INDEXED IN CHATTEL MTG. INDEX

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DELAWARE COUNTY IOWA RECORDER

318-3251

Document Prepared by: MERCANTILE BANK OF EASTERN IOWA, PO BOX 70, TIPTON IA 52772, 319 886 6181

CONSUMER HOME EQUITY LINE MORTGAGE

(This is a Consumer Credit Transaction)

MERCANTILE BANK OF EASTERN IOWA
P.O. Box 70
Tipton, IA 52772
319-886-6181 (Lender)

BORROWER	MORTGAGOR
LARRY F MILLER	LARRY F MILLER AN UNMARRIED PERSON
ADDRESS 25964 225TH AVE DELHI, IA 52223	ADDRESS 25964 225TH AVE DELHI, IA 52223
TELEPHONE NO. 319 922 2997	TELEPHONE NO. 319 922 2997
IDENTIFICATION NO. [redacted]	IDENTIFICATION NO. [redacted]

97 Jan 96 - 9/11

NOTICE: THIS MORTGAGE SECURES CREDIT IN THE AMOUNT OF $ 15,000.00. LOANS AND ADVANCES UP TO THIS AMOUNT, TOGETHER WITH INTEREST, ARE SENIOR TO INDEBTEDNESS TO OTHER CREDITORS UNDER SUBSEQUENTLY RECORDED OR FILED MORTGAGES AND LIENS.

1. GRANT. Mortgagor hereby mortgages, grants, assigns and conveys to Lender, identified above, the real property described in Schedule A which is attached to this Mortgage and incorporated herein together with all future and present improvements and fixtures; privileges, hereditaments, and appurtenances; leases, licenses and other agreements; rents, issues and profits; water, well, ditch, reservoir and mineral rights and stock, and standing timber and crops pertaining to the real property (cumulatively "Property").

2. OBLIGATIONS. This Mortgage shall secure the payment and performance of all of Borrower and Mortgagor's present and future, indebtedness, liabilities, obligations and covenants (cumulatively "Obligations") to Lender pursuant to:

(a) this Mortgage and the following promissory notes and other agreements:

INTEREST RATE	PRINCIPAL AMOUNT/ CREDIT LIMIT	FUNDING/ AGREEMENT DATE	MATURITY DATE	CUSTOMER NUMBER	LOAN NUMBER
VARIABLE	$15,000.00	04/28/97	04/28/02	[redacted]	9001

For Release, See Book 138 Page 97 2/17/98

[X] all other present or future written agreements between Borrower or Mortgagor and Lender **(whether executed for the same or different purposes than the preceding documents);**

b) all amendments, modifications, replacements or substitutions to any of the foregoing.

3. PURPOSE. This Mortgage and the Obligations described herein are executed and incurred for personal, family or household purposes.

4. FUTURE ADVANCES. Upon request of Borrower, Lender, at Lender's option so long as this Mortgage secures indebtedness held by Lender, may make future advances to Borrower. Such future advances, with interest thereon, shall be secured by this Mortgage. At no time shall the principal amount of the indebtedness secured by this Mortgage, not including sums advanced in accordance herewith to protect the security of this Mortgage exceed $ 15,000.00.

5. CONSTRUCTION PURPOSES. If checked, [ ] this Mortgage secures an obligation incurred for the construction of an improvement on land, and is a "construction mortgage" within the meaning of Section 554.9313 of the Iowa Uniform Commercial Code. This Mortgage also secures loans or advancements made to directly finance work or improvements upon the real estate described herein, and is a "construction mortgage lien" within the meaning of Section 572.18 of the Iowa Code.

6. REPRESENTATIONS, WARRANTIES AND COVENANTS. Mortgagor represents, warrants and covenants to Lender that:

(a) Mortgagor shall maintain the Property free of all liens, security interests, encumbrances and claims except for this Mortgage and those described in Schedule B which is attached to this Mortgage and incorporated herein by reference.

(b) Neither Mortgagor nor, to the best of Mortgagor's knowledge, any other party has used, generated, released, discharged, stored, or disposed of any hazardous waste, toxic substance, or related material (cumulatively "Hazardous Materials") in connection with the Property or transported any Hazardous Materials to or from the Property. Mortgagor shall not commit or permit such actions to be taken in the future. The term "Hazardous Materials" shall mean any substance, material, or waste which is or becomes regulated by any governmental authority including, but not limited to, (i) petroleum; (ii) friable or nonfriable asbestos; (iii) polychlorinated biphenyls; (iv) those substances, materials or wastes designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act or listed pursuant to Section 307 of the Clean Water Act or any amendments or replacements to these statutes; (v) those substances, materials or wastes defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act or any amendments or replacements to that statute; or (vi) those substances, materials or wastes defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, or any amendments or replacements to that statute or any other similar statute, rule, regulation or ordinance now or hereafter in effect. To the best of Mortgagor's knowledge, there are no agricultural drainage wells, abandoned wells, solid waste disposal sites or underground storage tanks on the Property;

(c) Mortgagor has the right and is duly authorized to execute and perform its Obligations under this Mortgage and these actions do not and shall not conflict with the provisions of any statute, regulation, ordinance, rule of law, contract or other agreement which may be binding on Mortgagor at any time;

(d) No action or proceeding is or shall be pending or threatened which might materially affect the Property;

(e) Mortgagor has not violated and shall not violate any statute, regulation, ordinance, rule of law, contract or other agreement which might materially affect the Property (including, but not limited to, those governing Hazardous Materials) or Lender's rights or interest in the Property pursuant to this Mortgage;

(f) Mortgagor is lawfully seized of the Property in fee simple; the Property is free from all liens and encumbrances except those described in Schedule B attached to this Mortgage; and Mortgagor hereby warrants and covenants to defend the title to the Property against all persons whosoever; and

(g) No loan broker as defined by Iowa Code Chapter 535C has been involved in this mortgage transaction.

7. TRANSFERS OF THE PROPERTY OR BENEFICIAL INTERESTS IN BORROWERS. On sale or transfer to any person without the prior written approval of Lender of all or any part of the real property described in Schedule A, or any interest therein, or all or any beneficial interest in Borrower or Mortgagor (if Borrower or Mortgagor is not a natural person or persons but is a corporation, partnership, trust, or other legal entity), Lender may, at Lender's option declare the sums secured by this Mortgage to be immediately due and payable, and Lender may invoke any remedies permitted by the promissory note or other agreement or by this Mortgage, unless otherwise prohibited by federal law.

