

07-1570-CD

CNB Bank vs. Robert Fischl et al

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

CNB BANK,

Plaintiff

vs.

ROBERT J. FISCHL and  
JANE E. FISCHL

Defendants

No. 2007-1570-CD

Type of Case:

FORECLOSURE

Type of Pleading:

COMPLAINT

Filed on Behalf of:

PLAINTIFF

Attorney for this party:

Mark A. Falvo, Esquire

Supreme Court ID #58135

38 West Scribner Avenue

DuBois, PA 151801

(814) 375-2259

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

CNB BANK,	:	No. 2007-	-CD
Plaintiff	:		
	:		
	:		
vs.	:		
	:		
ROBERT J. FISCHL and	:		
JANE E. FISCHL,	:		
Defendants	:		

NOTICE TO DEFEND

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, by entering a written appearance personally or by attorney and 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 other rights important to you.

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

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

*AMERICANS WITH DISABILITIES ACT OF 1990*

The Court of Common Pleas of Clearfield County is required by law to comply with the Americans with Disabilities Act of 1990. For information about accessible facilities and reasonable accommodations available to disabled individuals having business before the Court, please contact our office. All arrangements must be made at least 72 hours prior to any hearing or business before the Court. You must attend the scheduled conference or hearing.

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	:		
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JANE E. FISCHL,	:		
Defendants	:		

COMPLAINT TO FORECLOSE MORTGAGE

COMES NOW, CNB Bank, by its attorney, Mark A. Falvo, who pursuant to Pa.R.C.P. 1147 pleads:

1. The Plaintiff is CNB BANK, formerly known as County National Bank, a state banking institution organized under the laws of Pennsylvania, with its principal business office of One South Second Street, P.O. Box 42 Clearfield, Pennsylvania, 16830. CNB Bank is the successor in interest to County National Bank, the original lender of the loan upon which this action is brought. County National Bank converted to a state bank by Articles of Conversion which have been filed with the Pennsylvania Department of Banking and which became effective at 12:01 a.m. December 30, 2006. A Certificate of Conversion has been filed with the Clearfield County Recorder of Deeds on January 18, 2007 at Clearfield County Instrument Number 200700792 (hereinafter "CNB").

2. The name of the first Defendant is ROBERT J. FISCHL, whose last known address is 355 Rees Lane, Frenchville, (Clearfield County), Pennsylvania 16836.

3. The name of the second Defendant is JANE E. FISCHL, whose last known address is 355 Rees Lane, Frenchville, (Clearfield County) Pennsylvania 16836.

4. The parcels of real estate subject to this action consists of:

*A: The residence consisting of a Trailer, 2 garages and 2 buildings on 24 acres known as 355 Rees Lane, Frenchville, Covington Township, (Clearfield County) Pennsylvania 16836 and identified by Clearfield County Tax Map No. 111-Q05-000-00074 and are more particularly described as follows:*

ALL that certain tract or parcel of land situate in Covington Township, Clearfield County, Pennsylvania, bounded and described as follows:

BEGINNING at a post on the southwest corner of the land of Francis Lamont, now Henry Billotte; thence East seventy-seven (77) perches to a white oak; thence South fifty-five (55) perches to a maple corner; thence West seventy-seven (77) perches to a post corner; thence North fifty-five (55) perches to the place of beginning. Believed to contain twenty-four (24) acres, sixty-five and six-tenths (65 6/10) perches. Improved with a mobile home attached to a foundation, pole building and garage.

BEING the same premises conveyed to Robert J. Fischl and Jane E. Fischl, husband and wife, by deed dated October 17, 1986, recorded in Clearfield County Deed Book Volume 1197, Page 328.

ALSO being identified by Clearfield County Tax Map No. 111-Q05-74.

AND

*B: Commercial property consisting of a lot and building identified by Clearfield County Tax Map No. 114-O6-642-00009, 3 lots (Lot 30, 31 and 32) identified by Clearfield County Tax Map No. 114-O6-643-00007 and a lot (Lot 57) identified by Clearfield County Tax Map No. 114-O6-642-00010. These properties are located in Girard Township and known as 9426 Gillingham Road and are more particularly described as follows:*

ALL those four (4) certain tracts or parcels of land situate in the Township of Girard, County of Clearfield and Commonwealth of Pennsylvania:

THE FIRST THEREOF:

BEGINNING at a post corner on Township Road leading from Clearfield to Karthaus; thence along side of public road, South eighty-three (83) degrees, West ninety-nine (99) feet to post corner on land now or formerly of E.D. Billotte; thence South eighty-five (85) degrees East along said E.D. Billotte lands fifty-one and one-tenth (51.1) feet to post corner of Lot No. 39; thence South seven (7) degrees East eighty-eight and seven-tenths (88.7) feet along Lot No. 39 to post corner and the place of beginning.

THE SECOND THEREOF:

BEING Lot No. 30, 31 and 32 in the draft of land in Girard Township, Clearfield County, Pennsylvania as surveyed and plotted by Peter Beauseigneur by H. A. Reese, Surveyor, said plot being recorded in the Office of the Recorder of Deeds of Clearfield County, having been bounded and described as follows: excepting as to Lot No. 30 in said plot of H.A. Reese and having been conveyed a strip from the eastern part of this lot to a width of three and one half ( $3 \frac{1}{2}$ ) feet, the said width of this lot as herein conveyed is forty-six and one half ( $46 \frac{1}{2}$ ) feet; beginning at a point in the township road leading through LeContes Mills to Frenchville and corner of property herein conveyed on this deed to John Bell, being the northeastern corner of this lot herein conveyed; thence in a southerly direction along line of plot conveyed to John Bell, a distance of approximately one hundred fifty (150) feet to a road or alley, as shown on plot surveyed by the said H.A. Reese and of record; thence in a westerly direction along said street or alley as plotted by the said H.A. Reese a distance of one hundred thirty-six and one half ( $136 \frac{1}{2}$ ) feet to corner of Lot No. 33, being the southwestern corner of plot herein conveyed; thence in a northerly direction a distance of one hundred fifty (150) to the public road leading through LeContes Mills to Frenchville; thence in a easterly direction a distance of one hundred fifty (150) feet along the said public road to the place of beginning. Being Lot Nos. 30, 31 and 32 with the exception set forth above as in present surveyed to H. A. Reese and of record.

EXCEPTING AND RESEVING from the second parcel herein all the coal, clay, gas, oil and mineral unto Pal M. Howe, et ux by deed of Francis L. Rolley, et ux dated March 1, 1951 and recorded in Deed Book 411, Page 514.

THE THIRD THEREOF:

BEGINNING at the northeastern corner of lot now or formerly of Anna Bumbarger; thence North seven (7) degrees East thirty-three (33) to a stake; thence South eighty-three (83) degrees East to corner of John Bell; thence South seven (7) degrees West thirty-three (33) feet to the line now or formerly of Beauseigneur; thence North eighty-three (83) degrees West to a post and place of beginning. Containing approximately six hundred fifty (1,650) square feet, more or less, also the western half of land now or formerly of Leon Hugney, joining the property in the northeast corner and containing one half (1/2) acre, more or less.

THE FOURTH THEREOF:

BEGINNING at a post on public road leading from Clearfield to Karthaus; thence North seven (7) degrees West one hundred twenty (120) feet to post, corner of land now or formerly of Aaron Murray; thence South eighty-five (85) degrees East along said Murray land one hundred two and two tenths (102.2) feet to post, corner of Lot No. 38 (now or formerly of McGovern); thence South seven (7) degrees East along Lot No. 38 ninety-nine (99) feet to a post on public road; thence along said public road one hundred (100) feet to the place of beginning. Being known as Lot No. 57 in the General Plan of Plots surveyed by Peter Beauseigneur by H.A. Reese, the County Surveyor, which said plot is recorded in the Recorder of Deeds Office of Clearfield County, Pennsylvania.

BEING the same premises to which Robert J. Fischl and Jane E. Fischl, husband and wife by deed dated April 9, 2001, recorded at Clearfield County Instrument No. 200105019.

5. The Defendants secured this debt of \$179,174.37 to CNB by granting it a mortgage dated June 10, 2005 against their residence and 24 acres described above at Clearfield County Instrument No. 200509032 and separate mortgage against their commercial real estate at Clearfield County Instrument No. 200509038. True and correct copies of said mortgages are attached hereto and incorporated herein by reference as Exhibit A & B.

6. Defendants executed a Promissory Note dated June 10, 2005 in favor of CNB Bank together with the foregoing mortgage evidencing their personal obligation to pay the \$179,174.37 borrowed from Plaintiff, together

with interest and other charges as specified therein. A true and correct copy of said note is attached hereto and incorporated herein by reference as Exhibit C.

7. Defendants also executed Commercial Loan and Security Agreement dated June 10, 2005 in favor of CNB Bank together with the foregoing mortgage evidencing their personal obligation to pay the \$179,174.37 borrowed from Plaintiff, together with interest and other charges as specified therein. A true and correct copy of said note is attached hereto and incorporated herein by reference as Exhibit D.

8. Plaintiff has not assigned this mortgage or note.

9. No judgment has been entered in any jurisdiction upon this mortgage or underlying obligation to pay the note.

10. Defendant is entitled to no credits or set-offs.

11. On or about May, 2007, the Defendants have failed to make the full monthly payment of \$1,540.28, and at no time since then have all monthly payments been made which constitutes a default.

12. After crediting all amounts paid by the Defendants to Plaintiff in reduction of this mortgage, there is a total past due of \$4,851.87 as of August 8, 2007.

13. Written and oral demand has been made upon the Defendants to make said payments to Plaintiff and correct his default, but he has failed to do so.

14. The Mortgage and Note entitle CNB Bank to collect its attorney fees and court costs as part of its damages.

15. The exact amounts due under said mortgage and because of Defendants' default, after acceleration of the balance due pursuant to its terms as of August 8, 2007, are as follows:

a)	Balance	\$171,715.45
b)	Late Charge	\$ 231.03
c)	Interest Due to 08/08/007	\$ 4,732.01
d)	Interest accruing after 08/08/07 at \$39.3514573 per day (to be added)	\$ _____
e)	Costs of suit (to be added)	\$ _____
f)	Attorney's fees	\$ _____
g)	Satisfaction Fee	\$ 61.00

PRELIMINARY TOTAL \$176,739.49

FINAL TOTAL \$ \_\_\_\_\_

16. In compliance with Act No. 6 of 1974, 41 Pa.C.S.A. Sections 101 et seq. Homeowner's Emergency Mortgage Assistance Act, 1959, Dec. 3, P.L. 1688, No. 621, art. IV-C, Section 402-C, added 1983, Dec. 23, P.L. 385, No. 91, Section 2, 35 P.S. Section 1680.401c et seq., Plaintiff sent a letter to the Defendants by Certified Mail and by U.S. First Class Mail Postage Prepaid on July 6, 2007, at their last known address advising them of their default and their rights under this Act. A true and correct copy of said letter is attached hereto and incorporated herein by reference as Exhibit E.

17. A copy of the certified mail receipts postmarked by the U.S. Postal Service are attached hereto and incorporated herein by reference as Exhibit F.

16. 18. More than thirty (30) days have elapsed since the mailing of said notice. Neither Plaintiff nor Plaintiff's counsel have received notice that the Defendants have asserted their rights under said notices.

WHEREFORE, Plaintiff demands judgment in its favor as specified in Paragraph 15 above, authority to foreclose its mortgage against the real estate, and such other relief as the court deems just.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark A. Falvo", written over a horizontal line.

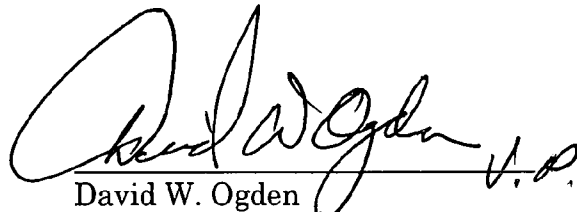
Mark A. Falvo, Esquire  
Attorney for Plaintiff

Dated:

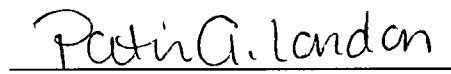
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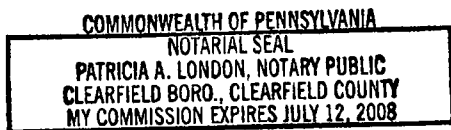
STATE OF PENNSYLVANIA :  
 : SS  
COUNTY OF CLEARFIELD :

DAVID W. OGDEN, being duly sworn according to law, deposes and says that he is the Vice President for CNB BANK, and, as such, is duly authorized to make this Affidavit, and further, that the facts set forth in the foregoing Complaint are true and correct to the best of his knowledge, information and belief.

  
David W. Ogden  
Vice President

SWORN TO AND SUBSCRIBED  
before me this 10<sup>th</sup> day of  
September, 2007.

  
Notary Public



# CLEARFIELD COUNTY RECORDER OF DEEDS

**Karen L. Starck, Recorder**  
**Maurene Inlow - Chief Deputy**  
P.O. Box 361  
1 North Second Street, Suite 103  
Clearfield, Pennsylvania 16830

**\*RETURN DOCUMENT TO:**  
COUNTY NATIONAL BANK

Instrument Number - 200509038  
Recorded On 6/17/2005 At 11:33:39 AM  
\* Instrument Type - MORTGAGE  
\* Total Pages - 12  
Invoice Number - 131141  
\* Mortgagor - FISCHL, ROBERT J  
\* Mortgagee - COUNTY NATIONAL BANK  
\* Customer - COUNTY NATIONAL BANK

**\* FEES**  
STATE WRIT TAX \$0.50  
JCS/ACCESS TO JUSTICE \$10.00  
RECORDING FEES - \$27.00  
RECORDER  
RECORDER IMPROVEMENT \$3.00  
FUND  
COUNTY IMPROVEMENT FUND \$2.00  
TOTAL \$42.50

I hereby CERTIFY that this document  
is recorded in the Recorder's Office of  
Clearfield County, Pennsylvania.



*Karen L. Starck*  
Karen L. Starck  
Recorder of Deeds

THIS IS A CERTIFICATION PAGE

## Do Not Detach

THIS PAGE IS NOW PART OF THIS LEGAL DOCUMENT

\* - Information denoted by an asterisk may change during the verification process and may not be reflected on this page.

Prepared By Lori Trumbull, County National  
Bank, Commercial Loan Department, 1  
South Second St, PO Box 42, Clearfield,  
Pennsylvania 16830

Return To Lori Trumbull, County National  
Bank, Commercial Loan Department, 1  
South Second St, PO Box 42, Clearfield,  
Pennsylvania 16830

Parcel Number

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Space Above This Line For Recording Data

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## **MORTGAGE**

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**DATE AND PARTIES.** The date of this Mortgage (Security Instrument) is June 10, 2005. The parties and their addresses are:

**MORTGAGOR:**

**ROBERT J FISCHL**  
355 Rees Lane  
Frenchville, Pennsylvania 16836

**JANE E FISCHL**  
355 Rees Lane  
Frenchville, Pennsylvania 16836

**LENDER:**

**COUNTY NATIONAL BANK**  
Organized and existing under the laws of the United States of America  
1 South Second St  
PO Box 42  
Clearfield, Pennsylvania 16830  
TIN: 25-0422340

**1. CONVEYANCE.** For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debts and Mortgagor's performance under this Security Instrument, Mortgagor grants, bargains, conveys and mortgages to Lender, the following described property:

Girard Township Map #114-006-642-0009; #114006-643-00007; #114-006-642-00010  
Instrument #200105019

LEGAL DESCRIPTION is more fully described in the attached EXHIBIT "A"

The property is located in Clearfield County at 33 Main Street, LeContes Mills, Pennsylvania 16850.

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, crops, timber, all diversion payments or third party payments made to crop producers and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate

described (all referred to as Property). This Security Instrument will remain in effect until the Secured Debts and all underlying agreements have been terminated in writing by Lender.

**2. MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time will not exceed \$179,174.37. This limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument.

**3. SECURED DEBTS.** This Security Instrument will secure the following Secured Debts:

**A. Specific Debts.** The following debts and all extensions, renewals, refinancings, modifications and replacements. A promissory note or other agreement, No. 450585-5, dated June 10, 2005, from Mortgagor to Lender, with a loan amount of \$179,174.37, with an initial variable interest rate of 8.25 percent per year until June 10, 2010, after which time it may change as the promissory note prescribes.

**B. All Debts.** All present and future debts from Mortgagor to Lender, even if this Security Instrument is not specifically referenced, or if the future debt is unrelated to or of a different type than this debt. If more than one person signs this Security Instrument, each agrees that it will secure debts incurred either individually or with others who may not sign this Security Instrument. Nothing in this Security Instrument constitutes a commitment to make additional or future loans or advances. Any such commitment must be in writing. In the event that Lender fails to provide any required notice of the right of rescission, Lender waives any subsequent security interest in the Mortgagor's principal dwelling that is created by this Security Instrument. This Security Instrument will not secure any debt for which a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined by federal law governing unfair and deceptive credit practices. This Security Instrument will not secure any debt for which a security interest is created in "margin stock" and Lender does not obtain a "statement of purpose," as defined and required by federal law governing securities.

