

06-2068-CD  
Nat'l C. U. vs James A. Null et al

National Credit et al vs Log Home Comp.  
2006-2068-CD

**BRADFORD J. HARRIS, ESQUIRE**  
WENTZ WEAVER KLING GOOD & HARRIS, LLP  
132 West Main Street  
New Holland, PA 17557  
(717) 354-4456  
Attorney I. D. #34393  
*Attorney for Plaintiff*

**FILED** Atty pd.85.00  
M 11042 Ad 2cc Sheriff  
DEC 13 2016  
LAW  
William A. Shaw  
Notary/Clerk of Courts

**IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL ACTION—LAW**

**NATIONAL CREDIT UNION  
ADMINISTRATION BOARD, as liquidating  
agent of the Lock Haven Area Federal  
Credit Union**

*Plaintiff,*

v<sub>1</sub>

**LOG HOME COMPONENTS, INC. &  
JAMES A. NULL,  
*Defendants.***

## NOTICE

You have been sued in court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served upon you, by entering a written appearance personally (or by attorney) and by filing in writing with the court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so, the case may proceed without you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint, or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.

David S. Meholic, Court Administrator  
Clearfield County Courthouse  
230 E. Market Street  
Clearfield, PA 16830  
(814) 765-2641, Ext. 5982

## COMPLAINT

AND NOW, comes Plaintiff, **National Credit Union Administration Board, as Liquidating Agent of the Lock Haven Area Credit Union**, by and through its attorney, Bradford J. Harris, of Wentz Weaver Kling Good & Harris, LLP, and complains against Defendants **Log Home Components, Inc.** and **James A. Null** as follows:

### Count I — Breach of Contract

1. The Plaintiff is the National Credit Union Administration Board (herein "NCUA"), as Liquidating Agent of the Lock Haven Area Federal Credit Union (herein "LHFCU"), whose principal office is at 4807 Spicewood Springs Road, Suite 5100, Austin, TX 78759-8490; and it is an agency and instrumentality of the United States of America (herein "US") that became the owner and holder of the herein-described Note on or about August 8, 2005 pursuant to state and federal law when the Secretary of the Pennsylvania Department of Banking appointed NCUA as liquidating agent of LHFCU, because it was determined to be in an unsafe and unsound condition to transact its business.

2. One Defendant is Log Home Components, Inc., which is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with offices at 1211 Haag Hill Road, Olanta, PA 16863.

3. The other Defendant is James A. Null, who an adult individual last known to be residing at 1211 Haag Hill Road, Olanta, PA 16863.

4. On or about March 22, 2004, LHFCU, now by liquidation NCUA, loaned at least \$285,082.32 to Defendants, who promised to repay same with interest in accordance with the Open End Voucher and Security Agreement, and Open End Plan Signatures Credit Agreement (herein collectively "Loan Agreements"), a true and correct copy of which Loan Agreements is attached hereto as "Exhibit A" and incorporated herein by reference.

5. Defendants defaulted upon the Loan Agreements by failing, *inter alia*, to make monthly payments of at least \$5652.40 principal and interest, and \$282.62 late charges to Plaintiff or its predecessor in accordance with the Loan Agreements since at least September 2005 through the present.

6. As a result of said defaults, Plaintiff hereby accelerates the entire balance of all amounts owed under and in accordance with the Loan Agreements.

7. As a result of said defaults and acceleration, Defendant owes the following amounts in accordance with the Loan Agreements:

Principal balance . . . . . \$172,740.94

Interest at 4.0% per annum (\$18.93 per diem) from 8/10/05 thru 11/20/06 . . . . . 8840.31

Late charges at \$282.62/mo. thru 11/06 .....	4521.92
Attorneys fees (10%) .....	<u>18,610.32</u>
<b>TOTAL</b> .....	<b><u>\$204,713.49</u></b>
	plus from 11/21/06, all costs, interest at 4.0% per annum (\$18.93 per diem), & attorney's fees of 10% of the foregoing accruing amounts

WHEREFORE, Plaintiff demands judgment against Defendant in the amount of \$204,713.49, plus from 11/21/06, costs, 4.0% per annum (\$18.93 per diem) interest, late charges of \$282.62 per month from 12/06, attorneys fees of ten percent of the foregoing accruing amounts, and any and all other relief as the Court deems appropriate.

### **Count II in the Alternative — Unjust enrichment**

8. In the alternative, Plaintiff incorporates herein by reference each and every allegation in Paragraphs 1through 7 as more fully hereinbefore set forth.

9. As a result of the aforementioned, Plaintiff and its predecessors conferred benefits upon Defendants by loaning or providing the herein-described monies and related services to Defendants at Defendants' requests.

10. Defendants appreciated, accepted, retained, and used said benefits without paying LHFCU, now by liquidation NCUA, for same as more fully herein described in the hereinbefore-described amounts, which were the fair, reasonable, and market (and Plaintiff's or it's predecessors' then customary) charges for said monies and services provided by LHFCU, now by liquidation NCUA, to and upon the request of Defendants, and which remain unpaid despite the demands for payment by Plaintiff.

11. It is inequitable and unjust for Defendants to retain the benefits of said monies and services without paying for same, particularly since Defendants are believed to have entirely used and exhausted such monies such that they cannot be readily returned to Plaintiff.

12. As a result of the aforementioned, Defendants have become unjustly enriched and received the benefits of said monies and services without paying for same in the remaining balance of \$199,739.38, plus from 11/21/06, costs, interest at 4% per annum (\$18.93 per diem), and attorney fees

of ten percent of the foregoing accruing amounts for recovery and collection of the foregoing monies.

WHEREFORE, Plaintiff demands judgment against Defendant in the amount of \$204,713.49, plus from 11/21/06, costs, 4.0% per annum (\$18.93 per diem) interest, late charges of \$282.62 per month from 12/06, attorneys fees of ten percent of the foregoing accruing amounts, and any and all other relief as the Court deems appropriate.

**WENTZ WEAVER KLING  
GOOD & HARRIS, LLP**

By:

  
Bradford J. Harris (I.D. No. 34393)  
*Attorney for Plaintiff*  
132 West Main Street  
New Holland, PA 17557  
(717) 354-4456

## VERIFICATION

We verify that the statements made in the foregoing document are true and correct to the best of our knowledge, information, or belief. I verify that I am the AGENT FOR LIQUIDATING AGENT of the National Credit Union Administration Board, as Liquidating Agent for the Lock Haven Area Federal Credit Union, and that as such, I am authorized to make this verification on behalf of said party. We understand that false statements therein are made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

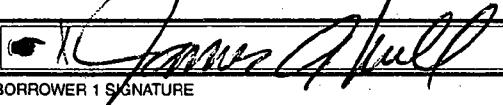
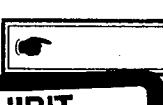
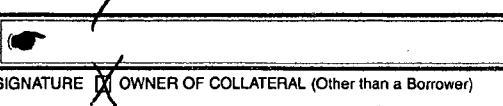
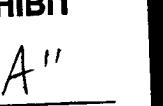
### NATIONAL CREDIT UNION ADMINISTRATION BOARD, as Liquidating Agent for the Lock Haven Area Federal Credit Union

By: Ron A. Lefebvre  
Ron A. Lefebvre  
Title: AGENT FOR LIQUIDATING AGENT

LOCK HAVEN AREA FEDERAL CREDIT UNION  
13 1st St.  
Lock Haven, PA 17745-1915



Open-End Voucher  
and Security Agreement

BORROWER INFORMATION					
BORROWER 1 NAME Log Home Components, Inc.	(LAST)	(FIRST)	(INITIAL)	ACCOUNT NUMBER 4409	AMOUNT REQUESTED/PURPOSE \$ 300,000.00
ADDRESS Null, James A.				SOCIAL SECURITY NUMBER	DATE 3/22/2004
CITY 1211 Haag Hill Road	STATE	ZIP	HOME TELEPHONE NUMBER		
Olanta, PA					
BORROWER 2 NAME Log Home Components	(LAST)	(FIRST)	(INITIAL)	ACCOUNT NUMBER	
ADDRESS (IF DIFFERENT THAN BORROWER 1)				SOCIAL SECURITY NUMBER	
BORROWER 1 EMPLOYER NAME Log Home Components				WORK TELEPHONE NUMBER	DATE HIRED \$
BORROWER 2 EMPLOYER NAME				WORK TELEPHONE NUMBER	DATE HIRED \$
NOTICE: YOU DON'T HAVE TO INCLUDE INCOME FROM CHILD SUPPORT, SEPARATE MAINTENANCE, OR ALIMONY UNLESS YOU WANT THE CREDIT UNION TO CONSIDER IT.				SOURCE OF OTHER INCOME	OTHER MONTHLY INCOME \$
REPAYMENT TERMS					
DAILY PERIODIC RATE 0.010958	ANNUAL PERCENTAGE RATE 4.0 %	<input checked="" type="checkbox"/> FIXED <input type="checkbox"/> VARIABLE	OTHER FEES (Amount and Description) \$	NEW BALANCE THIS SUBACCOUNT \$ 285,082.32	
AMOUNT ADVANCED \$ 285,082.32	PAYMENT AMOUNT \$ 5,701.65	DATE DUE 4/25/2004	PAYMENT FREQUENCY Monthly	LINE OF CREDIT LIMIT \$ 300,000.00	REMAINING LIMIT \$ 14,917.68
SECURITY OFFERED <input type="checkbox"/> CONSUMERS' CLAIMS AND DEFENSES — IF CHECKED, SEE REVERSE SIDE FOR NOTICE					
THE ADVANCE IS SECURED BY YOUR SHARES, ALL PROPERTY SECURING OTHER PLAN ADVANCES AND LOANS RECEIVED IN THE PAST OR IN THE FUTURE, AND THE FOLLOWING PROPERTY:					
PROPERTY/MODEL	YEAR	I.D. NUMBER	VALUE	KEY NUMBER	
This financing statement covers all inventory as stated as of 3/22/2004 as presented on the borrowers financial information as attached. The collateral covered is the existing inventory as well as inventory hereafter acquired.					
PLEDGE OF SHARES AND/OR DEPOSITS \$ 250,000.00			ACCOUNT NUMBER(S) 4409-2 & 3399-2		
SIGNATURES					
By signing below, by endorsing the proceeds check or by using the amount advanced and deposited into your share/share draft account you agree:					
1. To make and be bound by the terms of this Security Agreement including the cross collateral clause; 2. The above information is true and correct and the Credit Union will rely on that information and your credit report to make a credit decision; 3. To make payments as disclosed above in accordance with the terms of your Plan.					
 (SEAL)			 (SEAL)		
BORROWER 1 SIGNATURE			DATE		
 (SEAL)			 (SEAL)		
SIGNATURE <input checked="" type="checkbox"/> OWNER OF COLLATERAL (Other than a Borrower) © CUNA MUTUAL GROUP, 1980, 82, 84, 86, 90, 98. ALL RIGHTS RESERVED TO ORDER: 1-800-356-5012			DATE		
EXHIBIT 11A			(SEAL)		
SIGNATURE <input checked="" type="checkbox"/> OWNER OF COLLATERAL (Other than a Borrower)			DATE		
VXX030 27860					

## SECURITY AGREEMENT

In this agreement all references to "Credit Union," "we," "our," or "us" mean the Credit Union whose name appears on this agreement and anyone to whom the Credit Union assigns the Credit Agreement which will be referred to as "the Plan". All references to "you," "your," and "borrower" mean each person who signs this agreement. All references to "the advance" mean the amount in the box labeled "Amount Advanced" on the reverse side. Some of the provisions of this agreement apply only if the Credit Union is state chartered. A credit union has a state charter if its name does not include the words "Federal Credit Union" or "FCU". This is a multi-state document which may be used to lend in all states except Louisiana and Wisconsin.

**1. THE SECURITY FOR THE LOAN** — By signing this security agreement in the signature area or under the statement referring to this agreement which is on the back of the check you receive for the advance, you give us what is known as a security interest in the property described in the "Security Offered" section on the reverse side. The security interest you give includes all accessions. Accessions are things which are attached to or installed in the property now or in the future. The security interest also includes any replacements for the property which you buy within 10 days of the advance or any extensions, renewals or refinancings of the advance. It also includes any money you receive from selling the property or from insurance you have on the property. If the value of the property declines, you promise to give us more property as security if asked to do so.

**2. WHAT THE SECURITY-INTEREST COVERS** — The security interest secures the advance and any extensions, renewals or refinancings of the advance. It also secures any other advances you have now or receive in the future under the Plan and any other amounts or loans, including credit card loans, you owe us for any reason now or in the future, except any loan secured by your principal residence. If the property is household goods as defined by the Federal Trade Commission Credit Practices Rule, the property will secure only the advance and not other amounts you owe.

**3. OWNERSHIP OF THE PROPERTY** — You promise that you own the property or if this advance is to buy the property, you promise you will use the advance for that purpose. You promise that no one else has any interest in or claim against the property that you have not already told us about. You promise not to sell or lease the property or to use it as security for a loan with another creditor until the advance is repaid. You promise you will allow no other security interest or lien to attach to the property either by your actions or by operation of law.

**4. PROTECTING THE SECURITY INTEREST** — If your state issues a title for the property, you promise to have our security interest shown on the title. We may have to file what is called a financing statement to protect our security interest from the claims of others. If asked to do so, you promise to sign a financing statement. You also promise to do whatever else we think is necessary to protect our security interest in the property.

**5. USE OF PROPERTY** — Until the advance has been paid off, you promise you will: (1) Use the property carefully and keep it in good repair. (2) Obtain our written permission before making major changes to the property or changing the address where the property is kept. (3) Inform us in writing before changing your address. (4) Allow us to inspect the property. (5) Promptly notify us if the property is damaged, stolen or abused. (6) Not use the property for any unlawful purpose.

