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APN: 1419-26-002-001; 1419-26-002-005; 1419-26-001-009; 1419-26-001-005; 1419-26-001-010

**When Recorded, Mail to:**  
Hugh J. O'Halloran  
Foley & Lardner  
777 East Wisconsin Avenue  
Milwaukee, Wisconsin 53202-5367

**FIRST PRIORITY DEED OF TRUST AND SECURITY AGREEMENT**

THIS FIRST PRIORITY DEED OF TRUST AND SECURITY AGREEMENT (this "Deed of Trust") is made and effective as of the 28<sup>th</sup> day of January, 2003, between LITTLE MONDEAUX LIMOUSIN CORPORATION, a Nevada corporation, as grantor ("Grantor"); and STEWART TITLE OF DOUGLAS COUNTY, a Nevada corporation, with an address of 1650 North Lucerne, Minden, Nevada 89423, as trustee ("Trustee"); for the benefit of RONALD L. SIMEK FAMILY INVESTMENTS, LTD., a limited partnership duly organized under the laws of the State of Nevada, at c/o Deloitte & Touche LLP, 411 East Wisconsin Avenue, Milwaukee, Wisconsin 53202, Attn: Patrick B. Mehigan, as beneficiary ("Beneficiary").

**WITNESSETH:**

WHEREAS, Ronald L. Simek has executed in favor of Beneficiary a Promissory Note of even date herewith (the "Note") in an original principal amount equal to One Million Four Hundred Eighty-six Thousand Eight Hundred Twenty-six and no/100ths Dollars (\$1,486,826.00);

WHEREAS, Beneficiary has guaranteed a line of credit in an amount not to exceed Three Million and no/100ths Dollars (\$3,000,000.00) (the "Line of Credit") from Northern Trust Company for the benefit of Grantor, Beneficiary, and others, the proceeds of which will be used to improve the Premises (as hereinafter defined) as well as other adjacent land.

WHEREAS, as security for the Note and the Line of Credit, Grantor has agreed to execute this Deed of Trust in order to encumber certain property owned or controlled by Grantor in Douglas County, Nevada, as more particularly hereinafter described;

WHEREAS, the term "Obligations" is used herein in its most comprehensive sense and includes (without limitation) all debts, obligations and liabilities under or pursuant to this Deed of Trust, the Note and the Line of Credit and any agreements associated therewith, and also includes any and all other debts, obligations, and liabilities of Grantor to Beneficiary, heretofore, now, or hereafter made, incurred, or created, whether voluntary or involuntary and however arising, whether due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined, secured or unsecured, whether Grantor is liable individually or jointly with others, whether for principal, interest or other debts, obligations or liabilities, and whether or not any or all such debts, obligations and liabilities are or become barred by any statute of limitations or otherwise unenforceable; and

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WHEREAS, this Deed of Trust and any and all other instruments, documents and agreements evidencing, governing or providing security for any of the Obligations are hereinafter referred to collectively as the "Security Documents" and sometimes singularly as a "Security Document."

NOW, THEREFORE, THIS DEED OF TRUST WITNESSETH:

GRANTING CLAUSE

That, in order to secure the payment of the Obligations and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Grantor, Grantor by these presents does hereby grant, bargain, sell, alienate, release, remise, transfer, mortgage, convey, pledge, warrant, and grant a security interest unto Trustee in trust forever, together with the power of sale, all and singular the following described properties (hereinafter collectively referred to as the "Premises"), to-wit:

a. The real estate which is listed, described, and set forth in Exhibit A, which is attached hereto and made a part hereof, (which real estate, together with any and all easements, rights-of-way, licenses, privileges, and appurtenances thereto and any and all other real estate which may at any time hereafter be conveyed by Grantor to Beneficiary as security for any of the Obligations, is hereinafter referred to as the "Land");

b. All right, title and interest of Grantor in and to all minerals, oil, gas and other hydrocarbon substances on the Land, and all development rights, density units, air rights, water, water rights, and water stock now or hereafter relating to the Land, including, but not by way of limitation, (i) all commercial use and development rights for the Land as approved by Douglas County, Nevada, for the Land, and (ii) all quasi-municipal water rights associated with the Land.

c. All right, title, and interest of Grantor, now or at any time hereafter existing, in and to all highways, roads, streets, alleys, and other public thoroughfares, crossing, bordering on or adjacent to the Land, together with all right, title, and interest of Grantor to the land lying within such highways, roads, streets, alleys, and other public thoroughfares, and all heretofore or hereafter vacated highways, roads, streets, alleys, and public thoroughfares, and all strips and gores adjoining or within the Land or any part thereof;

d. All buildings, structures, improvements, and fixtures, now or at any time hereafter located on any portion of the Land and, without any further act, all extensions, additions, betterments, substitutions, and replacements thereof;

e. All right, title, and interest of Grantor in and to all fixtures, furniture, furnishings, equipment, machinery, appliances, apparatus, construction materials, inventory, goods and other property of every kind and description now or at any time hereafter installed or located on or used or usable in connection with the Land or the buildings and improvements situated thereon, whether such right, title, or interest in such items of property is now owned or hereafter acquired by Grantor, and all products and proceeds of the foregoing, all of which fixtures, furniture, furnishings, equipment, machinery, construction materials, appliances, apparatus, inventory and other property shall be deemed to be part of the Land; and all accounts, contract rights, general

intangibles, chattel paper, instruments, franchise rights, permits and tax rebates relating to the use or operation of the Land and the improvements thereon, and all products and proceeds thereof;

f. All rights, privileges, permits, licenses, easements, consents, approvals, tenements, hereditaments, and appurtenances now or at any time hereafter belonging to or in any wise appertaining to all or any part of the Land or any property or interest now or at any time hereafter comprising a part of the property or interests subject to this Deed of Trust; all right, title, and interest of Grantor, whether now or at any time hereafter existing, in all reversions and remainders to all or any part of the Land and other property and interests subject to this Deed of Trust, and all rents, income, issues, profits, royalties, and revenues derived from or belonging to all or part of the Land and other property and interests subject to this Deed of Trust, or any part thereof; and all rights, whether now or at any time hereafter existing, of Grantor, under, pursuant to, or in connection with any and all existing and future leases of and other agreements affecting all or any part of the Land and other property and interests subject to this Deed of Trust;

