Agreement with Deere & Company, in which Debtors agreed to pay Deere & Company \$52,940.00. The contract related to Debtors' purchase of a 1996 John Deere Wheel Loader with cab, Manufacturer's ID No. DW544GB558784. That Agreement provides, in part, that Deere & Company was granted a security interest in that same 1996 John Deere Wheel Loader with cab. Pursuant to the statutes of the State of Idaho, Deere & Company perfected its security interest in the 1996 John Deere Wheel Loader with cab. A copy of the Loan Contract -Security Agreement and proof of perfection of Deere's security interest are attached hereto as Exhibit "C" and incorporated hereby by this reference as if set forth at length.

4. The above described property is not necessary for the Debtors' reorganization as the Debtors propose in plan to simply liquidate the property and pay Deere & Company its allowed secured claim. Deere & Company has timely objected to the plan. The Debtors have not provided any protection to Deere & Company and are delinquent in their contract payments yet they, on information and belief, continue to use the collateral.

5. There is presently due, owing and unpaid upon the April 13, 1999 contract the sum of \$5,548.28, with interest accruing after November 1, 2003 at the rate of 7.49% per annum (\$1.11 per day). The collateral has a reasonable value, based upon liquidation prices, of \$12,000.<sup>1</sup>

6. There is presently due, owing and unpaid upon the September 27, 1999 contract the sum of \$1,645.36, with interest accruing after November 1, 2003 at the rate of 8.39% per annum (\$.37 per day). The collateral has a reasonable value, based upon liquidation prices, of \$2,500.

7. There is presently due, owing and unpaid upon the February 2, 2001 contract the sum of \$37,407.59, with interest accruing after November 1, 2003 at the rate of 10.04% per annum (\$10.04 per day). The collateral has a reasonable value, based upon liquidation prices, of \$25,000.00.

8. Cause exists for the termination of the automatic stay. Notwithstanding the terms and provisions of Rule 7062 of the Rules of Bankruptcy Procedure, the order terminating the automatic stay should be made effective upon its entry by the Court.

WHEREFORE, in consideration of the above this Court should forthwith order that the automatic stay in force pursuant to §362(a) of the Bankruptcy Code be annulled, terminated and

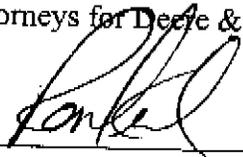
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<sup>1</sup>In addition, Deere & Company's attorney fees and costs, so far unliquidated, are a part of the sum due and are in addition to the sums stated in this Motion.

modified so as to allow Deere & Company to enforce its rights in and to the property above described by virtue of the three contracts existing between the parties and applicable state and federal law.

DATED this 27 day of October, 2003.

COOPER & LARSEN, CHTD.  
Attorneys for Deere & Company

By   
Ron Kerl

CERTIFICATE OF SERVICE

I HEREBY CERTIFY on the 27 day of October, 2003, I served a true and correct copy of the foregoing document as follows:

Forrest Hymas  
P.O. Box 89  
Jerome, ID 83338

U.S. Mail, postage prepaid  
 Hand Delivery  
 Overnight Mail  
 Facsimile

U.S. Trustee  
304 N. 8<sup>th</sup> St., Ste. 347  
Boise, ID 83702

U.S. Mail, postage prepaid  
 Hand Delivery  
 Overnight Mail  
 Facsimile

D. Blair Clark  
P.O. Box 2773  
Boise, ID 83701

U.S. Mail, postage prepaid  
 Hand Delivery  
 Overnight Mail  
 Facsimile

Craig Christensen  
P.O. Box 130  
Pocatello, ID 83204

U.S. Mail, postage prepaid  
 Hand Delivery  
 Overnight Mail  
 Facsimile

Jerry V. Jensen  
P.O. Box 535  
Buhl, ID 83316

- U.S. Mail, postage prepaid
- Hand Delivery
- Overnight Mail
- Facsimile

By:   
\_\_\_\_\_  
Ron Kerl

LOAN CONTRACT - SECURITY AGREEMENT

PAGE 1 OF 1

LOAN CONTRACT - SECURITY AGREEMENT form with fields for BUYER, SELLER, BORROWER, and LENDER information.

I hereby apply to Deere & Company (the "Lender") for a loan of the Amount Financed shown below, and on the following terms and conditions...

Table with columns: QTY, UOM, MFR, MODEL, DESCRIPTION OF TRADE-IN, PRODUCT IDENTIFICATION NO., DELIVERED CASH PRICE.

Table with columns: PAYMENT TYPE, MONTHLY INSTALLMENTS, ITEMIZATION OF AMOUNT FINANCED.

SECURITY AGREEMENT: To secure the indebtedness evidenced by this contract I hereby grant to Lender (Secured Party) a Security Interest in the Goods described above... PREPAYMENT REFUND: I may prepay the full outstanding balance due under this agreement...

STATE LAW APPLYING: Except as prohibited by the law of the state where I live, the construction and validity of this agreement shall be controlled by the law of laws, where this agreement is accepted and entered into...

PHYSICAL DAMAGE INSURANCE REQUIRED (See Provisions on Reverse Side)
Liability insurance coverage for bodily injury and property damage caused to others not included.

ADDITIONAL PROVISIONS CONCERNING RIGHTS OF THE PARTIES ON REVERSE SIDE ARE A PART OF THIS CONTRACT

Table with columns: INSURANCE COVERAGE, PHYSICAL DAMAGE, LIABILITY INSURANCE.

