

DOUGLAS COUNTY, NV

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KAREN ELLISON, RECORDER

APN: 1419-09-001-002

RECORDING REQUESTED BY
WHEN RECORDED MAIL TO:

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DEED OF TRUST

With Assignment of Leases, Rents, Security Agreement and Fixture Filing

3083-JL

THIS DOCUMENT IS ALSO A FIXTURE FILING IN ACCORDANCE WITH NEVADA REVISED STATUTES ("NRS") 104.9502 (3).

THIS DEED OF TRUST IS ONE OF MULTIPLE DEEDS OF TRUST WHICH SECURE THE OBLIGATIONS DESCRIBED HEREIN, AND THESE DEEDS OF TRUST SHALL BE CROSS-DEFAULTED SO THAT A DEFAULT UNDER ANY ONE DEED OF TRUST SHALL CONSTITUTE A DEFAULT UNDER THE OTHER DEEDS OF TRUST.

DEED OF TRUST

With Assignment of Leases, Rents, Security Agreement and Fixture Filing

THIS DEED OF TRUST WITH ASSIGNMENT OF LEASES, RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "Deed of Trust" or "Instrument"), is made as of May 12, 2021, by and among GREGORY A. THOMAS and HEATHER L. THOMAS, Co-Trustees of the THOMAS LIVING TRUST, dated October 18, 1995, as amended (collectively, "Trustor"), SIGNATURE TITLE COMPANY LLC ("Trustee"), and KEVIN LIPTON, an individual ("Beneficiary"). The addresses of the parties are set forth in Section 8.15. of this Deed of Trust.

ARTICLE 1. DEFINITIONS:

1.1. **"Fixtures"** means all property which is so attached to the Land or the Improvements as to constitute a fixture under applicable law, including, without limitation: machinery, equipment, engines, boilers, incinerators, installed building materials; systems and equipment for the purpose of supplying or distributing heating, cooling, electricity, gas, water, air, or light; antennas, cable, wiring and conduits used in connection with radio, television, security, fire prevention, or fire detection or otherwise used to carry electronic signals; telephone systems and equipment; elevators and related machinery and equipment; fire detection, prevention and extinguishing systems and apparatus; security and access control systems and apparatus; plumbing systems; water heaters, ranges, stoves, microwave ovens, refrigerators, dishwashers, garbage disposers, washers, dryers and other appliances; light fixtures, awnings, storm windows and storm doors; pictures, screens, blinds, shades, curtains and curtain rods; mirrors; cabinets, paneling, rugs and floor and wall coverings; fences, trees and plants; swimming pools; and exercise equipment.

1.2. **"Governmental Authority"** means any board, commission, department or body of any municipal, county, state or federal governmental unit, or any subdivision of any of them, that has or acquires jurisdiction over the Subject Property or the use, operation or improvement of the Subject Property.

1.3. **"Hazardous Materials"** means petroleum and petroleum products and compounds containing them, including gasoline, diesel fuel and oil; explosives; flammable materials; radioactive materials; polychlorinated biphenyls ("PCBs") and compounds containing them; lead and lead-based paint; asbestos or asbestos-containing materials in any form that is or could become friable; underground or above-ground storage tanks, whether empty or containing any substance; any substance the presence of which on the Subject Property is prohibited by any federal, state or local authority; any substance that requires special handling; and any other material or substance now or in the future defined as a "hazardous substance," "hazardous material," "hazardous waste," "toxic substance," "toxic pollutant," "contaminant," or "pollutant" within the meaning of any Hazardous Materials Law.

1.4. **"Hazardous Materials Laws"** means all federal, state, and local laws, ordinances and regulations and standards, rules, policies and other governmental requirements, administrative rulings and court judgments and decrees in effect now or in the future and including all amendments, that relate to Hazardous Materials and apply to Trustor or to the Subject Property. Hazardous Materials Laws include, but are not limited to, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, *et seq.*, the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, *et seq.*, the Toxic Substance Control Act, 15 U.S.C. Section 2601, *et seq.*, the Clean Water Act, 33 U.S.C. Section 1251, *et seq.*, and the Hazardous Materials Transportation Act, 49 U.S.C. Section 5101, *et seq.*, and their state analogs.

1.5. **"Land"** means the land described in Exhibit A, attached hereto and made a part hereof.

1.6. **"Loan Documents"** shall have the meaning as set forth in Section 7.1(h) below.

ARTICLE 2. GRANT IN TRUST

2.1. **Grant.** For the purposes of and upon the terms and conditions in this Deed of Trust, Trustor irrevocably grants, conveys and assigns to Trustee, IN TRUST FOR THE BENEFIT OF BENEFICIARY, WITH POWER OF SALE AND RIGHT OF ENTRY AND POSSESSION, Trustor's present and future right, title and fee interest in and to all that real property located at 186 Tor Court, Carson City, Nevada, State of Nevada, described on Exhibit A attached hereto and made a part hereof, including the Land, together with all development rights or credits, air rights, water, water rights and water stock related to the real property; all minerals, oil and gas, and other hydrocarbon substances in, on or under the real property; all zoning rights and other similar rights or interests, easements, tenements, rights-of-way, strips and gores of land, streets, alleys, roads, sewer rights, waters, watercourses, and appurtenances related to or benefiting the Land or the Improvements, or both, and all rights-of-way, streets, alleys and roads which may have been or may in the future be vacated; all proceeds paid or to be paid by any insurer of the Land, the Improvements, or the Fixtures, whether or not Trustor obtained the insurance pursuant to the requirements referenced herein or any other document or agreement referenced herein between the parties hereto; all awards, payments and other compensation made or to be made by any municipal, state or federal authority with respect to the Land, the Improvements, or the Fixtures, including any awards or settlements resulting from condemnation proceedings or the total or partial taking of the Land, the Improvements, or the Fixtures, under the power of eminent domain or otherwise and including any conveyance in lieu thereof; all contracts, options and other agreements for the sale of the Land, the Improvements, or the Fixtures entered into by Trustor now or in the future, including cash or securities deposited to secure performance by parties of their obligations; all proceeds from the conversion, voluntary or involuntary, of any of the above into cash or liquidated claims, and the right to collect such proceeds; all Rents and Leases; all earnings, royalties, accounts receivable, issues and profits from the Land, or the Improvements, and all undisbursed proceeds of the loan secured by this Instrument; all tenant security deposits which have not been forfeited by any tenant under any

Lease; and all names under or by which any of the Subject Property may be operated or known, and all trademarks, trade names, and goodwill relating to any of the Subject Property; tax reimbursements; all buildings, improvements and Fixtures now or hereafter located on the real property now held or owned by Trustor, it being intended by the parties that all such items shall be conclusively considered to be a part of the real property, whether or not attached or affixed to the real property (the "Improvements"); and all interest or estate which Trustor may hereafter acquire in the property described above, and all additions and accretions thereto, and the proceeds of any of the foregoing; (all of the foregoing being collectively referred to as the "Subject Property"). The listing of specific rights or property shall not be interpreted as a limit of general terms. The Subject Property does not include any gaming device as defined in NRS 463.0155 or any rents, issues, profits, income or revenue, the receipt of which would require a gaming license under the provisions of Chapter 463, Nevada Revised Statutes.

