

STATE OF MINNESOTA
COUNTY OF CROW WING

DISTRICT COURT
NINTH JUDICIAL DISTRICT
Case Type: Contract

First National Bank,

Court File No.:

Plaintiff,

vs.

SUMMONS

Defendant.

THIS SUMMONS IS DIRECTED TO THE ABOVE-NAMED DEFENDANT:

1. YOU ARE BEING SUED. The Plaintiffs has started a lawsuit against you. The Plaintiffs' Complaint against you is attached to this Summons. Do not throw these papers away. They are official papers that affect your rights. You must respond to this lawsuit even though it may not yet be filed with the Court and there may be no court file number on this Summons.

2. YOU MUST REPLY WITHIN 21 DAYS TO PROTECT YOUR RIGHTS. You must give or mail to the person who signed this summons a **written response** called an Answer within twenty-one (21) days of the date on which you received this Summons. You must send a copy of your Answer to the person who signed this Summons located at:

Breen & Person, Ltd.
124 N. 6th Street
Brainerd, MN 56401

3. YOU MUST RESPOND TO EACH CLAIM. The Answer is your written response to the Plaintiffs' Complaint. In your Answer you must state whether you agree or disagree with each paragraph of the Complaint. If you believe the Plaintiffs should not be given everything asked for in the Complaint, you must say so in your Answer.

4. YOU WILL LOSE YOUR CASE IF YOU DO NOT SEND A WRITTEN RESPONSE TO THE COMPLAINT TO THE PERSON WHO SIGNED THIS SUMMONS. If you do not answer within twenty-one (21) days, you will lose this case. You will not get to tell your side of the story, and the Court may decide against you and award the Plaintiffs everything asked for in the Complaint. If you do not want to contest the claims stated in the Complaint, you do not need to respond. A default judgment can then be entered against you for the relief requested in the Complaint.

5. LEGAL ASSISTANCE. You may wish to get legal help from a lawyer. If you do not have a lawyer, the Court Administrator may have information about places where you can get legal assistance. **Even if you cannot get legal help, you must still provide a written Answer to protect your rights or you may lose the case.**

6. ALTERNATIVE DISPUTE RESOLUTION. The parties may agree to or be ordered to participate in an alternative dispute resolution process under Rule 114 of the Minnesota General Rules of Practice. You must still send your written response to the Complaint even if you expect to use alternative means of resolving this dispute.

BREEN & PERSON, LTD.



Dated: January 30, 2024

124 N 6th Street
Brainerd, MN 56401
Telephone: [REDACTED]
Facsimile: [REDACTED]
Email: [REDACTED]

ATTORNEY FOR PLAINTIFF

STATE OF MINNESOTA
COUNTY OF CROW WING

DISTRICT COURT
NINTH JUDICIAL DISTRICT
Case Type: Contract

First National Bank North,

Case File No.

Plaintiff,

vs.

COMPLAINT

Defendants.

Plaintiff states and alleges:

1. Plaintiff, First National Bank North, is a Minnesota corporation engaged in the business of personal and commercial banking. It maintains a principal place of business and headquarters at 35197 Co. Rd. 3, Crosslake, MN 56442.

2. Defendant is an individual who resides at [REDACTED] MN 55330.

3. On January 3, 2023, Defendant borrowed from Plaintiff \$ [REDACTED] pursuant to a Promissory Note, a copy of which is attached hereto as **Exhibit A** and made a part hereafter.

4. This Promissory Note was secured by a Commercial Security Agreement against Defendant's specific debts, including but not limited to:

- [REDACTED]
- [REDACTED]
- [REDACTED]

All of which were perfected with the Secretary of State on January 3, 2023.

Said Security Agreement and Certificates of Lien Perfection is attached hereto as **Exhibit B** and incorporated as if fully set forth herein.

COUNT I
CLAIM AND DELIVERY

5. Pursuant to the terms of the Promissory Note and Commercial Security Agreement, Defendant is in default for failure to pay their monthly installment of \$ [REDACTED] for the months of September 2023, October 2023, November 2023, December 2023, January 2024, and pursuant to the acceleration clause of the Promissory Note currently owe \$ [REDACTED]

6. Plaintiff has demanded possession of the property and the Defendant has refused to deliver the property to the Plaintiff.
7. Plaintiff has a security interest in the specific property and is entitled to immediate possession of the personal property itemized in the Commercial Security Agreement attached as **Exhibit B**.
8. The good faith approximation of the value described property in **Exhibit C** is \$ [REDACTED]
9. Possession of said personal property is wrongfully detained by Defendant.

