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Assessor Parcel No(s): 5-242-53

RECORDATION REQUESTED BY:

WHEN RECORDED MAIL TO:

Bank of Stockton
347 E. Miner Ave.
P.O. Box 1110
Stockton, CA 95201

82958-99

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

Withstanding the Test of Time



DEED OF TRUST

THIS DEED OF TRUST IS DATED APRIL 3, 2000, among H. L. WHITTEN, not personally but as Trustee on behalf of THE LIVERMORE TRUST UNDER TRUST AGREEMENT DATED MARCH 16, 2000 under the provisions of a Trust Agreement dated March 16, 2000, whose address is P. O. BOX 10377, ZEPHYR COVE, NV 89448 (referred to below as "Grantor"); Bank of Stockton, whose address is 347 E. Miner Ave., P.O. Box 1110, Stockton, CA 95201 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and Stockton Auxiliary Corporation, A California Corporation, whose address is P.O. Box 1110, Stockton, CA 95201 (referred to below as "Trustee").

CONVEYANCE AND GRANT. For valuable consideration, Grantor irrevocably grants, bargains, sells and conveys to Trustee with power of sale for the benefit of Lender as Beneficiary all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, located in DOUGLAS County, State of Nevada (the "Real Property"):

DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF: EXHIBIT "A"

The Real Property or its address is commonly known as 469 LAKEVIEW AVENUE, ZEPHYR COVE, NV 89448.

The Real Property tax identification number is 5-242-53.

Grantor presently assigns absolutely and irrevocably to Lender (also known as Beneficiary in this Deed of Trust) all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants Lender a Uniform Commercial Code security interest in the Personal Property defined below.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE PERSONAL PROPERTY, IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS INCLUDING FUTURE ADVANCES AND (2) PERFORMANCE OF EACH AGREEMENT AND OBLIGATION OF GRANTOR UNDER THE CREDIT AGREEMENT, THE RELATED DOCUMENTS, AND THIS DEED OF TRUST. THIS DEED OF TRUST IS GOVERNED IN PART BY NRS 106.300 TO 106.400 AND THEREFORE SECURES FUTURE ADVANCES MADE BY LENDER. THE MAXIMUM AMOUNT OF ADVANCES SECURED BY THIS DEED OF TRUST IS STATED BELOW UNDER THE DEFINITION OF CREDIT AGREEMENT, WHICH MAXIMUM MAY INCREASE OR DECREASE FROM TIME TO TIME BY AMENDMENT OF THE CREDIT AGREEMENT. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

DEFINITIONS. The following words shall have the following meanings when used in this Deed of Trust. Terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code. All references to dollar amounts shall mean amounts in lawful money of the United States of America.

Beneficiary. The word "Beneficiary" means Bank of Stockton, its successors and assigns. Bank of Stockton also is referred to as "Lender" in this Deed of Trust.

Credit Agreement. The words "Credit Agreement" mean the revolving credit agreement dated: April 3, 2000, with a credit limit in the amount of \$1,000,000.00, between Grantor and Lender, together with all renewals, extensions, modifications, refinancings, and substitutions for the Credit Agreement. The maturity date of this Deed of Trust is April 1, 2015. **NOTICE TO GRANTOR: THE CREDIT AGREEMENT CONTAINS A VARIABLE INTEREST RATE.**

Deed of Trust. The words "Deed of Trust" mean this Deed of Trust among Grantor, Lender, and Trustee.

Grantor. The word "Grantor" means any and all persons and entities executing this Deed of Trust, including without limitation H. L. WHITTEN, Trustee for THE LIVERMORE TRUST UNDER TRUST AGREEMENT DATED MARCH 16, 2000,.

Guarantor. The word "Guarantor" means and includes without limitation any and all guarantors, sureties, and accommodation parties in connection with the Indebtedness.

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Improvements. The word "Improvements" means and includes without limitation all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal and interest payable under the Credit Agreement and any amounts expended or advanced by Lender to discharge obligations of Grantor or expenses incurred by Trustee or Lender to enforce obligations of Grantor under this Deed of Trust, together with interest on such amounts as provided in this Deed of Trust. **Specifically, without limitation, this Deed of Trust secures a revolving line of credit. Notwithstanding the amount outstanding at any particular time, this Deed of Trust secures the total amount of the Credit Agreement. The unpaid balance of the revolving line of credit under the Credit Agreement may at certain times be Zero Dollars (\$0.00). A zero balance does not affect Lender's agreement to make advances to Grantor under the Credit Agreement. Therefore, Lender's interest under this Deed of Trust will remain in full force and effect notwithstanding a zero balance on the Credit Agreement. Such advances may be made, repaid, and remade from time to time, subject to the limitation that the total outstanding balance owing at any one time, not including finance charges on such balance at a fixed or variable rate or sum as provided in the Credit Agreement, any temporary overages, other charges, and any amounts expended or advanced as provided in this paragraph, shall not exceed the Credit Limit as provided in the Credit Agreement. It is the intention of Grantor and Lender that this Deed of Trust secures the balance outstanding under the Credit Agreement from time to time from zero up to the Credit Limit as provided above and any intermediate balance.**

Lender. The word "Lender" means Bank of Stockton, its successors and assigns.

