

LIVESTOCK CHATTEL MORTGAGE

This MORTGAGE, made this 11th day of March, 1966,

By MCKINLEY CATTLE CO.

of Elko County of Elko State of Nevada,

by occupation Ranching, hereinafter called "Mortgagor", to the NEVADA BANK OF COMMERCE, a banking corporation duly organized and existing under and by virtue of the laws of the State of Nevada, hereinafter called "Mortgagee";


WITNESSETH: That the said Mortgagor does hereby mortgage to said Mortgagee all the following described personal property situated in the County of Elko & Eureka, State of Nevada, described as follows, to-wit:

7,759 - Steers

741 - Heifers

8,500 - Total Cattle

Branded Thus: H

Earmarked Thus: 

Together with all of the increase and the increase thereof and additions and accretions thereto, it being the intention that this mortgage shall cover all of each kind of livestock above named now owned or possessed by the Mortgagor and in or to which he may acquire any right, title, or interest during the life of this mortgage. In the case of sheep, all wool and lamb crops (whether now born or unborn) during the period of the mortgage are included.

There is also included all the right, title, and interest of the Mortgagor in and to all hay, grain, pasturage, and feed, and in and to all range and forest rights, feed pens, feed troughs, and water privileges used in feeding said livestock, also all horses, mules, harness, camp wagons, commissary outfits, and shearing, lambing, and other equipment used in operating said livestock, and in general all personal property and equipment now or hereafter used in or in connection with feeding, ranging, watering, lambing, shearing, maintaining, transporting, or caring for said livestock, so far as such property is the lawful subject of chattel mortgage, until the indebtedness herein described is paid in full.

All of said livestock may carry other brands and marks than those mentioned, but in any event the above enumeration and description is intended to cover and include all livestock now owned by the Mortgagor, and their increase, and all additions thereto, whether marked or branded as stated or otherwise, or unbranded.

The said livestock during the term of this mortgage will be kept only in the following county or counties and State or States:

Elko & Eureka Counties - State of Nevada

and will not be removed therefrom except with the written consent of the Mortgagee.

ALSO ALL CROPS of every name, nature, and description which have been or may be hereafter sown, grown, planted, cultivated, or harvested during the year 1965-66, upon the following described real estate situated in Elko County, State of Nevada, to-wit:

TO HAVE AND TO HOLD said crops, chattels, and other personal property and all of the same unto the said Mortgagee and the Mortgagee's successors and assigns forever. It is the intention of the parties that this mortgage shall take effect and become a lien upon any crops planted hereafter, at the time when such crops are planted.

This mortgage is given as security for the payment to said Mortgagee of the sum of
TWO HUNDRED THIRTY TWO THOUSAND SEVENTY TWO DOLLARS & NO/100- - Dollars (\$ 232,072.00#)
in lawful money of the United States of America on the 1st day of November, 19 66, with interest
thereon at the rate of Seven per cent (7 %) per annum, as evidenced by, and according to the terms of that certain
promissory note, made, executed and delivered by said Mortgagor to said Mortgagee, dated the 11th day of
March, 19 66, and maturing the 1st day of November, 19 66, in the principal sum
of TWO HUNDRED THIRTY TWO THOUSAND SEVENTY TWO DOLLARS & NO/100- - Dollars (\$ 232,072.00#)

with interest thereon at the rate of Seven per cent (7 %) 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 said Mortgagor, or the personal representatives, heirs or assigns of said Mortgagor, to said 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 said Mortgagor, 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

One Million Six Hundred Thousand & No/100- - - - - Dollars (\$ 1,600,000.00); also as security for the repayment of all sums or amounts 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.

This mortgage shall extend to cover and secure any and all extensions and renewals of said note or notes, and any and all other indebtedness and liabilities of said Mortgagor, whether as principal, surety, or guarantor, or otherwise, to the Mortgagee, its successors or assigns, whether evidenced by note or otherwise, now existing or hereafter arising, during the term of this mortgage.

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

The covenants set out in Exhibit A attached hereto,
XX
XX are hereby adopted and made a part of this Mortgage.

ADOPTION OF COVENANTS IN REAL AND
CHATTEL MORTGAGES

1. Covenant No. 1. That the mortgagor will perform each and all of the promises and obligations of the mortgage and all covenants thereof, adopted by reference as provided herein, and will pay the indebtedness therein described with interest as therein provided.

2. Covenant No. 2. That the mortgagor will pay a reasonable attorney fee in case suit is started for the collection of the mortgage debt or any part thereof, and will pay all costs and expenses of the suit, whether the suit be prosecuted to judgment or not, and will also pay all costs of any sale made thereunder without court proceedings, including in case of such sale an attorney fee equal to Reas. percent of the amount due at the date of the sale upon the principal and interest of the mortgage debt.