COUNT II
DEFICIENCY ACTION

10. Plaintiff, for a deficiency judgment against Defendants, should a sale not occur or not bring an amount sufficient to satisfy the balance of debts plus costs and expenses.

WHEREFORE, Plaintiff demands:

1. That it be awarded possession of said personal property or the sum of \$ [REDACTED] plus interest accruing from January 1, 2024 pursuant to the terms of said Promissory Note and Commercial Security Agreement, in the event possession cannot be delivered, further, that it be allowed to recover all disbursements, costs and attorneys' fees incurred herein.
2. For a deficiency judgement against Defendant should the sale not occur or not bring an amount sufficient to satisfy the balance of the Promissory Note.

BREEN & PERSON, LTD.



Dated: January 30, 2024

[REDACTED]
124 N 6th Street
Brainerd, MN 56401
Telephone: [REDACTED]
Facsimile: [REDACTED]
Email: [REDACTED]

ATTORNEY FOR PLAINTIFF

ACKNOWLEDGMENT

Plaintiff acknowledges that costs, disbursements and reasonable attorneys' fees, and witness fees may be awarded to the opposing party pursuant to Minn. Stat. Section 549.211, subd. 2.

BREEN & PERSON, LTD.



Dated: January 30, 2024

124 N 6th Street
Brainerd, MN 56401
Telephone: [REDACTED]
Facsimile: [REDACTED]
Email: [REDACTED]



PROMISSORY NOTE

| Principal | Loan Date | Maturity | Loan No | Call / Coll | Account | Officer | Initials |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|------------|-------------|------------|---------|----------|
| ██████████ | 01-03-2023 | 01-03-2028 | ██████████ | 24 | ██████████ | *** | |
| References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations. | | | | | | | |

Borrower: ██████████
██████████, MN 55330

Lender: First National Bank North
Crosslake
PO Box 767
35197 Co Rd 3
Crosslake, MN 56442

Principal Amount: \$ ██████████

Date of Note: January 3, 2023

PROMISE TO PAY. I ("Borrower") promise to pay to First National Bank North ("Lender"), or order, in lawful money of the United States of America, the principal amount of ██████████, together with interest on the unpaid principal balance from January 3, 2023, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 9.900% per annum based on a year of 360 days, until paid in full. The interest rate may change under the terms and conditions of the "INTEREST AFTER DEFAULT" section.

PAYMENT. I will pay this loan in 60 payments of \$ ██████████ each payment. My first payment is due February 3, 2023, and all following payments are due on the same day of each month after that. My final payment will be due on January 3, 2028, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any escrow or reserve account payments as required under any mortgage, deed of trust, or other security instrument or security agreement securing this Note; and then to any late charges.

INTEREST CALCULATION METHOD. Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method.

RECEIPT OF PAYMENTS. All payments must be made in U.S. dollars and must be received by Lender consistent with the following payment instructions: Payments are accepted at all branch locations. Lender may modify these payment instructions by providing updated payment instructions to me in writing. If a payment is made consistent with Lender's payment instructions but received after 6:00 PM Central Time on a business day, Lender will credit my payment on the next business day.

PREPAYMENT. I may pay without penalty all or a portion of the amount owed earlier than it is due. If I do make any payments before they are due, I understand that unless Lender agrees otherwise in writing, I will still have to continue to make my regular payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in my making fewer payments. I agree not to send Lender payments marked "paid in full", "without recourse", or similar language. If I send such a payment, Lender may accept it without losing any of Lender's rights under this Note, and I will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: First National Bank North, 600 Minnesota Ave Walker, MN 56484.

MAXIMUM LATE CHARGE. Maximum Late Charge of \$100.00.

LATE CHARGE. If a payment is 11 days or more late, I will be charged 5.000% of the unpaid portion of the regularly scheduled payment or \$8.84, whichever is greater.

INTEREST AFTER DEFAULT. Upon maturity, whether scheduled or accelerated by Lender because of my default, the total sum due under this Note will continue to accrue interest at the interest rate under this Note.

