

STATE OF NEVADA §
 § DEED OF TRUST
 COUNTY OF EUREKA §

This Deed of Trust, made this 20th day of November, 1974, by and between Texas Samurai, Inc., a Texas corporation with its principal place of business in Dallas County, Texas, and whose mailing address is 8111 Preston Road, Suite 715 Dallas, Texas (hereinafter referred to as "Grantor"); Dudley H. Chambers of Dallas County, Texas, (hereinafter referred to as "Trustee"); and Coopers & Lybrand, a national accounting firm with an office in Dallas County, Texas, (hereinafter referred to as "Beneficiary").

W I T N E S S E T H:

THAT WHEREAS, Grantor and Warren K. Steffen, II, owe Beneficiary accounts receivable in the amounts of \$1,200.00 and \$29,737.05, respectively; and

THAT WHEREAS, Grantor, in order to reflect and evidence such debts has executed with Warren K. Steffen, II, that certain promissory note of even date herewith payable to Beneficiary in the principal sum of \$30,937.05, with interest thereon, and payable according to the terms contained therein;

NOW, THEREFORE, for the purpose of securing each agreement herein contained including payment of said promissory note with interest thereon, Grantor irrevocably GRANTS AND TRANSFERS TO TRUSTEE and also to any successor Trustee as hereinafter provided, in TRUST, WITH POWER OF SALE, all that property in Eureka County, Nevada, described as:

Section 19, Township 31 North,
 Range 50 East, M.D.B. & M.

(hereinafter referred to as the "property").

TOGETHER with all improvements thereon, or hereinafter to be placed thereon, and all and singular the rights and appurtenances to the property belonging or in anywise incident or appertaining.

TO HAVE AND TO HOLD unto the Trustee, and to his successors and his or their assigns forever, hereby covenanting and agreeing to Forever Warrant and Defend the property aforesaid, and every part thereof, unto the said Trustee and to any successor Trustee, and to the assigns of any Trustee hereunder, against all persons whomsoever lawfully claiming or to claim the same or any part thereof for and upon and subject to the following agreements, trusts, terms and conditions:

1. For the purpose of protecting and preserving the security of this Deed of Trust, Grantor agrees: to properly care for and keep the property in good condition and repair; not to remove or demolish any building thereon; to complete in a good and workmanlike manner any building which may be constructed thereon, and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws, ordinances and regulations requiring any alterations or improvements to be made thereon; not to commit or permit any waste thereof; not to commit, suffer or permit any act to be done in or upon the property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and/or do any other act or acts, all in a timely and proper manner, which, from the character or use of the property, may be reasonably necessary, the specific enumerations herein not excluding the general. In the case of default made by Grantor in the performance of the foregoing stipulations, Beneficiary may, without demand or notice, perform same for account and at the expense of Grantor, and any and all expenses incurred and paid in so doing shall be payable by Grantor to Beneficiary with interest thereon at the highest per annum legal contractual rate.

2. Grantor agrees to pay and discharge at maturity all taxes and assessments and all other charges and encumbrances which now are or shall hereafter be, or appear to be, a lien upon the property, or any part thereof; and that it will pay all interest on installments due on any prior encumbrance. In

case of default made by Grantor in performance of the foregoing stipulations, Beneficiary may, without demand or notice, perform same for account and at the expense of Grantor, and any and all expenses incurred and paid in so doing shall be payable by Grantor to Beneficiary with interest thereon at the highest per annum legal contractual rate. In so doing, Beneficiary shall be sole judge of the legality or validity of such taxes, assessments, charges or encumbrances, and the amount to be paid in satisfaction on discharge thereof.

3. Grantor will at all times keep the property insured against loss or damage by fire, in the amount of at least \$ None _____, by some insurance company or companies approved by Beneficiary, the policies for which insurance shall be made payable, in case of loss, to Beneficiary, and shall be delivered to and held by the Beneficiary as further security; and that in case of default thereof, Beneficiary may, without demand or notice and for the account and at the expense of Grantor, procure such insurance, not exceeding the amount aforesaid, to be effected either upon the interest of Trustee or any successor Trustee or upon the interest of Grantor, or its assigns, and in their names, loss, if any, being made payable to Beneficiary, and may pay and expend for premiums for such insurance such sums of money as the Beneficiary may deem necessary, and any and all expenses incurred and paid in so doing shall be payable by Grantor to Beneficiary with interest thereon at the highest per annum legal contractual rate. The amount collected under any insurance policy shall be credited: first, to accrued interest; next to expenditures hereunder; and any remainder upon the principal, and interest shall thereupon cease upon the amount so credited upon principal; provided, however, that at the option of Beneficiary, the entire amount collected under the insurance policies or any part thereof, may be released to Grantor without liability upon the Trustee or any successor Trustee for such release.