NOTICE TO BUYER: 1. Do not sign this contract before you have read it or if it contains blank spaces. 2. You are entitled to an exact and completely filed in copy of this contract when you sign it.

CAUTION: IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.

I acknowledge receipt of a true copy hereof.
Signature: [Handwritten Signature] Date: 4/13/99

DO NOT WRITE IN SHADDED AREA - FOR DEERE CREDIT SERVICES, INC. USE ONLY.
AGLADCC(L)-LC-FRABO-1



LA DEERE & S. PPA.

ADDITIONAL PROVISIONS CONCERNING RIGHTS OF THE PARTIES

PREPAYMENT REFUND: Any refund of unearned finance charges (as described on the front) will be figured by the early payment formula for figuring refunds on the early payment of installment contracts.

APPLICATION OF PAYMENTS: Any sums received from me may be applied at Lender's discretion to obligations hereunder or to any other indebtedness owed by me to Lender despite directions, if any, appearing on the remittance, and to interest before principal, and if permitted by law to past due interest before installments.

DEFAULT: This contract shall be in default (a) if I fail to pay any installment when due, (b) if I attempt to sell or dispose of the Goods, (c) if I file for or have instituted against me proceedings under any bankruptcy or insolvency law, (d) if I make an assignment for the benefit of creditors, (e) if I fail to pay any taxes levied on the Goods, (f) if any attachment, execution, writ or other process is levied against any of my property, (g) if I fail at any time to keep the Goods properly insured as described below, (h) if I remove the Goods, without prior written notice to Lender, from the location to which I have agreed to keep them, or (i) if for any reason Lender deems the debt or security unsafe. Lender, upon event Lender may take possession of any Goods in which Lender has a Security Interest and exercise any other remedies provided by law, and may immediately and without notice declare the entire balance of this contract due and payable. Upon or upon default I agree to assemble the Goods at a location designated by Lender. In addition, to the extent permitted by law, Lender may collect all reasonable expenses, including attorney's fees, incurred in realizing on the Security Interest granted hereunder, or otherwise enforcing the terms of this contract. If I reside in Texas, I agree that any remaining amounts due under this contract after any default by me shall be payable to Lender or its order at Dallas, in Dallas County, Texas.

RISK OF LOSS AND OTHER AGREEMENTS: The Goods are held by me at my risk and expense with no abatement in my obligation on account of loss or damage. I will settle all claims of any kind against SELLER directly with SELLER and I will not use any such claim as a defense, setoff or counterclaim against any effort by Lender to enforce this contract. Waiver or condonation of any breach or default shall not constitute a waiver of any other or subsequent breach or default. I authorize Secured Party or any assignee hereof to file (or to execute on my behalf and file) a financing statement (or financing statement) in order to perfect the security interest granted hereof, indicating the type of items described herein or describing such items. A carbon impression of my signature shall be sufficient to authenticate a financing statement describing the Goods. Any provision hereof prohibited by law shall be ineffective and deemed deleted to the extent such prohibition and shall not invalidate any other provision hereof. Lender may correct patent or clerical errors in this contract, or in any purchase orders or financing statements executed in connection herewith.

PROPERTY DAMAGE INSURANCE PROVISIONS: I agree that (except to the extent this contract is for service work) I shall keep the Goods insured against all risks of loss, damage or destruction for their full insurable value, with such insurance to be payable. I may choose the person through whom I obtain the insurance, but the insurance must be acceptable to Lender. Such insurance will provide that it may not be cancelled by me without Lender's consent and may not be renewed by the insurer without at least 30 days written notice to Lender. I agree to provide Lender with evidence of any paid-up insurance policy that I have on the Goods within 15 days of the date of this contract and at least 30 days before the renewal date. It is understood that if I fail to deliver to Lender satisfactory evidence of paid-up insurance, Lender may but shall not be obligated to purchase such insurance. I agree to pay the cost thereof either at such time or to the extent Lender demands, together with interest thereon at the Contract Rate until paid, or to have such cost added as increases in the amounts of the installments at the sole discretion of Lender. If I provide evidence of paid-up insurance to Lender, I agree to reimburse Lender for the cost of any insurance Lender purchased until the date such insurance is provided by me. In addition, if permitted by law, I agree to pay a reasonable administrative fee to Lender for processing and expediting such insurance.

I understand that I may meet this insurance requirement by having Lender purchase such insurance. Inclusion of an election for Physical Damage Insurance in the Insurance Disclosure box on the front of this contract will be my election to have Lender purchase such insurance. Such insurance will cover the full market value of the Goods at the time of loss and will remain in effect until my debt to Lender is paid in full, or until the Security Interest in the Goods terminates, or I default under this contract and Lender cancels the insurance, or until the Goods are repossessed, or the Retail Installment Sales Floater Policy under which Lender purchased the insurance terminates.

Lender reserves the right to cancel any insurance on the Goods and, if allowed by law, to discharge my obligation in relation to my debt to Lender with any excess returned to me.

Any proceeds payable to me from insurance by reason of loss, damage or destruction of the Goods may be applied to the outstanding debt to Lender or to replacement of the Goods, at Lender's sole discretion.

Lender and you agree that Lender may consider my debt in default if I fail to keep the Goods properly insured at any time when my debt to Lender is paid in full. If that happens, Lender may, but is not obligated to, buy insurance to protect the Goods and add the cost to my debt to Lender, and I promise to pay such additional cost upon Lender's demand.

JOHN DEERE FINANCIAL SERVICES

Handwritten signatures and stamps at the bottom of the page.