**C. Sums Advanced.** All sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

**4. PAYMENTS.** Mortgagor agrees that all payments under the Secured Debts will be paid when due and in accordance with the terms of the Secured Debts and this Security Instrument.

**5. WARRANTY OF TITLE.** Mortgagor warrants that Mortgagor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to grant, bargain, convey, sell and mortgage the Property. Mortgagor also warrants that the Property is unencumbered, except for encumbrances of record.

**6. PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees:

**A.** To make all payments when due and to perform or comply with all covenants.

**B.** To promptly deliver to Lender any notices that Mortgagor receives from the holder.

**C.** Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.

**7. CLAIMS AGAINST TITLE.** Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to

the Property when due. Lender may require Mortgagor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.

**8. DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of all or any part of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable.

**9. WARRANTIES AND REPRESENTATIONS.** Mortgagor has the right and authority to enter into this Security Instrument. The execution and delivery of this Security Instrument will not violate any agreement governing Mortgagor or to which Mortgagor is a party.

**10. PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor will not commit or allow any waste, impairment, or deterioration of the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Mortgagor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims, and actions against Mortgagor, and of any loss or damage to the Property.

No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent except that Mortgagor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Security Instrument. Mortgagor will not partition or subdivide the Property without Lender's prior written consent.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender will give Mortgagor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property will be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.

**11. AUTHORITY TO PERFORM.** If Mortgagor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Mortgagor appoints Lender as attorney in fact to sign Mortgagor's name or pay any amount necessary for performance. Lender's right to perform for Mortgagor will not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.

**12. ASSIGNMENT OF LEASES AND RENTS.** Mortgagor assigns, grants, bargains, conveys and mortgages to Lender as additional security all the right, title and interest in the following (Property).

A. Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of the Property, including but not limited to any extensions, renewals, modifications or replacements (Leases).

**B. Rents, issues and profits, including but not limited to security deposits, minimum rents, percentage rents, additional rents, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Mortgagor may have that in any way pertain to or are on account of the use or occupancy of the whole or any part of the Property (Rents).**

In the event any item listed as Leases or Rents is determined to be personal property, this Assignment will also be regarded as a security agreement. Mortgagor will promptly provide Lender with copies of the Leases and will certify these Leases are true and correct copies. The existing Leases will be provided on execution of the Assignment, and all future Leases and any other information with respect to these Leases will be provided immediately after they are executed. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default. Mortgagor will not collect in advance any Rents due in future lease periods, unless Mortgagor first obtains Lender's written consent. Upon default, Mortgagor will receive any Rents in trust for Lender and Mortgagor will not commingle the Rents with any other funds. When Lender so directs, Mortgagor will endorse and deliver any payments of Rents from the Property to Lender. Amounts collected will be applied at Lender's discretion to the Secured Debts, the costs of managing, protecting and preserving the Property, and other necessary expenses. Mortgagor agrees that this Security Instrument is immediately effective between Mortgagor and Lender and effective as to third parties on the recording of this Assignment. As long as this Assignment is in effect, Mortgagor warrants and represents that no default exists under the Leases, and the parties subject to the Leases have not violated any applicable law on leases, licenses and landlords and tenants. Mortgagor, at its sole cost and expense, will keep, observe and perform, and require all other parties to the Leases to comply with the Leases and any applicable law. If Mortgagor or any party to the Lease defaults or fails to observe any applicable law, Mortgagor will promptly notify Lender. If Mortgagor neglects or refuses to enforce compliance with the terms of the Leases, then Lender may, at Lender's option, enforce compliance. Mortgagor will not sublet, modify, extend, cancel, or otherwise alter the Leases, or accept the surrender of the Property covered by the Leases (unless the Leases so require) without Lender's consent. Mortgagor will not assign, compromise, subordinate or encumber the Leases and Rents without Lender's prior written consent. Lender does not assume or become liable for the Property's maintenance, depreciation, or other losses or damages when Lender acts to manage, protect or preserve the Property, except for losses and damages due to Lender's gross negligence or intentional torts. Otherwise, Mortgagor will indemnify Lender and hold Lender harmless for all liability, loss or damage that Lender may incur when Lender opts to exercise any of its remedies against any party obligated under the Leases.

**13. DEFAULT.** Mortgagor will be in default if any of the following occur:

**A. Payments.** Mortgagor fails to make a payment in full when due.

**B. Insolvency or Bankruptcy.** The death, dissolution or insolvency of, appointment of a receiver by or on behalf of, application of any debtor relief law, the assignment for the benefit of creditors by or on behalf of, the voluntary or involuntary termination of existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy, reorganization, composition or debtor relief law by or against Mortgagor, Borrower, or any co-signer, endorser, surety or guarantor of this Security Instrument or any other obligations Borrower has with Lender.

**C. Death or Incompetency.** Mortgagor dies or is declared legally incompetent.

**D. Failure to Perform.** Mortgagor fails to perform any condition or to keep any promise or covenant of this Security Instrument.

**E. Other Documents.** A default occurs under the terms of any other document relating to the Secured Debts.

**F. Other Agreements.** Mortgagor is in default on any other debt or agreement Mortgagor has with Lender.

**G. Misrepresentation.** Mortgagor makes any verbal or written statement or provides any financial information that is untrue, inaccurate, or conceals a material fact at the time it is made or provided.

**H. Judgment.** Mortgagor fails to satisfy or appeal any judgment against Mortgagor.

**I. Forfeiture.** The Property is used in a manner or for a purpose that threatens confiscation by a legal authority.

**J. Name Change.** Mortgagor changes Mortgagor's name or assumes an additional name without notifying Lender before making such a change.

**K. Property Transfer.** Mortgagor transfers all or a substantial part of Mortgagor's money or property. This condition of default, as it relates to the transfer of the Property, is subject to the restrictions contained in the DUE ON SALE section.

**L. Property Value.** The value of the Property declines or is impaired.

**M. Insecurity.** Lender reasonably believes that Lender is insecure.

**14. REMEDIES.** On or after default, Lender may use any and all remedies Lender has under state or federal law or in any document relating to the Secured Debts. Any amounts advanced on Mortgagor's behalf will be immediately due and may be added to the balance owing under the Secured Debts. Lender may make a claim for any and all insurance benefits or refunds that may be available on Mortgagor's default.

Subject to any right to cure, required time schedules or any other notice rights Mortgagor may have under federal and state law, Lender may make all or any part of the amount owing by the terms of the Secured Debts immediately due and foreclose this Security Instrument in a manner provided by law upon the occurrence of a default or anytime thereafter.

All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debts after the balance is due or is accelerated or after foreclosure proceedings are filed will not constitute a waiver of Lender's right to require full and complete cure of any existing default. By not exercising any remedy, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

**15. COLLECTION EXPENSES AND ATTORNEYS' FEES.** On or after Default, to the extent permitted by law, Mortgagor agrees to pay all expenses of collection, enforcement or protection of Lender's rights and remedies under this Security Instrument or any other document relating to the Secured Debts. Mortgagor agrees to pay expenses for Lender to inspect and preserve the Property and for any recordation costs of releasing the Property from this Security Instrument. Expenses include, but are not limited to, attorneys' fees, court costs and other legal expenses. These expenses are due and payable immediately. If not paid immediately, these expenses will bear interest from the date of payment until paid in full at the highest interest rate in effect as provided for in the terms of the Secured Debts. In addition, to the extent permitted by the United States Bankruptcy Code, Mortgagor agrees to pay the reasonable attorneys' fees incurred by Lender to protect Lender's rights and interests in connection with any bankruptcy proceedings initiated by or against Mortgagor.

**16. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety,

welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substance," "hazardous waste," "hazardous substance," or "regulated substance" under any Environmental Law.

Mortgagor represents, warrants and agrees that:

A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.

B. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.

C. Mortgagor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor will take all necessary remedial action in accordance with Environmental Law.

D. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Mortgagor or any tenant of any Environmental Law. Mortgagor will immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.

E. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are and will remain in full compliance with any applicable Environmental Law.

F. Except as previously disclosed and acknowledged in writing to Lender, there are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.

G. Mortgagor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.

H. Mortgagor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Mortgagor and any tenant are in compliance with applicable Environmental Law.

I. Upon Lender's request and at any time, Mortgagor agrees, at Mortgagor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.

J. Lender has the right, but not the obligation, to perform any of Mortgagor's obligations under this section at Mortgagor's expense.

K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Mortgagor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Security Instrument and in return Mortgagor will provide Lender with collateral of at least equal value to the Property secured by this Security Instrument without prejudice to any of Lender's rights under this Security Instrument.

L. Notwithstanding any of the language contained in this Security Instrument to the contrary, the terms of this section will survive any foreclosure or satisfaction of this Security Instrument regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

**17. CONDEMNATION.** Mortgagor will give Lender prompt notice of any pending or threatened action by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds will be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

**18. INSURANCE.** Mortgagor agrees to keep the Property insured against the risks reasonably associated with the Property. Mortgagor will maintain this insurance in the amounts Lender requires. This insurance will last until the Property is released from this Security Instrument. What Lender requires pursuant to the preceding two sentences can change during the term of the Secured Debts. Mortgagor may choose the insurance company, subject to Lender's approval, which will not be unreasonably withheld.

All insurance policies and renewals will include a standard "mortgage clause" and, where applicable, "loss payee clause." If required by Lender, Mortgagor agrees to maintain comprehensive general liability insurance and rental loss or business interruption insurance in amounts and under policies acceptable to Lender. The comprehensive general liability insurance must name Lender as an additional insured. The rental loss or business interruption insurance must be in an amount equal to at least coverage of one year's debt service, and required escrow account deposits (if agreed to separately in writing.)

Mortgagor will give Lender and the insurance company immediate notice of any loss. All insurance proceeds will be applied to restoration or repair of the Property or to the Secured Debts, at Lender's option. If Lender acquires the Property in damaged condition, Mortgagor's rights to any insurance policies and proceeds will pass to Lender to the extent of the Secured Debts.

Mortgagor will immediately notify Lender of cancellation or termination of insurance. If Mortgagor fails to keep the Property insured Lender may obtain insurance to protect Lender's interest in the Property. This insurance may include coverages not originally required of Mortgagor, may be written by a company other than one Mortgagor would choose, and may be written at a higher rate than Mortgagor could obtain if Mortgagor purchased the insurance.

**19. ESCROW FOR TAXES AND INSURANCE.** Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.

**20. CO-SIGNERS.** If Mortgagor signs this Security Instrument but does not sign the Secured Debts, Mortgagor does so only to mortgage Mortgagor's interest in the Property to secure payment of the Secured Debts and Mortgagor does not agree to be personally liable on the Secured Debts. If this Security Instrument secures a guaranty between Lender and Mortgagor, Mortgagor agrees to waive any rights that may prevent Lender from bringing any action or claim against Mortgagor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws.

**21. WAIVERS.** Except to the extent prohibited by law, Mortgagor waives all appraisal rights relating to the Property.

**22. FIXTURE FILING.** Mortgagor gives to Lender a security interest in all goods that Mortgagor owns now or in the future and that are or will become fixtures related to the Property.

**23. APPLICABLE LAW.** This Security Instrument is governed by the laws of Pennsylvania, except to the extent otherwise required by the laws of the jurisdiction where the Property is located, and the United States of America.

**24. JOINT AND INDIVIDUAL LIABILITY AND SUCCESSORS.** Each Mortgagor's obligations under this Security Instrument are independent of the obligations of any other Mortgagor. Lender may sue each Mortgagor individually or together with any other Mortgagor. Lender may release any part of the Property and Mortgagor will still be obligated under this Security Instrument for the remaining Property. The duties and benefits of this Security Instrument will bind and benefit the successors and assigns of Lender and Mortgagor.

**25. AMENDMENT, INTEGRATION AND SEVERABILITY.** This Security Instrument may not be amended or modified by oral agreement. No amendment or modification of this Security Instrument is effective unless made in writing and executed by Mortgagor and Lender. This Security Instrument and any other documents relating to the Secured Debts are the complete and final expression of the agreement. If any provision of this Security Instrument is unenforceable, then the unenforceable provision will be severed and the remaining provisions will still be enforceable.

**26. INTERPRETATION.** Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Security Instrument.

**27. NOTICE, FINANCIAL REPORTS, ADDITIONAL DOCUMENTS AND RECORDING TAXES.** Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to the appropriate party's address listed in the DATE AND PARTIES section, or to any other address designated in writing. Notice to one Mortgagor will be deemed to be notice to all Mortgagors. Mortgagor will inform Lender in writing of any change in Mortgagor's name, address or other application information. Mortgagor will provide Lender any financial statements or information Lender requests. All financial statements and information Mortgagor gives Lender will be correct and complete. Mortgagor agrees to pay all expenses, charges and taxes in connection with the preparation and recording of this Security Instrument. Mortgagor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Security Instrument and to confirm Lender's lien status on any Property, and Mortgagor agrees to pay all expenses, charges and taxes in connection with the preparation and recording thereof. Time is of the essence.

**28. WAIVER OF JURY TRIAL.** All of the parties to this Security Instrument knowingly and intentionally, irrevocably and unconditionally, waive any and all right to a trial by jury in any litigation arising out of or concerning this Security Instrument or any other documents relating to the Secured Debts or related obligation. All of these parties

acknowledge that this section has either been brought to the attention of each party's legal counsel or that each party had the opportunity to do so.

**SIGNATURES.** By signing under seal, Mortgagor agrees to the terms and covenants contained in this Security Instrument. Mortgagor also acknowledges receipt of a copy of this Security Instrument.

**MORTGAGOR:**

x *Robert J. Fischl* (Seal)  
Robert J. Fischl  
Individually

*Gregory R. Williams*  
(Witness)  
x *Jane E. Fischl* (Seal)  
Jane E. Fischl  
Individually

*Gregory R. Williams*  
(Witness)

**LENDER:**

County National Bank  
By *Larry A. Futt* (Seal)  
Larry A. Futt, Community Office Manager

\_\_\_\_\_  
(Witness)

**ACKNOWLEDGMENT.**

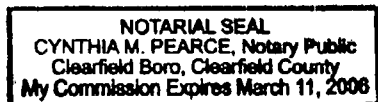
(Individual)

\_\_\_\_ State \_\_\_\_ OF \_\_\_\_ Pennsylvania, \_\_\_\_ County \_\_\_\_ OF \_\_\_\_ Clearfield \_\_\_\_ ss.

On this the 10th day of June, 2005, before me,  
Cynthia M. Pearce, the undersigned officer, personally  
appeared Robert J. Fischl, and Jane E. Fischl, known to me (or satisfactorily proven) to  
be the person(s) whose name(s) is/are subscribed to the within instrument and  
acknowledged that he/she/they executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

My commission expires:



*Cynthia M. Pearce*  
(Notary Public)



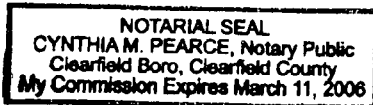
(Lender Acknowledgment)

State OF Pennsylvania, County OF Clearfield ss.

On this the 10th day of June, 2005, before me, Cynthia M Pearce, the undersigned personally appeared Larry A Putt, who acknowledged himself/herself/themselves to be the Community Office Manager of County National Bank, a corporation, and that he/she/they, as such Community Office Manager, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation, by himself/herself/themselves as Community Office Manager.

In witness whereof, I hereunto set my hand and official seal.

My commission expires:



Cynthia M Pearce  
(Notary Public)

It is hereby certified that the address of the Lender within named is: 1 South Second St PO Box 42, Clearfield, Pennsylvania 16830.

County National Bank

By: Larry A Putt  
Larry A Putt, Community Office Manager

**EXHIBIT TO ROBERT J. FISCHL AND JANE E. FISCHL MORTGAGE**

**PARCEL 1: 355 Rees Lane, Frenchville, PA 16836**

ALL that certain tract or parcel of land situate in Covington Township, Clearfield County, Pennsylvania, being bounded and described as follows:

**BEGINNING** at a post on the southwest corner of the land of Francis Lamont, now Henry Billotte; thence East seventy-seven (77) perches to a white oak; thence south fifty-five (55) perches to a maple corner; thence West seventy-seven (77) perches to a post corner; thence North fifty-five (55) perches to the place of beginning. Believed to contain twenty-four (24) acres, sixty-five and six-tenths (65 6/10) perches. Improved with a mobile home attached to foundation, pole building and garage.

**BEING** the same premises conveyed unto Robert J. Fischl and Jane E. Fischl, husband and wife, by deed dated October 17, 1986, recorded in Clearfield County Deed Book Volume 1197, Page 328.

**ALSO BEING** known as Clearfield County Tax Map Number 111-Q5-74.

**PARCEL 2: 33 Main Street, LeContes Mills, PA 16850**

ALL those four (4) certain tracts or parcels of land situate in the Township of Girard, County of Clearfield and Commonwealth of Pennsylvania, bounded and described as follows:

**THE FIRST THEREOF:**

**BEGINNING** at a post corner on township road leading from Clearfield to Karthaus; thence along side of public road, South eighty-three (83) degrees West ninety-nine (99) feet to post corner on land now or formerly of E.D. Billotte; thence South eighty-five (85) degrees East along said E.D. Billotte lands fifty-one and one-tenth (51.1) feet to post corner of Lot No. 39; thence South seven (7) degrees East eighty-eight and seven-tenths (88.7) feet along Lot No. 39 to post corner and the place of beginning.

