

06-1613-CD  
Jersey Shore State Bank vs W. Dunlap

2006-1613-CD  
Jersey Shore vs William Dunlap

**ORIGINAL**

**IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA  
CIVIL ACTION - LAW**

JERSEY SHORE STATE BANK

Docket No. 06-1613-CD

Plaintiff,

Type of Case:

vs.

**Civil Action**

WILLIAM W. DUNLAP,

Defendant.

Type of Pleading:

**Praecipe to Reinstate**

Filed on Behalf of Plaintiff

Counsel of Record for This Party

David B. Consiglio, Esquire  
Miller Kistler Campbell  
Miller Williams & Benson  
720 S. Atherton Street  
State College, PA 16801  
(814) 234-1500

FILED *10/13/2006* Atty pd. 7.00  
OCT 27 2006 1CC@1 Compl.  
Reinstated to  
William A. Shaw  
Prothonotary/Clerk of Courts  
Atty

IN THE COURT OF COMMON PLEAS FOR CLEARFIELD COUNTY, PA  
CIVIL ACTION - LAW

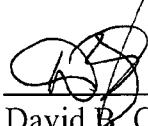
JERSEY SHORE STATE BANK, :  
: Plaintiff, : Docket No. 06-1613-CD  
: :  
V. :  
: WILLIAM W. DUNLAP :  
:

PRAECIPE TO REINSTATE

Please reinstate the Complaint in regard to the above-captioned matter.

Respectfully submitted,

**MILLER, KISTLER, CAMPBELL,  
MILLER, WILLIAMS & BENSON, INC.**

By: 

\_\_\_\_\_  
David B. Consiglio, Esquire  
I.D.# 72772  
720 South Atherton Street  
State College, PA 16801  
(814) 234-1500

Date: October 23, 2006

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA  
CIVIL ACTION - LAW

JERSEY SHORE STATE BANK

Docket No. 06-16013-CD of 2006

Plaintiff,

Type of Case:

vs.

**Civil Action**

WILLIAM W. DUNLAP,

Defendant.

Type of Pleading:

**Complaint for Deficiency  
Judgment**

Filed on Behalf of Plaintiff

Counsel of Record for This Party

David B. Consiglio, Esquire  
Miller Kistler Campbell  
Miller Williams & Benson  
720 S. Atherton Street  
State College, PA 16801  
(814) 234-1500

Oct 27, 2006 Document  
Reinstated/Resealed to Sheriff/Attorney  
for service.

Carl  
Deputy Prothonotary

William A. Shaw  
Prothonotary/Clerk of Courts

FILED *Att'y pd 85.00*  
OCT 11 02011 *REC SHF*  
OCT 04 2011 *WAS*

**IN THE COURT OF COMMON PLEAS FOR CLEARFIELD COUNTY, PA  
CIVIL ACTION - LAW**

JERSEY SHORE STATE BANK, :  
: Plaintiff, : Docket No. \_\_\_\_\_ of 2006  
v. :  
: WILLIAM W. DUNLAP :  
:

**COMPLAINT FOR DEFICIENCY JUDGMENT**

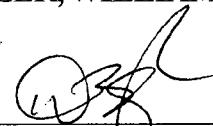
1. Plaintiff, Jersey Shore State Bank, ("JSSB"), is a duly chartered banking corporation with offices at 300 Market Street, Williamsport, Pennsylvania 17701.
2. Defendant, William W. Dunlap, ("Dunlap"), is an adult individual residing at 2358 Askey Road, Frenchville, Clearfield County, Pennsylvania and/or 170 Wallaceton Road, Morrisdale, Clearfield County, Pennsylvania 16858.
3. Defendant Dunlap executed a Note, Disclosure, and Security Agreement on or about May 27, 2005. A true and accurate copy of the Note, Disclosure, and Security Agreement is attached hereto as Exhibit "A."
4. Defendant Dunlap defaulted on his obligations under the Note, Disclosure, and Security Agreement, leading to the repossession of a 1997 Chevrolet Blazer 4X4 which was pledged as security for the loan extended by JSSB to Dunlap.
5. A true and accurate copy of the Notice of Repossession was delivered via certified mail to Defendant Dunlap on or about July 18, 2006. A true and accurate copy of the Notice of Repossession is attached hereto as Exhibit "B."

6. The aforesaid vehicle was sold for the amount of \$615.00.
7. Notice of the proceeds of the sale was issued to Defendant Dunlap on or about September 22, 2006.
8. A true and accurate copy of the Notice of Sale is attached hereto as Exhibit "C."
9. The sale of the pledged collateral resulted in a deficiency on the loan in the amount of \$4,446.35.
10. Plaintiff demands judgment against Defendant in the amount of \$4,446.35 plus interest and attorney's fees per the Note, Disclosure, and Security Agreement.

WHEREFORE, Plaintiff demand judgment in its favor and against Defendant in the amount of \$4,446.35, plus the cost of this action, costs and expenses authorized by the Note, Disclosure, and Security Agreement, and attorney's fees as authorized by the Note, Disclosure, and Security Agreement together with such other and further relief as the Court deems just and proper.

Respectfully submitted,

**MILLER, KISTLER, CAMPBELL,  
MILLER, WILLIAMS & BENSON, INC.**

By: 

David B. Consiglio, Esquire  
I.D.# 72772  
720 South Atherton Street  
State College, PA 16801  
(814) 234-1500

Date: October 3, 2006

VERIFICATION

I verify that the statements contained in the foregoing document are true and correct to the best of my knowledge, information and belief. I understand that false statements therein are made subject to the penalties of 18 Pa. C.S.A. Section 4904, relating to unsworn falsification to authorities.

  
Christopher J. Dunlap, Collections Assistant  
Jersey Shore State Bank

Dated: 9-29-05

**Note, Disclosure, and Security Agreement****Lender**

JERSEY SHORE STATE BANK  
IT'S SUCCESSORS AND/OR ASSIGNS  
300 MARKET STREET  
PO BOX 967  
WILLIAMSPORT, PA 17701

**Borrower**

WILLIAM W. DUNLAP  
2358 ASKEY ROAD  
FRENCHVILLE, PA 16836

LOJLP INIT EWBG/DMW  
Loan Number 500208934  
Loan Date 05-27-2005  
Maturity Date 05-27-2010  
Loan Amount 5,040.00  
Renewal of  
BRANCH # 14

Refer to the attached addendum for additional Borrowers and their signatures.

**Truth-in-Lending Disclosures**

Annual Percentage Rate The cost of my credit as a yearly rate. 12.369%	Finance Charge The dollar amount the credit will cost me. \$1,729.40	Amount Financed The amount of credit provided to me or on my behalf. \$ 5,000.00	Total of Payments The amount I will have paid when I have made all scheduled payments. \$ 8,729.40
<b>My Payment Schedule Will Be:</b> Payments      Amount of Payments		When Payments Are Due MONTHLY BEGINNING 05-27-2005 ON 05-27-2010	
59	\$ 112.16		
1	\$ 111.96		
5	\$		
5	\$		
<b>Demand.</b> <input type="checkbox"/> This note has a demand feature. <input type="checkbox"/> This note is payable on demand and all disclosures are based on an assumed maturity of one year. <b>Prepayment.</b> If I pay off this note early, I <input type="checkbox"/> may <input checked="" type="checkbox"/> will not have to pay a minimum finance charge. <input checked="" type="checkbox"/> If I pay off this note early, I will not be entitled to a refund of part of the additional finance charge. <input checked="" type="checkbox"/> <b>Late Charge.</b> If a payment is late (more than 15 days after due) I will be charged 10.000% OF THE PAYMENT AMOUNT WITH A MIN OF \$20.00			
<b>Security.</b> I am giving a security interest in: <input type="checkbox"/> the goods or property being purchased. <input type="checkbox"/> collateral securing other loans with you may also secure this loan. <input checked="" type="checkbox"/> (brief description of other property) 1997 CHEVROLET F10 BLAZER 4X4			
<b>Filing Fees.</b> \$5.00 <b>Non-filing Insurance.</b> \$ <input type="checkbox"/> <b>Required Deposit.</b> The annual percentage rate does not take into account my required deposit. <input checked="" type="checkbox"/> <b>Assumption.</b> Someone buying the property securing this obligation cannot assume the remainder of the obligation on the original terms. <b>Contract Documents.</b> I can see my contract documents for any additional information about nonpayment, default, any required repayment before the scheduled date, and prepayment refunds and penalties.			

