J. J. HILTON RANCHING COMPANY — TRUST NO 31917-- C

TO

ANGLO-CALIFORNIA TRUST COMPANY

THIS INDENTURE made and entered into as of the first day of December, in the year 1921, by and between J. J. HILTON RANCHING COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Nevada, and having its principal place of business in the City of Elko, in said State, (herein styled the "Company"), party of the first part, and ANGLO-CALIFORNIA TRUST COMPANY, a corporation organized and existing under and by virtue of the laws of the State of California, having its principal place of business in the City and County of San Francisco, in said State, and being qualified to accept and administer the trust hereby created (herein styled the "Trustee"), party of the second part;

WHEREAS, by resolutions unanimously adopted at a special meeting of the Board of Directors of the Company duly called, convened and held for that purpose (at which meeting all of the Directors of the Company were present) and by resolutions unanimously adopted at a special meeting of the stockholders of the Company duly called and held (at which meeting all of the stockholders of the Company were present or represented by proxy), the Company has duly authorized the issuance of bonds of the Company to be known as its "First Mortgage Eight Per Cent. Serial Gold Bonds," to be dated as of December 1, 1921, and to bear interest until paid at the rate of eight (8) per cent. per annum, payable semi-annually, on the first days of June and December in each year; both principal and interest to be payable in gold coin of the United States of America of or equal to the present standard of weight and fineness; the aggregate principal amount of said bonds not to exceed four hundred thousand (400,000) dollars, and all of said bonds to be issued under and equally secured by a first mortgage to the Trustee of the property of the Company hereinafter described, to be dated as of December 1, 1921, and to be known as the first mortgage of the Company;

AND WHEREAS, the said Board of Directors by resolutions unanimously adopted at a meeting of said board duly called and held, did order and direct that the form of said bonds and of the coupons to be attached thereto, and of the Trustee's certificate, registration, endorsement and guaranty thereon, shall be substantially as follows, to-wit:

(Form of Bond)

UNITED STATES OF AMERICA

STATE OF NEVADA

J. J. HILTON RANCHING COMPANY

First Mortgage Eight Per Cent. Serial Gold Bond.

No._____

For value received, J. J. Hilton Ranching Company, a corporation organized and existing under and by virtue of the laws of the State of Nevada, having its principal place of business in said State (herein styled the Company) acknowledges itself indebted and hereby promises

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to pay to the bearer hereof, or in case this bond be registered then to the registered owner hereof, the sum of _____ Dollars, on the first day of December in the year 19____, together with interest thereon from the date hereof until payment of said principal sum at the rate of eight (8) per centum per annum payable on the first day of June and the first day of December in each year, upon the presentation and surrender of the interest coupons hereto annexed as they severally become due, both principal and interest being payable at the office of Anglo-California Trust Company, in San Francisco, California, in gold coin of the United States of America, of or equal to the present standard of weight and fineness, and without deduction, so far as may be lawful, from either principal or interest for any tax or assessment (other than estate, succession and inheritance taxes and such part of any Federal Income Tax, as may be in excess of two (2) per cent.), which it or the Trustee may be required to pay thereon, or to deduct therefrom, under any present or future law of the United States of America, or of any state, territory, county or municipality or taxing district therein.

This bond is one of an authorized issue of $400,000 in face value, consisting of 425 bonds, all of even date herewith, and of like tenor and effect (except as to denomination and maturity) whereof 375 (numbered consecutively from M 1 to M 375 inclusive) are of the denomination of $1,000 each, and the remaining 50 (numbered consecutively from D1 to D 50 inclusive) are of the denomination of $500 each. All of said bonds are issued under the provisions of, and the payment of them is equally secured by, a first mortgage duly executed by the Company to said Anglo-California Trust Company, as Trustee, dated as of the first day of December, 1921, mortgaging the Company's property therein described. For a description of the property mortgaged, the nature and extent of the security, and the rights of the holders of the said bonds, reference is hereby made to said mortgage. This bond is subject to redemption at the option of the Company, after thirty (30) days' published notice, on any interest payment date before its fixed maturity, at 105 per cent. of its face value with accrued interest, if redeemed on or prior to December 1, 1926; at 103 per cent. of its face value with accrued interest, if redeemed after December 1, 1926, but on or prior to December 1, 1931; and at 102½ per cent. of its face value with accrued interest if redeemed after December 1, 1931, but prior to December 1, 1936, and in the manner and upon the terms provided in said mortgage. This bond may be registered as to principal at said Trustee's office.

This bond shall not be obligatory for any purpose until it shall have been authenticated by the certificate of the Anglo-California Trust Company, Trustee, indorsed hereon.

IN WITNESS WHEREOF, The Company has caused this bond to be signed by its President or Vice President and attested by its Secretary, with its Corporate seal hereto affixed, and the interest coupons hereto attached to be authenticated by the facsimile signature of its Secretary as of the first day of December, in the year 1921.

J. J. HYLTON RANCHING COMPANY,

By _____
President

ATTEST: _____
Secretary

(Form of Coupon)

No._____ $_____

On the first day of _____ 19____, J. J. Hylton Ranching Company promises to pay to bearer $_____ dollars in United States gold coin at the Anglo-California Trust Company, in San Francisco, California (subject to previous redemption of the bond herein mentioned), being six months' interest then due upon its First Mortgage Eight Per Cent. Serial Gold Bond No._____.

_____
Secretary

(Form of Trustee's Certificate)

TRUSTEE'S CERTIFICATE.

It is hereby certified that the within bond is one of the bonds described in the mortgage therein mentioned.

ANGLO-CALIFORNIA TRUST COMPANY
Trustee,

By_____
Trust Officer.

(Form of Guaranty.)

The undersigned, J. J. HYLTON, of Elko, Nevada, for valuable consideration, hereby unconditionally guarantees to the holder or registered owner of the within bond the prompt payment of the principal amount thereof when the same shall become due and payable, whether at the maturity thereof or by declaration or otherwise, and of interest thereon at the rate of eight (8) per cent. per annum on the semi-annual dates mentioned in said bond, hereby consenting to any extensions of time or other indulgences which may be granted in respect of the payment of said amounts, or any of them.

IN WITNESS WHEREOF, said J. J. Hylton has executed these presents this first day of December, 1921.

_____

AND WHEREAS, the said Board of Directors and stockholders of the Company at the meetings aforesaid did by said resolutions approve and adopt the form of this instrument and all of its terms and provisions, and did authorize the Company's President or Vice President, to execute this instrument as a mortgage of real and personal property, in the name, under the seal, and as of the act and deed of the Company, and to deliver the same to the Trustee, and did further order and direct its said officers to execute all of said bonds secured hereby in the Company's name, and under its seal, and to deliver the same to said Trustee for authentication.

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AND WHEREAS, all requirements of law for the execution and delivery of said bonds and of this instrument as valid and subsisting obligations of the Company have been fully kept and performed, and in pursuance of said authority and of all and every legal power and authority in it vested the Company proposes to forthwith make, execute, issue and deliver the bonds hereby secured:

NOW THEREFORE, THIS INDENTURE WITNESSETH, That in order to secure the payment of the principal of and interest upon all such bonds at any time issued and outstanding under this indenture, according to their tenor and effect, and to secure the performance of all the covenants and conditions herein contained, and to declare the terms and conditions upon which said bonds are and shall be issued and held, the Company, party of the first part, in consideration of the premises and of the purchase and acceptance of said bonds by the holders thereof, and for other good and valuable considerations it hereunto moving, does hereby grant, bargain, sell, warrant, convey, confirm, mortgage, assign, transfer, pledge and set over unto the Trustee, party of the second part, and to its successors in the trusts hereby created, all and singular the property of the Company, real and personal, hereinafter described (said property being herein sometimes referred to as the "mortgaged property"), to-wit:

All those certain lots, pieces and parcels of land now and heretofore known as and called the "DEVIL'S GATE" Ranch, and situate in the County of Elko, State of Nevada, and bounded and more particularly described as follows, to-wit:

IN TOWNSHIP THIRTY-FIVE (35) NORTH, RANGE FIFTY-SEVEN (57) E. M.D.M.:

SECTION THREE (3): The West Half (W½).

SECTION TEN (10): The West Half of the Northwest Quarter (W½NW¼) and the Northwest Quarter of the Southwest Quarter (NW¼SW¼).

IN TOWNSHIP THIRTY-SIX (36) NORTH, RANGE FIFTY-SEVEN (57) E. M.D.M:

SECTION TWO (2): Lot Four (4).

SECTION THREE (3): Lots One (1), Two (2), and Three (3); the South Half of the Northeast Quarter (S½NE¼); the Southeast Quarter of the Northwest Quarter (SE¼NW¼); the East Half of the Southwest Quarter (E½SW¼); and the Southeast Quarter (SE¼).

SECTION TEN (10): The North Half (N½); the Southwest Quarter (SW¼); and the West Half of the Southeast Quarter (W½SE¼).

SECTION FIFTEEN (15): The East Half (E½); and the East Half of the West Half (E½W½).

SECTION TWENTY-ONE (21): The East half of the Southeast Quarter (E½SE¼).

SECTION TWENTY-TWO (22): The East Half (E½); the Northwest Quarter (NW¼); the Northeast Quarter of the Southwest Quarter (NE¼SW¼); and the Southwest Quarter of the Southwest Quarter (SW¼SW¼).