g. Any and all real estate and other property whether now owned or hereafter acquired by Grantor, which may, from time to time after the execution of this Deed of Trust, by delivery or by writing of any kind, for the purposes hereof, be conveyed, mortgaged, pledged, assigned, or transferred by Grantor or by anyone in its behalf or with its consent to Beneficiary as and for additional security for the payment of the Obligations; and

h. Any and all proceeds of the conversion, whether voluntary or involuntary, of all or any part of the Land and other property and interests subject to this Deed of Trust into cash or liquidated claims, including without limitation by reason of specification, all proceeds of insurance and all awards and payments, including interest thereon, which may be made in respect of all or any part of the Land or other property and interests subject to this Deed of Trust, or any estate or easement therein, as a result of any damage to or destruction of all or any part of the Land or other property and interests subject to this Deed of Trust, the exercise of the right of condemnation or eminent domain, the closing of, or the alteration of the grade of, any street on or adjoining the Land or other property and interests subject to this Deed of Trust, or any other injury to or decrease in the value of all or any part of the Land or other property and interests subject to this Deed of Trust, to the extent of all amounts which may be secured by this Deed of Trust, which said proceeds of insurance and awards are hereby assigned to Beneficiary, who is hereby authorized to collect and receive such awards and to give receipts and acceptances therefor and to apply the same or any part thereof toward the payment of indebtedness secured hereby; and Grantor hereby agrees, upon request, to make, execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning said proceeds, awards and payments to Beneficiary, free, clear and discharged of any encumbrances of any kind or nature, whatsoever;

TO HAVE AND TO HOLD in trust all of the Premises hereby conveyed and assigned, or intended or entitled so to be, for the benefit of Beneficiary, its successors and assigns, forever.

GRANTOR HEREBY REPRESENTS AND WARRANTS TO AND COVENANTS WITH BENEFICIARY, its successors and assigns, that:

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(1) Grantor has good and indefeasible title to the Premises in fee simple and/or is the lessee under a long-term ground lease, free and clear of all liens, charges, and encumbrances, whatsoever, except municipal and zoning ordinances, recorded easements, restrictions, covenants, and development agreements, and other matters that may appear in the public records, taxes for the year 2002 and 2003, and matters that would be disclosed by an accurate survey of the Land (all of the foregoing, collectively, the "Permitted Encumbrances");

(2) Grantor has the right, full power and due and lawful authority to execute and deliver to Trustee and/or Beneficiary, as applicable, the Note, this Deed of Trust, and the other Security Documents, if any;

(3) Grantor has taken all action required by law and by the Operating Agreement of James Canyon, LLC, necessary to make the Note, this Deed of Trust and the other Security Documents, if any, the valid, binding, and legal obligations of Grantor; and

(4) The lien and security interest created by this Deed of Trust are and will be kept a lien and security interest upon the Premises subject and subordinate only to the Permitted Encumbrances, and Grantor will forever warrant and defend the same to Beneficiary, its successors and assigns, against any and all claims and demands whatever.

THIS DEED OF TRUST FURTHER WITNESSETH:

That Grantor has covenanted and agreed and does hereby covenant and agree with Beneficiary, its successors and assigns, as follows, to-wit:

ARTICLE I

COVENANTS OF GRANTOR

1. Covenants. So long as the any of the Obligations remain outstanding or unpaid, Grantor shall or cause others to:

(a) Taxes. Pay and discharge, or cause to be paid and discharged, from time to time when the same shall become due, all taxes, assessments, and governmental charges of every character imposed upon the Premises, this Deed of Trust, the Obligations or the interest of the Beneficiary in the Premises. Grantor shall not consent to the creation of a special taxing district without the prior written consent of Beneficiary. Grantor shall also pay or cause to be paid all sales taxes due and payable as part of its operations on the Premises.

(b) Maintenance. Maintain, preserve, and keep the Premises and all parts thereof, in good repair, working order, and condition and, from time to time, make all needful and proper repairs, renewals, and replacements thereto so as at all times to maintain the efficiency thereof.

(c) Waste. Abstain from and not suffer the commission of waste on the Premises, and keep the buildings, improvements, fixtures, equipment, machinery, and

other property subject to this Deed of Trust in good repair and make replacements thereto as and when the same become necessary.

(d) Liens. Keep the Premises free from all mortgages, liens and encumbrances other than Permitted Encumbrances, and perform all of Grantor's obligations and duties under any deed of trust or security agreement creating a lien against any portion of the Premises and any obligation to pay secured by such a deed of trust or security agreement.

(e) Laws. Comply with all material laws, regulations and ordinances affecting the Premises.

(f) Alteration or Removal. Not remove, demolish or materially alter any part of the Premises without the Beneficiary's prior written consent; provided, that Grantor may remove a fixture, provided the fixture is promptly replaced by another fixture of at least equal value.

(g) Dispositions. Not, without in each instance receiving the prior written consent of Beneficiary, which consent may be withheld in Beneficiary's sole discretion, (i) sell, transfer, convey, lease or otherwise dispose of or encumber the Premises, or any material part thereof or interest therein, in any manner, whether voluntarily or involuntarily, by operation of law or otherwise; or (ii) sell, convey, pledge or encumber any of the stock or ownership interest in Grantor. Beneficiary may deal with any transferee as to his, her or its interest in the same manner as with Grantor, without in any way discharging the liability of Grantor hereunder or under the Obligations.