ARTICLE 3. OBLIGATIONS SECURED

3.1. **Obligations Secured.** Trustor makes this grant and assignment pursuant to the Promissory Note Secured By Deed of Trust, made by Trustor in favor of Beneficiary, dated May 12, 2021 (the "Thomas Note") for the purpose of securing the following obligations (the "Secured Obligations"):

(a) Payment to Beneficiary of all sums at any time owing under the Thomas Note in the amount of One Million Five Hundred Thousand Dollars (\$1,500,000.00), of even date herewith, executed by Gregory A. Thomas and Heather L. Thomas, as Co-Trustees of the THOMAS LIVING TRUST, Dated October 18, 1995, as amended, as makers, and payable to the order of Beneficiary, as holder, and as all sums owing under the Thomas Note as may be amended hereafter from time to time;

(b) Payment and performance of all covenants and obligations of Trustor under this Deed of Trust;

(c) Payment of such further sums and interest thereon as the Trustor, Gregory Thomas, and/or Rare Collectibles TV, LLC has borrowed, or may borrow, from Beneficiary or from Kevin Lipton Rare Coins, Inc., when evidenced by a promissory note or notes reciting it or they are so secured by this Instrument;

(d) Payment of all sums advanced by or on behalf of Beneficiary, or its successors or assigns, to protect the security of this Instrument; and

(e) Modifications, extensions and renewals of any of the obligations secured hereby, however evidenced, including, without limitation: (i) modifications of the required principal payment dates or interest payment dates or both, as the case may be, deferring or accelerating payment dates wholly or partly; and (ii) modifications, extensions or renewals at a different rate of interest whether or not in the case of a note, the modification, extension or renewal is evidenced by a new or additional promissory note or notes.

3.2. **Obligations.** The term “obligations” as used herein shall be interpreted in its broadest sense and shall be deemed to include, without limitation, all interest and charges, prepayment charges, if any, expenses, late charges and loan fees at any time accruing or assessed on any of the Secured Obligations.

ARTICLE 4. SECURITY AGREEMENT AND FINANCING STATEMENT

4.1. **Security Interest.** Trustor hereby grants and assigns to Beneficiary as of the recording date of this Deed of Trust a security interest, to secure payment and performance of all of the Secured Obligations, in all of Trustor’s interest in the following described property in which Trustor now or at any time hereafter has any interest (the “Collateral”):

The Subject Property, including (to the extent the same are not effectively made a part of the Subject Property pursuant to Section 2.1. above) all building and other materials, equipment, machinery, fixtures, and other personal property, wherever situated, which are or are to be incorporated into or appropriated for use or used in connection with the ownership and operation of the Subject Property, together with all rents, leases, issues, deposits and profits of the Subject Property; insurance policies, insurance and condemnation awards and proceeds in respect of the Subject Property arising from or related to the ownership and operation of the Subject Property; all permits, consents, approvals, licenses, authorizations and other rights granted by, given by or obtained from, any governmental entity with respect to the ownership and operation of the Subject Property; all advance payments of insurance premiums made by Trustor with respect to the Subject Property; all plans, drawings and specifications relating to the Subject Property; all loan funds held by Beneficiary, whether or not disbursed; all funds deposited with Beneficiary pursuant to any loan agreement together with all replacements and proceeds of, and additions and accessions to, any of the foregoing; together with all books, records and files relating to any of the foregoing.

4.2. **Uniform Commercial Code Security Agreement; Fixture Filing.** This Instrument is also a security agreement under the Uniform Commercial Code for any of the Subject Property and Collateral which, under applicable law, may be subject to a security interest under the Uniform Commercial Code, whether acquired now or in the future, and all products and cash and non-cash proceeds thereof (collectively, “UCC Collateral”), and Trustor hereby grants to Beneficiary a security interest in the UCC Collateral. Trustor hereby authorizes Beneficiary to file financing statements, continuation statements and financing statement amendments, in such form as Beneficiary may require to perfect or continue the perfection of this security interest, and Trustor agrees, if Beneficiary so requests, to execute and deliver to Beneficiary such financing statements, continuation statements and financing statement amendments. Trustor shall pay all filing costs and all costs and expenses of any record searches for financing statements that Beneficiary may require. Without the prior written consent of Beneficiary, Trustor shall not create or permit to exist any other lien or security interest in any of the UCC Collateral. If an Event of Default has occurred and is continuing, Beneficiary shall have the remedies of a secured party under the Uniform Commercial Code, in addition to all remedies provided by this Instrument or existing under applicable law. In exercising any remedies,

Beneficiary may exercise its remedies against the UCC Collateral separately or together, and in any order, without in any way affecting the availability of Beneficiary's other remedies. This Instrument constitutes a financing statement with respect to any part of the Subject Property which is or may become a Fixture. This Instrument is also a fixture filing under the Uniform Commercial Code of California. Portions of the UCC Collateral described herein as encumbered by the Deed of Trust are goods which have become or are about to become fixtures relating to the Subject Property and Improvements described herein, and Trustor herein expressly covenants and agrees that the recording of this Deed of Trust in the real estate records where the encumbered Subject Property is located shall also operate from the time of recording therein as a financing statement filed as a fixture filing in accordance with Nevada's Uniform Commercial Code--Secured Transactions. Therefore, in accordance with Nevada's Uniform Commercial Code, the Deed of Trust shall continue to be prior to any other security interest in goods on the Subject Property that may become or are about to become fixtures for the completion of construction.

4.3. **Representations and Warranties.** Trustor represents and warrants that: (a) Trustor has good title to the Collateral and is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Subject Property; and (b) Trustor has not previously assigned or encumbered the Collateral, and no financing statement covering any of the Collateral has been delivered to any other person or entity except Beneficiary. Trustor further agrees, in order to protect the security of this Deed of Trust:

(a) To keep the Subject Property in good condition and repair (reasonable wear and tear excepted), not to remove or demolish any building thereon, to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor, to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon, not to commit or permit waste thereof, not to commit, suffer or permit any act upon said property in violation of law to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

(b) To provide, maintain and deliver to Beneficiary insurance satisfactory to and with loss payable to Beneficiary (as further set forth herein). The amount collected under any fire or other insurance policy may be applied by Beneficiary upon indebtedness secured hereby and in such order as Beneficiary may determine. Such application or release shall not cure or waive any default, Event of Default, or notice of default hereunder or invalidate any act done pursuant to such notice.

(c) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses associated therewith, as well as to pay all the cost of evidence of title and attorney's fees in a reasonable sum, in any such action or any proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust or enforce its rights hereunder.

(d) To pay prior to delinquency all taxes and assessments affecting the Subject Property, and to pay when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto.

(e) To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at the amount allowed by law in effect at the date hereof, and to pay for any statement provided for by law in effect at the date hereof, regarding the obligations secured hereby, any amount demanded by the Beneficiary not to exceed the maximum allowed by law at the time when said statement is demanded.

(f) To pay all obligations on the Subject Property which can attain priority over this Security Instrument as a lien or encumbrance and premiums for any insurance required by Beneficiary under this Deed of Trust.

(g) That any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by it in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

(h) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its rights either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

(i) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and the Thomas Note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may reconvey any part of said property, consent to the making of any map or plot thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

(j) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of this Deed of Trust, to collect the Rents, issues and profits of the Subject Property, reserving unto Trustor the right, prior to any default by Trustor in payment of any Indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon the occurrence and during the continuance of an Event of Default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the Subject Property or any part thereof, in its own name and sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default, or Event of Default hereunder or invalidate any act done pursuant to such notice.

(k) That upon any Event of Default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee and Trustor of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold the Subject Property which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed of Trust, the Thomas Note, and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property 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 Trustor, Trustee, or Beneficiary as herein defined, may purchase at such sale (and credit bid, as applicable).

Should Trustor fail to make any payment or fail to do any act as provided in this Section 4.3, then Beneficiary or Trustee, but without obligation to do so and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon the Subject Property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto, and in exercising any such powers, pay necessary expenses, employ counsel and pay his or her reasonable fees.