**Promissory Note**

**Promise to Pay.** For value received, I promise to pay to you, or your order, at your address above, the principal sum of \$5,040.00 plus interest from 05-27-2005 at the rate of 12.000 % per year until 05-27-2010.

Interest accrues on a ACTUAL/365 basis. I agree to pay late charges in accordance with the provisions shown in the Truth-in-Lending Disclosures. The purpose of this loan is PAY CLOSING COSTS.

**Payment.** I will pay this note as follows:  
69 MONTHLY PAYMENTS OF \$112.16 BEGINNING 05-27-2005 AND 1 PAYMENT OF \$111.96 ON 05-27-2010.

**Post-Maturity Interest.** Interest will accrue after maturity on the unpaid balance of this note on the same basis as interest accrues before maturity, unless a specific post-maturity interest rate is agreed to in the next sentence.

Interest will accrue at the rate of \_\_\_\_\_ % per year on the balance of this note not paid at maturity, including maturity by acceleration.  
 **Additional Finance Charge.** I also agree to pay a nonrefundable fee of \$40.00, and it will be  paid in cash.  paid pro rata over the loan term.  withheld from the proceeds. (If this fee is withheld from the proceeds, the amount is included in the principal sum.)

**Minimum Finance Charge.** I agree to pay a minimum finance charge of \$\_\_\_\_\_ if I pay this note off before you have earned that much in finance charges.

**Returned Payment Fee.** I agree to pay a service charge of \$\_\_\_\_\_ for each payment (check or automatic payment) returned unpaid.

 **Other Terms.**

RETURN CHECK FEE: BORROWER AGREES THAT LENDER MAY ASSESS A FEE OF \$5.00, IF BORROWER MAKES A PAYMENT WITH A CHECK THAT IS RETURNED BY THE DRAWEE FOR "NON SUFFICIENT FUNDS" IN THE ACCOUNT ON WHICH THE CHECK IS WRITTEN.

**Itemization of Amount Financed**

Amount given to me directly	\$ 5,000.00
Amount paid on my (loan) account	\$
TO LENDER	\$ 40.00
Amount paid to others on my behalf (You may retain or receive a portion of these amounts.)	
To insurance companies	\$
To public officials	\$
	\$
(less) Prepaid Finance Charge(s)	\$ 40.00
Amount Financed	\$ 5,000.00

**Security Agreement**

**Security.** To secure the obligations of this Loan Agreement, I give you a security interest in the Property described below:

1997 CHEVROLET F10 BLAZER 4X4 VIN - 1GNC18WXK128543

**All Debts.** The Property will also serve as collateral for all present and future debts.

**Other Security.** This Loan Agreement is secured by

**EXHIBIT**

**A**

**Additional Terms of the Promissory Note**

**Definitions.** As used in this Loan Agreement,  indicates terms that apply to this Loan Agreement. *Loan Agreement* refers to this Promissory Note, Security Agreement, and Truth in Lending Disclosures, and any extensions, renewals, modifications, and substitutions of this Loan Agreement. *Loan* refers to this transaction generally, including obligations and duties arising from the terms of all documents prepared or submitted for this transaction, such as applications, security agreements, disclosures, or notes, and this Loan Agreement. *Security Agreement* refers to the security agreement contained within this Loan Agreement. *Secured Debts* refers to all sums advanced to you under the terms of the Loan Agreement, and all present and future debts (if the All Debts subsection of the Security Agreement has been checked). The pronouns *I*, *me* and *my* refer to each Borrower signing this Loan Agreement, individually and together with their heirs, successors and assigns, and each other person or legal entity (including guarantors, endorsers, and sureties) who agrees to pay this Loan Agreement. You and your refer to the Lender and its successors and assigns.

**Advance Procedure And Means.** You will advance the loan proceeds by way of check, cash, wire transfer, credit to an account or any combination as you and I agree. The advance(s) will occur upon consummation of the loan and as you and I agree, except that no advance(s) will occur until after three business days from the date of consummation if the loan is rescindable pursuant to Regulation Z (12 C.F.R. § 226).

**Payments.** Unless otherwise provided in the Other Terms section, each payment I make on this Loan Agreement will be applied first to any charges I owe other than principal and interest, then to interest that is due, and finally to principal that is due. No late charge will be assessed on any payment when the only delinquency is due to late fees assessed on earlier payments and the payment is otherwise a full payment. The actual amount of my final payment will depend on my payment record.

**Interest.** Interest will accrue on the unpaid principal balance until paid in full. For interest calculation, the accrual method will determine the number of days in a year. The interest rate and other charges on this Loan Agreement will never exceed the highest rate or charge allowed by law for this loan. If the amount collected is found to exceed the highest rate or charge allowed, you will refund an amount necessary to comply with the law.

**Post-Maturity Interest.** Interest will accrue on the principal balance remaining unpaid after final maturity at the rate specified in this Loan Agreement. For purposes of this section, final maturity occurs on any of the following dates:

- If this Loan Agreement is payable on demand, on the date you make demand for payment.
- If this Loan Agreement is payable on demand with alternate payment date(s), on the date you make demand for payment or on the final alternate payment date, whichever is earlier.
- On the date of the last scheduled payment of principal.
- On the date you accelerate the due date of this Loan Agreement (demand immediate payment).
- Upon the entry of judgment on this note and applies to amounts owed under this note or under any such judgment until paid in full.

**Prepayment.** I may prepay this Loan Agreement in whole or in part at any time. Any partial prepayment will not excuse any later scheduled payments until I pay in full.

**Commissions.** I understand and agree that you (or your affiliate) will earn commissions or fees on any insurance products, and may earn such fees on other services that I buy through you or your affiliate.

**Warranties and Representations.** I have the power and authority to enter into this Loan Agreement. The execution and delivery of this Loan Agreement will not violate any agreement governing me or my property, or to which I am a party. I own all of the Property, unless otherwise agreed and disclosed to you in writing. Your claim to the Property is ahead of the claims of any other creditor, except as disclosed in writing to you prior to any advance on the Secured Debts. The Property has not been and will not be used for any purpose that would violate any laws or subject the Property to forfeiture or seizure.

**Default.** Subject to any limitations in the Real Estate or Residence Security section, I will be in default if any of the following occur:

- I fail to make a payment when due.
- I fail to perform any condition or keep any promise of this or any agreement I have made with you.

**Remedies.** Subject to any limitations in the Real Estate or Residence Security section, after I default, and after you give any legally required notice and opportunity to cure the default, you may at your option do any one or more of the following:

- Make all or any part of the amount owing by the terms of this Loan Agreement due.
- Use any and all remedies you have under state or federal law, or in any instrument securing this Loan Agreement.
- Make a claim for any and all insurance benefits or refunds that may be available on my default.
- Set off any amount due and payable under the terms of this Loan Agreement against my right to receive money from you, unless prohibited by law.
- Make amounts advanced on my behalf due and add those amounts to the balance owing under the terms of this Loan Agreement.
- Require me to gather the Property and make it available to you in a reasonable fashion (unless prohibited by law), keep or dispose of the Property as provided by law; apply the proceeds to your expenses of collection and enforcement and then to the Secured Debts; and, unless prohibited by law, and following any required notice of deficiency, hold me liable for any deficiency if what you receive from the sale does not satisfy the Secured Debts.

By choosing any one or more of these remedies you do not give up your right to use any other remedy. You do not waive a default if you choose not to use a remedy. By electing not to use any remedy, you do not waive your right to later consider the event a default and to use any remedies if the default continues or occurs again.