**6. CONSUMERS' CLAIMS AND DEFENSES NOTICE** — *The following paragraph applies only when the box on reverse side is checked.*

**NOTICE: ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.**

**7. PROPERTY INSURANCE, TAXES AND FEES** — You promise to pay all taxes and fees (like registration fees) due on the property and to keep the property insured against loss and damage. The amount and coverage of the property insurance must be acceptable to us. You may provide the property insurance through a policy you already have, or through a policy you get and pay for. You promise to make the insurance policy payable to us and to deliver the policy or proof of coverage to us if asked to do so.

If you cancel your insurance and get a refund, we have a right to the refund. If the property is lost or damaged, we can use the insurance settlement to repair the property or apply it towards what you owe. You authorize us to endorse any draft or

check which may be payable to you in order for us to collect any refund or benefits due under your insurance policy.

If you do not pay the taxes or fees on the property when due or keep it insured, we may pay these obligations, but we are not required to do so. Any money we spend for taxes, fees or insurance will be added to the unpaid balance of the advance and you will pay interest on those amounts at the same rate you agreed to pay on the advance. We may receive payments in connection with the insurance from a company which provides the insurance. We may monitor our loans for the purpose of determining whether you and other borrowers have complied with the insurance requirements of our loan agreements or may engage others to do so. The insurance charge added to your advance may include (1) the insurance company's payments to us and (2) the cost of determining compliance with the insurance requirements. If we add amounts for taxes, fees or insurance to the unpaid balance of your advance, we may increase your payments to pay the amount added within the term of the insurance or approximate term of the advance.

**8. NOTICE** — If you do not purchase the required property insurance, the insurance we will purchase and charge you for will cover only our interest in the property. **The insurance will not be liability insurance.**

**9. DEFAULT** — You will be in default if you break any promise you make under this agreement. You will also be in default if you are in default under the Plan. If you are pledging property, but have not signed the Plan, you will be in default if anyone is in default who has signed the Plan.

**10. WHAT HAPPENS IF YOU ARE IN DEFAULT** — *The following paragraph applies to borrowers in Colorado, District of Columbia, Iowa, Kansas, Maine, Massachusetts, Missouri, Nebraska, West Virginia and state chartered credit unions lending to South Carolina borrowers.* When you are in default and after expiration of any right you have under applicable state law to cure your default, we can require immediate payment of your outstanding balance under the Plan.

*The following paragraph applies to borrowers in all other states and federally chartered credit unions lending to South Carolina borrowers.* When you are in default, we can require immediate payment (acceleration) of what you owe under the Plan and take possession of the property. You waive any right you have to demand for payment, notice of intent to accelerate and notice of acceleration.

*The following paragraphs apply to all borrowers.*

You agree the Credit Union has the right to take possession of the property without judicial process if this can be done without breach of the peace. If we ask, you promise to deliver the property at a time and place we choose. We will not be responsible for any other property not covered by this agreement that you leave inside the property or that is attached to the property. We will try to return that property to you or make it available to you to claim.

After we have possession of the property, we can sell it and apply the money to any amounts you owe us. We will give you notice of any public sale or the date after which a private sale will be held. Our expenses for taking possession of and selling the property will be deducted from the money received from the sale. Those costs may include the cost of storing the property, preparing it for sale and attorney's fees to the extent permitted under state law or awarded under the Bankruptcy Code. The rest of the sale money will be applied to what you owe under the Plan.

If you have agreed to pay the advance, you will also have to pay any amount that remains unpaid after the sale money has been applied to the unpaid balance of the advance and to what you owe under this agreement. You agree to pay interest on that amount at the same rate as the advance until that amount has been paid.

**11. DELAY IN ENFORCING RIGHTS AND CHANGES IN THE AGREEMENT** — We can delay enforcing any of our rights under this agreement any number of times without losing the ability to exercise our rights later. We can enforce this agreement against your heirs or legal representatives. If we change the terms of the Plan, you agree that this agreement will continue to protect us.

**12. CONTINUED EFFECTIVENESS** — If any part of this agreement is determined by a court to be unenforceable, the rest will remain in effect.

**13. FOR NORTH DAKOTA CREDIT UNIONS ONLY — APPLIES ONLY WHEN A MOTOR VEHICLE IS PURCHASED** — *Notice: The motor vehicle in this transaction may be subject to repossession. If it is repossessed and sold to someone else, and all amounts due to the secured party are not received in that sale, you may have to pay the difference.*

**THE PROPERTY DESCRIPTION ON THE REVERSE SIDE IS PART OF THIS AGREEMENT. NOTICE: SIGN THIS AGREEMENT ON THE REVERSE SIDE.**

For Credit Union Use Only												
REQUESTED:		MEMBER PAYS PREMIUM FOR:				CHECK NO.:		BRANCH NO.:				
<input type="checkbox"/> BY MAIL	<input type="checkbox"/> THRU OFFICE	<input type="checkbox"/> INTERNALLY BY CU	<input type="checkbox"/> SINGLE CREDIT DISABILITY	<input type="checkbox"/> JOINT CREDIT DISABILITY	<input type="checkbox"/> SINGLE CREDIT LIFE	<input type="checkbox"/> JOINT CREDIT LIFE	PLAN/SUBACCOUNT NO.:		PROCESSED BY:			
DATE		APPROVED		APPROVED - SIGNATURE LIMITS:		LINE OF CREDIT		OTHER	OTHER	DEBT RATIO/SCORE BEFORE	DEBT RATIO/SCORE AFTER	
				\$		\$		\$	\$			
LOAN OFFICER COMMENTS:												
SIGNATURES:												
X												
DATE												

LOCK HAVEN AREA  
FEDERAL CREDIT UNION  
13 First Street  
Lock Haven, PA 17745



OPEN-END PLAN  
SIGNATURES



**IMPORTANT!** Complete all sections before detaching Part 1



LOCK HAVEN AREA FEDERAL CREDIT UNION  
13 First Street  
Lock Haven, PA 17745

**LOANLINER.**

Open-End Plan  
Signatures

BORROWER 1 NAME (Please Print)	ACCOUNT NUMBER	BORROWER 2 NAME (Please Print)	ACCOUNT NUMBER
Log Home Components, Inc	4409		
James A. Null 1211 Haag Hill Road Olanta, PA 16862	BORROWER 2 ADDRESS		

**Credit Agreement**

This LOANLINER® Credit Agreement, which includes the Truth in Lending Disclosures, will be referred to as "the Plan." The Plan documents include this agreement and an Addendum. "You", "your" and "borrower" mean any person who signs the Plan. "Credit Union", "we", "our" and "us" mean the Credit Union whose name appears on the Plan or anyone to whom the Credit Union transfers its rights under the Plan.

**1. HOW THIS PLAN WORKS** — This is an open-end, multi-featured credit plan. We anticipate that, from time to time, you will borrow money (called "advances") under the Plan. We are not required to make advances to you under the Plan and can refuse a request for an advance at any time. The Addendum describes the different types of credit (called "subaccounts") available under the Plan, the current interest rate for each subaccount expressed as a daily periodic rate and corresponding annual percentage rate and other charges. It may also have other terms and a schedule for determining the payment amounts.

**2. CREDIT LIMIT** — We may, but do not have to, establish a credit limit on certain subaccounts. If a credit limit is set for a subaccount, you promise not to exceed the established credit limit. If you exceed the credit limit, you promise to repay immediately the amount which exceeds the credit limit.

**3. REPAYMENT** — You promise to repay all amounts you owe under the Plan plus interest. Payments are due on the last day of the month unless we set a different day at the time of an advance. If the Addendum has no payment schedule for a subaccount, your payment will be determined at the time of each advance. Payments must include any amount past due and any amount by which you have exceeded any credit limit you have been given for a subaccount. You may repay all or part of what you owe at any time without any prepayment penalty. Even if you prepay, you will still be required to make the regularly scheduled payments unless we agree in writing to a change in the payment schedule. If you have a joint share draft account, you will be responsible for paying all overdraft advances obtained by a joint holder of the share draft account. Unless otherwise required by law, payments will be applied to amounts owed under the Plan, in the manner the Credit Union chooses.

**4. PLAN ACCESS** — You can obtain credit advances in any manner authorized by us. If we allow you to use your ATM/Debit card to access the Plan, you may be liable for the unauthorized use of your ATM/Debit card. You will not be liable for unauthorized use that occurs after you notify us, orally or in writing, of the loss, theft, or possible unauthorized use. If you believe your ATM/Debit card has been lost or stolen, immediately inform the Credit Union by calling or writing us at the telephone number or address that appears elsewhere in the Plan. If the card is used to obtain unauthorized advances directly from the Plan, your liability will not exceed \$50.00. If the unauthorized withdrawal is from a share draft account, your liability is governed by the Regulation E disclosures you received at the time you received

your ATM/Debit card, even if the withdrawal results in an advance being made from your overdraft subaccount.

**5. FINANCE CHARGE** — The dollar amount you pay for money borrowed is called a "finance charge" and begins on the date of each advance. A finance charge will be computed separately for each separate balance under the Plan. To compute the finance charge, the unpaid balance for each day since your last payment (or since an advance if you have not yet made a payment) is multiplied by the applicable daily periodic rate. The sum of these amounts is the finance charge owed. The balance used to compute the finance charge is the unpaid balance each day after payments and credits to that balance have been subtracted and any additions to the balance have been made. In addition to interest, we may charge other finance charges which are disclosed on the Addendum. If the interest rate is a variable interest rate, the Addendum explains how the variable interest rate works.

**6. SECURITY** — You pledge as security for the Plan all shares and dividends and, if any, all deposits and interest in all joint and individual accounts you have with us now and in the future. If a specific dollar amount is pledged for an advance, we will freeze shares in that account to the extent of the outstanding balance for the advance. Otherwise, your pledged shares may be withdrawn unless you are in default. If credit union has a federal charter: Statutory Lien — If you are in default on a financial obligation to us, federal law gives us the right to apply the balance of shares and dividends in all individual and joint accounts you have with us to satisfy that obligation. After you are in default, we may exercise this right without further notice to you. (We have a federal charter if our name includes the term "Federal Credit Union.") If credit union is state chartered, except in Ohio, Rhode Island, and Massachusetts: We have a statutory lien on the shares and dividends and, if any, the deposits and interest in all individual and joint accounts you have with us and may exercise our rights under the lien to the extent permitted by state law. (We are state chartered if our name does not include the term "Federal Credit Union.") For all borrowers: The statutory lien and/or your pledge will allow us to apply the funds in your account(s) to what you owe when you are in default. The statutory lien and your pledge do not apply to any Individual Retirement Account or any other account that would lose special tax treatment under state or federal law if given as security. Additional security for the Plan may be required at the time of an advance. If a subaccount identifies a type of property (such as "New Cars") you must give that type of property as security when you get an advance under that subaccount. A subaccount name such as "Other Secured" means you must provide security acceptable to us when you obtain an advance under that subaccount. Property you give as security will secure all amounts owed under the Plan and all other loans you have with us now or in the future, except any loan secured by your principal dwelling. Property securing other loans you have with us may also secure the Plan.

**Signatures**

1. You have received and read the LOANLINER® Credit Agreement including the Addendum ("Agreement"). By signing below you agree to be bound by the terms of the Agreement.

2. You grant us a security interest in all individual and joint share and/or deposit accounts you have with us now and in the future to secure what you

owe under the LOANLINER® Credit Agreement. When you are in default, you authorize us to apply the balance in these accounts to any amounts due. Shares and deposits in an Individual Retirement Account, and any other account that would lose special tax treatment under state or federal law if given as security, are not subject to the security interest you have given in your shares and deposits.

BORROWER 1 SIGNATURE

DATE

(SEAL)

BORROWER 2 SIGNATURE

DATE

**Credit Agreement** (continued from reverse side)

**7. PROPERTY INSURANCE** — You will be required to purchase property insurance on certain types of security that you give for advances. You may purchase the property insurance from anyone you choose that is acceptable to the Credit Union.

**8. CREDIT INSURANCE** — Credit life and/or credit disability insurance is optional under the Plan. If you qualify for and purchase the insurance from us, you authorize us to add the insurance premiums monthly to your loan balance and charge you interest on the entire balance. If you elect credit insurance, your payments may increase or the period of time necessary to repay your advance may be extended. The credit insurance rates may change during the Plan. If the rates change, we will provide any notices required by applicable law.

**9. PERIODIC STATEMENT** — On a regular basis you will receive a statement showing all transactions under the Plan during the period covered by the statement. Statements and notices will be sent to you at the most recent address you have given us in writing. Unless applicable law requires notice to each joint borrower, notice to any one of you will be notice to all.

**10. JOINT ACCOUNTS** — If this is a joint account, each of you is individually and jointly responsible for paying all amounts owed. That means we can enforce our rights under the Plan against any one of you individually or against all of you together. If you give us inconsistent instructions, we can refuse to follow your instructions. Unless our written policy requires all of you to sign for an advance, each of you authorizes the other(s) to obtain advances individually and agrees to repay advances made to the other(s). Any joint account holder may terminate the Plan by giving us prior written notice. If any of you terminate the Plan, the Plan is terminated for all of you. You remain liable individually and jointly for all advances incurred before termination.

**11. FEES AND CHARGES** — If you give us a security interest in certain types of property, we may charge you a filing fee to perfect our interest in the property. If we do, the amount of the fee will be disclosed to you at the time you obtain an advance. We may also charge you other fees in connection with the Plan. Our current fees are disclosed on the Addendum and will be added to your loan balance unless you pay them in cash.

**12. UPDATING CREDIT INFORMATION** — You promise that you will promptly give us written notice if you move, change your name or employment, or if any other information you provided to us changes. Upon our request, you also agree to provide us updated financial information.

**13. WAIVER** — We can delay or waive enforcing any of our rights under this Plan, including your obligation to make timely payments, without losing our right to enforce the terms of the Plan at a later time. If the law makes any term(s) of the Plan unenforceable, the other terms will remain in effect.

**14. DEFAULT** — *The following paragraph applies to borrowers in Idaho, Kansas, Maine and state chartered credit unions lending to South Carolina borrowers:* You will be in default if you do not make a payment of the amount required when it is due. You will also be in default if we believe the prospect of payment, performance, or realization on any property given as security is significantly impaired.