4.4. **Rights of Beneficiary.** In addition to Beneficiary's rights as a "Secured Party," Beneficiary may, but shall not be obligated to, at any time without notice and at the expense of Trustor, following the occurrence and during the continuance of an Event of Default: (a) give notice to any person of Beneficiary's rights hereunder and enforce such rights at law or in equity; (b) insure, protect, defend and preserve the Collateral or any rights or interests of Beneficiary therein; (c) inspect the Collateral; and (d) endorse, collect and receive any right to payment of money owing to Trustor under or from the Collateral.

ARTICLE 5. ASSIGNMENT OF LEASES AND RENTS

5.1. **Assignment.** Trustor hereby irrevocably, absolutely, unconditionally, and presently assigns, transfers, conveys, sets over, and delivers to Beneficiary all of Trustor's right, title and interest in, to and under: (a) all leases of the Subject Property or any portion thereof, all licenses and agreements relating to the management, leasing or operation of the Subject Property or any portion thereof, and all other agreements of any kind relating to the use, enjoyment or occupancy of the Subject Property or any portion thereof, whether now existing or entered into after the date hereof (the "Leases"); and (b) the rents, issues, deposits, income, revenues, royalties, earnings and profits of the Subject Property, including, without limitation, all amounts payable and all rights and benefits accruing to Trustor under the Leases, all oil, gas and other mineral royalties, and all rents, issues, deposits, income, revenues, royalties, earnings and profits related thereto (the "Payments"), with a revocable license to Trustor to collect such Payments as they become due and payable, provided that such license shall be automatically deemed revoked following the occurrence of an Event of Default. The term "Leases" shall also include all guarantees of and security for the lessees' performance thereunder, and all amendments, extensions, renewals or modifications thereto which are permitted hereunder.

5.2. **Effect of Assignment.** The foregoing irrevocable assignment shall not cause Beneficiary to be: (a) a mortgagee in possession; (b) responsible or liable for the control, care, management or repair of the Subject Property or for performing any of the terms, agreements, undertakings, obligations, representations, warranties, covenants and conditions of the Leases; or (c) responsible or liable for any waste committed on the Subject Property by the lessees under any of the Leases or any other parties; for any dangerous or defective condition of the Subject Property; or for any negligence in the management, upkeep, repair or control of the Subject Property resulting in loss or injury or death to any lessee, licensee, employee, invitee or other person. Beneficiary shall not directly or indirectly be liable to Trustor or any other person as a consequence of: (i) the exercise or failure to exercise any of the rights, remedies or powers granted to Beneficiary hereunder; or (ii) the failure or refusal of Beneficiary to perform or discharge any obligation, duty or liability of Trustor arising under the Leases.

ARTICLE 6. RIGHTS AND DUTIES OF THE PARTIES

6.1. **Title.** Trustor represents and warrants that, except as disclosed to Beneficiary in writing which refers to this warranty, Trustor lawfully holds and possesses fee simple title to the Subject Property without limitation on the right to encumber or has secured authority to encumber as set forth herein.

6.2. **Taxes and Assessments.** Subject to Trustor's rights to contest payment of taxes, Trustor shall pay prior to delinquency all taxes, assessments, levies and charges imposed by any public or quasi-public authority or utility company which are or which may become a lien upon or cause a loss in value of the Subject Property or any interest therein. Trustor shall also pay prior to delinquency all taxes, assessments, levies and charges imposed by any public authority upon Beneficiary by reason of its interest in any Secured Obligation or in the Subject Property, or by reason of any payment made to Beneficiary pursuant to any Secured Obligation; provided, however, that in no event shall Trustor be liable for any taxes imposed on or measured by the net income, profit or similar standard (however denominated) of Beneficiary.

6.3. **Performance of Secured Obligations.** Trustor shall promptly pay and perform each Secured Obligation when due.

6.4. **Liens, Encumbrances and Charges.** Trustor shall immediately discharge any lien not approved by Beneficiary in writing that has or may attain priority over this Deed of Trust. Trustor shall pay when due all obligations secured by or reducible to liens and encumbrances which shall now or hereafter encumber or appear to encumber all or any part of the Subject Property or any interest therein, whether senior or subordinate hereto.

6.5. **Damages; Insurance and Condemnation Proceeds.**

The following (whether now existing or hereafter arising) are all absolutely and irrevocably assigned by Trustor to Beneficiary and, at the request of Beneficiary, shall be paid directly to Beneficiary as loss payee as its interest may appear: (i) all awards of damages and all other compensation payable directly or indirectly by reason of a condemnation or proposed condemnation for public or private use affecting all or any part of, or any interest in, the Subject Property; (ii) all other claims and awards for damages to, or decrease in value of, all or any part of, or any interest in, the Subject Property; (iii) all proceeds of any insurance policies payable by reason of loss sustained to all or any part of the Subject Property; and (iv) all interest which may accrue on any of the foregoing. Subject to applicable law, and without regard to any requirement otherwise contained herein, Beneficiary may at its discretion apply all or any of the proceeds it receives to its expenses in settling, prosecuting or defending any claim and may apply the balance to the Secured Obligations in any order, and/or Beneficiary may release all or any part of the proceeds to Trustor upon any conditions Beneficiary may impose. Beneficiary may commence, appear in, defend or prosecute any assigned claim or action and may adjust, compromise, settle and collect all claims and awards assigned to Beneficiary; provided, however, that if Beneficiary fails to pursue any such claim, Beneficiary shall assign or permit Trustor to pursue such claim upon Trustor's request, and in no event shall Beneficiary be responsible for any failure to collect any claim or award, regardless of the cause of the failure. Trustor hereby specifically, unconditionally and irrevocably waives all rights of a property owner granted under applicable law, including NRS 37.115, as amended or recodified from time to time, which provide for allocation of condemnation proceeds between a property owner and a lienholder, and any other law or successor statute of similar import. Trustor hereby specifically, unconditionally and irrevocably waives all right to recover against Beneficiary or any lender (or any officer, employee,

agent or representative of Beneficiary or any lender) for any loss incurred by Trustor from any cause insured against or required by any Loan Document to be insured against; provided, however, that this waiver of subrogation shall not be effective with respect to any insurance policy if the coverage thereunder would be materially reduced or impaired as a result.

6.6. **Maintenance and Preservation of the Subject Property.** Trustor covenants: (a) to insure the Subject Property against such risks as Beneficiary may require, including, without limitation, against loss by fire, hazards included within the term "extended coverage," earthquake and flood, and, at Beneficiary's request, to provide evidence of such insurance to Beneficiary, and to comply with the requirements of any insurance companies insuring the Subject Property; (b) to keep the Subject Property in good condition and repair; (c) except with Beneficiary's prior written consent, not to demolish the Subject Property or any part thereof; (d) to complete or restore promptly and in good and workmanlike manner the Subject Property, or any part thereof which may be damaged or destroyed, without regard to whether Beneficiary elects to require that insurance proceeds be used to reduce the Secured Obligations as provided in Section 6.5. , except to the extent that the damage or destruction is due to a casualty which Trustor is not required to insure against and in fact does not insure against, or to the extent that insurance proceeds are not made available to Trustor; (e) to comply with all laws, ordinances, regulations and standards, and all covenants, conditions, restrictions and equitable servitudes, whether public or private, of every kind and character which affect the Subject Property and pertain to acts committed or conditions existing thereon, including, without limitation, any work, alteration, improvement or demolition mandated by such laws, covenants or requirements; (f) not to commit or permit any physical waste of the Subject Property; and (g) to do all other acts which from the character or use of the Subject Property may be reasonably necessary to maintain and preserve its value. In the event of loss, Trustor will give prompt notice to its insurance carrier and Beneficiary. Beneficiary may make proof of loss if not made promptly by Trustor. Beneficiary may place the proceeds in a non-interest bearing account to be used for the cost of reconstruction of the damaged improvements. If Trustor fails to reconstruct, Beneficiary may receive and apply the loan proceeds to the principal debt hereby secured, without a showing of impairment.