**Real Estate or Residence Security.** If this Loan Agreement is secured by real estate or a residence that is personal property, the existence of a default and your remedies for such a default will be determined by applicable law, by the terms of any separate instrument creating the security interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by this Loan Agreement.

**Waivers.** To the extent not prohibited by law, I waive protest, presentment for payment, demand, notice of acceleration, notice of intent to accelerate, and notice of dishonor. You may renew or extend payments on this Loan Agreement, regardless of the number of such renewals or extensions. You may release any Borrower, endorser, guarantor, surety, accommodation maker, or any other obligor. You may release, substitute, or impair any Property securing this Loan Agreement.

**Collection Expenses and Attorneys' Fees.** On or after Default, in the event permitted by law, I agree to pay all reasonable expenses of collection, enforcement, or protection of your rights and remedies under this Loan Agreement. Expenses include, but are not limited to, attorneys' fees, court costs and other legal expenses. These expenses are due and payable immediately. If not paid immediately, these expenses will bear interest from the date of payment until paid in full at the rate provided in the terms of this Loan Agreement. All fees and expenses will be secured by the Property I have granted you if any. To the extent permitted by the United States Bankruptcy Code, I agree to pay the reasonable attorneys' fees you incur to collect this debt as awarded by any court exercising jurisdiction under the Bankruptcy Code.

**General Provisions.** This Loan Agreement is governed by the laws of Pennsylvania, the United States of America, and to the extent required, by the laws of the jurisdiction where the Property is located. If two or more Borrowers sign this Loan Agreement, we are liable to repay jointly and severally. This Loan Agreement is the complete and final expression of our agreement. No modification of this Loan Agreement is effective unless made in writing and signed by me and you. The duties and benefits of this Loan Agreement will bind and benefit the successors and assigns of me and you. If any provision of this Loan Agreement is unenforceable, then the unenforceable provision will be severed and the remaining provisions will be enforceable.

Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to my last known address. Notice to one party will be deemed to be notice to all parties. Where a notice is required, I agree that 10 days prior written notice will be reasonable notice to me under the Uniform Commercial Code or other applicable state law.

I will provide you any financial statement or information you request. All financial statements and information I give you will be correct and complete. My name and address are my exact legal name and my principal residence. I will provide you with at least 30 days notice prior to changing my name or principal residence.

Any provisions that appoint you as an agent are not subject to the provisions of 20 Pa.C.S.A. Section 5601 et seq. (Chapter 56; Decedents, Estates and Fiduciaries Code). By exercising any of your rights under this note, you do so for your sole benefit.

I agree to sign, deliver, and file any additional documents or certifications that you may consider necessary to perfect, continue, and preserve my obligations under this Loan and to confirm your lien status on any Property.

**Additional Terms of the Security Agreement**

**Generally.** *Property* means any collateral described in this Loan Agreement in which I have an interest, now or in the future, wherever the Property is or will be located, and all proceeds and products from the Property. *Property* includes all parts, accessories, repairs, replacements, improvements, and accretions to the Property; any original evidence of title or ownership; and all obligations that support the payment or performance of the Property.

If the All Debts subsection is checked, the Property also secures all present and future debts, even if this Loan Agreement is not referenced in the debt instrument, the future debts are also secured by other collateral, or if the future debt is unrelated to or of a different type than this debt. Nothing in this Loan Agreement is a commitment to make future loans or advances. This Loan Agreement will not secure any debt for which you fail to give any required notice of the right of rescission (i.e., right to cancel), or any debt for which a non-possession, non-purchase money security interest is created in *household goods* in connection with a *consumer loan*, as those terms are defined by federal law governing unfair and deceptive credit practices.

**Purchase Money Security Interest.** If this is a purchase money loan (the loan proceeds are used to purchase the collateral), I authorize you, at your option, to disburse the loan proceeds directly to the seller of the Property. The portion of the Property purchased with loan proceeds will remain subject to your purchase money security interest until the Secured Debts are paid in full. Payments on any non-purchase money loan also secured by this Security Agreement will not be applied in the purchase money loan. Payments on the purchase money loan will be applied first to the non-purchase money portion of the loan, if any, and then to the purchase money portion in the order in which the purchase money Property was acquired. If the purchase money Property was acquired at the same time, then payments will be applied in the order you select. No security interest will be terminated by application of this formula.

**Waivers.** I waive all claims for loss or damage caused by your acts or omissions where you acted reasonably and in good faith. I waive all rights I have now or in the future to a homestead or personal property exemption in the Property.

**Assumptions.** Someone buying the Property cannot assume the obligation. You may declare the entire balance of the Loan Agreement to be immediately due and payable upon the creation of, or contract for the creation of, a transfer or sale of the Property.

**Perfection of Security Interest.** I authorize you to file a financing statement covering the Property. I agree to comply with, facilitate, and otherwise assist you in connection with perfecting your security interest under the Uniform Commercial Code.

**Duties Toward Property.** I will protect the Property and your interest against any competing claim. Except as otherwise provided in this Loan Agreement, I will keep the Property in my possession at the address indicated in this Loan Agreement. I will keep the Property in good repair and use it only for personal, family, or household purposes. I will immediately inform you of any loss or damage to the Property. You have the right of reasonable access to inspect the Property.

I will keep books, records, and accounts about the Property and my assets in general, in which I will allow you reasonable access. I will pay all taxes and assessments levied or assessed against me or the Property. I will not sell, lease, license, or otherwise transfer or encumber the Property without your prior written consent. You do not authorize any sale or other disposition of the Property. Any sale or disposition you do not authorize will violate your rights.

If I pledge the Property to you (deliver the Property into your, or your designated third party's possession or control), I will, upon receipt, deliver any proceeds and products of the Property to you. I will provide you with any notices, documents, financial statements, reports, and other information relating to the Property I receive as the owner of the Property.

Insurance. I agree to keep the Property insured against the risks reasonably associated with the Property until the Property is released from this Security Agreement. I may provide the required insurance through an existing policy of insurance that I own or control, or through a policy that I buy. I have free choice in the selection of an insurance company, subject to applicable law. I will maintain that insurance in the amounts you require and have the insurance company name you as loss payee on any insurance policy. I will give you and the insurance company immediate notice of any loss. You may apply the insurance proceeds toward what is owed on the Secured Debts. If the insurance proceeds do not cover the amounts I owe you, I will pay the difference. You may require additional security as a condition of permitting any insurance proceeds to be used to repair or replace the Property. If you acquire the Property in damaged condition, my right to any insurance policies and proceeds will pass to you to the extent of the Secured Debts. I will immediately notify you of cancellation or termination of insurance.

I am required to maintain insurance on the Property to protect your interest. If I fail to maintain the required insurance, or fail to provide you with evidence of insurance, I understand and agree to the following.

- You may (but are not required to) place insurance on the Property to protect your interest, which will not cover my equity in the Property.
- The insurance you provide may be written by a company other than one I would choose and may be written at a higher rate than I could obtain if I purchased the insurance.
- I will pay for the costs of any Property insurance you provide.

**Authority to Perform.** I authorize you to do anything you deem reasonably necessary to protect the Property and your security interest in the Property. If I fail to perform any of my duties under this Loan Agreement, you are authorized, after providing me with any required notice and opportunity to perform, to perform the duties or cause them to be performed and add the costs of performance to the Secured Debts. These authorizations include, but are not limited to, permission to pay for the repair, maintenance, and preservation of the Property and taking any action to obtain or preserve the benefits and rights of the Property. Your authority to perform for me will not create an obligation to perform and your failure to perform will not preclude you from exercising any other rights under the law or this Security Agreement. If you come into actual or constructive possession of the Property, you will preserve and protect the Property to the extent required by law. Your duty of care with respect to the Property will be satisfied if you exercise reasonable care in the safekeeping of the Property or in the selection of a third party in possession of the Property.