(h) Insurance. Keep all buildings, improvements, fixtures, equipment, machinery, and other property now or hereafter comprising the Premises insured against loss or damage by fire, risks covered by extended coverage endorsements, such other risks as are usually insured against by prudent owners of like property, and such other risks as may from time to time be requested by Beneficiary, in an amount equal to the full insurable value thereof determined on a replacement cost basis without reserve for depreciation, and pay the premiums when due. All such insurance shall be written by responsible insurance companies selected by Grantor, subject to the approval of Beneficiary; and all policies for such insurance shall be so drawn as to name Beneficiary as an insured, to make any losses thereunder payable to Beneficiary, and to be noncancellable and nonamendable without at least thirty (30) days prior written notice to Grantor and Beneficiary. In the event of any loss or damage covered by insurance required to be carried hereunder, Grantor shall give immediate notice thereof to Beneficiary and Beneficiary may thereupon make proof of such loss or damage, if the same is not promptly made by Grantor. The proceeds of any such insurance shall be paid to Beneficiary for application to the Obligations in the inverse order of their maturities or (at the option of Beneficiary) to restoration of the Premises. Beneficiary is hereby authorized and empowered by and on behalf of Grantor to settle, adjust, or compromise any claims for loss, damage, or destruction under any such policy or policies of insurance. Beneficiary shall give written notice within a reasonable time to Grantor of any such adjustment or compromise. The power granted hereby shall be deemed to be

coupled with an interest and to be irrevocable. Any excess of such proceeds beyond that due Beneficiary shall be paid to Grantor. All of such policies of insurance shall be held by Beneficiary as additional security hereunder and, in the event of sale of the Premises following a default by Grantor, the ownership of all policies of insurance and the right to receive the proceeds of any insurance payable by reason of any loss theretofore or thereafter occurring shall pass to the purchaser at such sale, and Grantor hereby appoints Beneficiary its attorney-in-fact, in the name of Grantor, to assign and transfer all such policies and proceeds to such purchaser.

(i) Evidence of Insurance. Deposit with Beneficiary all policies of insurance or certified copies thereof and certificates relating thereto (which such policies or certificates shall be marked "paid" by the issuing company or agent) carried by Grantor from time to time pursuant to subparagraph (h) above.

(j) Further Instruments. Execute, acknowledge, deliver, and cause to be recorded or filed, in the manner and place required by any present or future law, any instrument that may be requested by Beneficiary to publish notice or protect, perfect, preserve, continue, extend, or maintain the security interest and lien, and the priority thereof, of this Deed of Trust or the Security Documents or the interest of Beneficiary in the Premises, including, without limitation by reason of specification, mortgages, security agreements, financing statements, continuation statements, and instruments of similar character, and Grantor shall pay or cause to be paid (i) all filing and recording taxes and fees incident to each such filing and recording, (ii) all expenses incurred by Beneficiary in connection with the preparation, execution, and acknowledgement of all such instruments, and (iii) all federal, state, county, and municipal stamp taxes and other taxes, duties, imposts, assessments, and charges arising out of or in connection with the execution and delivery of such instruments.

(k) Deposits. At the request of Beneficiary following an Event of Default hereunder, pay to Beneficiary monthly a sum equivalent to one-twelfth (1/12) of the amount estimated by Beneficiary to be sufficient to enable Beneficiary to pay, at least thirty (30) days before they become due, all taxes, assessments, and other similar charges levied against the Premises and all insurance premiums on any policy or policies of insurance required to be carried by Grantor hereunder ("Impound Account"). Beneficiary shall not be required to hold such sums in segregated accounts, and no interest shall be payable by Beneficiary to Grantor with respect to any amounts paid by Grantor pursuant to this subparagraph. The Impound Account deposits shall be analyzed annually to determine whether sufficient money is contributed to the Impound Account on a monthly basis to pay for the projected disbursements from the Impound Account. No later than the earlier of the following to occur: (i) thirty (30) days before the effective date of any increased contribution to the Impound Account based on the analysis or (ii) thirty (30) days after Beneficiary's annual review of the Impound Account, a statement must be sent to the Grantor showing (a) the method of determining the amount of money held in the Impound Account, (b) the amount of projected disbursements from the Impound Account, (c) the amount of the reserves which may be held in accordance with federal guidelines, if applicable, and (d) the amount by which the contributions exceed the amount reasonably necessary to pay the annual obligations due from the Impound

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Account. If upon completion of the analysis it is determined that the amount held in the Impound Account, together with the anticipated future monthly contributions to the Impound Account, exceeds the amount of money required to pay the taxes and insurance and other obligations specified in this Subsection 1(k) when due pursuant to the provisions of this Deed of Trust, Beneficiary shall, at the option of Grantor, within twenty (20) days after receipt of Beneficiary's statement, (x) return any excess to Grantor, (y) apply the excess to the outstanding principal balance, or (z) credit such excess against future payments made to the Impound Account. If the Grantor fails to specify such a disposition within that time, the Beneficiary shall maintain the excess money in the Impound Account, and if any payment on the Note is delinquent at the time of the analysis, Beneficiary may apply the excess money in the account toward payment of the delinquency. If upon completion of the analysis, it is determined that an Impound Account is not sufficiently funded to pay from the normal deposit, the taxes, insurance and other obligations specified in this Subsection 1(k), when due, Beneficiary shall offer the Grantor the opportunity to correct the deficiency by making one lump sum payment or making increased monthly contributions, in an amount required by the Beneficiary. Beneficiary shall not declare a default on the Impound Account solely because the Grantor is unable to pay the amount of the deficiency in one lump sum.

(l) Leases. Not, without in each instance the prior written consent of Beneficiary, lease or otherwise permit the Premises or any part thereof to be occupied by any firm, corporation, person or entity other than Grantor. Grantor shall promptly observe and perform all covenants, conditions, and agreements contained in any lease or leases, or other agreements now or hereafter affecting or relating to the Premises, or any portion thereof, on the part of Grantor to be observed and performed; enforce the observance and performance of all covenants, conditions, and agreements by other parties to such leases and agreements; not accept any prepayment of rent or installments of rent under such leases or agreements for more than one (1) month in advance; and furnish to Beneficiary a copy of each such lease or agreement forthwith upon its execution.

2. Condemnation. If all or any part of the Premises is damaged, taken, or acquired, either temporarily or permanently, in any condemnation proceeding, by exercise of the right of eminent domain, by sale in lieu of condemnation or eminent domain, or by the alteration of the grade of any street affecting the said Premises, then the amount of any award or other payment for such taking or damages made in consideration thereof, to the extent of the full amount of the then remaining unpaid indebtedness secured hereby, is hereby assigned to Beneficiary, who is empowered to collect and receive the same and to give proper receipts therefor in the name of Grantor, and the same shall be paid forthwith to Beneficiary and shall be applied to the Obligations in the inverse order of their maturities or (at Beneficiary's option) to restoration of the Premises.