Personal Property. The words "Personal Property" mean all equipment, fixtures, mobile homes, manufactured homes or modular homes which have not been legally acceded to the real property in accordance with Nevada law, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to or used in the operation of the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the property, interests and rights described above in the "Conveyance and Grant" section.

Related Documents. The words "Related Documents" mean and include without limitation all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

Trustee. The word "Trustee" means Stockton Auxiliary Corporation, A California Corporation and any substitute or successor trustees.

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Grantor shall pay to Lender all amounts secured by this Deed of Trust as they become due, and shall strictly and in a timely manner perform all of Grantor's obligations under the Credit Agreement, this Deed of Trust, and the Related Documents.

STATUTORY COVENANTS. The following Statutory Covenants are hereby adopted and made a part of this Deed of Trust: Covenants Nos. 1, 3, 4, 5, 6, 7, 8 and 9 of N.R.S. 107.030. The rate of interest default for Covenant No. 4 shall be 3.000 percentage points over the variable rate index defined in the Credit Agreement. The percent of counsel fees under Covenant No. 7 shall be 10%. Except for Covenants Nos. 6, 7, and 8, to the extent any terms of this Deed of Trust are inconsistent with the Statutory Covenants the terms of this Deed of Trust shall control. Covenants 6, 7, and 8 shall control over the express terms of any inconsistent terms of this Deed of Trust.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, or until Lender exercises its right to collect Rents as provided for in the Assignment of Rents form executed by Grantor in connection with the Property, Grantor may (a) remain in possession and control of the Property, (b) use, operate or manage the Property, and (c) collect any Rents from the Property.

Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

~~**Hazardous Substances.** The terms "hazardous waste," "hazardous substance," "disposal," "release," and "threatened release," as used in this Deed of Trust, shall have the same meanings as set forth in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., Chapters 6.5 through 7.7 of Division 20 of the California Health and Safety Code, Section 25100, et seq., or other applicable state or Federal laws, rules, or regulations adopted pursuant to any of the foregoing. The terms "hazardous waste" and "hazardous substance" shall also include, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos. Grantor represents and warrants to Lender that: (a) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any hazardous waste or substance by any person on, under, about or from the Property; (b) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (i) any use, generation, manufacture, storage, treatment, disposal, release, or threatened release of any hazardous waste or substance on, under, about or from the Property by any prior owners or occupants of the Property or (ii) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (c) Except as previously disclosed to and acknowledged by Lender in writing, (i) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of, or release any hazardous waste or substance on, under, about or from the Property and (ii) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation those laws, regulations, and ordinances described above. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for hazardous waste and hazardous substances. Grantor hereby (a) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws, and (b) agrees to indemnify and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release of a hazardous waste or substance on the properties. The provisions of this section of the Deed of Trust, including the obligation to indemnify, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.~~

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Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), soil, gravel or rock products without the prior written consent of Lender.

Removal of Improvements. Grantor shall not demolish or remove any Improvements from the Real Property without the prior written consent of Lender. As a condition to the removal of any Improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such Improvements with Improvements of at least equal value.

Lender's Right to Enter. Lender and its agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Property for purposes of Grantor's compliance with the terms and conditions of this Deed of Trust.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon nor leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at its option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without the Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property or any mobile home or manufactured home located on the property whether or not it is legally a part of the real property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest therein; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of Real Property interest. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Nevada law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are a part of this Deed of Trust.

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Deed of Trust, except for the lien of taxes and assessments not due and except as otherwise provided in this Deed of Trust.

Right To Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Deed of Trust.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all Improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with trustee and Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption, and boiler insurance, as Lender may reasonably require. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days' prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property at any time become located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at its election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed Improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

Unexpired Insurance at Sale. Any unexpired insurance shall inure to the benefit of, and pass to, the purchaser of the Property covered by this Deed of Trust at any trustee's sale or other sale held under the provisions of this Deed of Trust, or at any foreclosure sale of such Property.

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EXPENDITURES BY LENDER. If Grantor fails to comply with any provision of this Deed of Trust, or if any action or proceeding is commenced that would materially affect Lender's interests in the Property, Lender on Grantor's behalf may, but shall not be required to, take any action that Lender deems appropriate. Any amount that Lender expends in so doing will bear interest at the rate provided for in the Credit Agreement from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses, at Lender's option, will (a) be payable on demand, (b) be added to the balance of the credit line and be apportioned among and be payable with any installment payments to become due during either (i) the term of any applicable insurance policy or (ii) the remaining term of the Credit Agreement, or (c) be treated as a balloon payment which will be due and payable at the Credit Agreement's maturity. This Deed of Trust also will secure payment of these amounts. The rights provided for in this paragraph shall be in addition to any other rights or any remedies to which Lender may be entitled on account of the default. Any such action by Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Deed of Trust.