**THE SECOND THEREOF:**

**BEING** Lot Nos. 30, 31 and 32 in the draft of land in Girard Township, Clearfield County, Pennsylvania as surveyed and plotted by Peter Beauseigneur by H.A. Reese, Surveyor, said plot being recorded in the Office of the Recorder of Deeds of Clearfield County, having been bounded and described as follows: excepting as to Lot No. 30 in said plot of H.A. Reese and having been conveyed a strip from the eastern part of this lot to a width of three and one-half (3 1/2) feet, the said width of this lot as herein conveyed is forty-six and one-half (46 1/2) feet; beginning at a point in the township road leading through LeContes Mills to Frenchville and corner of property herein conveyed on this deed to John Bell, being the northeastern corner of this lot herein conveyed; thence in a southerly direction along line of plot conveyed to John Bell, a distance of approximately one hundred fifty (150) feet to a road or alley, as shown on plot surveyed by the said H.A. Reese and of record; thence in a westerly direction along said street or alley as plotted by the said H.A. Reese a distance of one hundred thirty-six and one-half (136 1/2) feet to corner of Lot No. 33, being the southwestern corner of plot herein conveyed; thence in a northerly direction a distance of one hundred fifty (150) feet to the public road leading through LeContes Mills to Frenchville; thence in an easterly direction a distance of one hundred fifty (150) feet along the said public road to the place of beginning. Being Lot Nos. 30, 31 and 32 with the exception set forth above as in present surveyed to H.A. Reese and of record.

**EXCEPTING and RESERVING** from the second parcel herein all the coal, clay, gas, oil and other mineral unto Paul M. Howe, et ux. by deed of Francis L. Rolley, et ux. dated March 1, 1951 and recorded in Deed Book 411, Page 514.

**THE THIRD THEREOF:**

**BEGINNING** at the northeastern corner of lot now or formerly of Anna Bumharger; thence North seven (7) degrees East thirty-three (33) feet to a stake; thence South eight-three (83) degrees East to corner of John Bell; thence South seven (7) degrees West thirty-three (33) feet to the line now or formerly of Beauseigneur; thence North eighty-three (83) degrees West to a post and place of beginning. Containing approximately one thousand six hundred fifty (1,650) square feet, more or less, also the western half of land now or formerly of Leon Hugney, joining the property on the northeast corner and containing one-half (1/2) acre, more or less.

**THE FOURTH THEREOF:**

**BEGINNING** at a post on public road leading from Clearfield to Karthaus; thence North seven (7) degrees West one hundred twenty (120) feet to post, corner of land now or formerly of Aaron Murray; thence South eighty-five (85) degrees East along said Murray land one hundred two and two-tenths (102.2) feet to post, corner of Lot No. 38 (now or formerly of McGovern); thence South seven (7) degrees East along Lot No. 38 ninety-nine (99) feet to a post on public road; thence along said public road one hundred (100) feet to the place of beginning. Being know as Lot No. 57 in the General Plan of Plots surveyed by Peter Beauseigneur by H.A. Reese, the County Surveyor, which said plot is recorded in the Recorder of Deeds Office of Clearfield County, Pennsylvania.

**BEING** the same premises conveyed unto Robert J. Fischl and Jane E. Fischl, husband and wife, by deed dated <sup>April 9</sup> 2001, recorded at Clearfield County Instrument Number 2001-05019.

# CLEARFIELD COUNTY RECORDER OF DEEDS

Karen L. Starck, Recorder  
Maurene Inlow - Chief Deputy  
P.O. Box 361  
1 North Second Street, Suite 103  
Clearfield, Pennsylvania 16830

**\*RETURN DOCUMENT TO:**  
COUNTY NATIONAL BANK

Instrument Number - 200509032  
Recorded On 6/17/2005 At 11:21:23 AM  
\* Instrument Type - MORTGAGE  
\* Total Pages - 12  
Invoice Number - 131136  
\* Mortgagor - FISCHL, ROBERT J  
\* Mortgagee - COUNTY NATIONAL BANK  
\* Customer - COUNTY NATIONAL BANK

\* FEES  
STATE WRIT TAX \$0.50  
JCS/ACCESS TO JUSTICE \$10.00  
RECORDING FEES - \$27.00  
RECORDER  
RECORDER IMPROVEMENT \$3.00  
FUND  
COUNTY IMPROVEMENT FUND \$2.00  
TOTAL \$42.50

I hereby CERTIFY that this document  
is recorded in the Recorder's Office of  
Clearfield County, Pennsylvania.



*Karen L. Starck*  
Karen L. Starck  
Recorder of Deeds

THIS IS A CERTIFICATION PAGE

## Do Not Detach

THIS PAGE IS NOW PART OF THIS LEGAL DOCUMENT

\* - Information denoted by an asterisk may change during the verification process and may not be reflected on this page.

Prepared By Lori Trumbull, County National  
Bank, Commercial Loan Department, 1  
South Second St, PO Box 42, Clearfield,  
Pennsylvania 16830

Return To Lori Trumbull, County National  
Bank, Commercial Loan Department, 1  
South Second St, PO Box 42, Clearfield,  
Pennsylvania 16830

Parcel Number

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Space Above This Line For Recording Data

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## **MORTGAGE**

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**DATE AND PARTIES.** The date of this Mortgage (Security Instrument) is June 10, 2005. The parties and their addresses are:

**MORTGAGOR:**

**ROBERT J FISCHL**  
355 Rees Lane  
Frenchville, Pennsylvania 16836

**JANE E FISCHL**  
355 Rees Lane  
Frenchville, Pennsylvania 16836

**LENDER:**

**COUNTY NATIONAL BANK**  
Organized and existing under the laws of the United States of America  
1 South Second St  
PO Box 42  
Clearfield, Pennsylvania 16830  
TIN: 25-0422340

**1. CONVEYANCE.** For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debts and Mortgagor's performance under this Security Instrument, Mortgagor grants, bargains, conveys and mortgages to Lender, the following described property:

Covington Township Map # 111-Q05-000-00074  
Deed Book 1197, Page 328

LEGAL DESCRIPTION is more fully described in the attached EXHIBIT "A"

The property is located in Clearfield County at 355 Rees Lane, Frenchville, Pennsylvania 16836.

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, crops, timber, all diversion payments or third party payments made to crop producers and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described (all referred to as Property). This Security Instrument will remain in effect

until the Secured Debts and all underlying agreements have been terminated in writing by Lender.

**2. MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time will not exceed \$179,174.37. This limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument.

**3. SECURED DEBTS.** This Security Instrument will secure the following Secured Debts:

**A. Specific Debts.** The following debts and all extensions, renewals, refinancings, modifications and replacements. A promissory note or other agreement, No. 450585-5, dated June 10, 2005, from Mortgagor to Lender, with a loan amount of \$179,174.37, with an initial variable interest rate of 8.25 percent per year until June 10, 2010, after which time it may change as the promissory note prescribes.

**B. All Debts.** All present and future debts from Mortgagor to Lender, even if this Security Instrument is not specifically referenced, or if the future debt is unrelated to or of a different type than this debt. If more than one person signs this Security Instrument, each agrees that it will secure debts incurred either individually or with others who may not sign this Security Instrument. Nothing in this Security Instrument constitutes a commitment to make additional or future loans or advances. Any such commitment must be in writing. In the event that Lender fails to provide any required notice of the right of rescission, Lender waives any subsequent security interest in the Mortgagor's principal dwelling that is created by this Security Instrument. This Security Instrument will not secure any debt for which a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined by federal law governing unfair and deceptive credit practices. This Security Instrument will not secure any debt for which a security interest is created in "margin stock" and Lender does not obtain a "statement of purpose," as defined and required by federal law governing securities.

**C. Sums Advanced.** All sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

**4. PAYMENTS.** Mortgagor agrees that all payments under the Secured Debts will be paid when due and in accordance with the terms of the Secured Debts and this Security Instrument.

**5. WARRANTY OF TITLE.** Mortgagor warrants that Mortgagor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to grant, bargain, convey, sell and mortgage the Property. Mortgagor also warrants that the Property is unencumbered, except for encumbrances of record.

**6. PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees:

**A.** To make all payments when due and to perform or comply with all covenants.

**B.** To promptly deliver to Lender any notices that Mortgagor receives from the holder.

**C.** Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.

**7. CLAIMS AGAINST TITLE.** Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Mortgagor to provide to Lender copies of

all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.

**8. DUE ON SALE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any transfer or sale of all or any part of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable.

**9. WARRANTIES AND REPRESENTATIONS.** Mortgagor has the right and authority to enter into this Security Instrument. The execution and delivery of this Security Instrument will not violate any agreement governing Mortgagor or to which Mortgagor is a party.

**10. PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor will not commit or allow any waste, impairment, or deterioration of the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Mortgagor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims, and actions against Mortgagor, and of any loss or damage to the Property.

No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent except that Mortgagor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Security Instrument. Mortgagor will not partition or subdivide the Property without Lender's prior written consent.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender will give Mortgagor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property will be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.

**11. AUTHORITY TO PERFORM.** If Mortgagor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Mortgagor appoints Lender as attorney in fact to sign Mortgagor's name or pay any amount necessary for performance. Lender's right to perform for Mortgagor will not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.

**12. ASSIGNMENT OF LEASES AND RENTS.** Mortgagor assigns, grants, bargains, conveys and mortgages to Lender as additional security all the right, title and interest in the following (Property).

**A.** Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of the Property, including but not limited to any extensions, renewals, modifications or replacements (Leases).

**B.** Rents, issues and profits, including but not limited to security deposits, minimum rents, percentage rents, additional rents, common area maintenance charges,

parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Mortgagor may have that in any way pertain to or are on account of the use or occupancy of the whole or any part of the Property (Rents).

In the event any item listed as Leases or Rents is determined to be personal property, this Assignment will also be regarded as a security agreement. Mortgagor will promptly provide Lender with copies of the Leases and will certify these Leases are true and correct copies. The existing Leases will be provided on execution of the Assignment, and all future Leases and any other information with respect to these Leases will be provided immediately after they are executed. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default. Mortgagor will not collect in advance any Rents due in future lease periods, unless Mortgagor first obtains Lender's written consent. Upon default, Mortgagor will receive any Rents in trust for Lender and Mortgagor will not commingle the Rents with any other funds. When Lender so directs, Mortgagor will endorse and deliver any payments of Rents from the Property to Lender. Amounts collected will be applied at Lender's discretion to the Secured Debts, the costs of managing, protecting and preserving the Property, and other necessary expenses. Mortgagor agrees that this Security Instrument is immediately effective between Mortgagor and Lender and effective as to third parties on the recording of this Assignment. As long as this Assignment is in effect, Mortgagor warrants and represents that no default exists under the Leases, and the parties subject to the Leases have not violated any applicable law on leases, licenses and landlords and tenants. Mortgagor, at its sole cost and expense, will keep, observe and perform, and require all other parties to the Leases to comply with the Leases and any applicable law. If Mortgagor or any party to the Lease defaults or fails to observe any applicable law, Mortgagor will promptly notify Lender. If Mortgagor neglects or refuses to enforce compliance with the terms of the Leases, then Lender may, at Lender's option, enforce compliance. Mortgagor will not sublet, modify, extend, cancel, or otherwise alter the Leases, or accept the surrender of the Property covered by the Leases (unless the Leases so require) without Lender's consent. Mortgagor will not assign, compromise, subordinate or encumber the Leases and Rents without Lender's prior written consent. Lender does not assume or become liable for the Property's maintenance, depreciation, or other losses or damages when Lender acts to manage, protect or preserve the Property, except for losses and damages due to Lender's gross negligence or intentional torts. Otherwise, Mortgagor will indemnify Lender and hold Lender harmless for all liability, loss or damage that Lender may incur when Lender opts to exercise any of its remedies against any party obligated under the Leases.

**13. DEFAULT.** Mortgagor will be in default if any of the following occur:

**A. Payments.** Mortgagor fails to make a payment in full when due.

**B. Insolvency or Bankruptcy.** The death, dissolution or insolvency of, appointment of a receiver by or on behalf of, application of any debtor relief law, the assignment for the benefit of creditors by or on behalf of, the voluntary or involuntary termination of existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy, reorganization, composition or debtor relief law by or against Mortgagor, Borrower, or any co-signer, endorser, surety or guarantor of this Security Instrument or any other obligations Borrower has with Lender.

**C. Death or Incompetency.** Mortgagor dies or is declared legally incompetent.

**D. Failure to Perform.** Mortgagor fails to perform any condition or to keep any promise or covenant of this Security Instrument.

**E. Other Documents.** A default occurs under the terms of any other document relating to the Secured Debts.

**F. Other Agreements.** Mortgagor is in default on any other debt or agreement Mortgagor has with Lender.

**G. Misrepresentation.** Mortgagor makes any verbal or written statement or provides any financial information that is untrue, inaccurate, or conceals a material fact at the time it is made or provided.

**H. Judgment.** Mortgagor fails to satisfy or appeal any judgment against Mortgagor.

**I. Forfeiture.** The Property is used in a manner or for a purpose that threatens confiscation by a legal authority.

**J. Name Change.** Mortgagor changes Mortgagor's name or assumes an additional name without notifying Lender before making such a change.

**K. Property Transfer.** Mortgagor transfers all or a substantial part of Mortgagor's money or property. This condition of default, as it relates to the transfer of the Property, is subject to the restrictions contained in the DUE ON SALE section.

**L. Property Value.** The value of the Property declines or is impaired.

**M. Insecurity.** Lender reasonably believes that Lender is insecure.

**14. REMEDIES.** On or after default, Lender may use any and all remedies Lender has under state or federal law or in any document relating to the Secured Debts. Any amounts advanced on Mortgagor's behalf will be immediately due and may be added to the balance owing under the Secured Debts. Lender may make a claim for any and all insurance benefits or refunds that may be available on Mortgagor's default.

Subject to any right to cure, required time schedules or any other notice rights Mortgagor may have under federal and state law, Lender may make all or any part of the amount owing by the terms of the Secured Debts immediately due and foreclose this Security Instrument in a manner provided by law upon the occurrence of a default or anytime thereafter.

All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debts after the balance is due or is accelerated or after foreclosure proceedings are filed will not constitute a waiver of Lender's right to require full and complete cure of any existing default. By not exercising any remedy, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

**15. COLLECTION EXPENSES AND ATTORNEYS' FEES.** On or after Default, to the extent permitted by law, Mortgagor agrees to pay all expenses of collection, enforcement or protection of Lender's rights and remedies under this Security Instrument or any other document relating to the Secured Debts. Mortgagor agrees to pay expenses for Lender to inspect and preserve the Property and for any recordation costs of releasing the Property from this Security Instrument. Expenses include, but are not limited to, attorneys' fees, court costs and other legal expenses. These expenses are due and payable immediately. If not paid immediately, these expenses will bear interest from the date of payment until paid in full at the highest interest rate in effect as provided for in the terms of the Secured Debts. In addition, to the extent permitted by the United States Bankruptcy Code, Mortgagor agrees to pay the reasonable attorneys' fees incurred by Lender to protect Lender's rights and interests in connection with any bankruptcy proceedings initiated by or against Mortgagor.

**16. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to

the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substance," "hazardous waste," "hazardous substance," or "regulated substance" under any Environmental Law.

Mortgagor represents, warrants and agrees that:

A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.

B. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.

C. Mortgagor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor will take all necessary remedial action in accordance with Environmental Law.

D. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Mortgagor or any tenant of any Environmental Law. Mortgagor will immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.

E. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are and will remain in full compliance with any applicable Environmental Law.

F. Except as previously disclosed and acknowledged in writing to Lender, there are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.

G. Mortgagor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.

H. Mortgagor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Mortgagor and any tenant are in compliance with applicable Environmental Law.

I. Upon Lender's request and at any time, Mortgagor agrees, at Mortgagor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.

J. Lender has the right, but not the obligation, to perform any of Mortgagor's obligations under this section at Mortgagor's expense.

K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Mortgagor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands,

liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Security Instrument and in return Mortgagor will provide Lender with collateral of at least equal value to the Property secured by this Security Instrument without prejudice to any of Lender's rights under this Security Instrument.

L. Notwithstanding any of the language contained in this Security Instrument to the contrary, the terms of this section will survive any foreclosure or satisfaction of this Security Instrument regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

**17. CONDEMNATION.** Mortgagor will give Lender prompt notice of any pending or threatened action by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds will be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

**18. INSURANCE.** Mortgagor agrees to keep the Property insured against the risks reasonably associated with the Property. Mortgagor will maintain this insurance in the amounts Lender requires. This insurance will last until the Property is released from this Security Instrument. What Lender requires pursuant to the preceding two sentences can change during the term of the Secured Debts. Mortgagor may choose the insurance company, subject to Lender's approval, which will not be unreasonably withheld.