3. Self-help by Beneficiary. If Grantor shall fail to comply with any of the terms, covenants, and agreements contained herein or in , any of the Security Documents, or any other agreement now or at any time hereafter existing between Grantor and Beneficiary, then Beneficiary may (but shall not be obligated to), without further demand upon Grantor and without waiving or releasing Grantor from any such obligation, remedy such default for the account of Grantor. Grantor agrees to repay, upon demand by Beneficiary, all sums advanced by

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Beneficiary to remedy such defaults, together with interest at the rate at which interest accrues on amounts due under the Note after the same become due. All such sums, together with interest as aforesaid, shall become additional indebtedness secured by this Deed of Trust and by the Security Documents. No such payment by Beneficiary shall be deemed to relieve Grantor from any default or Event of Default hereunder.

## ARTICLE II

### EVENTS OF DEFAULT; REMEDIES

1. Events of Default; Acceleration. Upon the occurrence of any one or more of the following events (each an "Event of Default"): (i) the occurrence of any event of default under any Security Document (including this Deed of Trust); (ii) any of the Obligations is not paid or performed when due (with respect to monetary obligations by acceleration or otherwise); (iii) Grantor fails to timely perform or observe any of Grantor's covenants in this Deed of Trust or any of Grantor's representations or warranties herein proves to have been materially false or misleading when made; then and in any such case, the Obligations shall become immediately due and payable and Beneficiary shall have all of the remedies for default provided by this Deed of Trust and the Security Documents, as well as applicable law, including the power of sale.

2. Power of Sale. Upon the occurrence of an Event of Default, Beneficiary, without further notice or demand, may declare all monetary sums secured hereby immediately due and payable by delivery to Grantor of written notice thereof, setting forth the nature of such default, which notice may contain an election to cause the Premises to be sold under this Deed of Trust. If Beneficiary elects to cause the sale of the Premises, Beneficiary shall deposit with Trustee the original Note, this Deed of Trust and all documents evidencing expenditures secured hereby. Trustee shall record and give such notices of breach and election to sell by trustee's sale in the manner required by law, and after the lapse of time and the giving of notice such as then may be required by law, Trustee, under the power of sale contained herein, shall sell the Premises at the time and place fixed by it in said notice of trustee's sale, either as a whole or in separate parcels, and in such order as Beneficiary may determine, subject to any statutory or common law right which Grantor may have to direct such order, at public auction to the highest bidder for cash in lawful money of the United States, payable at the time of sale, provided that Beneficiary, in lieu of a cash bid, may bid on credit all or part of the indebtedness hereby secured. Trustee may postpone sale of all or any portion of the Premises by public declaration at such time and place of sale, and from time to time thereafter may postpone such sale by public declaration at the time and place fixed by the preceding postponement. Trustee shall deliver to the purchaser at such sale its deed conveying the Premises so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustee or Beneficiary, may purchase at such sale. After deducting all costs, fees and expenses of Trustee incurred in connection with such sale, including costs to insure or obtain evidence of title in connection with such sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at the rate set forth in the Note; all other sums secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

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3. Notices. Trustee is not obligated to notify any party hereto of any pending sale under any other deed of trust or any action or proceeding in which Grantor, Beneficiary, or Trustee shall be a party unless brought by Trustee and relating to the Premises or unless otherwise required by law.

4. Foreclosure Permitted. In lieu of sale pursuant to the power of sale conferred hereby, at the option of Beneficiary this Deed of Trust may be foreclosed in the same manner provided for by law for the foreclosure of mortgages on real property. Beneficiary shall also have all other rights and remedies, available to it hereunder, and otherwise available at law or in equity. All rights and remedies shall be cumulative.

5. Payment of Costs and Expenses. Grantor hereby agrees that if Beneficiary invokes the power of sale or commences any proceeding to foreclose this Deed of Trust or any other suit in equity, action at law, or other appropriate proceeding to enforce its rights under this Deed of Trust, or any of the Security Documents, or is made a party to any suit or proceeding by reason of the interest of the Beneficiary in the Premises, then Grantor shall pay to Beneficiary all reasonable costs and expenses (including attorneys' fees and Foreclosure Expenses (as hereinafter defined)) paid or incurred by Beneficiary in connection therewith, which costs and expenses shall be Obligations secured hereby. If this Deed of Trust is foreclosed by Trustee, attorneys' fees and Foreclosure Expenses shall be allowed by Trustee as a part of the cost of foreclosure. In the event the foreclosure proceedings may be made through court proceedings, attorneys' fees and Foreclosure Expenses shall be assessed by the court as a part of the cost of such foreclosure proceedings. It is specifically understood that the term "attorneys' fees" shall include costs of an attorney in the employment of Beneficiary and fees for services performed by nonlawyers, for example, legal assistants and paralegals, and shall include costs and other disbursements regularly associated with the provision of legal services. In the event of foreclosure of this Deed of Trust, whether through Trustee or through the court, there shall be allowed and included as additional indebtedness all expenses and costs (which may be estimated as to items to be expended after foreclosure sale or entry of the decree) which may be paid or incurred by or on behalf of Beneficiary for appraisers' fees, fees for environmental reports or assessments, surveys, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs of procuring all such abstracts of title, title searches and examinations, title insurance policies and similar assurances with respect to title as Beneficiary may deem necessary either to file such foreclosure, prosecute such suit or to evidence the true condition of the title to or the value of the Premises, and such other amounts allowable under applicable law (collectively, the "Foreclosure Expenses").

6. Purchase by Beneficiary. In the case of any sale of the Premises pursuant to any judgment or decree of any court or at public auction or otherwise in connection with the enforcement of any of the terms of this Deed of Trust, Beneficiary, its successors or assigns, may become the purchaser, and for the purpose of making settlement for or payment of the purchase price, shall be entitled to deliver over and use the Obligations, in order that there may be credited as paid on the purchase price the sum then due under the Obligations.