6.7. **Insurance.** Trustor shall obtain and keep in force during the term of this Deed of Trust a policy or policies of insurance covering loss or damage to the Property, in the amount of the full replacement value thereof, as the same may exist from time to time, as determined by Beneficiary against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief, flood and special extended perils ("all risk" as such term is used in the insurance industry). Said insurance shall provide for payment of loss thereunder to Beneficiary. A stipulated value or agreed amount endorsement deleting the coinsurance provision of the policy shall be procured with said insurance. If the Trustor shall fail to procure and maintain said insurance the Beneficiary may, but shall not be required to, procure and maintain the same, but at the expense of Trustor. In the event of loss, Trustor shall give prompt notice to Beneficiary.

6.8. **Title Insurance.** Trustor shall pay for the cost of Beneficiary to secure an extended ALTA title insurance policy relating to the Subject Property and this Deed of Trust from a title insurer of Beneficiary's choice and all costs associated therewith, including the performance of a Survey, if necessary.

6.9. **Defense and Notice of Losses, Claims and Actions.** At Trustor's sole expense, Trustor shall protect, preserve and defend the Subject Property and title to and right of possession of the Subject Property, the security hereof and the rights and powers of Beneficiary and Trustee hereunder against all adverse claims. Trustor shall give Beneficiary and Trustee prompt notice in writing of the assertion of any claim of the filing of any action or proceeding, of the occurrence of any damage to the Subject Property and of any condemnation offer or action.

6.10. **Acceptance of Trust; Powers and Duties of Trustee.** Trustee accepts this trust when this Deed of Trust is recorded. From time to time upon written request of Beneficiary and presentation of this Deed of Trust or a certified copy thereof for endorsement, and without affecting the personal liability of any person for payment of any indebtedness or performance of any obligations secured hereby, Trustee may, without liability therefor and without notice reconvey all or any part of the Subject Property. Except as may be required by applicable law, Trustee or Beneficiary may from time to time apply to any court of competent jurisdiction for aid and direction in the execution of the trust hereunder and the enforcement of the rights and remedies available hereunder, and may obtain orders or decrees directing or confirming or approving acts in the execution of said trust and the enforcement of said remedies. Trustee has no obligation to notify any party of any pending sale or any action or proceeding, including, without limitation, actions in which Trustor, Beneficiary or Trustee shall be a party unless held or commenced and maintained by Trustee under this Deed of Trust. Trustee shall not be obligated to perform any act required of it hereunder unless the performance of the act is requested in writing and Trustee is reasonably indemnified and held harmless against loss, cost, liability or expense.

6.11. **Compensation; Exculpation; Indemnification.**

(a) Trustor shall pay Trustee's fees and reimburse Trustee for expenses in the administration of this trust, including attorneys' fees. Trustor shall pay to Beneficiary reasonable out-of-pocket fees and expenses incurred by Beneficiary concerning this Deed of Trust, including without limit any statement of amounts owing under any Secured Obligation. Beneficiary shall not directly or indirectly be liable to Trustor or any other person as a consequence of (i) the exercise of the rights, remedies or powers granted to Beneficiary in this Deed of Trust; (ii) the failure or refusal of Beneficiary to perform or discharge any obligation or liability of Trustor under any agreement related to the Subject Property or under this Deed of Trust; or (iii) from any other act or omission of Beneficiary in managing the Subject Property after an Event of Default (unless the loss is caused by the gross negligence or willful misconduct of Beneficiary) and no such liability shall be asserted against or imposed upon Beneficiary, and all such liability is hereby expressly waived and released by Trustor.

(b) Trustor indemnifies Trustee and Beneficiary against, and holds Trustee and Beneficiary harmless from, all losses, damages, liabilities, claims, causes of action, judgments,

court costs, attorneys' fees and other legal expenses, cost of evidence of title, cost of evidence of value, and other expenses which either may suffer or incur: (i) by reason of this Deed of Trust; (ii) by reason of the execution of this trust or in performance of any act required or permitted hereunder or by law; or (iii) as a result of any failure of Trustor to perform Trustor's obligations, except to the extent such matters which are caused as a result of the gross negligence or willful misconduct of Beneficiary or Trustee. The above obligation of Trustor to indemnify and hold harmless Trustee and Beneficiary shall survive the release and cancellation of the Secured Obligations and the release and reconveyance or partial release and reconveyance of this Deed of Trust.

(c) Trustor shall pay all amounts and indebtedness arising under this Section 6.11 within ten (10) days of demand by Trustee or Beneficiary together with interest thereon from the date the indebtedness arises at the rate of interest applicable to the principal balance of the Thomas Note as specified therein.

6.12. **Substitution of Trustees.** From time to time, by a writing, signed and acknowledged by Beneficiary and recorded in the Office of the Los Angeles County Recorder, Beneficiary may appoint another trustee to act in the place and stead of Trustee or any successor. Such writing shall set forth any information required by law. The recordation of such instrument of substitution shall discharge Trustee herein named and shall appoint the new trustee as the trustee hereunder with the same effect as if originally named Trustee herein. A writing recorded pursuant to the provisions of this Section 6.12. shall be conclusive proof of the proper substitution of such new Trustee.

6.13. **Due on Sale.** If the Subject Property or any interest therein shall be sold, assigned, or transferred (including, without limitation, through sale or transfer of a majority or controlling interest of the corporate stock, membership interest, or general partnership interests of Trustor), whether directly or indirectly, whether voluntarily, involuntarily or by operation of law, without the prior written consent of Beneficiary, or as otherwise permitted pursuant to the Thomas Note, then Beneficiary, in its sole discretion, may declare all Secured Obligations immediately due and payable.

6.14. **Releases, Extensions, Modifications and Additional Security.** Without notice to or the consent, approval or agreement of any persons or entities having any interest at any time in the Subject Property or in any manner obligated under the Secured Obligations (the "Interested Parties"), Beneficiary may, from time to time, release any person or entity from liability for the payment or performance of any Secured Obligation, take any action or make any agreement extending the maturity or otherwise altering the terms or increasing the amount of any Secured Obligation, or accept additional security or release all or a portion of the Subject Property and other security for the Secured Obligations. None of the foregoing actions shall release or reduce the personal liability of any of said Interested Parties, or release or impair the priority of the lien of this Deed of Trust upon the Subject Property.

6.15. **Reconveyance.** Upon Beneficiary's written request, and upon surrender to Trustee for cancellation of this Deed of Trust or a certified copy thereof and any note, instrument, or instruments setting forth all obligations secured hereby, Trustee shall reconvey, without warranty, the Subject Property or that portion thereof then held hereunder. To the extent permitted by law, the reconveyance may describe the grantee as "the person or persons legally entitled thereto" and the recitals of any matters or facts in any reconveyance executed hereunder shall be conclusive proof of the truthfulness thereof. Neither Beneficiary nor Trustee shall have any duty to determine the rights of persons claiming to be rightful grantees of any reconveyance. When the Subject Property has been fully reconveyed, the last such reconveyance shall operate as a reassignment of all future rents, issues and profits of the Subject Property to the person or persons legally entitled thereto.

6.16. **Subrogation.** Beneficiary shall be subrogated to the lien of all encumbrances, whether released of record or not, paid in whole or in part by Beneficiary pursuant to this Deed of Trust or by the proceeds of any loan secured by this Deed of Trust.