8. INQUIRES AND NOTIFICATION TO THIRD PARTIES. Mortgagor hereby authorizes Lender to contact any third party and make any inquiry pertaining to Mortgagor's financial condition or the Property. In addition, Lender is authorized to provide oral or written notice of its interest in the Property to any third party.

9. INTERFERENCE WITH LEASES AND OTHER AGREEMENTS. Mortgagor shall not take or fail to take any action which may cause or permit th termination or the withholding of any payment in connection with any lease or other agreement ("Agreement") pertaining to the Property. In addition Mortgagor, without Lender's prior written consent, shall not: (a) collect any monies payable under any Agreement more than one month in advance; (b modify any Agreement; (c) assign or allow a lien, security interest or other encumbrance to be placed upon Lender's rights, title and interest in and to an Agreement or the amounts payable thereunder; or (d) terminate or cancel any Agreement except for the nonpayment of any sum or other material breach b the other party thereto. If Mortgagor receives at any time any written communication asserting a default by Mortgagor under an Agreement or purporting t terminate or cancel any Agreement, Mortgagor shall promptly forward a copy of such communication (and any subsequent communications relating thereto to Lender.

10. COLLECTION OF INDEBTEDNESS FROM THIRD PARTY. Lender shall be entitled to notify or require Mortgagor to notify any third party (including, but not limited to, lessees, licensees, governmental authorities and insurance companies) to pay Lender any indebtedness or obligation owing to Mortgagor with respect to the Property (cumulatively "Indebtedness") whether or not a default exists under this Mortgage. Mortgagor shall diligently collect the Indebtedness owing to Mortgagor from these third parties until the giving of such notification. In the event that Mortgagor possesses or receives possession of any instrument or other remittances with respect to the Indebtedness following the giving of such notification or if the instruments or other remittances constitute the prepayment of any indebtedness or the payment of any insurance or condemnation proceeds, Mortgagor shall hold such instruments and other remittances in trust for Lender apart from its other property, endorse the instruments and other remittances to Lender, and immediately provide Lender with possession of instruments and other remittances. Lender shall be entitled, but not required to collect (by legal proceedings or otherwise), extend the time for payment, compromise, exchange or release any obligor or collateral upon, or otherwise settle any of the indebtedness whether or not an event of default exists under this Agreement. Lender shall not be liable to Mortgagor for any action, error, mistake, omission or delay pertaining to the actions described in this paragraph or any damages resulting therefrom.

11. USE AND MAINTENANCE OF PROPERTY. Mortgagor shall take all actions and make any repairs needed to maintain the Property in good condition. Mortgagor shall not commit or permit any waste to be committed with respect to the Property. Mortgagor shall use the Property solely in compliance with applicable law and insurance policies. Mortgagor shall not make any alterations, additions or improvements to the Property without Lender's prior written consent. Without limiting the foregoing, all alterations, additions and improvements made to the Property shall be subject to the interest belonging to Lender, shall not be removed without Lender's prior written consent, and shall be made at Mortgagor's sole expense.

12. LOSS OR DAMAGE. Mortgagor shall bear the entire risk of any loss, theft, destruction or damage (cumulatively "Loss or Damage") to the Property or any portion thereof from any case whatsoever. In the event of any Loss or Damage, Mortgagor shall, at the option of Lender, repair the affected Property to its previous condition or pay or cause to be paid to Lender the decrease in the fair market value of the affected Property.

13. INSURANCE. The Property will be kept insured for its full value against all hazards including loss or damage caused by fire, collision, theft or other casualty. Mortgagor may obtain insurance on the Property from such companies as are acceptable to Lender in its sole discretion. The insurance policies shall require the insurance company to provide Lender with at least thirty (30) days' written notice before such policies are altered or cancelled in any manner. The insurance policies shall name Lender as a loss payee and provide that no act or omission of Mortgagor or any other person shall affect the right of Lender to be paid the insurance proceeds pertaining to the loss or damage of the Property. In the event Mortgagor fails to acquire or maintain insurance, Lender (after providing notice as may be required by law) may in its discretion procure appropriate insurance coverage upon the Property and charge the insurance cost as an advance of principal under the promissory note. Mortgagor shall furnish Lender with evidence of insurance indicating the required coverage. Lender may act as agent or attorney-in-fact for Mortgagor in making and settling claims under insurance policies, cancelling any policy or endorsing Mortgagor's name on any draft or negotiable instrument drawn by any insurer. In the event of foreclosure of this Mortgage or other transfer of title to the Property in extinguishment of the debt secured hereby, all right, title, and interest of the Mortgagor in and to the proceeds for any loss and to any insurance policies then in force shall pass to the purchaser or grantee, regardless of whether or not there is a deficiency judgment after foreclosure sale or nonjudicial foreclosure.

14. ZONING AND PRIVATE COVENANTS. Mortgagor shall not initiate or consent to any change in the zoning provisions or private covenants affecting the use of the Property without Lender's prior written consent. If Mortgagor's use of the Property becomes a nonconforming use under any zoning provision, Mortgagor shall not cause or permit such use to be discontinued or abandoned without the prior written consent of Lender. Mortgagor will immediately provide Lender with written notice of any proposed changes to the zoning provisions or private covenants affecting the Property.

15. CONDEMNATION. Mortgagor shall immediately provide Lender with written notice of any actual or threatened condemnation or eminent domain proceeding pertaining to the Property. All monies payable to Mortgagor from such condemnation or taking are hereby assigned to Lender and shall be applied first to the payment of Lender's attorneys' fees, legal expenses and other costs (including appraisal fees) in connection with the condemnation or eminent domain proceedings and then, at the option of Lender, to the payment of the Obligations or the restoration or repair of the Property.

16. LENDER'S RIGHT TO COMMENCE OR DEFEND LEGAL ACTIONS. Mortgagor shall immediately provide Lender with written notice of any actual or threatened action, suit, or other proceeding affecting the Property. Mortgagor hereby appoints Lender as its agent or attorney-in-fact to commence, intervene in, and defend such actions, suits, or other legal proceedings and to compromise or settle any claim or controversy pertaining thereto. Lender shall not be liable to Mortgagor for any action, error, mistake, omission or delay pertaining to the actions described in this paragraph or any damages resulting therefrom. Nothing contained herein will prevent Lender from taking the actions described in this paragraph in its own name. Mortgagor shall cooperate and assist Lender in any action hereunder.