3. Covenant No. 3. That the mortgagor will pay, in lawful money of the United States, all sums expended or advanced by the mortgagee for taxes or assessments levied or assessed against the mortgaged property, fire insurance upon the same, or advanced for any other purpose provided for by the terms of the mortgage or the covenants thereof adopted by reference, together with interest upon any such sums from the date of the payment by the mortgagee until repaid, at the rate of 7 percent per annum.

4. Covenant No. 4. That this mortgage will be security for the payment in lawful money of the United States of any and all moneys that may hereafter become due or payable from the mortgagor to the mortgagee, from any cause whatsoever.

5. Covenant No. 5. That this mortgage shall be security for any and all renewals of the mortgage debt or of the promissory note or notes evidencing the same, which may be executed and delivered by the mortgagor to the mortgagee, and any and all additional or future advances or loans which may be made by the mortgagee to the mortgagor.

6. Covenant No. 6. That the mortgagor agrees to pay and discharge at maturity all taxes and assessments and all other charges and encumbrances which are, or shall hereafter be, or appear to be, a lien upon the mortgaged property, or any part thereof, and he will pay all interest or installments due on any prior encumbrance. And in default thereof, the mortgagee may, without demand or notice, pay the same and the mortgagee shall be the sole judge of the legality or validity of such taxes, assessments, charges or encumbrances and the amount necessary to be paid in the satisfaction or discharge thereof.

7. Covenant No. 7. That the mortgagor will at all times keep the buildings and improvements, which are now or which shall hereafter be erected upon the mortgaged premises, insured against loss or damage by fire to the amount of at least \$ in some reliable insurance company or companies, approved by the mortgagee, and will deliver the policies therefor to the mortgagee to be held by the 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.

8. Covenant No. 8. That if there be more than one mortgagor in a mortgage, all covenants, terms, promises and obligations set forth in the mortgage or adopted by reference are agreed to be joint and several covenants, terms, conditions, promises and obligations of each of the mortgagors thereto.

9. Covenant No. 9. That this mortgage is made upon the express condition that if all sums secured hereby shall be paid at the time, place and manner mentioned in the mortgage, or in any of the covenants provided by this section which shall be adopted by reference, the mortgage and the estate therein mentioned and described shall cease, determine and be void, and the mortgagor, for himself, his heirs, executors, administrators, successors and assigns, covenants and agrees to pay in lawful money of the United States to the mortgagee all sums secured by the mortgage, or by the terms of the covenants adopted by reference at the time and in the manner therein provided, and if default be made in the payment of the principal or interest or any part thereof described in the mortgage, or of any promissory note or other instrument or obligation for which such mortgage is given as security, the whole of the principal sum for which the mortgage is given, which shall be then unpaid, shall become forthwith payable, although the time expressed in the promissory note or notes or other obligation or obligations shall not have arrived.

10. Covenant No. 10. That it is understood and agreed that all the natural increase, during the existence of this mortgage, of any livestock which shall at any time be subject to the lien hereof, and all other livestock of the same kind as that described in the mortgage which in any manner is acquired by the mortgagor during the life of the mortgage, and all wool grown upon or produced by any sheep which shall

at any time be subject to the lien of the mortgage, is property mortgaged hereunder and subject to the lien of the mortgage.

11. Covenant No. 11. That the mortgagor covenants and agrees to keep all livestock mortgaged or subject to the lien of the mortgage in good condition, and care for, inspect and protect the same, and provide and maintain sufficient blooded, graded breeding stock to properly serve any female livestock at any time subject to the lien of the mortgage, and in general to exercise such care in rearing, branding, ranging and feeding all livestock subject to the lien of the mortgage as is consistent and in accord with good business, and with the customary manner of handling that kind of livestock which is subject to the lien hereof. Should the livestock or any part thereof at any time, in the opinion of the mortgagee, require care, attention or protection other than that provided by the mortgagor, then the mortgagee may enter or cause entry to be made upon any property where the mortgaged livestock or any part thereof may be found, and assume control, custody and possession of the same, and at the expense of the mortgagor care for, protect, and attend to the same in such manner as it may deem necessary.

12. Covenant No. 12. That it is further understood and agreed that the mortgagee, its agents or attorneys, shall have the right at all times to inspect and examine any property which may at any time be subject to the lien of the mortgage, for the purpose of ascertaining whether or not the security given is being lessened, diminished, depleted or impaired, and if such inspection or examination shall disclose, in the judgment of the mortgagee, that the security given or the property mortgaged is being lessened or impaired, such condition shall be deemed a breach of the covenants of the mortgage on the part of the mortgagor.

