

DEED OF TRUST AND SECURITY AGREEMENT

THIS DEED OF TRUST AND SECURITY AGREEMENT, made as of the 1<sup>st</sup> day of October, 2001, by and between SATPINDER BHARTA, a married man, as Trustor, and ROSS P. EARDLEY, as Trustee and CLIFFORD W. LENNIE and M. JEAN LENNIE, husband and wife, as joint tenants with right survivorship, as Beneficiaries;

WITNESSETH:

That the said trustor hereby grants, bargains, sells, conveys and confirms unto the said Trustee, and to its successors and assigns, with power to sell, the following described real and personal property situated in the County of Eureka, State of Nevada, more particularly described as follows:

Lot 1 in Block 0 of the Crescent Valley Ranch and Farms Unit No. 1 situated in Section 5 Township 29 North, Range 48 East, MDB&M., Eureka County, Nevada, all shown on the official map or plat thereof now on file in the Eureka County Recorder's Office, Eureka, Nevada.

SUBJECT to all exceptions, reservations, restrictions, restrictive covenants, assessments, easements, rights and rights of way of record.

TOGETHER with any and all buildings and improvements situate thereon.

TOGETHER with the tenements, hereditaments and appurtenances thereunto belonging or pertaining, and the reversion and reversions, remainder and remainders, its, issues and profits thereof.

TOGETHER with that certain equipment, store fixtures and other personal property more particularly listed and described in Exhibit "A" attached hereto, and any and substitutions and replacements thereto, and all good will of the existing business on said property.

TO HAVE AND TO HOLD the same unto the Trustee, and to his successors and assigns, upon the trusts, covenants and agreements herein expressed and as security for the payment of a

-1-

**ROSS P. EARDLEY**

ATTORNEY AT LAW  
469 IDAHO STREET  
ELKO, NEVADA 89801

TELEPHONE (775) 738-4046 - FAX (775) 738-6286

BOOK 344 PAGE 150

certain Promissory Note of even date herewith, for the principal sum of \$67,000.00, bearing interest from October 1, 2001, the rate of 10% per annum, said principal sum and interest being payable in monthly installments more specifically set forth in said Note; said Note being executed by the Trustor herein to the said Beneficiaries and payable at Crescent Valley, Nevada, or wherever else said Beneficiaries in writing designate. Said Note is hereby referred to and incorporated herein as though set forth in full herein.

This Deed of Trust and Security Agreement is also given as security for the payment of any and all monies with the Beneficiaries and Trustee, or either of them, may or shall hereafter loan or advance to the Trustor, or advance for his account, even though the said loan or advance may be secured by other mortgage or Deed of Trust and/or Security Agreement, and as security for the payment of all other monies that may become due from the Trustor from any cause whatsoever, including the payment of all other monies hereby agreed or provided to be paid by the Trustor, or which may be paid or advanced, by the Trustee, or by the Beneficiaries, under the provisions of this Deed of Trust and Security Agreement.

The Trustor hereby covenants and agrees:

1. The Trustor promises and agrees to properly care for and keep the property herein described, including all equipment and fixtures, in at least as good a condition of repair and maintenance as the same now are, subject to normal wear and tear, and to care for, protect and maintain any and all buildings situated thereon, and to otherwise protect and maintain said premises and not to commit or permit any waste or deterioration thereof. The Trustor may make such alterations or improvements as he may desire on said premises, so long as they do not lessen the value of said property and the Trustor shall pay, when due, all claims for labor performed or material furnished thereon.

2. That the Beneficiaries, or their duly authorized agents, shall at all reasonable times have the right to enter upon said premises and inspect the same.

3. The Trustcovenants, warrants and represents that the title conveyed is a fee simple absolute title, free and clear of all encumbrances; that he will forever warrant and defend the title to the premises above mentioned to the Trustee and Beneficiaries and their successors and assigns, against all lawful claim and demands of all persons whomsoever.

4. The following covenants, Nos. 1, 2(\$75,000.00), 3, 4(10%), 5, 6, 7(Reasonable), 8 and 9 of Section 107.030 NS are hereby adopted and made a part of this Deed of Trust and Security Agreement.

5. The reconveyance of this Deed of Trust and Security Agreement shall be at the cost and expense of the Trustor, or such other persons entitled to reconveyance.

6. The acceptance by said Beneficiaries of any payment of the indebtedness hereby secured shall not operate as a waiver by the Beneficiaries of any default by the Trustor made previously to such payment in any of the covenants or agreements to be made, kept and performed by the Trustor herein provided.

7. The Trustor hereby covenants and agrees that neither the acceptance nor existence, now or hereafter, of another security for the indebtedness secured hereby, nor the release thereof, shall operate as a waiver of the security of this Deed of Trust and Security Agreement, nor shall this Deed of Trust and Security Agreement, nor its satisfaction, nor a reconveyance made hereunder, operate as a waiver of such other security now held or hereafter acquired.