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Deed of Trust, and (b) Grantor has the full right, power, and authority to execute and deliver this Deed of Trust to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Trustee or Lender under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Deed of Trust.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation. Grantor waives any legal or equitable interest in the net proceeds and any right to require any apportionment of the net proceeds of the award. Grantor agrees that Lender is entitled to apply the award in accordance with this paragraph without demonstrating that its security has been impaired.

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments as may be requested by it from time to time to permit such participation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Deed of Trust:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Deed of Trust, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Deed of Trust.

Taxes. The following shall constitute taxes to which this section applies: (a) a specific tax upon this type of Deed of Trust or upon all or any part of the Indebtedness secured by this Deed of Trust; (b) a specific tax on Grantor which Grantor is authorized or required to deduct from payments on the Indebtedness secured by this type of Deed of Trust; (c) a tax on this type of Deed of Trust chargeable against the Lender or the holder of the Credit Agreement; and (d) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Grantor.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this event shall have the same effect as an Event of Default (as defined below), and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (a) pays the tax before it becomes delinquent, or (b) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust.

Security Agreement. This instrument shall constitute a security agreement to the extent any of the Property constitutes fixtures or other personal property, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall execute financing statements and take whatever other action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Deed of Trust in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall assemble the Personal Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party), from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code), are as stated on the first page of this Deed of Trust.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Deed of Trust.

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (a) the obligations of Grantor under the Credit Agreement, this Deed of Trust, and the Related Documents, and (b) the liens and security interests created by this Deed of Trust as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or agreed to the contrary by Lender in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

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Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

DEFAULT. Each of the following, at the option of Lender, shall constitute an event of default ("Event of Default") under this Deed of Trust: (a) Grantor commits fraud or makes a material misrepresentation at any time in connection with the Credit Agreement. This can include, for example, a false statement about Grantor's income, assets, liabilities, or any other aspects of Grantor's financial condition. (b) Grantor does not meet the repayment terms of the Credit Agreement. (c) Grantor's action or inaction adversely affects the collateral for the Credit Agreement or Lender's rights in the collateral. This can include, for example, failure to maintain required insurance, waste or destructive use of the dwelling, failure to pay taxes, death of all persons liable on the account, transfer of title or sale of the dwelling, creation of a lien on the dwelling without our permission, foreclosure by the holder of another lien, or the use of funds or the dwelling for prohibited purposes.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of any Event of Default and at any time thereafter, Trustee or Lender, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate Indebtedness. Lender shall have the right at its option without notice to Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which Grantor would be required to pay.

Foreclosure. With respect to all or any part of the Real Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Grantor, to take possession of and manage the Property, and, whether or not Lender takes possession, collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount and without any showing as required by N.R.S. 107.100. Employment by Lender shall not disqualify a person from serving as a receiver.

Tenancy at Sufferance. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (a) pay a reasonable rental for the use of the Property, or (b) vacate the Property immediately upon the demand of Lender.

Other Remedies. Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Credit Agreement or by law.

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Notices given by Lender or Trustee under the real property foreclosure proceedings shall be deemed reasonable. Any sale of Personal Property may be made in conjunction with any sale of the Real Property.

Sale of the Property. To the extent permitted by applicable law, Grantor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property. The power of sale under this Deed of Trust shall not be exhausted by any one or more sales (or attempts to sell) as to all or any portion of the Real Property remaining unsold, but shall continue unimpaired until all of the Real Property has been sold by exercise of the power of sale and all Indebtedness has been paid in full.

Waiver; Election of Remedies. A waiver by any party of a breach of a provision of this Deed of Trust shall not constitute a waiver of or prejudice the party's rights otherwise to demand strict compliance with that provision or any other provision. Election by Lender to pursue any remedy provided in this Deed of Trust, the Credit Agreement, in any Related Document, or provided by law shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Deed of Trust after failure of Grantor to perform shall not affect Lender's right to declare a default and to exercise any of its remedies.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and on any appeal. Whether or not any court action is involved, all reasonable expenses incurred by Lender which in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Credit Agreement rate from the date of expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees whether or not there is a lawsuit, including attorneys' fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law. Fees and expenses shall include attorneys' fees incurred by Lender, Trustee or both, if either or both are made parties to any action to enjoin foreclosure, or any other legal proceeding instituted by Trustor. The fees and expenses are secured by this Deed of Trust and recoverable from the Property.

Rights of Trustee. Trustee shall have all of the rights and duties of Lender as set forth in this section.

POWERS AND OBLIGATIONS OF TRUSTEE. The following provisions relating to the powers and obligations of Trustee are part of this Deed of Trust.

Powers of Trustee. In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the written request of Lender and Grantor: (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Lender under this Deed of Trust.

Obligations to Notify. Trustee shall not be obligated to notify any other party of a pending sale under any other trust deed or lien, or of any action or proceeding in which Grantor, Lender, or Trustee shall be a party, unless the action or proceeding is brought by Trustee.

