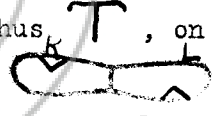


MORTGAGE OF CHATTELS


THIS MORTGAGE, made this eighth day of September, 1939, by HENRY C. MERRICK and KLARA MERRICK, his wife, of the County of Eureka, State of Nevada, by occupation a rancher, mortgagor (it is distinctly understood that the word "mortgagor" referring to the mortgagor, as used herein, is intended to and does include the masculine, feminine and neuter genders and the singular and plural numbers), to THE FARMERS' & MERCHANTS NATIONAL BANK OF EUREKA, Eureka, Nevada, a corporation duly organized and existing under and by virtue of the laws of the United States of America, by occupation a banker, mortgagee,

W I T N E S S E T H :

That said Mortgagor does hereby mortgage to said Mortgagee all of that certain personal property described as follows, to-wit:

Thirty (30) head of cattle branded Bar T, thus , on left ribs, and ear-marked thus

Ten (10) head of horses and

Two (2) mules, branded Quarter Circle 2, thus , on the left shoulder;

Two (2) Wagons (2 $\frac{1}{2}$ inch);

One (1) Spring Wagon;

One (1) Old Wagon;

One (1) Hayrack;

One (1) Overshot Stacker;

One (1) McCormick Mower;

One (1) Buckrake;

One (1) Sully Rake;

One (1) Gang Plow;

One (1) Garden Plow;

One (1) Plow;

Two (2) Harrows;

One (1) Grind Stone and Stand;

One (1) Drill;



One (1) Anvil;

One (1) Blower;

One (1) set of Dies;

Blacksmith Tools;

One (1) Kitchen Range;

ALSO, that certain brand known as the "Bar T" Brand, made and formed as follows: ; and that certain brand known as the "Quarter-circle 2" Brand, made and formed as follows: ; as recorded in the office of the State Board of Stock Commissioners.

Together with all of the increase thereof, and additions, substitutions and replacements thereto, whether natural or otherwise, and all increment

and products thereof, including wool, together with all registration papers having to do with such animals as may be registered, being all of the said livestock now located on what is known as the "Carletti Ranch" in the County of Eureka, State of Nevada. Said livestock during the term of this mortgage will be ranged only in the following county or counties and state or states: County of Eureka, State of Nevada, and will not be ranged elsewhere without the consent of the Mortgagee.

It is the purpose and intent of this mortgage to subject thereto all of the livestock owned by the said Mortgagor, or hereafter to be acquired by him, whether unbranded, branded, or whether or not in excess of the number above designated, or otherwise. The marks and brands used to describe said property are holding marks and brands and carry title, although said livestock may have other marks and brands.

This mortgage shall cover and include all rights, title and interest of the Mortgagor in and to the range, range allotments, range rights, forest permits, forest allotments, forest privileges, leasehold rights, feed of every nature including hay in shock or stack, pasture, feed pens, feed troughs, pens, water, water rights, watering places, water privileges, water locations, water tanks, reservoirs, tank-sites, wells, well casings, pumps, pumping machinery, engines, boilers, windmills, land rights, land leases, permits, buildings, fences, corrals, automobiles, trucks, wagons, and all horses, mules, burros and the increase thereof and additions thereto, whether unbranded or branded, with any iron or brand, and all farming machinery, camp equipment, dairy equipment, appliances and other equipment, together with all additions thereto and replacements thereof used in the management of said property, until the indebtedness herein described is fully paid.

The above property is hereby mortgaged to the Mortgagee as security for the payment to said Mortgagee of the sum of FIVE THOUSAND AND NO/100 DOLLARS (\$5,000.00) in lawful money of the United States of America, on the nineteenth day of August, 1946, with interest thereon at the rate of Six Per Cent (6%) per annum, according to the terms of that certain promissory note made, executed and delivered by said Mortgagor to said Mortgagee, dated the

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eighth day of September, 1939, and maturing the nineteenth day of August, 1946, in the principal sum of FIVE THOUSAND AND NO/100 DOLLARS (\$5,000.00), with interest thereon at the rate of Six Per Cent (6%) per annum; also as security for the repayment of any sums, indebtedness and obligations owing by or due from or hereafter to become owing by or due from Mortgagor or any of them to the Mortgagee, its successors or assigns; also as security for the repayment of all present and future demands of any kind or nature which Mortgagee, its successors or assigns, may have against the Mortgagor or any of them, whether created directly or acquired by assignment, whether absolute or contingent, whether due or not, or whether otherwise secured or not, or whether existing at the time of the execution of this instrument or arising thereafter; provided that the maximum amount to be secured hereby at any one time shall not exceed the total sum of SEVEN THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$7,500.00); also as security for the repayment of all sums or accounts that are necessarily advanced or expended by the Mortgagee, its successors or assigns, for the maintenance or preservation of the property or any part thereof described in this mortgage.

Said Mortgagor hereby declares and hereby warrants to said Mortgagee that the said Mortgagor is the absolute owner and in possession of all of said mortgaged property hereinabove described, and that the said mortgaged property is free and clear of all liens, encumbrances and adverse claims whatsoever.

The following covenants, to-wit, Nos. 1, 2 (attorney's fees 5%), 3 (interest 6% per annum), 4, 5, 6, 8, 9, 12, 14 and 15 of Section 1 of an act of the legislature of the State of Nevada entitled "An Act relating to mortgages of real and personal property, and to provide that certain agreements, covenants, obligations, rights and remedies thereunder may be adopted by reference," approved March 23, 1927, are hereby adopted and made a part of this mortgage.