#### Third Party Agreement

For the purposes of the provisions within this enclosure, *I, me or my* means the person signing below and *you* means the Lender identified in this Loan Agreement.

I agree to give you a security interest in the Property that is described in the Security Agreement section. I agree to the terms of this Loan Agreement, but I am in no way personally liable for payment of the debt. This means that if the Borrower defaults, my interest in the secured Property may be used to satisfy the Borrower's debt. I agree that you may, without releasing me or the Property from this Third Party Agreement and without notice or demand upon me, extend new credit to any Borrower, renew or change this Loan Agreement one or more times and for any term, or fail to perfect your security interest in, impair, or release any security (including guarantees) for the obligations of any Borrower.

I have received a completed copy of this Loan Agreement.

x *Beverley A. Dunlap*  
BEVERLEY A. DUNLAP

Attach FTC "Preservation of Consumer Claims and Defenses" Notice If Applicable.

#### Insurance

**Credit Insurance.** Credit life, credit accident and sickness (disability), and any other insurance coverage quoted below, are not required to obtain credit and you will not provide them unless I sign and agree to pay the additional premium. If I want such insurance, you will obtain it for me (if I qualify for coverage). You are quoting below ONLY the coverages I have chosen to purchase.

#### Credit Life

Single  Joint  None Premium \$ \_\_\_\_\_

**Credit Disability** Premium \$ \_\_\_\_\_

Single  Joint  None Premium \$ \_\_\_\_\_

Single  Joint  None Premium \$ \_\_\_\_\_

**Signature.** My signature below means I want (only) the insurance coverage(s) quoted above. If "None" is checked, I have declined the coverage you offered.

X \_\_\_\_\_ DOB \_\_\_\_\_

X \_\_\_\_\_ DOB \_\_\_\_\_

X \_\_\_\_\_ DOB \_\_\_\_\_

**Single Interest Insurance.** I may obtain single interest insurance from anyone I want that is acceptable to you. If I get the insurance from or through you I will pay \$ \_\_\_\_\_ for \_\_\_\_\_ of coverage.

**Property Insurance.** I may obtain property insurance from anyone I want that is acceptable to you. If I get the insurance from or through you I will pay \$ \_\_\_\_\_ for \_\_\_\_\_ of coverage.

#### Federal Sale of Insurance Disclosure

**Product** refers to any insurance product or annuity I purchase from you. With regard to any Product I purchase from you, the following apply.

- The Product is not a deposit account or other obligation of any depository institution or any affiliate of any depository institution.
- The Product is not guaranteed or insured by any depository institution or any affiliate of any depository institution.
- The Product is not insured by the Federal Deposit Insurance Corporation (FDIC).
- The Product, except in the case of Federal Flood Insurance or Federal Crop Insurance, is not insured by any federal government agency.
- If this box is checked, there is investment risk associated with the Product, including the possible loss of value.

By signing, I acknowledge that I have received a copy of this disclosure on today's date. Unless these disclosures are provided electronically or I have purchased the Product by mail, I also acknowledge that you have provided these disclosures to me orally.

X \_\_\_\_\_ Date \_\_\_\_\_

X \_\_\_\_\_ Date \_\_\_\_\_

X \_\_\_\_\_ Date \_\_\_\_\_

#### Notice to Cosigner

You (the cosigner) are being asked to guaranty this debt. Think carefully before you do. If the borrower doesn't pay the debt, you will have to. Be sure you can afford to pay if you have to, and that you want to accept this responsibility.

You may have to pay up to the full amount of the debt if the borrower does not pay. You also may have to pay late fees or collection costs, which increase this amount.

The creditor can collect this debt from you without first trying to collect from the borrower. The creditor can use the same collection methods against you that can be used against the borrower, such as suing you, etc. If this debt is ever in default, that fact may become part of your credit record. This notice is not the contract that makes you liable for the debt.

#### Signatures

By signing, I agree to the terms contained in this Loan Agreement. I also acknowledge receipt of a copy of this Loan Agreement on today's date. Cosigners. See Notice to Cosigner above before signing.

x *William W. Dunlap*  
WILLIAM W. DUNLAP

X \_\_\_\_\_

X \_\_\_\_\_

(Optional)  
Signed *Elizabeth B. B.* \_\_\_\_\_ For Lender  
Title MORTGAGE LOAN REPRESENTATIVE



# Jersey Shore State Bank

July 18, 2006

William W. Dunlap  
697 Knox Run Road  
Morrisdale, PA 16858

## NOTICE OF REPOSSESSION Delivered by Certified Mail

You are hereby notified that we have retaken your *1997 Chevrolet Blazer 4x4*, because of default in payment under a Security Agreement.

This vehicle is being stored at Jersey Shore State Bank and may be redeemed by you within fifteen (15) days from the receipt of this letter by remitting to the office of Jersey Shore State Bank at the address shown below, the following amounts:

Unpaid time balance:	\$ 4,383.55
Less refund of charges:	\$
Interest Charges	\$ 214.76
Default charges:	\$ 120.00
Net unpaid balance:	\$ 4,718.31
Cost of retaking and/or repairing:	\$
Cost of storage:	\$
Additional cost	\$
TOTAL additional costs:	\$ 0
<b>TOTAL AMOUNT PAYABLE TO REDEEM VEHICLE:</b>	<b>\$ 4,718.31</b>

Payment shall be made to, or notices served upon, the person signing this notice at the address of Jersey Shore State Bank shown below.

If you do not exercise your rights, we will dispose of the vehicle at private sale, at 3:00 p.m. on August 4, 2006, in accordance with the Uniform Commercial Code and the Motor Vehicle Sales Finance Act; you will be responsible for any loss sustained.

JERSEY SHORE STATE BANK

*Christopher J. Dunlap / AJE*

Christopher J. Dunlap, Collection Assistant  
300 Market Street, Williamsport, PA 17701

EXHIBIT

**6**



# Jersey Shore State Bank

300 Market Street  
Williamsport, PA 17701

(570) 322-1111  
(570) 320-2046 fax

September 22, 2006

William Dunlap  
170 Wallaceton Road  
Morrisdale, PA 16858

RE: Loan Account #500-208-934

Dear Mr. Dunlap:

This correspondence is concerning the above referenced credit facility.

Please be advised that the vehicle you pledged as collateral for this transaction has been sold. Jersey Shore State Bank accepted payment in the amount of \$615.00. With these funds applied to your account, there is a balance still remaining in the amount of \$4,446.35.

Please contact me immediately so that arrangements can be made to satisfy your remaining contractual obligation.

Sincerely,

Christopher J. Dunlap  
Collection Department

EXHIBIT

C

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA  
CIVIL ACTION - LAW

JERSEY SHORE STATE BANK

Docket No. 06-1613-CD

Plaintiff,

Type of Case:

vs.

Civil Action

WILLIAM W. DUNLAP,

Defendant.

Type of Pleading:

**Praecipe for Discontinuance**

Filed on Behalf of Plaintiff

Counsel of Record for This Party

David B. Consiglio, Esquire  
Miller Kistler Campbell  
Miller Williams & Benson  
720 S. Atherton Street  
State College, PA 16801  
(814) 234-1500

**FILED** No CL. + 1 Cert  
M 10:45 am of disc issued  
NOV 20 2006 to Atty Consiglio

William A. Shaw  
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS FOR CLEARFIELD COUNTY, PA  
CIVIL ACTION - LAW

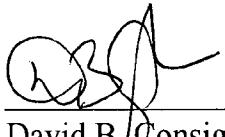
JERSEY SHORE STATE BANK, :  
: Plaintiff, : Docket No. 06-1613-CD  
: :  
v. :  
: WILLIAM W. DUNLAP :  
:

PRAECIPE FOR DISCONTINUANCE

Please mark the above-captioned matter discontinued without prejudice.