7. Possession by Beneficiary/Receiver. Upon the happening of an Event of Default, then and in every such case Beneficiary, either personally or by its agents or attorneys, or through a duly appointed receiver, may enter into and upon and take possession of all or any part

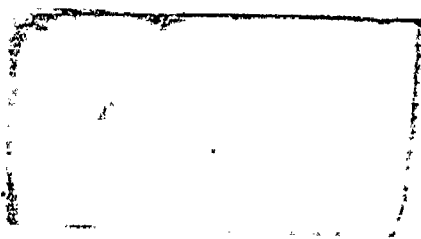
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of the Premises, and each and every part thereof, and all bank accounts and other accounts containing any monies, rents, issues, profits, income, proceeds or revenue derived from the Premises or the occupancy, use, operation, maintenance, repair, management, leasing or enjoyment thereof or any business conducted by Grantor or any other person on the Premises (collectively, the "Bank Accounts"), and may exclude Grantor and its agents wholly therefrom; and, having and holding the same, may use, operate, manage, maintain, repair, lease, improve and control the Premises and conduct the business thereof; and Beneficiary, personally, or by its agents or attorneys, or through a duly appointed receiver, shall thereafter be entitled to collect and receive all earnings, revenues, rents, issues, profits, proceeds, royalties, rights, benefits, awards, payments and income of, from, and relating to the Premises and every part thereof and any business conducted by Grantor or any other party thereon, whether or not Beneficiary or a receiver is then in possession of the Premises. Beneficiary shall be entitled to the ex parte appointment of a receiver as a matter of right and without proof of any grounds for appointment other than a default hereunder and without notice to Grantor or to anyone claiming under Grantor, and without regard to statutory grounds therefor, the solvency or insolvency of Grantor or the then owner of the Premises, or the condition of the Premises, and whether or not the apparent value of the Premises exceeds the indebtedness secured hereby, and any receiver appointed may serve without bond. Employment by Beneficiary shall not disqualify a person from serving as a receiver.

The exercise of any right under this Article shall not be deemed an election of remedies or preclude the exercise of any other right or remedy. Beneficiary or the receiver shall be vested with the fullest powers permitted under applicable law, including, without limitation, the power to:

- (a) enter upon, take possession of and use, operate, manage, maintain, repair, lease, preserve, protect, control and conduct the Premises, the Bank Accounts, and any business conducted on the Premises and make expenditures for all maintenance, repairs, and construction or renovation of improvements as in its judgment are proper;
- (b) collect all earnings, rents, revenues, income, issues, profits, royalties, rights, benefits, awards, and payments of, from or relating to the Premises or the use, occupation, operation or enjoyment thereof and any business conducted thereon;
- (c) complete any construction in progress and in that connection pay bills, borrow funds, employ contractors and make any changes in plans or specifications as it deems appropriate;
- (d) oust tenants for nonpayment of rent and lease any and all portions of the Premises on such terms as it deems advisable;
- (e) make alterations, renewals, replacements, additions, betterments, improvements, and repairs and deduct the cost thereof from the income;
- (f) pay appropriate operating, maintenance, management and repair costs and expenses, and other costs and expenses of the possession of the Premises or the receivership;



(g) make any payments and pay other amounts due under the Note, this Deed of Trust or the other Security Documents;

(h) pay other amounts secured by this Deed of Trust or the other Security Documents;

(i) pay taxes, assessments, ground rents, insurance premiums, utility charges, payments due under permits or licenses necessary for the operation of the Premises, costs of completing the construction of unfinished improvements and other similar charges and renewals thereof; and

(j) perform such other duties as deemed appropriate by any court with jurisdiction; provided that, if a receiver is appointed, in no event shall any payments be made to the holder of any junior lien or interest until the indebtedness evidenced and secured by this Deed of Trust has been paid in full.

If the revenues produced by the Premises are insufficient to pay expenses, the receiver may borrow, from Beneficiary or otherwise, such sums as it deems necessary for the purposes stated herein and issue receivers' certificates for the sums advanced. In the event receivers' certificates are issued to and held by Beneficiary, repayment of such sums shall be secured by the lien hereof and Beneficiary may elect to treat the amount evidenced by such receivers' certificates as an advance of funds under this Deed of Trust, in which event the amounts evidenced by such receivers' certificates shall bear interest at the rate at which interest accrues on amounts due under the Note after the same become due and may be added (i) to the amount necessary to cure any default, (ii) to the amount of the bid made by Beneficiary at the time of foreclosure sale or other proceedings, and (iii) to the cost of redemption in the event the owners of the Premises, Grantor, a junior lien holder, or other person entitled to do so redeems any foreclosure sale. Notwithstanding the foregoing, nothing contained herein shall be construed as imposing any obligation on Beneficiary to make such loan. If, at such time as Beneficiary is entitled to the appointment of a receiver pursuant to this Deed of Trust, Beneficiary brings any action to have a receiver appointed, Grantor agrees to pay to Beneficiary the costs and attorneys' fees incurred by Beneficiary thereby.

8. Remedies Cumulative. No remedy herein conferred upon or otherwise available to Beneficiary is intended to be or shall be construed to be exclusive of any other remedy or remedies, but each and every such right and remedy shall be cumulative and shall be in addition to every other right and remedy given hereunder and under any of the Security Documents and now or hereafter existing at law, in equity, or by statute. No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or an acquiescence therein; nor shall the giving, taking, or enforcement of any other or additional security, collateral, or guaranty for the payment of the indebtedness secured under this Deed of Trust operate to prejudice, waive, or affect the security of this Deed of Trust or any rights, powers, or remedies hereunder; nor shall Beneficiary be required to first look to, enforce, or exhaust, any such other or additional security, collateral, or guaranty.

9. Indulgences by Beneficiary. In the event that Beneficiary (a) grants any extension of time or forbearance with respect to the payment of any indebtedness secured by this Deed of Trust; (b) takes other or additional security for the payment thereof; (c) waives or fails to exercise any right granted herein or under the Note or under any Security Document; (d) grants any release, with or without consideration, of the whole or any part of the security held for the payment of the debts secured hereby or the release of any person liable for payment of such debts; (e) amends or modifies, in any respect, any of the terms and provisions hereof or of any of the Security Documents; then and in any such event, such act or omission to act shall not release Grantor or any co-maker, surety, or guarantor, nor preclude Beneficiary from exercising any right, power, or privilege herein granted or intended to be granted in the event of any other default or Event of Default then made or any subsequent default or Event of Default, nor in any way impair or affect the lien or priority of this Deed of Trust or of any other Security Document.