Instructions

# STATE OF IDAHO FINANCING STATEMENT - FORM UCC-1

Customer account number

24076

- PLEASE TYPE THIS FORM IN BLACK
- Filing fee: a. With Secretary of State. Exceeds by one dollar amount used. Check or money order of \$4.00 if form is typed or \$10.00 if not typed. b. Attachments, add \$1.00 per printed page. The paid amount must agree Customer Number on Customer account number book to right.
- File only the original. Make copies for your use. The original is returned to you automatically.
- Enter only one debtor's name or assumed name per debt, from a party as it is to be indexed. If more than four names are indicated, use last first initials (e.g. Smith, John Alan J).
- When the signature has been verified, complete the Financing Statement and return the original to the filing office.

Read to Secretary of State, 1200 Union, 12th St. Jefferson, PO Box 43773, Boise, ID 83720-0000. Phone 325-3141

Debtor #1 (Last name, first, middle, title & mailing address)

Ketterling, Lynn  
100 N 1st W  
Rupert ID 83350

7-05

119-06-5958

Debtor #3

Debtor #2

Debtor #4

Secured Party and Address

Deere & Company  
PO Box 65090  
West Des Moines IA 50265

Assignee and Address

Mailing Address for acknowledgment of this Secured Party

Check if Covered  Products of collateral are also covered

- If one of the following debts is covered, the secured party may sign the Financing Statement. The collateral described here is:
- Brought into the state directly subject to a security interest in another jurisdiction
  - Subject to a security interest in another jurisdiction and the debtor's location has changed to this state. Products of the original collateral, transferred to a secured party in which a security interest was perfected.
  - The subject of a financing statement which has expired.
  - Subject to a security interest perfected under a prior name or name of the debtor.

This financing statement covers the following types or items of property:

If this is a fixture (motor or mineral) to be recorded with the County Recorder, include legal description and name of record owner, if required.

One New John Deere 8075 Skid Steer Loader w/2 buckets, pallet forks

S/N M08875X030747

Signature of Debtor(s)

Filing Office Use Only

IDAHO SECRETARY OF STATE

04/15/1999 149 x 010  
CR: none CT: 24274 BR: 287606

1 @ 6.00 = 6.00 UCC1 FILE # 2

Filing Number: B 832049

Signature of Assignee

Deere & Company  
Agent

TELENOTICE STATEMENT: The Secured Party no longer claims a security interest in the following collateral:

Secured Party or Assignee of Secured Party

Date

LENS# 440200R0000011000

Revised 10/96

LOAN CONTRACT - SECURITY AGREEMENT

PAGE 1 OF 1

BUYER NAME CHRISTIANSEN IMPLEMENT	ADDRESS 111 OVERLAND AVENUE BURLEY ID 83318	DEALER ACCOUNT NO. 7578	DEALER PHONE NO. 209 678-3983	APPLICATION DATE 30AUG99	CONTRACT NO. 519653958 04
BUYER NAME KETTERLING LYNN	ADDRESS 188 K 768 W RIIPERT ID 83358	DEALER ACCOUNT NO. 209 436-4466	DEALER PHONE NO. 067	APPLICATION DATE 30AUG99	CONTRACT NO. 519653958 04
BUYER NAME KETTERLING LYNN	ADDRESS 188 K 768 W RIIPERT ID 83358	DEALER ACCOUNT NO. 209 436-4466	DEALER PHONE NO. 067	APPLICATION DATE 30AUG99	CONTRACT NO. 519653958 04

I hereby apply to Deere & Company (the "Lender") for a loan of the Amount Financed shown below, and on the following terms and conditions. The amount of the UNPAID BALANCE shown below on Line 8 is to be used to finance the BALANCE DUE on the PURCHASE ORDER executed in connection with the purchase from the Seller of the Equipment described below (the "Goods"). I agree that I have received the Goods. You can inspect the Goods at any reasonable time.

**PARTIES:** In this agreement, the words "I", "me", and "my" mean the persons, whether one or more, who sign it as "Borrower(s)" (who is also known as "Debtor(s)").

**PROMISSORY NOTE:** If this Loan Contract is accepted by Lender, I promise to pay to Lender or its order the TOTAL as in line 8 below, in monthly installments and/or installments other than monthly as shown below. More than one person signs this agreement as "Borrower" we will be jointly and severally liable for all amounts due under this agreement. I represent that the Goods are being purchased for a business, commercial or agricultural purpose.

QTY.	MAKE	MODEL	DESCRIPTION OF EQUIPMENT	PRODUCT IDENTIFICATION NO.	DELIVERED CASH PRICE
1	K	JD	GATR 4X2 GATOR	W004X2X044342	5358.00
					5358.00

QTY.	MAKE	MODEL	DESCRIPTION OF TRADE-IN (From Purchase Order)	PRODUCT IDENTIFICATION NO.	AMOUNT
					0.00
Cash value received					558.00
					TOTAL TRADE-IN
					0.00

INSTALLMENTS OTHER THAN MONTHLY	MONTHLY INSTALLMENTS	AMOUNT
None	60	98.24
TOTAL		5894.40

**SECURITY AGREEMENT:** To secure the indebtedness evidenced by this contract I hereby grant to order (Secured Party) a Security Interest in the Goods described above (which term includes items, if any, listed as "security" or "additional security") and all parts and accessories now or hereafter incorporated in or on such Goods by way of addition, accession or replacement. I also grant you a security interest in all insurance proceeds and refunds or insurance premiums financed hereunder.

**REPAYMENT REQUIRED:** I may prepay the full outstanding balance due under this agreement at any time before my payments are due and will get a refund of any unearned finance charge.