DEFAULT. I will be in default under this Note if any of the following happen:

Payment Default. I fail to make any payment when due under this Note.

Break Other Promises. I break any promise made to Lender or fail to perform promptly at the time and strictly in the manner provided in this Note or in any agreement related to this Note, or in any other agreement or loan I have with Lender.

False Statements. Any representation or statement made or furnished to Lender by me or on my behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished.

Death or Insolvency. Any Borrower dies or becomes insolvent; a receiver is appointed for any part of my property; I make an assignment for the benefit of creditors; or any proceeding is commenced either by me or against me under any bankruptcy or insolvency laws.

Taking of the Property. Any creditor or governmental agency tries to take any of the property or any other of my property in which Lender has a lien. This includes taking of, garnishing of or levying on my accounts with Lender. However, if I dispute in good faith whether the claim on which the taking of the property is based is valid or reasonable, and if I give Lender written notice of the claim and furnish Lender with monies or a surety bond satisfactory to Lender to satisfy the claim, then this default provision will not apply.

Defective Collateralization. This Note or any of the related documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Collateral Damage or Loss. Any collateral securing this Note is lost, stolen, substantially damaged or destroyed and the loss, theft, substantial damage or destruction is not covered by insurance.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

Insecurity. Lender in good faith believes itself insecure.

Cure Provisions. If any default, other than a default in payment, is curable and if I have not been given a notice of a breach of the same

PROMISSORY NOTE
(Continued)

Loan No: [REDACTED]

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provision of this Note within the preceding twelve (12) months, it may be cured if I, after Lender sends written notice to me demanding cure of such default: (1) cure the default within ten (10) days; or (2) if the cure requires more than ten (10) days, immediately initiate steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continue and complete all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

LENDER'S RIGHTS. If I am in default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then I will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire or pay someone else to help collect this Note if I do not pay. I will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including reasonable attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, I also will pay any court costs, in addition to all other sums provided by law.

JURY WAIVER. Lender and I hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or me against the other.

GOVERNING LAW. This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Minnesota without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Minnesota.

CHOICE OF VENUE. If there is a lawsuit, I agree upon Lender's request to submit to the jurisdiction of the courts of Crow Wing County, State of Minnesota.

DISHONORED ITEM FEE. I will pay a fee to Lender of \$25.00 if I make a payment on my loan and the check or preauthorized charge with which I pay is later dishonored.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all my accounts with Lender (whether checking, savings, or some other account). This includes all accounts I hold jointly with someone else and all accounts I may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. I authorize Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

COLLATERAL. I acknowledge this Note is secured by 2017 Can Am Maverick X3 XDS, 2019 Pace Journey Trailer, 2019 Polaris RZR 1000, IAE.

PRIOR NOTE. [REDACTED]

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon me, and upon my heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES. I may notify Lender if Lender reports any inaccurate information about my account(s) to a consumer reporting agency. My written notice describing the specific inaccuracy(ies) should be sent to Lender at the following address: First National Bank North PO Box 520 Walker, MN 56484.

GENERAL PROVISIONS. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. In addition, Lender shall have all the rights and remedies provided in the related documents or available at law, in equity, or otherwise. Except as may be prohibited by applicable law, all of Lender's rights and remedies shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of me shall not affect Lender's right to declare a default and to exercise its rights and remedies. I and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several. This means that the words "I", "me", and "my" mean each and all of the persons signing below.

SECTION DISCLOSURE. To the extent not preempted by federal law, this loan is made under Minnesota Statutes, Section 47.59.

PRIOR TO SIGNING THIS NOTE, I READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. I AGREE TO THE TERMS OF THE NOTE.
I ACKNOWLEDGE RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

BORROWER:

X [REDACTED] Signed
Apr 03, 2023
4:17 PM CST



CONSUMER SECURITY AGREEMENT

| Principal | Loan Date | Maturity | Loan No | Call / Coll | Account | Officer | Initials |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|------------|-------------|------------|---------|----------|
| 44 [REDACTED] | 01-03-2023 | 01-03-2028 | [REDACTED] | 24 | [REDACTED] | *** | |
| References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations. | | | | | | | |

Grantor:

[REDACTED]
MN 55330

Lender:

First National Bank North
Crosslake
PO Box 767
35197 Co Rd 3
Crosslake, MN 56442

THIS CONSUMER SECURITY AGREEMENT dated January 3, 2023, is entered into between [REDACTED] (referred to below as "I") and First National Bank North (referred to below as "Lender").