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Trustee. Trustee shall meet all qualifications required for Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

Successor Trustee. Lender, at Lender's option, may from time to time appoint a successor Trustee to any Trustee appointed hereunder by an instrument executed and acknowledged by Lender and recorded in the office of the recorder of DOUGLAS County, Nevada. The successor trustee, without conveyance of the Property, shall succeed to all the title, power, and duties conferred upon the Trustee in this Deed of Trust and by applicable law. This procedure for substitution of trustee shall govern to the exclusion of all other provisions for substitution.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Deed of Trust:

Amendments. This Deed of Trust, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Applicable Law. This Deed of Trust has been delivered to Lender and accepted by Lender in the State of California. Except as set forth hereinafter, this Deed of Trust shall be governed by, construed and enforced in accordance with the laws of the State of California, except and only to the extent of procedural matters related to the perfection and enforcement by Lender of its rights and remedies against the Property, which matters shall be governed by the laws of the State of Nevada. However, in the event that the enforceability or validity of any provision of this Deed of Trust is challenged or questioned, such provision shall be governed by whichever applicable state or federal law would uphold or would enforce such challenged or questioned provision. The loan transaction which is evidenced by the Credit Agreement and this Deed of Trust (which secures the Credit Agreement) has been applied for, considered, approved and made in the State of California.

Caption Headings. Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

Credit Advances. Grantor hereby acknowledges that all authorized signers under the Credit Agreement may request credit advances and that all such credit advances will be secured by this Deed of Trust.

Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Deed of Trust to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Deed of Trust in all other respects shall remain valid and enforceable.

Successors and Assigns. Subject to the limitations stated in this Deed of Trust on transfer of Grantor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Deed of Trust and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Deed of Trust or liability under the Indebtedness.

Time Is of the Essence. Time is of the essence in the performance of this Deed of Trust.

Waivers and Consents. Lender shall not be deemed to have waived any rights under this Deed of Trust (or under the Related Documents) unless such waiver is in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by any party of a provision of this Deed of Trust shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or any of Grantor's obligations as to any future transactions. Whenever consent by Lender is required in this Deed of Trust, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Nevada as to all Indebtedness secured by this Deed of Trust.

GRANTOR'S LIABILITY. This Deed of Trust is executed by Grantor, not personally but as Trustee as provided above in the exercise of the power and the authority conferred upon and vested in it as such Trustee (and Grantor thereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing in this Deed of Trust or in the Credit Agreement shall be construed as creating any liability on the part of Grantor personally to pay the Credit Agreement or any interest that may accrue thereon, or any other Indebtedness under this Deed of Trust, or to perform any covenant either express or implied contained in this Deed of Trust, all such liability, if any, being expressly waived by Lender and by every person now or hereafter claiming any right or security under this Deed of Trust, and that so far as Grantor and its successors personally are concerned, the legal holder or holders of the Credit Agreement and the owner or owners of any Indebtedness shall look solely to the Property and to other assets of the Trust or to any collateral for this loan for the payment of the Credit Agreement and Indebtedness, by the enforcement of the lien created by this Deed of Trust in the manner provided in the Credit Agreement and herein or by action to enforce the personal liability of any guarantor, co-borrower, cosigner, or any other obligor.

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND EACH GRANTOR AGREES TO ITS TERMS. GRANTOR IS EXECUTING THIS DEED OF TRUST, NOT PERSONALLY, BUT AS TRUSTEE UNDER THE TRUST AGREEMENT DESCRIBED AS THE LIVERMORE TRUST UNDER TRUST AGREEMENT DATED MARCH 16, 2000 AND DATED MARCH 16, 2000.

GRANTOR:

x  H. L. WHITTEN, as Trustee for THE LIVERMORE TRUST UNDER TRUST AGREEMENT DATED MARCH 16, 2000

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ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
COUNTY OF SAN JOAQUIN) ss

On APRIL 5, 2000, before me, CHARLES B. MATTHIES, a Notary Public, personally appeared H. L. W. HITTEN

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument

FOR NOTARY SEAL OR STAMP



WITNESS my hand and official seal.

Signature Charles B. Matthies

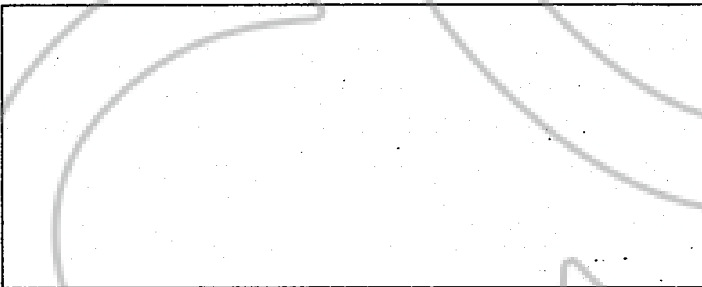
ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
COUNTY OF _____) ss

On _____, before me, _____, a Notary Public, personally appeared _____

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument

FOR NOTARY SEAL OR STAMP



WITNESS my hand and official seal.

Signature _____

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Legal Description

All that real property situate in the County of Douglas, State of Nevada, described as follows:

Lot 106, as set forth on the Amended Plat of ELKS SUBDIVISION, Lake Tahoe, Nevada, filed in the Office of the Douglas County Recorder, on January 5, 1928.