SECTION TWENTY-SEVEN (27): The whole thereof.

SECTION TWENTY-EIGHT (28): The East Half of the East Half (E½E½).

SECTION THIRTY-FOUR: The West Half of the West Half (W½W½); and the East Half of the East Half (E½E½).

IN TOWNSHIP THIRTY-SEVEN (37) NORTH, RANGE FIFTY-SEVEN (57) E. M.D.M:

SECTION ONE (1): Lots Two (2), Three (3) and Four (4); the South Half of the Northwest Quarter (S½NW¼); and the Southwest Quarter (SW¼).

SECTION TWO (2): The Southeast Quarter of the Northeast Quarter (SE¼NE¼); and the East Half of the Southeast Quarter (E½SE¼).

SECTION ELEVEN (11): The East Half (E½); and the Southwest Quarter (SW¼).

SECTION TWELVE (12): The West Half of the Northwest Quarter (W½NW¼); and the Northwest Quarter of the Southwest Quarter (NW¼SW¼).

SECTION FOURTEEN (14): The West Half of the East Half (W½E½); and the West Half (W½).

SECTION FIFTEEN (15): The East Half of the Southeast Quarter (E½SE¼).

SECTION TWENTY-TWO (22): The East Half of the East Half (E½E½).

SECTION TWENTY-THREE (23): The West Half (W½).

SECTION TWENTY-SIX (26): The West Half (W½).

SECTION TWENTY-SEVEN (27): The East Half of the Northeast Quarter (E½NE¼); the Southwest Quarter of the Northeast Quarter (SW¼NE¼); and the Southeast Quarter (SE¼).

SECTION THIRTY-FOUR (34): The East Half (E½); and the East Half of the West Half (E½W½).

SECTION THIRTY-FIVE (35): The West Half of the West Half (W½W½).

IN TOWNSHIP THIRTY-EIGHT (38), NORTH, RANGE FIFTY-SEVEN (57) E.M.D.M:

SECTION TWENTY-FOUR (24): The East Half of the East Half (E½E½).

SECTION TWENTY-FIVE (25): The East Half (E½); and the Southeast Quarter of the Southwest Quarter (SE¼SW¼).

SECTION THIRTY-SIX (36): The Whole thereof.

IN TOWNSHIP THIRTY-EIGHT (38) NORTH, RANGE FIFTY-EIGHT (58) E.M.D.M:

SECTION NINETEEN (19): Lots One (1), Two (2), Three (3), and Four (4);

Containing in the aggregate Eight Thousand four hundred forty four & 47/100 (8444.47) Acres.

IN TOWNSHIP THIRTY-SEVEN (37) NORTH, RANGE FIFTY-SIX (56) E.M.D.M:

SECTION TWO (2): Lot One (1) of the Northeast Quarter (NE¼); and the Southwest Quarter of the Northeast Quarter (SW¼NE¼).

IN TOWNSHIP THIRTY-EIGHT (38) NORTH, RANGE FIFTY-SIX (56) E., M.D.M.:

SECTION FOURTEEN (14): The Southeast Quarter of the Northeast Quarter (SE¼NE¼) and the South Half (S½).

IN TOWNSHIP THIRTY-EIGHT (38) NORTH, RANGE FIFTY-SEVEN (57) E.,M.D.M.:

SECTION EIGHT (8): The South Half of the Southwest Quarter (S½SW¼).

SECTION TWENTY (20): The Northeast Quarter of the Southeast Quarter (NE¼SE¼).

IN TOWNSHIP THIRTY-EIGHT (38) NORTH, RANGE FIFTY-EIGHT (58) E.,M.D.M.:

SECTION THIRTY (30): Lots One (1) and Two (2) of the Northwest Quarter (NW¼); and Lots Three (3) and Four (4) of the Southwest Quarter (SW¼).

Containing in the aggregate Seven Hundred twenty four and 63/100 (724.63) Acres.

IN TOWNSHIP THIRTY-EIGHT (38) NORTH, RANGE FIFTY-SEVEN (57) E.,M.D.M.:

SECTION ONE (1): The East Half (E½); the West Half of the Northwest Quarter (W½NW¼); the Northeast Quarter of the Southwest Quarter (NE¼SW¼); the Southwest Quarter of the Southwest Quarter(SW¼SW¼).

SECTION THREE (3): The whole thereof.

SECTION ELEVEN (11): The whole thereof.

SECTION THIRTEEN (13): The north Half of the Northeast Quarter (N½NE¼); the Southeast Quarter of the Northeast Quarter (SE¼NE¼); the Northwest Quarter of the NorthwestQuarter (NW¼NW¼); the South Half of the Northwest Quarter (S½NW¼); and the South Half (S½).

SECTION TWENTY-THREE (23): The whole thereof.

SECTION TWENTY-FIVE (25): The Northwest Quarter (NW¼); the

North Half of the Southwest Quarter (N½SW¼); and the Southwest Quarter of the Southwest Quarter (SW¼SW¼).

SECTION THIRTY-FIVE (35): The whole thereof.

IN TOWNSHIP THIRTY-EIGHT (38) NORTH, RANGE FIFTY-EIGHT (58) E., M.D.M.:

SECTION FIVE (5): The whole thereof.

SECTION SEVEN (7): The whole thereof.

SECTION SEVENTEEN (17): The whole thereof.

SECTION NINETEEN (19): The East Half (E½); and the East Half of the West Half (E½W½).

SECTION TWENTY-ONE (21): The whole thereof.

SECTION TWENTY-NINE (29): The whole thereof.

Containing in the aggregate Seven Thousand four hundred seventy one and 50/100 (7471.50) Acres.

TOGETHER with all buildings and improvements situate and being thereon, and all machinery, appliances, tools and equipment, owned by the party of the first part and used in connection with the operation of said property, or any part of parcel thereof, and together with all water, water rights, dams and ditches now or heretofore used upon or in connection with the above described premises, or any part or parcel thereof, or belonging or appurtenant thereto.

The above description is meant to include, and hereby does include all the lands owned and held and embraced in that certain ranch known as and called the "DEVIL'S GATE RANCH", situate in the County of Elko, State of Nevada, whether the same are correctly described above or not, or at all.

Also, all those certain lots, pieces and parcels of land situate, lying and being in the County of Elko, State of Nevada, and now and heretofore known as and called the "RANCHO GRANDE" Ranch, and bounded and particularly described as follows, to-wit:

IN TOWNSHIP FORTY (40) NORTH, RANGE FIFTY-FOUR (54) E., M.D.M.:

SECTION ONE (1): Lots One (1), Two (2), Three (3), and Four (4); the South Half of the North Half (S½N½) and the South Half (S½).

SECTION TWO (2): Lots One (1), Two (2), Three (3) and Four (4); the South Half of the North Half (S½N½) and the South Half (S½).

SECTION THREE (3): The whole thereof.

IN TOWNSHIP FORTY-ONE (41) NORTH, RANGE FIFTY-FOUR (54) E., M.D.M:

SECTION ONE (1): The East Half of the Southwest Quarter (E½SW¼).

SECTION ELEVEN (11): The Southeast Quarter of the Northeast Quarter (SE¼NE¼); and the South Half of the South Half (S½S½).

SECTION THIRTEEN (13): The Southeast Quarter (SE¼).

SECTION FIFTEEN (15): The whole thereof.

SECTION SIXTEEN (16): The East Half (E½); and the Southeast Quarter of the Southwest Quarter (SE¼SW¼).

SECTION TWENTY-ONE (21): The East Half (E½); and the East Half of the West Half (E½W½).

SECTION TWENTY-TWO (22): The whole thereof.

SECTION TWENTY-THREE (23): The Southeast Quarter of the Southwest Quarter (SE¼SW¼); and the West Half of the Southwest Quarter (W½SW¼).

SECTION TWENTY-FIVE (25): The whole thereof.

SECTION TWENTY-SIX (26): The whole thereof.

SECTION TWENTY-SEVEN (27): The whole thereof.

SECTION TWENTY-EIGHT (28): The Northeast Quarter (NE¼); and the East Half of the Southeast Quarter (E½SE¼).

SECTION THIRTY-FOUR (34): The whole thereof.

SECTION THIRTY-FIVE (35): The whole thereof.

SECTION THIRTY-SIX (36): The whole thereof.

IN TOWNSHIP FORTY (40) NORTH, RANGE FIFTY-FIVE (55) E.,M.D.M.:

SECTION FOUR (4): The Southwest Quarter of the Northwest Quarter (SW¼NW¼); and the Southwest Quarter (SW¼).

SECTION FIVE (5): Lots One (1), Two (2), Three (3) and Four (4); the South Half of the North Half (S½N½); the Southwest Quarter (SW¼); the South Half of the Southeast Quarter (S½SE¼); and the North Half of the Southeast Quarter (N½SE¼).

SECTION SIX (6): Lots One (1), Two (2), Three (3), Four (4), Five (5), Six (6), and Seven (7); the South Half of the Northeast Quarter (S½NE¼); the Southeast Quarter of the Northwest Quarter (SE¼NW¼); the East Half of the Southwest Quarter (E½SW¼), and the Southeast Quarter (SE¼).

SECTION EIGHT (8): The North Half of the Northeast Quarter (N½NE¼).