GRANT OF SECURITY INTEREST. To secure the indebtedness described herein (including all obligations under the Note and this Agreement), I grant to Lender a security interest in all of the Property described below. I understand that the following statements set forth my responsibilities, as well as Lender's rights concerning the Property. I agree as follows:

PROPERTY DESCRIPTION. The word "Property" as used in this Agreement means the following described property, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located, in which I am giving to Lender a security interest for the payment of the indebtedness and performance of all other obligations under the Note and this Agreement:

[REDACTED]
SECURITY INTEREST IN THE [REDACTED] & [REDACTED]
[REDACTED] WHETHER ANY OF THE FOREGOING IS OWNED NOW OR ACQUIRED LATER; ALL ACCESSIONS, ADDITIONS, REPLACEMENTS, AND SUBSTITUTIONS RELATING TO ANY OF THE FOREGOING; ALL RECORDS OF ANY KIND RELATING TO ANY OF THE FOREGOING.

In addition, the word "Property" also includes all the following, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located: any and all accessions, attachments, accessories, replacements of and additions to any of the property described herein (such as tires or batteries attached to a car, a motor attached to a boat, or appliances and fixtures attached to a mobile home), whether added now or later, together with all proceeds (including insurance proceeds and refunds of insurance premiums) if any, and sums due from a third party who has damaged or destroyed the Property or from that party's insurer, whether due to judgment, settlement or other process.

Despite any other provision of this Agreement, Lender is not granted, and will not have, a nonpurchase money security interest in household goods, to the extent such a security interest would be prohibited by applicable law. In addition, if because of the type of any Property, Lender is required to give a notice of the right to cancel under Truth in Lending for the indebtedness, then Lender will not have a security interest in such Property unless and until such a notice is given.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all my accounts with Lender (whether checking, savings, or some other account). This includes all accounts I hold jointly with someone else and all accounts I may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. I authorize Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

REPRESENTATIONS AND PROMISES WITH RESPECT TO THE PROPERTY. I represent and promise to Lender that:

Ownership. I am the lawful owner of the Property. The Property is free and clear of all loans, liens, security interests, mortgages, claims, and encumbrances except for those I have disclosed to Lender in writing prior to my signing this Agreement. I agree to defend Lender's rights in the Property against the claims and demands of all persons. I will not allow any other liens on the Property, even if they are junior to Lender's lien. I have the full authority and right to enter into this Agreement and to grant a security interest in the Property to Lender.

No Sale. Without Lender's prior written consent, I will not sell, lease, transfer, borrow against, or otherwise dispose of any of my rights in the Property unless and until all the indebtedness is paid in full.

Location of the Property. Except for vehicles, I agree to keep the Property at my address shown above unless Lender tells me I can move it. If the Property is a vehicle, I will keep the Property at those addresses except for routine travel. I will not do anything that requires applying for a certificate of title for the vehicle in another state. If I move from my address shown above to another location within the same state, I may move the Property to my new address, but only if I give Lender the new address in writing prior to my moving. In any event, I agree to keep Lender informed at all times of my current address.

Maintenance and Insurance. I will keep the Property in good condition and repair. If the Property is damaged, lost or stolen, I immediately will inform Lender. I will keep the Property fully insured against all loss or damage by fire, theft, collision, and such other hazards as Lender may require from time to time. The insurance will be on terms, including deductible provisions and endorsements, that are satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least thirty (30) days prior written notice to Lender and not including any disclaimer of the insurer's liability for failure to give such notice. I understand I may obtain insurance from any insurance company I may choose that is reasonably acceptable to Lender. I will provide Lender with the original insurance policy, or other proof satisfactory to Lender of the insurance coverage, together with all endorsements required by Lender, including an endorsement naming Lender as the party to whom all losses will be paid. If Lender receives a refund of any insurance premiums, I agree that the refund is Property covered by this Agreement. Lender may apply the refund to payment of any of the indebtedness. Any insurance policy which I deliver to Lender will be held to secure payment of the indebtedness. Until all indebtedness is paid in full, Lender is authorized, but shall not be required, to file any proof of loss, adjust any loss, receive and receipt for any sum payable, surrender any policy, discharge and release any insurer, endorse any loss or refund check or draft, and in general do in my name, or otherwise, any and all things with respect to the insurance or any insurance proceeds.

