

and pond nearby (south), and the west boundary shall be the old fence line. Said contract having been executed by Ward A. Thompson and Donna M. Thompson (husband and wife), and Pearl L. Dover and Zachariah L. Dover, on the 5th day of September, 1969.

(e) A contract for the installment sale of real estate described as Lot One Hundred Forty-seven (147) on New Jersey Street, in the City of Lawrence, Douglas County, Kansas. Said contract made by Ward A. Thompson, a single person, d/b/a Thompson Investments, and William C. Ellis and Jennie B. Ellis, nee Jennie Wirm, husband and wife. Said contract executed on the 28th day of March, 1968.

The security interest is given to secure the sum of Thirteen Thousand Nine Hundred and Fifteen Dollars (\$13,915.00) which is now due and owing to the second party.

B. DEBTOR'S WARRANTIES AND COVENANTS.

(1) At the time Debtor pledges, sells, assigns or transfers to the secured party the above described contract rights, Debtor shall be the lawful owner thereof and shall have the right to pledge, sell, assign or transfer the same; none of such property shall have been pledged, sold, assigned or transferred to any person other than Security Party or in any way encumbered; no set offs or counterclaims thereto shall exist; no agreement shall have been made for any modification, deduction or discount thereon; no partial payments thereon shall have been made; and Debtor shall defend the same against any and all claims and demands of all persons.

(2) Immediately upon the execution of this agreement, Debtor will mark all his books, records, and copies of the above contracts, with an entry showing the absolute assignment of all contracts subject to this agreement to the Secured Party and Secured Party is hereby given the right and privilege of auditing the books and records of Debtor relating to said Collateral and arranging for verification, under reasonable procedures, directly with account or contract debtors, at any time, and from time to time as Secured Party deems proper.

(3) No financing statement covering any of the Collateral or proceeds thereof is on file in any public office as of the date of this agreement or