**ATE PAYMENTS:** In addition to promising to pay the installments set forth above, I promise to pay past due interest accrued from maturity on each installment in default more than 10 days (15 days in North Dakota) at the highest rate permitted by applicable state law. If Seller's place of business is in North Dakota, the interest must be in default more than 15 days and the late charge shall not exceed the lesser of 4% of the unpaid amount of the late installment or \$5.00.

**ADDITIONAL CONTRACT INFORMATION:** See the back of this agreement for additional information of terms regarding non-payment, default, the right to demand immediate payment, and prepayment funds.

**(ATE LAW APPLYING):** The construction and validity of this agreement shall be controlled by the law of Iowa, where this agreement is accepted and entered into, and the validity of the security interest shall be controlled by the law of the state where the Goods are to be kept and used.

**PHYSICAL DAMAGE INSURANCE REQUIRED (See Provisions on Reverse Side)**

ability insurance coverage for liability injury and property damage caused to others not included.

ADDITIONAL PROVISIONS CONCERNING RIGHTS OF THE PARTIES ON REVERSE SIDE ARE A PART OF THIS CONTRACT

PHYSICAL DAMAGE INSURANCE (Sign in the box)	NO/YES	PREMIUM
Credit Life Insurance (Sign in the box)	NO/YES	PREMIUM

**NOTICE TO BUYER:** 1. Do not sign this contract before you have read it or if it contains blank spaces. 2. You are entitled an exact and completely filled in copy of this contract when you sign it. Keep it to protect your legal rights. 3. Under it, you have the following rights, among others: a. to pay off in advance the full amount due and to obtain a partial refund of the finance charge, b. to redeem the property if repossessed for a default within the time provided by law, c. to sue, under certain conditions, a resale of the property if repossessed.

**ATTENTION: IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.**

I acknowledge receipt of a true copy hereof.

Signature: *[Signature]* Date: 9/27/99

Buyer (Debtor's) Signature: \_\_\_\_\_ Date: \_\_\_\_\_



### ADDITIONAL PROVISIONS CONCERNING RIGHTS OF THE PARTIES

**PREPAYMENT REFUNDS:** Any refund of unearned finance charges (as described on the front) will be figured by the actuarial method (a common formula for figuring refunds on the early payment of installment contracts).

**NSF FEE:** If payment is made by a check which is dishonored, I agree to pay Lender a fee of \$20 or such lesser amount specified by applicable law.

**APPLICATION OF PAYMENTS:** Any sums received from me may be applied at Lender's discretion to obligations hereunder or to any other indebtedness owed by me to Lender despite directions, if any, appearing on the remittance, and to interest before principal; and it is permitted by law to prepay interest before installments. If any proceeds from the sale of the Goods or insurance are applied to the debt, I remain liable to make each monthly payment described in this contract until it is paid in full. Lender can accept payments marked "paid in full" or with other restrictive endorsements, without losing any of Lender's rights under this Agreement.

**DEFAULT:** This contract shall be in default if: (a) I fail to pay any installment when due, (b) I attempt to sell or encumber any interest in the Goods, (c) I institute or have instituted against me proceedings under any bankruptcy or insolvency law, (d) I make an assignment for the benefit of creditors, (e) I fail to pay any taxes levied on the Goods, (f) any attachment, execution, writ or other process is levied against any of my property, (g) I fail at any time to keep the Goods properly insured as described below, (h) I remove the Goods, without prior written notice to Lender, from the location in which I have agreed to keep them, (i) I fail to maintain the Goods in good condition and repair or permit its value to be impaired, (j) I permit the Goods to be used in violation of any law, regulation or policy of insurance, (k) any representation, warranty or statement is made to Lender in connection with this agreement which is false in any material respect when made, (l) any legal entity such as a partnership, limited liability company or corporation that has agreed to pay this agreement ceases to do business, (m) any legal entity in whose assets or termination or failure to maintain its corporate existence, or (n) for any reason Lender deems the debt or security under. In any such event Lender may take possession of any Goods in which Lender has a Security Interest and exercise any other remedies provided by law, and may immediately and without notice declare the entire balance of this contract due and payable. In addition, to the extent permitted by law, Lender may collect all reasonable expenses, including attorney's fees, incurred in realizing on the security interest granted hereunder, or otherwise enforcing the terms of this contract. Lender also has the right to take possession of the Goods or render the goods unusable.

If Lender takes possession of the Goods after I default, it shall be commercially reasonable for Lender to sell the Goods at a private sale; (i) at wholesale to a dealer in used goods of like kind; or (ii) at retail to a purchaser directly or through a dealer in such used goods. The enumeration of the foregoing methods of disposition are without limitation to the Lender's right to dispose of the Goods by any other manner or method (whether by sale, lease, or otherwise) in a commercially reasonable manner.

**RISK OF LOSS AND OTHER AGREEMENTS:** The Goods are held by me at my risk and expense with no abatement in my obligation on account of loss or damage. I will settle all claims of any kind against SELLER directly with SELLER and I will not use any such claim as a defense, setoff or counterclaim against any effort by Lender to enforce this contract. Waiver or condonation of any breach or default shall not constitute a waiver of any other or subsequent breach or default. I authorize Secured Party or any obligee hereof to file (or to execute on my behalf and file) a financing statement (or statements) in order to perfect the security interest granted herein, indicating the type of items described herein or describing such items. **FAX AND ELECTRONIC SIGNATURE:** Each person who signs this contract agrees that any carbon signature, facsimile signature or electronic signature shall constitute an original signature within the meaning of applicable law, for all purposes, including the filing of financing statements. Any provision hereof prohibited by law shall be ineffective and deemed deleted to the extent of such prohibition and shall not invalidate any other provision hereof. Lender may correct patent or clerical errors in this contract, or in any purchase orders or financing statements executed in connection herewith.