Licensing and Governmental Regulations. I agree to keep the Property licensed at all times as required by all applicable state and federal

**CONSUMER SECURITY AGREEMENT
(Continued)**

Loan No: [REDACTED]

Page 2

laws. In addition, I agree to pay when due all license fees, taxes and assessments relating to the Property or the use of the Property. I further agree that the Property will not be used for any unlawful purpose or in violation of any statute, law, ordinance, or regulation relating to the use, operation, or control of the Property.

Inspection. I agree that Lender or Lender's agents shall have the right from time to time to inspect the Property wherever located.

Financing Statements. I authorize Lender to file a UCC financing statement, or alternatively, a copy of this Agreement to perfect Lender's security interest. At Lender's request, I additionally agree to sign all other documents that are necessary to perfect, protect, and continue Lender's security interest in the Property. I will pay all filing fees, title transfer fees, and other fees and costs involved unless prohibited by law or unless Lender is required by law to pay such fees and costs. I irrevocably appoint Lender as my attorney-in-fact to execute documents necessary to transfer title if there is a default. Lender may file a copy of this Agreement as a financing statement. I will promptly notify Lender of any change to my name or the name of any individual Grantor, any individual who is a partner for a Grantor, and any individual who is a trustee or settlor or trustor for a Grantor under this Agreement. I will also promptly notify Lender of any change to the name that appears on the most recently issued, unexpired driver's license or state-issued identification card, any expiration of the most recently issued driver's license or state-issued identification card for me or any individual for whom I am required to provide notice regarding name changes.

LENDER'S EXPENDITURES. If I fail (A) to keep the Property free of all taxes, liens, security interests, encumbrances, and other claims, (B) to provide any required insurance on the Property, or (C) to make repairs to the Property then Lender may do so. If any action or proceeding is commenced that would materially affect Lender's interests in the Property, then Lender on my behalf may, but is not required to, take any action that Lender believes to be appropriate to protect Lender's interests. All expenses incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by me. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Agreement also will secure payment of these amounts. The rights provided for in this paragraph shall be in addition to any other rights or any remedies to which Lender may be entitled on account of any default. Any such action by Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

DEFAULT. I will be in default if any of the following happens:

Payment Default. I fail to make any payment when due under the Indebtedness.

Break Other Promises. I break any promise made to Lender or fail to perform promptly at the time and strictly in the manner provided in this Agreement or in any agreement related to this Agreement.

False Statements. Any representation or statement made or furnished to Lender by me or on my behalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished.

Death or Insolvency. I die or become incompetent or insolvent, a receiver is appointed for any part of my property, I make an assignment for the benefit of creditors, or any proceeding is commenced either by me or against me under any bankruptcy or insolvency laws.

Taking of the Property. Any creditor or governmental agency tries to take any of the Property or any other of my property in which Lender has a lien. This includes taking of, garnishing of or levying on my accounts with Lender. However, if I dispute in good faith whether the claim on which the taking of the Property is based is valid or reasonable, and if I give Lender written notice of the claim and furnish Lender with monies or a surety bond satisfactory to Lender to satisfy the claim, then this default provision will not apply.

Defective Collateralization. This Agreement or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Property Damage or Loss. The Property is lost, stolen, substantially damaged, sold, or borrowed against.

Insecurity. Lender in good faith believes itself insecure.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the Indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Cure Provisions. If any default, other than a default in payment, is curable and if I have not been given a notice of a breach of the same provision of this Agreement within the preceding twelve (12) months, it may be cured if I, after Lender sends written notice to me demanding cure of such default: (1) cure the default within ten (10) days; or (2) if the cure requires more than ten (10) days, immediately initiate steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continue and complete all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

LENDER'S RIGHTS. I may keep and use the Property so long as I am not in default under this Agreement. If I am in default, this is what Lender may do, in addition to any other rights Lender may have:

Accelerate Indebtedness. Lender may declare all Indebtedness immediately due and payable, without notice.