*The following paragraph applies only to borrowers in Wisconsin:* You will be in default if you fail to make a payment when due two times during any 12 month period. You will be in default if breaking any promise made under the Plan materially impairs your ability to repay what you owe. You will also be in default if breaking any promise made under a Security Agreement made in connection with an advance, materially impairs the condition, value, or protection of or our right in any property you gave as security.

*The following paragraph applies only to borrowers in Iowa:* You will be in default if you are more than 10 days late in making a payment. You will also be in default if you do not comply with the terms of the Plan and your failure to comply materially impairs any property you gave as security or your ability to repay what you owe under the Plan.

*The following paragraph applies to borrowers in all other states and federally chartered credit unions lending to South Carolina borrowers:* You will be in default if you do not make a payment of the amount required when it is due. You will be in default if you break any promise you made under the Plan or if anyone is in default under any security agreement made in connection with an advance under the Plan. You will be in default if you die, file for bankruptcy, become insolvent, if you make any false or misleading statements in any credit application or update of credit

information, or if something happens we believe may substantially reduce your ability to repay what you owe. You will also be in default under the Plan if you are in default under any other loan agreement with us.

**15. ACTIONS AFTER DEFAULT** — *The following paragraph applies to borrowers in Colorado, District of Columbia, Iowa, Kansas, Maine, Massachusetts, Missouri, Nebraska, West Virginia, Wisconsin and state chartered credit unions lending to South Carolina borrowers:* When you are in default and after expiration of any right you have under applicable state law to cure your default, we can demand immediate payment of the entire unpaid balance under the Plan without giving you advance notice.

*The following paragraph applies to borrowers in all other states and to federally chartered credit unions lending to South Carolina borrowers:* When you are in default, we can require immediate payment (acceleration) of the entire unpaid balance under the Plan. You waive any right you have to demand for payment, notice of intent to accelerate and notice of acceleration.

*The following paragraph applies to all borrowers:* If immediate payment is demanded, you will continue to pay interest until what you owe has been repaid, at the applicable interest rates in effect or, if applicable, at the default rate disclosed on the Addendum. If a demand for immediate payment has been made, your shares and/or deposits can be applied towards what you owe as provided in the Section above called "Security". We can also exercise any other rights given by law when you are in default, and any rights we have under any Security Agreements you have with us.

**16. CANCELLING OR CHANGING THE PLAN** — *The following paragraph applies only to state chartered credit unions lending to Illinois borrowers:* We have the right to change the terms of the Plan from time to time after giving you any advance notice required by law. Any change to the interest rate or other charges will apply to future advances.

*The following paragraph applies only to borrowers in Wisconsin:* We can change the terms of the Plan from time to time in accordance with Section 422.415 of the Wisconsin Statutes. You will be notified of any change in terms. An increase in the daily periodic rate under a variable interest rate is not considered a change in terms under the Plan. We can cancel the entire Plan or any part of the Plan at any time. You may cancel the Plan at any time by giving us prior written notice. Your obligation to pay the unpaid balances under the terms of the Plan continues whether you or the credit union cancel the Plan, except to the extent that your liability is limited by Section 422.4155 of the Wisconsin Statutes.

*The following paragraph applies only to borrowers in Iowa:* We can change the terms of the Plan from time to time after giving you any advance notice required by law. A change that increases the rate of finance charge or other charge, that increases the amount of your payments, or that otherwise adversely affects existing balances will apply to existing balances only if you agree to the change or you use the Plan after receiving notice that your use of the Plan means you agree the change applies to existing balances.

*The following paragraph applies to borrowers in all other states and federally chartered credit unions lending to Illinois borrowers:* We have the right to change the terms of the Plan from time to time after giving you any advance notice required by law. Any change in the interest rate will apply to future advances, and at our discretion and subject to any requirements of applicable law, will also apply to unpaid balances.

*The following paragraph applies to all but Wisconsin borrowers:* An increase in the daily periodic rate under a variable interest rate is not considered a change in terms under the Plan. We can cancel the entire Plan or any part of the Plan at any time. You can cancel the Plan at any time by giving us prior written notice. Your obligation to pay the unpaid balances under the terms of the Plan continues whether you or the Credit Union cancel the Plan.

**17. The following is required by Vermont law: NOTICE TO CO-SIGNER — YOUR SIGNATURE ON THIS NOTE MEANS THAT YOU ARE EQUALLY LIABLE FOR REPAYMENT OF THIS LOAN. IF THE BORROWER DOES NOT PAY, THE LENDER HAS A LEGAL RIGHT TO COLLECT FROM YOU.**

**18. NOTICE TO UTAH BORROWERS:** This written agreement is a final expression of the agreement between you and the Credit Union. This written agreement may not be contradicted by evidence of any oral agreement.

**For Credit Union Use Only**

DATE	APPROVED <input type="checkbox"/> DENIED (Adverse Action Notice Sent)	APPROVED LIMITS:	SIGNATURE	LINE OF CREDIT	OTHER	OTHER	DEBT RATIO/SCORE BEFORE	DEBT RATIO/SCORE AFTER
------	--	---------------------	-----------	----------------	-------	-------	----------------------------	---------------------------

LOAN OFFICER COMMENTS:

SIGNATURES:

X

X

**Lock Haven Area Federal Credit Union**  
13 First Street  
Lock Haven, PA 17745  
(570) 748-4553

**LOANLINER**  
Addendum

---

This addendum is incorporated into and becomes a part of your LOANLINER Credit Agreement. Please keep this attached to your LOANLINER Credit Agreement.

---

Effective Date	Replaces Addendum Dated		
12/1/2003			
Subaccount Description	Approximate Term	Daily Periodic Rate	Annual Percentage Rate
Line of Credit		0.035342%	12.9%
Share Secured		0.010958	4.0%

**Collection Costs:** You agree to pay all costs of collecting the amount you owe under this Agreement, including court costs and reasonable attorney fees.

**Late Charges:** Late charges will be calculated at 5% of the payment amount after 15 days past due.

The interest rate will be set by the Board of Directors on a monthly basis. Your monthly payment will be based on the loan balance and will be 2.0% of the balance.

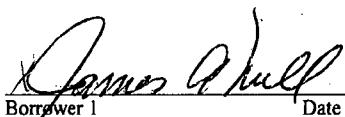
You will be notified in writing at least 15 days before the due date of any increase in the interest rate.

**Minimum Payment:** Minimum payment on your line of credit under \$2,500 will be \$50.

---

Borrower 1 James A. Null Borrower 2 \_\_\_\_\_

Credit Limit Approved for: \$ 300,000.00

  
Borrower 1 Date

  
Witness

---

Borrower 2 Date

Witness

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

NATIONAL CREDIT UNION \*  
ADMINISTRATOR BOARD, as liquidating \*  
Agent of the Lock Haven Area Federal \*  
Credit Union \*  
Plaintiff, \*  
\*  
v. \* No. 06-2068-CD  
\*  
LOG HOME COMPONENTS, INC. & \*  
JAMES A. NULL, \*  
Defendants. \*  
\*  
\*  
\* Type of Pleading:  
\*  
\* ANSWER, NEW MATTER and  
\* COUNTERCLAIM  
\*  
\* Filed on behalf of:  
\* Defendant, James A. Null  
\*  
\* Counsel of Record for  
\* this party:  
\*  
\*  
\* James A. Naddeo, Esq.  
\* Pa I.D. 06820  
\*  
\* Naddeo & Lewis, LLC  
\* P.O. Box 552  
\* Clearfield, PA 16830  
\* (814) 765-1601

FILED <sup>cc</sup>  
01/10/2007 <sup>3rd</sup> Atty Naddeo  
JAN 15 2007  
13

William A. Shaw  
Prothonotary/Clerk of Courts

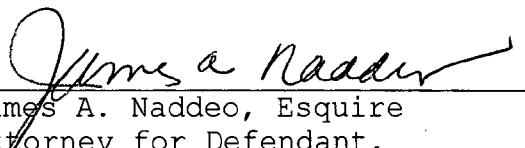
IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

NATIONAL CREDIT UNION \*  
ADMINISTRATOR BOARD, as liquidating \*  
Agent of the Lock Haven Area Federal \*  
Credit Union \*  
Plaintiff, \*  
\*  
v. \* No. 06-2068-CD  
\*  
LOG HOME COMPONENTS, INC. & \*  
JAMES A. NULL, \*  
Defendants. \*

**NOTICE TO PLEAD**

TO THE PLAINTIFF:

You are hereby notified to file a written response to the enclosed New Matter and Counterclaim within twenty (20) days from service hereof or a judgment may be entered against you.

  
\_\_\_\_\_  
James A. Naddeo, Esquire  
Attorney for Defendant,  
James A. Null

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

NATIONAL CREDIT UNION \*  
ADMINISTRATOR BOARD, as liquidating \*  
Agent of the Lock Haven Area Federal \*  
Credit Union \*  
Plaintiff, \*  
\*  
v. \* No. 06-2068-CD  
\*  
LOG HOME COMPONENTS, INC. & \*  
JAMES A. NULL, \*  
Defendants. \*

ANSWER TO COMPLAINT

NOW COMES the Answering Defendant, James A. Null, II,  
and by his attorney, James A. Naddeo, Esquire, sets forth the  
following:

COUNT I - Breach of Contract

1. Denied in that after reasonable investigation  
Answering Defendant, James A. Null, II, is without knowledge or  
information sufficient to form a belief as to the truth of said  
averment.

2. Admitted.

3. Admitted.

4. Denied in so far as it implies that Plaintiff  
loaned the sum of \$285,082.32 to Answering Defendant, James A.  
Null, II, and to the contrary all documents clearly identify  
Borrower 1 as Defendant, Log Home Components, Inc.

5. Denied in so far as it implies that Answering Defendant, James A. Null, II, defaulted upon any loan with the Plaintiff and to the contrary it is alleged that any default was on the part of the Corporate Defendant listed in the loan documents as the Borrower.

6. Denied in so far as it implies that Answering Defendant, James A. Null, II, defaulted upon any loan to Plaintiff for the reason that the Defendant, James A. Null, II, was not the Borrower.

7. Denied in so far as it implies that the Answering Defendant, James A. Null, II, is indebted in any amount to Plaintiff for the reason that the Borrower was the Corporate Defendant, Log Home Components, Inc.

WHEREFORE, Answering Defendant, James A. Null, II, respectfully requests that Plaintiff's Complaint be dismissed as to him.

COUNT II in the Alternative - Unjust enrichment

8. Answering Defendant, James A. Null, II, incorporates his answers to Paragraphs 1 through 7 of Plaintiff's Complaint by reference.

9. Denied and on the contrary it is alleged that Answering Defendant, James A. Null, II, never received the proceeds of the loan amounts claimed by Plaintiff nor did he

benefit personally from said loan, the proceeds of which was paid to the Corporate Defendant, Log Home Components, Inc.

10. Denied and on the contrary it is alleged that the Answering Defendant, James A. Null, II, never accepted, retained or used the benefits of the loan from Plaintiff but to the contrary said loan was appreciated, accepted, retained and used by the Corporate Defendant, Log Home Components, Inc. In further answer thereto after reasonable investigation Answering Defendant is without knowledge or information sufficient to form a belief as to the truth of the remainder of said averment.

11. States a conclusion of law to which no answer is required. To the extent that an answer may be required, it is specifically denied that the Answering Defendant, James A. Null, II, retained the benefits of said monies or services or that he failed to repay a loan for which he was personally obligated. To the contrary, it is alleged that all loan documents clearly identify Log Home Components, Inc. as the Borrower and that said Corporate Defendant was the sole beneficiary of the loan proceeds.

12. States a conclusion of law to which no answer is required. To the extent that an answer may be required Answering Defendant, James A. Null, II, incorporates his answer to Paragraph 11 of Plaintiff's Complaint by reference and makes it a part hereof.

WHEREFORE, Answering Defendant, James A. Null, II, respectfully requests that Plaintiff's Complaint be dismissed as to him.

NEW MATTER

13. That Log Home Components, Inc. Is a Pennsylvania corporation with its registered office located at 1211 Haag Hill Road, Olanta, Pennsylvania 16863.

14. That Log Home Components, Inc. was organized with three equal shareholders, James A. Null, II, David P. Null and Michael Salisbury.

15. That at all times referred to here, ownership of Log Home Components, Inc. continued in the same manner in which the company was originally organized.

16. That on or about March 22, 2004, Log Home Components, Inc. opened a line of credit with the Lock Haven Federal Credit Union which loan was signed by James A. Null, II in his capacity as an officer of said corporation.

17. That the loan documents attached to Plaintiff's Complaint, which are incorporated herein by reference, clearly identify "Borrower 1" as Log Home Components, Inc.

18. That the loan documents attached to Plaintiff's Complaint, which are incorporated herein by reference, do not identify James A. Null, II individually as a borrower but to the contrary the designation "Borrower 2" is blank on all documents.

19. That on or about March 22, 2004 the line of credit obtained by Log Home Components, Inc. as secured by a Certificate of Deposit in the amount of \$194,000.00.

20. That in addition to the Certificate of Deposit referred to in Paragraph 19 hereof, said loan was also secured by a checking account with an approximate balance of \$45,000.00.

21. That Answering Defendant, James A. Null, II, believes that said Certificate of Deposit and checking account were applied to the loan which was the subject of this litigation leaving a balance due in the amount of \$25,000 to \$30,000.00.

22. That Answering Defendant, James A. Null, II, believes that the amount claimed by Plaintiff does not properly reflect the balance due on Corporate Defendant's line of credit in that it fails to account for the proceeds of the certificate of deposit and checking account given as security for the corporate line of credit.

WHEREFORE, Answering Defendant, James A. Null, II, requests that Plaintiff's Complaint be dismissed as to him.

COUNTERCLAIM

23. That Answering Defendant, James A. Null, II, incorporates Paragraph 13 through 23 of his New Matter by reference and makes them a part hereof.