All insurance policies and renewals will include a standard "mortgage clause" and, where applicable, "loss payee clause." If required by Lender, Mortgagor agrees to maintain comprehensive general liability insurance and rental loss or business interruption insurance in amounts and under policies acceptable to Lender. The comprehensive general liability insurance must name Lender as an additional insured. The rental loss or business interruption insurance must be in an amount equal to at least coverage of one year's debt service, and required escrow account deposits (if agreed to separately in writing.)

Mortgagor will give Lender and the insurance company immediate notice of any loss. All insurance proceeds will be applied to restoration or repair of the Property or to the Secured Debts, at Lender's option. If Lender acquires the Property in damaged condition, Mortgagor's rights to any insurance policies and proceeds will pass to Lender to the extent of the Secured Debts.

Mortgagor will immediately notify Lender of cancellation or termination of insurance. If Mortgagor fails to keep the Property insured Lender may obtain insurance to protect Lender's interest in the Property. This insurance may include coverages not originally required of Mortgagor, may be written by a company other than one Mortgagor would choose, and may be written at a higher rate than Mortgagor could obtain if Mortgagor purchased the insurance.

**19. ESCROW FOR TAXES AND INSURANCE.** Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.

**20. CO-SIGNERS.** If Mortgagor signs this Security Instrument but does not sign the Secured Debts, Mortgagor does so only to mortgage Mortgagor's interest in the Property to secure payment of the Secured Debts and Mortgagor does not agree to be personally liable on the Secured Debts. If this Security Instrument secures a guaranty between Lender and Mortgagor, Mortgagor agrees to waive any rights that may

prevent Lender from bringing any action or claim against Mortgagor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws.

**21. WAIVERS.** Except to the extent prohibited by law, Mortgagor waives all appraisal rights relating to the Property.

**22. APPLICABLE LAW.** This Security Instrument is governed by the laws of Pennsylvania, except to the extent otherwise required by the laws of the jurisdiction where the Property is located, and the United States of America.

**23. JOINT AND INDIVIDUAL LIABILITY AND SUCCESSORS.** Each Mortgagor's obligations under this Security Instrument are independent of the obligations of any other Mortgagor. Lender may sue each Mortgagor individually or together with any other Mortgagor. Lender may release any part of the Property and Mortgagor will still be obligated under this Security Instrument for the remaining Property. The duties and benefits of this Security Instrument will bind and benefit the successors and assigns of Lender and Mortgagor.

**24. AMENDMENT, INTEGRATION AND SEVERABILITY.** This Security Instrument may not be amended or modified by oral agreement. No amendment or modification of this Security Instrument is effective unless made in writing and executed by Mortgagor and Lender. This Security Instrument and any other documents relating to the Secured Debts are the complete and final expression of the agreement. If any provision of this Security Instrument is unenforceable, then the unenforceable provision will be severed and the remaining provisions will still be enforceable.

**25. INTERPRETATION.** Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Security Instrument.

**26. NOTICE, FINANCIAL REPORTS, ADDITIONAL DOCUMENTS AND RECORDING TAXES.** Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to the appropriate party's address listed in the DATE AND PARTIES section, or to any other address designated in writing. Notice to one Mortgagor will be deemed to be notice to all Mortgagors. Mortgagor will inform Lender in writing of any change in Mortgagor's name, address or other application information. Mortgagor will provide Lender any financial statements or information Lender requests. All financial statements and information Mortgagor gives Lender will be correct and complete. Mortgagor agrees to pay all expenses, charges and taxes in connection with the preparation and recording of this Security Instrument. Mortgagor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Security Instrument and to confirm Lender's lien status on any Property, and Mortgagor agrees to pay all expenses, charges and taxes in connection with the preparation and recording thereof. Time is of the essence.

**27. WAIVER OF JURY TRIAL.** All of the parties to this Security Instrument knowingly and intentionally, irrevocably and unconditionally, waive any and all right to a trial by jury in any litigation arising out of or concerning this Security Instrument or any other documents relating to the Secured Debts or related obligation. All of these parties acknowledge that this section has either been brought to the attention of each party's legal counsel or that each party had the opportunity to do so.

**SIGNATURES.** By signing under seal, Mortgagor agrees to the terms and covenants contained in this Security Instrument. Mortgagor also acknowledges receipt of a copy of this Security Instrument.

**MORTGAGOR:**

x Robert J Fischl (Seal)  
Robert J Fischl

Individually

Gregory R. Williams  
(Witness)

x Jane E Fischl (Seal)  
Jane E Fischl

Individually

Gregory R. Williams  
(Witness)

**LENDER:**

County National Bank

By Larry A. Putt (Seal)  
Larry A Putt, Community Office Manager

\_\_\_\_\_  
(Witness)

**ACKNOWLEDGMENT.**

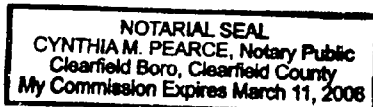
(Individual)

State \_\_\_\_\_ OF Pennsylvania, County \_\_\_\_\_ OF Clearfield ss.

On this the 10th day of June, 2005, before me, Cynthia M Pearce, the undersigned officer, personally appeared Robert J Fischl, and Jane E Fischl, known to me (or satisfactorily proven) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged that he/she/they executed the same for the purposes therein contained. In witness whereof, I hereunto set my hand and official seal.

My commission expires:

Cynthia M Pearce  
(Notary Public)



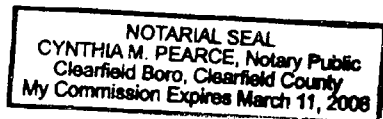
(Lender Acknowledgment)

State            OF Pennsylvania, County            OF Clearfield ss.  
On this the 10th day of June, 2005, before me,  
Cynthia M Pearce, the undersigned personally appeared Larry  
A Putt, who acknowledged himself/herself/themselves to be the Community Office  
Manager of County National Bank, a corporation, and that he/she/they, as such  
Community Office Manager, being authorized so to do, executed the foregoing  
instrument for the purposes therein contained, by signing the name of the corporation,  
by himself/herself/themselves as Community Office Manager.

In witness whereof, I hereunto set my hand and official seal.

My commission expires:

Cynthia M Pearce  
(Notary Public)



It is hereby certified that the address of the Lender within named is: 1 South Second  
St PO Box 42, Clearfield, Pennsylvania 16830.

County National Bank

By: Larry A. Putt  
Larry A Putt, Community Office Manager

**EXHIBIT TO ROBERT J. FISCHL AND JANE E. FISCHL MORTGAGE**

**PARCEL 1: 355 Rees Lane, Frenchville, PA 16836**

ALL that certain tract or parcel of land situate in Covington Township, Clearfield County, Pennsylvania, being bounded and described as follows:

**BEGINNING** at a post on the southwest corner of the land of Francis Lamont, now Henry Billotte; thence East seventy-seven (77) perches to a white oak; thence south fifty-five (55) perches to a maple corner; thence West seventy-seven (77) perches to a post corner; thence North fifty-five (55) perches to the place of beginning. Believed to contain twenty-four (24) acres, sixty-five and six-tenths (65 6/10) perches. Improved with a mobile home attached to foundation, pole building and garage.

BEING the same premises conveyed unto Robert J. Fischl and Jane E. Fischl, husband and wife, by deed dated October 17, 1986, recorded in Clearfield County Deed Book Volume 1197, Page 328.

ALSO BEING known as Clearfield County Tax Map Number 111-Q5-74.

**PARCEL 2: 33 Main Street, LeContes Mills, PA 16850**

ALL those four (4) certain tracts or parcels of land situate in the Township of Girard, County of Clearfield and Commonwealth of Pennsylvania, bounded and described as follows:

**THE FIRST THEREOF:**

**BEGINNING** at a post corner on township road leading from Clearfield to Karthaus; thence along side of public road, South eighty-three (83) degrees West ninety-nine (99) feet to post corner on land now or formerly of E.D. Billotte; thence South eighty-five (85) degrees East along said E.D. Billotte lands fifty-one and one-tenth (51.1) feet to post corner of Lot No. 39; thence South seven (7) degrees East eighty-eight and seven-tenths (88.7) feet along Lot No. 39 to post corner and the place of beginning.

**THE SECOND THEREOF:**

BEING Lot Nos. 30, 31 and 32 in the draft of land in Girard Township, Clearfield County, Pennsylvania as surveyed and plotted by Peter Beauseigneur by H.A. Reese, Surveyor, said plot being recorded in the Office of the Recorder of Deeds of Clearfield County, having been bounded and described as follows: excepting as to Lot No. 30 in said plot of H.A. Reese and having been conveyed a strip from the eastern part of this lot to a width of three and one-half (3 1/2) feet, the said width of this lot as herein conveyed is forty-six and one-half (46 1/2) feet; beginning at a point in the township road leading through LeContes Mills to Frenchville and corner of property herein conveyed on this deed to John Bell, being the northeastern corner of this lot herein conveyed; thence in a southerly direction along line of plot conveyed to John Bell, a distance of approximately one hundred fifty (150) feet to a road or alley, as shown on plot surveyed by the said H.A. Reese and of record; thence in a westerly direction along said street or alley as plotted by the said H.A. Reese a distance of one hundred thirty-six and one-half (136 1/2) feet to corner of Lot No. 33, being the southwestern corner of plot herein conveyed; thence in a northerly direction a distance of one hundred fifty (150) feet to the public road leading through LeContes Mills to Frenchville; thence in an easterly direction a distance of one hundred fifty (150) feet along the said public road to the place of beginning. Being Lot Nos. 30, 31 and 32 with the exception set forth above as in present surveyed to H.A. Reese and of record.

EXCEPTING and RESERVING from the second parcel herein all the coal, clay, gas, oil and other mineral unto Paul M. Howe, et ux, by deed of Francis L. Rolley, et ux, dated March 1, 1951 and recorded in Deed Book 411, Page 514.

**THE THIRD THEREOF:**

**BEGINNING** at the northeastern corner of lot now or formerly of Anna Bumharger; thence North seven (7) degrees East thirty-three (33) feet to a stake; thence South eight-three (83) degrees East to corner of John Bell; thence South seven (7) degrees West thirty-three (33) feet to the line now or formerly of Beauseigneur; thence North eighty-three (83) degrees West to a post and place of beginning. Containing approximately one thousand six hundred fifty (1,650) square feet, more or less, also the western half of land now or formerly of Leon Hugney, joining the property on the northeast corner and containing one-half (1/2) acre, more or less.

**THE FOURTH THEREOF:**

**BEGINNING** at a post on public road leading from Clearfield to Karthaus; thence North seven (7) degrees West one hundred twenty (120) feet to post, corner of land now or formerly of Aaron Murray; thence South eighty-five (85) degrees East along said Murray land one hundred two and two-tenths (102.2) feet to post, corner of Lot No. 38 (now or formerly of McGovern); thence South seven (7) degrees East along Lot No. 38 ninety-nine (99) feet to a post on public road; thence along said public road one hundred (100) feet to the place of beginning. Being know as Lot No. 57 in the General Plan of Plots surveyed by Peter Beauseigneur by H.A. Reese, the County Surveyor, which said plot is recorded in the Recorder of Deeds Office of Clearfield County, Pennsylvania.

BEING the same premises conveyed unto Robert J. Fischl and Jane E. Fischl, husband and wife, by deed dated <sup>APR 11 8</sup> ~~March 28,~~ 2001, recorded at Clearfield County Instrument Number 2001-05019.

LOAN NUMBER	LOAN NAME	ACCT. NUMBER	NOTE DATE	INITIALS
450585-5	Robert J Fischl		06/10/05	LAP
NOTE AMOUNT	INDEX (w/Margin)	RATE	MATURITY DATE	LOAN PURPOSE
\$179,174.37	5 yr FHLB of Pitts plus 3.500%	8.250%	06/10/25	Commercial
Creditor Use Only				

**PROMISSORY NOTE**  
(Commercial - Single Advance - Variable Rate)

**DATE AND PARTIES.** The date of this Promissory Note (Note) is June 10, 2005. The parties and their addresses are:

**LENDER:**

**COUNTY NATIONAL BANK**  
1 South Second St  
PO Box 42  
Clearfield, Pennsylvania 16830  
Telephone: (814) 765-9621

**BORROWER:**

**ROBERT J FISCHL**  
355 Rees Lane  
Frenchville, Pennsylvania 16836

**JANE E FISCHL**  
355 Rees Lane  
Frenchville, Pennsylvania 16836

**1. DEFINITIONS.** As used in this Note, the terms have the following meanings:

- A. Pronouns.** The pronouns "I," "me," and "my" refer to each Borrower signing this Note, individually and together. "You" and "Your" refer to the Lender.
- B. Note.** Note refers to this document, and any extensions, renewals, modifications and substitutions of this Note.
- C. Loan.** Loan refers to this transaction generally, including obligations and duties arising from the terms of all documents prepared or submitted for this transaction such as applications, security agreements, disclosures or notes, and this Note.
- D. Loan Documents.** Loan Documents refer to all the documents executed as a part of or in connection with the Loan.
- E. Property.** Property is any property, real, personal or intangible, that secures my performance of the obligations of this Loan.
- F. Percent.** Rates and rate change limitations are expressed as annualized percentages.

**2. PROMISE TO PAY.** For value received, I promise to pay you or your order, at your address, or at such other location as you may designate, the principal sum of \$179,174.37 (Principal) plus interest from June 10, 2005 on the unpaid Principal balance until this Note matures or this obligation is accelerated.

**3. INTEREST.** Interest will accrue on the unpaid Principal balance of this Note at the rate of 8.250 percent (Interest Rate) until June 10, 2010, after which time it may change as described in the Variable Rate subsection.

- A. Post-Maturity Interest.** After maturity or acceleration, interest will accrue on the unpaid Principal balance of this Note at the variable Interest Rate in effect from time to time, plus an additional 2.000 percent, until paid in full.
- B. Maximum Interest Amount.** Any amount assessed or collected as interest under the terms of this Note or obligation will be limited to the Maximum Lawful Amount of interest allowed by state or federal law. Amounts collected in excess of the Maximum Lawful Amount will be applied first to the unpaid Principal balance. Any remainder will be refunded to me.
- C. Statutory Authority.** The amount assessed or collected on this Note is authorized by the Pennsylvania General Interest Law (Pa. Stat. Ann. title 41, § 101 et seq.).
- D. Accrual.** During the scheduled term of this Loan interest accrues using an Actual/360 days counting method.
- E. Variable Rate.** The Interest Rate may change during the term of this transaction.

(1) Index. Beginning with the first Change Date, the Interest Rate will be based on the following index: 5 year Federal Home Loan Bank of Pittsburgh.

The Current Index is the most recent index figure available on each Change Date. You do not guaranty by selecting this Index, or the margin, that the Interest Rate on this Note will be the same rate you charge on any other loans or class of loans you make to me or other borrowers. If this Index is no longer available, you will substitute a similar index. You will give me notice of your choice.

(2) Change Date. Each date on which the Interest Rate may change is called a Change Date. The Interest Rate may change June 10, 2010 and every 60 months thereafter.

(3) Calculation Of Change. On each Change Date, you will calculate the Interest Rate, which will be the Current Index plus 3.500 percent. The result of this calculation will be rounded up to the nearest .001 percent. Subject to any limitations, this will be the Interest Rate until the next Change Date. The new Interest Rate will become effective on each Change Date. The Interest Rate and other charges on this Note will never exceed the highest rate or charge allowed by law for this Note.

(4) Effect Of Variable Rate. A change in the Interest Rate will have the following effect on the payments: The amount of scheduled payments will change.

**4. ADDITIONAL CHARGES.** As additional consideration, I agree to pay, or have paid, these additional fees and charges.

**A. Nonrefundable Fees and Charges.** The following fees are earned when collected and will not be refunded if I prepay this Note before the scheduled maturity date.

**Recording - Mortgage.** A(n) Recording - Mortgage fee of \$86.00 payable from the loan proceeds.

**Non-RE Filing.** A(n) Non-RE Filing fee of \$100.00 payable from the loan proceeds.  
**Loan Origination.** A(n) Loan Origination fee of \$500.00 payable from the loan proceeds.  
**Abstract or Title Search.** A(n) Abstract or Title Search fee of \$70.00 payable from the loan proceeds.

**5. REMEDIAL CHARGES.** In addition to interest or other finance charges, I agree that I will pay these additional fees based on my method and pattern of payment. Additional remedial charges may be described elsewhere in this Note.

**A. Late Charge.** If a payment is more than 15 days late, I will be charged 5.000 percent of the Unpaid Portion of Payment. I will pay this late charge promptly but only once for each late payment.

**6. GOVERNING AGREEMENT.** This Note is further governed by the Commercial Loan Agreement executed between you and me as a part of this Loan, as modified, amended or supplemented. The Commercial Loan Agreement states the terms and conditions of this Note, including the terms and conditions under which the maturity of this Note may be accelerated. When I sign this Note, I represent to you that I have reviewed and am in compliance with the terms contained in the Commercial Loan Agreement.