Other Rights and Remedies. In addition, Lender will have all the rights of a secured party under the Uniform Commercial Code and other applicable law. This means, among other rights, that Lender may enter upon the premises at the address shown above and take the Property peaceably and sell it. Lender may also, to the extent permitted by law, enter peaceably upon other premises for the purpose of retaking the Property, and I consent to such entry. If the Property contains any goods not covered by this Agreement at the time of repossession, I agree that Lender may take such goods, provided that Lender makes reasonable efforts to return them to me after repossession. If Lender asks me to do so, I will gather the Property and make it available to Lender at a place reasonably convenient to both Lender and me.

Application of Proceeds. If Lender sells the Property, Lender will apply the "net proceeds" of the sale to reduce the amount owed Lender. "Net proceeds" means the sale price less the expenses of repossession, repair, sale, and as provided below, reasonable attorneys' fees and other collection expenses. I agree that, to the extent permitted by law, I will owe Lender any difference between the amount of the Indebtedness and the net proceeds Lender receives from the sale of the Property.

Notice. Unless the Property threatens to decline speedily in value or is of a type customarily sold on a recognized market, Lender will give me, and other persons as required by law, reasonable notice of the time and place of any public sale or of the time after which any private sale or any other intended disposition of the Property is to be made. The requirements of reasonable notice shall be met if such notice is given at least ten (10) days before the time of the sale or disposition, except as otherwise required by applicable law.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement:

**CONSUMER SECURITY AGREEMENT
(Continued)**

Loan No: [REDACTED]

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Amendments and Interpretation. (1) What is written in this Agreement is my entire agreement with Lender concerning the Property. This Agreement may not be changed except by another written agreement between us. (2) If more than one person signs below, our obligations are joint and several. This means that the words "I," "me," and "my" mean each and every person or entity signing this Agreement, and that, if Lender brings a lawsuit, Lender may sue any one or more of us. I also understand Lender need not sue Borrower first, and that Borrower need not be joined in any lawsuit. (3) The names given to paragraphs or sections in this Agreement are for convenience purposes only. They are not to be used to interpret or define the provisions of this Agreement. (4) I agree that this Agreement is the most reliable evidence of my agreements with Lender.

Attorneys' Fees; Expenses. I agree to pay all of Lender's costs and expenses, including Lender's reasonable attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement or to collect the indebtedness, and I shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's reasonable attorneys' fees and legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. I also shall pay all court costs, in addition to all other sums provided by law. This Agreement also secures all of these amounts.

Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

Governing Law. This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Minnesota without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of Minnesota.

Choice of Venue. If there is a lawsuit, I agree upon Lender's request to submit to the jurisdiction of the courts of Crow Wing County, State of Minnesota.

Notices. Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any person may change his or her address for notices under this Agreement by giving formal written notice to the other person or persons, specifying that the purpose of the notice is to change the person's address. For notice purposes, I agree to keep Lender informed at all times of my current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors. It will be my responsibility to tell the others of the notice from Lender.

No Waiver by Lender. I understand Lender will not give up any of Lender's rights under this Agreement unless Lender does so in writing. The fact that Lender delays or omits to exercise any right will not mean that Lender has given up that right. If Lender does agree in writing to give up one of Lender's rights, that does not mean I will not have to comply with the other provisions of this Agreement. I also understand that if Lender does consent to a request, that does not mean that I will not have to get Lender's consent again if the situation happens again. I further understand that just because Lender consents to one or more of my requests, that does not mean Lender will be required to consent to any of my future requests. I waive presentment, demand for payment, protest, and notice of dishonor.

Severability. If a court finds that any provision of this Agreement is not valid or should not be enforced, that fact by itself will not mean that the rest of this Agreement will not be valid or enforced. Therefore, a court will enforce the rest of the provisions of this Agreement even if a provision of this Agreement may be found to be invalid or unenforceable.

Successors and Assigns. Subject to any limitations stated in this Agreement on transfer of my interest, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than me, Lender, without notice to me, may deal with my successors with reference to this Agreement and the indebtedness by way of forbearance or extension without releasing me from the obligations of this Agreement or liability under the indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Agreement.

DEFINITIONS. The following words shall have the following meanings when used in this Agreement:

Agreement. The word "Agreement" means this Consumer Security Agreement, as this Consumer Security Agreement may be amended or modified from time to time, together with all exhibits and schedules attached to this Consumer Security Agreement from time to time.