13. Covenant No. 13. That upon default of any of the terms, conditions, covenants or agreements of any chattel mortgage whereby livestock is mortgaged, it is agreed that the mortgagee may, without foreclosure and without legal proceedings and without any previous demand therefor, with the aid or assistance of any person or persons, enter upon the premises and ranges of the mortgagor or such place or places as any of the property subject to the lien of the mortgage is or may be found, and take, lead, drive or 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 sums secured by the mortgage, for the best price it can obtain, and out of the moneys 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 gathering, feeding, caring for, and selling the property or any part thereof, and any other expenses and charges incurred by the mortgagee, and all other sums secured by any of the terms of the mortgage, and any overplus shall be paid to the mortgagor. The mortgagee is 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 or purchasers thereof an absolute title in the property so sold. It shall not be necessary for the purchaser or purchasers at any such sale or sales purported to be made under the powers granted hereunder to inquire into or in any way be or become responsible for the actual existence of the contingency or contingencies upon which such sale or sales shall be made by the mortgagee, and title to the purchaser or purchasers of the property so sold shall be good and sufficient; and the mortgagor agrees that the decision of the mortgagee as to the actual existence of the contingency or contingencies upon which the sale or sales as aforesaid is or may be predicated shall be conclusive and binding upon the mortgagor.

14. Covenant No. 14. That it is expressly agreed by and between the mortgagor and mortgagee that, in the event suit shall be instituted for the foreclosure of the mortgage, the mortgagee may, at its option and without notice, apply for the appointment of a receiver for the purpose of taking possession of the mortgaged property pending foreclosure, and with the approval of the court wherein such suit is instituted such receiver as may be designated by the mortgagee shall be appointed. All costs in connection with the appointment of a receiver or in connection with the discharge of the duties of the receiver shall be taxed as costs in the suit.

15. Covenant No. 15. That it is expressly agreed and understood that in any sale of any of the property at any time subject to the lien of the mortgage, under the terms of the mortgage or any of the covenants adopted by reference, the property may, at the option of the mortgagee, be sold in one lot or parcel or in such other lots or parcels as may be designated by the mortgagee; and it is further covenanted and agreed that the mortgagee may become the purchaser of the property or any part thereof at any sale made under any of the terms of the mortgage, or upon foreclosure.

It is covenanted and agreed by the Mortgagor that the Mortgagor is the sole and lawful owner of the property herein described, and has, and is entitled to, the exclusive possession thereof; that the same is free of all encumbrance, and the Mortgagor has full power and authority to convey and mortgage the same, and that the Mortgagor will warrant and defend the same against the lawful claims and demands of all persons whatsoever; that the said Mortgagor will not sell or dispose of any of the property mortgaged herein, nor attempt to do so, nor part with possession of any of the same except to the Mortgagee; that said Mortgagor will properly, and in a good and husbandlike manner, feed, care for, and maintain all livestock subject hereto, in first-class order and condition at his own expense, and will provide proper and sufficient feed and protection for such livestock for the winter season in due time each fall, in accordance with the practice and custom of the country where the same is situate, and also adequate and sufficient range and pasturage, during the grazing season; will, before maturity, pay off and discharge all taxes, liens, or other charges or encumbrances of every kind, however incurred, on said property, and in default thereof the same may, at Mortgagee's option, be paid by the Mortgagee and the amount so paid added to the indebtedness secured hereby, but no such payment shall be a waiver of the Mortgagor's default therein; further, that the marks or brands on said property shall not be altered or mutilated in any respect, and that all increase, accretions, and other livestock that shall at any time become subject to the lien hereof shall be forthwith branded and marked with the same brands and marks above described.

If default be made in payment of any sums, moneys, or indebtedness now or hereafter secured hereby, or any part thereof, or the interest thereon; or if the Mortgagor default in or fail to comply with any of the covenants, conditions, or agreements herein mentioned or contained; or in case any representation herein made by the Mortgagor proves false in any respect, or in case of the actual or impending bankruptcy or of the insolvency of the Mortgagor, or in case of material depreciation in the value of the property subject to the lien hereof; or if, for any cause, the security afforded shall become inadequate, or if, at any time, the Mortgagee shall deem itself insecure, for any reason (the Mortgagee to be the sole judge), with respect to the payment of the sums secured hereby, or if any of the property subject to the lien hereof is attached, levied upon, or for any reason taken possession of or detained by any person other than the Mortgagee; then and in any of the events aforesaid, the Mortgagee shall have the right and power, and is hereby authorized at its option, personally, or by agent, to enter upon the property of the Mortgagor, or any other place or places where the property covered hereby, or any part thereof, is situate, and take possession of and remove the same or any part thereof, with or without legal process, and, in addition thereto, in all or any of the events aforesaid, whether possession of said property or any part thereof be or be not taken by the Mortgagee, the whole of the indebtedness hereby secured shall, at the option of the Mortgagee, become immediately due and payable without notice, although the time expressed therefor shall not have arrived; and the said Mortgagee shall, in any of the events aforesaid, have the right to proceed to foreclose this mortgage by suit or action, or by notice and sale, as provided by law or in any other lawful manner; in any of which foreclosure proceedings the mortgaged property may, at the option of the Mortgagee, be sold as a single parcel and as a whole, or in such order and such parcels less than the whole, as the Mortgagee may elect; and, in event of foreclosure by notice and sale, or by suit or action, the Mortgagee may retain from the proceeds of the sale in addition to all other proper costs, charges, and expenses, a reasonable attorney's fee, all of which shall constitute a lien on the property mortgaged. In case the proceeds from any foreclosure sale, judicial or otherwise, fail to satisfy this mortgage, costs, and expenses, including a reasonable attorney's fee and all costs and expenses incurred in taking and retaining possession of said property and in caring for the same pending sale, then said Mortgagor agrees to pay any deficiency. Said Mortgagee may become a purchaser the same as any other person at the foreclosure sale hereunder, free from any right of redemption whatsoever.