**PHYSICAL DAMAGE INSURANCE PROVISIONS:** I agree that (except to the extent this contract is for service work) I will at all times keep the Goods insured against all risks of loss, damage or destruction for their full insurable value, with Lender listed as loss payee. I may choose the person through whom I obtain the insurance, but the insurance must be acceptable to Lender. Such insurance will provide that it may not be cancelled by me without Lender's consent and may not be cancelled by the insurer without at least 10 days written notice to Lender. I agree to provide Lender with evidence of the paid-up insurance policy that I have on the Goods within 15 days of the date of this contract and at least 30 days before the renewal date. It is understood that if I fail to deliver to Lender satisfactory evidence of paid-up insurance, Lender may but shall not be obligated to purchase such insurance. I agree to pay the cost thereof either at such time or times as Lender demands, together with interest thereon at the Contract Rate until paid, or to have such cost added as increases in the amounts of the installments at the sole discretion of Lender. If I provide evidence of paid-up insurance after these time periods, I agree to reimburse Lender for the cost of any insurance Lender purchased until the date such evidence is provided by me. In addition, if permitted by law, I agree to pay a reasonable administrative fee to Lender for obtaining and cancelling such insurance.

I understand that I may obtain the insurance reimbursement by having Lender purchase such insurance. Inclusion of an amount for such insurance in the Insurance Disclosure box on the front of this contract will be my election to do this, but such insurance will be purchased only if Deere & Company accepts this agreement. Such insurance will cover the fair market value of the Goods at the time of loss and will remain in effect until my debt to Lender is paid in full, or Lender's security interest in the Goods terminates, or I default under this contract and Lender cancels the insurance, or any of the Goods are repossessed, or the Retail Installment Sales Fleet Policy under which Lender purchased the insurance is terminated.

If I default under this contract, I give Lender permission to cancel any insurance on the Goods and, if allowed by law, to apply any premium refunds to my debt to Lender with any excess returned to me.

Any proceeds payable to me from insurance by reason of loss, damage or destruction of the Goods may be applied to my outstanding debt to Lender or to replacement of the Goods, at Lender's sole discretion.

I understand and agree that Lender may consider my car in default if I fail to keep the Goods properly insured at any time before my debt to Lender is paid in full. If that happens, Lender may, but is not obligated to, buy insurance to protect the Goods and add the cost to my debt to Lender, and I promise to pay such additional cost upon Lender's demand.

**STATE OF IDAHO FINANCING STATEMENT - FORM UCC-1**

Customer account number

24274

1. PLEASE TYPE THIS FORM IN BLOCK.
2. **File Fee:** With Secretary of State. Except for one and a-half page users, enclose filing fee of \$9.00 if form is typed, or \$10.00 if not typed. For attachments, add \$1.00 per attached page. The performance users must enter Customer Number in "Customer account number" block in type  $\rightarrow$ .  
 b. Filing time with County Recorder. Enclose recording fee of \$3.00 per page.
3. File only the original. Make copies for your file. The unperfected fee returned as your acknowledgment.
4. Enter only one debtor's name or its names across per Debtor block exactly as it is to be indexed. If more than four names, use an attached sheet. Enter individual debtor names: LAST, FIRST MIDDLE NAME, e.g. Smith, John Albert J.
5. When the collateral has been submitted, complete the Termination Statement and return the original to the filing office.

Make Secretary of State UCC-1/9 form, and by reference refer to the Book of RECORDS, in Title 15, § 15-117.

Debtor #1 (Last name, first, middle, last & mailing address)

Kotterling, Lynn  
 100 N 160 W  
 Rupert ID 83350

2 9 7 7 2

519-60-5958

Debtor #3

1 3 1 5

Debtor #2

A57

Debtor #4

Secured Party and Address

Deere & Company  
 PO Box 65090  
 West Des Moines IA 50265

Assignee and Address

Mailing Address for acknowledgment if not Secured Party

- Check if Covered  Products of collateral are also covered
- If any of the following boxes is checked, the secured party may sign the financing statement. The collateral described herein is:
- Brought into this state already subject to a security interest in another jurisdiction
  - Subject to a security interest in another jurisdiction, and the debtor's location has changed to this state. Provide the agent collateral described herein in which a security interest was perfected.
  - The subject of a financing statement which has expired.
  - Subject to a security interest perfected under a prior name or identity of the debtor.

This financing statement covers the following types of items of property (if this is a fixture, timber or material being to be recorded with the County Recorder, include legal description and name of record owner, if required)

One New John Deere 4x2 Gator S/N W004X2X044342

Signature of Debtor(s)

*[Handwritten Signature]*

Secured Party Signature

*[Handwritten Signature]* Deere & Company Agent

TERMINATION STATEMENT. The Secured Party no longer claims a security interest under this financing statement

Secured Party or Assignee of Record Date

Filing Office Use Only

IDAHO SECRETARY OF STATE  
 09/13/1999 09:00  
 CR# none CI: 24274 IN: 249456  
 I # 6.00 + 6.00 UCC1 FILE # 2  
 Filing Number: B 847718