**7. PAYMENT.** I agree to pay this Note in 240 payments. A payment of \$1,540.28 will be due July 10, 2005, and on the 10th day of each month thereafter. I will make 60 scheduled payments of this amount. The scheduled payment amount may then change every 60 payments thereafter. Changes in the Interest Rate will not affect the scheduled payment amount during these periods. With each scheduled payment change the payment amount will be adjusted to reflect changes in the Interest Rate during the remaining term of this Note. In addition, changes to the scheduled payment amounts are subject to changes in the Interest Rate as described in the Variable Rate subsection of this Note. A final payment of the entire unpaid balance of Principal and interest will be due June 10, 2025.

Payments will be rounded up to the nearest \$.01. With the final payment I also agree to pay any additional fees or charges owing and the amount of any advances you have made to others on my behalf. Payments scheduled to be paid on the 29th, 30th or 31st day of a month that contains no such day will, instead, be made on the last day of such month.

If the amount of a scheduled payment does not equal or exceed interest accrued during the payment period the unpaid portion will be added to, and will be payable with, the next scheduled payment.

Each payment I make on this Note will be applied first to interest that is due then to principal that is due, and finally to any charges that I owe other than principal and interest. If you and I agree to a different application of payments, we will describe our agreement on this Note. The actual amount of my final payment will depend on my payment record.

**8. PREPAYMENT.** I may prepay this Loan under the following terms and conditions. In consideration of the interest rate granted, Borrower agrees to pay a 2% refinance penalty. Any partial prepayment will not excuse any later scheduled payments until I pay in full.

**9. LOAN PURPOSE.** The purpose of this Loan is to refinance ALL County National Bank loans to bring current and lower payment.

**10. SECURITY.** This Loan is secured by separate security instruments prepared together with this Note as follows:

Document Name	Parties to Document
Commercial Loan And Security Agreement - Robert Fischl , Jane Fischl	Robert Fischl , Jane Fischl
Mortgage - 355 Rees Lane	Robert Fischl , Jane Fischl
Mortgage - 33 Main Street	Robert Fischl , Jane Fischl

**11. DUE ON SALE.** You may, at your option, declare the entire balance of this Note to be immediately due and payable upon the creation of, or contract for the creation of, any transfer or sale of all or any part of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. However, if I am in default under this Agreement, I may not sell the inventory portion of the Property even in the ordinary course of business.

**12. WAIVERS AND CONSENT.** To the extent not prohibited by law, I waive protest, presentment for payment, demand, notice of acceleration, notice of intent to accelerate and notice of dishonor.

**A. Additional Waivers By Borrower.** In addition, I, and any party to this Note and Loan, to the extent permitted by law, consent to certain actions you may take, and generally waive defenses that may be available based on these actions or based on the status of a party to this Note.

(1) You may renew or extend payments on this Note, regardless of the number of such renewals or extensions.

(2) You may release any Borrower, endorser, guarantor, surety, accommodation maker or any other co-signer.

(3) You may release, substitute or impair any Property securing this Note.

(4) You, or any institution participating in this Note, may invoke your right of set-off.

(5) You may enter into any sales, repurchases or participations of this Note to any person in any amounts and I waive notice of such sales, repurchases or participations.

(6) I agree that any of us signing this Note as a Borrower is authorized to modify the terms of this Note or any instrument securing, guarantying or relating to this Note.

**B. No Waiver By Lender.** Your course of dealing, or your forbearance from, or delay in, the exercise of any of your rights, remedies, privileges or right to insist upon my strict performance of any provisions contained in this Note, or any other Loan Document, shall not be construed as a waiver by you, unless any such waiver is in writing and is signed by you.

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

**14. APPLICABLE LAW.** This Note is governed by the laws of Pennsylvania, the United States of America and to the extent required, by the laws of the jurisdiction where the Property is located. Any provision that appoints you as an agent is not subject to the provisions of 20 Pa.C.S.A. Section 5601 et seq. (Chapter 56; Decedents, Estates and Fiduciaries Code). By exercising any of your rights under this Note, you do so for your sole benefit.

**15. JOINT AND INDIVIDUAL LIABILITY AND SUCCESSORS.** My obligation to pay the Loan is independent of the obligation of any other person who has also agreed to pay it. You may sue me alone, or anyone else who is obligated on the Loan, or any number of us together, to collect the Loan. Extending the Loan or new obligations under the Loan, will not affect my duty under the Loan and I will still be obligated to pay the Loan. This Note shall inure to the benefit of and be enforceable by you and your successors and assigns and shall be binding upon and enforceable against me and my personal representatives, successors, heirs and assigns.

16. **AMENDMENT, INTEGRATION AND SEVERABILITY.** This Note may not be amended or modified by oral agreement. No amendment or modification of this Note is effective unless made in writing and executed by you and me. This Note and the other Loan Documents are the complete and final expression of the agreement. If any provision of this Note is unenforceable, then the unenforceable provision will be severed and the remaining provisions will still be enforceable.

17. **INTERPRETATION.** Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Note.

18. **NOTICE, FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to the appropriate party's address listed in the DATE AND PARTIES section, or to any other address designated in writing. Notice to one Borrower will be deemed to be notice to all Borrowers. I will inform you in writing of any change in my name, address or other application information. I agree to sign, deliver, and file any additional documents or certifications that you may consider necessary to perfect, continue, and preserve my obligations under this Loan and to confirm your lien status on any Property. Time is of the essence.


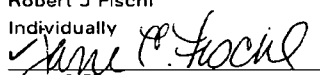
19. **CREDIT INFORMATION.** I agree to supply you with whatever information you reasonably request. You will make requests for this information without undue frequency, and will give me reasonable time in which to supply the information.

20. **ERRORS AND OMISSIONS.** I agree, if requested by you, to fully cooperate in the correction, if necessary, in the reasonable discretion of you of any and all loan closing documents so that all documents accurately describe the loan between you and me. I agree to assume all costs including by way of illustration and not limitation, actual expenses, legal fees and marketing losses for failing to reasonably comply with your requests within thirty (30) days.

21. **WAIVER OF JURY TRIAL.** All of the parties to this Note knowingly and intentionally, irrevocably and unconditionally, waive any and all right to a trial by jury in any litigation arising out of or concerning this Note or any other Loan Document or related obligation. All of these parties acknowledge that this section has either been brought to the attention of each party's legal counsel or that each party had the opportunity to do so.


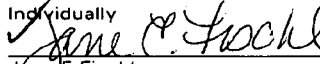
**WARRANT OF AUTHORITY TO CONFESS JUDGMENT.** Upon default, in addition to all other remedies and rights available to you, by signing below I irrevocably authorize the prothonotary, clerk, or any attorney to appear in any court of record having jurisdiction over this matter and to confess judgment against me at any time without stay of execution. I waive notice, service of process, and process. I agree and understand that judgment may be confessed against me for any unpaid principal, accrued interest, and accrued charges due on this Note, plus collection costs and reasonable attorneys' fees up to 15 percent of the judgment. The exercise of the power to confess judgment will not exhaust this warrant of authority to confess judgment and may be done as often as you elect. I further understand that my property may be seized without prior notice to satisfy the debt owed. I knowingly, intentionally, and voluntarily waive any and all constitutional rights I have to pre-deprivation notice and hearing under federal and state laws and fully understand the consequences of this waiver.

By signing immediately below, I agree to the terms of the CONFESSION OF JUDGMENT section.

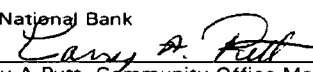
  
Robert J. Fischl  
Individually  
  
Jane E. Fischl  
Individually

22. **SIGNATURES.** By signing under seal, I agree to the terms contained in this Note. I also acknowledge receipt of a copy of this Note.

**BORROWER:**

  
Robert J. Fischl (Seal)  
Individually  
  
Jane E. Fischl (Seal)  
Individually

**LENDER:**

County National Bank  
By  (Seal)  
Larry A. Putt, Community Office Manager



LOAN NUMBER	LOAN NAME	ACCT. NUMBER	AGREEMENT DATE	INITIALS
450585-5	Robert J Fischl		06/10/05	LAP
NOTE AMOUNT	INDEX (w/Margin)	RATE	MATURITY DATE	LOAN PURPOSE
\$179,174.37	5 yr FHLB of Pitts plus 3.500%	8.250%	06/10/25	Commercial
Creditor Use Only				

## COMMERCIAL LOAN AND SECURITY AGREEMENT

Single Advance Loan

**DATE AND PARTIES.** The date of this Commercial Loan Agreement (Agreement) is June 10, 2005. The parties and their addresses are as follows:

**LENDER:**

COUNTY NATIONAL BANK  
1 South Second St  
PO Box 42  
Clearfield, Pennsylvania 16830

**BORROWER:**

ROBERT J FISCHL  
355 Rees Lane  
Frenchville, Pennsylvania 16836

JANE E FISCHL  
355 Rees Lane  
Frenchville, Pennsylvania 16836

**1. DEFINITIONS.** For the purposes of this Agreement, the following terms have the following meanings.

**A. Accounting Terms.** In this Agreement, any accounting terms that are not specifically defined will have their customary meanings under generally accepted accounting principles.

**B. Insiders.** Insiders include those defined as insiders by the United States Bankruptcy Code, as amended; or to the extent left undefined, include without limitation any officer, employee, stockholder or member, director, partner, or any immediate family member of any of the foregoing, or any person or entity which, directly or indirectly, controls, is controlled by or is under common control with me.

**C. Loan.** The Loan refers to this transaction generally, including obligations and duties arising from the terms of all documents prepared or submitted for this transaction.

**D. Loan Documents.** Loan Documents refer to all the documents executed as a part of or in connection with the Loan.

**E. Pronouns.** The pronouns "I", "me" and "my" refer to every Borrower signing this Agreement, individually or together. "You" and "your" refers to the Loan's lender.

**F. Property.** Property is any property, real, personal or intangible, that secures my performance of the obligations of this Loan.

**2. SINGLE ADVANCE.** In accordance with the terms of this Agreement and other Loan Documents, you will provide me with a term note in the amount of \$179,174.37 (Principal). I will receive the funds from this Loan in one advance. No additional advances are contemplated, except those made to protect and preserve your interests as provided in this Agreement or other Loan Documents.

**3. MATURITY DATE.** I agree to fully repay the Loan by June 10, 2025.

**4. SECURITY AGREEMENT.**

**A. Secured Debts.** This Security Agreement will secure the following debts (Secured Debts), together with all extensions, renewals, refinancings, modifications and replacements of the Secured Debts:

(1) Sums Advanced. All sums advanced and expenses incurred by you under the terms of this Loan Agreement.

(2) All Debts. All present and future debts of all Borrowers owing to you, even if this Security Agreement is not specifically referenced, the future debts are also secured by other collateral, or if the future debt is unrelated to or of a different type than this debt. If more than one person signs this Security Agreement, each agrees that it will secure debts incurred either individually or with others who may not sign this Security Agreement. Nothing in this Security Agreement constitutes a commitment to make additional or future loans or advances. Any such commitment must be in writing.

This Security Agreement will not secure any debt for which you fail to give any required notice of the right of rescission. This Security Agreement will not secure any debt for which a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined by federal law governing unfair and deceptive credit practices.

**B. Security Interest.** To secure the payment and performance of the Secured Debts, I give you a security interest in all of the Property described in this Security Agreement that I own or have sufficient rights in which to transfer an interest, now or in the future, wherever the Property is or will be located, and all proceeds and products from the Property (including, but not limited to, all parts, accessories, repairs, replacements, improvements, and accessions to the Property). Property is all the collateral given as security for the Secured Debts and described in this Security Agreement, and includes all obligations that support the payment or performance of the Property. "Proceeds" includes anything acquired upon the sale, lease, license, exchange, or other disposition of the Property; any rights and claims arising from the Property; and any collections and distributions on account of the Property.

This Security Agreement remains in effect until terminated in writing, even if the Secured Debts are paid and you are no longer obligated to advance funds to me under any loan or credit agreement.

**C. Property Description.** The Property is described as follows:

(1) Inventory. All inventory which I hold for ultimate sale or lease, or which has been or will be supplied under contracts of service, or which are raw materials, work in process, or materials used or consumed in my business.

(2) Accounts and Other Rights to Payment. All rights I have now or in the future to payments including, but not limited to, payment for property or services sold, leased, rented, licensed, or assigned, whether or not I have earned such payment by performance. This includes any rights and interests (including all liens and security interests) which I may have by law or agreement against any Account Debtor or obligor of mine.

(3) General Intangibles. All general intangibles including, but not limited to, tax refunds, applications for patents, patents, copyrights, trademarks, trade secrets, good will, trade names, customer lists, permits and franchises, payment intangibles, computer programs and all supporting information provided in connection with a transaction relating to computer programs, and the right to use my name.

(4) Equipment. All equipment including, but not limited to, all machinery, vehicles, furniture, fixtures, manufacturing equipment, farm machinery and equipment, shop equipment, office and recordkeeping equipment, and parts and tools. All equipment described in a list or schedule which I give will also be included in the Property, but such a list is not necessary for a valid security interest in my equipment.

(5) Specific Property. Also included under General Intangibles is Pennsylvania Liquor License #H2966

#### D. Duties Toward Property.

(1) Protection of Secured Party's Interest. I will defend the Property against any other claim. I agree to do whatever you require to protect your security interest and to keep your claim in the Property ahead of the claims of other creditors. I will not do anything to harm your position.

I will keep books, records and accounts about the Property and my business in general. I will let you examine these and make copies at any reasonable time. I will prepare any report or accounting you request which deals with the Property.

(2) Use, Location, and Protection of the Property. I will keep the Property in my possession and in good repair. I will use it only for commercial purposes. I will not change this specified use without your prior written consent. You have the right of reasonable access to inspect the Property and I will immediately inform you of any loss or damage to the Property. I will not cause or permit waste to the Property.

I will keep the Property at my address listed in the DATE AND PARTIES section unless we agree I may keep it at another location. If the Property is to be used in other states, I will give you a list of those states. The location of the Property is given to aid in the identification of the Property. It does not in any way limit the scope of the security interest granted to you. I will notify you in writing and obtain your prior written consent to any change in location of any of the Property. I will not use the Property in violation of any law. I will notify you in writing prior to any change in my name or address.

Until the Secured Debts are fully paid and this Security Agreement is terminated, I will not grant a security interest in any of the Property without your prior written consent. I will pay all taxes and assessments levied or assessed against me or the Property and provide timely proof of payment of these taxes and assessments upon request.

(3) Selling, Leasing or Encumbering the Property. I will not sell, offer to sell, lease, or otherwise transfer or encumber the Property without your prior written permission, except for Inventory sold in the ordinary course of business at fair market value, or at a minimum price established between you and me. If I am in default under this Security Agreement, I may not sell the Inventory portion of the Property even in the ordinary course of business. Any disposition of the Property contrary to this Security Agreement will violate your rights. Your permission to sell the Property may be reasonably withheld without regard to the creditworthiness of any buyer or transferee. I will not permit the Property to be the subject of any court order affecting my rights to the Property in any action by anyone other than you. If the Property includes chattel paper or instruments, either as original collateral or as proceeds of the Property, I will note your security interest on the face of the chattel paper or instruments.

(4) Additional Duties Specific to Accounts. I will not settle any Account for less than its full value without your written permission. Until you tell me otherwise, I will collect all Accounts in the ordinary course of business. I will not dispose of the Accounts by assignment without your prior written consent. I will keep the proceeds from all the Accounts and any goods which are returned to me or which I take back. I will not commingle them with any of my other property. I will deliver the Accounts to you at your request. If you ask me to pay you the full price on any returned items or items retaken by me, I will do so. I will make no material change in the terms of any Account, and I will give you any statements, reports, certificates, lists of Account Debtors (showing names, addresses and amounts owing), invoices applicable to each Account, and other data in any way pertaining to the Accounts as you may request.

E. Collection Rights Of The Secured Party. Account Debtor means the person who is obligated on an account, chattel paper, or general intangible. I authorize you to notify my Account Debtors of your security interest and to deal with the Account Debtors' obligations at your discretion. You may enforce the obligations of an Account Debtor, exercising any of my rights with respect to the Account Debtors' obligations to make payment or otherwise render performance to me, including the enforcement of any security interest that secures such obligations. You may apply proceeds received from the Account Debtors to the Secured Debts or you may release such proceeds to me.

I specifically and irrevocably authorize you to exercise any of the following powers at my expense, without limitation, until the Secured Debts are paid in full:

(1) demand payment and enforce collection from any Account Debtor or Obligor by suit or otherwise.

(2) enforce any security interest, lien or encumbrance given to secure the payment or performance of any Account Debtor or any obligation constituting Property.

(3) file proofs of claim or similar documents in the event of bankruptcy, insolvency or death of any person obligated as an Account Debtor.

(4) compromise, release, extend, or exchange any indebtedness of an Account Debtor.

(5) take control of any proceeds of the Account Debtors' obligations and any returned or repossessed goods.

(6) endorse all payments by any Account Debtor which may come into your possession as payable to me.

(7) deal in all respects as the holder and owner of the Account Debtors' obligations.

