

Recording Requested By  
WELLS FARGO BANK, N.A.  
After Recording, Return To:  
Wells Fargo Bank, N.A.  
P. O. Box 949  
Modesto, CA 95353

Attention: Credit Support Group

12-1861

AGREEMENT WITH LANDLORD  
(CROPS)

THIS AGREEMENT WITH LANDLORD is entered into as of the 5th day of November, 1988, by and among WELLS FARGO BANK, N.A., a national banking association ("Bank"), M. VAN VLIET & SONS, INC. ("Debtor") and VAN VLIET BROS., INC. ("Landlord").

WHEREAS, Landlord is the owner of that certain real property located in the County of Eureka, State of Nevada, the legal description of which is set forth in Exhibit A attached hereto and incorporated herein by this reference (the "Property"), and Debtor is leasing the Property from Landlord;

WHEREAS, Debtor has requested from Bank certain financing secured, in part, by a security interest in all crops of Debtor, now growing or hereafter to be grown on the Property, and all such crops after they have been severed and removed from the Property and all proceeds thereof ("Collateral");

WHEREAS, Bank has agreed to provide such financing on the condition, among others, that Landlord and Debtor execute this Agreement;

NOW, THEREFORE, the parties hereto agree as follows:

1. Landlord confirms that the Collateral is the personal property of Debtor. Landlord represents and warrants: (a) that Landlord has no right, title, claim or interest in or to any of the Collateral; (b) that any rights (whether under any lease with Debtor or otherwise) Landlord may hereafter acquire in or to the Collateral shall be junior and subordinate to the rights of Bank therein; and (c) that Landlord has received no notice from any person or entity other than Bank of any claim of right, title or interest in or to any of the Collateral.

2. Landlord agrees to deliver to Bank, at the same time as delivery to Debtor, a copy of any notice which Landlord gives to

*See BK. 197, Pg. 142 for Release of Agreement*

Debtor regarding any breach of its lease with Debtor or any other contract relating to the Property, or any termination of any of Debtor's rights to use, lease or remain in possession of the Property. Landlord further agrees to promptly notify Bank in writing of each of the following events:

(a) any legal action which Landlord may commence to evict Debtor from the Property or to terminate or limit any of Debtor's rights to use, lease or remain in possession of the Property;

(b) any abandonment by Debtor of the Property or any of the Collateral; and

(c) any change in ownership of the Property, and the name and address of each new owner.

3. Notwithstanding any failure by Debtor to perform any of its obligations to Landlord under any lease of the Property or otherwise, Landlord hereby grants and conveys to Bank the following rights and licenses which shall be separate and independent of any rights or lease of Debtor relating to the Property and which shall be superior to all such rights and lease interests of Debtor:

(a) the right and license at any time to enter the Property and to possess and use the Property for the purpose of exercising any of its rights, powers or remedies with respect to Debtor or any Collateral, whether under any security agreement or otherwise available to Bank by contract or law, including without limitation the right to remove any and all Collateral from the Property, to care for any growing crops which constitute a part of Collateral, to harvest any such crops and to take such other action with respect to any and all of the Collateral which Bank desires;

(b) the right and license at any reasonable time to conduct on the Property auctions or private exhibitions and sales of any or all of the Collateral and to exercise any other creditor rights of Bank under the Nevada Commercial Code on the Property; and

(c) all other rights and licences granted to Debtor by Landlord under any lease of the Property.

4. Debtor hereby agrees that Landlord may comply with the terms hereof without violating any of its obligations to Debtor or to any of Debtor's subtenants, successors or assigns, and Debtor hereby agrees to indemnify Landlord and hold Landlord harmless from and against any and all costs, liabilities, claims, causes of action and expenses, including reasonable attorneys' fees, which Landlord may incur in complying with any terms hereof. Debtor hereby irrevocably authorizes Landlord to comply with any

instructions or directions which Bank may give to Landlord hereunder or in connection with the exercise of any of Bank's rights, remedies or interests regarding any of the Collateral or any rights of Bank in connection therewith.

5. If Bank remains in possession of the Property to care for and harvest any crops and/or to conduct an auction or other sale, or to exercise any other right available to Bank hereunder, Bank agrees to pay rent to Landlord for Bank's use of the Property, determined at the same rate as that paid by Debtor to Landlord at the time Bank takes physical possession of the Property; provided however, that Bank shall only be obligated to pay rent from the time Bank takes physical possession of the Property until the date Bank relinquishes possession of the Property. Bank shall reimburse Landlord for any physical damage to the Property actually caused by Bank during any period when Bank is in possession of the Property. Landlord acknowledges that Bank shall not be liable for any diminution in value of the Property during the period of time in which Bank has physical possession thereof.

6. No delay, failure or discontinuance of Bank in exercising any right, power or remedy hereunder or under any security agreement evidencing Bank's rights in the Collateral shall affect such right, power or remedy, nor shall any single or partial exercise of any such right, power or remedy preclude, waive or otherwise affect the further exercise thereof or the exercise of any other right, power or remedy. The rights, powers and remedies of Bank hereunder are cumulative and not exclusive. Any waiver, permit, consent or approval of any kind by Bank of any breach of or default under this Agreement With Landlord, or any such waiver of any provisions or conditions hereof, must be in writing and shall be effective only to the extent set forth in such writing.