Borrower. The word "Borrower" means [REDACTED] and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Grantor. The word "Grantor" means [REDACTED]

Guaranty. The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

Indebtedness. The word "Indebtedness" means the indebtedness evidenced by the Note or Related Documents, including all principal and interest together with all other indebtedness and costs and expenses for which I am responsible under this Agreement or under any of the Related Documents.

Lender. The word "Lender" means First National Bank North, its successors and assigns. The words "successors or assigns" mean any person or company that acquires any interest in the Note.

Note. The word "Note" means the note or credit agreement dated January 3, 2023, in the principal amount of \$[REDACTED] from CHANNING E VANLITH to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of and substitutions for the note or credit agreement.

Property. The word "Property" means all of my right, title and interest in and to all the Property as described in the "Property Description" section of this Agreement.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the indebtedness.

**CONSUMER SECURITY AGREEMENT
(Continued)**

Loan No: [REDACTED]

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I HAVE READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS CONSUMER SECURITY AGREEMENT AND AGREE TO ITS TERMS. THIS AGREEMENT IS DATED JANUARY 3, 2023.

GRANTOR:

X [REDACTED] Signed
Jan 03, 2023
4:17 PM CST

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Filing Number: [REDACTED]
Date: 09/27/2021
Time: 2:14 PM
STATE OF MINNESOTA
Office: Office of the Minnesota
Secretary of State

UCC1 - Original Filing - UCC Financing Statement

RETURN ACKNOWLEDGEMENT TO:

[REDACTED]
Pequot Lakes, MN 56472

DEBTOR INFORMATION

| | | | | |
|----------------------|---------------------|--------------------------|-------------|---------|
| INDIVIDUAL'S SURNAME | FIRST PERSONAL NAME | ADDL NAME(S), INITIAL(S) | | |
| [REDACTED] | [REDACTED] | [REDACTED] | | |
| MAILING ADDRESS | CITY | STATE | POSTAL CODE | COUNTRY |
| [REDACTED] | PEQUOT LAKES | MN | 56472 | USA |

SECURED PARTY INFORMATION

| | | | | |
|---------------------------|-----------|-------|-------------|---------|
| ORGANIZATION'S NAME | | | | |
| FIRST NATIONAL BANK NORTH | | | | |
| MAILING ADDRESS | CITY | STATE | POSTAL CODE | COUNTRY |
| PO BOX 767 | CROSSLAKE | MN | 56442 | USA |

COLLATERAL

PURCHASE MONEY SECURITY INTEREST IN THE [REDACTED]; WHETHER
ANY OF THE FOREGOING IS OWNED NOW OR ACQUIRED LATER; ALL ACCESSIONS, ADDITIONS,
REPLACEMENTS, AND SUBSTITUTIONS RELATING TO ANY OF THE FOREGOING; ALL RECORDS
OF ANY KIND RELATING TO ANY OF THE FOREGOING

ADDITIONAL INFORMATION(IF ANY)

ADDITIONAL FILER REFERENCE DATA:

Filing Number: [REDACTED]
Date: 11/07/2018
Time: 9:46 AM
STATE OF MINNESOTA
Office: Office of the Minnesota
Secretary of State

UCC1 - Original Filing - UCC Financing Statement

RETURN ACKNOWLEDGEMENT TO:

[REDACTED]
Pequot Lakes, MN 56472

DEBTOR INFORMATION

| INDIVIDUAL'S SURNAME | FIRST PERSONAL NAME | ADDL NAME(S), INITIAL(S) | | |
|----------------------|---------------------|--------------------------|-------------|---------|
| [REDACTED] | [REDACTED] | [REDACTED] | | |
| MAILING ADDRESS | CITY | STATE | POSTAL CODE | COUNTRY |
| [REDACTED] | PEQUOT LAKES | MN | 56472 | USA |

SECURED PARTY INFORMATION

| ORGANIZATION'S NAME | | | | |
|---------------------------|--------------|-------|-------------|---------|
| FIRST NATIONAL BANK NORTH | | | | |
| MAILING ADDRESS | CITY | STATE | POSTAL CODE | COUNTRY |
| PO BOX 366 | PEQUOT LAKES | MN | 56472 | USA |

COLLATERAL

PURCHASE MONEY SECURITY INTEREST IN THE [REDACTED]
WHETHER ANY OF THE FOREGOING IS OWNED NOW OR ACQUIRED LATER; ALL ACCESSIONS, ADDITIONS,
REPLACEMENTS, AND SUBSTITUTIONS RELATING TO ANY OF THE FOREGOING; ALL RECORDS OF ANY KIND
RELATING TO ANY OF THE FOREGOING.