**LOAN CONTRACT - SECURITY AGREEMENT**

GOODS PREVIOUSLY SETTLED FOR: YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	CONSTRUCTION NEW <input type="checkbox"/> USED <input checked="" type="checkbox"/>	DEALER ACCOUNT NUMBER 0112	DEALER PHONE NO 208-888-3337	APPLICATION DATE 3/1/2001	DATE ACCEPTED BY JOHN DEERE CONST. EDMT. CD OFFICE USE ONLY	CONTRACT NO 17-519665958-17
Seller's Name and Address <b>CONTRACTOR EQUIPMENT SUPPLY CO.</b> 14 EAST 100 SOUTH JEROME, ID 83314		Borrower's (Debtor's) Name (Last Name First) and Mailing Address (including County and Zip) <b>LYNN KETTERLING</b> 100 N. 160 W. RUPERT, ID 83350		Borrower's (Debtor's) Name (Last Name First) and Mailing Address (including County and Zip) AR		
Borrower's (Debtor's) Phone No 208-436-4466	Borrower (Debtor) Resides in (County/State) MINIDOKA ID	Borrower (Debtor) Agrees to Keep Goods in County/State MINIDOKA ID		Place of Filing (Town & State) ID-SOS		
Borrower's Social Security Number (If not Signed) or Tax ID Number 519663958		Type of Business Proprietor <input checked="" type="checkbox"/> Partner <input type="checkbox"/> Corporation <input type="checkbox"/> LLC <input type="checkbox"/>		Name and Title of Signing Officer (If Corporation or LLC)		

**APPLICATION AND PROMISSORY NOTE:** I hereby apply to John Deere Construction Equipment Company (together with its assigns, the "Lender") for a Loan in the amount of the Principal Balance shown below. The amount of the unpaid balance on line 3 is to be used to finance the Balance Due on the purchase order executed in connection with the purchase from the Seller of the equipment described below (the "Goods"). If this Loan Contract is accepted by Lender, I promise to pay to the order of Lender, the Principal Balance shown on line 7 below, and finance charges thereon computed on the daily unpaid balance of the Principal Balance and to pay the installments shown below, with such adjustments in the amount or number of installments as may be necessary to reflect actual finance charges earned. If more than one person signs this Agreement as "Borrower", we will be jointly and severally liable for all amounts due under this Agreement. Except for the Notice to Borrower section, in this Agreement the words "I", "me" and "my" mean the persons, whether one or more, who sign it as the "Borrower".

Quantity	New/Used	Manufacturer	Model	Goods (Equipment)	Product Identification No.	Delivered Cash Price
1	U	JOHN DEERE	544G	1996 Wheel Loader w/Cab, 3.25yd Bucket	DW544GB958784	\$72,000.00
						\$ 0.00
						\$ 0.00
						\$0.00
Quantity	Manufacturer	Model	Description of Trade-In (From Purchase Order)	Product Identification No.	Amount	
1	JOHN DEERE	544C	WHEEL LOADER	544CL 401320	\$18,500.00	
					\$ 0.00	
					\$0.00	
<b>CASH DOWN PAYMENT: \$960.00</b>					<b>TOTAL TRADE-IN:</b>	<b>\$18,500.00</b>

Number of Payments	Amount of Each Payment	First Payment Due Date	ITEMIZATION OF AMOUNT FINANCED	
5	\$14,054.74	2/10/02		
0	\$0.00		Sales Tax Paid to Government Agencies	\$0.00
0	\$ 0.00		Cash Price (Including Tax)	\$72,000.00
0	\$ 0.00		Total Down Payment, Sum of Trade-In and Cash Down Payment	\$19,460.00
0	\$ 0.00		Unpaid Balance of Cash Price (Paid to Seller)	\$52,540.00
0	\$0.00		Official Fees (Paid to Public Officials)	\$0.00
0	\$0.00		Administrative Fees	\$400.00
0	\$0.00		Insurance - Credit Life and/or Physical Damage	\$0.00
0	\$0.00		Principal Balance (Lines 3, 4, 5 and 6) The amount of credit provided to Borrower(s)	\$52,940.00
0	\$0.00		Finance Charge (Based on Line 7) The dollar amount the credit will cost Borrower(s)	\$17,333.70
0	\$0.00		Total (Lines 7 and 8), (Principal Balance plus Finance Charge)	\$70,273.70
0	\$0.00		Annual Interest Rate: The cost of the Borrower(s) credit as a yearly rate.	10.25%

**SECURITY AGREEMENT:** To secure the indebtedness evidenced by this contract I grant you a Security Interest in the Goods (which term includes items, if any, listed as "Security" or "additional security") and all parts and accessories now or hereafter incorporated in or on such Goods by way of addition, accession or replacement and any proceeds arising therefrom, including, without limitation, insurance proceeds. I agree that I have received the Goods. Lender can inspect the Goods at any reasonable time. I REPRESENT THAT THE GOODS ARE BEING PURCHASED FOR A BUSINESS OR COMMERCIAL PURPOSE.

**EARLY PAYMENT:** I may prepay my obligation in full at any time prior to the original or any extended maturity and will be charged only for earned Finance Charges. No penalties will be imposed for early payment.

**DELINQUENCY CHARGE/ NSF FEES:** For each installment not paid when due, I promise to pay Lender a delinquency charge calculated at the rate of 1.5% per month for the period of the delinquency or, at Lender's option, 5% of such installment provided that such a delinquency charge is not prohibited by law, otherwise at the highest rate allowed by applicable law. I agree to repay immediately to Lender in the enforcement or administration of its rights under this Agreement, including, without limitation, any amount paid by Lender to a depository institution because a check, draft or order made or drawn by or for the benefit of me is returned unpaid for any reason. If any payment is made by a check which is dishonored, I agree to pay Lender a fee of \$20 or such lesser amount specified by applicable law.