SECTION NINE (9): The Northwest Quarter of the Northwest Quarter (NW¼NW¼); the East Half of the Northwest Quarter (E½NW¼); and the East Half of the Southwest Quarter (E½SW¼).

IN TOWNSHIP FORTY-ONE (41) NORTH, RANGE FIFTY-FIVE (55) E., M.D.M.:

SECTION TWENTY-NINE (29): The Southwest Quarter (SW¼); the Southeast Quarter of the Northwest Quarter (SE¼NW¼); and the West Half of the Northwest Quarter (W½NW¼).

SECTION THIRTY (30): Lots One (1), Two (2), Three (3) and Four (4); the East Half of the West Half (E½W½); the Northwest Quarter of the Northeast Quarter (NW¼NE¼); and the Northeast Quarter of the Southeast Quarter (NE¼SE¼).

SECTION THIRTY-ONE (31): Lots One (1), Two (2), Three (3) and Four (4); the East Half of the West Half (E½W½); the East Half of the Northeast Quarter (E½NE¼); the Southeast Quarter of the Northeast Quarter (SE¼NE¼) and the Southeast Quarter (SE¼).

SECTION THIRTY-TWO (32): The West Half of the Southwest Quarter (W½SW¼).

IN TOWNSHIP FORTY (40) NORTH, RANGE FIFTY-SIX (56) E., M.D.M.:

SECTION THIRTY-FIVE (35): The East Half of the Northeast Quarter (E½NE¼).

SECTION THIRTY-SIX (36): The South Half of the Northwest Quarter (S½NW¼);

IN TOWNSHIP FORTY-ONE (41) NORTH, RANGE FIFTY-SIX (56) E.,M.D.M.:

SECTION ELEVEN (11): The East Half of the Southwest Quarter (E½SW¼); and the Northwest Quarter of the Southeast Quarter (NW¼SE¼).

SECTION FOURTEEN (14): The Northeast Quarter of the Northwest Quarter (NE¼NW¼).

IN TOWNSHIP FORTY-TWO (42) NORTH, RANGE FIFTY-SIX (56) E., M.D.M.:

SECTION ELEVEN (11): The South Half of the Northeast Quarter (S½NE¼); and the South Half of the Northwest Quarter (S½NW¼);

Containing in the aggregate Twelve Thousand Two Hundred Twenty two and 47/100 (12222.47) Acres.

TOGETHER with all buildings and improvements situate and being thereon, and all machinery, appliances, tools and equipment, owned by the party of the first part, and used in

connection with the operation of said property, or any part or parcel thereof, and together with all water, water rights, dams and ditches now or heretofore used upon or in connection with the above described premises, or any part or parcel thereof, belonging or appurtenant thereto.

The above description is meant to include, and hereby does include all the lands owned and held and embraced in that certain ranch known as and called the "RANCHO SEVEN RANCH", situate in the County of Elko, State of Nevada, whether the same are correctly described above or not, or at all.

Also, all those certain lots, pieces or parcels of land situate, lying and being in the County of Elko, State of Nevada, and now and heretofore known as and called the "Beaver Creek Ranch", and bounded and more particularly described as follows, to-wit:

IN TOWNSHIP FORTY (40) NORTH, RANGE FIFTY-SEVEN (57) E.,M.D.M.:

SECTION SEVEN (7):	The Southeast Quarter of the Southeast Quarter (SE¼SE¼).
SECTION EIGHT (8):	The South Half of the Northwest Quarter (S½NW¼); and the Southwest Quarter (SW¼).
SECTION SEVENTEEN (17):	The North Half of the Northwest Quarter (N½NW¼); and the Southwest Quarter of the Northwest Quarter (SW¼NW¼); and
SECTION EIGHTEEN (18):	The East Half of the Northeast Quarter (E½NE¼);

Containing Four Hundred and Eighty (480) Acres in the aggregate.

TOGETHER with all buildings and improvements situate and being thereon, and all machinery, appliances, tools and equipment owned by the party of the first part, and used in connection with the operation of said property, or any part or parcel thereof, and together with all water, water rights, dams and ditches now or heretofore used upon or in connection with the above described premises, or any part or parcel thereof, or belonging or appurtenant thereto.

Also, all those certain lots, pieces and parcels of land now and heretofore known as and called the "Home Ranch", situate, lying and being in Mound Valley, County of Elko, State of Nevada, and bounded and particularly described as follows, to-wit:

IN TOWNSHIP THIRTY (30) NORTH, RANGE SIXTY-FOUR (64) E., M.D.M.:

SECTION ONE (1):	The Whole thereof.
SECTION THREE (3):	The whole thereof.
SECTION FIVE (5):	The South Half (S½).
SECTION NINE (9):	The East Half(E½);
SECTION TEN (10):	S.E.¼ of S.E.¼
SECTION ELEVEN (11):	The Whole thereof.
SECTION THIRTEEN (13):	The Whole thereof.
SECTION FIFTEEN (15):	The West Half (W½) and the Southeast Quarter (SE¼); N.E.¼.
SECTION TWENTY-ONE (21):	The Whole thereof;
SECTION TWENTY-THREE (23):	The Whole thereof;
SECTION TWENTY-SEVEN (27):	The Whole thereof;
SECTION TWENTY-NINE (29):	The Whole thereof;
SECTION THIRTY-ONE (31):	The Whole thereof;

Containing in the aggregate Seven Thousand Fifty-three and Eighty-eight Hundredths (7,053.88) Acres.

IN TOWNSHIP THIRTY (30) NORTH, RANGE FIFTY-FIVE (55) E., M.D.M.:

SECTION TWELVE (12):	The West Half of the East Half (W½E½); and the East Half of the West Half (E½W½).
SECTION THIRTEEN (13):	The East Half of the Southeast Quarter (E½SE¼); the West Half of the Northeast Quarter (W½NE¼) and the East Half of the West Half (E½W½).
SECTION TWENTY-FOUR (24):	The East Half of the Northeast Quarter (E½NE¼); and the Northeast Quarter of the Southeast Quarter (NE¼SE¼);

Containing in all Seven hundred and sixty (760) Acres.

IN TOWNSHIP THIRTY (30) NORTH, RANGE FIFTY-SIX (56) E., M.D.M.:

SECTION NINETEEN (19): The Southwest Quarter of the Northeast Quarter (SW¼NE¼); the Southeast Quarter of the Northwest Quarter (SE¼NW¼); the West Half of the Northwest Quarter (W½NW¼); the South Half of the Southwest Quarter (S½SW¼); and the Southeast Quarter of the Southeast Quarter (SE¼SE¼).

SECTION TWENTY (20): The Southwest Quarter of the Southwest Quarter (SW¼SW¼).

SECTION TWENTY-EIGHT (28): The Southwest Quarter of the Southeast Quarter (SW¼SE¼); the Southwest Quarter (SW¼) and the Southwest Quarter of the Northwest Quarter(SW¼NW¼).

SECTION TWENTY-NINE (29): The whole thereof.

SECTION THIRTY (30): The East Half (E½); the East Half of the West Half (E½W½); and the West Half of the Southwest Quarter (W½SW¼).

SECTION THIRTY-ONE (31): The East Half (E½); the East Half of the West Half (E½W½).

SECTION THIRTY-TWO (32): The North Half (N½); the South Half of the South Half (S½S½).

SECTION THIRTY-THREE (33): The Southeast Quarter of the Northeast Quarter (SE¼NE¼); the East Half of the Southeast Quarter (E½SE¼); the West Half of East Half (W½E½); and the West Half (W½);

Containing in all Three Thousand Four Hundred Forty eight and 86/100 (3448.86) Acres.

IN TOWNSHIP THIRTY-ONE (31) NORTH, RANGE FIFTY-SIX (56) E.,M.D.M.:

SECTION TWENTY-SEVEN (27): The Northwest Quarter (NW¼);

Containing One Hundred and Sixty (160) Acres.

IN TOWNSHIP TWENTY-NINE (29) NORTH, RANGE FIFTY-SIX (56) E.,M.D.M.:

SECTION FOUR (4): The North Half of the Northwest Quarter (N½NW¼); and the Southeast Quarter of the Northwest Quarter (SE¼NW¼);

SECTION SIX (6): The East Half (E½); the East Half of the Northwest Quarter (E½NW¼), and the Northeast Quarter of the Southwest Quarter (NE¼SW¼).

SECTION SEVEN (7): The Northeast Quarter (NE¼); the West Half of the Southeast Quarter (W½SE¼); the East Half of the Southwest Quarter (E½SW¼) and the Southwest Quarter of the Southwest Quarter (SW¼SW¼);

SECTION EIGHTEEN (18): The Northwest Quarter (NW¼); and the West Half of the Southwest Quarter (W½SW¼);

Containing in all One Thousand Eighty and 55/100 (1080.55) Acres.

IN TOWNSHIP TWENTY-NINE (29) NORTH, RANGE FIFTY-FIVE (55) E., M.D.M.:

SECTION THIRTEEN (13): The Southeast Quarter of the Southeast Quarter(SE¼SE¼).

IN TOWNSHIP TWENTY-EIGHT (28) NORTH, RANGE FIFTY-SIX (56) E.,M.D.M.:

SECTION EIGHT (8): The Southeast Quarter of the Southeast Quarter (SE¼SE¼); and the West Half of the Southeast Quarter (W½SE¼).