It is further agreed that, if suit be instituted for foreclosure hereof, a receiver may be appointed without notice to take possession of the property subject hereto pending said action, and any sale decreed therein, but until such time as possession is taken by the Mortgagee or by such receiver under the terms and conditions hereof, said Mortgagor may remain in the possession of all said property.

PROVIDED FURTHER, That all remedies herein specified shall be considered as optional with the Mortgagee, and cumulative, and not as a waiver of any other right or remedy which would otherwise exist in law or equity for the enforcement of this mortgage, or the collection of the indebtedness secured hereby.

Neither the acceptance nor existence, now or hereafter, of other security for the indebtedness secured hereby, nor the release thereof, shall operate as a waiver of the security of this mortgage, nor shall this mortgage nor its release operate as a waiver of any such other security now held or hereafter acquired.

The word "Mortgagor" and the language of this instrument shall, where there is more than one Mortgagor, be construed as plural, and be binding on all Mortgagors; and the word "Mortgagee" shall be construed as including any lawful holder thereof; and both the words "Mortgagor" and "Mortgagee" shall be construed as including the heirs, executors, administrators, successors and assigns of each, as the case may be.

IN WITNESS WHEREOF, these presents have been executed by said Mortgagor the day and year first above written.

MCKINLEY CATTLE CO.

John M. McKinley, President

Ira Unruh, Secretary-Treasurer

SEAL
AFFIXED

File No. 24038

FILED FOR RECORD

AT REQUEST OF

Nevada Bank of Commerce

MAR 25 1 21 PM '66

RECORDED BOOK 66 PAGE 646
ESTHER H. SKELTON
ELKO COUNTY RECORDER



Fee 4.00

41912

File No.

RECORDED AT THE REQUEST OF
Nevada Bank of Commerce

April 12

A. D. 19 66

at 05 minutes past 8 A. M.

in Book 10 of OFFICIAL RECORDS

Page 315-320 Records of

ELUKA COUNTY, NEVADA

Thelma A. McPaul
Recorder

Fee \$ 11 45

LIVESTOCK
CHattel MORTGAGE

MORTGAGOR

NEVADA BANK OF COMMERCE

MORTGAGEE

TO

Acknowledgment When Mortgagor Is An Individual

State of Nevada,

County of _____

ss.

On this _____ day of _____, 19 66, before me, a Notary Public in and for said County and

State, personally appeared _____

known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he 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, the day and year first above written.

My Commission Expires _____

Notary Public

Acknowledgment When Mortgagor Is A Corporation

State of Nevada,

County of Elko

ss.

On this 11th day of March, 19 66, personally appeared before me, a Notary Public in and

for said County and State, John M. McKinley & Ira Unruh

known to me to be the President & Secet. Treasurer of the corporation that executed the foregoing instrument,

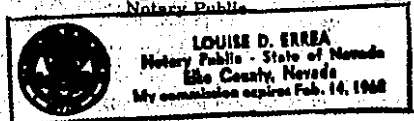
and upon oath, did depose that he is the officer of said corporation as above designated; that he is acquainted with the seal of said corporation and that the seal affixed to said instrument is the corporate seal of said corporation; that the signatures to said instrument were made by officers of said corporation as indicated after said signatures; and that the said corporation executed the said instrument 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, the day and year first above written.

My Commission Expires _____

Louise D. Errea

Notary Public



Certification by Notary

State of Nevada,

County of _____

ss.

I, _____, a Notary Public in and for the County of _____

State of Nevada, duly commissioned and sworn, do certify that on this _____ day of _____, 19 _____,

I carefully compared the within copy of _____ with the original thereof, and that the same is a true, full and exact copy of said original.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year first above written.

Notary Public

My Commission Expires _____