

108219

FINANCING STATEMENT & SECURITY AGREEMENT

Debtor(s) (Last Name First and Address(es)):	Secured Party(ies): Name(s) and Address(es)	For Filing Office: Time, Date, No., Filing Office
ADAMS, John P. O. Box 266 Eureka, Nevada 89316 # [REDACTED]	GROSCH, Elsie M. Route 1 Silver Creek, NE. 68663 # [REDACTED]	

CREATION OF SECURITY INTEREST AND DESCRIPTION OF COLLATERAL

Debtor, whether one or more, as security for all Debtor's present and future indebtedness and liabilities of whatever nature to secured party, and all renewals and extensions thereof, grants Secured Party a security interest in the following collateral, whether now owned or hereafter acquired and in additions, accessions, substitutions thereto, and all products and proceeds thereof:

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WARRANTIES

Debtor warrants that the Collateral is used or being bought primarily for personal, family or household purposes; but if marked here for farming operations, - - - if marked here for business operations.

If marked here the Collateral is being acquired with the proceeds of the note or notes, which Secured Party may disburse directly to the seller of the Collateral.

Executed this 4 day of June, 19 87. THIS AGREEMENT INCLUDES ALL THE PROVISIONS ON THE REVERSE SIDE.

Elsie M. Grosch
By Wayne Grosch
Secured Party

John B. Adams
Debtor

By _____ Debtor

ADDITIONAL PROVISIONS

DEBTOR WARRANTS AND COVENANTS: (1) That except for the security interest granted hereby Debtor is, or to the extent that Collateral is acquired after the date hereof, will be, the owner of the Collateral free from any adverse lien, security interest or encumbrance; and that Debtor will defend the Collateral against all claims and demands of all persons at any time claiming the same or any interest therein. (2) That no financing statement covering the Collateral or any proceeds thereof is on file in any public office and that at the request of Secured Party, Debtor will join with Secured Party in executing one or more financing statements pursuant to the Nebraska Uniform Commercial Code in form satisfactory to Secured Party and will pay the cost of filing such financing statement, this security agreement and any continuation or termination statement, in all public offices wherever filing is deemed by Secured Party to be necessary or desirable; and if the Collateral is attached to real estate prior to the perfection of the security interest granted hereby or if the Collateral includes crops or oil, gas or minerals to be extracted or timber to be cut, Debtor will, on demand of Secured Party, furnish Secured Party with a disclaimer or disclaimers or subordination agreement signed by all persons having an interest in the real estate, disclaiming or subordinating any interest in the Collateral which is prior to the interest of Secured Party. (3) Not to sell, transfer or dispose of the Collateral, nor take the same or attempt to take the same from the county where kept as above stated, without the prior written consent of the Secured Party. (4) To pay all taxes and assessments of every nature which may be levied or assessed against the Collateral. (5) Not to permit or allow any adverse lien, security interest or encumbrance whatsoever upon the Collateral, and not to permit the same to be attached or replevined. (6) That the Collateral is in good condition, and that he will at his own expense, keep the same in good condition and from time to time, forthwith, replace and repair all such parts of the Collateral as may be broken, worn out or damaged without allowing any lien to be created upon the Collateral on account of such replacement or repairs, and that the Secured Party may examine and inspect the Collateral at any time, wherever located. (7) That he will at his own expense keep the Collateral insured in a company satisfactory to Secured Party against loss, as appropriate, by theft, collision, fire and extended coverage, with loss payable to Secured Party as its interest may appear, and will on demand deliver said policies of insurance or furnish proof of such insurance to Secured Party. (8) At its option Secured Party may procure such insurance, discharge taxes, liens or security interests or other encumbrances at any time levied or placed on the Collateral and may pay for the repair of any damage or injury to or for the preservation and maintenance of the Collateral. Debtor agrees to reimburse Secured Party on demand for any payment or expense incurred by Secured Party pursuant to the foregoing authorization. Until such reimbursement, the amount of any such payment, with interest at the rate of 11% per annum from date of payment until reimbursement, shall be added to the indebtedness owed by Debtor and shall be secured by this agreement. (9) That he will not use the Collateral in violation of any applicable statute, regulation or ordinance and if any of the Collateral is motor vehicles the same will not be rented, used in rental service nor in any speed or endurance contest.

UNTIL DEFAULT Debtor may have possession of the Collateral and use it in any lawful manner not inconsistent with this agreement and not inconsistent with any policy of insurance thereon, and upon default Secured Party shall have the immediate right to the possession of the Collateral.

DEBTOR SHALL BE IN DEFAULT under this agreement upon the happening of any of the following events or conditions: (1) default in the payment or performance of any obligation, covenant or liability contained or referred to herein or in any note evidencing the same; (2) any warranty, representation or financial statement made or furnished to Secured Party by or on behalf of Debtor is discovered to have been false in any material respect when made or furnished; (3) any event which results in the acceleration of the maturity of the indebtedness of Debtor to others under any indenture, agreement or undertaking; (4) loss, theft, damage, destruction sale or encumbrance to or of any of the Collateral, or the making of any levy, seizure or attachment thereof or thereon; (5) death, dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Debtor or any guarantor or surety for Debtor.

UPON SUCH DEFAULT and at any time thereafter, or if it deems itself insecure, Secured Party may declare all Obligations secured hereby immediately due and payable and shall have the remedies of a secured party under the Nebraska Uniform Commercial Code. Secured Party may require Debtor to assemble the Collateral and deliver or make it available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to both parties. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Secured Party will give Debtor reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. The requirements of reasonable notice shall be met if such notice is mailed, postage prepaid, to the address of Debtor shown at the beginning of this agreement at least five days before the time of the sale or disposition.

No waiver by Secured Party of any default shall operate as a waiver of any other default or of the same default on a future occasion. The taking of this security agreement shall not waive or impair any other security said Secured Party may have or hereafter acquire for the payment of the above indebtedness, nor shall the taking of any such additional security waive or impair this security agreement; but said Secured Party may resort to any security it may have in the order it may deem proper, and notwithstanding any collateral security, Secured Party shall retain its rights of set-off against Debtor.

All rights of Secured Party hereunder shall inure to the benefit of its successors and assigns; and all promises and duties of Debtor shall bind his heirs, personal representatives or his or its successors or assigns. If there be more than one Debtor, their liabilities hereunder shall be joint and several.

This agreement shall become effective when it is signed by Debtor.

ADDENDUM

The undersigned, hereinafter "Owner/Debtor", owns or has an interest in the collateral described on the reverse side of this agreement, but is not a party to the obligation secured by this agreement. By executing this agreement, Owner/Debtor undertakes no obligation for repayment of such obligation except to the extent of providing said collateral as security for performance of the obligation. All provisions of this agreement apply to Owner/Debtor and the term "Debtor" as used in this agreement and any accompanying financing statement refers collectively to the Debtor, Owner/Debtor or both as the context may require.

John B. Adams

Owner/Debtor

RECORDED AT REQUEST OF:
Isa M. Busti
BOOK 156 PAGE 585

87 JUN 4 A10: 33

OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
W.H. POALEATI, RECORDER
FILE NO. 108219
FEE \$ 7.00

COPY