SECTION NINE (9): The Southeast Quarter of the Northeast Quarter (SE¼NE¼); the Northwest Quarter of the Southeast Quarter (NW¼SE¼); the Northeast Quarter of the Southwest Quarter (NE¼SW¼) and the Southwest Quarter of the Southwest Quarter (SW¼SW¼);

Containing in all Two Hundred and eighty (280) Acres.

TOGETHER with all buildings and improvements situate and being thereon, and all machinery, appliances, tools and equipment, owned by the party of the first part, and used in connection with the operation of said property, or any part or parcel thereof, and together with all water, water rights, dams and ditches now or heretofore used upon or in connection with the above described premises, or any part or parcel thereof, or belonging or appurtenant thereto.

Also, all those certain lots, pieces and parcels of land now and heretofore known as the "Reinhart Ranch", and situate, lying and being in the County of Elko, State of Nevada, and bounded and particularly described as follows, to-wit:

IN TOWNSHIP THIRTY-TWO (32) NORTH, RANGE FIFTY-FIVE (55) E.,M.D.M.:

SECTION FOURTEEN (14): The Southeast Quarter of the Northeast Quarter (SE¼NE¼); the East Half of the Southeast Quarter (E½SE¼); the West Half of the East Half (W½E½); the Northeast Quarter of the Southwest Quarter (NE¼SW¼) and the Northwest Quarter (NW¼).

SECTION TWENTY-FOUR (24): The Southwest Quarter of the Southeast Quarter (SW¼SE¼); the Southwest Quarter (SW¼); the Southeast Quarter of the Northwest Quarter (SE¼NW¼); and the West Half of the Northwest Quarter (W½NW¼).

SECTION TWENTY-FIVE (25): The Northwest quarter (NW¼); the East Half of the Southwest Quarter (E½SW¼); and the West Half of the Southeast Quarter (W½SE¼);

Containing in all Eleven Hundred and Twenty (1120) Acres.

TOGETHER with all buildings and improvements situate and being thereon, and all machinery, appliances, tools and equipment, owned by the party of the first part, and used in connection with the operation of said property, or any part or parcel thereof, and together with all water, water rights, dams and ditches now or heretofore used upon or in connection with the above described premises, or any part or parcel thereof, or belonging or appurtenant thereto.

Also, all those certain lots, pieces and parcels of land now and heretofore known as and called the "Dixie Fields", situate, lying and being in the County of Elko, State of Nevada, and bounded and particularly described as follows, to-wit:

IN TOWNSHIP THIRTY-TWO (32) NORTH, RANGE FIFTY-FOUR (54) E.,M.D.M.:

SECTION TWENTY-SIX (26): The South Half of the Northeast Quarter (S½NE¼); the West Half of the Southeast Quarter (W½SE¼); and the East Half of the Southwest Quarter (E½SW¼);

SECTION THIRTY-FOUR (34): The Southeast Quarter of the Northeast Quarter (SE¼NE¼) and the Southeast Quarter (SE¼);

Containing in all Four Hundred and Forty (440) Acres.

Also, all those certain lots, pieces and parcels of land, now and heretofore known as and called the "Bullion Ranch", situate, lying and being in the County of Elko, State of Nevada, and bounded and particularly described as follows, to-wit:

IN TOWNSHIP THIRTY-ONE (31) NORTH, RANGE FIFTY-THREE (53) E.,M.D.M.:

SECTION TWENTY-SIX (26): The Northeast Quarter of the Southeast Quarter (NE¼SE¼); the South Half of the Southeast Quarter (S½SE¼); and the Southeast quarter of the Southwest Quarter (SE¼SW¼);

Containing in all One Hundred and Sixty (160) Acres.

TOGETHER with all buildings and improvements situate and being thereon, and all machinery, appliances, tools and equipment, owned by the party of the first part, and used in connection with the operation of said property, or any part or parcel thereof, and together with all water, water rights, dams and ditches now or heretofore used upon or in connection with the above described premises, or any part or parcel thereof, or belonging or appurtenant thereto.

Also, all those certain lots, pieces and parcels of land, situate, lying and being in the County of Elko, State of Nevada, and now and heretofore known as and called the "Twin Creek"Ranch, and bounded and more particularly described as follows, to-wit:

IN TOWNSHIP TWENTY-EIGHT (28) NORTH, RANGE FIFTY-FIVE (55) E.,M.D.M.:

SECTION FIFTEEN (15): The South Half of the Southwest Quarter (S½SW¼).

SECTION SIXTEEN (16): The Southeast Quarter of the Southeast Quarter (SE¼SE¼);

SECTION TWENTY-ONE (21): The East Half of the East Half (E½E½).

SECTION TWENTY-TWO (22): The West Half of the Northwest Quarter (W½NW¼); the Northwest Quarter of the Southwest Quarter (NW¼SW¼); and the East Half of the Southwest Quarter (E½SW¼).

SECTION TWENTY-SEVEN (27): The East Half of the Southeast Quarter (E½SE¼); and the West Half of the East Half (W½E½).

SECTION THIRTY-FOUR (34): The Northwest Quarter of the Northeast Quarter (NW¼NE¼) and the East Half of the Northeast Quarter (E½NE¼).

SECTION THIRTY-FIVE (35): The West Half of the Northwest Quarter (W½NW¼); the Southeast Quarter of the Northwest Quarter (SE¼NW¼); the Northwest Quarter of the Southwest Quarter (NW¼SW¼); the East Half of the Southwest Quarter (E½SW¼) and the West Half of the Southeast Quarter (W½SE¼).

IN TOWNSHIP TWENTY-SEVEN (27) NORTH, RANGE FIFTY-FIVE (55) E., M.D.M.:

SECTION TWO (2): The Northeast Quarter (NE¼);

Containing in all One Thousand Three Hundred sixty one and 36/100 (1361.36) Acres.

TOGETHER with all buildings and improvements situate and being thereon, and all machinery, appliances, tools and equipment, owned by the party of the first part, and used in connection with the operation of said property, or any part or parcel thereof, and together with all water, water rights, dams and ditches now or heretofore used upon or in connection with the above described premises, or any part or parcel thereof, or belonging or appurtenant thereto.

Also, that certain Ranch now and heretofore known as and called the "Pearl Creek" Ranch, situate, lying and being in the County of Elko, State of Nevada, and bounded and particularly described as follows, to-wit:

IN TOWNSHIP TWENTY-EIGHT (28) NORTH, RANGE FIFTY-FIVE (55) E.,M.D.M.:

SECTION ONE (1): The Southwest Quarter of the Southwest Quarter (SW¼SW¼).

SECTION TWO (2): That portion of the Southeast Quarter of the Southeast Quarter (SE¼SE¼) not heretofore deeded to H.H.Porch.

SECTION TWELVE (12): The Northwest Quarter (NW¼); the Northeast Quarter of the Southwest Quarter (NE¼SW¼); the West Half of the Southeast Quarter (W½SE¼) and the Southeast Quarter of the Southeast Quarter (SE¼SE¼);

Containing Three Hundred Ninety Five (395) Acres, more or less.

TOGETHER with all buildings and improvements situate and being thereon, and all machinery, appliances, tools and equipment, owned by the party of the first part, and used in connection with the operation of said property, or any part or parcel thereof, and together with all water, water rights, dams and ditches now or heretofore used upon or in connection with the above described premises, or any part or parcel thereof, or belonging or appurtenant thereto;

Said lands containing in all Forty Five Thousand Six Hundred forty two and 72/100 (45642.72) Acres, more or less, and being all of the lands, water and water rights, situate, lying and being in Elko County, State of Nevada, owned or claimed by the party of the first part, whether said lands, water and water rights are correctly enumerated and described herein and above or not, or at all.

Also, all of the right, title and interest of the party of the first part, and all of the right, title and interest said party of the first part may hereafter acquire, in and to all those certain lots, pieces and parcels of land situate, lying and being in the County Elko, State of Nevada, and bounded and particularly described as follows, to-wit:

IN TOWNSHIP THIRTY (30) NORTH, RANGE FIFTY-SIX (56) E.,M.D.M.:

SECTION NINETEEN (19): The North Half of the Southwest Quarter (N½SW¼), and the West Half of the Southeast Quarter (W½SE¼).

SECTION THIRTY TWO (32): The North Half of the South Half (N½S½); and

Containing Three Hundred and Twenty (320) Acres, more or less: and

TOGETHER with all buildings and improvements situate and being thereon, and all machinery, appliances, tools and equipment owned by the party of the first part, and used in connection with the operation of said premises, or any part of parcel thereof, and together with all water, water rights, dams and ditches now or heretofore used upon or in connection with the above described premises, or any part or parcel thereof, or belonging or appurtenant thereto.

TOGETHER with all property, exclusive of hay, livestock and livestock brands or brands, which the party of the first part may acquire in the future while this Indenture remains in force and effect, or any of said bonds or the interest thereon remains unpaid.

TOGETHER with the tenements, hereditaments and appurtenances thereunto belonging or in any wise appertaining.