17. INDEMNIFICATION. Lender shall not assume or be responsible for the performance of any of Mortgagor's Obligations with respect to the Property under any circumstances. Mortgagor shall immediately provide Lender and its shareholders, directors, officers, employees and agents with written notice of and indemnify and hold Lender harmless from all claims, damages, liabilities (including attorneys' fees and legal expenses), causes of action, actions, suits and other legal proceedings (cumulatively "Claims") pertaining to the Property (including, but not limited to, those involving Hazardous Materials). Mortgagor, upon the request of Lender, shall hire legal counsel acceptable to Lender to defend Lender from such Claims, and pay the attorneys' fees, legal expenses and other costs incurred in connection therewith. In the alternative, Lender shall be entitled to employ its own legal counsel to defend such Claims at Mortgagor's cost.

18. TAXES AND ASSESSMENTS. Mortgagor shall pay all taxes and assessments relating to Property when due. Upon the request of Lender, Mortgagor shall deposit with Lender a periodic sum in an amount determined by Lender as necessary to pay insurance premiums, taxes and assessments pertaining to the Property. These amounts shall be applied to the payment of taxes, assessments and insurance as required on the Property.

19. INSPECTION OF PROPERTY, BOOKS, RECORDS AND REPORTS. Mortgagor shall allow Lender or its agents to examine and inspect the Property and examine, inspect and make copies of Mortgagor's books and records pertaining to the Property from time to time. Mortgagor shall provide any assistance required by Lender for these purposes. All of the signatures and information contained in Mortgagor's books and records shall be genuine, true, accurate and complete in all respects. Mortgagor shall note the existence of Lender's beneficial interest in its books and records pertaining to the Property. Additionally, Mortgagor shall report, in a form satisfactory to Lender, such information as Lender may request regarding Mortgagor's financial condition or the Property. The information shall be for such periods, shall reflect Mortgagor's records at such time, and shall be rendered with such frequency as Lender may designate. All information furnished by Mortgagor to Lender shall be true, accurate and complete in all respects.

20. ESTOPPEL CERTIFICATES. Within ten (10) days after any request by Lender, Mortgagor shall deliver to Lender, or any intended transferee of Lender's rights with respect to the Obligations, a signed and acknowledged statement specifying (a) the outstanding balance on the Obligations; and (b) whether Mortgagor possesses any claims, defenses, set-offs or counterclaims with respect to the Obligations and, if so, the nature of such claims, defenses, set-offs or counterclaims. Mortgagor will be conclusively bound by any representation that Lender may make to the intended transferee with respect to these matters in the event that Mortgagor fails to provide the requested statement in a timely manner.

21. DEFAULT. Mortgagor shall be in default under this Mortgage in the event that Mortgagor or Borrower:

(a) commits fraud or makes a material misrepresentation at any time in connection with the Obligations or this Mortgage, including, but not limited to, false statements made by Mortgagor about Mortgagor's income, assets, or any other aspects of Mortgagor's financial condition;
(b) fails to meet the repayment terms of the Obligations; or
(c) violates or fails to comply with a covenant contained in this Mortgage which adversely affects the Property or Lender's rights in the Property, including, but not limited to, transferring title or selling the Property without Lender's consent, failing to maintain insurance or to pay taxes on the Property, allowing a lien senior to Lender's to result on the Property without Lender's written consent, allowing the taking of the Property through eminent domain, allowing the Property to be foreclosed by a lienholder other than Lender, committing waste of the Property, using the Property in a manner which would be destructive to the Property, or using the property in an illegal manner which may subject the Property to seizure or confiscation.

Any of the foregoing shall constitute a default that materially impairs the condition, value, or the Lender's right in the Property, and shall evidence a material impairment of the Borrower's prospect of paying the Obligations. If a court should determine that one or more of the above do not constitute a default under the Iowa Consumer Credit Code, Mortgagor agrees that reinstatement of the Obligations shall be Mortgagor's sole remedy and Mortgagor shall not be entitled to any damages by reason of Lender's exercise of any of its remedies herein.

22. RIGHTS OF LENDER ON DEFAULT. If there is a default under this Mortgage, Lender shall be entitled to exercise one or more of the following remedies without notice or demand (except as required by law):

(a) to terminate or suspend further advances or reduce the credit limit under the promissory notes or agreements evidencing the Obligations;
(b) to declare the Obligations immediately due and payable in full;
(c) to collect the outstanding Obligations with or without resorting to judicial process;
(d) to require Mortgagor to deliver and make available to Lender any personal property constituting the Property at a place reasonably convenient to Mortgagor and Lender;
(e) to take immediate possession, management and control of the Property without seeking the appointment of a receiver;
(f) to collect all of the rents, issues, and profits from the Property from the date of default through the expiration of the last redemption period following the foreclosure of this Mortgage;

(g) to apply for and obtain prior to commencement of suit or thereafter without notice and upon ex parte application, the appointment of a receiver for the Property without regard to Mortgagor's financial condition or solvency, the adequacy of the Property to secure the payment or performance of the Obligations, or the existence of any waste to the Property; and Mortgagor waives Mortgagor's right to possession, statutory or otherwise, and the right to challenge the appointment of a receiver;

(h) to foreclose this Mortgage by judicial proceedings or, unless prohibited by law, by applicable nonjudicial proceedings;

(i) to set-off Mortgagor's Obligations against any amounts due to Lender including, but not limited to, monies, instruments, and deposit accounts maintained with Lender; and

(j) to exercise all other rights available to Lender under any other written agreement or applicable law.

Lender's rights are cumulative and may be exercised together, separately, and in any order. In the event that Lender institutes an action seeking the recovery of any of the Property by way of a prejudgment remedy in an action against Mortgagor, Mortgagor waives the posting of any bond which might otherwise be required.

23. REDEMPTION PERIOD. Mortgagor hereby agrees that in the event of judicial foreclosure of this Mortgage, Lender may, at its sole option, elect:

(a) Pursuant to Iowa Code § 628.26 as now enacted or hereafter modified, amended or replaced, to reduce the period of redemption after sale on foreclosure to six months, or

(b) Pursuant to Iowa Code § 628.27 as now enacted or hereafter modified, amended or replaced, to reduce the period of redemption after sale on foreclosure to sixty days, or

(c) Pursuant to Iowa Code § 628.28 as now enacted or hereafter modified, amended or replaced, or any other Iowa Code Section, to reduce the period of redemption after sale on foreclosure to such time as may be then applicable and provided by law, or

(d) Pursuant to Iowa Code § 654.20 as now enacted or hereafter modified, amended or replaced, to foreclose without redemption.