24. That Plaintiff's Complaint fails to allege any facts upon which it can reasonably be concluded that James A. Null, II personally accepted, retained, used or benefited in any manner from the line of credit given by the Lock Haven Federal Credit Union to the Corporate Defendant, Log Home Components, Inc.

25. That the suit filed by Plaintiff against James A. Null, II is wholly lacking in merit and is otherwise vexatious and obdurate to the extent that the documentary evidence pled by Plaintiff clearly identifies Log Home Components, Inc. as the Borrower and further fails to credit the Borrower with the proceeds of the certificate of deposit and checking account pledged as security for the loan.

26. That James A. Null, II has been required to retain counsel to defend this suit at the rate of \$250.00 per hour.

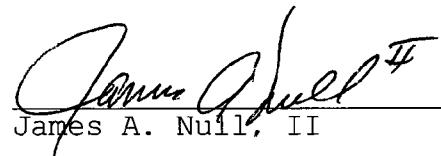
WHEREFORE, James A. Null, II claims reasonable counsel fees from Plaintiff in the amount of \$250.00 per hour.

NADDEO & LEWIS, LLC

  
James A. Naddeo  
Attorney for Answering  
Defendant, James A. Null, II

COMMONWEALTH OF PENNSYLVANIA )  
ss.  
COUNTY OF CLEARFIELD )

Before me, the undersigned officer, personally appeared JAMES A. NULL, II, who being duly sworn according to law, deposes and states that the facts set forth in the foregoing Answer to and Counterclaim Complaint and New Matter are true and correct to the best of his knowledge, information and belief.

  
\_\_\_\_\_  
James A. Null, II

SWORN and SUBSCRIBED before me this 10th day of January, 2007.



COMMONWEALTH OF PENNSYLVANIA  
Notary Seal  
Linda C. Lewis, Notary Public  
Clearfield Bank, Clearfield County  
My Commission Expires July 25, 2007

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

NATIONAL CREDIT UNION \*  
ADMINISTRATOR BOARD, as liquidating \*  
Agent of the Lock Haven Area Federal \*  
Credit Union \*  
Plaintiff, \*  
\*  
v. \* No. 06-2068-CD  
\*  
LOG HOME COMPONENTS, INC. & \*  
JAMES A. NULL, \*  
Defendants. \*

CERTIFICATE OF SERVICE

I, James A. Naddeo, Esquire, do hereby certify that a certified copy of Answer to Complaint, New Matter and Counterclaim was served on the following and in the following manner on the 15th day of January, 2007:

First-Class Mail, Postage Prepaid

Bradford J. Harris, Esquire  
Wentz Weaver Kling Good & Harris, LLP  
132 West Main Street  
New Holland, PA 17557

NADDEO & LEWIS, LLC

By James A. Naddeo  
James A. Naddeo  
Attorney for Defendant,  
James A. Null, II

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

NATIONAL CREDIT UNION  
ADMINISTRATOR BOARD, as liquidating  
Agent of the Lock Haven Area Federal  
Credit Union

Plaintiff,

v.

No. 06-2068-CD

LOG HOME COMPONENTS, INC. &  
JAMES A. NULL,

Defendants.

\* Type of Pleading:

\* **CERTIFICATE OF  
SERVICE**

\* Filed on behalf of:  
\* Defendant, James A.  
\* Null

\* Counsel of Record for  
\* this party:

\* James A. Naddeo, Esq.  
\* Pa I.D. 06820

\* Naddeo & Lewis, LLC  
\* P.O. Box 552  
\* Clearfield, PA 16830  
\* (814) 765-1601

Dated: February 2, 2007

FILED NOCC  
01/11/2007  
FEB 02 2007  
[Handwritten Signature]

William A. Shaw  
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

NATIONAL CREDIT UNION \*  
ADMINISTRATOR BOARD, as liquidating \*  
Agent of the Lock Haven Area Federal \*  
Credit Union \*  
Plaintiff, \*  
\*  
v. \* No. 06-2068-CD  
\*  
LOG HOME COMPONENTS, INC. & \*  
JAMES A. NULL, \*  
Defendants. \*

CERTIFICATE OF SERVICE

I, James A. Naddeo, Esquire, do hereby certify that a true and correct copy of Defendant, James A. Null's, First Set of Interrogatories Directed to Plaintiff was served on the following and in the following manner on the 1st day of February, 2007:

First-Class Mail, Postage Prepaid

Bradford J. Harris, Esquire  
Wentz Weaver Kling Good & Harris, LLP  
132 West Main Street  
New Holland, PA 17557

NADDEO & LEWIS, LLC

By James A. Naddeo  
James A. Naddeo  
Attorney for Defendant,  
James A. Null, II

**BRADFORD J. HARRIS, ESQUIRE**  
WENTZ WEAVER KLING GOOD & HARRIS, LLP  
132 West Main Street  
New Holland, PA 17557  
(717) 354-4456  
Attorney I. D. #34393  
*Attorney for Plaintiff*

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**IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL ACTION—LAW**

**NATIONAL CREDIT UNION** : No. 06-2068-CD  
**ADMINISTRATION BOARD**, as liquidating :  
agent of the Lock Haven Area Federal :  
Credit Union :  
*Plaintiff*, :  
v. :  
**LOG HOME COMPONENTS, INC. &** :  
**JAMES A. NULL,** :  
*Defendants.* :  
:

**PROOF OF SERVICE**

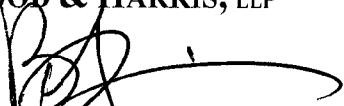
The undersigned hereby certifies that on the below date, a true and correct copy of the attached document was caused to be served upon the persons and in the manners indicated below, which service satisfies the requirements of the applicable state and local rules of civil procedure:

*Service by regular United States first class mail addressed as follows:*

Log Home Components, Inc.  
1211 Haag Hill Road  
Olanta, PA 16863

**WENTZ, WEAVER, KLING  
GOOD & HARRIS, LLP**

Date: February 5, 2007

By:   
Bradford J. Harris (I.D. No. 34393)  
*Attorney for Plaintiff*  
132 West Main Street  
New Holland, PA 17557  
(717) 354-4456

**FILED**  
m 12 23 2007  
FEB 07 2007  
10:00 AM  
Clerk of Courts  
William A. Shaw  
Prothonotary/Clerk of Courts

**BRADFORD J. HARRIS, ESQUIRE**  
WENTZ WEAVER KLING GOOD & HARRIS, LLP  
132 West Main Street  
New Holland, PA 17557  
(717) 354-4456  
Attorney I. D. #34393  
*Attorney for Plaintiff*

---

**IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL ACTION—LAW**

**NATIONAL CREDIT UNION  
ADMINISTRATION BOARD**, as liquidating  
agent of the Lock Haven Area Federal  
Credit Union

*Plaintiff,*

v.

**LOG HOME COMPONENTS, INC. &  
JAMES A. NULL,**  
*Defendants.*

: No. 06-2068-CD  
:  
:  
:  
:  
:  
:  
:

**IMPORTANT NOTICE**

**TO:** Log Home Components, Inc.  
1211 Haag Hill Road  
Olanta, PA 16863

**DATE OF NOTICE:** February 5, 2007

YOU ARE IN DEFAULT BECAUSE YOU HAVE FAILED TO TAKE ACTION REQUIRED OF YOU IN THIS CASE. UNLESS YOU ACT WITHIN TEN (10) DAYS FROM THE DATE OF THIS NOTICE, A JUDGMENT MAY BE ENTERED AGAINST YOU WITHOUT A HEARING, AND YOU MAY LOSE YOUR PROPERTY OR OTHER IMPORTANT RIGHTS. YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.

David S. Meholick, Court Administrator  
Clearfield County Courthouse  
230 E. Market Street  
Clearfield, PA 16830  
(814) 765-2641, Ext. 5982

**NOTICIA IMPORTANTE**

**A:** Log Home Components, Inc.  
1211 Haag Hill Road  
Olanta, PA 16863

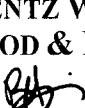
**FECHA DE NOTICIA:** February 5, 2007

USTED NO HA COMPLIDO CON EL AVISO ANTERIOR PORQUE HA FALTADO EN TOMAR MEDIDAS REQUERIDAS RESPECTO A ESTE CASO. SI USTED NO ACTUA DENTRO DE DIEZ (10) DIAS DESDE LA FECHA DE ESTA NOTICIA, ES POSIBLE QUE UN FALLO SERIA REGISTRADO CONTRA USTED SIN UNA AUDIENCIA Y USTED PODRIA PERDER SU PROPIEDAD O OTROS DERECHOS IMPORTANTES. USTED DEBE LLEVAR ESTA NOTICIA A SU ABOGADO EN SEGUIDA. SI USTED NO TIENE ABOGADO O NO TIENE CON QUE PAGAR LOS SERVICIOS DE UN ABOGADO, VAYA O LLAME A LA OFICINA ESCRITA ABAJO PARA AVERIGUAR A DONDE USTED PUEDE OBTENER LA AYUDA LEGAL.

David S. Meholick, Court Administrator  
Clearfield County Courthouse  
230 E. Market Street  
Clearfield, PA 16830  
(814) 765-2641, Ext. 5982

**WENTZ WEAVER KLING  
GOOD & HARRIS, LLP**

By:



Bradford J. Harris (I.D. No. 34393)  
*Attorney for Plaintiff*  
132 West Main Street, New Holland, PA 17557  
(717) 354-4456

Date: February 5, 2007

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

NATIONAL CREDIT UNION  
ADMINISTRATION BOARD,  
as liquidating agent for LOCK  
HAVEN AREA FEDERAL  
CREDIT UNION,

No.: 06-2068-CD

Plaintiff,

vs.

LOG HOME COMPONENTS, INC.; and,  
JAMES NULL,

Defendants.

**PRAECIPE FOR APPEARANCE**

FILED ON BEHALF OF: PLAINTIFF

COUNSEL OF RECORD FOR  
THIS PARTY:  
DENNIS ST. J. MULVIHILL, ESQUIRE  
PA ID No.: 16411  
MARK A. MARTINI, ESQUIRE  
PA ID No.: 91001  
ROBB LEONARD MULVIHILL  
FIRM #249  
2300 One Mellon Center  
Pittsburgh, PA 15219  
412/281-5431

**JURY TRIAL DEMANDED**

FILED  
M/J: 28/04  
FEB 20 2007  
NO CC  
60  
FEB 20 2007

William A. Shaw  
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

NATIONAL CREDIT UNION  
ADMINISTRATION BOARD,  
as liquidating agent for LOCK  
HAVEN AREA FEDERAL  
CREDIT UNION,

No.: 06-2068-CD

Plaintiff,

vs.

LOG HOME COMPONENTS, INC.; and,  
JAMES NULL,

Defendants.

**PRAECIPE FOR APPEARANCE**

TO THE PROTHONOTARY:

Kindly enter the appearance of Dennis St. J. Mulvihill, Esquire, Mark A. Martini,  
Esquire, and the law firm of ROBB LEONARD MULVIHILL on behalf of the Plaintiff, National  
Credit Union Administration Board as Liquidating Agent for Lock Haven Area Federal Credit  
Union

Respectfully submitted,

ROBB LEONARD MULVIHILL

Dennis St. J. Mulvihill, Esquire  
PA I.D. # 16411

Mark A. Martini, Esquire  
PA I.D. # 91001

ROBB LEONARD MULVIHILL

2300 One Mellon Center

Pittsburgh, PA 15219

Telephone: 412-281-5431

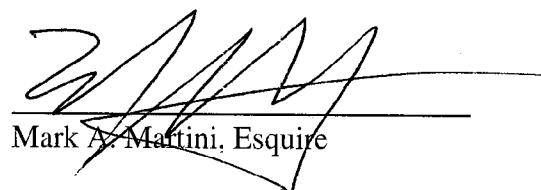
Fax: 412-281-3711

Attorneys for National Credit Union  
Administration Board as Liquidating Agent  
for Lock Haven Area Federal Credit Union

**CERTIFICATE OF SERVICE**

I hereby certify that I caused a true and correct copy of the foregoing **Praecep** for **Appearance** to be served upon the following counsel of record *via United States First Class Mail*, postage prepaid, on this 15<sup>th</sup> day of February, 2007:

James A. Naddeo, Esquire  
207 East Market Street  
P. O. Box 552  
Clearfield, PA 16830

  
Mark A. Martini, Esquire

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

NATIONAL CREDIT UNION  
ADMINISTRATION BOARD,  
as liquidating agent for LOCK  
HAVEN AREA FEDERAL  
CREDIT UNION,

No.: 06-2068-CD

Plaintiff,

vs.

LOG HOME COMPONENTS, INC.; and,  
JAMES NULL,

Defendants.

**NOTICE OF NOTICE OF REMOVAL**

FILED ON BEHALF OF: PLAINTIFF

COUNSEL OF RECORD FOR  
THIS PARTY:  
DENNIS ST. J. MULVIHILL, ESQUIRE  
PA ID No.: 16411  
MARK A. MARTINI, ESQUIRE  
PA ID No.: 91001  
ROBB LEONARD MULVIHILL  
FIRM #249  
2300 One Mellon Center  
Pittsburgh, PA 15219  
412/281-5431

**JURY TRIAL DEMANDED**

FILED NO  
M 12 28 2007 CC  
FEB 20 2007 G

William A. Shaw  
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

NATIONAL CREDIT UNION  
ADMINISTRATION BOARD,  
as liquidating agent for LOCK  
HAVEN AREA FEDERAL  
CREDIT UNION,

No.: 06-2068-CD

Plaintiff,  
vs.

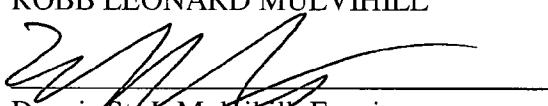
LOG HOME COMPONENTS, INC.; and,  
JAMES NULL,

Defendants.

**NOTICE OF NOTICE OF REMOVAL**

Pursuant to 28 U.S.C. §1446(d), the National Credit Union Administration Board as liquidating agent for Lock Haven Area Federal Credit Union files herewith a true and correct copy of the Notice of Removal filed with the United States District Court for the Western District of Pennsylvania on February 15, 2007.