Respectfully submitted,

**MILLER, KISTLER, CAMPBELL,  
MILLER, WILLIAMS & BENSON, INC.**

By:   
\_\_\_\_

David B. Consiglio, Esquire  
I.D.# 72772  
720 South Atherton Street  
State College, PA 16801  
(814) 234-1500

Date: November 16, 2006

LAW OFFICES OF  
**MILLER, KISTLER, CAMPBELL, MILLER, WILLIAMS & BENSON, INC.**  
A PROFESSIONAL CORPORATION

JOHN R. MILLER, JR.  
RICHARD L. CAMPBELL  
JOHN R. MILLER, III  
TERRY J. WILLIAMS  
TRACEY G. BENSON\*  
SCOTT C. ETTER, Ph.D.  
DAVID B. CONSIGLIO\*\*  
STACY PARKS MILLER  
JULIA R. CRONIN  
BRIAN K. MARSHALL

PLEASE REPLY TO:  
STATE COLLEGE OFFICE

November 16, 2006

720 SOUTH ATHERTON STREET  
STATE COLLEGE, PA. 16801-4669  
(814) 234-1500  
FAX (814) 234-1549  
AND  
124 NORTH ALLEGHENY STREET  
BELLEFONTE, PA. 16823-1643  
(814) 355-5474  
GENERAL FAX (814) 355-5340  
REAL ESTATE FAX (814) 357-0264

COUNSEL TO THE FIRM  
ROBERT K. KISTLER

\*ALSO ADMITTED IN WEST VIRGINIA  
\*\*ALSO ADMITTED IN MARYLAND

Clearfield County Prothonotary  
Clearfield County Courthouse  
P.O. Box 549  
Clearfield, PA 16830

**Re: Jersey Shore State Bank v. William W. Dunlap**

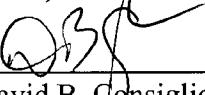
To the Prothonotary:

Enclosed you will find a Praeclipe to Discontinue for filing on behalf of Plaintiff in regard to the above-captioned matter.

Thank you for your attention to this matter.

Sincerely,

**MILLER, KISTLER, CAMPBELL,  
MILLER, WILLIAMS & BENSON, INC.**

By: 

David B. Consiglio, Esquire

DBC/sll

Enclosure

cc: Christopher Dunlap, Collections Assistant, Jersey Shore State Bank (w. enclosure)

IN THE COURT OF COMMON PLEAS OF  
CLEARFIELD COUNTY, PENNSYLVANIA

COPY

CIVIL DIVISION

Jersey Shore State Bank

Vs. No. 2006-01613-CD  
William W. Dunlap

**CERTIFICATE OF DISCONTINUATION**

Commonwealth of PA  
County of Clearfield

I, William A. Shaw, Prothonotary of the Court of Common Pleas in and for the County and Commonwealth aforesaid do hereby certify that the above case was on November 20, 2006, marked:

Discontinued without prejudice

Record costs in the sum of \$92.00 have been paid in full by David B. Consiglio Esq. .

IN WITNESS WHEREOF, I have hereunto affixed my hand and seal of this Court at Clearfield, Clearfield County, Pennsylvania this 20th day of November A.D. 2006.



\_\_\_\_\_  
William A. Shaw, Prothonotary

In The Court of Common Pleas of Clearfield County, Pennsylvania

Service # 1 of 1 Services

Sheriff Docket # **101991**

JERSEY SHORE STATE BANK

Case # **06-1613-CD**

vs.

**WILLIAM W. DUNLAP**

TYPE OF SERVICE COMPLAINT FOR DEFICIENCY JUDGMENT

**SHERIFF RETURNS**

NOW December 04, 2006 AFTER DILIGENT SEARCH IN MY BAILIWICK I RETURNED THE WITHIN COMPLAINT FOR DEFICIENCY JUDGMENT "NOT FOUND" AS TO WILLIAM W. DUNLAP, DEFENDANT. DEFENDANT UNKNOWN, P.O. HAS NO ADDRESS.

SERVED BY: /

**FILED**  
0125361  
DEC 04 2006  
SF

William A. Shaw  
Prothonotary/Clerk of Courts

**Return Costs**

PURPOSE	VENDOR	CHECK #	AMOUNT
SURCHARGE	MILLER	47458	10.00
SHERIFF HAWKINS	MILLER	47458	51.77

Sworn to Before me This

So Answers,

\_\_\_\_ Day of \_\_\_\_\_ 2006  
\_\_\_\_\_  
\_\_\_\_\_

*Chester A. Hawkins  
by Marly Hause*  
Chester A. Hawkins  
Sheriff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA  
CIVIL ACTION - LAW

06-1603-CD

JERSEY SHORE STATE BANK : Docket No. \_\_\_\_\_ of 2006  
: Plaintiff, : Type of Case:  
: : Civil Action  
: vs. :  
: :  
: WILLIAM W. DUNLAP, :  
: Defendant. : Type of Pleading:  
: : Complaint for Deficiency  
: Judgment  
: Filed on Behalf of Plaintiff  
: :  
: Counsel of Record for This Party  
: :  
: David B. Consiglio, Esquire  
: Miller Kistler Campbell  
: Miller Williams & Benson  
: 720 S. Atherton Street  
: State College, PA 16801  
: (814) 234-1500

I hereby certify this to be a true  
and attested copy of the original  
statement filed in this case.

OCT 04 2006

Attest.



William L. Shae  
Prothonotary/  
Clerk of Courts

IN THE COURT OF COMMON PLEAS FOR CLEARFIELD COUNTY, PA  
CIVIL ACTION - LAW

JERSEY SHORE STATE BANK, :  
: Plaintiff, : Docket No. \_\_\_\_\_ of 2006  
v. :  
: WILLIAM W. DUNLAP :  
:

**COMPLAINT FOR DEFICIENCY JUDGMENT**

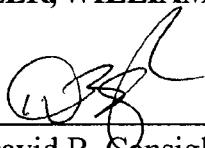
1. Plaintiff, Jersey Shore State Bank, ("JSSB"), is a duly chartered banking corporation with offices at 300 Market Street, Williamsport, Pennsylvania 17701.
2. Defendant, William W. Dunlap, ("Dunlap"), is an adult individual residing at 2358 Askey Road, Frenchville, Clearfield County, Pennsylvania and/or 170 Wallaceton Road, Morrisdale, Clearfield County, Pennsylvania 16858.
3. Defendant Dunlap executed a Note, Disclosure, and Security Agreement on or about May 27, 2005. A true and accurate copy of the Note, Disclosure, and Security Agreement is attached hereto as Exhibit "A."
4. Defendant Dunlap defaulted on his obligations under the Note, Disclosure, and Security Agreement, leading to the repossession of a 1997 Chevrolet Blazer 4X4 which was pledged as security for the loan extended by JSSB to Dunlap.
5. A true and accurate copy of the Notice of Repossession was delivered via certified mail to Defendant Dunlap on or about July 18, 2006. A true and accurate copy of the Notice of Repossession is attached hereto as Exhibit "B."

6. The aforesaid vehicle was sold for the amount of \$615.00.
7. Notice of the proceeds of the sale was issued to Defendant Dunlap on or about September 22, 2006.
8. A true and accurate copy of the Notice of Sale is attached hereto as Exhibit "C."
9. The sale of the pledged collateral resulted in a deficiency on the loan in the amount of \$4,446.35.
10. Plaintiff demands judgment against Defendant in the amount of \$4,446.35 plus interest and attorney's fees per the Note, Disclosure, and Security Agreement.

WHEREFORE, Plaintiff demand judgment in its favor and against Defendant in the amount of \$4,446.35, plus the cost of this action, costs and expenses authorized by the Note, Disclosure, and Security Agreement, and attorney's fees as authorized by the Note, Disclosure, and Security Agreement together with such other and further relief as the Court deems just and proper.