7. Landlord and Debtor jointly and severally agree to reimburse Bank for all costs and expenses, including reasonable attorneys' fees, expended or incurred by Bank in the enforcement of this Agreement with Landlord or in actions for declaratory relief in any way related hereto.

8. This Agreement With Landlord may be amended or modified only in writing signed by all of the parties. The representations, warranties and agreements of the parties herein shall continue unless so amended or modified as long as Bank has any interest in any of the Collateral.

9. This Agreement With Landlord shall be governed by and construed in accordance with the laws of the State of Nevada, and shall inure to the benefit of and be binding upon the heirs,



PLACE  
H.W.  
BERRY

EXHIBIT "A"

Township 20 North, Range 53 East, MDB&M, Section 21, Lots  
3,4,5,6,12,13,14,15; Section 28 Lots 1,2,3,4,5,6,7,11,  
Eureka Co., Nevada.

State of California

County of Stanislaus

SS.

CORPORATION ACKNOWLEDGEMENT

On this 10th day of November, in the year 1988, before me

P. S. BERRY

a Notary Public

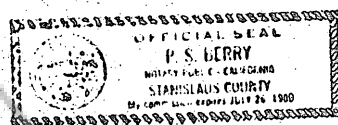
in and for the said State, residing therein, duly commissioned and sworn, personally appeared

Karen S. Dunlap

personally known to me (proved to me on the basis of satisfactory evidence) to be the persons who executed the  
within instrument as Vice President

on behalf of the corporation therein named and acknowledged to me that such corporation executed the within in-  
strument pursuant to its by-laws or a resolution of its Board of Directors.

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



P. S. Berry  
NOTARY PUBLIC IN AND FOR SAID STATE OF CALIFORNIA

My Commission Expires July 26, 1989

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PROVING WITNESS: CERTIFICATE OF PROOF OF EXECUTION/ACKNOWLEDGMENT

State of California {  
County of Stanislaus { SS.

On November 10, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared Karen S. Dunlap known to me to be the same person whose name is subscribed to the within instrument as a witness thereto who being duly sworn, deposed and said that she resides in Modesto, Stanislaus County, State of California; that she was present and saw Hugo Van Vliet, known to be the President of the corporation that executed the within instrument and also known to be the person who executed it on behalf of such corporation and acknowledged to her that such corporation executed the within instrument pursuant to its bylaws or a resolution of the board of directors and that Karen S. Dunlap, the said affiant, thereupon at his request subscribed her name as a witness thereof.

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



*P. S. Berry*  
NOTARY PUBLIC IN AND FOR SAID STATE OF CALIFORNIA

My Commission Expires July 26, 1989

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executors, administrators, legal representatives, successors and assigns of the parties.

10. All notices, requests and demands given to or made upon the parties hereto must be in writing and shall be deemed to have been given or made when personally delivered or two (2) days after any of the same are deposited in the U.S. mail, postage prepaid, sent to the address set forth below after the signature of each party, or to such other address as any party may designate by proper written notice to all other parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement With Landlord as of the day and year first written above.

WELLS FARGO BANK, N.A.

K S D  
Karen S. Dunlap  
Vice President

Address: 1120 K Street  
P. O. Box 949  
Modesto, CA 95353

LANDLORD

Name: VAN VLIET BROS., INC.

By: Michael P. Van Vliet

Title: Mr. Treasurer

Address: 23234 Lone Tree Rd.  
Escalon, CA 95320

DEBTOR

WITNESSED BY: K S D

Karen S. Dunlap

Name: M. VAN VLIET & SONS, INC.

By: Michael P. Van Vliet

Title: Mr.

Address: 15799 Carrolton Road  
Escalon, CA 95320

WITNESSED BY: K S D

Karen S. Dunlap

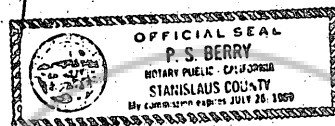
(ATTACH PROPER NOTARIAL ACKNOWLEDGMENTS)

PROVING WITNESS: CERTIFICATE OF PROOF OF EXECUTION/ACKNOWLEDGMENT

State of California {  
County of Stanislaus { SS.

On November 10, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared Karen S. Dunlap known to me to be the same person whose name is subscribed to the within instrument as a witness thereto who being duly sworn, deposed and said that she resides in Modesto, Stanislaus County, State of California; that she was present and saw Marion P. Van Vliet, known to be the Secretary-Treasurer of the corporation that executed the within instrument and also known to be the person who executed it on behalf of such corporation and acknowledged to her that such corporation executed the within instrument pursuant to its bylaws or a resolution of the board of directors and that Karen S. Dunlap, the said affiant, thereupon at his request subscribed her name as a witness thereof.

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



*P. S. Berry*  
NOTARY PUBLIC IN AND FOR SAID STATE OF CALIFORNIA

My Commission Expires July 26, 1989

RECORDED AT THE REQUEST OF

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*Wells Fargo Bank*

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OFFICIAL RECORDS  
EUREKA COUNTY, CALIFORNIA  
FILE NO. 124861

124861

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