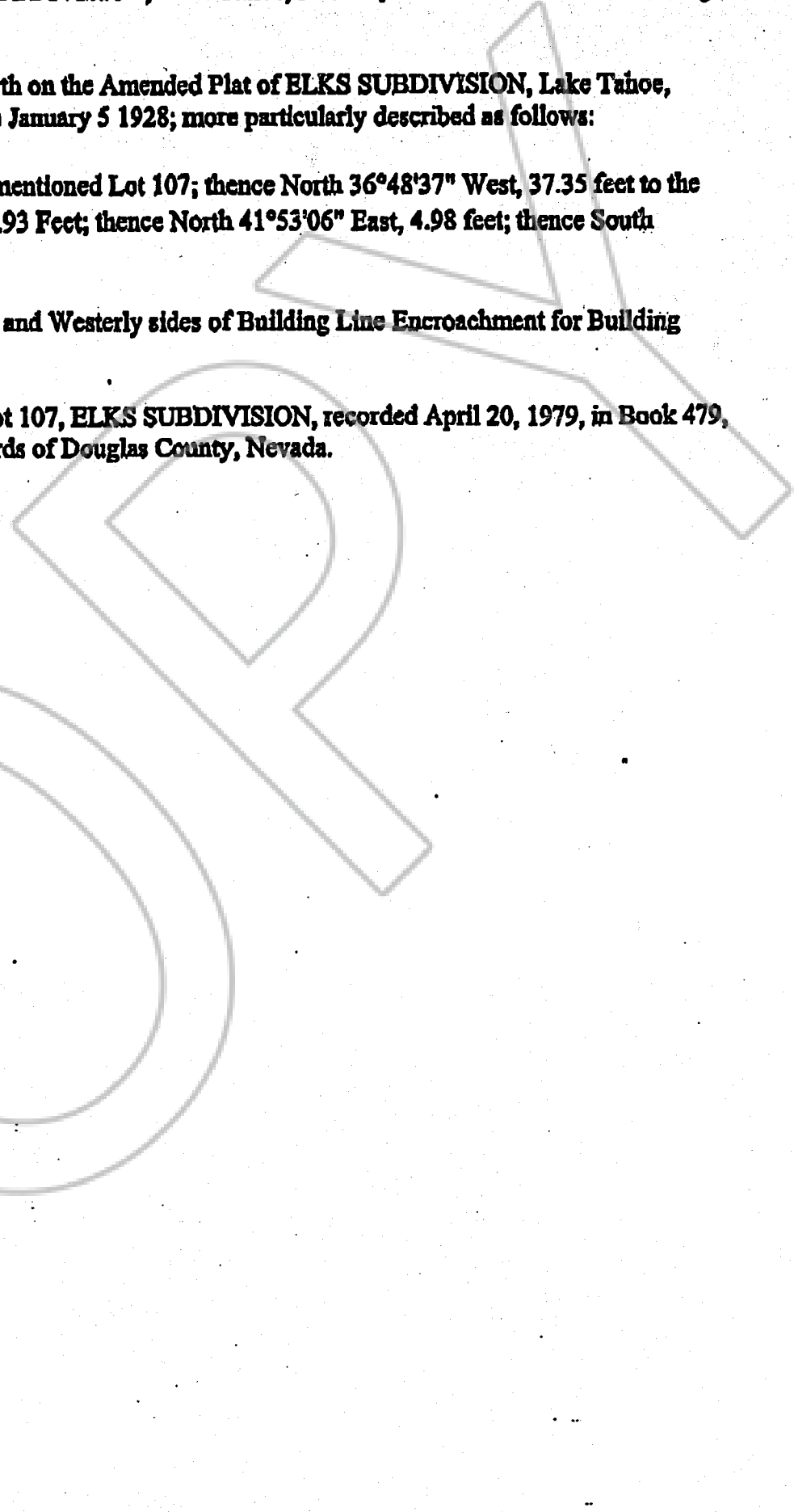
TOGETHER WITH that portion of Lot 107, as set forth on the Amended Plat of ELKS SUBDIVISION, Lake Tahoe, Nevada, filed in the Office of the County Recorder on January 5 1928; more particularly described as follows:

COMMENCING at the Southeast corner of the aforementioned Lot 107; thence North 36°48'37" West, 37.35 feet to the Point of Beginning; thence North 48°06'54" West, 24.93 Feet; thence North 41°53'06" East, 4.98 feet; thence South 36°48'37" East, 25.42 feet to the Point of beginning.

TOGETHER WITH an easement along the Northerly and Westerly sides of Building Line Encroachment for Building Maintenance and repair purposes.

Reference also being made to Record of Survey of Lot 107, ELKS SUBDIVISION, recorded April 20, 1979, in Book 479, Page 1170, as Document No. 31744 of Official Records of Douglas County, Nevada.