IN TRUST, NEVERTHELESS, AND BY WAY OF MORTGAGE, for the benefit and security of any and all holders or owners of any of the said bonds and coupons, issued and to be issued hereunder and to be secured by this indenture, and for the enforcement of the payment of said bonds and of the interest thereon when payable according to their tenor, purport and effect and to secure the performance of and compliance with the covenants and conditions of this indenture, without preference, priority, or distinction as to lien or otherwise of any one bond over any other bond issued hereunder by reason of priority in the issue, sale or negotiation thereof, or of any other cause, so that each and every bond issued as aforesaid shall have the same right, lien and privilege under and by virtue of this indenture, and sothat the principal and interest of every such bond shall, subject to the terms hereof, be equally and proportionally secured hereby, as if all had been duly issued and sold and negotiated simultaneously with the execution and delivery of this indenture; it being intended that the lien and security of this indenture shall take effect from the date of the execution and delivery hereof, without regard to the time of actual issuance, sale or negotiation of said bonds, as though upon such date all of said bonds were actually issued, sold and delivered to and in the hands of the holders thereof for value.

And it is hereby covenanted that all such bonds, with the coupons for interest thereon, shall be issued, certified and delivered, and that the mortgaged property, shall be held by the Trustee subject to the further covenants, conditions, uses and trusts hereinafter set forth, to-wit:

ARTICLE I.

EXECUTION, CERTIFICATION, MATURITY, FORM, AND REGISTRY OF BONDS.

Section 1: The bonds issued hereunder, and the interest coupons appertaining thereto, and the Trustee's certificate indorsed thereon shall be substantially in the form and of the tenor and purport hereinbefore recited, and shall be known as the J. J. Hylton Ranching Company First Mortgage Eight Per Cent. Serial Gold Bonds.

Section 2: The aggregate principal sum of all bonds which may be issued and outstanding under this mortgage, and secured hereby, shall at no time exceed four hundred thousand (400,000) Dollars. Said issue shall consist of four hundred and twenty-five (425) bonds, whereof three hundred and seventy-five (375) (numbered consecutively from M 1 to M 375 inclusive) shall be of the denomination of one thousand (1,000) dollars, and fifty (50) numbered consecutively from D 1 to D 50 inclusive) shall be of the denomination of five hundred (500) dollars each. Said bonds shall mature as follows, to-wit: $8,000 principal amount (being said bonds numbered M 1 to M 8 inclusive) on December 1, 1924; $8,000 principal amount (being said bonds numbered M 9 to M 16 inclusive) on December 1, 1925; $12,000 principal amount (being said bonds numbered M 17 to M 28 inclusive) on December 1, 1926; $12,000 principal amount (being said bonds numbered M 29 to M 40 inclusive) on December 1, 1927; $16,000 principal amount (being said bonds numbered M 41 to M 56 inclusive) on December 1, 1928; $16,000 principal amount (being said bonds numbered M 57 to M 72 inclusive) on December 1, 1929; $16,000 principal amount (being said bonds numbered M 73 to M 88 inclusive) on December 1, 1930; $20,000 principal amount (being said bonds numbered M 89 to M 108 inclusive) on December 1, 1931; $24,000 principal amount (being said bonds numbered M 109 to M 132 inclusive) on December 1, 1932; $24,000 principal amount (being said bonds numbered M 133 to M 156 inclusive) on December 1, 1933; $24,000 principal amount (being said bonds numbered M 157 to M 180 inclusive) on December 1, 1934; $24,000 principal amount (being said bonds numbered M 181 to M 204 inclusive) on December 1, 1935, and $196,000 principal amount (being said bonds numbered M 205 to M 375 inclusive and D 1 to D 50 inclusive) on December 1, 1936.

There shall be attached to each of said bonds appropriate coupons in the form hereinbefore set forth properly filled in to cover respective interest payments thereon from the date hereof until payment of the principal sums at the respective dates as herein provided for the payment thereof, with interest at the rate of eight (8) per cent. per annum, payable on the first day of June and the first day of December of each year.

Section 3: Said bonds shall be executed by the Company, and be delivered by it to the Trustee for certification, and thereupon the Trustee shall certify the same, and return them to the Company or to its order, upon demand, to be used for the needs and purposes of the Company. Only such bonds as shall bear indorsed thereon a certificate substantially in the form hereinbefore recited executed by the Trustee shall be secured by this indenture or shall be entitled to any lien or benefit hereunder; and every such certificate of the Trustee upon any bond purporting to be secured hereby shall be conclusive evidence that the bond so certified has been duly issued hereunder, and that the holder is entitled to the benefit of the trust hereby created. Before certifying and delivering any bonds hereunder, the Trustee shall remove and cancel all coupons thereon then matured.

Section 4: In case any officers who shall sign or seal any bond shall cease to be such officers before the bond so signed or sealed shall have been actually certified by the Trustee or delivered or issued, such bond may nevertheless be certified, delivered and issued with the same effect as though the persons who had signed and sealed said bond had not ceased to be officer of the Company. The coupons to be attached to all bonds shall be authenticated by the engraved or lithographed fac-simile signature of the present secretary and the Company may use for that purpose the engraved or lithographed signature of such secretary, notwithstanding the fact that he may have ceased to be such secretary at the time when such bonds shall be actually certified and delivered or issued.

Section 5: The Trustee at its office in San Francisco shall keep a sufficient register of bonds issued hereunder, which register shall at all reasonable times be open to the Company's

inspection; and upon presentation for such purpose, it will, under such reasonable regulations as it may prescribe, register therein any bonds issued under the provisions hereof. Upon presentation of any such registered bond, together with a written power to transfer the same executed by the registered holder for the time being, in a form approved by the Trustee, such bond shall be transferred upon the register. The registered holder of any such bond may also cause the same to be registered as payable to bearer, in which case transferability by delivery shall be restored, and thereafter the principal of such bond shall be payable to any person presenting the same, until and unless the same shall be registered again in the name of the holder. Successive registrations and transfers as aforesaid may be made for time to time as desired, and each registration shall be noted by the Trustee on the bond. Every coupon shall continue to pass by delivery and shall be payable to bearer, notwithstanding registration of the bond to which it belongs.

Section 6: As to all bonds registered as to principal, the person in whose name the same shall have been registered shall for all purposes of this indenture be deemed and regarded as the owner thereof, and payment of or on account of the principal of such bond shall be made only to or upon the order of such registered holder thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge all liability upon such bonds to the extent of the sum or sums so paid. The Company and the Trustee may deem and treat the bearer of any bond which shall not at the time be registered as to principal, and the bearer of any coupon for interest accruing on any bond, whether such bond shall be registered or not, as the absolute owner of said bond or coupon for the purpose of receiving payment thereof and for all other purposes whatsoever, whether said bond or coupon be overdue or not, and neither the Company nor the Trustee shall be affected by any notice to the contrary.

Section 7: In case any bond or coupon issued hereunder shall become mutilated, or be lost or destroyed, the Company in its discretion may issue, and the Trustee in its discretion may certify and deliver a new bond or coupon of like tenor, amount, maturity and date, having the same serial number, in exchange and substitution for, and upon cancellation of, the mutilated bond or coupon, or in lieu of and substitution for such lost or destroyed bond or coupon, upon receipt of evidence satisfactory to the Company and the Trustee of the destruction or loss of such bond or coupon, and also upon receipt of indemnity satisfactory to the Company and the Trustee; and the Company may charge for the issue of such new bond or coupon an amount sufficient to reimburse the Company for the expense incurred by it in the issue thereof.

Section 8: Until the permanent coupon bonds intended to be secured hereby can be engraved or lithographed and executed, the Company may execute and deliver temporary printed bonds, bearing interest from December 1, 1921, either registered or transferable by delivery, and substantially of the tenor of the bonds hereinbefore recited, except that no coupons shall be attached to such temporary bonds, and except also that such temporary bonds may be of any denomination fixed by the Company's board of directors. Each of said temporary printed bonds shall bear upon its face the words: "Temporary First Mortgage Eight Per Cent. Serial Gold Bond," and shall be duly certified by the Trustee in the manner hereinbefore prescribed, and such certificate shall be conclusive evidence that the bond so certified has been duly issued hereunder, and that the holder is entitled to the benefit of the trusts hereby created. Such temporary printed bonds duly issued and certified hereunder shall be exchangeable for permanent engraved or lithographed bonds to be issued hereunder, and upon any such exchange said temporary printed bonds shall be forthwith cancelled by the Trustee, and delivered to the Company. Until so exchanged the said temporary printed bonds shall in all respects be entitled to the benefit of the lien and security of these presents, as bonds issued and certified hereunder, and interest payments thereon when and as made shall be endorsed thereon. As long as any temporary bonds are outstanding, a corresponding amount in face value of the permanent engraved or lithographed bonds shall be withheld from certification by the Trustee.

ARTICLE II.

PARTICULAR COVENANTS OF THE COMPANY.

Section 1: The company covenants that it will promptly pay the principal and interest of every bond issued hereunder and secured hereby, all in gold coin of the United States of or equal to the present standard of weight and fineness, at the date and places and in the manner described in such bonds, and in the coupons appertaining thereto. The Company further covenants and agrees that said principal and interest shall be paid without deduction, so far as may be lawful, from either principal or interest for any tax or assessment (other than estate, succession and inheritance taxes and such part of any Federal Income Tax as may be in excess of two (2) per cent.), which it or the Trustee may be required to pay thereon, or to deduct therefrom, under any present or future law of the United States of America, or of any state, territory, county or municipality or taxing district therein.