10. Abandonment of Proceedings. In case Beneficiary shall have proceeded to enforce any right under this Deed of Trust by foreclosure, sale, entry, or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to Beneficiary, then, and in every such case, Grantor and Beneficiary shall be restored to their former positions and rights hereunder with respect to the Premises subject to the lien hereof.

### ARTICLE III

#### MISCELLANEOUS

1. Assignment of Rents, Leases and Profits. As additional security hereunder, Grantor hereby assigns to Beneficiary the rents, leases and profits of the Premises, including those arising from the Lease; however, Grantor shall, prior to an Event of Default, have the right to collect and retain such rents as they become due and payable.

2. Security Agreement. It is the intention of Grantor and Beneficiary that this Deed of Trust also constitutes (i) a security agreement (with Beneficiary being the secured party thereunder) with respect to those portions of the Premises which are subject to Article 9 of the Uniform Commercial Code as in effect from time to time in the State of Nevada ("UCC") and (ii) a fixture filing required under the UCC. This Deed of Trust encumbers goods which are or are to become fixtures. Accordingly, Grantor hereby agrees that, in addition to all other rights and remedies enumerated herein or otherwise available to Beneficiary at law, in equity, or under any Security Document, Beneficiary shall have all of the rights and remedies available to a secured party under the UCC. With respect to any portion of the Premises subject to the UCC, any reference to foreclosure in this Deed of Trust shall also be deemed to include any method of disposition of collateral authorized under Article 9 of the UCC. The Beneficiary, at its sole option, may dispose of any portion of the Premises subject to the UCC separately from or together with other portions of the Premises. Written notice, when required by law, mailed to any address of the Grantor at least ten (10) calendar days (including the day of mailing) before the date of a proposed disposition of the Premises, or any part thereof, shall be commercially reasonable notice.

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3. Relationship of Parties. The relationship between Beneficiary and Grantor is solely that of a lender and borrower, and nothing contained herein or in any of the Security Documents shall in any manner be construed as constituting Beneficiary a partner or joint venturer of Grantor or as creating any other relationship between Beneficiary and Grantor other than that of lender and borrower.

4. Severability. If any term, covenant, or condition of this Deed of Trust, or any Security Document or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then the remainder of this Deed of Trust, and the Security Documents and the application of such term, covenant, or condition to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each and every term, covenant, and condition of this Deed of Trust, and all of the Security Documents shall be valid and be enforced to the fullest extent permitted by applicable law.

5. Subrogation. Beneficiary shall be subrogated to all liens, although released of record, which are paid out of the proceeds of the Note or other indebtedness secured by this Deed of Trust.

6. Successors and Assigns. All of the covenants and conditions hereof shall run with the land, shall be binding upon the heirs, successors and assigns of Grantor, and shall inure to the benefit of the heirs, successors and assigns of Beneficiary. This Deed of Trust and the Security Documents are made and entered into for the sole protection and benefit of Beneficiary and Grantor and their respective heirs, successors and assigns (but in the case of assigns of Grantor, only to the extent permitted hereunder), and no other person or persons shall have any right to action hereon or rights to the loan funds at any time.

7. No Excess Interest. If any charge in the nature of interest provided for herein or in any instrument evidencing indebtedness secured hereby shall contravene applicable usury limitations, then Grantor shall pay only such interest as would legally be permitted. If, for any reason, interest in excess of the amount as limited in the foregoing sentence shall have been paid, whether by reason of acceleration or otherwise, then, in that event, any such excess shall constitute and be treated as a payment of principal and shall operate to reduce such principal by the amount of such excess, or if in excess of the then principal indebtedness, then such excess shall be refunded.

8. Waivers by Grantor. To the fullest extent permitted by applicable law, Grantor, for itself, its successors and assigns, and each and every person with any interest in the Premises, or any part thereof, whether now owned or hereafter acquired, hereby waives notice of maturity, demand, presentment for payment, diligence in collection, notice of non-payment and protest, and any and all other notices and defenses, whatsoever, with respect to any and all of the indebtedness hereby secured; hereby consents and agrees to any extension of time, whether one or more, for the payment thereof and/or to any and all renewals thereof; and hereby consents and agrees that Beneficiary may amend the terms thereof, may release all or any part of the security for the payment thereof, and may release any party liable for the payment thereof, without, in any event, affecting the terms or effect of this Deed of Trust or the obligations or liabilities hereunder of Grantor, its successors or assigns, or any person with any interest in the Premises, or any part thereof, whether now owned or hereafter acquired.

9. Waiver of Marshalling. Notwithstanding the existence of any other security interest in the Premises or any other property of Grantor held by Beneficiary or by any other party, Beneficiary shall have the right to determine the order in which any or all of the Premises and such other property of Grantor shall be subjected to the remedies provided herein or any other remedies Beneficiary may have. Beneficiary shall have the right to determine the order in which any or all portions of the Obligations are satisfied from the proceeds realized upon the exercise of the remedies herein or any other remedies which Beneficiary may exercise. Grantor, any party who consents to this instrument and any party who now or hereafter acquires a security interest in the Premises and who has actual or constructive notice hereof hereby waives to the fullest extent permitted by law any and all right to require the marshalling of assets in connection with the exercise of any of the remedies permitted by applicable law or provided herein.

10. Applicable Law. This Deed of Trust shall, in all respects, be governed by the internal laws of the State of Nevada.

11. Right of Inspection. Beneficiary and its authorized agents, representatives, and employees shall have the right, at the option of Beneficiary, to enter into the Premises at all reasonable times for the purpose of inspecting the same and, at the option of Beneficiary, remedying any default or Event of Default hereunder on the part of Grantor, including, but not limited to, any failure on the part of Grantor to repair the Premises.