6.17. **Right of Inspection.** Beneficiary, its agents and employees, may enter the Subject Property at any reasonable time, upon reasonable advance notice except in cases of emergency, at which time no advance notice is necessary, for the purpose of inspecting the Subject Property and ascertaining Trustor's compliance with the terms hereof.

6.18. **Right of First Refusal/No Further Encumbrance Without Written Approval.** Trustor shall not refinance or modify any existing debt or loan obligation relating to the Subject Property, or further encumber the Subject Property with debt or financing, without the express written consent of Beneficiary. Should Trustor receive or solicit an offer to enter into an agreement for such financing (an "Offer"), Beneficiary shall have the right, but not the obligation, to provide such financing to Trustor on those same terms, in lieu of the individual or entity that proposed said terms (the "Offeror"). Trustor further hereby agrees to deliver to Beneficiary all documents delivered by the Offeror to Trustor in connection with the Offer, or if such terms were conveyed orally and not in writing, a summary of such terms with sufficient specificity, and with such information as Beneficiary may reasonably request, to evaluate the terms of the Offer. Trustor acknowledges that this is a material term of this Deed of Trust. Trustor further acknowledges that Beneficiary's failure to agree to provide financing as set forth above on the same terms of the Offer shall not act as consent for Trustor to further encumber the Subject Property, which requires the express written consent of Beneficiary.

6.19. **No Alienation.** Trustor shall not, directly or indirectly, sell, convey, assign, transfer or otherwise dispose of the Subject Property or any part thereof or any interest therein, either voluntarily or by operation of law, without the prior written consent of Beneficiary. Consent by Beneficiary to one such transaction shall not constitute or operate as consent to or a waiver of the right to withhold consent as to any subsequent transaction. Any transaction in violation of this provision shall cause all indebtedness secured by this Deed of Trust, at the option of Beneficiary and without demand or notice, to become immediately due and payable. This option may be exercised at any time after the occurrence of such event and the acceptance by Beneficiary of one or more payments on any of the Secured Obligations following the date of such event shall not constitute a waiver of Beneficiary's acceleration rights.

ARTICLE 7. DEFAULT PROVISIONS

7.1. **Event of Default.** For all purposes hereof, the term "Event of Default" shall mean at Beneficiary's option and subject to any applicable notice, grace and/or cure period, the occurrence of any one or more of the following:

(a) the failure of Trustor to make any payment when due and owing under the Thomas Note or to pay any other amount due hereunder, when the same is due and payable, whether at maturity, by acceleration or otherwise;

(b) the failure of Trustor to perform any material obligation or material covenant under this Deed of Trust, or the failure to be true, in any material respect, of any representation or warranty of Trustor contained herein and the continuance of such failure for ten (10) days after notice, or within any longer grace period, if any, allowed in the Thomas Note for such failure;

(c) the existence of any Event of Default as defined in the Thomas Note;

(d) Any failure by Trustor to maintain the insurance coverage required by Section 6.7;

(e) Fraud or material misrepresentation or material omission by Trustor, or any guarantor in connection with (i) the application for or creation of the Indebtedness, or (ii) any financial statement, rent roll, or other report or information provided to Beneficiary during the term of the Indebtedness, which is not corrected within thirty (30) days of Trustor's knowledge that such representation or omission is untrue or misleading. As used herein, "Indebtedness" shall mean and refer to the obligations of Trustor and guarantors to pay, perform and observe all obligations, covenants and agreements of Trustor and guarantors under the Thomas Note, the guaranties made in connection with the Thomas Note, this Deed of Trust, and any other agreements by and between Trustor, Gregory A. Thomas, Heather L. Thomas, or Rare Collectibles TV, LLC, or any of them, on the one hand, and Beneficiary, or Kevin Lipton Rare Coins, Inc., or any of them, on the other hand, relating to the Subject Property;

(f) The commencement of a forfeiture action or proceeding, whether civil or criminal, which, in Beneficiary's reasonable judgment, could result in a forfeiture of the Subject Property, or any part thereof, or otherwise materially impair the lien created by this Instrument or Beneficiary's interest in the Subject Property;

(g) Any failure by Trustor to perform any of its obligations under this Instrument (other than those specified in Sections 7.1. (f)), as and when required, which continues for a period of 30 days after notice of such failure by Beneficiary to Trustor, but no such notice or grace period shall apply in the case of any such failure which could, in Beneficiary's reasonable judgment, absent immediate exercise by Beneficiary of a right or remedy under this Instrument, result in harm to Beneficiary, impairment of the Thomas Note or this Instrument or any other security given under any other Loan Documents or which could not be cured within 30 days;

(h) Any failure by Trustor to perform any of its obligations as and when required under any Loan Documents other than this Instrument which continues beyond the applicable notice, grace or cure period, if any, specified in that Loan Document. As used herein, "Loan Documents" shall refer to and include, without limitation, the Thomas Note, the personal guaranties of Gregory A. Thomas and Heather L. Thomas, of even date herewith, this Instrument, and the Fifth Deed of Trust with Assignment of Leases, Rents, Security Agreement and Fixture Filing made of even date herewith by Trustor for Beneficiary securing the Thomas Note with that certain real property in located at 1040-1056 Corsica Drive, in the City of Los Angeles (Pacific Palisades), County of Los Angeles, State of California, and any other agreements, documents, or instruments executed in connection therewith, all as amended, restated, extended, supplemented, or modified from time to time;

(i) Trustor, or any other "borrower" (as that term is defined in NRS 106.310, as amended or recodified from time to time) who may send a notice pursuant to NRS 106.380(1), as amended or recodified from time to time, with respect to this Deed of Trust, (i) delivers, sends by mail or otherwise gives, or purports to deliver, send by mail or otherwise give, to Beneficiary, (A) any notice of an election to terminate the operation of this Deed of Trust as security for any Obligation, including, without limitation, any obligation to repay any "future advance" (as defined in NRS 106.320, as amended or recodified from time to time) of "principal" (as defined in NRS 106.345, as amended or recodified from time to time), or (B) any other notice pursuant to NRS 106.380(1), as amended or recodified from time to time, (ii) records a statement pursuant to NRS 106.380(3), as amended or recodified from time to time, or (iii) causes this Deed of Trust, any Obligation, Lender or any lender to be subject to NRS 106.380(2), 106.380(3) or 106.400, as amended or recodified from time to time;

(j) The transfer of all or any part of the Subject Property or any interest in the Subject Property, unless Beneficiary has consented to such transfer in writing; and

(k) Any exercise by the holder of any other debt instrument secured by a mortgage, deed of trust or deed to secure debt on the Subject Property of a right to declare all amounts due under that debt instrument immediately due and payable.

7.2. **Rights and Remedies.** At any time after the occurrence and during the continuance of an Event of Default, Beneficiary and Trustee shall each have all the following rights and remedies:

(a) With or without notice, to declare all Secured Obligations immediately due and payable;

(b) With or without notice, and without releasing Trustor from any Secured Obligation, and without becoming a mortgagee in possession, to cure any breach or Default of Trustor and, in connection therewith, to enter upon the Subject Property and do such acts and things as Beneficiary or Trustee deem necessary or desirable to protect the security hereof, including, without limitation: (i) to appear in and defend any action or proceeding purporting to affect the security of this Deed of Trust or the rights or powers of Beneficiary or Trustee under this Deed of Trust; (ii) to pay, purchase, contest or compromise any encumbrance, charge, lien or claim of lien which, in the sole judgment of either Beneficiary or Trustee, is or may be senior in priority to this Deed of Trust, the judgment of Beneficiary or Trustee being conclusive as between the parties hereto; (iii) to obtain insurance, (iv) to pay any premiums or charges with respect to insurance required to be carried under this Deed of Trust; or (v) to employ counsel, accountants, contractors and other appropriate persons.