**STATE LAW APPLYING:** THE CONSTRUCTION AND VALIDITY OF THIS AGREEMENT SHALL BE CONTROLLED BY THE LAW OF IOWA, AND THE VALIDITY OF THE SECURITY INTEREST SHALL BE CONTROLLED BY THE LAW OF THE STATE WHERE THE GOODS ARE TO BE KEPT AND USED.

ADDITIONAL PROVISIONS CONCERNING RIGHTS OF THE PARTIES ON REVERSE SIDE ARE A PART OF THIS CONTRACT

<b>INSURANCE DISCLOSURES</b> I may obtain Physical Damage Insurance from anyone I want that is acceptable to Lender. If I get the insurance through Lender, I will pay the Premium plus a fee. No insurance will be provided unless I sign at the right, the premium is shown and Lender accepts the contract.	NO. MOD 0	PREMIUM \$0.00	I want Physical Damage Insurance (Sign in this box)
Credit Life Insurance is not required to obtain credit and will not be provided unless I sign at the right, the premium is shown and Lender accepts this contract.	NO. MOD 0	PREMIUM \$0.00	I want Credit Life Insurance (Sign in this box)

**NOTICE TO BORROWERS:** 1. Do not sign this contract before you read it or if it contains blank spaces. 2. You are entitled to an exact and completely filled in copy of this contract when you sign it. Keep it to protect your rights. 3. Under the law, you may have the right to redeem the property if repossessed for a default within the time provided by law.

**CAUTION:** IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT. I acknowledge receipt of a true copy hereof.

Borrower's (Debtor's) Signature: LYNN KETTERLING, INDIV. Title: \_\_\_\_\_ Date: 2/12/2001

Borrower's (Debtor's) Signature: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

Borrower's (Debtor's) Signature: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

DO NOT WRITE IN SHADED AREA - FOR DEERE CREDIT SERVICES, INC.  
USE ONLY

Accepted by: **JOHN DEERE CONSTRUCTION EQUIPMENT COMPANY**  
(Lender/Secured Party)

At: **6400 NW 86<sup>th</sup> Street PO Box 4600, Johnston, Iowa 50121-6600**

John Stuber (Authorized Signature) Date: 15 FEB 01



#### ADDITIONAL PROVISIONS CONCERNING RIGHTS OF THE PARTIES

**APPLICATION OF PAYMENTS:** Any sums received from me may be applied at Lender's discretion to obligations hereunder or to any other indebtedness owed by me to Lender despite directions, if any, appearing on the remittance, and to interest before principal, and if permitted by law to past due interest before installments. If any proceeds from the sale of the Goods or insurance are applied to the debt, I remain liable to make each monthly payment described in this contract until it is paid in full. Lender may accept payments marked "paid in full" or with other restrictive endorsements, without losing any of your rights under this Agreement.

**DEFAULT:** This contract shall be in default (a) if I fail to pay any installment when due; (b) if I attempt to sell or encumber any interest in the Goods; (c) if I institute or have instituted against me proceedings under any bankruptcy or insolvency law; (d) if I make an assignment for the benefit of creditors; (e) if I fail to pay taxes levied on the Goods; (f) if any attachment, execution, writ, or other process is levied against any of my property; (g) if I fail at any time to keep the Goods properly insured as described below; (h) if I remove the Goods, without prior written notice to Lender, from the location in which I have agreed to keep them; (i) if I fail to maintain the Goods in good condition and repair or permit its value to be impaired; (j) if I permit the Goods to be used in violation of any law, regulation or policy of insurance; (k) if any representation, warranty or statement is made to Lender in connection with this agreement which is false in any material respect when made; (l) if any legal entity such as a partnership, limited liability company or corporation that has agreed to pay this agreement ceases to do business, dissolves, liquidates its assets or terminates or fails to maintain its legal existence; (m) if I fail to comply with any other provision of this contract; or (n) if for any reason Lender deems the debt or security unsafe. In any such event Lender may take possession of any Goods in which Lender has a Security Interest and exercise any other remedies provided by law. In such event I agree, upon demand, to assemble the Goods at a location designated by Lender, and Lender may immediately and without notice declare the entire balance of this contract due and payable. In addition, to the extent permitted by law, Lender may collect all reasonable expenses, including attorney's fees, incurred in realizing on the security interest granted hereunder, or otherwise enforcing the terms of this contract. If I reside in Texas, I agree that any remaining amounts due under this contract after any default by me shall be payable to Lender or its order at Dallas, in Dallas County, Texas.

If Lender takes possession of the Goods after I default, it shall be commercially reasonable for Lender to sell: (i) the Goods at a private sale; (ii) at wholesale to a dealer in used goods of like kind; or (iii) at retail to a purchaser directly or through a dealer in such used goods. The enumeration of the foregoing methods of disposition are without limitation to the Lender's right to dispose of the Goods by any other manner or method (whether by sale, lease, or otherwise) in a commercially reasonable manner. Lender also has the right to take possession of the Goods or render the Goods unusable. Upon default, I grant Lender permission to cancel any insurance on the Goods and if allowed by law, to apply any premium refunds to my debt to Lender with any excess returned to me. Waiver of any breach or default shall not constitute a waiver of any other or subsequent breach or default.