24. WAIVER OF HOMESTEAD AND OTHER EXEMPTIONS. Mortgagor hereby waives all homestead or other exemptions to which Mortgagor would otherwise be entitled under any applicable law and waives all rights of dower and distributive share in the Property.

25. REIMBURSEMENT OF AMOUNTS EXPENDED BY LENDER. Upon demand, Mortgagor shall immediately reimburse Lender for all amounts (except attorneys' fees and legal expenses) expended by Lender in the performance of any action required to be taken by Mortgagor or the exercise of any right or remedy of Lender under this Mortgage, together with interest thereon at the lower of the highest rate described in any Obligation or the highest rate allowed by law from the date of payment until the date of reimbursement. These sums shall be included in the definition of Obligations herein and shall be secured by the interest granted herein.

26. APPLICATION OF PAYMENTS. All payments made by or on behalf of Mortgagor may be applied against the amounts paid by Lender (except attorneys' fees and legal expenses) in connection with the exercise of its rights or remedies described in this Mortgage and then to the payment of the remaining Obligations in whatever order Lender chooses.

27. POWER OF ATTORNEY. Mortgagor hereby appoints Lender as its agent or attorney-in-fact to endorse Mortgagor's name on all instruments and other documents pertaining to the Obligations. In addition, Lender shall be entitled, but not required, to perform any action or execute any document required to be taken or executed by Mortgagor under this Mortgage. Lender's performance of such action or execution of such documents shall not relieve Mortgagor from any Obligation or cure any default under this Mortgage. The powers of attorney described in this paragraph are coupled with an interest and are irrevocable. Notwithstanding the foregoing, Lender is not entitled to confess judgment on any claim on behalf of Mortgagor.

28. SUBROGATION OF LENDER. Lender shall be subrogated to the rights of the holder of any previous lien, security interest or encumbrance discharged with funds advanced by Lender regardless of whether these liens, security interests or other encumbrances have been released of record.

29. COLLECTION COSTS. If Lender hires an attorney to assist in collecting any amount due or enforcing any right or remedy under this Agreement, Mortgagor agrees to pay Lender's collection costs, other than attorneys' fees.

30. PARTIAL RELEASE. Lender may release its interest in a portion of the Property by executing and recording one or more partial releases without affecting its interest in the remaining portion of the Property.

31. MODIFICATION AND WAIVER. The modification or waiver of any of Mortgagor's Obligations or Lender's rights under this Mortgage must be contained in a writing signed by Lender. Lender may perform any of Mortgagor's Obligations or delay or fail to exercise any of its rights without causing a waiver of those Obligations or rights. A waiver on one occasion shall not constitute a waiver on any other occasion. Mortgagor's Obligations under this Mortgage shall not be affected if Lender amends, compromises, exchanges, fails to exercise, impairs or releases any of the Obligations belonging to any Mortgagor, third party or any of its rights against any Mortgagor, third party or the Property.

32. SUCCESSORS AND ASSIGNS. This Mortgage shall be binding upon and inure to the benefit of Mortgagor and Lender and their respective successors, assigns, trustees, receivers, administrators, personal representatives, legatees and devisees.

33. NOTICES. Any notice or other communication to be provided under this Mortgage shall be in writing and sent to the parties at the addresses described in this Mortgage or such other address as the parties may designate in writing from time to time.

34. SEVERABILITY. If any provision of this Mortgage violates the law or is unenforceable, the rest of the Mortgage shall continue to be valid and enforceable.

35. APPLICABLE LAW. This Mortgage shall be governed by the laws of the state in which the property is located.

36. MISCELLANEOUS. Mortgagor and Lender agree that time is of the essence. Mortgagor waives presentment, demand for payment, notice of dishonor and protest except as required by law. All references to Mortgagor in this Mortgage shall include all persons signing below. If there is more than one Mortgagor, their Obligations shall be joint and several. This Mortgage and any related documents represent the complete integrated understanding between Mortgagor and Lender pertaining to the terms and conditions of those documents.

37. ADDITIONAL TERMS.

NOTICE TO CONSUMER: 1. DO NOT SIGN THIS PAPER BEFORE YOU READ IT. 2. YOU ARE ENTITLED TO A COPY OF THIS PAPER. 3. YOU MAY PREPAY THE UNPAID BALANCE AT ANYTIME WITHOUT PENALTY AND MAY BE ENTITLED TO RECEIVE A REFUND OF UNEARNED CHARGES IN ACCORDANCE WITH LAW.

Mortgagor acknowledges that Mortgagor has read, understands, and agrees to the terms and conditions of this Mortgage, and that Mortgagor has received an exact copy of this Mortgage.

Dated: APRIL 28, 1997

Larry F. Miller

MORTGAGOR: LARRY F MILLER

MORTGAGOR:

MORTGAGOR:

MORTGAGOR:

☐ **AGRICULTURAL HOMESTEAD DISCLOSURE: MORTGAGOR UNDERSTANDS THAT HOMESTEAD PROPERTY IS IN MANY CASES PROTECTED FROM CLAIMS OF CREDITORS AND EXEMPT FROM JUDICIAL SALE; AND THAT BY SIGNING THIS CONTRACT, MORTGAGOR VOLUNTARILY GIVES UP GRANTOR'S RIGHT TO THIS PROTECTION FOR THIS PROPERTY WITH RESPECT TO CLAIMS BASED UPON THIS CONTRACT.**

_____ DATE: _____
MORTGAGOR:

_____ DATE: _____
MORTGAGOR:

_____ DATE: _____
MORTGAGOR:

_____ DATE: _____
MORTGAGOR:

STATE OF Iowa)
) SS:
COUNTY OF Cedar)

On this 28 day of April, 1997, before me, the undersigned, a Notary Public in and for said county and state, personally appeared Larry F Miller,

to me personally known to be the identical person named in and who executed the within and foregoing instrument, and acknowledged that he [she] executed the same as his [her] ~~voluntary act and deed.~~

NOTARIAL SEAL IOWA
DENICE M. PLEAK
MY COMMISSION EXPIRES
11-6-98

Denice Pleak, Notary Public
in and for said County and State

STATE OF _____)
) SS:
COUNTY OF _____)

On this _____ day of _____, _____, before me, the undersigned, a Notary Public in and for said county and state, personally appeared _____,

to me personally known to be the identical person named in and who executed the within and foregoing instrument, and acknowledged that he [she] executed the same as his [her] voluntary act and deed.