Respectfully submitted,  
ROBB LEONARD MULVIHILL

  
Dennis St. J. Mulvihill, Esquire

PA I.D. # 16411

Mark A. Martini, Esquire  
PA I.D. # 91001

ROBB LEONARD MULVIHILL  
2300 One Mellon Center

Pittsburgh, PA 15219

Telephone: 412-281-5431  
Fax: 412-281-3711

Attorneys for National Credit Union  
Administration Board as Liquidating Agent  
for Lock Haven Area Federal Credit Union

**CERTIFICATE OF SERVICE**

I hereby certify that I caused a true and correct copy of the foregoing **Notice of Notice of Removal** to be served upon the following counsel of record and unrepresented parties *via United States First Class Mail*, postage prepaid, on this 15<sup>th</sup> day of February, 2007:

James A. Naddeo, Esquire  
207 East Market Street  
P. O. Box 552  
Clearfield, PA 16830

Log Home Components, Inc.  
1211 Haag Hill Road  
Olanta, PA 16863



Mark A. Martini, Esquire

## CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

## I. (a) PLAINTIFFS

National Credit Union Administration Board as liquidating agent for Lock Haven Area Federal Credit Union

## (b) County of Residence of First Listed Plaintiff

(EXCEPT IN U.S. PLAINTIFF CASES)

## (c) Attorney's (Firm Name, Address, and Telephone Number)

Dennis St. J. Mulvihill, Esquire, Mark A. Martini, Esquire, ROBB LEONARD MULVIHILL, 2300 One Mellon Center, Pittsburgh, PA 15219 (412) 281-5431

## DEFENDANTS

Log Home Components, Inc. and James Null

## County of Residence of First Listed Defendant

Clearfield

(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE LAND INVOLVED.

## Attorneys (If Known)

James Naddeo, Esquire, 207 East Market Street, P.O. Box 552, Clearfield, PA 16830

## II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

1 U.S. Government Plaintiff

3 Federal Question  
(U.S. Government Not a Party)

2 U.S. Government Defendant

4 Diversity  
(Indicate Citizenship of Parties in Item III)

## III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

	PTF	DEF	PTF	DEF	
Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business In This State	<input type="checkbox"/> 4	<input type="checkbox"/> 4
Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business In Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6

## IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input checked="" type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	<b>PERSONAL INJURY</b> <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury  <b>PERSONAL PROPERTY</b> <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 362 Personal Injury - Med. Malpractice <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability  <b>PROPERTY</b> <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs. <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157  <b>PROPERTY RIGHTS</b> <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark
<b>REAL PROPERTY</b>	<b>CIVIL RIGHTS</b>	<b>PRISONER PETITIONS</b>	<b>SOCIAL SECURITY</b>	<input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities/ Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes
			<input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act	<input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g))
				<b>FEDERAL TAX SUITS</b> <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609

## V. ORIGIN

(Place an "X" in One Box Only)

1 Original Proceeding

2 Removed from State Court

3 Remanded from Appellate Court

4 Reinstated or Reopened

5 Transferred from another district (specify)

6 Multidistrict Litigation

7

Appeal to District Judge from Magistrate Judgment

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):

## VI. CAUSE OF ACTION

Brief description of cause:

Breach of loan agreement.

## VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION  
UNDER F.R.C.P. 23

DEMAND \$ 204,713.49

CHECK YES only if demanded in complaint:

JURY DEMAND:  Yes  No

## VIII. RELATED CASE(S) IF ANY

(See instructions):

JUDGE

DOCKET NUMBER

DATE

SIGNATURE OF ATTORNEY OF RECORD

2/15/2007

FOR OFFICE USE ONLY

RECEIPT #

AMOUNT

APPLYING IFP

JUDGE

MAG. JUDGE

IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF PENNSYLVANIA

THIS CASE DESIGNATION SHEET MUST BE COMPLETED

**PART A**

This case belongs on the ( Erie XX Johnstown Pittsburgh) calendar.

1. **ERIE CALENDAR** - If cause of action arose in the counties of Crawford, Elk, Erie, Forest, McKean, Venango or Warren, OR any plaintiff or defendant resides in one of said counties.
2. **JOHNSTOWN CALENDAR** - If cause of action arose in the counties of Bedford, Blair, Cambria, Clearfield or Somerset OR any plaintiff or defendant resides in one of said counties.
3. Complete if on **ERIE CALENDAR**: I certify that the cause of action arose in \_\_\_\_\_ County and that the \_\_\_\_\_ resides in \_\_\_\_\_ County.
4. Complete if on **JOHNSTOWN CALENDAR**: I certify that the cause of action arose in Clearfield County and that the Defendants reside in Clearfield County.

**PART B (You are to check ONE of the following)**

1.        This case is related to Number \_\_\_\_\_, Judge \_\_\_\_\_.
2.        This case is not related to a pending or terminated case.

**DEFINITIONS OF RELATED CASES:**

**CIVIL:** Civil cases are deemed related when a case filed relates to property included in another suit or involves the same issues of fact or it grows out of the same transactions as another suit or involves the validity or infringement of a patent involved in another suit

**EMINENT DOMAIN:** Cases in contiguous closely located groups and in common ownership groups which will lend themselves to consolidation for trial shall be deemed related.

**HABEAS CORPUS & CIVIL RIGHTS:** All habeas corpus petitions filed by the same individual shall be deemed related. All pro se Civil Rights actions by the same individual shall be deemed related.

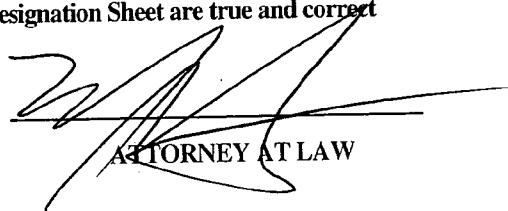
**PART C**

**1. CIVIL CATEGORY (Place x in only applicable category).**

1.  Antitrust and Securities Act Cases
2.  Labor-Management Relations
3.  Habeas Corpus
4.  Civil Rights
5.  Patent, Copyright, and Trademark
6.  Eminent Domain
7.  All other federal question cases
8.  All personal and property damage tort cases, including maritime, FELA, Jones Act, Motor vehicle, products liability, assault, defamation, malicious prosecution, and false arrest
9.  Insurance indemnity, contract and other diversity cases.
10.  Government Collection Cases (shall include HEW Student Loans (Education), VA Overpayment, Overpayment of Social Security, Enlistment Overpayment (Army, Navy, etc.), HUD Loans, GAO Loans (Misc. Types), Mortgage Foreclosures, S.B.A. Loans, Civil Penalties and Coal Mine Penalty and Reclamation Fees.)

I certify that to the best of my knowledge the entries on this Case Designation Sheet are true and correct

Date: 2/15/07



ATTORNEY AT LAW

NOTE: ALL SECTIONS OF BOTH SIDES MUST BE COMPLETED BEFORE CASE CAN BE PROCESSED.

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

NATIONAL CREDIT UNION  
ADMINISTRATION BOARD,  
as liquidating agent for LOCK  
HAVEN AREA FEDERAL  
CREDIT UNION,

CIVIL DIVISION

No.:

**JURY TRIAL DEMANDED**

Plaintiff,

vs.

LOG HOME COMPONENTS, INC.; and,  
JAMES NULL,

Defendants.

**NOTICE OF REMOVAL**

Plaintiff, The National Credit Union Administration Board as liquidating agent for Lock Haven Area Federal Credit Union, by and through its attorneys, Dennis St. J. Mulvihill, Esquire, Mark A. Martini, Esquire and ROBB LEONARD MULVIHILL files the following Notice of Removal pursuant to 28 U.S.C. §1441:

1. The National Credit Union Administration is an independent federal agency. The Administration is under the management of the National Credit Union Administration Board (hereinafter, "NCUA Board"). 12 U.S.C. § 1752 a.

2. On August 8, 2005, Lock Haven Area Federal Credit Union (hereinafter, "Lock Haven") was placed into liquidation and the NCUA Board was appointed as liquidating agent pursuant to the provisions of 12 U.S.C. § 1787(a)(1)(A).

3. On or about December 13, 2006, the NCUA Board as liquidating agent for Lock

Haven filed suit in the Court of Common Pleas of Clearfield County, Pennsylvania at docket number 06-2068 CD, against Defendants Log Home Components, Inc. and James Null in an attempt to collect a debt.

4. On or about January 15, 2006, Defendant James Null filed his Answer and New Matter. He also filed a Counterclaim against the NCUA Board.

5. Removal of this case by the NCUA Board is proper under the Federal Credit Union Act which specifically provides at 12 U.S.C. § 1789(a)(2) in pertinent part as follows:

(a) In carrying out the purposes of this subchapter, the Board may-

(2) sue and be sued, complain and defend, in any court of law or equity, State or Federal. *All suits of a civil nature at common law or in equity to which the Board shall be a party shall be deemed to arise under the laws of the United States, and the United States district courts shall have original jurisdiction thereof, without regard to the amount in controversy. The Board may, without bond or security, remove any such action, suit or proceeding from a State court to the United States district court for the district or division embracing the place where the same is pending by following any procedure for removal now or hereafter in effect, ...* (Emphasis added).

6. Removal of this case is also proper under 28 U.S.C. § 1331 in that the Defendants' Counterclaim raises a question under the laws of the United States. *See*, 12 U.S.C. § 1789(a)(2). *See also*, 12 U.S.C. § 1787 (b).

7. Removal of this case is also proper under 28 U.S.C. § 1345 in that suit was brought by an agency of the United States expressly authorized to sue by Act of Congress.

8. Copies of all process, pleadings and other materials filed in the action in the Court of Common Pleas of Clearfield County, Pennsylvania at docket number 06-2068 CD are filed with this Notice of Removal.

9. Plaintiff shall give notice to the Defendants of the filing of this Notice of Removal

as required by 28 U.S.C. § 1446(d).

10. A copy of this Notice of Removal will be filed with the Prothonotary of the Court of Common Pleas of Clearfield County as required by 28 U.S.C. § 1446(d).

Respectfully submitted,

ROBB LEONARD MULVIHILL

/s/ Mark A. Martini  
Dennis St. J. Mulvihill, Esquire  
PA I.D.# 16411  
Mark A. Martini, Esquire  
PA I.D. # 91001  
ROBB LEONARD MULVIHILL  
2300 One Mellon Center  
Pittsburgh, PA 15219  
Telephone: 412-281-5431  
Fax: 412-281-3711  
Attorney for Plaintiff, National Credit Union  
Administration Board as Liquidating Agent  
for Lock Haven Area Federal Credit Union

**JURY TRIAL DEMANDED**

**CERTIFICATE OF SERVICE**

I hereby certify that I caused a true and correct copy of the foregoing **Notice of Removal** to be served upon the following counsel of record and unrepresented parties *via United States First Class Mail*, postage prepaid, on this 15<sup>th</sup> day of February, 2007:

James A. Naddeo, Esquire  
207 East Market Street  
P. O. Box 552  
Clearfield, PA 16830

Log Home Components, Inc.  
1211 Haag Hill Road  
Olanta, PA 16863

/s/ Mark A. Martini  
Mark A. Martini, Esquire

BRADFORD J. HARRIS, ESQUIRE  
WENTZ WEAVER KLING GOOD & HARRIS, LLP  
132 West Main Street  
New Holland, PA 17557  
(717) 354-4456  
Attorney I. D. #34393  
*Attorney for Plaintiff*

FILED  
10/18/2006  
BMC 18 2006  
William A. Shaw  
Prothonotary/Clerk of Courts

**IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL ACTION—LAW**

**NATIONAL CREDIT UNION  
ADMINISTRATION BOARD, as liquidating  
agent of the Lock Haven Area Federal  
Credit Union**

*Plaintiff,*

v.

LOG HOME COMPONENTS, INC. &  
JAMES A. NULL,  
*Defendants.*

## NOTICE

You have been sued in court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served upon you, by entering a written appearance personally (or by attorney) and by filing in writing with the court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so, the case may proceed without you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint, or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.

David S. Meholic, Court Administrator  
Clearfield County Courthouse  
230 E. Market Street  
Clearfield, PA 16830  
(814) 765-2641, Ext. 5982

## COMPLAINT

AND NOW comes Plaintiff, National Credit Union Administration Board, as

**Liquidating Agent of the Lock Haven Area Credit Union**, by and through its attorney, Bradford J. Harris, of Wentz Weaver Kling Good & Harris, LLP, and complains against Defendants **Log Home Components, Inc.** and **James A. Null** as follows:

### Count I — Breach of Contract

1. The Plaintiff is the National Credit Union Administration Board (herein "NCUA"), as Liquidating Agent of the Lock Haven Area Federal Credit Union (herein "LHFCU"), whose principal office is at 4807 Spicewood Springs Road, Suite 5100, Austin, TX 78759-8490; and it is an agency and instrumentality of the United States of America (herein "US") that became the owner and holder of the herein-described Note on or about August 8, 2005 pursuant to state and federal law when the Secretary of the Pennsylvania Department of Banking appointed NCUA as liquidating agent of LHFCU, because it was determined to be in an unsafe and unsound condition to transact its business.

2. One Defendant is Log Home Components, Inc., which is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, with offices at 1211 Haag Hill Road, Olanta, PA 16863.

3. The other Defendant is James A. Null, who an adult individual last known to be residing at 1211 Haag Hill Road, Olanta, PA 16863.

4. On or about March 22, 2004, LHFCU, now by liquidation NCUA, loaned at least \$285,082.32 to Defendants, who promised to repay same with interest in accordance with the Open End Voucher and Security Agreement, and Open End Plan Signatures Credit Agreement (herein collectively "Loan Agreements"), a true and correct copy of which Loan Agreements is attached hereto as "Exhibit A" and incorporated herein by reference.

5. Defendants defaulted upon the Loan Agreements by failing, *inter alia*, to make monthly payments of at least \$5652.40 principal and interest, and \$282.62 late charges to Plaintiff or its predecessor in accordance with the Loan Agreements since at least September 2005 through the present.