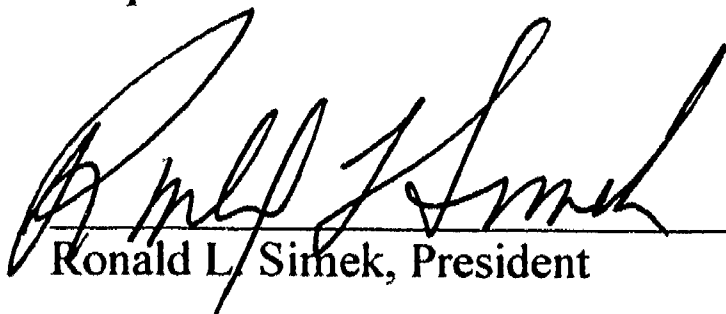
12. Amendment. Neither this Deed of Trust nor any term, covenant, or condition contained herein may be amended, modified, or terminated, except by an agreement in writing, signed by the party against whom enforcement of the amendment, modification, or termination is sought.

13. Construction. This Deed of Trust and the Security Documents shall be construed without regard to any presumption or rule requiring construction against the party causing such instruments to be drafted. The headings and captions contained in this Deed of Trust are solely for convenience of reference and shall not affect its interpretation. All terms and words used in this Deed of Trust, whether singular or plural and regardless of the gender thereof, shall be deemed to include any other number and any other gender as the context may require.

14. Adoption of Statutory Covenants. To the extent not inconsistent with the other provisions of this Deed of Trust, the following covenants, Nos. 1; 2 (full replacement value); 3; 4 (Default Rate under the Note); 5; 6; 7 ( a reasonable percentage); 8 and 9 of NRS Section 107.030 are hereby adopted and made a part of this Deed of Trust.

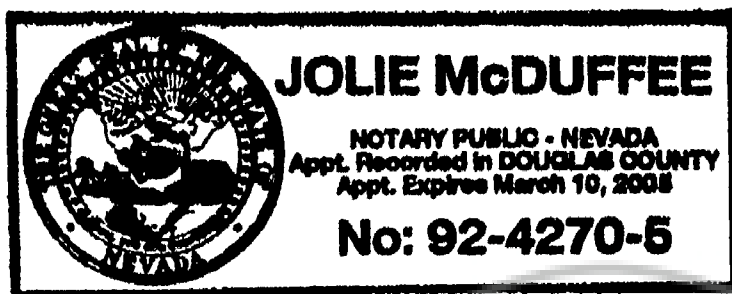
IN WITNESS WHEREOF, Grantor has caused these presents, to be duly executed, sealed, and delivered as of the day and year first above written.

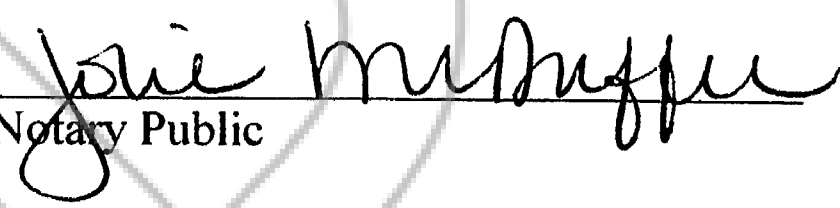
LITTLE MONDEAUX LIMOUSIN CORPORATION, a Nevada corporation

By:   
Ronald L. Simek, President

STATE OF NEVADA            )  
  ) ss.  
County of Douglas         )

This instrument was acknowledged before me on January 31<sup>st</sup>, 2003, by Ronald L. Simek, as President of Little Mondeaux Limousin Corporation, a Nevada corporation.



  
Notary Public  
My Commission Expires: March 10, 2005

**EXHIBIT A  
TO  
DEED OF TRUST AND SECURITY AGREEMENT**

Legal Description:

**DRAFT**

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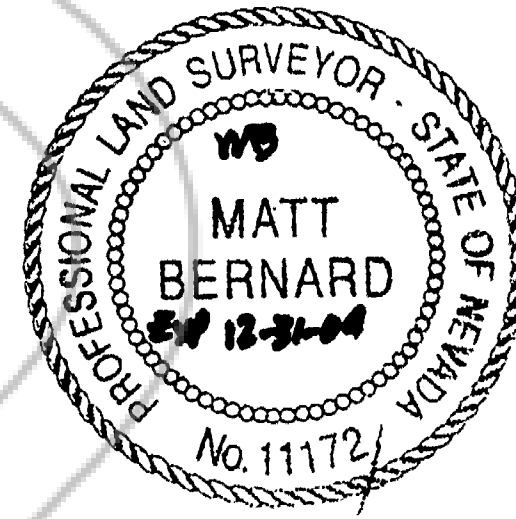
212-49-00  
03/11/03

**EXHIBIT 'A'**

**DESCRIPTION  
ADJUSTED PARCEL 14  
A.P.N. 1419-26-002-001**

All that real property situate within a portion of Section 26, Township 14 North, Range 19 East, Mount Diablo Meridian, County of Douglas, State of Nevada, described as follows:

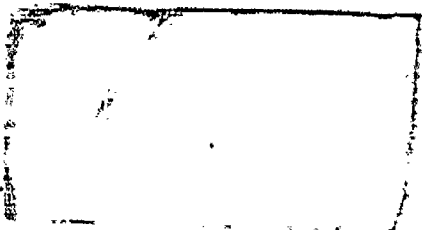
Adjusted Parcel 14 as shown on the Record of Survey to Support a Boundary Line Adjustment for Ronald L. Simek, Little Mondeaux Limousin Corporation, and The Pivot Limited Partnership recorded December 31, 1996 in the office of Recorder, Douglas County, Nevada as Document No. 403935.