Respectfully submitted,

**MILLER, KISTLER, CAMPBELL,  
MILLER, WILLIAMS & BENSON, INC.**

By: 

David B. Consiglio, Esquire  
I.D.# 72772  
720 South Atherton Street  
State College, PA 16801  
(814) 234-1500

Date: October 3, 2006

VERIFICATION

I verify that the statements contained in the foregoing document are true and correct to the best of my knowledge, information and belief. I understand that false statements therein are made subject to the penalties of 18 Pa. C.S.A. Section 4904, relating to unsworn falsification to authorities.

Christopher J. Dunlap  
Christopher J. Dunlap, Collections Assistant  
Jersey Shore State Bank

Dated: 9-29-04

**Note, Disclosure, and Security Agreement****Lender**

JERSEY SHORE STATE BANK  
IT'S SUCCESSORS AND/OR ASSIGNS  
300 MARKET STREET  
PO BOX 967  
WILLIAMSPORT, PA 17701

**Borrower**

WILLIAM W. DUNLAP  
2358 ASKEY ROAD  
FRENCHVILLE, PA 16836

Refer to the attached addendum for additional Borrowers and their signatures.

LO/LP INIT: EWBG/DMW  
Loan Number: 500208834  
Loan Date: 05-27-2006  
Maturity Date: 05-27-2010  
Loan Amount: \$5,040.00  
Renewal of: \_\_\_\_\_  
BRANCH #: 14

**Truth-in-Lending Disclosures**

Annual Percentage Rate The cost of my credit as a yearly rate. 12.360%	Finance Charge The dollar amount the credit will cost me. \$1,729.40	Amount Financed The amount of credit provided to me or on my behalf. \$5,000.00	Total of Payments The amount I will have paid when I have made all scheduled payments. \$5,729.40
My Payment Schedule Will Be: Payments      Amount of Payments		When Payments Are Due	"e" means an estimate.
59	\$112.16	MONTHLY BEGINNING 05-27-2006	
1	\$111.96	ON 05-27-2010	
	\$		
	\$		

**Demand.**  This note has a demand feature.  This note is payable on demand and all disclosures are based on an assumed maturity of one year.

**Prepayment.** If I pay off this note early,  I may  will not have to pay a minimum finance charge.

If I pay off this note early, I will not be entitled to a refund of part of the additional finance charge.

Late Charge. If a payment is late (more than 15 days after due) I will be charged 10.000% OF THE PAYMENT AMOUNT WITH A MIN OF \$20.00

**Security.** I am giving a security interest in:

the goods or property being purchased.

collateral securing other loans with you may also secure this loan.

(brief description of other property) 1997 CHEVROLET F10 BLAZER 4X4

**Filing Fees.** \$5.00

**Non-filing Insurance.** \$

Required Deposit. The annual percentage rate does not take into account my required deposit.

Assumption. Someone buying the property securing this obligation cannot assume the remainder of the obligation on the original terms.

**Contract Documents.** I can see my contract documents for any additional information about nonpayment, default, any required repayment before the scheduled date, and prepayment refunds and penalties.

**Promissory Note**

**Promise to Pay.** For value received, I promise to pay to you, or your order, at your address above, the principal sum of \$5,040.00 plus interest from 05-27-2006 at the rate of 12.0000 % per year until 05-27-2010.

Interest accrues on a ACTUAL/365 basis. I agree to pay late charges in accordance with the provisions shown in the Truth-in-Lending Disclosures. The purpose of this loan is PAY CLOSING COSTS.

**Payment.** I will pay this note as follows: 59 MONTHLY PAYMENTS OF \$112.16 BEGINNING 05-27-2006 AND 1 PAYMENT OF \$111.96 ON 05-27-2010.

**Other Terms.**

RETURN CHECK FEE: BORROWER AGREES THAT LENDER MAY ASSESS A FEE OF \$5.00, IF BORROWER MAKES A PAYMENT WITH A CHECK THAT IS RETURNED BY THE DRAWEE FOR "NON SUFFICIENT FUNDS" IN THE ACCOUNT ON WHICH THE CHECK IS WRITTEN.

**Itemization of Amount Financed**

Amount given to me directly	\$ 5,000.00
Amount paid on my (loan) account	\$
TO LENDER	\$ 40.00
Amount paid to others on my behalf (You may retain or receive a portion of these amounts.)	\$
To insurance companies	\$
To public officials	\$
	\$
(less) Prepaid Finance Charge(s)	\$ 40.00
Amount Financed	\$ 5,000.00

**Security Agreement**

**Security.** To secure the obligations of this Loan Agreement, I give you a security interest in the Property described below:

1997 CHEVROLET F10 BLAZER 4X4 VIN: 1GNC118WVK128543

All Debts. The Property will also serve as collateral for all present and future debts.

Other Security. This Loan Agreement is secured by

**EXHIBIT**

**A**

**Additional Terms of the Promissory Note**

**Definitions.** As used in this Loan Agreement,  indicates terms that apply to this Loan Agreement. **Loan Agreement** refers to this Promissory Note, Security Agreement, and Truth in Lending Disclosures, and any extensions, renewals, modifications, and substitutions of this Loan Agreement. **Loan** refers to this transaction generally, including obligations and duties arising from the terms of all documents prepared or submitted for this transaction, such as applications, security agreements, disclosures, or notes, and this Loan Agreement. **Security Agreement** refers to the security agreement contained within this Loan Agreement. **Secured Debts** refers to all sums advanced to you under the terms of the Loan Agreement, and all present and future debts (If the All Debts subsection of the Security Agreement has been checked). The pronouns *I, me and my* refer to each Borrower signing this Loan Agreement, individually and together with their heirs, successors and assigns, and each other person or legal entity (including guarantors, endorsets, and trustees) who agrees to pay this Loan Agreement. **You and your** refer to the Lender and its successors and assigns. **Advance Procedure And Means.** You will advance the loan proceeds by way of check, cash, wire transfer, credit to an account or any combination as you and I agree. The advance(s) will occur upon consummation of the loan and as you and I agree, except that no advance(s) will occur until after three business days from the date of consummation if the loan is receivable pursuant to Regulation Z (12 C.F.R. § 226).

**Payments.** Unless otherwise provided in the Other Terms section, each payment I make on this Loan Agreement will be applied first to any charges I owe other than principal and interest, then to interest that is due, and finally to principal that is due. No late charge will be assessed on any payment when the only delinquency is due to late fees assessed on earlier payments and the payment is otherwise a full payment. The actual amount of my final payment will depend on my payment record.

**Interest.** Interest will accrue on the unpaid principal balance until paid in full. For interest calculation, the accrual method will determine the number of days in a year. The interest rate and other charges on this Loan Agreement will never exceed the highest rate or charge allowed by law for this loan. If the amount collected is found to exceed the highest rate or charge allowed you will refund an amount necessary to comply with the law.

**Post-Maturity Interest.** Interest will accrue on the principal balance remaining unpaid after final maturity at the rate specified in this Loan Agreement. For purposes of this section, final maturity occurs on any of the following dates:

- If this Loan Agreement is payable on demand, on the date you make demand for payment.
- If this Loan Agreement is payable on demand with alternate payment date(s), on the date you make demand for payment or on the final alternate payment date, whichever is earlier.
- On the date of the last scheduled payment of principal.
- On the date you accelerate the due date of this Loan Agreement (demand immediate payment).
- Upon the entry of judgment on this note and applies to amounts owed under this note or under any such judgment until paid in full.

**Prepayment.** I may prepay this Loan Agreement in whole or in part at any time. Any partial prepayment will not excuse any later scheduled payments until I pay in full.

**Commissions.** I understand and agree that you (or your affiliate) will earn commissions or fees on any insurance products, and may earn such fees on other services that I buy through you or your affiliate.

**Warranties and Representations.** I have the power and authority to enter into this Loan Agreement. The execution and delivery of this Loan Agreement will not violate any agreement governing me or my property, or to which I am a party. I own all of the Property, unless otherwise agreed and disclosed to you in writing. Your claim to the Property is ahead of the claims of any other creditor, except as disclosed in writing to you prior to any advance on the Secured Debts. The Property has not been and will not be used for any purpose that would violate any laws or subject the Property to forfeiture or seizure.

