UCC FINANCING STATEMENT FOLLOW INSTRUCTIONS (front and back) CAREFULLY A. NAME & PHONE OF CONTACT AT FILER (optional) Skagit County Auditor 9/26/2007 Page B. SEND ACKNOWLEDGMENT TO: (Name and Address) 1 of 2 9:35AM Skagit State Bank Attn: Loan Operations Center 301 E Fairhaven Ave, P O Box 285 Burlington, WA 98233 THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names 1a, ORGANIZATION'S NAME FUNKY ANA'S INC. dba: ANA-CROSS STITCH OR MIDDLE NAME SUFFIX FIRST NAME 1b. INDIVIDUAL'S LAST NAME POSTAL CODE COUNTRY STATE 1c. MAILING ADDRESS 98221 USA WΔ **ANACORTES** 719 COMMERCIAL AVE 1g. ORGANIZATIONAL ID#, if any 1f. JURISDICTION OF ORGANIZATION 1d. SEE INSTRUCTIONS ADD'L INFO RE 1e. TYPE OF ORGANIZATION 602 748 861 Corporation WA DEBTOR 2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names 2a. ORGANIZATION'S NAME SUFFIX OR 2b. INDIVIDUAL'S LAST NAME MIDDI E NAME FIRST NAME COUNTRY CITY STATE POSTAL CODE 2c. MAILING ADDRESS ADD'L INFO RE | 26. TYPE OF ORGANIZATION ORGANIZATION 2f. JURISDICTION OF ORGANIZATION 2g. ORGANIZATIONAL ID #, if any 2d. SEE INSTRUCTIONS NONE 3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b) 3a. ORGANIZATION'S NAME Skagit State Bank SUFFIX 3b. INDIVIDUAL'S LAST NAME IRST NAME MIDDLE NAME COUNTRY POSTAL CODE STATE 3c. MAILING ADDRESS 98233 USA Burlington WA 301 E. Fairhaven Ave, P O Box 285 4. This FINANCING STATEMENT covers the following collateral: All Inventory, Machinery, Equipment, Accounts, General Intangibles and Fixtures; whether any of the foregoing is owned now or acquired later; all accessions, additions, replacements, and substitutions relating to any of the foregoing; all records of any kind relating to any of the foregoing; all proceeds relating to any of the foregoing (including insurance, general intangibles and other accounts proceeds). PARCEL 54988 ANACORTES S 36.9FT LTS 11 TO 13 & W 15FT LT 14 BL K21

5. ALTERNATIVE DESIGNATION [if applicable]: LESSEE/LESSOR CONSIGNEE/CONSIGNOR BAILEE/BAILOR SELLER/BUYER AG. LIEN NON-LICC FILING

6. This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL [if applicable] To Check to REQUEST SEARCH REPORT(S) on Debtor(s) All Debtors Debtor 1 Debtor 2

8. OPTIONAL FILER REFERENCE DATA

FUNKY ANA'S INC.

	ADDENDUM				
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