F. Authority To Perform. I authorize you to do anything you deem reasonably necessary to protect the Property, and perfect and continue your security interest in the Property. If I fail to perform any of my duties under this Security Agreement or any other security interest, you are authorized, without notice to me, to perform the duties or cause them to be performed.

These authorizations include, but are not limited to, permission to:

(1) pay and discharge taxes, liens, security interests or other encumbrances at any time levied or placed on the Property.

- (2) pay any rents or other charges under any lease affecting the Property.
- (3) order and pay for the repair, maintenance and preservation of the Property.
- (4) sign, when permitted by law, and file any financing statements on my behalf and pay for filing and recording fees pertaining to the Property.
- (5) place a note on any chattel paper indicating your interest in the Property.
- (6) take any action you feel necessary to realize on the Property, including performing any part of a contract or endorsing it in my name.
- (7) handle any suits or other proceedings involving the Property in my name.
- (8) prepare, file, and sign my name to any necessary reports or accountings.
- (9) make an entry on my books and records showing the existence of this Agreement.
- (10) notify any Account Debtor of your interest in the Property and tell the Account Debtor to make payments to you or someone else you name.

If you perform for me, you will use reasonable care. Reasonable care will not include: any steps necessary to preserve rights against prior parties; the duty to send notices, perform services or take any other action in connection with the management of the Property; or the duty to protect, preserve or maintain any security interest given to others by me or other parties. Your authorization to perform for me will not create an obligation to perform and your failure to perform will not preclude you from exercising any other rights under the law or this Security Agreement.

If you come into actual or constructive possession of the Property, you will preserve and protect the Property. For purposes of this paragraph, you will be in actual possession of the Property only when you have physical, immediate and exclusive control over the Property and you have affirmatively accepted that control. You will be in constructive possession of the Property only when you have both the power and the intent to exercise control over the Property.

**G. Name and Location.** My name indicated in the DATE AND PARTIES section is my exact legal name. Robert J Fischl is an individual with a principal residence located in Pennsylvania. Jane E Fischl is an individual with a principal residence located in Pennsylvania. I will provide verification of registration and location upon your request. I will provide you with at least 30 days notice prior to any change in my name, address, or state of organization or registration.

**H. Perfection of Security Interest.** I authorize you to file a financing statement covering the Property. I will comply with, facilitate, and otherwise assist you in connection with obtaining perfection or control over the Property for purposes of perfecting your security interest under the Uniform Commercial Code. I agree to pay all actual costs of terminating your security interest.

**5. WARRANTIES AND REPRESENTATIONS.** I represent and warrant that I have the right and authority to enter into this Agreement. The execution and delivery of this Agreement will not violate any agreement governing me or to which I am a party.

**A. Ownership of Property.** I represent that I own all of the Property. Your claim to the Property is ahead of the claims of any other creditor, except as disclosed in writing to you prior to any advance on the Secured Debts. I represent that I am the original owner of the Property and, if I am not, that I have provided you with a list of prior owners of the Property.

**B. Hazardous Substances.** Except as I previously disclosed in writing and you acknowledge in writing, no Hazardous Substance, underground tanks, private dumps or open wells are currently located at, on, in, under or about the Property.

**C. Use of Property.** After diligent inquiry, I do not know or have reason to know that any Hazardous Substance has been discharged, leached or disposed of, in violation of any Environmental Law, from the property onto, over or into any other property, or from any other property onto, over or into the property.

**D. Environmental Laws.** I have no knowledge or reason to believe that there is any pending or threatened investigation, claim, judgment or order, violation, lien, or other notice under any Environmental Law that concerns me or the property. The property and any activities on the property are in full compliance with all Environmental Law.

**E. Loan Purpose.** This Loan is for Commercial purposes.

**F. No Other Liens.** I own or lease all property that I need to conduct my business and activities. I have good and marketable title to all property that I own or lease. All of my Property is free and clear of all liens, security interests, encumbrances and other adverse claims and interests, except those to you or those you consent to in writing.

**G. Compliance With Laws.** I am not violating any laws, regulations, rules, orders, judgments or decrees applicable to me or my property, except for those which I am challenging in good faith through proper proceedings after providing adequate reserves to fully pay the claim and its challenge should I lose.

**H. Legal Disputes.** There are no pending or threatened lawsuits, arbitrations or other proceedings against me or my property that singly or together may materially and adversely affect my property, operations, financial condition, or business.

**I. Adverse Agreements.** I am not a party to, nor am I bound by, any agreement that is now or is likely to become materially adverse to my business, Property or operations.

**J. Other Claims.** There are no outstanding claims or rights that would conflict with the execution, delivery or performance by me of the terms and conditions of this Agreement or the other Loan Documents. No outstanding claims or rights exist that may result in a lien on the Property, the Property's proceeds and the proceeds of proceeds, except liens that were disclosed to and agreed to by you in writing.

**K. Solvency.** I am able to pay my debts as they mature, my assets exceed my liabilities and I have sufficient capital for my current and planned business and other activities. I will not become insolvent by the execution or performance of this Loan.

**6. FINANCIAL STATEMENTS.** I will prepare and maintain my financial records using consistently applied generally accepted accounting principles then in effect. I will provide you with financial information in a form that you accept and under the following terms.

**A. Certification.** I represent and warrant that any financial statements that I provide you fairly represents my financial condition for the stated periods, is current, complete, true and accurate in all material respects, includes all of my direct or contingent liabilities and there has been no material adverse change in my financial condition, operations or business since the date the financial information was prepared.

**B. Frequency.** In addition to the financial statements provided to you prior to closing, I will provide you with current financial statements on an annual basis, or as otherwise requested by you, until I have performed all of my obligations under the Loan and you terminate the Loan in writing.

**C. SEC Reports.** I will provide you with true and correct copies of all reports, notices or statements that I provide to the Securities and Exchange Commission, any securities exchange or my stockholders, owners, or the holders of any material indebtedness as soon as available or at least within na days after issuance.

**D. Requested Information.** I will provide you with any other information about my operations, financial affairs and condition within 10 days after your request.

**7. COVENANTS.** Until the Loan and all related debts, liabilities and obligations are paid and discharged, I will comply with the following terms, unless you waive compliance in writing.

**A. Participation.** I consent to you participating or syndicating the Loan and sharing any information that you decide is necessary about me and the Loan with the other participants or syndicators.

**B. Inspection.** Following your written request, I will immediately pay for all one-time and recurring out-of-pocket costs that are related to the inspection of my records, business or Property that secures the Loan. Upon reasonable notice, I will permit you or your agents to enter any of my premises and any location where my Property is located during regular business hours to do the following.

(1) You may inspect, audit, check, review and obtain copies from my books, records, journals, orders, receipts, and any correspondence and other business related data.

(2) You may discuss my affairs, finances and business with any one who provides you with evidence that they are a creditor of mine, the sufficiency of which will be subject to your sole discretion.

(3) You may inspect my Property, audit for the use and disposition of the Property's proceeds and proceeds of proceeds; or do whatever you decide is necessary to preserve and protect the Property and your interest in the Property.

After prior notice to me, you may discuss my financial condition and business operations with my independent accountants, if any, or my chief financial officer and I may be present during these discussions. As long as the Loan is outstanding, I will direct all of my accountants and auditors to permit you to examine my records in their possession and to make copies of these records. You will use your best efforts to maintain the confidentiality of the information you or your agents obtain, except you may provide your regulator, if any, with required information about my financial condition, operation and business or that of my parent, subsidiaries or affiliates.

**C. Business Requirements.** I will preserve and maintain my present existence and good standing in the jurisdiction where I am organized and all of my rights, privileges and franchises. I will do all that is needed or required to continue my business or activities as presently conducted, by obtaining licenses, permits and bonds everywhere I engage in business or activities or own, lease or locate my property. I will obtain your prior written consent before I cease my business or before I engage in any new line of business that is materially different from my present business.

**D. Compliance with Laws.** I will not violate any laws, regulations, rules, orders, judgments or decrees applicable to me or my Property, except for those which I challenge in good faith through proper proceedings after providing adequate reserves to fully pay the claim and its appeal should I lose. Laws include without limitation the Federal Fair Labor Standards Act requirements for producing goods, the federal Employee Retirement Income Security Act of 1974's requirements for the establishment, funding and management of qualified deferred compensation plans for employees, health and safety laws, environmental laws, tax laws, licensing and permit laws. On your request, I will provide you with written evidence that I have fully and timely paid my taxes, assessments and other governmental charges levied or imposed on me, my income or profits and my property. Taxes include without limitation sales taxes, use taxes, personal property taxes, documentary stamp taxes, recordation taxes, franchise taxes, income taxes, withholding taxes, FICA taxes and unemployment taxes. I will adequately provide for the payment of these taxes, assessments and other charges that have accrued but are not yet due and payable.

**E. New Organizations.** I will obtain your written consent and any necessary changes to the Loan Documents before I organize or participate in the organization of any entity, merge into or consolidate with any one, permit any one else to merge into me, acquire all or substantially all of the assets of any one else or otherwise materially change my legal structure, management, ownership or financial condition.

**F. Dealings with Insiders.** I will not purchase, acquire or lease any property or services from, or sell, provide or lease any property or services to, or permit any outstanding loans or credit extensions to, or otherwise deal with, any Insiders except as required under contracts existing at the time I applied for the Loan and approved by you or as this Agreement otherwise permits. I will not change or breach these contracts existing at Loan application so as to cause an acceleration of or an increase in any payments due.

**G. Other Debts.** I will pay when due any and all other debts owed or guaranteed by me and will faithfully perform, or comply with all the conditions and obligations imposed on me concerning the debt or guaranty.

**H. Other Liabilities.** I will not incur, assume or permit any debt evidenced by notes, bonds or similar obligations, except: debt in existence on the date of this Agreement and fully disclosed to you; debt subordinated in payment to you on conditions and terms acceptable to you; accounts payable incurred in the ordinary course of my business and paid under customary trade terms or contested in good faith with reserves satisfactory to you.

**I. Notice to You.** I will promptly notify you of any material change in my financial condition, of the occurrence of a default under the terms of this Agreement or any other Loan Document, or a default by me under any agreement between me and any third party which materially and adversely affects my property, operations, financial condition or business.

**J. Certification of No Default.** On your request, my chief financial officer or my independent accountant will provide you with a written certification that to the best of their knowledge no event of default exists under the terms of this Agreement or the other Loan Documents, and that there exists no other action, condition or event which with the giving of notice or lapse of time or both would constitute a default. As requested, my chief financial officer or my independent accountant will also provide you with computations demonstrating compliance with any financial covenants and ratios contained in this Agreement. If an action, condition or event of default does exist, the certificate must accurately and fully disclose the extent and nature of this action, condition or event and state what must be done to correct it.

**K. Use of Loan Proceeds.** I will not permit the loan proceeds to be used to purchase, carry, reduce, or retire any loan originally incurred to purchase or carry any margin stock or otherwise cause the Loan to violate Federal Reserve Board Regulations U or X, or Section 8 of the Securities and Exchange Act of 1934 and its regulations, as amended.

**L. Dispose of No Assets.** Without your prior written consent or as the Loan Documents permit, I will not sell, lease, assign, transfer, dispose of or otherwise distribute all or substantially all of my assets to any person other than in the ordinary course of business for the assets' depreciated book value or more.

**M. No Other Liens.** I will not create, permit or suffer any lien or encumbrance upon any of my properties for or by anyone, other than you, except for: nonconsensual liens imposed by law arising out of the ordinary course of business on obligations that are not overdue or which I am contesting in good faith after making appropriate reserves; valid purchase money security interests on personal property; or any other liens specifically agreed to by you in writing.

**N. Guaranties.** I will not guaranty or become liable in any way as surety, endorser (other than as endorser of negotiable instruments in the ordinary course of business) or accommodation endorser or otherwise for the debt or obligations of any other person or entity, except to you or as you otherwise specifically agree in writing.

**O. No Default under Other Agreements.** I will not allow to occur, or to continue unremedied, any act, event or condition which constitutes a default, or which, with the passage of time or giving of notice, or both, would constitute a default under any agreement, document, instrument or undertaking to which I am a party or by which I may be bound.

**P. Legal Disputes.** I will promptly notify you in writing of any threatened or pending lawsuit, arbitration or other proceeding against me or any of my property, not identified in my financial statements, or that singly or together with other proceedings may materially and adversely affect my property, operations, financial condition or business. I will use my best efforts to bring about a favorable and speedy result of any of these lawsuits, arbitrations or other proceedings.

**Q. Other Notices.** I will immediately provide you with any information that may materially and adversely affect my ability to perform this Agreement and of its anticipated effect.

**R. Loan Obligations.** I will make full and timely payment of all principal and interest obligations, and comply with the other terms and agreements contained in this Agreement and in the other Loan Documents.

**S. Insurance.** I will obtain and maintain insurance with insurers, in amounts and coverages that are acceptable to you and customary with industry practice. This may include without limitation insurance policies for public liability, fire, hazard and extended risk, workers compensation, and, at your request, business interruption and/or rent loss insurance. I will keep the Property insured against the risks reasonably associated with the Property. This insurance will last until the Property is released from this Agreement. I may choose the insurance company, subject to your approval, which will not be unreasonably withheld. At your request, I will deliver to you certified copies of all of these insurance policies, binders or certificates. I will obtain and maintain a mortgagee or lender loss payee endorsement for you when these endorsements are available. I will immediately notify you of cancellation or termination of insurance. I will require all insurance policies to provide you with at least 10 days prior written notice to you of cancellation or modification. I consent to you using or disclosing information relative to any contract of insurance required by the Loan for the purpose of replacing this insurance. I also authorize my insurer and you to exchange all relevant information related to any contract of insurance required by any document executed as part of this Loan.

You may apply the insurance proceeds toward which is owned on the Secured Debts. You may require added security as a condition of permitting any insurance proceeds to be used to repair or replace the Property.

If you acquire the Property in damaged condition, my right to any insurance policies and proceeds will pass to you to the extent of the Secured Debts.

If I fail to keep the Property insured, you may obtain insurance to protect your interest in the Property. This insurance may include coverages not originally required of me, may be written by a company other than one I would choose, and may be written at a higher rate than I could obtain if I purchased the insurance.

**T. Property Maintenance.** I will keep all tangible and intangible property that I consider necessary or useful in my business in good working condition by making all needed repairs, replacements and improvements and by making all rental, lease or other payments due on this property.

**U. Property Loss.** I will immediately notify you, and the insurance company when appropriate, of any material casualty, loss or depreciation to the Property or to my other property that affects my business.

**V. Accounts Receivable Collection.** I will collect and otherwise enforce all of my unpaid Accounts Receivable at my cost and expense, until you end my authority to do so, which you may do at any time to protect your best interests. I will not sell, assign or otherwise dispose of any Accounts Receivable without your written consent. I will not commingle the Accounts Receivable proceeds with any of my other property.

**W. Reserves.** You may set aside and reserve Loan proceeds for Loan interest, fees and expenses, taxes, and insurance.

No interest will accrue on any reserve Loan proceeds. Disbursement of reserves is disbursement of the Loan's proceeds. At my request, you will disburse the reserves for the purpose they were set aside for, as long as I am not in default under this Agreement. You may directly pay these reserved items, reimburse me for payments I made, or reduce the reserves and increase the Loan proceeds available for disbursement.

**X. Additional Taxes.** I will pay all filing and recording costs and fees, including any recordation, documentary or transfer taxes or stamps, that are required to be paid with respect to this Loan and any Loan Documents.

**8. DEFAULT.** I will be in default if any of the following occur:

**A. Payments.** I fail to make a payment in full when due.

**B. Insolvency or Bankruptcy.** The death, dissolution or insolvency of, appointment of a receiver by or on behalf of, application of any debtor relief law, the assignment for the benefit of creditors by or on behalf of, the voluntary or involuntary termination of existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy, reorganization, composition or debtor relief law by or against me or any co-signer, endorser, surety or guarantor of this Agreement or any other obligations I have with you.

**C. Death or Incompetency.** I die or am declared legally incompetent.

**D. Failure to Perform.** I fail to perform any condition or to keep any promise or covenant of this Agreement.

**E. Other Documents.** A default occurs under the terms of any other Loan Document.

**F. Other Agreements.** I am in default on any other debt or agreement I have with you.

**G. Misrepresentation.** I make any verbal or written statement or provide any financial information that is untrue, inaccurate, or conceals a material fact at the time it is made or provided.

**H. Judgment.** I fail to satisfy or appeal any judgment against me.

**I. Forfeiture.** The Property is used in a manner or for a purpose that threatens confiscation by a legal authority.

**J. Name Change.** I change my name or assume an additional name without notifying you before making such a change.

**K. Property Transfer.** I transfer all or a substantial part of my money or property.

**L. Property Value.** The value of the Property declines or is impaired.

**M. Insecurity.** You reasonably believe that you are insecure.

**9. REMEDIES.** After I default, and after you give any legally required notice and opportunity to cure the default, you may at your option do any one or more of the following.