_____, Notary Public
in and for said County and State

SCHEDULE A

The street address of the Property (if applicable) is: 25964 225TH AVE
DELHI, IA 52223

The permanent tax identification number of the Property is: 0

The legal description of the Property is:

LOT ONE (1) AND TWO (2) OF H.L.C. FIRST SUBDIVISION OF PART OF THE SOUTH-WEST QUARTER (SW1/4) OF THE SOUTHEAST QUARTER (SE1/4) AND PART OF THE SOUTHEAST QUARTER (SE1/4) OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION NINETEEN (19), TOWNSHIP EIGHTY EIGHT (88) NORTH, RANGE FOUR (4), WEST OF THE FIFTH P.M., ACCORDING TO PLAT RECORDED IN BOOK 2 PLATS, PAGE 176.

SCHEDULE B

MERCANTILE BANK
Mercantile Bank of Eastern Iowa

MERCANTILE BANK OF EASTERN IOWA
P.O. Box 70
Tipton, IA 52772
319-886-6181 (Lender)

BORROWER
LARRY F MILLER

ADDRESS
25964 225TH AVE
DELHI, IA 52223

TELEPHONE NO.
319 922 2997

IDENTIFICATION NO.
[redacted]

HOME EQUITY LINE OF CREDIT AGREEMENT (This is a Consumer Credit Transaction)

OFFICER INITIALS	INTEREST RATE	CREDIT LIMIT	AGREEMENT DATE	MATURITY DATE	CUSTOMER NUMBER	LOAN NUMBER
MF	VARIABLE	$15,000.00	04/28/97	04/28/02	[redacted]	9001

ADDRESS OF REAL PROPERTY SECURING THIS CREDIT AGREEMENT: 25964 225TH AVE DELHI, IA 52223

PLEASE READ CAREFULLY: This Agreement governs the Borrower's Home Equity Line of Credit ("Account") with the Lender. The Account establishes a line of credit for the Borrower with the Lender to be used for consumer purposes. The Account is secured by the real property identified above (the "Borrower's Home") and also by any deposit accounts Borrower now or hereafter may have with Lender. The Account will permit the Borrower to request advances up to the amount of the credit limit indicated above. The Borrower will be asked to sign this Agreement and a deed of trust or mortgage ("Security Instrument") prior to opening the Account. The Security Instrument will grant the Lender a security interest in the Borrower's Home and is part of this Agreement.

CREDIT LIMIT: Borrower agrees not to request advances on the Account that would cause the balance on the account to exceed the Credit Limit.

ACCESS TO THE ACCOUNT: Advances on the Account may be obtained in the following manner: [X] credit line checks [X] written request for a loan advance [X] telephone request for a loan advance. [ ] Overdraft checking. Automatically when Borrower overdraws Account No. _____ [ ] Other: _____

USE RESTRICTIONS: Advances will be honored subject to the terms of this Agreement, the Security Instrument, the Borrower's available credit on the Account, and the following restrictions: Initial Minimum Advance Amount: $ _____ Subsequent Minimum Advance Amount: $ _____ Other Restrictions: _____

PROCESSING LOAN ADVANCES: Loan advances shall be: [ ] Deposited into account number: _____ [ ] Other: _____

ANNUAL PERCENTAGE RATE: The **ANNUAL PERCENTAGE RATE** is determined in the manner described below and does not include costs other than interest.

[ ] FIXED RATE: This Account has a fixed interest rate. The **ANNUAL PERCENTAGE RATE** for this Account is _____ percent (_____ %) per annum with an initial [ ] Daily [ ] Monthly Periodic Rate of _____ %

[X] VARIABLE RATE: This Account has a variable interest rate feature. The **ANNUAL PERCENTAGE RATE** may change if the Index Rate changes. The Index Rate shall be: WALL STREET JOURNAL PRIME

The initial Index Rate is EIGHT AND 500/1000 percent (8.500 %) per annum.
This Index Rate is readily available to Borrower, and is verifiable by Borrower at any of Lender's offices. The changes in the Index Rate are beyond the control of Lender. If the Index Rate becomes unavailable, Lender will choose another index which is also readily available and verifiable by Borrower and which is beyond Lender's control. Lender may also change the Margin used as long as the historical fluctuations in the two indices were substantially similar (if the new index rate has been in existence) and as long as the new index and margin will produce an **ANNUAL PERCENTAGE RATE** similar to the rate that was in effect at the time the Index Rate became unavailable. If this happens, the substitute index rate will, for the purposes of this Agreement, be considered the "Index Rate."

MARGIN: The **ANNUAL PERCENTAGE RATE** on this Account shall be calculated at a variable rate equal to ONE AND NO/1000 percent (1.000 %) per annum over the Index Rate.

INITIAL RATE: The initial **ANNUAL PERCENTAGE RATE** for this Account is NINE AND 500/1000 percent (9.500 %) per annum with an initial [X] Daily [ ] Monthly Periodic Rate of 0.026 %. [ ] If checked, the initial **ANNUAL PERCENTAGE RATE** is not based on the initial Index Rate and Margin described above. The initial **ANNUAL PERCENTAGE RATE** will be in effect until _____. Based on the Index Rate and Margin described above, the initial **ANNUAL PERCENTAGE RATE** would be _____ percent (_____ %) per annum with an initial [ ] Daily [ ] Monthly Periodic Rate of _____ %.

MINIMUM/MAXIMUM RATE: The minimum **ANNUAL PERCENTAGE RATE** under this Agreement shall not be less than n/a percent (_____ %) per annum. The maximum **ANNUAL PERCENTAGE RATE** shall not exceed TWENTY-ONE AND NO/1000 percent (21.000 %) per annum, or the maximum **ANNUAL PERCENTAGE RATE** Lender is permitted to charge by law, whichever is less.

RATE CHANGES: If the Index Rate increases or decreases the corresponding **ANNUAL PERCENTAGE RATE** and Periodic Rate will increase or decrease unless the minimum or maximum **ANNUAL PERCENTAGE RATE** has been reached. Borrower's Minimum Payment may also increase or decrease accordingly. The **ANNUAL PERCENTAGE RATE** will apply to Borrower's Account balance as of the effective date of the increase or decrease as well as to future Advances. Any change in the **ANNUAL PERCENTAGE RATE** and the Periodic Rate will be effective on: The date the index rate changes is on the 1st business day of each month.