4. Any award of damages in connection with any condemnation for public use of or injury to the property or any part thereof is hereby assigned and shall be paid to Beneficiary, who may apply or release such moneys received by him in the same manner and with the same effect as herein provided for disposition of proceeds of policies of insurance in paragraph 3 hereof.

5. Grantor agrees to pay and discharge all costs, fees and expenses of these Trusts, including cost of evidence of title and Trustee's fees in connection with sale, whether completed or not, which amounts shall become due upon delivery to Trustee of Declaration of Default and Demand for Sale, as hereinafter provided.

6. Grantor agrees to pay to Trustee and to Beneficiary respectively, on demand, the amount of all sums of money which they shall respectively pay or expend pursuant to the provisions of the express and implied covenants hereof, together with interest upon each of the amounts, until paid, from time of payment thereof, at the highest per annum contractual legal rate.

7. Grantor promises and agrees that if, during the existence of the trust, there be commenced or pending any suit or action affecting the property, or any part thereof, or the title thereto, or any adverse claim for or against the property, or any part thereof, be made or asserted, it will appear in and defend any such matter purporting to affect the security and will pay all costs and damages arising because of such action; provided, however, that if, during the existence of the trust, there be commenced or pending any suit or action affecting the property, or any part thereof, or the title thereto, or if any adverse claim for or against the property, or any part thereof, be made or asserted, the Trustee or any successor Trustee or Beneficiary may appear or intervene in the suit or action and retain counsel therein and defend same, or otherwise take such action therein as they may be advised, and may settle or compromise same or the

adverse claim; and in that behalf and for any of the purposes may pay and expend such sums of money as the Trustee or any successor Trustee or Beneficiary may deem to be necessary.

8. Trustee or any successor Trustee shall be under no obligation to notify any party thereto of any pending sale hereunder or of action or proceeding of any kind in which Grantor, Beneficiary and/or Trustee or any successor Trustee shall be named as defendant, unless brought by Trustee or any successor Trustee.

9. Acceptance by Beneficiary of any sum in payment of any indebtedness secured hereby, after the date when the same is due, shall not constitute a waiver of the right either to require prompt payment, when due, of all other sums so secured or to declare default as herein provided for failure so to pay.

10. Trustee or any successor Trustee may, at any time, or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and the Notes secured hereby for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby or the effect of this Deed of Trust upon the remainder of the property; reconvey any part of the property; consent in writing to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or subordination agreement in connection herewith.

11. That in case Grantor shall well and truly perform the obligation or pay or cause to be paid at maturity the debt or promissory note, and all moneys agreed to be paid by it, and interest thereon for the security of which the transfer is made, and also the reasonable expenses of the trust in this section specified, then the Trustee or any successor Trustee, shall reconvey to the Grantor all the estate in the property conveyed to the Trustee or any successor Trustee by the Grantor. Any part of the property may, at any time, be reconveyed at the request of the Beneficiary.

12. (a) Should default be made by Grantor in payment of any indebtedness secured hereby and/or in performance of any agreement herein, then Beneficiary may declare all sums secured hereby immediately due by delivery to Trustee or any successor Trustee of a written Declaration of Default and Demand for Sale, and of written Notice of Default and election to cause the property to be sold (which notice Trustee or any successor Trustee shall cause to be duly filed for record) and shall surrender to Trustee or any successor Trustee this Deed of Trust, the Note and all documents evidencing any expenditure secured hereby.

(b) After three months shall have elapsed following recordation of any such Notice of Default, Trustee or any successor Trustee shall sell the property at such time and at such place in the State of Nevada as the Trustee or any successor Trustee, in its sole discretion, shall deem best to accomplish the objects of these trusts, having first given notice of such sale as then required by law. Place of sale shall be in the county in which the property to be sold, or any part thereof, is situated.