(c) To commence and maintain an action or actions in any court of competent jurisdiction to foreclose this instrument as a mortgage or to obtain specific enforcement of the covenants of Trustor hereunder, and Trustor agrees that such covenants shall be specifically enforceable by injunction or any other appropriate equitable remedy and that for the purposes of any suit brought under this subparagraph, Trustor waives the defense of laches and any applicable statute of limitations;

(d) To apply to a court of competent jurisdiction for and obtain appointment of a receiver of the Subject Property as a matter of strict right and without regard to the adequacy of the security for the repayment of the Secured Obligations, the existence of a declaration that the Secured Obligations are immediately due and payable, or the filing of a notice of default, and Trustor hereby consents to such appointment. Moreover, Trustor waives the requirement for an undertaking or bond upon a motion for the appointment of a receiver by Beneficiary, to the maximum extent permitted by law;

(e) To enter upon, possess, manage and operate the Subject Property or any part thereof, to take and possess all documents, books, records, papers and accounts of Trustor of the Subject Property, to make, terminate, enforce or modify the Leases of the Subject Property upon such terms and conditions as Beneficiary deems proper, to make repairs, alterations and improvements to the Subject Property as necessary, in Trustee's or Beneficiary's sole judgment, to protect or enhance the security hereof;

(f) To execute a written notice of such Event of Default and of its election to cause the Subject Property to be sold to satisfy the Secured Obligations. As a condition precedent to any such sale, Trustee shall give and record such notice as the law then requires. When the

minimum period of time required by law after such notice has elapsed, Trustee, without notice to or demand upon Trustor except as required by law, shall sell the Subject Property at the time and place of sale fixed by it in the notice of sale, at one or several sales, either as a whole or in separate parcels and in such manner and order, all as Beneficiary in its sole discretion may determine, at public auction to the highest bidder for cash, in lawful money of the United States, payable at time of sale. Neither Trustor nor any other person or entity other than Beneficiary shall have the right to direct the order in which the Subject Property is sold. Subject to requirements and limits imposed by law, Trustee may from time to time postpone sale of all or any portion of the Subject Property by public announcement at such time and place of sale. Trustee shall deliver to the purchaser at such sale a deed conveying the Subject Property or portion thereof so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustee, Trustor or Beneficiary may purchase at the sale;

(g) To resort to and realize upon the security hereunder and any other security now or later held by Beneficiary concurrently or successively and in one or several consolidated or independent judicial actions or lawfully taken nonjudicial proceedings, or both, and to apply the proceeds received upon the Secured Obligations all in such order and manner as Trustee and Beneficiary, or either of them, determine in their sole discretion.

(h) To pursue any other rights and remedies available to Beneficiary or Trustee at law, in equity, or under the Loan Documents, including this Deed of Trust, the Thomas Note, or any other agreement, document, or instrument executed in connection therewith.

(i) Upon sale of the Subject Property at any judicial or nonjudicial foreclosure, Beneficiary may credit bid (as determined by Beneficiary in its sole and absolute discretion) all or any portion of the Secured Obligations. In determining such credit bid, Beneficiary may, but is not obligated to, take into account all or any of the following: (i) appraisals of the Subject Property as such appraisals may be discounted or adjusted by Beneficiary in its sole and absolute underwriting discretion; (ii) expenses and costs incurred by Beneficiary with respect to the Subject Property prior to foreclosure; (iii) expenses and costs which Beneficiary anticipates will be incurred with respect to the Subject Property after foreclosure, but prior to resale, including, without limitation, costs of structural reports and other due diligence, costs to carry the Subject Property prior to resale, costs of resale (e.g. Beneficiary's, attorneys' fees, and taxes), costs of any Hazardous Materials cleanup and monitoring, costs of deferred maintenance, repair, refurbishment and retrofit, costs of defending or settling litigation affecting the Subject Property, and lost opportunity costs (if any), including the time value of money during any anticipated holding period by Beneficiary; (iv) declining trends in real property values generally and with respect to properties similar to the Subject Property; (v) anticipated discounts upon resale of the Subject Property as a distressed or foreclosed property; (vi) the fact of additional collateral (if any), for the Secured Obligations; and (vii) such other factors or matters that Beneficiary (in its sole and absolute discretion) deems appropriate. In regard to the above, Trustor acknowledges and agrees that: (w) Beneficiary is not required to use any or all of the foregoing factors to determine the amount of its credit bid; (x) this Section does not impose upon Beneficiary any

additional obligations that are not imposed by law at the time the credit bid is made; (y) the amount of Beneficiary's credit bid need not have any relation to any loan-to-value ratios specified in the Loan Documents or previously discussed between Trustor and Beneficiary; and (z) Beneficiary's credit bid may be (at Beneficiary's sole and absolute discretion) higher or lower than any appraised value of the Subject Property.

7.3. **Effect of Disbursements on Indebtedness.** Any amounts disbursed by Beneficiary under Section 7.2. , or under any other provision of this Instrument that treats such disbursement as being made under this ARTICLE 7. shall be added to, and become part of, the principal component of the Indebtedness, shall be immediately due and payable and shall bear interest from the date of disbursement until paid at the Past Due Rate as defined in the Thomas Note. Nothing in this ARTICLE 7. shall require Beneficiary to incur any expense or take any action.

7.4. **Remedies Cumulative.** Each right and remedy provided in this Instrument is distinct from all other rights or remedies under this Instrument or any other Loan Document or afforded by applicable law, and each shall be cumulative and may be exercised concurrently, independently, or successively, in any order.

7.5. **Application of Foreclosure Sale Proceeds.** After deducting all costs, fees and expenses of Trustee, and of this trust, including, without limitation, cost of evidence of title and attorneys' fees in connection with sale and costs and expenses of sale and of any judicial proceeding wherein such sale may be made, Trustee shall apply all proceeds of any foreclosure sale: (i) to payment of all sums expended by Beneficiary under the terms hereof and not then repaid, with accrued interest at the rate of interest specified in the Thomas Note to be applicable on or after maturity or acceleration of the Thomas Note; (ii) to payment of all other Secured Obligations; and (iii) the remainder, if any, to the person or persons legally entitled thereto.

7.6. **Application of Other Sums.** All sums received by Beneficiary under Section 7.2. , less all costs and expenses incurred by Beneficiary or any receiver under Section 7.2. , including, without limitation, attorneys' fees, shall be applied in payment of the Secured Obligations in such order as Beneficiary shall determine in its sole discretion; provided, however, Beneficiary shall have no liability for funds not actually received by Beneficiary.

7.7. **No Cure or Waiver.** Neither Beneficiary's nor Trustee's nor any receiver's entry upon and taking possession of all or any part of the Subject Property, nor any collection of rents, issues, profits, insurance proceeds, condemnation proceeds or damages, other security or proceeds of other security, or other sums, nor the application of any collected sum to any Secured Obligation, nor the exercise or failure to exercise of any other right or remedy by Beneficiary or Trustee or any receiver shall cure or waive any breach, Event of Default or notice of default under this Deed of Trust, or nullify the effect of any notice of default or sale (unless all Secured Obligations then due have been paid and performed and Trustor has cured all other defaults), or impair the status of the security, or prejudice Beneficiary or Trustee in the exercise of any right or remedy, or be construed as an affirmation by Beneficiary of any tenancy, lease or option or a subordination of the lien of this Deed of Trust.