RATE CHANGE LIMITATIONS: [ ] If checked, the **ANNUAL PERCENTAGE RATE** will not increase by more than _____ percent (_____ %).

ANNUAL MAINTENANCE FEE: An annual account maintenance fee of $ n/a will be assessed on the Account.

CHECK PROCESSING FEE: If a check for payment is returned to Lender for any reason (for example, because there were insufficient funds in Borrower's checking account), Lender will assess a check processing fee of $ n/a.

OTHER COSTS AND DISBURSEMENTS: Other fees, charges, and disbursements are itemized in the HUD-1A Settlement Statement. Borrower acknowledges receipt of a copy of the HUD-1A Settlement Staternent, which is incorporated into this agreement by this reference.

NOTICE TO CONSUMER: 1. DO NOT SIGN THIS PAPER BEFORE YOU READ IT. 2. YOU ARE ENTITLED TO A COPY OF THIS PAPER. 3. YOU MAY PREPAY THE UNPAID BALANCE AT ANY TIME WITHOUT PENALTY AND MAY BE ENTITLED TO RECEIVE A REFUND OF UNEARNED CHARGES IN ACCORDANCE WITH LAW.

ACKNOWLEDGMENT

BORROWER ACKNOWLEDGES THAT BORROWER HAS READ, UNDERSTOOD, AND AGREED TO THE TERMS AND CONDITIONS OF THIS AGREEMENT INCLUDING THE PROVISIONS ON THE REVERSE SIDE AND SUBSEQUENT PAGES. BORROWER ACKNOWLEDGES RECEIPT OF AN EXACT COPY OF THIS AGREEMENT. Dated: APRIL 28, 1997

Larry F. Miller
BORROWER: LARRY F MILLER

BORROWER: _____

BORROWER: _____

BORROWER: _____

FINANCE CHARGES: All advances are subject to finance charges from the date of the advance until such advances are paid. There is no interest-free grace period on the Account. Lender determines the finance charge assessed on the Account in the manner checked below:

[X] Actual Daily Balance. Lender starts with the balance on the Account at the beginning of each billing cycle [X] less unpaid finance charges [ ] including unpaid finance charges. Each day during the billing cycle, Lender subtracts payments and credits from the balance and adds new advances and debits. This determines the ending balance of the Account for each day of the billing cycle. Lender multiplies each ending balance by the Daily Periodic Rate to determine the daily finance charge. These daily finance charges are added together to determine the finance charge for the billing cycle.

[ ] Average Daily Balance. Lender starts with the balance on the Account at the beginning of each billing cycle [ ] less unpaid finance charges [ ] including unpaid finance charges. Each day during the billing cycle, Lender subtracts payments and credits from the balance and adds new advances and debits. This determines the ending balance for the Account for each day of the billing cycle. Lender then adds up the ending balances for the billing cycle and divides the total by the actual number of days in the billing cycle to get the Average Daily Balance. Lender then multiplies the Average Daily Balance by the [ ] Daily Periodic Rate and the actual number of days in the billing cycle [ ] Monthly Periodic Rate. This product is the finance charge for the billing cycle.

MINIMUM FINANCE CHARGE: A minimum **FINANCE CHARGE** of $ n/a may be assessed on the Account for each billing period in which there is an outstanding balance.

BILLING CYCLE: Borrower shall be billed monthly on the last calendar day of each month with payment due on the 10th of the following month.

TERM: Borrower may request advances from the date any right of rescission expires until APRIL 28, 2002 (the "Draw Period"). Lender may review Borrower's Account at the end of the Draw Period and, in Lender's sole discretion, may decide to extend the Draw Period. Lender will notify Borrower in writing of any extension of the Draw Period. Borrower may be required to make Minimum Payments during the Draw Period. After the Draw Period ends, Borrower no longer will be able to request advances and must repay the outstanding balance on the Account during the period described below (this is known as the "Repayment Period").

[X] The entire outstanding balance and all accrued finance and other charges must be paid immediately at the end of the Draw Period.
[ ] The length of the Repayment Period is _____.
[ ] The length of the Repayment Period will depend on the balance outstanding at the beginning of it, but it will not be longer than _____.

MINIMUM PAYMENT: Borrower may pay all or a part of the outstanding balance at any time without penalty. Borrower's payment must be made by the payment due date shown on the periodic statement described in this Agreement. All Minimum Payments shall be applied by Lender in the manner determined by Lender. Borrower may pay either the Minimum Payment or any amount over that up to the unpaid balance.
During the Draw Period the Minimum Payment will be:

[X] (a) PRINCIPAL BALANCE METHOD. The greater of $ 100.00 or 0.83% of the outstanding principal balance for the current billing cycle plus all accrued and unpaid finance charges and any past due principal.
[ ] (b) INTEREST ONLY METHOD. Borrower shall pay all accrued and unpaid finance and other charges for the current billing cycle.
[ ] (c) OTHER.

During the Repayment Period the Minimum Payment will be:

[ ] (a) PRINCIPAL BALANCE METHOD. The greater of $ _____ or _____ of the outstanding principal balance for the current billing cycle plus all accrued and unpaid finance charges and any past due principal.
[ ] (b) INTEREST ONLY METHOD. Borrower shall pay all accrued and unpaid finance and other charges for each billing cycle, and then will pay the entire outstanding principal balance and all accrued and unpaid finance and other charges at the end of the Repayment Period.
[X] (c) ENTIRE BALANCE. The entire outstanding principal balance plus all accrued finance and other charges must be paid immediately at the end of the Draw Period.
[ ] (d) OTHER.

AMORTIZATION/BALLOON PAYMENT:

[ ] The Minimum Payment will not reduce the principal that is outstanding on Borrower's line. Borrower will then be required to pay the entire balance in a single balloon payment.
[X] The Minimum Payment will not fully repay the principal that is outstanding on Borrower's line. Borrower will then be required to pay the entire balance in a single balloon payment.
[ ] Under some circumstances, Borrower's payments will not cover the finance charges that accrue and "Negative Amortization" will occur. Negative Amortization will increase the amount Borrower owes Lender and reduce Borrower's equity in Borrower's Home.