Section 2: The Company covenants that it will well and truly keep, observe and perform all valid and lawful obligations or regulations now or hereafter imposed on it by contract, or prescribed by any law of the United States, or of the State of Nevada, or by any ordinance of any city or county, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of any and every right, privilege or franchise now owned or hereafter acquired by the Company, including its right to exist and carry on business as a corporation, to the end that such contracts, rights and franchises shall be maintained and preserved, and shall not become abandoned, forfeited, or in any manner impaired.

Section 3: In order to prevent any accumulation of coupons after maturity, the Company covenants that it will not directly or indirectly extend or assent to the extension of the time for payment of any coupons of any of the bonds secured hereby by purchase or funding or such coupons, or by any other arrangement. If the time for payment of any such coupons shall be so extended, such coupons shall not be entitled in case of any default hereunder to the benefit or security of this indenture, except subject to the prior payment in full of the principal of all bonds issued and outstanding hereunder, and of so much of the accrued interest thereon as shall not be represented by such extended coupons.

Section 4: The Company covenants (1) that it will promptly pay all lawful taxes, charges and assessments at any time levied or assessed upon or against the mortgaged property and the interest of the Trustee and the bondholders in the same; (2) that it will not at

any time create or allow to accrue or to exist, any lien prior to the lien of this indenture upon the mortgaged property, or any part thereof; (3) that it will not covenant or suffer to be committed any waste upon any of said mortgaged lands; and (4) that neither the value of the mortgaged property, except as affected by proper use, nor the lien of this indenture, will be diminished or impaired in any way except as otherwise herein provided, as a result of any action or nonaction on the part of the Company. But nothing in this section contained shall require the Company to pay, satisfy or discharge any such tax, lien or charge so long as it shall in good faith contest the validity thereof.

Section 5: The Company covenants that it now has lawful and complete title and possession of the mortgaged property, and that no rights, franchises, or privileges will be allowed to lapse or become forfeited so long as the same shall be requisite for carrying on the business of the Company. The Trustee in its discretion may join with the Company in any dedication, alteration, or abandonment of any public road, or road offered to the public, in, over or adjoining the mortgaged property, and any road, or part of road, so dedicated and accepted by proper authority shall thereby cease to be subject to the lien hereof; and any land of the Company excluded from a public road by any such abandonment or alteration and lying in, over or adjoining the mortgaged property shall ipso facto become and be subject to the lien hereof.

Section 6: The Company covenants that the business of the Company will be continuously carried on and conducted in an efficient manner, and that it will keep full and true books of record and account of all dealings and transactions of or in relation to its properties, business and affairs, and that all said books shall at all reasonable times be open to the inspection of the Trustees.

Section 7: The Company covenants that it will annually, within ninety (90) days after the end of its fiscal year, cause an examination and audit of its accounts, affairs and condition to be made by some certified public accountant satisfactory to the Trustee (who may be an accountant regularly employed by the Company), and that it will furnish to the Trustee the report of each such audit made by said accountant and that it will also furnish to said Trustee from time to time such other data concerning its plans, property, and equipment as the Trustee shall reasonably request.

Section 8: The Company covenants that it will at any and all times execute and deliver to the Trustee such further assurances, conveyances and assignments and deposits of any property hereby mortgaged or assigned or intended so to be, as the Trustee may reasonably direct or require.

Section 9: The Company agrees that it will at all times keep insured against loss by fire the buildings and improvements on the said property to an amount equal to at least seventy-five (75) per cent. of their full insurable value, such insurance to be distributed on said buildings and improvements, or any thereof, in such amounts as may be deemed advisable by the Company; that all of said insurance will be effected at the Company's expense in responsible fire insurance companies authorized to do business in California, and that all policies for such insurance shall provide that the loss, if any, thereunder shall be payable to the Trustee for the benefit of the holders of bonds issued hereunder as its interest shall appear, and said insurance policies shall be delivered to the Trustee by the Company. All moneys received by the Trustee under any of said policies shall be held by it as security for the payment of the principal and interest of the bonds secured hereby; provided, however, that in the event that the Company within eighteen months after such fire shall reconstruct, replace or repair the property on account of which such insurance shall have been paid, then, if the Company shall not be in default under any covenant hereof, the Trustee shall pay to the Company, upon receipt of its certificate setting forth such expenditure, so much of said insurance money as shall be needed to reimburse the Company for such reconstruction, replacement or repairs. Any of such insurance money remaining in the Trustee's hands upon the expiration of eighteen months after the fire shall be used for the redemption of bonds secured hereby, in the manner provided in Article IV hereof, and the Company may authorize the Trustee so to use any insurance money in redeeming bonds, at any time after it shall have been received by the Trustee and before the expiration of said eighteen months.

Section 10: In the event that any irrigation or other district of the State of Nevada (other than school districts), the boundaries of which irrigation or other district shall include any of the mortgaged property, shall issue any bonds or warrants of such district to be paid by any assessment or assessments levied on any of the mortgaged property, the Company will immediately acquire such proportion of said district bonds or warrants as the total amount of the district assessment levied upon its lands to provide for the payment of said bonds or warrants shall bear to the total district assessment levied upon all of the lands within the boundaries of said district to provide for the payment of said bonds or warrants, and deposit the same with the Trustee and the same shall become a part of the trust estate without the incurring of any additional obligation on the part of the Trustee; Provided however, if it is not advantageous to secure such bonds or warrants, the Company may deposit with the Trustee in lieu thereof, cash equal to the amount of the par value of such bonds or warrants or other securities of like amount, acceptable to the Trustee; and the failure of the Company so to deposit said bonds or warrants, or cash or securities, as the case may be, with said Trustee within a period of forty-five (45) days after the issuance thereof, shall constitute a default hereunder. Such bonds and warrants may be sold by the Company in the amounts, at the prices and times approved by the Trustee and the proceeds used to pay calls made from time to time upon such assessment; and said warrants may, without rule, be also used to pay calls made from time to time upon such assessment.

Section 11: The Company covenants that it will and truly apply to the payment of interest upon the bonds hereby secured, and in making the other payments in this indenture provided for, as the same shall fall due, so much of the entire net income of the Company as shall be required for such purposes, and the Company will not distribute any of said net income in the form of dividends or otherwise to its stockholders, or otherwise invest the same (except in the conduct of its ordinary business or in the payment of ordinary running expenses), so long as any such interest, or other moneys to be paid hereunder, shall be due and unpaid, or until, in each case, the amount of such interest or other payment shall have been set apart for payment.

Section 12: The Company covenants that at all times while any of said bonds are outstanding hereunder it will keep and maintain at least 5000 head of cattle, not less than one year old, and at least 4000 head of sheep, not less than one nor more than seven years old, in its ownership and branded with its brands. During some part of the year the whole of said 5000 head of cattle and during some part of the year the whole of said 4000 head of sheep shall

be kept upon land owned or leased by the Company, but it shall not be required to keep said cattle and sheep separated or in any way differentiated from other cattle or sheep which may be owned by it.

The Company may in its discretion make such sale or sales of livestock as shall reduce the numbers thereof on the land owned or leased by the Company below the numbers aforesaid; but in such event the selling price of such livestock shall be used forthwith by the Company, in its discretion, either in the purchase of other livestock to replace such livestock so sold, or in the redemption of bonds secured hereby in the manner provided in Article IV hereof. Upon sale and purchase of any such livestock the Company shall immediately furnish to the Trustee a certificate signed by its President or Vice-President certifying that the Company has sold and acquired said livestock and giving the numbers and prices thereof.

Section 13: The Company covenants and agrees that it will have at no time outstanding any indebtedness of any kind, (either time or current, or secured or unsecured), in excess of fifty per cent. (50%) of the market value of its quick assets; provided, however, that the bonds secured hereby shall not be considered as indebtedness within the meaning of this paragraph. Quick assets are hereby defined to be: (1) Current bills and accounts receivable which shall not have been made or accrued more than six months, not including, however, any loan of the Company's funds or credit to any of its stockholders or to any corporation, partnership or other association controlled by any of its stockholders; (2) cash and cash items; (3) merchandise manufactured, produced or prepared, or in process thereof, including meats, provisions, hides, wool, and by-products, livestock, and other raw materials and supplies, lumber, hay, grain, and other personal property of the same or of similar kind; and (4) such other articles as are generally known as "packing house quick assets." The Trustee may at any time in its discretion appoint an appraiser who shall appraise the market value of said quick assets; and if it shall appear that the same are less in value than twice the outstanding liabilities as provided in this section, the Company shall forthwith take such action, if any, as the Trustee may in its discretion direct, in order to bring about a compliance with the provisions of this section.

Failure on the part of the Company to comply with any such requirements or conditions when thereunto requested by the Trustee, shall, at the option of the Trustee, be considered a default or breach of performance of a covenant or condition of this instrument within the meaning of subdivision (c) of Section 1 of Article 7 hereof.

ARTICLE III.

PARTIAL RELEASES.

Section 1: The Trustee will release from the lien of this mortgage any of the mortgaged property specified in the schedule hereinafter mentioned which may be sold by the Company, upon receipt in cash of the amounts requisite to effect such release as shown upon the schedule bearing even date herewith signed by the Company and the Trustee and filed with the Trustee, the values in said schedule to be based on the appraisal of said lands heretofore made by Frederick Crove and dated November 22, 1921. No release shall be made at any time when the Company is in default concerning any covenant of the bonds or coupons or of this mortgage; and no release shall be made unless the Company has actually contracted to sell the portion of the mortgaged property sought to be released to a bona fide purchaser at or prior to the time of such release. Every request of the Company for release of property under this section shall be signed by its President or Vice-President and attested by its Secretary or Assistant Secretary under its corporate seal, and shall describe the property sought to be released, and shall name the purchaser and the amount for which it has been sold and shall state the amount, in face value, of said bonds which have theretofore been redeemed or paid by the Company.