**RISK OF LOSS AND OTHER AGREEMENTS.** I hold the Goods at my risk and expense with no abatement in any obligation on account of loss or damage. I will settle all claims of any kind against the seller of the Goods directly with the seller and I will not use any such claim as a defense, setoff or counterclaim against any effort by Lender to enforce this Contract. I authorize Lender to file (or to execute on my behalf and file) a financing statement (or statements) in order to perfect the security interest granted herein, indicating the type of items described herein or describing such items. Each person who signs this Agreement agrees that any carbon signature, facsimile signature or electronic signature shall constitute an original signature within the meaning of applicable law, for all purposes, including the filing of financing statements. Lender may correct patent or clerical errors in the Agreement, or any purchase order or financing statement executed in connection with the transactions contemplated in this Agreement. Any provision of this Agreement prohibited by law shall be ineffective and deemed deleted to the extent of such prohibition and shall not invalidate any other provision hereof.

**INSURANCE:** Except to the extent this Agreement is for service work, I will at all times keep the Goods insured against all risk of loss, damage or destruction for greater or their full insurable value or the then outstanding amount of this Loan. Lender must be listed as a loss payee. I may choose the person through whom I obtain the insurance but the insurance must be acceptable to Lender. Such insurance will provide that it may not be canceled by me without Lender's consent and may not be canceled by the insurance company without at least ten (10) days written notice to Lender. I will provide Lender with evidence of the paid-up insurance on the Goods within fifteen (15) days of the date of this contract and at least thirty (30) days before the renewal date. If I fail to provide evidence of the insurance within the time periods specified in the preceding sentence, then I will reimburse Lender for the cost of any insurance Lender purchased until the date such evidence is provided by me. If I fail to keep the Goods properly insured, Lender may, but is under no obligation to, buy insurance to protect the Goods and add the cost to my debt to Lender, and I promise to pay additional cost upon Lender's demand. To the fullest extent permitted by law, I will pay Lender a reasonable administrative fee for obtaining and canceling such insurance.

I may meet this insurance requirement by having Lender purchase such insurance. Inclusion of any amount of Physical Damage Insurance in the Insurance Disclosure box on the front of this contract will be election to do this, but such insurance will only be purchased if Lender accepts this Agreement. Such insurance will cover only the fair market value of the Goods at the time of the loss. If the term of such insurance is less than the term of this Agreement, I will, upon termination of such insurance, purchase insurance to fulfill my obligation to insure hereunder.

THIS SPACE FOR USE OF FILING OFFICE

FINANCING STATEMENT - FOLLOW INSTRUCTIONS CAREFULLY

This Financing Statement is presented for filing pursuant to the Uniform Commercial Code and will remain effective, with certain exceptions, for 5 years from date of filing.

A. NAME & TEL. # OF CONTACT AT FILER (optional) B. FILING OFFICE ACCT. # (optional)

C. RETURN COPY TO: (Name and Mailing Address)

JOHN DEERE CREDIT  
PO BOX 6600  
JOHNSTON, IA 50131-6600

D. OPTIONAL DEFORMATION (if applicable): LESSON/LENDER CONSUMER/CONSUMER/ NON UCC FILING

MINN. SECRETARY OF STATE

02/09/2001 09:00  
C:\mine C:\132893 BH: 37728

FILE 6.00 = 6.00 UCC1 FILE # 2

Filing Numbers: 892676

AKIN

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b)

1a. ENTITY'S NAME ID-808

OR

1b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

KRTERLING LYNN

1c. MAILING ADDRESS CITY STATE COUNTRY POSTAL CODE

100 NORTH 160 W RUPERT IA USA 83350

14. S.E. OR TAX I.D.# 15. TYPE OF ENTITY 16. ENTITY'S STATE OR COUNTRY OF ORGANIZATION 17. ENTITY'S ORGANIZATIONAL I.D.#, if any

519668988 OPTIONAL ADDNL. INFO RE ENTITY DEBTOR NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b)

2a. ENTITY'S NAME

OR

2b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

30. MAILING ADDRESS CITY STATE COUNTRY POSTAL CODE

21. ENTITY'S STATE OR COUNTRY OF ORGANIZATION 22. ENTITY'S ORGANIZATIONAL I.D.#, if any

21. IA USA 22. NONE

3. SECURED PARTY'S (ORIGINAL S/P OR ITS TOTAL ASSIGNED) EXACT FULL LEGAL NAME - insert only one secured party name (3a or 3b)

3a. ENTITY'S NAME

OR

3b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

34. MAILING ADDRESS CITY STATE COUNTRY POSTAL CODE

PO BOX 6600 JOHNSTON IA USA 50131-6600

4. THIS FINANCING STATEMENT covers the following type(s) of property:

1 JOHN DEERE 544G WHEEL LOADER S/N DW544G858784

02/09/01

6. Check  if the FINANCING STATEMENT is signed by the secured party, or if the debtor is a partnership, or if the debtor is a corporation, or if the debtor's location was changed in this state, or if in accordance with other statutory provisions the debtor is required to file this statement.

7. If filed in Florida (check one):  Documentary  Documentary also

8. REQUIRED SIGNATURE(S)

JOHN DEERE CONSTRUCTION EQUIPMENT COMPANY, Attorney in Fact for  
Lynn Ketterling by Michelle Allen

9. Check to RECURSIVE SEARCH CERTIFICATE(S) on Debtor(s) (Additional Fee)  All Debtors  Debtor 1  Debtor 2

(1) FILING OFFICER COPY-NATIONAL FINANCING STATEMENT (FORM UCC1)(TRANS)(REV. 12/15/96)