A.P.N. 5-242-53



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**AMENDMENT TO DEED OF TRUST
(Environmental Laws and Hazardous Substances)**

THIS AMENDMENT TO DEED OF TRUST (this "Amendment") is made this 3rd day of April, 2000, and is incorporated into and shall be deemed to amend the Deed of Trust (or Construction Trust Deed) of even date executed by H. L. WHITTEN, as Trustee of The Livermore Trust under trust agreement dated March 16, 2000

, as

Trustor, in favor of BANK OF STOCKTON, a California banking corporation, as Beneficiary, (the "Deed of Trust") and covering that certain real property and improvements and other rights and interests related thereto to secure Trustor's obligations to Beneficiary as indicated therein.

For valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Deed of Trust is hereby amended by deleting the caption entitled "Hazardous Substances" and entire text of the section therein and replacing the caption and text with the following, it being agreed that the Deed of Trust is not otherwise altered in any respect:

"ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES:

"Environmental Laws" shall mean all present and future federal, state and local laws, ordinances, rules and regulations now or hereafter in force, as amended from time to time, in any way relating to or regulating human health or safety, industrial hygiene or protection of the environment, and includes the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq., the Clean Water Act, 33 U.S.C. § 1251, et seq., the Hazardous Substance Account Act, California Health and Safety Code § 25300, et seq., the Hazardous Waste Control Law, California Health and Safety Code § 117600, et seq., the Medical Waste Management Act, California Health and Safety Code § 25015, et seq., and the Porter-Cologne Water Quality Control Act, California Water Code § 13000, et seq., as now or hereafter amended.

"Environmental Losses" shall mean any and all claims, demands, liabilities, causes of action, losses, damages, penalties, costs and expenses, and foreseeable and unforeseeable consequential damages, that are incurred, realized and suffered by Beneficiary before a Transfer (including any decrease in the value or marketability of the Real Property, any restriction imposed on the ownership, development, occupancy, use or transferability of the Real Property and any expenses and costs incurred in connection with containment, closure, removal, repair, cleanup, restoration and remedial work, penalties, fines, response costs and attorneys' fees and costs), in any way arising from, relating to or connected with (i) any Release or threatened Release or the presence of Hazardous Substances in excess of permitted levels or requiring reporting, removal, remediation or other action under applicable Environmental Laws or judicial or common law in, on or under the Real Property or any nearby real property which could migrate to the Real Property, (ii) the use, production, manufacture, generation, treatment, handling, storage, transportation or disposal of Hazardous Substances in violation of any applicable Environmental Laws, (iii) the past or present operations and activities at, or use and occupancy of, the Real Property not in compliance with applicable Environmental Laws, (iv) any investigation, claim, demand, action, inquiry, order, hearing or proceeding by or before any governmental entity or other person relating to any of the conditions or matters described in clauses (i), (ii) or (iii), above, or (v) the breach or violation of any of Trustor's representations, warranties, covenants or undertakings under this Environmental Laws and Hazardous Substances Section.

"Hazardous Substances" shall mean any substance or material that is described, designated or regulated as a toxic or hazardous substance, waste or material or a pollutant, waste or a contaminant, or words of similar import, in any of the Environmental Laws.

"Release" shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing into the environment, including continuing migration, of Hazardous Substances into, onto or through the soil, surface water or groundwater of the Real Property, whether or not caused by, contributed to, permitted by, acquiesced to or known to Trustor.

AMENDMENT TO DEED OF TRUST
(Environmental Laws and Hazardous Substances)
(Continued)

"Transfer" shall mean either (i) the transfer of title to all or any part of the Real Property to Beneficiary or its affiliate, successor or assign by judicial or nonjudicial foreclosure or deed in lieu of foreclosure or otherwise or (ii) the satisfaction of all obligations secured by this Deed of Trust or the full or partial reconveyance of the lien of this Deed of Trust with respect to the portion of the Real Property covered by such reconveyance.

"User" shall mean any person other than Trustor who occupies, uses or comes onto or has occupied, used or come onto the Real Property or any part thereof and any agent or contractor of such a person.

Representations and Warranties. Trustor represents and warrants to Beneficiary that as of the date of this Deed of Trust (i) and except as previously disclosed in writing by Trustor to Beneficiary, (A) to the best of Trustor's knowledge, no Hazardous Substances in excess of permitted levels or requiring reporting, removal, remediation or other action under applicable Environmental Laws or judicial or common law are present in, on or under the Real Property or any nearby real property which could migrate to the Real Property, (B) neither Trustor nor, to the best of Trustor's knowledge, any User, has ever used the Real Property or any part thereof for the use, production, manufacture, generation, treatment, handling, storage, transportation or disposal of Hazardous Substances in violation of any applicable Environmental Laws, (C), to the best of Trustor's knowledge, no underground storage tanks, impoundments, holding ponds or similar structures of any kind are or ever have been located in the Real Property, (D) no investigation, claim, demand, action, inquiry, order, hearing or proceeding of any kind relating to any Release or threatened Release or any past or present violation of any Environmental Laws relating to the Real Property has been made or commenced, or is pending, or to the best knowledge of Trustor, is threatened, or may be threatened, by any governmental authority or other person, (E) all current operations and activities at, and the current use and occupancy of, the Real Property comply with all applicable Environmental Laws, and (F) to the best of Trustor's knowledge, the Real Property has not been, nor is within, 2,000 feet of any other property, designated as "hazardous waste property" or "border zone property" pursuant to California Health and Safety Code § 25220 et seq., and no proceedings for a determination of such a designation are pending or threatened and (ii) any written disclosure submitted by or on behalf of Trustor to Beneficiary concerning any Release or threatened Release, past or present compliance by Trustor, User or any other person of any Environmental Laws applicable to the Real Property, the past and present use and occupancy of the Real Property, any environmental concerns relating to the Real Property or the like was true and complete when submitted.