Section 2: If any part of or interest in the mortgaged property shall be taken by proceedings for condemnation or in eminent domain, one-half of the net proceeds obtained by the Company therefrom (or if such one-half shall be less than the release value of such property as fixed by said schedule, then the full amount of such release value, or so much thereof as such net proceeds received by the Company will pay) shall be paid to the Trustee and be used in the same way as though obtained from a voluntary sale and release under this Article.

Section 3: In favor of every purchaser from the Company, and of every person claiming any interest therein by, through or under the Company, every release by the Trustee of property from the lien of this mortgage shall be valid, and no such purchaser or person need inquire concerning the power or authority of the Trustee to give any such release, or as to the application of the purchase money.

ARTICLE IV.

REDEMPTION OF BONDS.

Section 1: Whenever the Trustee shall have in hand an amount of money exceeding $5000 received from the proceeds of sale of mortgaged property, or from insurance, as hereinbefore provided, or which may have been paid to it for that purpose by the Company, it shall draw by lot, in such manner as it shall deem proper, the serial numbers of so many of said bonds then outstanding, as the money so on hand applicable to the purpose will suffice to redeem, and shall publish notice at least once a week for five successive weeks in a newspaper of general circulation published in San Francisco, California (the first publication to be not less than thirty days and not more than sixty days before the redemption day), that on the next ensuing interest payment day the said bonds so drawn by lot, described by their serial numbers, will be redeemed, and that there will be due and payable on said bonds at the places specified therein for payment the principal thereof, with accrued interest thereon, and, (if redeemed on or prior to December 1, 1926) a premium of five per cent. of such principal, or (if redeemed after December 1, 1926, but on or prior to December 1, 1931) a premium of three per cent. of such principal, of (if redeemed after December 1, 1931, but prior to December 1, 1936) a premium of two and one-half per cent of such principal. If any of the bonds to be redeemed shall be registered, similar notice directed to the registered owners, at their addresses shown by the bond register, shall be mailed by the Trustee in San Francisco, postage prepaid, at least thirty days prior to the date fixed for such redemption. Interest on the

bonds so drawn shall cease to accrue upon the redemption date named in said notice and said bonds shall then cease to participate in the security of this mortgage, and the coupons and claims for interest subsequent to said redemption day upon said bonds or upon the money held by the Trustee for payment thereof shall be and become void, and on and after said redemption day said bonds, upon due presentation and surrender thereof with all unused coupons, shall be redeemed and paid by the Trustee at the rates in this section above mentioned. If any of the bonds so drawn and advertised shall not be presented on said redemption day for payment and surrender, the Trustee shall thence forward hold on special trust deposit for the benefit of the holder of such bond the said money applicable to its redemption at the rate aforesaid and shall pay said bond at said rate on its due presentation and surrender at any time thereafter;

Section 2: All bonds and coupons paid at maturity, or purchased by the Trustee pursuant to this Article, or redeemed, shall be forthwith cancelled by the Trustee and be then delivered to the Company on demand.

ARTICLE V.

REMEDIES OF TRUSTEE AND BONDHOLDERS.

Section 1: If one or more of the following events (hereinafter called events of default) shall happen that is to say, if

(a) default shall be made in the payment of any interest on any bond hereby secured, when and as the same shall become payable, and such default shall have continued for the period of thirty (30) days, or

(b) default shall be made in the payment of the principal of any such bond, or

(c) default shall be made in the due observance or performance of any other covenant or condition herein required to be kept or performed by the Company, and such default shall continue for a period of sixty (60) days after written notice thereof to the Company from the Trustee, or from the holders of twenty-five (25) per cent in amount of the bonds secured hereby then outstanding, or

(d) an order or decree shall be made for the appointment of a receiver of the Company or of any of the mortgaged property, and such order shall remain in force for thirty (30) days, or

(e) decree shall be entered adjudicating the Company a bankrupt or dissolved;

Then and in each and every such case the Trustee may and upon the written request of the holders of twenty-five (25) per cent. in amount of the bonds secured hereby then outstanding requesting enforcement of this mortgage, shall (1) proceed to sell at public auction all and singular the mortgaged property, as in this mortgage provided; or (2) cause this indenture to be foreclosed, and the mortgaged property or any part or parts thereof to be sold; or (3) proceed to protect and enforce the rights of the Trustee and the bondholders hereunder, either by action for specific performance of any covenant, condition, or agreement herein contained, or in aid of the execution of any power herein granted, or for the enforcement of such other appropriate legal or equitable remedy as in the opinion of its counsel may be most effectual to protect and enforce the rights aforesaid; and (4) may enter upon and take possession of the mortgaged property or any part or parts thereof, collect and receive all rents, issues, income and profits thereof, and operate and conduct the business of the Company to the same extent and in the same manner as the Company might lawfully do, and shall be entitled as of right to the appointment of a receiver of all or any part or parts of the mortgaged property, and the Company does hereby irrevocably consent to such appointment.

Section 2: Upon the happening of any event of default of the Trustee may, and upon the written request of the holders of twenty-five (25) per cent. in interest of the bonds then outstanding and upon being reasonably indemnified, shall, by notice to the Company, declare the principal of all bonds hereby secured and then outstanding to be due and payable immediately, and upon such declaration or upon any sale of the mortgaged property under this Article, either by order of court or by virtue of the power of sale herein granted, the said principal shall become and be due and payable immediately, anything in this indenture or in said bonds to the contrary notwithstanding.

Section 3: The Trustee upon the written request of a majority in interest of the holders of the bonds at any time outstanding hereunder, may waive any default hereunder and its consequences (if such default shall have been cured), except a default in the payment of the principal of said bonds at any date of maturity specified therein, and in case of any such waiver, or in case any proceedings taken by the Trustee on account of such default shall have been discontinued or abandoned, or determined adversely, then, and in every such case the Company, the Trustee, and the bondholders shall be restored to their former positions and rights hereunder respectively and no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 4: The Company will not, at any time, insist upon or plead or in any manner whatever claim or take the benefit or advantage of any stay or extension law now or at any time hereafter in force, nor will it claim, take, or insist upon any benefit or advantage from any law now or hereafter in force providing for the valuation or appraisement of the mortgaged property or any part thereof, prior to any sale or sales thereof to be made pursuant to any provision herein contained, or pursuant to the decree, judgment, or order of any court of competent jurisdiction; nor, after any such sale or sales, will it claim or exercise any right under any statute now or hereafter made or enacted by any State, or otherwise, to redeem the property so sold, or any part thereof: and it hereby expressly waives all benefit and advantage of any such law or laws, and it covenants that it will not invoke or utilize any such law or laws in order to hinder, delay or impede the execution of any power herein granted and delegated to the Trustee, but it will suffer and permit the execution of every such power as though no such law or laws had been made or enacted. In the event of any judicial sale of any of the mortgaged property upon foreclosure hereof, the Trustee shall forthwith execute and deliver to the purchaser or purchasers a deed or deeds conveying all equity of redemption and right of possession or other interest of the Company therein, and the Trustee is hereby appointed the true and lawful attorney-in-fact, irrevocable, of the Company, in its name and stead to make all suitable deeds of conveyance of the mortgaged property, and may substitute one or more persons or corporations with like power, the Company hereby ratifying and confirming all that its said attorney or such substitute or substitutes shall lawfully do by virtue hereof;

Section 5: The proceeds of any sale of any of such contracts of sale in this Article referred to, or of the mortgaged property whether made by order of Court or by virtue of the power of sale hereby granted, shall, subject to the provisions of Section 3 of Article II hereof be applied as follows: First, to the payment of all costs of such sale and of the suit or suits wherein such sale may have been ordered, including all reasonable fees and expenses of the Trustee, together with reasonable counsel fees and all costs of advertising and conveyance. Second, to the payment of all other expenses of the trust hereby created, including all moneys advanced by the Trustee or the bondholders hereunder for tax, redemptions, rents, franchises, assessments, royalties, abstracts, maintenance, repairs, liens, and other payments hereby authorized, with interest thereon at the rate of ten (10) per centum per annum. Third, to the pro rata payment of all coupons matured and remaining unpaid, and interest thereon at the rate of eight (8) per cent per annum. Fourth, to the pro rata payment of the principal of the bonds issued hereunder remaining unpaid and interest thereon at the rate of eight (8) per cent per annum from maturity. The surplus of purchase money, if any, shall then be paid to the Company or whomsoever shall be lawfully entitled thereto.