6. As a result of said defaults, Plaintiff hereby accelerates the entire balance of all amounts owed under and in accordance with the Loan Agreements.

7. As a result of said defaults and acceleration, Defendant owes the following amounts in accordance with the Loan Agreements:

Principal balance . . . . .	\$172,740.94
Interest at 4.0% per annum (\$18.93 per diem) from 8/10/05 thru 11/20/06 . . . . .	8840.31

Late charges at \$282.62/mo. thru 11/06 .....	4521.92
Attorneys fees (10%) .....	<u>18,610.32</u>
<b>TOTAL</b> .....	<b><u>\$204,713.49</u></b>
plus from 11/21/06, all costs, interest at 4.0% per annum (\$18.93 per diem), & attorney's fees of 10% of the foregoing accruing amounts	

WHEREFORE, Plaintiff demands judgment against Defendant in the amount of \$204,713.49, plus from 11/21/06, costs, 4.0% per annum (\$18.93 per diem) interest, late charges of \$282.62 per month from 12/06, attorneys fees of ten percent of the foregoing accruing amounts, and any and all other relief as the Court deems appropriate.

### **Count II in the Alternative — Unjust enrichment**

8. In the alternative, Plaintiff incorporates herein by reference each and every allegation in Paragraphs 1through 7 as more fully hereinbefore set forth.

9. As a result of the aforementioned, Plaintiff and its predecessors conferred benefits upon Defendants by loaning or providing the herein-described monies and related services to Defendants at Defendants' requests.

10. Defendants appreciated, accepted, retained, and used said benefits without paying LHFCU, now by liquidation NCUA, for same as more fully herein described in the hereinbefore-described amounts, which were the fair, reasonable, and market (and Plaintiff's or it's predecessors' then customary) charges for said monies and services provided by LHFCU, now by liquidation NCUA, to and upon the request of Defendants, and which remain unpaid despite the demands for payment by Plaintiff.

11. It is inequitable and unjust for Defendants to retain the benefits of said monies and services without paying for same, particularly since Defendants are believed to have entirely used and exhausted such monies such that they cannot be readily returned to Plaintiff.

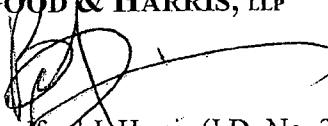
12. As a result of the aforementioned, Defendants have become unjustly enriched and received the benefits of said monies and services without paying for same in the remaining balance of \$199,739.38, plus from 11/21/06, costs, interest at 4% per annum (\$18.93 per diem), and attorney fees

of ten percent of the foregoing accruing amounts for recovery and collection of the foregoing monies.

WHEREFORE, Plaintiff demands judgment against Defendant in the amount of \$204,713.49, plus from 11/21/06, costs, 4.0% per annum (\$18.93 per diem) interest, late charges of \$282.62 per month from 12/06, attorneys fees of ten percent of the foregoing accruing amounts, and any and all other relief as the Court deems appropriate.

**WENTZ WEAVER KLING  
GOOD & HARRIS, LLP**

By:

  
Bradford J. Harris (I.D. No. 34393)  
*Attorney for Plaintiff*  
132 West Main Street  
New Holland, PA 17557  
(717) 354-4456

## VERIFICATION

We verify that the statements made in the foregoing document are true and correct to the best of our knowledge, information, or belief. I verify that I am the AGENT FOR LIQUIDATING AGENT of the National Credit Union Administration Board, as Liquidating Agent for the Lock Haven Area Federal Credit Union, and that as such, I am authorized to make this verification on behalf of said party. We understand that false statements therein are made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

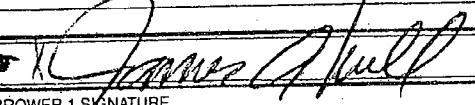
NATIONAL CREDIT UNION ADMINISTRATION  
BOARD, as Liquidating Agent for the Lock Haven  
Area Federal Credit Union

By: Ron A. Lefebvre  
Ron A. Lefebvre  
Title: AGENT FOR LIQUIDATING AGENT

LOCK HAVEN AREA FEDERAL CREDIT UNION  
13 1st St.  
Lock Haven, PA 17745-1915

**LOANLINER**

**Open-End Voucher  
and Security Agreement**

BORROWER INFORMATION						AMOUNT REQUESTED/PURPOSE	DATE
BORROWER 1 NAME	(LAST)	(FIRST)	(INITIAL)	ACCOUNT NUMBER		\$ 300,000.00	3/22/2004
Log Home Components, Inc.				4409	SOCIAL SECURITY NUMBER		
ADDRESS	Null, James A.						
1211 Haag Hill Road							
CITY	STATE	ZIP	HOME TELEPHONE NUMBER				
Olanta, PA 16863							
BORROWER 2 NAME	(LAST)	(FIRST)	(INITIAL)	ACCOUNT NUMBER			
ADDRESS (IF DIFFERENT THAN BORROWER 1)				SOCIAL SECURITY NUMBER			
Log Home Components				WORK TELEPHONE NUMBER			DATE HIRED
BORROWER 1 EMPLOYER NAME							GROSS MONTHLY SALARY
Log Home Components							\$
BORROWER 2 EMPLOYER NAME				WORK TELEPHONE NUMBER			DATE HIRED
							GROSS MONTHLY SALARY
							\$
NOTICE: YOU DON'T HAVE TO INCLUDE INCOME FROM CHILD SUPPORT, SEPARATE MAINTENANCE, OR ALIMONY UNLESS YOU WANT THE CREDIT UNION TO CONSIDER IT.				SOURCE OF OTHER INCOME			OTHER MONTHLY INCOME
							\$
REPAYMENT TERMS							
DAILY PERIODIC RATE	ANNUAL PERCENTAGE RATE	FIXED <input checked="" type="checkbox"/>	VARIABLE <input type="checkbox"/>	OTHER FEES (Amount and Description)	NEW BALANCE THIS SUBACCOUNT		
0.010958	4.0 %				\$ 285,082.32		
AMOUNT ADVANCED	PAYMENT AMOUNT	DATE DUE	PAYMENT FREQUENCY	LINE OF CREDIT LIMIT	REMAINING LIMIT		
\$ 285,082.32	\$ 5,701.65	4/25/2004	Monthly	\$ 300,000.00	\$ 14,917.68		
SECURITY OFFERED <input type="checkbox"/> CONSUMERS' CLAIMS AND DEFENSES — IF CHECKED, SEE REVERSE SIDE FOR NOTICE							
THE ADVANCE IS SECURED BY YOUR SHARES, ALL PROPERTY SECURING OTHER PLAN ADVANCES AND LOANS RECEIVED IN THE PAST OR IN THE FUTURE, AND THE FOLLOWING PROPERTY:							
PROPERTY/MODEL	YEAR	I.D. NUMBER	VALUE	KEY NUMBER			
This financing statement covers all inventory as stated as of 3/22/2004 as presented on the borrowers financial information as attached. The collateral covered is the existing inventory as well as inventory hereafter acquired.							
PLEDGE OF SHARES AND/OR DEPOSITS	\$ 250,000.00 ACCOUNT NUMBER(S) 4409-2 & 3399-2						
SIGNATURES							
By signing below, by endorsing the proceeds check or by using the amount advanced and deposited into your share/share draft account you agree:							
1. To make and be bound by the terms of this Security Agreement including the cross collateral clause;							
2. The above information is true and correct and the Credit Union will rely on that information and your credit report to make a credit decision;							
3. To make payments as disclosed above in accordance with the terms of your Plan.							
 BORROWER 1 SIGNATURE				(SEAL) (SEAL) DATE			
 EXHIBIT				(SEAL) (SEAL) DATE			
SIGNATURE OF OWNER OF COLLATERAL (Other than a Borrower)				SIGNATURE OF COLLATERAL (Other than a Borrower)			

## SECURITY AGREEMENT

In this agreement all references to "Credit Union," "we," "our," or "us" mean the Credit Union whose name appears on this agreement and anyone to whom the Credit Union assigns the Credit Agreement which will be referred to as "the Plan". All references to "you," "your," and "borrower" mean each person who signs this agreement. All references to "the advance" mean the amount in the box labeled "Amount Advanced" on the reverse side. Some of the provisions of this agreement apply only if the Credit Union is state chartered. A credit union has a state charter if its name does not include the words "Federal Credit Union" or "FCU". This is a multi-state document which may be used to lend in all states except Louisiana and Wisconsin.

**1. THE SECURITY FOR THE LOAN** — By signing this security agreement in the signature area or under the statement referring to this agreement which is on the back of the check you receive for the advance, you give us what is known as a security interest in the property described in the "Security Offered" section on the reverse side. The security interest you give includes all accessions. Accessions are things which are attached to or installed in the property now or in the future. The security interest also includes any replacements for the property which you buy within 10 days of the advance or any extensions, renewals or refinancings of the advance. It also includes any money you receive from selling the property or from insurance you have on the property. If the value of the property declines, you promise to give us more property as security if asked to do so.

**2. WHAT THE SECURITY INTEREST COVERS** — The security interest secures the advance and any extensions, renewals or refinancings of the advance. It also secures any other advances you have now or receive in the future under the Plan and any other amounts or loans, including credit card loans, you owe us for any reason now or in the future, except any loan secured by your principal residence. If the property is household goods as defined by the Federal Trade Commission Credit Practices Rule, the property will secure only the advance and not other amounts you owe.

**3. OWNERSHIP OF THE PROPERTY** — You promise that you own the property or if this advance is to buy the property, you promise you will use the advance for that purpose. You promise that no one else has any interest in or claim against the property that you have not already told us about. You promise not to sell or lease the property or to use it as security for a loan with another creditor until the advance is repaid. You promise you will allow no other security interest or lien to attach to the property either by your actions or by operation of law.

**4. PROTECTING THE SECURITY INTEREST** — If your state issues a title for the property, you promise to have our security interest shown on the title. We may have to file what is called a financing statement to protect our security interest from the claims of others. If asked to do so, you promise to sign a financing statement. You also promise to do whatever else we think is necessary to protect our security interest in the property.

**5. USE OF PROPERTY** — Until the advance has been paid off, you promise you will: (1) Use the property carefully and keep it in good repair. (2) Obtain our written permission before making major changes to the property or changing the address where the property is kept. (3) Inform us in writing before changing your address. (4) Allow us to inspect the property. (5) Promptly notify us if the property is damaged, stolen or abused. (6) Not use the property for any unlawful purpose.

**6. CONSUMERS' CLAIMS AND DEFENSES NOTICE** — *The following paragraph applies only when the box on reverse side is checked.*

**NOTICE: ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.**

**7. PROPERTY INSURANCE, TAXES AND FEES** — You promise to pay all taxes and fees (like registration fees) due on the property and to keep the property insured against loss and damage. The amount and coverage of the property insurance must be acceptable to us. You may provide the property insurance through a policy you already have, or through a policy you get and pay for. You promise to make the insurance policy payable to us and to deliver the policy or proof of coverage to us if asked to do so.

If you cancel your insurance and get a refund, we have a right to the refund. If the property is lost or damaged, we can use the insurance settlement to repair the property or apply it towards what you owe. You authorize us to endorse any draft or

check which may be payable to you in order for us to collect any refund or benefits due under your insurance policy.

If you do not pay the taxes or fees on the property when due or keep it insured, we may pay these obligations, but we are not required to do so. Any money we spend for taxes, fees or insurance will be added to the unpaid balance of the advance and you will pay interest on those amounts at the same rate you agreed to pay on the advance. We may receive payments in connection with the insurance from a company which provides the insurance. We may monitor our loans for the purpose of determining whether you and other borrowers have complied with the insurance requirements of our loan agreements or may engage others to do so. The insurance charge added to your advance may include (1) the insurance company's payments to us and (2) the cost of determining compliance with the insurance requirements. If we add amounts for taxes, fees or insurance to the unpaid balance of your advance, we may increase your payments to pay the amount added within the term of the insurance or approximate term of the advance.

**8. NOTICE** — If you do not purchase the required property insurance, the insurance we will purchase and charge you for will cover only our interest in the property. **The insurance will not be liability insurance.**

**9. DEFAULT** — You will be in default if you break any promise you make under this agreement. You will also be in default if you are in default under the Plan. If you are pledging property, but have not signed the Plan, you will be in default if anyone is in default who has signed the Plan.

**10. WHAT HAPPENS IF YOU ARE IN DEFAULT** — *The following paragraph applies to borrowers in Colorado, District of Columbia, Iowa, Kansas, Maine, Massachusetts, Missouri, Nebraska, West Virginia and state chartered credit unions lending to South Carolina borrowers.* When you are in default and after expiration of any right you have under applicable state law to cure your default, we can require immediate payment of your outstanding balance under the Plan.

*The following paragraph applies to borrowers in all other states and federally chartered credit unions lending to South Carolina borrowers.* When you are in default, we can require immediate payment (acceleration) of what you owe under the Plan and take possession of the property. You waive any right you have to demand for payment, notice of intent to accelerate and notice of acceleration.

*The following paragraphs apply to all borrowers.*

You agree the Credit Union has the right to take possession of the property without judicial process if this can be done without breach of the peace. If we ask, you promise to deliver the property at a time and place we choose. We will not be responsible for any other property not covered by this agreement that you leave inside the property or that is attached to the property. We will try to return that property to you or make it available to you to claim.

After we have possession of the property, we can sell it and apply the money to any amounts you owe us. We will give you notice of any public sale or the date after which a private sale will be held. Our expenses for taking possession of and selling the property will be deducted from the money received from the sale. Those costs may include the cost of storing the property, preparing it for sale and attorney's fees to the extent permitted under state law or awarded under the Bankruptcy Code. The rest of the sale money will be applied to what you owe under the Plan.

If you have agreed to pay the advance, you will also have to pay any amount that remains unpaid after the sale money has been applied to the unpaid balance of the advance and to what you owe under this agreement. You agree to pay interest on that amount at the same rate as the advance until that amount has been paid.