Covenants. Trustor agrees at all times that:

(i) Except in the ordinary course of business and in strict compliance with all applicable Environmental Laws, neither Trustor nor any User shall (i) use, produce, manufacture, generate, treat, handle, store, transport or dispose of any Hazardous Substances in, on or under the Real Property or (ii) cause, contribute to, permit or acquiesce to any Release or threatened Release or other presence of Hazardous Substances in excess of permitted levels in, on or under the Real Property.

(ii) Trustor shall comply fully, and shall cause every User to comply fully, with all Environmental Laws applicable to the Real Property, and all other laws, ordinances and regulations applicable to the use or occupancy thereof, or any operations or activities therein or thereon.

(iii) To facilitate performance of Trustor's obligations under paragraphs (1) and (2), above, Trustor shall regularly inspect the Real Property, monitor the activities and operations of every User and confirm that every User has obtained and fully complies with all permits, licenses and approvals required by all applicable Environmental Laws.

(iv) Immediately after Trustor obtains any information indicating any Release or threatened Release or other presence of Hazardous Substances on, in or under the Real Property in excess of permitted levels or requiring reporting, removal, remediation or other action, or that Hazardous Substances in, on or under any nearby property could migrate to the Real Property or that a violation of any Environmental Laws has occurred or could occur regarding the Real Property or any other event, occurrence or condition has resulted or could result in Environmental Losses, Trustor shall give notice thereof to Beneficiary with a reasonably detailed description of the event, occurrence or condition in question.

AMENDMENT TO DEED OF TRUST
(Environmental Laws and Hazardous Substances)
(Continued)

(v) Trustor shall immediately furnish to Beneficiary copies of all written communications received by Trustor from any governmental authority or other person or given by Trustor to any person concerning any matter described in paragraphs (1), (2), (3) or (4), above, and any other information Beneficiary may reasonably request.

(vi) If Beneficiary obtains any information that Beneficiary believes in good faith indicates a reasonable possibility of a Release or threatened Release or other presence of Hazardous Substances on, in or under the Real Property in excess of permitted levels or requiring reporting, removal, remediation or other action, or that Hazardous Substances in, on or under any nearby real property could migrate to the Real Property or that any violation of any Environmental Laws has occurred or could occur regarding the Real Property or any other event, occurrence or condition has resulted or could result in Environmental Losses, then Trustor shall, at the expense of Trustor, promptly after a request by Beneficiary, engage a qualified environmental engineer to investigate such matters and prepare and submit to Beneficiary a written report containing the findings and conclusions resulting from such investigation. The environmental engineer who will prepare the report, the scope of the investigation to be undertaken (which may include building materials, soil and groundwater sampling) and the methodology to be used shall be subject to the prior approval of Beneficiary.

(vii) Beneficiary (and its agents and representatives) shall have the right at all reasonable times and except in an emergency, after reasonable prior notice, to inspect the Real Property and every part thereof (including the taking of building materials, soil and groundwater samples) and to review all books, records and files of Trustor relating to the existence, nature and location of any Hazardous Substance on, in or under the Real Property, any Release or threatened Release and compliance by Trustor and every User of any Environmental Laws relating to the Real Property. Trustor shall give Beneficiary (and its agents and representatives) access to the Real Property and every part thereof at all reasonable times after reasonable notice, and at any time in an emergency without reasonable notice, for such purposes. Trustor acknowledges that all inspections and reviews undertaken by Beneficiary are solely for the benefit and protection of Beneficiary and agrees that Beneficiary shall have no duty to Trustor with respect to Hazardous Substances or Environmental Laws as a result of any such inspections or reviews.

(viii) Beneficiary may, at its sole discretion, communicate with any governmental authority regarding any fact or reasonable belief of Beneficiary that constitutes or could constitute a breach of any of Trustor's obligations under paragraphs (1) or (2), above, if Beneficiary reasonably believes or cannot reasonably confirm that Trustor has complied with all applicable reporting and other disclosure requirements under applicable Environmental Laws.