AUTOMATIC PAYMENT DEDUCTION: [ ] Borrower authorizes Lender to deduct the Minimum Payment due under this Account from Borrower's account number _____ with Lender. Automatic payment deductions are not required to obtain credit.

RENEWAL: [ ] If checked, this Agreement is in renewal of Loan Number _____.

1. PROMISE TO PAY. Borrower promises to pay Lender the full amount of all advances under this Agreement plus all finance charges and fees provided for in this Agreement and the Security Instrument in the manner provided in this Agreement or the Security Instrument.

2. SECURITY AGREEMENT. In order to secure payment of all amounts due to Lender under this Agreement, Borrower grants to Lender a security interest in (a) Borrower's Home; and (b) all monies, instruments, and savings, checking or other deposit accounts (excluding IRA, Keogh and trust accounts and deposits subject to tax penalties if so assigned) that are now or in the future in Lender's custody or control; and (c) any other collateral described in any security instrument executed in connection with this Agreement as well as any other property designated as security for this Agreement now or in the future.

3. PROPERTY INSURANCE. Borrower is required to maintain property insurance on Borrower's Home. The requirements for property insurance are detailed in the Security Instrument. If checked, [ ] Borrower also is required to maintain flood insurance in such amounts and for such term as required by Lender. **This insurance may be obtained through a responsible insurer of Borrower's choice.**

4. INFORMATION ABOUT THE BORROWER AND BORROWER'S HOME. Borrower agrees to provide to Lender, upon request, the financial and credit related information necessary to establish this Account. Borrower understands that Lender will open the Account and make advances under this Account in reliance on that information. Borrower also will furnish to Lender promptly upon request such financial statements, updated credit reports and such other information with respect to Borrower's financial condition or Borrower's Home as Lender may require from time to time. Lender reserves the right to reappraise Borrower's Home and to order credit reports. Borrower promises that all information provided to Lender either now or in the future will be true and complete. Borrower agrees to notify Lender immediately of any adverse change in Borrower's financial or credit condition. Information concerning the Account may be reported to credit reporting agencies and will be made available when requested by proper legal process.

5. PERIODIC STATEMENTS. Each billing cycle, Lender will forward to Borrower at the address indicated above a statement of the Account. The statement will include a summary of all transactions on the Account during the billing cycle, the previous balance, Advances, payments and credits, finance charges, the ending balance, and will specify the Minimum Payment amount and date that payment is due.

6. TERMINATION BY LENDER. Upon the occurrence, or at any time during the continuance, of any one or more of the following events ("Events of Default"), Borrower shall be in default and at Lender's option, this line of credit shall be terminated and the entire unpaid balance of Borrower's Account, including all finance charges and fees provided for in this Agreement, shall become immediately due and payable after sending Borrower any Notice of Right to Cure Default which is required by law. Lender may declare the Borrower to be in default if the Borrower:

- commits fraud or makes a material misrepresentation through acts of commission or omission at any time in connection with this Agreement or the Security Instrument;
- fails to meet the repayment terms under this Agreement;
- violates or fails to comply with a covenant contained in the Security Instrument which adversely affects Borrower's Home or Lender's rights in Borrower's Home; including, but not limited to, Borrower transferring title without permission of the Lender, Borrower's failure to maintain insurance or Borrower's failure to pay taxes.

Any of the foregoing shall constitute a default under the Iowa Consumer Credit Code. If a court should determine that one or more of the above do not constitute a default under the Iowa Consumer Credit Code, Borrower agrees that reinstatement of the obligations shall be Borrower's sole remedy and Borrower shall not be entitled to any damages by reason of Lender's exercise of any of its remedies herein.

In addition, Lender may exercise all rights on default of a secured party permitted under applicable law, and all rights under this Agreement and the Security Instrument. Lender shall also have the right to hold or apply funds in Borrower's deposit accounts against all funds due and owing to Lender. If this Account may be accessed by a credit card as such is defined under the Truth-Lending-Lending Act, then Lender's right to offset is prohibited to the extent it is prohibited under the Truth-In-Lending Act. Borrower will pay all reasonable expenses, (other than attorneys fees) incurred by Lender in realizing on any security interest securing the Borrower's obligations under this Agreement, including court costs.

7. TEMPORARY SUSPENSIONS OF CREDIT AND REDUCTION OF CREDIT LIMIT. Lender can refuse to make additional Advances or reduce Borrower's Credit Limit if any Event of Default occurs or during any period in which any one of the following conditions (hereinafter called "Conditions of Suspension") arise:

- The value of Borrower's Home declines significantly below its appraised value for purposes of the line of credit. For example, if the difference between the initial Credit Limit and the available equity (based on appraised value) is reduced by 50%, then the value of Borrower's Home has significantly declined.
- Lender reasonably believes that Borrower will not be able to meet the repayment requirements of this Agreement due to a material change in Borrower's financial circumstances.
- Borrower is in default of a material obligation in this Agreement.
- Government action prevents Lender from imposing the agreed upon **ANNUAL PERCENTAGE RATE** or impairs Lender's security interest in Borrower's Home such that the value of the interest is less than 120 percent of the Credit Limit.
- A regulatory agency has notified Lender that continued Advances would constitute an unsafe and unsound practice.
- The maximum **ANNUAL PERCENTAGE RATE** specified above is reached.

If Lender refuses to make additional advances or reduces the credit limit because of the existence of a Condition of Suspension, it will notify Borrower in writing after taking such action. Borrower must request reinstatement of the line of credit and show Lender that the Condition of Suspension which triggered the Lender's action no longer exists unless the Condition of Suspension is not within Borrower's knowledge or control.

8. RESTRICTIVE ENDORSEMENT. If Borrower marks any check payable to Lender as "Paid In Full" or words to that effect, Borrower will still be responsible for repaying any balance that remains due on the Account.

9. TERMINATION BY BORROWER. Borrower may terminate this Agreement by notifying Lender in writing at the address indicated on this Agreement. Borrower's obligation to pay all amounts due to Lender shall continue until all amounts due and owing have been paid. If this Agreement is signed initially or subsequently by more than one Borrower, termination by any one terminates the line of credit for all.

10. AMENDMENT. Lender may amend this Agreement if Borrower specifically agrees to the amendment in writing at the time the amendment is made. Lender also may amend this Agreement without the Borrower's agreement thereto by notifying Borrower of the amendment if the amendment unequivocally benefits Borrower throughout the remainder of the plan or if the amendment is insignificant. All amendments will be made in accordance with applicable law.