ADDITIONAL INFORMATION(IF ANY)



MINNESOTA DEPARTMENT OF PUBLIC SAFETY

DRIVER AND VEHICLE SERVICES

445 Minnesota Street
Saint Paul, MN 55101-5187
Phone: (651) 297-2126
Visit us: drive.mn.gov

Notification of Assignment, Release or Grant of Secured Interest

(Instructions on reverse side)

| | | | | | |
|-------------------------------------------------------------------------|---------------------|--------------------------|-------------------------|----------------------------------------------------------------|----------------------------|
| YEAR 2019 | MAKE PACE | TYPE TRAILER | MODEL JOURNEY | VEHICLE IDENTIFICATION NUMBER [REDACTED] | TITLE NUMBER |
| OWNER(S) NAME [REDACTED] | | | | SECURED PARTY'S NAME First National Bank North | |
| STREET ADDRESS [REDACTED] | | | | STREET ADDRESS PO Box 767 | |
| CITY [REDACTED] | STATE MN | ZIP CODE 55330 | COUNTY [REDACTED] | CITY Crosslake | COUNTY Crow Wing |
| SIGNATURE OF OWNER(S), NECESSARY ONLY WITH GRANT X [REDACTED] | | | | SIGNATURE AND TITLE OF AUTHORIZED AGENT X [REDACTED] | |

☐ ASSIGNMENT

The secured party named in Section A has assigned his interest to the secured party named in Section B.

☐ RELEASE

The secured party named in Section A no longer claims a security interest in the vehicle described above. Date of Release _____

☒ GRANT

The owner(s) have granted to the secured party named in Section A, a security interest in the vehicle described above.

Date of Security Agreement **01-03-2023**

--- NOTICE ---
This form must be notarized to release a lien.

Subscribed and sworn to before me
this _____
day of _____ 20 _____

NOTARY PUBLIC

COUNTY

MY COMMISSION EXPIRES

| | | | | | |
|----------|-------------------------------------------------|-------|----------|--------|--|
| B | ASSIGNEE'S NAME, NECESSARY ONLY WITH ASSIGNMENT | | | | |
| | STREET ADDRESS | | | | |
| | CITY | STATE | ZIP CODE | COUNTY | |

INSTRUCTIONS

ASSIGNMENT OF LIEN

1. The Assignor must be listed as secured party on the application for title or on the current certificate of title.
2. The Assignor must complete section A and list the name and address of the Assignee in section B.
3. The assignment must be submitted with the current certificate of title.
4. Fees: \$1 plus \$11 filing fee. For an assignment noted concurrently with the secured interest, no fee is required. The assignment accompanies the granting of a second interest.

RELEASE

1. The secured party must complete this form within 15 days after satisfaction of the security agreement.
2. The secured party must complete and sign section A.
3. The form must be notarized
4. This release must be submitted with the current certificate of title.
5. Fees: \$11 filing fee

GRANT

1. The owner of the vehicle must complete section A of this form.
2. The grant must be submitted with the current certificate of title.
3. Fees: \$2 plus \$11 filing fee

All forms and fees may be submitted to your local motor vehicle office or you may make the check payable to
Driver and Vehicle Services and mail the forms to:

Driver and Vehicle Services
445 Minnesota Street
Suite 187
St. Paul, Minnesota 55101-5187

| Description | Date | Lien Position | Loan # | Loan Amount | Value |
|-----------------------|----------|------------------|--------|---------------|---------------|
| 2017 Can Am Maveric | 12/20/23 | 1st | *13967 | \$ [REDACTED] | \$ [REDACTED] |
| 2019 Polaris Razor | 12/20/23 | 1st | | | \$ [REDACTED] |
| 2019 Pace Journey Trl | 12/20/23 | None | | | \$ [REDACTED] |

| LTV | Method of Evaluation |
|-----|----------------------|
| | ATV Trader |
| | ATV Trader |
| | Trailer Depot |