**11. DELAY IN ENFORCING RIGHTS AND CHANGES IN THE AGREEMENT** — We can delay enforcing any of our rights under this agreement any number of times without losing the ability to exercise our rights later. We can enforce this agreement against your heirs or legal representatives. If we change the terms of the Plan, you agree that this agreement will continue to protect us.

**12. CONTINUED EFFECTIVENESS** — If any part of this agreement is determined by a court to be unenforceable, the rest will remain in effect.

**13. FOR NORTH DAKOTA CREDIT UNIONS ONLY — APPLIES ONLY WHEN A MOTOR VEHICLE IS PURCHASED** — Notice: The motor vehicle in this transaction may be subject to repossession. If it is repossessed and sold to someone else, and all amounts due to the secured party are not received in that sale, you may have to pay the difference.

**THE PROPERTY DESCRIPTION ON THE REVERSE SIDE IS PART OF THIS AGREEMENT. NOTICE: SIGN THIS AGREEMENT ON THE REVERSE SIDE.**

### For Credit Union Use Only

REQUESTED:		MEMBER PAYS PREMIUM FOR:			CHECK NO.:		BRANCH NO.:	
<input type="checkbox"/> BY MAIL	<input type="checkbox"/> THRU OFFICE	<input type="checkbox"/> INTERNALLY BY CU	<input type="checkbox"/> SINGLE CREDIT DISABILITY	<input type="checkbox"/> SINGLE CREDIT LIFE	PLAN/SUBACCOUNT NO.:		PROCESSED BY:	
DATE	APPROVED	APPROVED	SIGNATURE	LINE OF CREDIT	OTHER	OTHER	DEBT RATIO/SCORE BEFORE	AFTER
	DENIED (Adverse Action Notice Sent)	APPROVED LIMITS:	\$	\$	\$	\$		
LOAN OFFICER COMMENTS:								
SIGNATURES:								

LOCK HAVEN AREA  
FEDERAL CREDIT UNION  
13 First Street  
Lock Haven, PA 17745



OPEN-END PLAN  
SIGNATURES

LOANLINER

**IMPORTANT!** Complete all sections before detaching Part 1



LOCK HAVEN AREA FEDERAL CREDIT UNION  
13 First Street  
Lock Haven, PA 17745

LOANLINER.

Open-End Plan  
Signatures

BORROWER 1 NAME (Please Print)	ACCOUNT NUMBER	BORROWER 2 NAME (Please Print)	ACCOUNT NUMBER
Log Home Components, Inc	4409		
James A. Null			
BORROWER 1 ADDRESS	BORROWER 2 ADDRESS		
1271 Haag Hill Road Atlanta, GA 16863			

**Credit Agreement**

This LOANLINER® Credit Agreement, which includes the Truth in Lending Disclosures, will be referred to as "the Plan." The Plan documents include this agreement and Addendum. "You", "your" and "borrower" mean any person who signs the Plan. "Credit Union", "we", "our" and "us" mean the Credit Union whose name appears on the Plan or anyone to whom the Credit Union transfers its rights under the Plan.

**1. HOW THIS PLAN WORKS** — This is an open-end, multi-featured credit plan. We anticipate that, from time to time, you will borrow money (called "advances") under the Plan. We are not required to make advances to you under the Plan and can refuse a request for an advance at any time. The Addendum describes the different types of credit (called "subaccounts") available under the Plan, the current interest rate for each subaccount expressed as a daily periodic rate and corresponding annual percentage rate and other charges. It may also have other terms and a schedule for determining the payment amounts.

**2. CREDIT LIMIT** — We may, but do not have to, establish a credit limit on certain subaccounts. If a credit limit is set for a subaccount, you promise not to exceed the established credit limit. If you exceed the credit limit, you promise to repay immediately the amount which exceeds the credit limit.

**3. REPAYMENT** — You promise to repay all amounts you owe under the Plan plus interest. Payments are due on the last day of the month unless we set a different day at the time of an advance. If the Addendum has no payment schedule for a subaccount, your payment will be determined at the time of each advance. Payments must include any amount past due and any amount by which you have exceeded any credit limit you have been given for a subaccount. You may repay all or part of what you owe at any time without any prepayment penalty. Even if you prepay, you will still be required to make the regularly scheduled payments unless we agree in writing to a change in the payment schedule. If you have a joint share draft account, you will be responsible for paying all overdraft advances obtained by a joint holder of the share draft account. Unless otherwise required by law, payments will be applied to amounts owed under the Plan, in the manner the Credit Union chooses.

**4. PLAN ACCESS** — You can obtain credit advances in any manner authorized by us. If we allow you to use your ATM/Debit card to access the Plan, you may be liable for the unauthorized use of your ATM/Debit card. You will not be liable for unauthorized use that occurs after you notify us, orally or in writing, of the loss, theft, or possible unauthorized use. If you believe your ATM/Debit card has been lost or stolen, immediately inform the Credit Union by calling or writing us at the telephone number or address that appears elsewhere in the Plan. If the card is used to obtain unauthorized advances directly from the Plan, your liability will not exceed \$50.00. If the unauthorized withdrawal is from a share draft account, your liability is governed by the Regulation E disclosures you received at the time you received

your ATM/Debit card, even if the withdrawal results in an advance being made from your overdraft subaccount.

**5. FINANCE CHARGE** — The dollar amount you pay for money borrowed is called a "finance charge" and begins on the date of each advance. A finance charge will be computed separately for each separate balance under the Plan. To compute the finance charge, the unpaid balance for each day since your last payment (or since an advance if you have not yet made a payment) is multiplied by the applicable daily periodic rate. The sum of these amounts is the finance charge owed. The balance used to compute the finance charge is the unpaid balance each day after payments and credits to that balance have been subtracted and any additions to the balance have been made. In addition to interest, we may charge other finance charges which are disclosed on the Addendum. If the interest rate is a variable interest rate, the Addendum explains how the variable interest rate works.

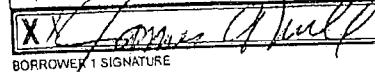
**6. SECURITY** — You pledge as security for the Plan all shares and dividends and, if any, all deposits and interest in all joint and individual accounts you have with us now and in the future. If a specific dollar amount is pledged for an advance, we will freeze shares in that account to the extent of the outstanding balance for the advance. Otherwise, your pledged shares may be withdrawn unless you are in default. If credit union has a federal charter: Statutory Lien — If you are in default on a financial obligation to us, federal law gives us the right to apply the balance of shares and dividends in all individual and joint accounts you have with us to satisfy that obligation. After you are in default, we may exercise this right without further notice to you. (We have a federal charter if our name includes the term "Federal Credit Union.") If credit union is state chartered, except in Ohio, Rhode Island, and Massachusetts: We have a statutory lien on the shares and dividends and, if any, the deposits and interest in all individual and joint accounts you have with us and may exercise our rights under the lien to the extent permitted by state law. (We are state chartered if our name does not include the term "Federal Credit Union.") For all borrowers: The statutory lien and/or your pledge will allow us to apply the funds in your account(s) to what you owe when you are in default. The statutory lien and your pledge do not apply to any Individual Retirement Account or any other account that would lose special tax treatment under state or federal law if given as security. Additional security for the Plan may be required at the time of an advance. If a subaccount identifies a type of property (such as "New Cars") you must give that type of property as security when you get an advance under that subaccount. A subaccount name such as "Other Secured" means you must provide security acceptable to us when you obtain an advance under that subaccount. Property you give as security will secure all amounts owed under the Plan and all other loans you have with us now or in the future, except any loan secured by your principal dwelling. Property securing other loans you have with us may also secure the Plan.

**Signatures**

1. You have received and read the LOANLINER® Credit Agreement including the Addendum ("Agreement"). By signing below you agree to be bound by the terms of the Agreement.

2. You grant us a security interest in all individual and joint share and/or deposit accounts you have with us now and in the future to secure what you

owe under the LOANLINER® Credit Agreement. When you are in default, you authorize us to apply the balance in these accounts to any amounts due. Shares and deposits in an Individual Retirement Account, and any other account that would lose special tax treatment under state or federal law if given as security, are not subject to the security interest you have given in your shares and deposits.

	(SEAL)
BORROWER 1 SIGNATURE	

X	(SEAL)
BORROWER 2 SIGNATURE	
DATE	

**Credit Agreement** (continued from reverse side)

**7. PROPERTY INSURANCE** — You will be required to purchase property insurance on certain types of security that you give for advances. You may purchase the property insurance from anyone you choose that is acceptable to the Credit Union.

**8. CREDIT INSURANCE** — Credit life and/or credit disability insurance is optional under the Plan. If you qualify for and purchase the insurance from us, you authorize us to add the insurance premiums monthly to your loan balance and charge you interest on the entire balance. If you elect credit insurance, your payments may increase or the period of time necessary to repay your advance may be extended. The credit insurance rates may change during the Plan. If the rates change, we will provide any notices required by applicable law.

**9. PERIODIC STATEMENT** — On a regular basis you will receive a statement showing all transactions under the Plan during the period covered by the statement. Statements and notices will be sent to you at the most recent address you have given us in writing. Unless applicable law requires notice to each joint borrower, notice to any one of you will be notice to all.

**10. JOINT ACCOUNTS** — If this is a joint account, each of you is individually and jointly responsible for paying all amounts owed. That means we can enforce our rights under the Plan against any one of you individually or against all of you together. If you give us inconsistent instructions, we can refuse to follow your instructions. Unless our written policy requires all of you to sign for an advance, each of you authorizes the other(s) to obtain advances individually and agrees to repay advances made to the other(s). Any joint account holder may terminate the Plan by giving us prior written notice. If any of you terminate the Plan, the Plan is terminated for all of you. You remain liable individually and jointly for all advances incurred before termination.

**11. FEES AND CHARGES** — If you give us a security interest in certain types of property, we may charge you a filing fee to perfect our interest in the property. If we do, the amount of the fee will be disclosed to you at the time you obtain an advance. We may also charge you other fees in connection with the Plan. Our current fees are disclosed on the Addendum and will be added to your loan balance unless you pay them in cash.

**12. UPDATING CREDIT INFORMATION** — You promise that you will promptly give us written notice if you move, change your name or employment, or if any other information you provided to us changes. Upon our request, you also agree to provide us updated financial information.

**13. WAIVER** — We can delay or waive enforcing any of our rights under this Plan, including your obligation to make timely payments, without losing our right to enforce the terms of the Plan at a later time. If the law makes any term(s) of the Plan unenforceable, the other terms will remain in effect.

**14. DEFAULT** — *The following paragraph applies to borrowers in Idaho, Kansas, Maine and state chartered credit unions lending to South Carolina borrowers:* You will be in default if you do not make a payment of the amount required when it is due. You will also be in default if we believe the prospect of payment, performance, or realization on any property given as security is significantly impaired.

*The following paragraph applies only to borrowers in Wisconsin:* You will be in default if you fail to make a payment when due two times during any 12 month period. You will be in default if breaking any promise made under the Plan materially impairs your ability to repay what you owe. You will also be in default if breaking any promise made under a Security Agreement made in connection with an advance, materially impairs the condition, value, or protection of or our right in any property you gave as security.

*The following paragraph applies only to borrowers in Iowa:* You will be in default if you are more than 10 days late in making a payment. You will also be in default if you do not comply with the terms of the Plan and your failure to comply materially impairs any property you gave as security or your ability to repay what you owe under the Plan.

*The following paragraph applies to borrowers in all other states and federally chartered credit unions lending to South Carolina borrowers:* You will be in default if you do not make a payment of the amount required when it is due. You will be in default if you break any promise you made under the Plan or if anyone is in default under any security agreement made in connection with an advance under the Plan. You will be in default if you die, file for bankruptcy, become insolvent, if you make any false or misleading statements in any credit application or update of credit

information, or if something happens we believe may substantially reduce your ability to repay what you owe. You will also be in default under the Plan if you are in default under any other loan agreement with us.

**15. ACTIONS AFTER DEFAULT** — *The following paragraph applies to borrowers in Colorado, District of Columbia, Iowa, Kansas, Maine, Massachusetts, Missouri, Nebraska, West Virginia, Wisconsin and state chartered credit unions lending to South Carolina borrowers:* When you are in default and after expiration of any right you have under applicable state law to cure your default, we can demand immediate payment of the entire unpaid balance under the Plan without giving you advance notice.

*The following paragraph applies to borrowers in all other states and to federally chartered credit unions lending to South Carolina borrowers:* When you are in default, we can require immediate payment (acceleration) of the entire unpaid balance under the Plan. You waive any right you have to demand for payment, notice of intent to accelerate and notice of acceleration.

*The following paragraph applies to all borrowers:* If immediate payment is demanded, you will continue to pay interest until what you owe has been repaid, at the applicable interest rates in effect or, if applicable, at the default rate disclosed on the Addendum. If a demand for immediate payment has been made, your shares and/or deposits can be applied towards what you owe as provided in the Section above called "Security". We can also exercise any other rights given by law when you are in default, and any rights we have under any Security Agreements you have with us.

**16. CANCELLING OR CHANGING THE PLAN** — *The following paragraph applies only to state chartered credit unions lending to Illinois borrowers:* We have the right to change the terms of the Plan from time to time after giving you any advance notice required by law. Any change to the interest rate or other charges will apply to future advances.

*The following paragraph applies only to borrowers in Wisconsin:* We can change the terms of the Plan from time to time in accordance with Section 422.415 of the Wisconsin Statutes. You will be notified of any change in terms. An increase in the daily periodic rate under a variable interest rate is not considered a change in terms under the Plan. We can cancel the entire Plan or any part of the Plan at any time. You may cancel the Plan at any time by giving us prior written notice. Your obligation to pay the unpaid balances under the terms of the Plan continues whether you or the credit union cancel the Plan, except to the extent that your liability is limited by Section 422.4155 of the Wisconsin Statutes.