Remediation. If before a Transfer there is a Release or threatened Release or other presence of Hazardous Substances on, in or under the Real Property in excess of permitted levels or requiring reporting, removal, remediation or other action or a violation of any Environmental Laws regarding the Real Property or any other event, occurrence or condition that has resulted or could result in Environmental Losses, Trustor shall immediately give notice of the event, occurrence or condition to Beneficiary, and Trustor shall take all appropriate and legally required measures to report and correct or abate the condition or violation of law, including measures to remediate the Release or threatened Release and cause all Hazardous Substances to be cleaned up and removed from the Real Property, and the Real Property to be restored, in compliance with all applicable Environmental Laws (the "Remediation Work"). If requested by Beneficiary, Trustor shall submit to Beneficiary, for Beneficiary's prior approval, complete plans and specifications for all Remediation Work to be done before any Remediation Work is performed, except in an emergency. Trustor shall cause all Remediation Work to be performed in a good and workmanlike manner by a qualified licensed contractor approved in writing by Beneficiary, under the supervision of a qualified environmental engineer approved in writing by Beneficiary, in accordance with the plans and specifications for the Remediation Work approved in writing by Beneficiary, and in compliance with all applicable Environmental Laws and other applicable laws, ordinances, rules and regulations. Trustor shall cause all required permits, licenses and approvals for the Remediation Work to be obtained and the Remediation Work to be prosecuted diligently and be completed in a timely manner. Trustor shall pay for all Remediation Work, including the cost of plans and specifications, utilities, permits, fees, taxes and insurance premiums in connection therewith. Trustor shall, on demand, pay to Beneficiary all direct costs and reimburse Beneficiary for all expenses reasonably incurred by Beneficiary in connection with any review, approval or inspection by Beneficiary relating to any Remediation Work, together with interest thereon after such demand at the highest annual interest rate after maturity

AMENDMENT TO DEED OF TRUST
(Environmental Laws and Hazardous Substances)
(Continued)

or default as applicable to the obligations secured hereby. Under no circumstances shall Beneficiary be liable to Trustor for any damage, loss, cost or expense incurred by Trustor on account of any plans and specifications for the Remediation Work, the performance of any Remediation Work or any delay in completion of any Remediation Work. Beneficiary shall have the right, but not any obligation, to participate in any action or proceeding relating to any Release or threatened Release or any past or present violation of any Environmental Laws relating to the Real Property or the necessity for or adequacy of any Remediation Work.

Environmental Assessment. If any default occurs under this Deed of Trust, Beneficiary shall have the right, but not any obligation, at the sole expense of Trustor, at any time before the completion of a judicial or nonjudicial foreclosure sale under this Deed of Trust, to have a comprehensive environmental assessment of the Real Property, including building materials, soil and groundwater sampling, and in scope satisfactory to Beneficiary, prepared by an engineer selected by Beneficiary in order to ascertain whether any Hazardous Substances are present in, on or under the Real Property or in, on or under any nearby property which could migrate to the Real Property, the existence, nature and location of any Release or threatened Release or the violation of any Environmental Laws relating to the Real Property. Trustor shall, on demand, pay to Beneficiary all sums expended by Beneficiary in connection with any such comprehensive environmental assessment, together with interest thereon after such demand at the highest annual interest rate after maturity or default as applicable to the obligations secured hereby.

Beneficiary's Remedies. If Trustor fails to perform any obligation of Trustor in accordance with this Environmental Laws and Hazardous Substances Section, Beneficiary may seek to enforce or compel performance of any or all such obligations and also shall have the right, but not any obligation, to perform any such obligation on behalf of Trustor, at Trustor's sole expense. Trustor shall, on demand, pay to Beneficiary all sums expended by Beneficiary for the enforcement or the performance of any such obligations of Trustor, together with interest thereon after such demand at the highest annual interest rate after maturity or default as applicable to the obligations secured hereby.

Trustor's Indemnity Obligation. Trustor shall indemnify and hold Beneficiary (including its directors, officers, employees, agents, representatives, affiliates and successors and assigns) harmless from and against any and all Environmental Losses incurred, realized and suffered by Beneficiary before a Transfer.

Trustor's Obligations Separate. Trustor agrees that Trustor's obligations under this Environmental Laws and Hazardous Substances Section: (i) are separate, independent of, and in addition to its obligations pursuant to this Deed of Trust and any and all other documents, agreements and undertakings executed by Trustor in connection with this Deed of Trust, (ii) are secured by this Deed of Trust, (iii) shall not be limited to or measured by the amount of the indebtedness or other obligations secured hereby, the value of the Real Property or by the operation of Civil Code Sections 580a, 580b, 580d or 726 and (iv) shall survive and be unaffected by a Transfer. Trustor further agrees that a separate action may be brought to enforce the provisions of this Section 4 which shall in no way be deemed to be an action on any other obligation secured by this Deed of Trust, whether or not Beneficiary would be entitled to a deficiency following a judicial or non-judicial foreclosure."

Except as provided by this Amendment, the Deed of Trust is unaltered and remains in full force and effect.

By signing below, Trustor agrees to all of the terms, conditions and provisions of this Amendment.



H. L. Whitten, As Trustee Of The Livermore Trust Under Trust Agreement Dated March 16, 2000 , Trustor

, Trustor

, Trustor

, Trustor

COPY

REQUESTED BY
WESTERN TITLE COMPANY, INC.

IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2000 APR 10 PM 3: 04

LINDA SLATER
RECORDER

\$19⁰⁰ PAID *KJ* DEPUTY

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