It is also agreed that the mortgagor will at all times keep the hereinbefore described property insured against loss or damage by fire to the amount of at least \$ in some reliable insurance company, approved by the mortgagee, loss if any, payable to the mortgagee and mortgagor as their interest may appear, and said mortgagor will deliver the

policies therefor to the said mortgagee to be held by said mortgagee as further security. In default of the mortgagor to obtain such insurance, the mortgagee may procure the same, not exceeding the amount aforesaid, and may pay and expend for premiums for such insurance such sums of money as the mortgagee shall deem necessary, and add the same to the amount of the mortgage debt, as in Covenant No. 3 hereinbefore adopted and set forth.

It is further agreed that upon default of any of the terms, conditions, covenants or agreements to be kept, fulfilled and performed by the said mortgagor, as in said note and in this mortgage contained and provided, the said mortgagee may, without foreclosure and without legal proceedings and without any previous demands therefor, with the aid or assistance of any person or persons enter upon the premises of the mortgagor, or such place as any of the property subject to the lien of this mortgage may be found and take and carry away the mortgaged property or any part thereof, and with or without notice to the mortgagor, at either public or private sale, sell and dispose of the same or so much thereof as may be necessary to pay the amount and sum secured by the mortgage, for the best price it can obtain, and out of the monies arising therefrom, it shall retain and pay the sum or sums then due or payable under the lien of the mortgage, and interest thereon, and all charges and expenses incurred in taking and selling the property, and any other expenses and charges incurred by the mortgagee, and all other sums secured by any of the terms of the mortgage, and the overplus if any, shall be paid to the mortgagor; and said mortgagee is hereby expressly authorized and empowered, upon any such sale, to make and execute such bills of sale or other conveyances necessary to convey to the purchaser thereof an absolute title in the property so sold; and it shall not be necessary for the purchaser in any such sale made hereunder to inquire into or in any way be or become responsible for the actual existence of the contingency upon which the sale shall be made to the mortgagee, and title to the purchaser of the property so sold shall be good and sufficient; and the mortgagors agree that the decision of the mortgagee as to the actual existence of the contingency

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upon which said sale as aforesaid is or may be predicated, shall be conclusive and binding upon said mortgagor; and the mortgagors further agree that upon default and sale as aforesaid, it does hereby waive any and all rights to claim as permanent non-removable fixtures any of the property hereinbefore described, and does hereby consent to the removal of the said property or any part thereof from the premises in which the same might be at the time of said default.

It is further agreed that the above and foregoing remedy afforded the mortgagee in case of default, without foreclosure, shall be merely cumulative and not exclusive of any other remedy by way of foreclosure or otherwise afforded the mortgagee under any law of this State or of any other state in which the mortgaged property may be situated, and in the event the mortgagee at its option commences suit to foreclose this mortgage, it may with the approval of the court designate any person or persons to act as receiver of said property pending foreclosure and sale, and the mortgagors agree that the cost of said receivership and reasonable attorneys' fees to be allowed by the court may be taxed against and paid by the said mortgagors.

IN WITNESS WHEREOF, the said Mortgagors have signed, executed, and delivered this instrument on the day and year first above written.

Henry C. Merrick
Klara Merrick

STATE OF NEVADA)
County of Elko) SS.

On this 15 day of Sept, 1939, before me, the undersigned Notary Public in and for the County of Elko, State of Nevada, personally appeared

HENRY C. MERRICK and KLARA MERRICK,

known to me to be the same persons described in and whose names are subscribed to and who executed the foregoing instrument, who duly acknowledge to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said County of Elko, the day and year in this certificate first above written.

My Commission Expires:

March 24, 1941

Garmon M. Roberts
Notary Public
in and for the County of Elko,
State of Nevada.

STATE OF NEVADA)
County of Elko) SS.

HENRY C. MERRICK, the mortgagor in the foregoing mortgage named, being duly sworn, doth depose and say: That he is the mortgagor named in the foregoing mortgage; that he makes this affidavit as such mortgagor, and for and on behalf of, said mortgagor; that the aforesaid mortgage is made in good faith, and without any design to hinder, delay or defraud any creditor or creditors.

Subscribed and sworn to before me this 15 day of Sept, 1939.

Garmon M. Roberts
Notary Public
in and for the County of Elko,
State of Nevada

My Commission Expires March 24, 1941

STATE OF NEVADA)
County of Eureka) SS.

.....C. L. TOBIN....., as Cashier of THE FARMERS' & MERCHANTS NATIONAL BANK OF EUREKA, Eureka, Nevada, the mortgagee in the above mortgage named, being duly sworn, doth depose and say: That he makes his affidavit as the Cashier of THE FARMERS' & MERCHANTS NATIONAL BANK OF EUREKA, Eureka, Nevada, and for and on behalf of said corporation, the mortgagee named in the above mortgage; that the aforesaid mortgage is made in good faith, and without any design to hinder, delay or defraud any creditor or creditors.

Subscribed and sworn to before me this 17 day of Sept, 1939.

J. M. Paoli
Notary Public
in and for the County of Eureka,
State of Nevada.

My Commission Expires 2-24-40

CHattel Mortgage

HENRY C. MERRICK and KLARA MERRICK,
his wife, mortgagors

to

THE FARMERS' & MERCHANTS NATIONAL
BANK OF EUREKA, Eureka, Nevada,
Mortgagees.

Dated: August 19, A.D. 1939

File No. 23175

Filed at the request of

C. L. Lohm

Oct. 26 1939

at 4 P. M.

Peter Meraldo

Recorder.

I HEREBY CERTIFY THAT THIS MORTGAGE HAS
BEEN FULLY PAID, SATISFIED AND DISCHARGED.
DATED: NOV 13 1942

FARMERS AND MERCHANTS NATIONAL BANK, EUREKA, NEVADA

E. L. Lohm
Cashier