**Default.** Subject to any limitations in the Real Estate or Residence Security section, I will be in default if any of the following occur:

- I fail to make a payment when due.
- I fail to perform any condition or keep any promise of this or any agreement I have made with you.

**Remedies.** Subject to any limitations in the Real Estate or Residence Security section, after I default, and after you give any legally required notice and opportunity to cure the default, you may at your option do any one or more of the following:

- Make all or any part of the amount owing by the terms of this Loan Agreement due.
- Use any and all remedies you have under state or federal law, or in any instrument securing this Loan Agreement.
- Make a claim for any and all insurance benefits or refunds that may be available on my behalf.
- Set off any amount due and payable under the terms of this Loan Agreement against my right to receive money from you, unless prohibited by law.
- Make amounts advanced on my behalf due and add these amounts to the balance owing under the terms of this Loan Agreement.
- Require me to gather the Property and make it available to you in a reasonable fashion (unless prohibited by law); keep or dispose of the Property as provided by law; apply the proceeds to your expenses of collection and enforcement and then to the Secured Debts; and, unless prohibited by law, and following any required notice of deficiency, hold me liable for any deficiency if what you receive from the sale does not satisfy the Secured Debts.

By choosing any one or more of these remedies you do not give up your right to use any other remedy. You do not waive a default if you choose not to use a remedy. By electing not to use any remedy, you do not waive your right to later consider the event a default and to use any remedy if the default continues or occurs again.

**Real Estate or Residence Security.** If this Loan Agreement is secured by real estate or a residence that is personal property, the existence of a default and your remedies for such a default will be determined by applicable law, by the terms of any separate instrument creating the security interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by this Loan Agreement.

**Waivers.** To the extent not prohibited by law, I waive protest, presentment for payment, demand, notice of acceleration, notice of intent to accelerate, and notice of dishonor. You may renew or extend payments on this Loan Agreement, regardless of the number of such renewals or extensions. You may release any Borrower, endorser, guarantor, surety, accommodation maker, or any other cosigner. You may release, substitute, or impair any Property securing this Loan Agreement.

**Collection Expenses and Attorneys' Fees.** On or after Default, to the extent permitted by law, I agree to pay all reasonable expenses of collection, enforcement, or protection of your rights and remedies under this Loan Agreement. Expenses include, but are not limited to, attorneys' fees, court costs and other legal expenses. These expenses are due and payable immediately. If not paid immediately, these expenses will bear interest from the date of payment until paid in full at the rate provided in the terms of this Loan Agreement. All fees and expenses will be secured by the Property I have granted you, if any. To the extent permitted by the United States Bankruptcy Code, I agree to pay the reasonable attorneys' fees you incur to collect this debt as awarded by any court exercising jurisdiction under the Bankruptcy Code.

**General Provisions.** This Loan Agreement is governed by the laws of Pennsylvania, the United States of America, and to the extent required, by the laws of the jurisdiction where the Property is located. If two or more Borrowers sign this Loan Agreement, we are liable to repay jointly and severally. This Loan Agreement is the complete and final expression of our agreement. No modification of this Loan Agreement is effective unless made in writing and signed by me and you. The duties and benefits of this Loan Agreement will bind and benefit the successors and assigns of me and you. If any provision of this Loan Agreement is unenforceable, then the unenforceable provision will be severed and the remaining provisions will be enforceable.

Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to my last known address. Notice to one party will be deemed to be notice to all parties. Where a notice is required, I agree that 10 days prior written notice will be reasonable notice to me under the Uniform Commercial Code or other applicable state law.

I will provide you any financial statement or information you request. All financial statements and information I give you will be correct and complete. My name and address are my exact legal name and my principal residence. I will provide you with, at least 30 days notice prior to changing my name or principal residence.

Any provisions that appoint you as an agent are not subject to the provisions of 20 Pa.C.S.A. Section 5601 et seq. (Chapter 56; Decedents, Estates and Fiduciaries Code). By exercising any of your rights under this note, you do so for your sole benefit.

I agree to sign, deliver, and file any additional documents or verifications that you may consider necessary to perfect, continue, and preserve my obligations under this Loan and to confirm your lien status on any Property.

**Additional Terms of the Security Agreement**

**Generally.** **Property** means any collateral described in this Loan Agreement in which I have an interest, now or in the future, wherever the Property is or will be located, and all proceeds and products from the Property. **Property** includes all parts, accessories, repairs, replacements, improvements, and accretions to the Property; any original evidence of title or ownership; and all obligations that support the payment or performance of the Property.

If the All Debts subsection is checked, the Property also secures all present and future debts, even if this Loan Agreement is not referenced in the debt instrument, the future debts are also secured by other collateral, or if the future debt is unrelated to or of a different type than this debt. Nothing in this Loan Agreement is a commitment to make future loans or advances. This Loan Agreement will not secure any debt for which you fail to give any required notice of the right of rescission (i.e., right to cancel), or any debt for which a non-purchase money security interest is created in **household goods** in connection with a **consumer loan**, as those terms are defined by federal law governing unfair and deceptive credit practices.

**Purchase Money Security Interest.** If this is a purchase money loan (the loan proceeds are used to purchase the collateral), I authorize you, at your option, to disburse the loan proceeds directly to the seller of the Property. The portion of the Property purchased with loan proceeds will remain subject to your purchase money security interest until the Secured Debts are paid in full. Payments on any non-purchase money loan also secured by this Security Agreement will not be applied to the purchase money loan. Payments on the purchase money loan will be applied first to the non-purchase money portion of the loan, if any, and then to the purchase money portion in the order in which the purchase money Property was acquired. If the purchase money Property was acquired at the same time, then payments will be applied in the order you select. No security interest will be terminated by application of this formula.

**Waivers.** I waive all claims for loss or damage caused by your acts or omissions where you acted reasonably and in good faith. I waive all rights I have now or in the future to a homestead or personal property exemption in the Property.

**Assumptions.** Someone buying the Property cannot assume the obligation. You may declare the entire balance of the Loan Agreement to be immediately due and payable upon the creation of, or contract for the creation of, a transfer or sale of the Property.

**Perfection of Security Interest.** I authorize you to file a financing statement covering the Property. I agree to comply with, facilitate, and otherwise assist you in connection with perfecting your security interest under the Uniform Commercial Code.

**Duties Toward Property.** I will protect the Property and your interest against any competing claim. Except as otherwise provided in this Loan Agreement, I will keep the Property in my possession at the address indicated in this Loan Agreement. I will keep the Property in good repair and use it only for personal, family, or household purposes. I will immediately inform you of any loss or damage to the Property. You have the right of reasonable access to inspect the Property.

I will keep books, records, and accounts about the Property and my assets in general, to which I will allow you reasonable access. I will pay all taxes and assessments levied or assessed against me or the Property. I will not sell, lease, license, or otherwise transfer or encumber the Property without your prior written consent. You do not authorize any sale or other disposition of the Property. Any sale or disposition you do not authorize will violate your rights. If I pledge the Property to you (deliver the Property into your, or your designated third party's possession or control), I will, upon receipt, deliver any proceeds and products of the Property to you. I will provide you with any notices, documents, financial statements, reports, and other information relating to the Property I receive as the owner of the Property.

insurance. I agree to keep the Property insured against the risks reasonably associated with the Property until the Property is released from this Security Agreement. I may provide the required insurance through an existing policy of insurance that I own or control, or through a policy that I buy. I have free choice in the selection of an insurance company, subject to applicable law. I will maintain this insurance in the amounts you require and have the insurance company name you as loss payee on any insurance policy. I will give you and the insurance company immediate notice of any loss. You may apply the insurance proceeds toward what is owed on the Secured Debt. If the insurance proceeds do not cover the amounts I owe you, I will pay the difference. You may require additional security as a condition of permitting any insurance proceeds to be used to repair or replace the Property. If you acquire the Property in damaged condition, my rights to any insurance policies and proceeds will pass to you to the extent of the Secured Debts. I will immediately notify you of cancellation or termination of insurance.