8. All the provisions of this instrument shall apply to and bind the legal representatives, successors and assigns of the respective parties hereto, and it is distinctly understood and agreed that the words Trust Grantor, Trustee or Beneficiaries, as used in this instrument, and any pronoun referring thereto, is intended to and does include the masculine, feminine and neuter genders, and the singular and plural numbers; that the covenants and agreements of the Trustor or Grantor herein shall be construed to be the joint and several covenants and agreements of all persons who sign this instrument; that if any provision of this Deed of Trust and Security Agreement be judicially declared invalid, such decision shall not affect the validity of the remaining provisions,


and if any sale made hereunder shall be judicially declared invalid or deemed by the Beneficiaries to be invalid, such sale shall not exhaust the power of sale, and the Trustee, at the request of the Beneficiaries, may proceed anew with the sale of this property, in order to enforce fully the provisions of this Deed of Trust and Security Agreement.

9. Said Trust agrees that the said Trustee, or his successors in interest, shall not incur any liability on account of any act done, or omitted to be done, in good faith, under the provisions of this Deed of Trust and Security Agreement, and that said Trustee shall be fully protected in acting upon any statement, report, order, notice, request, consent or other paper or document believed to be genuine and signed by the proper parties.

10. The Trustor, so long as there is any balance owing in connection with this Deed of Trust and Security Agreement, shall not sell, assign or transfer any interest in the property described herein, nor permit any assumption of the debt herein secured, without first obtaining the written consent of the Beneficiaries. If all or any part of the property herein described, or any interest therein, is sold, assigned or transferred by the Trustor without the Beneficiaries' prior written consent, the Beneficiaries may, at their option, declare all sums secured by this Deed of Trust and Security Agreement to be immediately due and payable.

11. To the extent that this Deed of Trust includes personal property, it shall be deemed a Security Agreement and in the event of default, the Beneficiaries shall have all remedies pertaining thereto, including such remedies as are provided in the Uniform Commercial Code of the State of Nevada, and may proceed as to both real and personal property in accordance with the rights and remedies in respect to real property and/or may proceed in any other manner or exercise any other remedy provided by law and/or the Uniform Commercial Code pertaining to said personal property. In so far as this document is deemed a financing statement, it covers the equipment and fixtures used in connection with the business on the above described real property and all appurtenances thereto; and the Trustor herein is the record owner of said real property.

  
SATPINDER BHARTA

 MIANNE EARDLEY  
NOT PUBLIC • STATE of NEVADA  
County • Nevada  
IFICATE # 92-0264-6  
AF EXP SEPT 26, 2004

NOTARY PUBLIC

**Beneficiaries' Address:**  
P.O. Box 211106  
Crescent Valley, Nevada 89821

**EXHIBIT "A"**

**Equipment and Fixtures**  
**Annies Corner Market, Crescent Valley, Nevada**

|                                             |                     |
|---------------------------------------------|---------------------|
| Royal Alpha (Cash Register) 1750            | S/N - 49201369      |
| Sharp (Microwave) 10W R-21 JC               | S/N - 04233         |
| Arctic Air (Fridge) RG7-1                   | S/N - 0075731       |
| Arctic Air (Freezer) R13-1                  | S/N - 0001905       |
| DCS (Stove)                                 | S/N - 1502941       |
| Star (Grille) 624                           | S/N - 62411702      |
| Canopy with fan and sprinklers              | 47" x 56" x 24"     |
| Wells (Deep Fryer) F6                       | S/N - NX1199        |
| Globe (Meat Slicer) G2                      | S/N - 125987        |
| True (Refrigerator) TSJ-48-12               | S/N - 1-2431602     |
| 3 Door Freezer                              | 80"                 |
| 8 Door Refrigerator w refrigeration units   | 265"                |
| Large Table 6/99 with metal shelf           | 6' x 2' x 3'        |
| Large Table with metal shelf                | 6' x 30" x 34"      |
| Small Table ELAG-24                         | 36" x 24" x 24"     |
| Small 2 drawer filing cabinet               |                     |
| Manitowoc (Ice Machine) QD021ZA             | S/N - 990862307     |
| Hoshizaki (Ice Machine) KM-150 BAF          |                     |
| (11 count) Misc. five shelf stands          | 72" x 32" x 38"     |
| Master-Bilt (Freezer) w top sliding doors   |                     |
| (7 count) Misc. wire metal stands           |                     |
| (3 count) revolving metal wire stands       |                     |
| (3 count) rows 24 ft. metal shelving        |                     |
| Office Desk (L shape work center)           |                     |
| Large 4 drawer filing cabinet               |                     |
| Two door cupboard                           | 1 - 24' x 18' x 13' |
| Miscellaneous Outbuildings                  | 2 - 16' x 8' x 8'   |
| Diesel Pump w/ 3000 gallon underground tank |                     |
| 2 Gas Pumps w/ 500 gallon underground tank  |                     |

BOOK 144 PAGE 150  
OFFICIAL RECORDS  
RECORDED AT THE REQUEST OF  
*Ross P. Eardley*  
01 OCT 11 AM 11:59

CLARK COUNTY, NEVADA  
M.N. REBALEATI, RECORDER  
FILE NO. FEES 19.00

**177014**

BOOK 144 PAGE 155