7.8. **Payment of Costs, Expenses and Attorney's Fees.** Trustor agrees to pay to Beneficiary within ten (10) days of demand therefor all costs and expenses incurred by Trustee and Beneficiary pursuant to subparagraphs (a) through (i) inclusive of Section 7.2. (including, without limitation, court costs and reasonable attorneys' fees, whether incurred in litigation or not) with interest from the date of expenditure until said sums have been paid at the rate of interest then applicable to the principal balance of the Thomas Note as specified therein, subject to limits of applicable law. Trustor further agrees to pay Beneficiary upon demand all fees and costs associated with recording this Deed of Trust and associated with the terms of Sections 6.7. and 6.8. relating to Beneficiary securing title insurance hereunder.

7.9. **Waiver of Homestead.** Trustor, on behalf of itself, and its Trustees and beneficiaries, waives all right of homestead exemption in the Subject Property.

ARTICLE 8. MISCELLANEOUS PROVISIONS

8.1. **Further Assurances.** Trustor shall execute, acknowledge, and deliver, at its sole cost and expense, all further acts, deeds, conveyances, assignments, estoppel certificates, financing statements, transfers and assurances as Beneficiary may reasonably require from time to time in order to better assure, grant, and convey to Beneficiary the rights intended to be granted, now or in the future, to Beneficiary under this Instrument and the Loan Documents.

8.2. **Trust Certificate.** If requested by Beneficiary, Upon execution of this Deed of Trust, Trustor shall deliver to Beneficiary a Trust Certificate, in form acceptable to Beneficiary, establishing Trustor's ability to enter into this Deed of Trust on behalf of Trustor, as applicable.

8.3. **Compliance with Laws.** Trustor shall comply, in all material respects, with all laws, ordinances, regulations and requirements of any Governmental Authority and all recorded lawful covenants and agreements relating to or affecting the Subject Property, including all laws, ordinances, regulations, requirements and covenants pertaining to health and safety, construction of improvements on the Subject Property, fair housing, zoning and land use, and Leases. Trustor also shall comply with all applicable laws that pertain to the maintenance and disposition of tenant security deposits. Trustor shall at all times maintain records sufficient to demonstrate compliance with the provisions of this Section 8.3. Trustor shall take appropriate measures to prevent, and shall not engage in or knowingly permit, any illegal activities at the Subject Property that could endanger tenants or visitors, result in damage to the Subject Property, result in forfeiture of the Subject Property, or otherwise materially impair the lien created by this Instrument or Beneficiary's interest in the Subject Property. Trustor represents and warrants to Beneficiary that no portion of the Subject Property has been or will be purchased with the proceeds of any illegal activity. Trustor shall promptly notify Beneficiary in writing upon the occurrence of Trustor's receipt of or knowledge of any complaint, order, notice of violation or other communication from any Governmental Authority or other person with regard to present or future violation, or alleged violation, with respect to the Subject Property or any other property of Trustor that is adjacent to the Subject Property. Any such notice given by Trustor shall not relieve Trustor of, or result

in a waiver of, any obligation under this Instrument, the Thomas Note, or any other Loan Document.

8.4. **Use of Property.** Unless required by applicable law, Trustor shall not (a) allow changes in the use for which all or any part of the Subject Property is being used at the time this Instrument was executed, (b) convert any individual dwelling units or common areas to commercial use, initiate or acquiesce in a change in the zoning classification of the Subject Property, or (c) establish any condominium or cooperative regime with respect to the Subject Property.

8.5. **Additional Provisions.** The Loan Documents contain or incorporate by reference the entire agreement of the parties with respect to matters contemplated herein and supersede all prior negotiations. The Loan Documents grant further rights to Beneficiary and contain further agreements and affirmative and negative covenants by Trustor which apply to this Deed of Trust and to the Subject Property and such further rights and agreements are incorporated herein by this reference.

8.6. **Merger.** No merger shall occur as a result of Beneficiary's acquiring any other estate in, or any other lien on, the Subject Property unless Beneficiary consents to a merger in writing.

8.7. **Obligations of Trustor, Joint and Several.** If more than one person has executed this Deed of Trust as "Trustor," the obligations of all such persons hereunder shall be joint and several.

8.8. **Recourse to Separate Property.** Any married person who executes this Deed of Trust as a Trustor agrees that any money judgment which Beneficiary or Trustee obtains pursuant to the terms of this Deed of Trust or any other obligation of that married person secured by this Deed of Trust may be collected by execution upon that person's separate property, and any community property of which that person is a manager.

8.9. **Waiver of Marshaling Rights.** Trustor, for itself and for all parties claiming through or under Trustor, and for all parties who may acquire a lien on or interest in the Subject Property, hereby waives all rights to have the Subject Property and/or any other property, including, without limitation, the Collateral, which is now or later may be security for any Secured Obligation (the "Other Property") marshaled upon any foreclosure of this Deed of Trust or on a foreclosure of any other security for any of the Secured Obligations. Beneficiary shall have the right to sell, and any court in which foreclosure proceedings may be brought shall have the right to order a sale of, the Subject Property and any or all of the Collateral or Other Property as a whole or in separate parcels, in any order that Beneficiary may designate. Regardless of any provision of this Deed of Trust or the Loan Documents, Beneficiary shall not be considered to have accepted any property other than cash or immediately available funds in satisfaction of any obligation of Trustor to Beneficiary unless Beneficiary has given express written notice of Beneficiary's election of that remedy in accordance with NRS 104.9620, as it may be amended or recodified from time to time.

8.10. **Rules of Construction.** When the identity of the parties or other circumstances make it appropriate the masculine gender includes the feminine and/or neuter, and the singular number includes the plural. The term "Subject Property" means all and any part of the Subject Property and any interest in the Subject Property.

8.11. **Successors in Interest.** The terms, covenants, and conditions herein contained shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties hereto; provided, however, that this Section does not waive or modify the provisions of Section 6.14.

8.12. **Execution In Counterparts.** This Deed of Trust may be executed in any number of counterparts, each of which, when executed and delivered to Beneficiary, will be deemed to be an original and all of which, taken together, will be deemed to be one and the same instrument.

8.13. **Governing Law.** Except as provided below with respect to the creation, perfection and enforcement of the liens and security interests in the real property and Improvements, including without limitation, the Fixtures, created pursuant to the Loan Documents, Trustor agrees as provided below, the Loan Documents shall be governed by, and shall be construed and enforced in accordance with, the internal laws of the State of California (without regard to conflicts of laws principles) as to interpretation, enforcement, validity, construction, effect and in all other respects (except as provided below). Trustor hereby:

(a) consents and submits to the jurisdiction of any local, state or federal court located within the County of Los Angeles, the State of California, and Carson City, State of Nevada, and hereby irrevocably agrees that, subject to Beneficiary's election, all actions or proceedings in any way, manner or respect arising out of, from or relating to the Loan Documents, shall be litigated in such courts;

(b) accepts, generally and unconditionally, the nonexclusive jurisdiction of such courts, waives any defenses of forum non conveniens, and irrevocably agrees to be bound by any final, nonappealable judgment rendered thereby in connection with any of the Loan Documents;

(c) with respect to the foregoing choice of law, agrees that the State of California has a substantial relationship to the parties, to the Loan and to the transactions evidenced by the Loan Documents; and,

(d) in all other respects (including without limitation matters of construction, validity and performance), agrees that the Loan Documents and the obligations arising thereunder shall be governed by, and construed in accordance with, the laws of the State of California applicable to contracts made and performed in such state and any applicable law of the United States of America; except that at all times:

(i) the provisions herein for the creation, perfection and enforcement of the liens and security interests in the real property described herein and Improvements, including without limitation, the Fixtures, created pursuant to the Loan Documents, as well as the provisions regarding the rights, duties and obligations of Trustee shall be governed and construed according to the laws of the State of Nevada;

(ii) enforcement of the liens created pursuant to the Loan Documents on that portion of the collateral at any time securing payment of the loan which is not subject to the Uniform Commercial Code shall be governed by and construed according to the law(s) of the state(s) in which the applicable portion of such collateral is located; and

(iii) enforcement of the liens and security interests created pursuant to the Loan Documents on that portion of the personal property collateral subject to Article 9 of the Uniform Commercial Code at any time securing payment of the loan shall be governed and construed by the laws of the Uniform Commercial Code.