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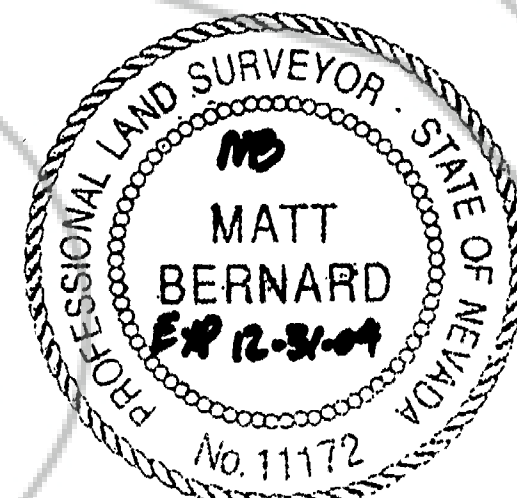
212-49-00  
03/11/03

**EXHIBIT 'A'**

**DESCRIPTION  
ADJUSTED PARCEL 15  
A.P.N. 1419-26-002-005**

All that real property situate within portions of Sections 26, 34 and 35, Township 14 North, Range 19 East, Mount Diablo Meridian, County of Douglas, State of Nevada, described as follows:

Adjusted Parcel 15 as shown on the Record of Survey to Support a Boundary Line Adjustment for Little Mondeaux Limousin Corporation recorded November 19, 2001 in the office of Recorder, Douglas County, Nevada as Document No. 528042.



3-12-03

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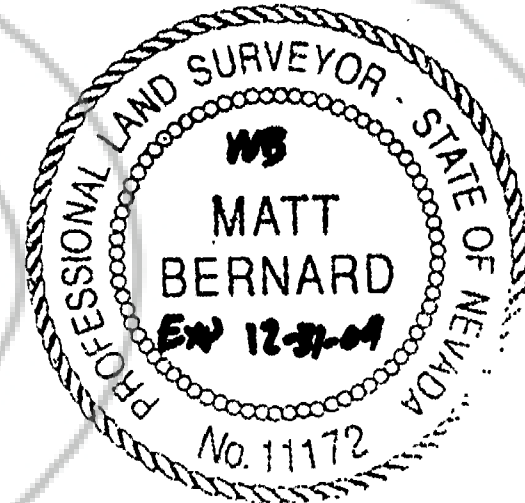
212-49-00  
03/11/03

**EXHIBIT 'A'**

**DESCRIPTION  
ADJUSTED PARCEL 16  
A.P.N. 1419-26-001-009**

All that real property situate within a portion of Section 26, Township 14 North, Range 19 East, Mount Diablo Meridian, County of Douglas, State of Nevada, described as follows:

Adjusted Parcel 16 as shown on the Record of Survey to Support a Boundary Line Adjustment for Little Mondeaux Limousin Corporation recorded November 19, 2001 in the office of Recorder, Douglas County, Nevada as Document No. 528042.



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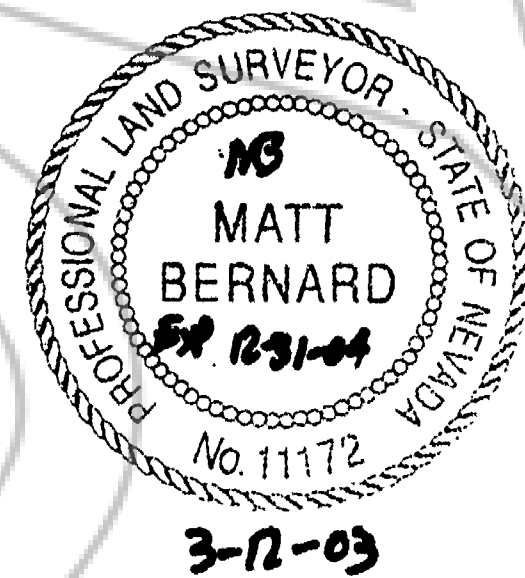
212-49-00  
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**EXHIBIT 'A'**

**DESCRIPTION  
ADJUSTED PARCEL 17  
A.P.N. 1419-26-001-005**

All that real property situate within a portion of Section 26, Township 14 North, Range 19 East, Mount Diablo Meridian, County of Douglas, State of Nevada, described as follows:

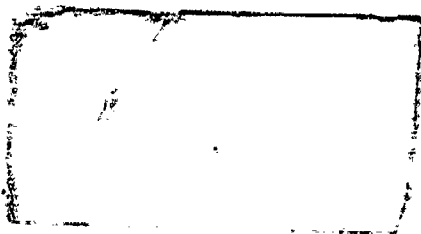
Adjusted Parcel 17 as shown on the Record of Survey to Support a Boundary Line Adjustment for Ronald L. Simek, Little Mondeaux Limousin Corporation, and The Pivot Limited Partnership recorded December 31, 1996 in the office of Recorder, Douglas County, Nevada as Document No. 403935.



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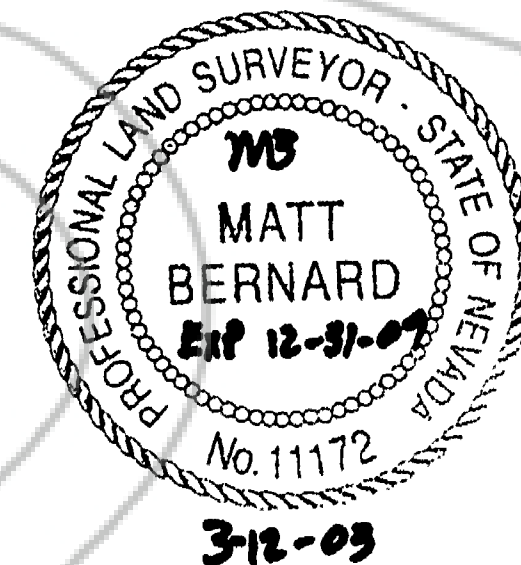
212-49-00  
03/11/03

**EXHIBIT 'A'**

**DESCRIPTION  
ADJUSTED PARCEL 18  
A.P.N. 1419-26-001-010**

All that real property situate within a portion of Section 26, Township 14 North, Range 19 East, Mount Diablo Meridian, County of Douglas, State of Nevada, described as follows:

Adjusted Parcel 18 as shown on the Record of Survey to Support a Boundary Line Adjustment for Little Mondeaux Limousin Corporation recorded November 19, 2001 in the office of Recorder, Douglas County, Nevada as Document No. 528042.



REQUESTED BY  
R O Anderson  
IN OFFICIAL RECORDS OF  
DOUGLAS CO., NEVADA

2003 APR -3 PM 1:44

WERNER CHRISTEN  
RECORDER  
\$34.00 PAID R DEPUTY

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