

Recording Requested By and
When Recorded Mail to:

THE TRAVELERS INSURANCE COMPANY
Real Estate Investment Department
4 Orinda Way, Suite 200A
Orinda, California 94563

102924

Attention: Legal Unit

ASSUMPTION AGREEMENT

Loan Number 179540-0 May 21, 1986

Recitals

- A. THE TRAVELERS INSURANCE COMPANY, a Connecticut corporation (hereinafter "Lender"), made a loan of One Million dollars (\$ 1,000,000.00) to the undersigned borrower(s), or their predecessor(s) (hereinafter "Borrower(s)"), as evidenced by a note dated December 12, 1972 (hereinafter "Note"), and secured by a Deed of Trust or Mortgage, of approximate even date as said Note, which was recorded on January 29, 1973, as Instrument Number 57027, at Book/Vol. 44, page 382, in the Official Records of Eureka County, State of Nevada, covering real property described in said Deed of Trust or Mortgage (hereinafter "Property").
- B. Title to the subject Property, together with any improvements or personal property located thereon, has been or will be acquired by the undersigned owner(s) (hereinafter "Owner(s)").
- C. Owner(s) now desire to assume the obligations of said Note, Deed of Trust or Mortgage, Security Agreement, Financing Statements, and all other security instruments executed thereto from Borrower(s) to Lender (hereinafter "Loan Documents").

Agreement

In consideration of the foregoing recitals and of the mutual agreements herein contained, and upon express condition that the lien of the Deed of Trust or Mortgage held by Lender is a valid, first and subsisting lien on the secured real property and that the execution of this Agreement will not impair the lien of the Deed of Trust or Mortgage, it is agreed as follows:

1. Unpaid Balance. The unpaid principal balance of the Note as of May 8, 1986, is Three Hundred Thousand Dollars (\$ 300,000.00).
2. Assumption of Indebtedness. Owner(s) hereby covenants, promises and agrees (a) to pay the Note, at the times, in the manner and in all respects as therein provided, including any unpaid balance of principal owing at Maturity of the Note, (b) to perform each and all of the covenants, agreements, and obligations in the Deed of Trust or Mortgage, Security Agreement, Financing Statements, and in the other security instruments securing the Note to be performed by Borrower(s) therein, at the time, in the manner and in all respects as

therein provided, and (c) to be bound by each and all of the terms and provisions of the Note and the Deed of Trust or Mortgage as though such documents had originally been made, executed and delivered by Owner(s). Owner(s) hereby grants Lender a security interest in the Collateral described in the Security Agreement, to the extent necessary to do so in order to preserve and protect Lenders Security Interest, and priority thereof. Owner(s) agrees to execute any Financing Statement or other instrument required by Lender which may be filed for record where Lender deems it necessary or appropriate.

3. Lien of Deed of Trust or Mortgage. Nothing herein contained shall in any manner affect the priority or lien of the Deed of Trust or Mortgage securing the Note or of any other security instruments securing the Note.
4. Other Provisions. Additional terms and provision, if any, are set out as follows: By execution of this Assumption Agreement, Producers Livestock Loan Company, a Utah corporation (Now known as Producers Livestock Credit Corporation, a Colorado corporation), confirms its execution of a Guaranty dated January 15, 1976, guaranteeing payment of the indebtedness of the Note to The Travelers.

5. Lender Consent. Lender hereby consent to the transfer of the Property from Borrower(s) to Owner(s).
6. Title. In order to induce Lender to execute this Agreement, the undersigned Owner(s) represent and warrant that title to the real Property described in said Deed of Trust or Mortgage is now vested in the undersigned Owner(s), subject only to the matters existing at the time of recordation of said Deed of Trust or Mortgage, current taxes and that no one other than the undersigned Owner(s) has any interest in said real property except as set forth herein.
7. Notices. All correspondence, notices of default, notices of late charges, year end statements, and other communication from Lender and Owner(s) covering this loan shall, until further written notice from either party be sent:
- To Owner(s) at: Daniel H. Russell
Robert A. Russell
c/o Mull & McCarthy
1001 Second Street
Sacramento, CA 95814
- To Lender at: The Travelers Insurance Company
4 Orinda Way, Suite 200A
Orinda, California 94563
Attention: Legal Unit
8. Memorandum to be Recorded. The parties authorize Lender or its agents to execute and record a Memorandum of this Agreement in the Official Records in the county in which the Property is located.
9. Applicable Law. The validity, interpretation, construction and performance of this Agreement shall be governed by the law of the state which governs the Note and Loan Documents.
10. Attorneys Fees. (a) In the event the Lender incurs attorneys fees and costs in connection with the interpretation, performance or enforcement of any provision of this Agreement, regardless of whether any litigation is started in connection therewith, Owner(s) promise(s) to pay the reasonable amount thereof; or in case suit or action is instituted to collect on the Note or any part thereof, or any other instrument securing or related to the indebtedness, Owner(s) promises to pay such additional sum as the court may adjudge reasonable as attorney fees and collection costs in said suit or action, including all costs and reasonable attorneys fees incurred in any appeal taken therefrom to any appellate court.
- (b) In case of default, Owner(s) further promise(s) to pay such expenses as may be incurred by the Lender in making collection of any delinquent payment or payments or incurring any other default, including reasonable attorneys fees and costs, regardless of whether any litigation is started.
11. Secured by Original Loan Documents. The provisions of this Agreement shall be secured by the Deed of Trust or Mortgage and the other security instruments as fully as if such were included in the original Note, Deed of Trust or Mortgage and other security instruments.