**A. Acceleration.** You may make all or any part of the amount owing by the terms of the Loan immediately due. If I am a debtor in a bankruptcy petition or in an application filed under section 5(a)(3) of the Securities Investor Protection Act, the Loan is automatically accelerated and immediately due and payable without notice or demand upon filing of the petition or application.

**B. Sources.** You may use any and all remedies you have under state or federal law or in any Loan Document.

**C. Insurance Benefits.** You may make a claim for any and all insurance benefits or refunds that may be available on my default.

**D. Payments Made On My Behalf.** Amounts advanced on my behalf will be immediately due and may be added to the balance owing under the terms of the Loan, and accrue interest at the highest post-maturity interest rate.

**E. Set-Off.** You may use the right of set-off. This means you may set-off any amount due and payable under the terms of the Loan against any right I have to receive money from you.

My right to receive money from you includes any deposit or share account balance I have with you; any money owed to me on an item presented to you or in your possession for collection or exchange; and any repurchase agreement or other non-deposit obligation. "Any amount due and payable under the terms of the Loan" means the total amount to which you are entitled to demand payment under the terms of the Loan at the time you set-off.

Subject to any other written contract, if my right to receive money from you is also owned by someone who has not agreed to pay the Loan, your right of set-off will apply to my interest in the obligation and to any other amounts I could withdraw on my sole request or endorsement.

Your right of set-off does not apply to an account or other obligation where my rights arise only in a representative capacity. It also does not apply to any Individual Retirement Account or other tax-deferred retirement account.

You will not be liable for the dishonor of any check when the dishonor occurs because you set-off against any of my accounts. I agree to hold you harmless from any such claims arising as a result of your exercise of your right of set-off.

**F. Assembly of Property.** You may require me to gather the Property and make it available to you in a reasonable fashion.

**G. Repossession.** You may repossess the Property so long as the repossession does not involve a breach of the peace. You may sell the Property as provided by law. You may apply what you receive from the sale of the Property to your expenses, your attorneys' fees and legal expenses (where not prohibited by law), and any debt I owe you. If what you receive from the sale of the Property does not satisfy the debt, I will be liable for the deficiency (where permitted by law). In some cases, you may keep the Property to satisfy the debt.

Where a notice is required, I agree that ten days prior written notice sent by first class mail to my address listed in this Loan Agreement will be reasonable notice to me under the Pennsylvania Uniform Commercial Code. If the Property is perishable or threatens to decline speedily in value, you may, without notice to me, dispose of any or all of the Property in a commercially reasonable manner at my expense following any commercially reasonable preparation or processing.

If any items not otherwise subject to this Loan Agreement are contained in the Property when you take possession, you may hold these items for me at my risk and you will not be liable for taking possession of them.

**H. Use and Operation.** You may enter upon my premises and take possession of all or any part of my property for the purpose of preserving the Property or its value, so long as you do not breach the peace. You may use and operate my property for the length of time you feel is necessary to protect your interest, all without payment or compensation to me.

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

**10. COLLECTION EXPENSES AND ATTORNEYS' FEES.** On or after Default, to the extent permitted by law, I agree to pay all expenses of collection, enforcement or protection of your rights and remedies under this Agreement or any other Loan Document. Expenses include, but are not limited to, attorneys' fees, court costs and other legal expenses. These expenses are due and payable immediately. If not paid immediately, these expenses will bear interest from the date of payment until paid in full at the highest interest rate in effect as provided for in the terms of this Loan. All fees and expenses will be secured by the Property I have granted to you, if any. In addition, to the extent permitted by the United States Bankruptcy Code, I agree to pay the reasonable attorneys' fees incurred by you to protect your rights and interests in connection with any bankruptcy proceedings initiated by or against me.

**11. APPLICABLE LAW.** This Agreement is governed by the laws of Pennsylvania, the United States of America and to the extent required, by the laws of the jurisdiction where the Property is located. Any provision that appoints you as an agent is not subject to the provisions of 20 Pa.C.S.A. Section 5601 et seq. (Chapter 56; Decedents, Estates and Fiduciaries Code). By exercising any of your rights under this Agreement, you do so for your sole benefit.

**12. JOINT AND INDIVIDUAL LIABILITY AND SUCCESSORS.** My obligation to pay the Loan is independent of the obligation of any other person who has also agreed to pay it. You may sue me alone, or anyone else who is obligated on the Loan, or any number of us together, to collect the Loan. Extending the Loan or new obligations under the Loan, will not affect my duty under the Loan and I will still be obligated to pay the Loan. You may assign all or part of your rights or duties under this Agreement or the Loan Documents without my consent. If you assign this Agreement, all of my covenants, agreements, representations and warranties contained in this Agreement or the Loan Documents will benefit your successors and assigns. I may not assign this Agreement or any of my rights under it without your prior written consent. The duties of the Loan will bind my successors and assigns.

**13. AMENDMENT, INTEGRATION AND SEVERABILITY.** This Agreement may not be amended or modified by oral agreement. No amendment or modification of this Agreement is effective unless made in writing and executed by you and me. This Agreement and the other Loan Documents are the complete and final expression of the understanding between you and me. If any provision of this Agreement is unenforceable, then the unenforceable provision will be severed and the remaining provisions will still be enforceable.

**14. INTERPRETATION.** Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Agreement.

**15. NOTICE, FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to the appropriate party's address listed in the DATE AND PARTIES section, or to any other address designated in writing. Notice to one Borrower will be deemed to be notice to all Borrowers. I will inform you in writing of any change in my name, address or other application information. I will provide you any financial statement or information you request. All financial statements and information I give you will be correct and complete. I agree to sign, deliver, and file any additional documents or certifications that you may consider necessary to perfect, continue, and preserve my obligations under this Loan and to confirm your lien status on any Property. Time is of the essence.

**16. WAIVER OF JURY TRIAL.** All of the parties to this Agreement knowingly and intentionally, irrevocably and unconditionally, waive any and all right to a trial by jury in any litigation arising out of or concerning this Agreement or any other Loan Document or related obligation. All of these parties acknowledge that this section has either been brought to the attention of each party's legal counsel or that each party had the opportunity to do so.

**17. SIGNATURES.** By signing under seal, I agree to the terms contained in this Agreement. I also acknowledge receipt of a copy of this Agreement.

**BORROWER:**

*Robert J. Fischl* (Seal)  
Robert J Fischl

Individually

*Jane E. Fischl* (Seal)  
Jane E Fischl

Individually

**LENDER:**

County National Bank

By *Larry A. Putt* (Seal)  
Larry A Putt, Community Office Manager



July 6, 2007

**CERTIFIED MAIL NUMBER:**

7160 3901 9846 0711 4654

7160 3901 9846 0711 4661

and First Class Mail

Robert J. Fischl  
355 Rees Ln.  
Frenchville, PA 16836

Jane E. Fischl  
355 Rees Ln.  
Frenchville, PA 16836

Re: CNB Bank Delinquent Mortgage Account #450585-5

Dear Mr. & Mrs. Fischl:

The Mortgages which you executed on June 10, 2005, in favor of County National Bank, now CNB Bank, for \$179,174.37, are in default. These Mortgages are recorded in Clearfield County as Instrument Numbers 200509032 and 200509038. They encumber and place liens upon your residence known as 355 Rees Ln., Frenchville, Clearfield County, Pennsylvania 16836 and your commercial property known as 33 Main St., LeContes Mills, Clearfield County, Pennsylvania 16850.

You have failed to make the full monthly payments since May 2007, and are in default. The total amount of default is \$3,234.58, which includes \$154.02 in late charges.

Pennsylvania law provides that you may cure this default anytime up to one hour prior to Sheriff Sale in either of the following manners:

1. *First, you can bring your account current by paying CNB Bank a total of \$3,234.58, which includes delinquent payments of \$3,080.56, and late charges of \$154.02*

*--or--*

2. *Second, you can pay this mortgage off entirely by tendering \$176,812.25, which includes a balance of \$173,196.69; accrued interest through July 6, 2007 of \$3,431.04; late charges of \$154.02; and a satisfaction fee of \$30.50.*

**Interest will accrue at the rate of \$39.6909081 a day from July 6, 2007. Your regular monthly payments will also continue to fall due and will be added to the total stated in Number 1 above if you fail to pay them.**

Robert J. & Jane E. Fischl

July 6, 2007

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If you chose to cure this default by either of the foregoing manners, the necessary payments should be made at the main office of CNB Bank at the corner of Market and Second Streets in Clearfield. **PAYMENT SHOULD BE MADE BY CASH, CASHIER'S CHECK OR CERTIFIED CHECK.**

If you fail to cure this default within thirty (30) days, CNB Bank will exercise its right to accelerate the mortgage payments. This means that the entire outstanding balance as stated in Paragraph 2 will become immediately due and payable. The bank will institute a foreclosure lawsuit against the real estate for that amount, which is \$176,812.25, plus interest, costs of suit and an attorney's commission of the amounts reasonably and actually incurred by CNB Bank. If CNB Bank obtains judgment against you for those amounts, it can then execute against your residence, which will result in loss of this property at Sheriff Sale. I estimate the earliest date on which such a sheriff sale could be held would be **Friday, December 7, 2007.**

If you cure your default within the thirty (30) day grace period, the mortgage will be recovered to the same position as if no default had occurred. However, you may only exercise this right to cure your default three (3) times in any calendar year.

The Law provides that you may sell this real estate subject to your delinquent mortgage, and your buyer, or anyone else, has the right to cure this default as explained in the preceding paragraphs. You also have the right to refinance this debt with another lender if possible. You also have the right to have this default cured by a third party acting on your behalf.

You have the right to assert in any foreclosure proceeding or any other lawsuit instituted under the mortgage documents, the nonexistence of a default or any other defense you believe you may have to any such actions against CNB Bank.

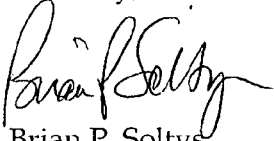
If you make partial payments on the account of the delinquencies, we will accept them and apply them to the delinquencies. However, such partial payments will not cure your default or reinstate your loan unless we receive the entire amount required to cure the default.

**This is a very serious matter.** You will also find enclosed with this letter a "Notice of Homeowner's Emergency Mortgage Assistance Act of 1983". You must read both that Notice and this one, since they explain rights that you now have under Pennsylvania law.

Robert J. & Jane E. Fischl  
July 6, 2007  
Page 3

However, if you fail to exercise your right under the Homeowner's Emergency Mortgage Assistance Act or fail to cure your default within thirty (30) days, which is on or before **Monday, August 6, 2007**, the bank will institute Foreclosure proceedings against your real estate, which will result in your loss of this property at Sheriff Sale.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian P. Soltys", written in a cursive style.

Brian P. Soltys  
Credit Adjustor  
Ph. 800-492-3221, ext. 201

Enclosure

# ACT 91 NOTICE

## TAKE ACTION TO SAVE YOUR HOME FROM FORECLOSURE

July 6, 2007

This is an official notice that the mortgage on your home is in default, and the lender intends to foreclose. Specific information about the nature of the default is provided in the attached pages.

The HOMEOWNER'S MORTGAGE ASSISTANCE PROGRAM (HEMAP) may be able to help to save your home. This Notice explains how the program works.

To see if HEMAP can help, you must MEET WITH A CONSUMER CREDIT COUNSELING AGENCY WITHIN 30 DAYS OF THE DATE OF THIS NOTICE. Take this Notice with you when you meet with the Counseling Agency.

The name, address and phone number of Consumer Credit Counseling Agencies serving your County are listed at the end of this Notice. If you have any questions, you may call the Pennsylvania Housing Finance Agency toll free at 1-800-342-2397. (Persons with impaired hearing can call (717) 780-1869).

This Notice contains important legal information. If you have any questions, representatives at the Consumer Credit Counseling Agency may be able to help explain it. You may also want to contact an attorney in your area. The local bar association may be able to help you find a lawyer.

LA NOTIFICACION EN ADJUNTO ES DE SUMA IMPORTANCIA, PUES AFECTA SU DERECHO A CONTINUAR VIVIENDO EN SU CASA. SI NO COMPRENDA EL CONTENIDO DE ESTA NOTIFICACION OBTenga UNA TRADUCCION IMMEDITAMENTE LLAMANDO ESTA AGENCIA (PENNSYLVANIA HOUSING FINANCE AGENCY) SIN CARGOS AL NUMERO MENCIONADO ARRIBA. PUEDES SER ELIGIBLE PARA UN PRESTAMO POR EL PROGRAMA IIAMODO "HOMEOWNER'S EMERGENCY MORTGAGE ASSISTANCE PROGRAM" EL CUAL PUEDE SALVAR SU CASA DE LA PERDIDA DEL DERECHO A REDIMIR SU HIPOTECA.

HOMEOWNER'S NAME(S):

Robert J. Fischl  
Jane E. Fischl

PROPERTY ADDRESS:

355 Rees Ln., Frenchville, PA 16836 and  
33 Main St., LeContes Mills, PA 16850

LOAN ACCOUNT NUMBER:

450585-5

ORIGINAL LENDER:

County National Bank

CURRENT LENDER/SERVICER :

CNB Bank

## HOMEOWNER'S EMERGENCY MORTGAGE ASSISTANCE PROGRAM

### YOU MAY BE ELIGIBLE FOR FINANCIAL ASSISTANCE WHICH CAN SAVE YOUR HOME FROM FORECLOSURE AND HELP YOU MAKE FUTURE MORTGAGE PAYMENTS

IF YOU COMPLY WITH THE PROVISIONS OF THE HOMEOWNER'S EMERGENCY MORTGAGE ASSISTANCE ACT OF 1983 (THE "ACT"), YOU MAY BE ELIGIBLE FOR EMERGENCY MORTGAGE ASSISTANCE:

- IF YOUR DEFAULT HAS BEEN CAUSED BY CIRCUMSTANCES BEYOND YOUR CONTROL,
- IF YOU HAVE A REASONABLE PROSPECT OF BEING ABLE TO PAY YOUR PAYMENTS, AND
- IF YOU MEET OTHER ELIGIBILITY REQUIREMENTS ESTABLISHED BY THE PENNSYLVANIA HOUSING FINANCE AGENCY.

TEMPORARY STAY OF FORECLOSURE -- Under the Act, you are entitled to a temporary stay of foreclosure on your mortgage for thirty (30) days from the date of this Notice. During that time you must arrange and attend a "face-to-face" meeting with one of the consumer credit counseling agencies listed at the end of this Notice. **THIS MEETING MUST OCCUR WITHIN THE NEXT (30) DAYS. IF YOU DO NOT APPLY FOR EMERGENCY MORTGAGE ASSISTANCE, YOU MUST BRING YOUR MORTGAGE UP TO DATE. THE PART OF THIS NOTICE CALLED "HOW TO CURE YOUR MORTGAGE DEFAULT", EXPLAINS HOW TO BRING YOUR MORTGAGE UP TO DATE.**

CONSUMER CREDIT COUNSELING AGENCIES -- If you meet with one of the consumer credit counseling agencies listed at the end of this notice, the lender may NOT take action against you for thirty (30) days after the date of this meeting. The names, addresses and telephone numbers of designated consumer credit counseling agencies for the county in which the property is located are set forth at the end of this Notice. It is only necessary to schedule one face-to-face meeting. Advise your lender immediately of your intentions.

APPLICATION FOR MORTGAGE ASSISTANCE -- Your mortgage is in default for the reasons set forth in this Notice (see following pages for specific information about the nature of your default.) If you have tried and are unable to resolve this problem with the lender, you have the right to apply for financial assistance from the Homeowner's Emergency Mortgage Assistance Program. To do so, you must fill out, sign and file a completed Homeowner's Emergency Assistance Program Application with one of the designated consumer credit counseling agencies listed at the end of this Notice. Only consumer credit counseling agencies have the applications for the program and they will assist you in submitting a complete application to the Pennsylvania Housing Finance Agency. Your application **MUST** be filed or postmarked within thirty (30) days of your face-to-face meeting.

**YOU MUST FILE YOUR APPLICATION PROMPTLY. IF YOU FAIL TO DO SO OR IF YOU DO NOT FOLLOW THE OTHER TIME PERIODS SET FORTH IN THIS LETTER,**

**AGENCY ACTION** --Available funds for emergency mortgage assistance are very limited. They will be disbursed by the Agency under the eligibility criteria established by the Act. The Pennsylvania Housing Finance Agency has sixty (60) days to make a decision after it receives your application. During that time, no foreclosure proceedings will be pursued against you if you have met the time requirements set forth above. You will be notified directly by the Pennsylvania Housing Finance Agency of its decision on your application.