(c) The Grantor, Pledgor and Mortgagor of the personal property herein pledged and/or mortgaged waives any and all other demands or notices as conditions precedent to sale of such personality.

(d) Trustee or any successor Trustee may postpone sale of all, or any portion, of the property by public announcement at the time fixed by said notice of sale, and may thereafter postpone said sale from time to time by public announcement at the time previously appointed.

(e) At the time of sale so fixed, Trustee or any successor Trustee may sell the property so advertised or any part thereof, either as a whole or in separate parcels at his sole discretion, at public auction, to the highest bidder for cash in lawful money of the United States payable at time of sale, and shall deliver to such purchaser a Deed conveying the

property so sold, but without covenant or warranty, express or implied; Grantor hereby agrees to surrender, immediately and without demand, possession of the property to such purchaser.

13. Trustee or any successor Trustee, upon such sale, shall make (without warranty), execute and, after due payment made, deliver to purchaser or purchasers, his or their heirs or assigns, a deed or deeds of the property so sold which shall convey to the purchaser all the title of the Grantor in the property, and shall apply the proceeds of the sale thereof in payment, firstly, of the expenses of such sale, together with the reasonable expenses of the trust, including counsel fees, in an amount equal to the highest per annum legal contractual rate of interest on the amount secured thereby and remaining unpaid, which shall become due upon any default made by Grantor in any of the payments aforesaid; and also such sums, if any, as Trustee or any successor Trustee or Beneficiary shall have paid, for procuring a search of the title to the property, or any part thereof, subsequent to the execution of the Deed of Trust; and in payment, secondly, of the obligation or debts secured, and interest thereon then remaining unpaid, and the amount of all other moneys with interest thereon herein agreed or provided to be paid by Grantor; and the balance or surplus of such proceeds of sale he shall pay to Grantor, its successors or assigns.

14. In the event of a sale of the property conveyed or transferred in trust, or any part thereof, and the execution of a deed or deeds therefor under such trust, the recital therein of default, and of recording notice of breach and election of sale, and of the elapsing of the 3-month period, and of the giving of notice of sale, and of a demand by Beneficiary, its successors or assigns, that such sale should be made, shall be conclusive proof of such default, recording, election, elapsing of time, and of the due giving of such notice, and that the sale was regularly and validly made on due and proper demand by

Beneficiary, its successors or assigns; and any such deed or deeds with such recitals therein shall be effectual and conclusive against Grantor, its successors or assigns, and all other persons; and the receipt for the purchase money recited or contained in any deed executed to the purchaser as aforesaid shall be sufficient discharge to such purchaser from all obligation to see to the proper application of the purchase money, according to the trusts aforesaid.

15. In case of absence, death, inability, refusal or failure of the Trustee herein named to act, a successor and substitute may be named, constituted and appointed by Beneficiary, its successors or assigns, without other formality than an appointment and designation in writing; and this conveyance shall vest in him, as Trustee, the estate and title in all the property and he shall thereupon hold, possess and execute all the title, rights, powers and duties herein conferred on said Trustee named, and his conveyance to the purchaser shall be equally valid and effective; and such right to appoint a successor Substitute Trustee shall exist as often and whenever from any of said causes, any Trustee, original or substitute, cannot or will not act.

16. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns.

17. Trustee or any successor Trustee accepts these Trusts when this Deed of Trust, duly executed, and acknowledged is made a public record as provided by law.

18. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural, and the term Beneficiary shall include any future holder, including pledgees, of the Note secured hereby.

IN WITNESS WHEREOF, Grantor has caused its duly authorized officer to execute this document as of the day, month and year first above written.

TEXAS SAMURAI, INC.

By:

Warren H. Steffen

Its:

President

THE STATE OF TEXAS §

COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Warren H. Steffen, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Texas Samurai, Inc., a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 20th day of November, 1974.



Legg J. Quimbach

Notary Public in and for said
County and State

RECORDED AT THE REQUEST OF James M. Duncan
on Dec. 4, 19 74, at 10 mins. past 3 P. M. h
Book 50 of OFFICIAL RECORDS, page 331-339 RECORDS OF
GUREKA COUNTY, NEVADA William A. DeLoach Recorder
File No. 59514 Fee \$11.00
FILE NO. 59514