I am required to maintain insurance on the Property to protect your interest. If I fail to maintain the required insurance, or fail to provide you with evidence of insurance, I understand and agree to the following.

- You may (but are not required to) place insurance on the Property to protect your interest, which will not cover my equity in the Property.
- The insurance you provide may be written by a company other than one I would choose and may be written at a higher rate than I could obtain if I purchased the insurance.
- I will pay for the costs of any Property insurance you provide.

**Authority to Perform.** I authorize you to do anything you deem reasonably necessary to protect the Property and your security interest in the Property. If I fail to perform any of my duties under this Loan Agreement, you are authorized, after providing me with any required notice and opportunity to perform, to perform the duties or cause them to be performed and add the costs of performance to the Secured Debts. These authorizations include, but are not limited to, permission to pay for the repair, maintenance, and preservation of the Property and taking any action to obtain or preserve the benefits and rights of the Property. Your authority to perform for me will not create an obligation to perform and your failure to perform will not preclude you from exercising any other rights under the law or this Security Agreement. If you come into actual or constructive possession of the Property, you will preserve and protect the Property to the extent required by law. Your duty of care with respect to the Property will be satisfied if you exercise reasonable care in the safekeeping of the Property or in the selection of a third party in possession of the Property.

#### Third Party Agreement

For the purposes of the provisions within this enclosure, *I, me or my* means the person signing below and *you* means the Lender identified in this Loan Agreement. I agree to give you a security interest in the Property that is described in the Security Agreement section. I agree to the terms of this Loan Agreement, but I am in no way personally liable for payment of the debt. This means that if the Borrower defaults, my interest in the secured Property may be used to satisfy the Borrower's debt. I agree that you may, without releasing me or the Property from this Third Party Agreement and without notice or demand upon me, extend new credit to any Borrower, renew or change this Loan Agreement one or more times and for any term, or fail to perfect your security interest in, impair, or release any security (including guarantees) for the obligations of any Borrower.

I have received a completed copy of this Loan Agreement.

*x/Beverley A. Dunlap*  
BEVERLEY A. DUNLAP

Attach FTC "Preservation of Consumer Claims and Defenses" Notice if Applicable.

#### Insurance

**Credit Insurance.** Credit life, credit accident and sickness (disability), and any other insurance coverage quoted below, are not required to obtain credit and you will not provide them unless I sign and agree to pay the additional premium. If I want such insurance, you will obtain it for me (if I qualify for coverage). You are quoting below ONLY the coverages I have chosen to purchase.

#### Credit Life

Single  Joint  None Premium \$ \_\_\_\_\_

Credit Disability Premium \$ \_\_\_\_\_

Single  Joint  None Premium \$ \_\_\_\_\_

Single  Joint  None Term \_\_\_\_\_

Signature. My signature below means I want (only) the insurance coverage(s) quoted above. If "None" is checked, I have declined the coverage you offered.

*x \_\_\_\_\_ DOB \_\_\_\_\_*

*x \_\_\_\_\_ DOB \_\_\_\_\_*

*x \_\_\_\_\_ DOB \_\_\_\_\_*

**Single Interest Insurance.** I may obtain single interest insurance from anyone I want that is acceptable to you. If I get the insurance from or through you I will pay \$ \_\_\_\_\_ for \_\_\_\_\_ of coverage.

**Property Insurance.** I may obtain property insurance from anyone I want that is acceptable to you. If I get the insurance from or through you I will pay \$ \_\_\_\_\_ for \_\_\_\_\_ of coverage.

#### Federal Sale of Insurance Disclosure

**Product** refers to any insurance product or annuity I purchase from you. With regard to any Product I purchase from you, the following apply.

- The Product is not a deposit account or other obligation of any depository institution or any affiliate of any depository institution.
- The Product is not guaranteed or insured by any depository institution or any affiliate of any depository institution.
- The Product is not insured by the Federal Deposit Insurance Corporation (FDIC).
- The Product, except in the case of Federal Flood Insurance or Federal Crop Insurance, is not insured by any federal government agency.
- If this box is checked, there is investment risk associated with the Product, including the possible loss of value.

By signing, I acknowledge that I have received a copy of this disclosure on today's date. Unless these disclosures are provided electronically or I have purchased the Product by mail, I also acknowledge that you have provided these disclosures to me orally.

*x \_\_\_\_\_ Date \_\_\_\_\_*

*x \_\_\_\_\_ Date \_\_\_\_\_*

*x \_\_\_\_\_ Date \_\_\_\_\_*

#### Notice to Cosigner

You (the cosigner) are being asked to guarantee this debt. Think carefully before you do. If the borrower doesn't pay the debt, you will have to. Be sure you can afford to pay if you have to, and that you want to accept this responsibility.

You may have to pay up to the full amount of the debt if the borrower does not pay. You also may have to pay late fees or collection costs, which increase this amount.

The creditor can collect this debt from you without first trying to collect from the borrower. The creditor can use the same collection methods against you that can be used against the borrower, such as suing you, etc. If this debt is ever in default, that fact may become part of your credit record.

This notice is not the contract that makes you liable for the debt.

#### Signatures

By signing, I agree to the terms contained in this Loan Agreement. I also acknowledge receipt of a copy of this Loan Agreement on today's date. Cosigners. See Notice to Cosigner above before signing.

*x/William W. Dunlap*  
WILLIAM W. DUNLAP

*x \_\_\_\_\_*

*x \_\_\_\_\_*

(Optional)  
Signed *Elizabeth B. Pugh* For Lender  
Title MORTGAGE LOAN REPRESENTATIVE



# Jersey Shore State Bank

July 18, 2006

William W. Dunlap  
697 Knox Run Road  
Morrisdale, PA 16858

**NOTICE OF REPOSSESSION**  
**Delivered by Certified Mail**

You are hereby notified that we have retaken your *1997 Chevrolet Blazer 4x4*, because of default in payment under a Security Agreement.

This vehicle is being stored at Jersey Shore State Bank and may be redeemed by you within fifteen (15) days from the receipt of this letter by remitting to the office of Jersey Shore State Bank at the address shown below, the following amounts:

Unpaid time balance:	\$ 4,383.55
Less refund of charges:	\$
Interest Charges	\$ 214.76
Default charges:	\$ 120.00
Net unpaid balance:	\$ 4,718.31
Cost of retaking and/or repairing:	\$
Cost of storage:	\$
Additional cost	\$
TOTAL additional costs:	\$ 0
<b>TOTAL AMOUNT PAYABLE TO REDEEM VEHICLE:</b>	<b>\$ 4,718.31</b>

Payment shall be made to, or notices served upon, the person signing this notice at the address of Jersey Shore State Bank shown below.

If you do not exercise your rights, we will dispose of the vehicle at private sale, at 3:00 p.m. on August 4, 2006, in accordance with the Uniform Commercial Code and the Motor Vehicle Sales Finance Act; you will be responsible for any loss sustained.

JERSEY SHORE STATE BANK

*Christopher J. Dunlap / JDE*

Christopher J. Dunlap, Collection Assistant  
300 Market Street, Williamsport, PA 17701

EXHIBIT

B



# Jersey Shore State Bank

300 Market Street  
Williamsport, PA 17701

(570) 322-1111  
(570) 320-2046 fax

September 22, 2006

William Dunlap  
170 Wallaceton Road  
Morrisdale, PA 16858

RE: Loan Account #500-208-934

Dear Mr. Dunlap:

This correspondence is concerning the above referenced credit facility.

Please be advised that the vehicle you pledged as collateral for this transaction has been sold. Jersey Shore State Bank accepted payment in the amount of \$615.00. With these funds applied to your account, there is a balance still remaining in the amount of \$4,446.35.

Please contact me immediately so that arrangements can be made to satisfy your remaining contractual obligation.

Sincerely,

Christopher J. Dunlap  
Collection Department

EXHIBIT

C