**(If you have filed bankruptcy, you can still apply for Emergency Mortgage Assistance.)**

**NATURE OF THE DEFAULT** -- The MORTGAGE debt held by the above lender on your properties located at: **355 Rees Ln., Frenchville, Clearfield County, Pennsylvania 16836 and 33 Main St., LeContes Mills, Clearfield County, Pennsylvania 16850**

YOU HAVE NOT MADE MONTHLY MORTGAGE PAYMENTS for the following months and the following amounts are now past due:

June 2007 - \$1,540.28

**Late Charges - \$154.02**

**\$3,234.58**

3

CNB Bank  
1 South Second Street  
PO Box 42  
Clearfield, PA 16830-0042

**IF YOU DO NOT CURE THE DEFAULT**-If you do not cure the default within THIRTY (30) DAYS of the date of this Notice, **the lender intends to exercise its rights to accelerate the mortgage debt.** This means that the entire outstanding balance of this debt will be considered due immediately and you may lose the chance to pay the mortgage in monthly installments. If full payment of the total amount past due is not made within THIRTY (30) DAYS, the lender also intends to instruct its attorneys to start legal action to **foreclose upon your mortgaged property.**

**IF THE MORTGAGE IS FORECLOSED UPON**-The mortgaged property will be sold by the Sheriff to pay off the mortgage debt. If the lender refers your case to its attorneys, but your cure the delinquency before the lender begins legal proceedings against you, you will still be required to pay the reasonable attorney's fees that were actually incurred, up to \$50.00. However if legal proceedings are started against you, you will have to pay all reasonable attorney's fees actually incurred by the lender even if they exceed \$50.00. Any attorney's fees will be added to the amount you owe the lender, which may also include other reasonable costs. **If you cure the default within the THIRTY (30) DAY period, you will not be required to pay attorney's fees.**

**OTHER LENDER REMEDIES**-The lender may also sue you personally for the unpaid principal balance and all other sums due under the mortgage.

**RIGHT TO CURE THE DEFAULT PRIOR TO SHERIFF'S SALE**-If you have not cured the default within the THIRTY (30) DAY period and foreclosure proceedings have begun, you will still have the right to cure the default and prevent the sale at any time up to one hour before the Sheriff's Sale. You may do so by paying the total amount then past due, plus any late or other charges then due, reasonable attorney's fees and costs connected with the foreclosure sale and any other costs connected with the Sheriff's Sale as specified in writing by the lender and by performing any other requirements under the mortgage. **Curing your default in the manner set forth in this Notice will restore your mortgage to the same position as if you had never defaulted.**

**EARLIEST POSSIBLE SHERIFF'S SALE DATE**-It is estimated that the earliest date that such a Sheriff's Sale of the mortgaged property could be held would be **approximately 4 months from the date of this Notice.** A notice of the actual date of the Sheriff's Sale will be sent to you before the sale. Of course, the amount needed to cure the default will increase the longer you wait. You may find out at any time exactly what the required payment or action will be by contacting the lender.

**HOW TO CONTACT THE LENDER:**

**Name of Lender:** CNB Bank  
**Address:** One South Second Street; PO Box 42  
Clearfield, PA 16830  
**Phone Number:** (814) 765-9621 or (800) 492-3221  
**FAX Number:** (814) 768-9998  
**Contact Person:** David W. Ogden, Vice-President

**EFFECT OF SHERIFF'S SALE** -- You should realize that a Sheriff's Sale will end your ownership of the mortgaged property and your right to occupy it. If you continue to live in the property after the Sheriff's Sale, a lawsuit to remove you and your furnishings and other belongings could be started by the lender at any time.

**ASSUMPTION OF MORTGAGE** -- You     may or   X   may not (CHECK ONE) sell or transfer your home to a buyer or transferee who will assume the mortgage debt, provided that all the outstanding payments, charges and attorney's fees and costs are paid prior to or at the sale and that the other requirements of the mortgage are satisfied.

**YOU MAY ALSO HAVE THE RIGHT:**

TO SELL THE PROPERTY TO OBTAIN MONEY TO PAY OFF THE MORTGAGE DEBT OR TO BORROW MONEY FROM ANOTHER LENDING INSTITUTION TO PAY OFF THIS DEBT.

TO HAVE THIS DEFAULT CURED BY ANY THIRD PARTY ACTING ON YOUR BEHALF.

TO HAVE THE MORTGAGE RESTORED TO THE SAME POSITION AS IF NO DEFAULT HAD OCCURRED, IF YOU CURE THE DEFAULT. (HOWEVER, YOU DO NOT HAVE THIS RIGHT TO CURE YOUR DEFAULT MORE THAN THREE TIMES IN ANY CALENDAR YEAR.)

TO ASSERT THE NONEXISTENCE OF A DEFAULT IN ANY FORECLOSURE PROCEEDING OR ANY OTHER LAWSUIT INSTITUTED UNDER THE MORTGAGE DOCUMENTS.

TO ASSERT ANY OTHER DEFENSE YOU BELIEVE YOU MAY HAVE TO SUCH ACTION BY THE LENDER.

TO SEEK PROTECTION UNDER THE FEDERAL BANKRUPTCY LAW.

**CONSUMER CREDIT COUNSELING AGENCIES SERVING CLEARFIELD COUNTY:**

CCCS of Northeastern PA  
202 W. Hamilton Ave.  
State College, PA 16801  
814-238-3668  
800-922-9537

CCCS of Western PA  
Royal Remax Plaza  
917A Logan Blvd  
Altoona, PA 16602  
888-511-2227


CCCS of Western PA  
219A College Park Plaza  
Johnstown, PA 15904  
888-511-2227

Indiana County Community Action Program  
827 Water St  
PO Box 187  
Indiana, PA 15701  
724-465-2657

Keystone Economic Development Corp.  
1954 Mary Grace Ln  
Johnstown, PA 15901  
814-535-6556

The NORCAM Group  
4200 Crawford Ave.  
Suite 200  
Northern Cambria, PA 15714  
814-948-4444

2. Article Number



7160 3901 9846 0711 4654

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) ☐ Yes

1. Article Addressed to:

ROBERT J. FISCHL  
355 REES LN  
FRENCHVILLE PA 16836

PS Form 3811, January 2005

Domestic Return Receipt


**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) Jane Fischl B. Date of Delivery 7-9-07

C. Signature Jane Fischl ☐ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes ☐ No  
If YES, enter delivery address below:

2. Article Number



7160 3901 9846 0711 4661

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) ☐ Yes

1. Article Addressed to:

JANE E. FISCHL  
355 REES LN  
FRENCHVILLE PA 16836

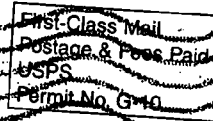
PS Form 3811, January 2005

Domestic Return Receipt

UNITED STATES POSTAL SERVICE  
ALTOONA PA 1683

09 JUL 2007 PM 3:11

• Print your name, address and ZIP+4 below •



ATTN: **B P S**

CNB BANK

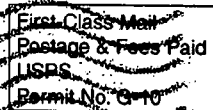
PO BOX 42

CLEARFIELD PA 16830-0042

UNITED STATES POSTAL SERVICE  
ALTOONA PA 1683

09 JUL 2007 PM 2:11

• Print your name, address and ZIP+4 below •



ATTN: **B P S**

CNB BANK

PO BOX 42

CLEARFIELD PA 16830-0042

7160 3901 9846 0711 4654

US Postal Service <b>Certified Mail Receipt</b> <i>Domestic Mail Only No Insurance Coverage Provided</i>	<b>BPS</b> Postage Certified Fee Return Receipt Fee (Endorsement Required) Restricted Delivery Fee (Endorsement Required) <b>Total Postage &amp; Fees</b>	\$	Postmark Here 7-6-07
		\$5.38	

Sent To:

**ROBERT J. FISCHL**  
**355 REES LN**  
**FRENCHVILLE PA 16836**

PS Form 3800, January 2005      US Postal Service      **Certified Mail Receipt**

7160 3901 9846 0711 4661

US Postal Service <b>Certified Mail Receipt</b> <i>Domestic Mail Only No Insurance Coverage Provided</i>	<b>BPS</b> Postage Certified Fee Return Receipt Fee (Endorsement Required) Restricted Delivery Fee (Endorsement Required) <b>Total Postage &amp; Fees</b>	\$	Postmark Here 7-6-07
		\$5.38	

Sent To:

**JANE E. FISCHL**  
**355 REES LN**  
**FRENCHVILLE PA 16836**

PS Form 3800, January 2005      US Postal Service      **Certified Mail Receipt**

**Certified true and correct**

- ☐ A record of the child's behavior for a period of two years.

**Important:** Please allow 7-10 business days for delivery. We ship via First Class Mail or Priority Mail.

- 2) NO INSURANCE COVERAGE IS PROVIDED for Certified Mail. For valuable parcels, insure them by Registered Mail.
- 3) For Registered Mail, the Receiver may be requested to provide proof of delivery. To provide this, the sender must prepay and attach a Return Receipt. To receive a fee waiver for the Return Receipt, the sender must attach your Certified Mail receipt to a duplicate of the Return Receipt and present the article to the addressee or sender.
- 4) For Registered Mail, the sender must attach the article and mailpiece with the Return Receipt to the duplicate of the Return Receipt and present the article

If a postage stamp is desired, please present the article with a postage stamp and postmark on the Certified Mail receipt and place it in the box with postage and mail.

**IMPACT**

PS F

**Certified** \_\_\_\_\_

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**Import duties:** \_\_\_\_\_ Use first-class mail or Priority Mail.

- [illegible]

the addressee or mailpiece with the

...the present the article is being sent by Certified Mail with postage and mail.

**NOTE:** If you are making an inquiry.

25

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

CNB BANK,

Plaintiff

vs.

ROBERT J. FISCHL and

JANE E. FISCHL,

Defendant

NO.: 2007-1570-CD

FILED Fidelity  
01/12/59/61 Closing  
NOV 29 2007 Services  
pd. 7.00

RELEASE OF LIEN

William A. Shaw  
Prothonotary/Clerk of Court No CC  
GA

COMES NOW, CNB Bank, Plaintiff in the above-captioned matter, which, for itself, its successors and assigns, in consideration of Eight-Five Thousand 00/100 (\$85,000.00) Dollars, hereby releases the lien of its judgment in this matter against only the following described property known as 9426 Gillingham Road, Frenchville, PA 16836 and also identified as Clearfield County Tax Map Numbers 114-06-642-00009, 114-06-643-00007 and 114-06-642-00010:

ALL those four (4) certain tracts or parcels of land situate in the Township of Girard, County of Clearfield and Commonwealth of Pennsylvania:

THE FIRST THEREOF:

BEGINNING at a post corner on Township Road leading from Clearfield to Karthaus; thence along side of public road, South eighty-three (83) degrees, West ninety-nine (99) feet to post corner on land now or formerly of E.D. Billotte; thence South eighty-five (85) degrees East along said E.D. Billotte lands fifty-one and one-tenth (51.1) feet to post corner of Lot No. 39; thence South seven (7) degrees East eighty-eight and seven-tenths (88.7) feet along Lot No. 39 to post corner and the place of beginning.

THE SECOND THEREOF:

BEING Lot No. 30, 31 and 32 in the draft of land in Girard Township, Clearfield County, Pennsylvania as surveyed and plotted by Peter Beauseigneur by H. A. Reese, Surveyor, said plot being recorded in the Office of the Recorder of Deeds of Clearfield County, having been bounded and described as follows: excepting as to Lot No. 30 in said plot of H.A. Reese and having been conveyed a strip from the eastern part of this lot to a width of three and one half (3 ½) feet, the said width of this lot as herein conveyed is forty-six and one half (46 ½) feet; beginning at a point in the township road leading through LeContes Mills to Frenchville and corner of property herein conveyed on this deed to John Bell, being the northeastern corner of this lot herein conveyed; thence in a southerly direction along line of plot conveyed to John Bell, a distance of approximately

returned to:  
Fidelity Closing Services, LLC  
341 Science Park Road  
Suite 203 RFR 207-00100  
State College, PA 16803

one hundred fifty (150) feet to a road or alley, as shown on plot surveyed by the said H.A. Reese and of record; thence in a westerly direction along said street or alley as plotted by the said H.A. Reese a distance of one hundred thirty-six and one half (136 ½) feet to corner of Lot No. 33, being the southwestern corner of plot herein conveyed; thence in a northerly direction a distance of one hundred fifty (150) to the public road leading through LeContes Mills to Frenchville; thence in a easterly direction a distance of one hundred fifty (150) feet along the said public road to the place of beginning. Being Lot Nos. 30, 31 and 32 with the exception set forth above as in present surveyed to H. A. Reese and of record.

EXCEPTING AND RESEVING from the second parcel herein all the coal, clay, gas, oil and mineral unto Pal M. Howe, et ux by deed of Francis L. Rolley, et ux dated March 1, 1951 and recorded in Deed Book 411, Page 514.

THE THIRD THEREOF:

BEGINNING at the northeastern corner of lot now or formerly of Anna Bumbarger; thence North seven (7) degrees East thirty-three (33) to a stake; thence South eighty-three (83) degrees East to corner of John Bell; thence South seven (7) degrees West thirty-three (33) feet to the line now or formerly of Beauseigneur; thence North eighty-three (83) degrees West to a post and place of beginning. Containing approximately six hundred fifty (1,650) square feet, more or less, also the western half of land now or formerly of Leon Hugney, joining the property in the northeast corner and containing one half (1/2) acre, more or less.

THE FOURTH THEREOF:

BEGINNING at a post on public road leading from Clearfield to Karthaus; thence North seven (7) degrees West one hundred twenty (120) feet to post, corner of land now or formerly of Aaron Murray; thence South eighty-five (85) degrees East along said Murray land one hundred two and two tenths (102.2) feet to post, corner of Lot No. 38 (now or formerly of McGovern); thence South seven (7) degrees East along Lot No. 38 ninety-nine (99) feet to a post on public road; thence along said public road one hundred (100) feet to the place of beginning. Being known as Lot No. 57 in the General Plan of Plots surveyed by Peter Beauseigneur by H.A. Reese, the County Surveyor, which said plot is recorded in the Recorder of Deeds Office of Clearfield County, Pennsylvania.

BEING the same premises to which Robert J. Fischl and Jane E. Fischl, husband and wife by deed dated April 9, 2001, recorded at Clearfield County Instrument No. 200105019.

And the parties to this action further agree that the Defendant, his heirs and assigns, shall hereafter hold, own, and possess the above-described property free and clear from the judgment in this matter; provided, however, that nothing herein contained shall invalidate the lien, priority or security of the judgment upon any other property of the debtors in this County or elsewhere.

IN WITNESS WHEREOF, the undersigned have set their hands intending to be legally bound on this 6<sup>th</sup> day of November, 2007.

CNB BANK

By: William F. Falger  
William F. Falger, President

By: Joseph B. Bower, Jr.  
Joseph B. Bower, Jr. Exec. VP

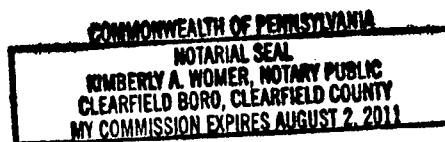
AFFIDAVIT

STATE OF PENNSYLVANIA :  
: ss  
COUNTY OF CLEARFIELD :

On this 6<sup>th</sup> day of November, 2007, before me, the undersigned officer, personally appeared WILLIAM F. FALGER and JOSEPH B. BOWER, JR, who being duly sworn according to law depose and say that they are the President and Executive Vice President, respectively, of CNB Bank, and as such they are authorized to execute the foregoing Release of Lien.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

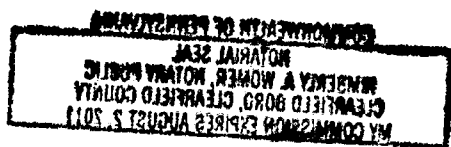
Kimberly A. Womer  
Notary Public



**FILED**

**NOV 29 2007**

William A. Shaw  
Prothonotary/Clerk of Courts



IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 103233  
NO: 07-1570-CD  
SERVICE # 1 OF 2  
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: CNB BANK

vs.

DEFENDANT: ROBERT J. FISCHL and JANE E. FISCHL

SHERIFF RETURN

NOW, October 01, 2007 AT 1:17 PM SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON ROBERT J. FISCHL DEFENDANT AT SHERIFF'S OFFICE, 1 N. 2ND ST., SUITE 116, CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO JANE FISCHL, WIFE A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: SNYDER /

**FILED**  
01/31/08 4:45 PM  
JAN 31 2008  
William A. Shaw  
Prothonotary/Clerk of Courts

**IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA**

DOCKET # 103233  
NO: 07-1570-CD  
SERVICE # 2 OF 2  
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: CNB BANK

vs.

DEFENDANT: ROBERT J. FISCHL and JANE E. FISCHL

**SHERIFF RETURN**

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NOW, October 01, 2007 AT 1:17 PM SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON JANE E. FISCHL DEFENDANT AT SHERIFF'S OFFICE, 1 N. 2ND ST., SUITE 116, CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO JANE FISCHL, DEFENDANT A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: SNYDER /

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 103233  
NO: 07-1570-CD  
SERVICES 2  
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: CNB BANK  
vs.  
DEFENDANT: ROBERT J. FISCHL and JANE E. FISCHL

SHERIFF RETURN

RETURN COSTS

Description	Paid By	CHECK #	AMOUNT
SURCHARGE	CNB	379413	20.00
SHERIFF HAWKINS	CNB	379413	40.93

Sworn to Before Me This

\_\_\_\_\_ Day of \_\_\_\_\_ <sup>2008</sup>  
~~2007~~

So Answers,



Chester A. Hawkins  
Sheriff