12. Ratification of Loan Documents. The Note, Deed of Trust or Mortgage, and other security instruments shall remain in full force and affect according to their terms, and all terms, covenants, conditions and provisions thereof, are hereby ratified and confirmed.

LENDER:

THE TRAVELERS INSURANCE COMPANY,
a Connecticut corporation

By: Emil A. Schmitt
Its: Regional Vice President
By: Marion Blackwood, Jr.
Its: Assistant Secretary

BORROWER(S):

By: James Minor

By: Jessie F. Minor

OWNER(S)
By: Daniel H. Russell by Thomas S. Van Horne his attorney in fact

By: Roberta A. Russell
by Thomas S. Van Horne her attorney in fact.

JS/tt
1D/39
10/85

GUARANTOR:

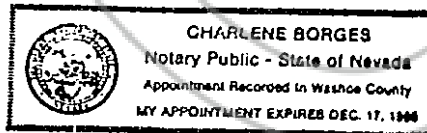
PRODUCERS LIVESTOCK CREDIT
CORPORATION, a Colorado corporation

By: _____

STATE OF NEVADA

County of WASHOE

On this 29th day of May in the year one thousand nine hundred and eighty-six
personally appeared before me, CHARLENE BORGES, a Notary Public in and for said Washoe County



IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official stamp, at my office in the County of Washoe the day and year last above written.

Charlene Borges

THOMAS S. VAN HORNE

known to me to be the person whose name subscribed to the within instrument, as the attorney in fact of DANIEL H. RUSSELL and ROBERTA A. RUSSELL

and he, the said THOMAS S. VAN HORNE acknowledged to me that he signed the name S. of the said DANIEL H. RUSSELL and ROBERTA A. RUSSELL

thereto as principal and his own name as attorney in fact, and that as such attorney in fact he executed the foregoing instrument freely and voluntarily and for the uses and purposes therein mentioned.

CARLISLE'S FORM NO. 24N—(ACKNOWLEDGMENT-ATTORNEY IN FACT) 95672

COUNTY OF CONTRA COSTA)

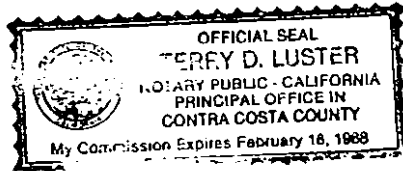
FOR CORPORATE ACKNOWLEDGEMENT

On May 21, 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Emil A. Schmitt known to me to be the Regional Vice President of The Travelers Insurance Company, and Marion Blackwood, Jr. the Assistant Secretary of the corporation that executed the within instrument, and known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors. WITNESS my hand and official seal.

(seal)

Signature: Terry D. Luster

Notary Public in and for the State of California, County of Contra Costa

My Commission Expires: 2/16/88

STATE OF NEVADA,

County of WASHOE

ss.

On June 2, 1986

DATE

personally appeared before me,

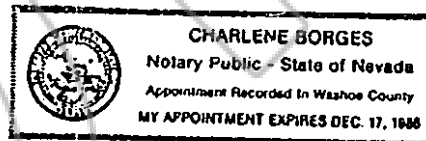
a Notary Public (or judge or other authorized person, as the case may be),

JAMES MINOR and JESSIE F. MINOR

who acknowledged that they executed the above instrument.

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

Charlene Borges
Signature of Notary



CARLISLE'S FORM NO. 36 N (ACKNOWLEDGEMENT GENERAL) — 835945

RECORDED AT REQUEST OF
Washoe Title Guaranty Co.
BOOK 144 PAGE 596

86 JUN 4 A 9:25

OFFICIAL RECORDS
DOCKA COUNTY, NEVADA
S.A. REGALATI, RECORDER
FILE NO. 102924
FEE \$ 9.00

BOOK 144 PAGE 600