*The following paragraph applies only to borrowers in Iowa:* We can change the terms of the Plan from time to time after giving you any advance notice required by law. A change that increases the rate of finance charge or other charge, that increases the amount of your payments, or that otherwise adversely affects existing balances will apply to existing balances only if you agree to the change or you use the Plan after receiving notice that your use of the Plan means you agree the change applies to existing balances.

*The following paragraph applies to borrowers in all other states and federally chartered credit unions lending to Illinois borrowers:* We have the right to change the terms of the Plan from time to time after giving you any advance notice required by law. Any change in the interest rate will apply to future advances, and at our discretion and subject to any requirements of applicable law, will also apply to unpaid balances.

*The following paragraph applies to all but Wisconsin borrowers:* An increase in the daily periodic rate under a variable interest rate is not considered a change in terms under the Plan. We can cancel the entire Plan or any part of the Plan at any time. You may cancel the Plan at any time by giving us prior written notice. Your obligation to pay the unpaid balances under the terms of the Plan continues whether you or the Credit Union cancel the Plan.

**17. The following is required by Vermont law: NOTICE TO CO-SIGNER — YOUR SIGNATURE ON THIS NOTE MEANS THAT YOU ARE EQUALLY LIABLE FOR REPAYMENT OF THIS LOAN. IF THE BORROWER DOES NOT PAY, THE LENDER HAS A LEGAL RIGHT TO COLLECT FROM YOU.**

**18. NOTICE TO UTAH BORROWERS:** This written agreement is a final expression of the agreement between you and the Credit Union. This written agreement may not be contradicted by evidence of any oral agreement.

**For Credit Union Use Only**

DATE	APPROVED	APPROVED LIMITS:	SIGNATURE	LINE OF CREDIT	OTHER	OTHER	DEBT RATIO/SCORE BEFORE AFTER
				\$	\$	\$	
LOAN OFFICER COMMENTS:							
SIGNATURES:							

Lock Haven Area Federal Credit Union  
13 First Street  
Lock Haven, PA 17745  
(570) 748-4553

LOANLINER  
Addendum

This addendum is incorporated into and becomes a part of your LOANLINER Credit Agreement. Please keep this attached to your LOANLINER Credit Agreement.

Subaccount Description	Effective Date 12/1/2003	Approximate Term	Daily Periodic Rate	Replaces Addendum Dated	Annual Percentage Rate
Line of Credit			0.035342%		12.9%
Share Secured			0.010958		4.0%

**Collection Costs:** You agree to pay all costs of collecting the amount you owe under this Agreement, including court costs and reasonable attorney fees.

**Late Charges:** Late charges will be calculated at 5% of the payment amount after 15 days past due.

The interest rate will be set by the Board of Directors on a monthly basis. Your monthly payment will be based on the loan balance and will be 2.0% of the balance.

You will be notified in writing at least 15 days before the due date of any increase in the interest rate.

**Minimum Payment:** Minimum payment on your line of credit under \$2,500 will be \$50.

Borrower 1 James A. Null Borrower 2 \_\_\_\_\_

Credit Limit Approved for: \$ 300,000.00

James A. Null  
Borrower 1 Date

See Mutchler  
Witness

Borrower 2 Date

Witness

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

NATIONAL CREDIT UNION  
ADMINISTRATOR BOARD, as liquidating  
Agent of the Lock Haven Area Federal  
Credit Union

Plaintiff,

V.

LOG HOME COMPONENTS, INC. &  
JAMES A. NULL,  
Defendants.

Defendants.

No. 06-2068-CD

### Type of Pleading:

ANSWER, NEW MATTER and  
COUNTERCLAIM

Filed on behalf of:  
Defendant, James A. Null

Counsel of Record for  
this party:

James A. Naddeo, Esq.  
Pa I.D. 06820

Naddeo & Lewis, LLC  
P.O. Box 552  
Clearfield, PA 16830  
(814) 765-1601

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

JAN 15 2007

100

William G. Brown  
Prothonotary  
Clark of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

NATIONAL CREDIT UNION  
ADMINISTRATOR BOARD, as liquidating  
Agent of the Lock Haven Area Federal  
Credit Union

Plaintiff,

v.

LOG HOME COMPONENTS, INC. &  
JAMES A. NULL,

Defendants.

\* No. 06-2068-CD

NOTICE TO PLEAD

TO THE PLAINTIFF:

You are hereby notified to file a written response to  
the enclosed New Matter and Counterclaim within twenty (20) days  
from service hereof or a judgment may be entered against you.

James A. Naddeo  
James A. Naddeo, Esquire  
Attorney for Defendant,  
James A. Null

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

NATIONAL CREDIT UNION  
ADMINISTRATOR BOARD, as liquidating  
Agent of the Lock Haven Area Federal  
Credit Union plaintiff.

plaintiff,

No. 06-2068-CD

V.

LOG HOME COMPONENTS, INC. &  
JAMES A. NULL, Defendants.

ANSWER TO COMPLAINT

NOW COMES the Answering Defendant, James A. Null, II,  
and by his attorney, James A. Naddeo, Esquire, sets forth the  
following:

COUNT I - Breach of Contract

1. Denied in that after reasonable investigation Answering Defendant, James A. Null, II, is without knowledge or information sufficient to form a belief as to the truth of said averment.
2. Admitted.
3. Admitted.
4. Denied in so far as it implies that Plaintiff loaned the sum of \$285,082.32 to Answering Defendant, James A. Null, II, and to the contrary all documents clearly identify Borrower 1 as Defendant, Log Home Components, Inc.

5. Denied in so far as it implies that Answering Defendant, James A. Null, II, defaulted upon any loan with the Plaintiff and to the contrary it is alleged that any default was on the part of the Corporate Defendant listed in the loan documents as the Borrower.

6. Denied in so far as it implies that Answering Defendant, James A. Null, II, defaulted upon any loan to Plaintiff for the reason that the Defendant, James A. Null, II, was not the Borrower.

7. Denied in so far as it implies that the Answering Defendant, James A. Null, II, is indebted in any amount to Plaintiff for the reason that the Borrower was the Corporate Defendant, Log Home Components, Inc.

WHEREFORE, Answering Defendant, James A. Null, II, respectfully requests that Plaintiff's Complaint be dismissed as to him.

COUNT II in the Alternative - Unjust enrichment

8. Answering Defendant, James A. Null, II, incorporates his answers to Paragraphs 1 through 7 of Plaintiff's Complaint by reference.

9. Denied and on the contrary it is alleged that Answering Defendant, James A. Null, II, never received the proceeds of the loan amounts claimed by Plaintiff nor did he

benefit personally from said loan, the proceeds of which was paid to the Corporate Defendant, Log Home Components, Inc.

10. Denied and on the contrary it is alleged that the Answering Defendant, James A. Null, II, never accepted, retained or used the benefits of the loan from Plaintiff but to the contrary said loan was appreciated, accepted, retained and used by the Corporate Defendant, Log Home Components, Inc. In further answer thereto after reasonable investigation Answering Defendant is without knowledge or information sufficient to form a belief as to the truth of the remainder of said averment.

11. States a conclusion of law to which no answer is required. To the extent that an answer may be required, it is specifically denied that the Answering Defendant, James A. Null, II, retained the benefits of said monies or services or that he failed to repay a loan for which he was personally obligated. To the contrary, it is alleged that all loan documents clearly identify Log Home Components, Inc. as the Borrower and that said Corporate Defendant was the sole beneficiary of the loan proceeds.

12. States a conclusion of law to which no answer is required. To the extent that an answer may be required Answering Defendant, James A. Null, II, incorporates his answer to Paragraph 11 of Plaintiff's Complaint by reference and makes it a part hereof.

WHEREFORE, Answering Defendant, James A. Null, II, respectfully requests that Plaintiff's Complaint be dismissed as to him.

NEW MATTER

13. That Log Home Components, Inc. Is a Pennsylvania corporation with its registered office located at 1211 Haag Hill Road, Olanta, Pennsylvania 16863.

14. That Log Home Components, Inc. was organized with three equal shareholders, James A. Null, II, David P. Null and Michael Salisbury.

15. That at all times referred to here, ownership of Log Home Components, Inc. continued in the same manner in which the company was originally organized.

16. That on or about March 22, 2004, Log Home Components, Inc. opened a line of credit with the Lock Haven Federal Credit Union which loan was signed by James A. Null, II in his capacity as an officer of said corporation.

17. That the loan documents attached to Plaintiff's Complaint, which are incorporated herein by reference, clearly identify "Borrower 1" as Log Home Components, Inc.

18. That the loan documents attached to Plaintiff's Complaint, which are incorporated herein by reference, do not identify James A. Null, II individually as a borrower but to the contrary the designation "Borrower 2" is blank on all documents.

19. That on or about March 22, 2004 the line of credit obtained by Log Home Components, Inc. as secured by a Certificate of Deposit in the amount of \$194,000.00.

20. That in addition to the Certificate of Deposit referred to in Paragraph 19 hereof, said loan was also secured by a checking account with an approximate balance of \$45,000.00.

21. That Answering Defendant, James A. Null, II, believes that said Certificate of Deposit and checking account were applied to the loan which was the subject of this litigation leaving a balance due in the amount of \$25,000 to \$30,000.00.

22. That Answering Defendant, James A. Null, II, believes that the amount claimed by Plaintiff does not properly reflect the balance due on Corporate Defendant's line of credit in that it fails to account for the proceeds of the certificate of deposit and checking account given as security for the corporate line of credit.

WHEREFORE, Answering Defendant, James A. Null, II, requests that Plaintiff's Complaint be dismissed as to him.

COUNTERCLAIM

23. That Answering Defendant, James A. Null, II, incorporates Paragraph 13 through 23 of his New Matter by reference and makes them a part hereof.

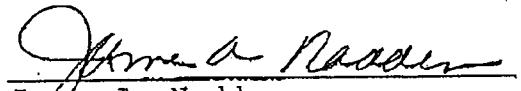
24. That Plaintiff's Complaint fails to allege any facts upon which it can reasonably be concluded that James A. Null, II personally accepted, retained, used or benefited in any manner from the line of credit given by the Lock Haven Federal Credit Union to the Corporate Defendant, Log Home Components, Inc.

25. That the suit filed by Plaintiff against James A. Null, II is wholly lacking in merit and is otherwise vexatious and obdurate to the extent that the documentary evidence pled by Plaintiff clearly identifies Log Home Components, Inc. as the Borrower and further fails to credit the Borrower with the proceeds of the certificate of deposit and checking account pledged as security for the loan.

26. That James A. Null, II has been required to retain counsel to defend this suit at the rate of \$250.00 per hour.

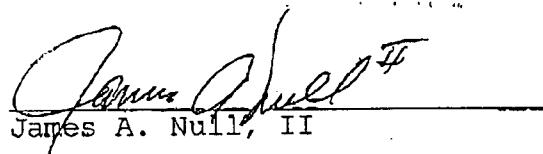
WHEREFORE, James A. Null, II claims reasonable counsel fees from Plaintiff in the amount of \$250.00 per hour.

NADDEO & LEWIS, LLC

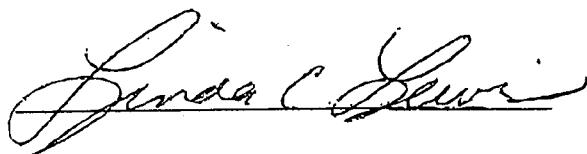
  
James A. Naddeo  
Attorney for Answering  
Defendant, James A. Null, II

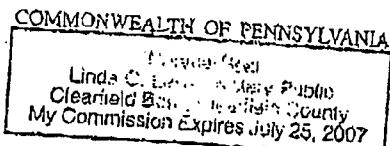
COMMONWEALTH OF PENNSYLVANIA )  
ss.  
COUNTY OF CLEARFIELD )

Before me, the undersigned officer, personally appeared JAMES A. NULL, II, who being duly sworn according to law, deposes and states that the facts set forth in the foregoing Answer to and Counterclaim Complaint and New Matter are true and correct to the best of his knowledge, information and belief.

  
\_\_\_\_\_  
James A. Null, II

SWORN and SUBSCRIBED before me this 10th day of January, 2007.





IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 102240  
NO: 06-2068-CD  
SERVICE # 1 OF 2  
COMPLAINT

PLAINTIFF: NATIONAL CREDIT UNION ADMINISTRATION BOARD  
VS.  
DEFENDANT: LOG HOME COMPONENTS, INC. & JAMES A. NULL

SHERIFF RETURN

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NOW, January 04, 2007 AT 10:30 AM SERVED THE WITHIN COMPLAINT ON LOG HOME COMPONENTS, INC. DEFENDANT AT SHERIFF'S OFFICE, 1 N. 2ND ST., SUITE 116, CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO JAMES NULL II, FORMER CO-OWNER A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: HAWKINS /

FILED  
03-23-07  
MAR 16 2007  
5  
William A. Shaw  
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 102240  
NO: 06-2068-CD  
SERVICE # 2 OF 2  
COMPLAINT

PLAINTIFF: NATIONAL CREDIT UNION ADMINISTRATION BOARD  
VS.  
DEFENDANT: LOG HOME COMPONENTS, INC. & JAMES A .NULL

**SHERIFF RETURN**

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NOW, January 04, 2007 AT 10:25 AM SERVED THE WITHIN COMPLAINT ON JAMES A. NULL DEFENDANT AT SHERIFF'S OFFICE, 1 N. 2ND ST., SUITE 116, CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO JAMES A. NULL, DEFENDANT A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: HAWKINS /

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 102240  
NO: 06-2068-CD  
SERVICES 2  
COMPLAINT

PLAINTIFF: NATIONAL CREDIT UNION ADMINISTRATION BOARD  
vs.  
DEFENDANT: LOG HOME COMPONENTS, INC. & JAMES A .NULL

**SHERIFF RETURN**

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**RETURN COSTS**

Description	Paid By	CHECK #	AMOUNT
SURCHARGE	WENTZ	47198	20.00
SHERIFF HAWKINS	WENTZ	47198	26.00

Sworn to Before Me This

So Answers,

\_\_\_\_ Day of \_\_\_\_\_ 2007

  
Chester A. Hawkins  
Sheriff