Except as set forth above, to the fullest extent permitted by applicable law, the laws of the State of California shall govern the validity and the enforceability of the Loan Documents and the indebtedness and obligations arising thereunder. Trustor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

8.14. **Incorporation.** Exhibit A is incorporated into this Deed of Trust by this reference.

8.15. **Notices.** All notices or other communications required or permitted to be given pursuant to the provisions of this Deed of Trust shall be in writing and shall be considered as properly given if delivered personally or sent by first class U.S. mail, postage prepaid, except that notice of a Default may be sent by certified mail, return receipt requested, or by overnight express mail or by commercial courier service, charges prepaid. Notices so sent shall be effective three (3) days after mailing, if mailed by first class mail, and otherwise upon the day of actual delivery at the addresses set forth below. For purposes of notice, the addresses of the parties shall be:

Trustor: Thomas Living Trust, Dated October 18, 1995
c/o Gregory A. Thomas & Heather L. Thomas
1056 Corsica Drive
Pacific Palisades, CA 90272

With copy to: Bryan Cave Leighton Paisner LLP
Attn: Keith D. Klein, Esq.

120 Broadway, Suite 300
Santa Monica, California 90401

Trustee: Signature Title Company LLC
Attn: Foreclosure Trustee
212 Elks Point Road, Suite 445
P.O. Box 10297
Zephyr Cove, NV 89448

Beneficiary: Kevin Lipton
9478 West Olympic Blvd., Suite 202
Beverly Hills, California 90212

With copy to: CSReeder, PC
Attn: Elan Bloch
11766 Wilshire Blvd, Suite 1470
Los Angeles, California 90025

Trustor shall forward to Beneficiary, without delay, any notices, letters or other communications delivered to the Subject Property or to Trustor and naming Beneficiary, "Lender" or "Agency" or any similar designation as addressee, or which could reasonably be deemed to affect the ability of Trustor to perform its obligations to Beneficiary under the Thomas Note or this Deed of Trust.

8.16. **Waiver of Set Off Rights.** Trustor hereby waives all rights to set off, against any amount owed by Trustor under the Loan Documents, any claims Trustor may have against Beneficiary, including, without limitation, the rights afforded by California Code of Civil Procedure Section 431.70 or applicable Nevada law.

8.17. **Trustor's Request for Notice of Default and Notice of Sale.** Trustor hereby requests that a copy of any notice of default or notice of sale under this Deed of Trust be mailed to Trustor at the address set forth in Section 8.15. of this Deed of Trust.

8.18. **Trustor Waiver of Rights.** Trustor waives, to the extent permitted by law, (a) the benefit of all laws now existing or that may hereafter be enacted providing for any appraisal before sale of any portion of the Property, and (b) all rights of redemption, valuation, appraisal, stay of execution, notice of election to mature or declare due the Secured Obligations and marshaling in the event of foreclosure of the liens hereby created including any rights provided by NRS 100.040 and 100.050, as such Sections may be amended or recodified from time to time, and (c) all rights and remedies that Trustor may have or be able to assert by reason of the laws of the State of Nevada pertaining to the rights and remedies of sureties including, without limitation, and Nevada Rules of Civil Procedure, and (d) all rights and defenses that it may have because Trustor's indebtedness is secured by real property, and (e) all rights and defenses arising out of an election of remedies by Beneficiary, even though that election of remedies, such as a nonjudicial foreclosure with respect to security for a guaranteed obligation, has destroyed Trustor's rights of subrogation and reimbursement.


8.19. **Cross Default.** As set forth in the Thomas Note, this Deed of Trust is one of multiple deeds of trust which secure the obligations described herein, and these deeds of trust shall be cross-defaulted so that a default under any one deed of trust shall constitute a default under the other deeds of trust.

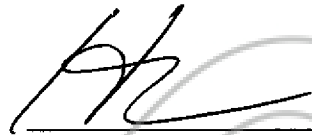
8.20. **WAIVER OF TRIAL BY JURY. TO THE MAXIMUM EXTENT PERMISSIBLE BY LAW, TRUSTOR (A) COVENANTS AND AGREES NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THIS INSTRUMENT OR THE RELATIONSHIP BETWEEN THE PARTIES AS BORROWER AND LENDER THAT IS TRIABLE OF RIGHT BY A JURY AND (B) WAIVES ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH ISSUE TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN BY EACH PARTY, KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL.**

[Signature Page Follows]

IN WITNESS WHEREOF, Trustor has executed this Deed of Trust as of the day and year set forth above.

TRUSTOR:


Co-Trustee
GREGORY A. THOMAS, Co-Trustee of the
THOMAS LIVING TRUST, dated October 18, 1995,
as amended

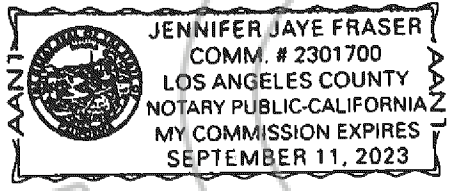

Co-Trustee
HEATHER L. THOMAS, Co-Trustee of the
THOMAS LIVING TRUST, dated October 18, 1995,
as amended

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On May 12, 2021 before me,
Jennifer Jaye Fraser, a Notary Public in and for said state,
personally appeared Gregory A. Thomas, who 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 within instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that
the foregoing paragraph is true and correct.



Jennifer Jaye Fraser
NOTARY'S SIGNATURE

Jennifer Jaye Fraser
NOTARY NAME (PRINT)

09/11/2023
NOTARY'S COMMISSION EXPIRES

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

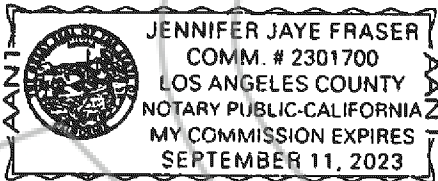
On May 12, 2021 before me,
Jennifer Jaye Fraser, a Notary Public in and for said state,
personally appeared Heather L. Thomas, who proved to me on the
basis of satisfactory evidence to be the person(s) whose name(s) are subscribed to the within
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the foregoing paragraph is true and correct.

Jennifer Jaye Fraser
NOTARY'S SIGNATURE

Jennifer Jaye Fraser
NOTARY NAME (PRINT)

09/11/2023
NOTARY'S COMMISSION EXPIRES



**EXHIBIT "A"
TO DEED OF TRUST
LEGAL DESCRIPTION**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF DOUGLAS,
STATE OF NEVADA, AND IS DESCRIBED AS FOLLOWS:

Parcel 1

Lot 57 of CLEAR CREEK TAHOE-PHASE 3A, according to the map thereof, filed in the office of the County Recorder of Douglas County, State of Nevada, on March 23, 2020, as File No. 943845, Official Records.

Parcel 2

Easements granted in that certain Master Declaration of Covenants, Conditions, and Restrictions and Reservations of Easements for Clear Creek Tahoe, recorded September 27, 2016, as Document No. 2016-888265, Official Records. And Amendments thereto recorded as document numbers 890755, 902099, and 916465.

APN: 1419-09-001-002