11. TAX DEDUCTIBILITY. Borrower should consult a tax advisor regarding the deductibility of interest and charges on the Account.

12. JOINT ACCOUNT. If this Account is a joint Account, each Borrower who signs this Agreement shall be individually and jointly liable for payment of the debt. This liability exists regardless of which Borrower creates the debt, and in spite of any divorce, legal proceedings or agreement that may affect liability between the Borrowers. This joint and several liability shall continue until all obligations are paid in full. A release of one joint Borrower or a release of any collateral securing this Agreement shall not operate as a release of any other joint Borrower.

13. MODIFICATION AND WAIVER. The modification or waiver of any of Borrower's obligations or Lender's rights under this Agreement must be contained in a writing signed by Lender. Lender may perform any of Borrower's obligations or delay or fail to exercise any of its rights without causing a waiver of those obligations or rights. A waiver on one occasion shall not constitute a waiver on any other occasion. Borrower's obligations under this Agreement shall not be affected if Lender amends, compromises, exchanges, fails to exercise, impairs or releases any of the obligations belonging to any co-borrower or guarantor or any of its rights against any co-borrower, guarantor or collateral.

14. ASSIGNMENT. Borrower may not assign this Agreement without the prior written consent of Lender. Any such assignment and any attempted assignment of this Agreement will be null and void. Lender has the right to assign, sell or transfer the Account at any time.

15. SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon and inure to the benefit of Borrower and Lender and their respective successors, assigns, trustees, receivers, administrators, personal representatives, legatees, and devisees. The term "Lender" shall mean the Lender specified in this Agreement, its successors and assigns, and subsequent holders of this Agreement.

16. NOTICES. Any notice or other communication to be provided under this Agreement shall be in writing and sent to the parties at the addresses described in this Agreement or such other address as the parties may designate in writing from time to time.

17. APPLICABLE LAW. This Agreement shall be governed by the laws of the state of Iowa.

18. SIGNATURES. The signature of the Borrower shall indicate that Borrower has read this Agreement, agreed to the terms and conditions of the Agreement, and received a completed copy of this Agreement and Billing Rights Statement.

19. MISCELLANEOUS: Borrower will provide Lender with current financial statements and other information upon request. Borrower and Lender agree that time is of the essence. Borrower waives presentment, demand for payment, notice of dishonor and protest except for Borrower's Right to Cure Default as provided for under applicable law. All references to Borrower in this Agreement shall include all of the parties signing on the reverse side. This Agreement and any related documents represent the complete and integrated understanding between Borrower and Lender.

20. **ADDITIONAL TERMS:**

CREDIT LIFE AND DISABILITY INSURANCE

Credit Life Insurance and Credit Disability Insurance are not required to obtain credit, and will not be provided unless Borrower signs below and agrees to pay the additional cost. Credit Life Insurance is available at a cost of $ n/a per $ n/a of the n/a per billing period for single coverage and $ n/a per $ n/a of the n/a per billing period for joint coverage (if available). Credit Disability Insurance is available at a cost of $ n/a per $ n/a of the n/a per billing period for single coverage and $ n/a per $ n/a of the n/a per billing period for joint coverage (if available).

I want Credit Life Insurance. ____ I do not want Credit Life Insurance. ✓ LFM

I want Credit Life Insurance. ____ I do not want Credit Life Insurance. ____

I want Credit Disability Insurance. ____ I do not want Credit Disability Insurance. ✓ LFM

I want Credit Disability Insurance. ____ I do not want Credit Disability Insurance. ____

BILLING RIGHTS STATEMENT

YOUR (BORROWER'S) BILLING RIGHTS, KEEP THIS NOTICE FOR FUTURE USE.
This notice contains important information about the Borrower's rights and the Lender's responsibilities under the Fair Credit Billing Act.

NOTIFY LENDER IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR (BORROWER'S) BILL.
If Borrower thinks that a bill is incorrect or if Borrower needs more information about a transaction on a bill, Borrower should write to Lender as soon as possible at the address indicated on the bill. Lender must hear from the Borrower no later than sixty (60) calendar days after Lender sent Borrower the first bill on which the error or problem appeared. Borrower may telephone Lender, but doing so will not preserve the Borrower's rights.

Borrower should provide the following information in the letter.

Borrower's name and account number.
The dollar amount of the suspected error.
A description of the error and an explanation, if possible, why Borrower believes there is an error. If Borrower needs more information, Borrower should describe the item Borrower is unsure about.

If Borrower has authorized Lender to pay the bill automatically from a savings or checking account, Borrower can stop payment on any amount that the Borrower believes is wrong. To stop payment the Borrower's letter must reach Lender at least three (3) business days before the automatic payment is scheduled to occur.

BORROWER'S RIGHTS AND LENDER'S RESPONSIBILITIES AFTER LENDER RECEIVES WRITTEN NOTICE.
Lender must acknowledge Borrower's letter within thirty (30) days, unless Lender has corrected the error by then. Within ninety (90) days, Lender must either correct the error or explain why Lender believes the bill is correct.

After Lender receives Borrower's letter, Lender cannot try to collect any amount in question, or report the Borrower as delinquent. Lender may continue to bill the Borrower for the amount in question, including finance charges, and Lender may apply any unpaid amount against the Borrower's credit limit. Borrower does not have to pay any questioned amount while Lender is investigating, but Borrower is still obligated to pay the parts of the bill that are not in question.

If Lender finds that Lender has made a mistake on the bill, Borrower will not have to pay any finance charges related to the amount in question. If Lender did not make a mistake, Borrower may have to pay finance charges and Borrower will be required to make up any missed payments on the questioned amount. In either case, Lender will send Borrower a statement of the amount owed and the date it is due.

If Borrower fails to pay the amount owed, Lender may report the Borrower as delinquent. However, if Lender's explanation does not satisfy Borrower and Borrower writes to Lender within ten (10) days telling Lender that Borrower still refuses to pay, Lender must tell anyone Lender reported Borrower to that Borrower has a question regarding Borrower's bills. Furthermore, Lender must tell Borrower the name of anyone that Lender reported Borrower to. Lender must tell anyone Lender reports Borrower to that the matter has been settled between us when it finally is.

If Lender doesn't follow these rules, Lender cannot collect the first $50.00 of the questioned amount, even if the bill was correct.