Section 6: In the event of any sale by the Trustee under the power of sale hereby granted and conferred, unless the holders of a majority of the bond hereby secured then outstanding shall otherwise direct, the whole of the property hereby mortgaged in this Article referred to, shall be sold in one parcel as an entirety, including all the rights, titles, and other property of every name and nature, (except cash then held by the Trustee). Notice of any such sale pursuant to any provision of this indenture shall state the time and place when and where the sale is to be made, and shall contain a brief general description of the property to be sold, and shall be sufficiently given if published twice a week for four successive weeks in some newspaper published in the State of Nevada and also in the City and County of San Francisco, California. The Trustee may from time to time adjourn any sale to be made by it under the provisions of this indenture by announcement at the time and place appointed for such sale, or for such adjourned sale or sales, and without further notice or publication it may make such sale at the time to which the same may be so adjourned, but in the event of such adjournment or adjournments, sale shall be made within six (6) months from the date of sale fixed in the advertised notice. Such sale shall be made to the highest bidder for cash at public auction, and upon completion thereof, of the Trustee shall execute and deliver to the accepted purchaser or purchasers good and sufficient deed or deeds of conveyance, sale, and transfer of the property sold, and such deed shall be conclusive evidence of the regularity and validity of such sale and conveyance, against theCompany, its successors and assigns, and all persons claiming under it or them, and shall operate to divest the Company, its successors and assigns, of all right, title, interest, claim and demand whatsoever, in law or equity, of, in and to the property sold, and no purchaser after paying the purchase money and receiving the Trustee's receipt therefor shall be bound to see to the application of said purchase money.

Section 7: In case of any sale of the mortgaged property, whether made by order of Court or by virtue of the power of sale hereby granted, any bondholder or bondholders, or the Trustee, may bid for and purchase such property, and, upon compliance with the terms of sale, may hold, retain, possess, and dispose of such property in their own absolute right, without further accountability, and shall be entitled for the purpose of making settlement or payment for the property purchased to use and apply any bonds and any matured and unpaid coupons hereby secured by presenting such bonds and coupons in order that there may be credited thereon the sum apportionable and applicable thereto out of the net proceeds of such sale; and thereupon such purchaser shall be credited, on account of such purchase price payable by him, with the sum apportionable and applicable out of such net proceeds to the payment of or as credit on the bonds and coupons so presented.

Section 8: No holder of any bond or coupon secured by this indenture shall have any right to institute any suit, action or proceeding at law or in equity for the foreclosure of this indenture, or for the execution of any trust thereof, or for the appointment of a receiver or for any other remedy hereunder, unless such holder shall have previously given to the Trustee written notice of such default and of the continuance thereof, as hereinbefore provided; nor unless, also, the holders of twenty-five (25) per cent in amount of said bonds then outstanding shall have made written request to the Trustee and shall have afforded to it reasonable opportunity either to proceed to exercise the powers herein granted, or to institute such action, suit, or proceeding in its own name; nor unless, also, they shall have offered to the Trustee adequate security and indemnity against the cost, expenses and liabilities to be secured therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time thereafter; and such notification, request and offer of indemnity are hereby declared, in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this indenture, and to any action or cause of action for foreclosure or for the appointment of a receiver, or for any other remedy hereunder; it being understood and intended that no one or more of the holders of bonds and coupons shall have any right in any manner whatever to affect, disturb, or prejudice the lien of this indenture by his or their action, or to enforce any right hereunder except in the manner herein provided; and that all proceedings at law or in equity shall be instituted, had, and maintained in the manner herein provided, and for the equal benefit of all holders of such outstanding bonds and coupons. Nothing in this section contained shall be construed, however, as to deprive any bondholder of any remedy which he might otherwise have arising out of fraud, collusion, gross negligence or willful neglect.

Section 9: The Company covenants that upon the happening of any event of default, it, the Company, will pay to the Trustee, upon demand, for the benefit of the holders of the said bonds and coupons then outstanding, the whole amount due and payable on such bonds and coupons for interest or principal or both as the case may be, with interest upon the overdue instalments of interest at the rate of eight (8) per cent per annum, and the premium that would be due on said bonds under the provisions of Section 1 of Article IV hereof; and in case the company shall fail to pay the same forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, shall be entitled to recover judgment for the whole amount so due and unpaid. The Trustee shall be entitled to recover judgment as aforesaid, either before or after or during the pendency of any proceedings for the enforcement of the lien of this indenture upon the mortgaged and pledged estates and properties, and the right of the Trustee to recover such judgment shall not be affected by any entry or sale, or by the exercise of any other right, power, or remedy for the enforcement of the provisions of this indenture or the foreclosure of the lien hereof; and in case of a sale of the mortgaged estates and properties and of the application of the proceeds of sale to the payment of the mortgage debt, the Trustee, in its own name, and as trustee of an express trust, shall be entitled to enforce payment of,

and to receive, all amounts then remaining due and unpaid upon any and all of said bonds then outstanding for the benefit of the holders thereof, and shall be entitled to recover judgment for any portion of the mortgage debt remaining unpaid, with interest. No recovery of any such judgment by the Trustee, and no levy of any execution upon any such judgment on the property subject to the lien of this indenture, or upon any other property, shall in any manner or to any extent affect the lien of the Trustee upon the mortgaged estates and properties or any part thereof, or any rights, powers, or remedies of the Trustee hereunder, or any rights, powers or remedies of the holders of the said bonds; but such lien, rights, powers, and remedies shall continue unimpaired as before. All money collected by the Trustee under this Section shall be applied by the Trustee first to the payment, at the option of the Trustee, of the costs and expenses of the proceedings resulting in the collection of such moneys, and of the expenses paid or incurred by the Trustee in managing and maintaining the estates and properties hereby conveyed, and any balance remaining shall be applied as provided in subdivisions Third and Fourth of Section 5 of this Article.

Section 10: No remedy herein conferred upon or reserved to the Trustee is intended to be exclusive of any other remedy or remedies, but each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder, or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default continuing as aforesaid, shall impair any such right or power or shall be construed as a waiver of any such default, or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient. The choice of remedies shall in all cases be made by the Trustee.

ARTICLE VI.

CONCERNING THE TRUSTEE.

Section 1: The Trustee hereby accepts the trusts imposed upon it by this indenture, and only upon and subject to the following express terms and conditions:

(a) The Trustee may execute any of the trusts or powers hereof and perform any duties required of it by or through its attorneys, agents, receivers, or employees, and shall be entitled to advice of counsel concerning all matters of trust hereof and its duties hereunder, and may in all cases pay such reasonable compensation as it shall deem proper to all such attorneys, agents, receivers, and employees as may be reasonably employed in connection with the trusts hereof, and the Company covenants and agrees to repay upon demand all such outlays and expenditures so incurred; and anything done or suffered to be done by the Trustee in accordance with the opinion of counsel shall be conclusive in favor of the Trustee and shall be binding upon the Company and all holders of bonds and coupons secured hereby.

(b) The Trustee shall not be responsible for any recitals herein or in said bonds, or for the insuring of the mortgaged property or collecting any insurance moneys, or for the solvency of any insurer, or for the execution, recording, or validity of this indenture, or any supplemental instrument, or for the sufficiency of the security for the bonds issued under or intended to be secured hereby, or for or in respect to the value of the property herein or at any time hereafter conveyed or intended to be conveyed, or for the validity or priority of any such bonds, or for the value or title of any of the mortgaged property, or for the payment of any taxes, or for keeping down taxes, charges, assessments or other liens upon the same, or otherwise as to the maintenance of the security hereof; and shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions, or agreements on the part of the Company, but may require of the Company full information and advice as to the performance of the covenants, conditions, and agreements aforesaid and as to the condition of the mortgaged property. If the Company's title or right of possession of any land shall be attacked or involved in any action in which both the Company and the Trustee shall be parties, it shall not be the duty of the Trustee to appear separately in such action by its own counsel (unless it shall in its discretion consider such separate appearance to be advisable) but it may appear and plead therein by counsel retained on behalf of the Company. The Trustee shall not be liable for the investment at interest, or for interest upon, any moneys held or controlled by it hereunder, unless it shall have expressly agreed to pay interest on such moneys. The Trustee shall be under no duty, while not in possession of the mortgaged property, to keep itself informed as to the payment of rents or taxes thereon.

(c) The Trustee shall be protected in acting upon any notice, request, consent, certificate, resolution, order, affidavit, letter, opinion, telegram, bond or other paper or document believed to be genuine and correct, and to have been signed, made, or sent by the proper person or persons, or by the party purporting to make, sign, or send the same. The Trustee shall not be bound to recognize any person as a holder of any bond or coupon or to take any action at his request unless such bond or coupon shall be deposited with the Trustee, or submitted to it for inspection.

(d) The Trustee shall not be compelled to do any act hereunder or to defend any suit in respect hereof unless reasonably indemnified against loss, cost, liability, and expense. Where the Trustee has demanded or received indemnity under the provisions of this indenture and it shall afterwards appear that such indemnity is or may become sufficient, the Trustee shall not be required to take any further action hereunder until additional indemnity shall have been furnished to it.

(e) As to the existence or non-existence of any fact, the Trustee shall be entitled to rely upon a certificate of the Company, signed by its President or one of its Vice Presidents, and upon such other certificates as are herein required, as sufficient and conclusive evidence of the facts therein contained, and shall also be at liberty to accept a similar certificate of the Company to the effect that any particular dealing, transaction, or action is necessary or expedient, but it may in its discretion, at the reasonable expense of the Company in every case, secure such further evidence as it may think necessary or advisable, but shall in no case be bound to secure the same. The Trustee may in relation to this indenture act upon the opinion or advice of any attorney, valuer, surveyor, engineer, accountant, or other expert, whether retained by such Trustee or the Company or otherwise, and shall not be responsible for any loss resulting from any action or non-action in accordance with any such opinion or advice.

(f) The Trustee shall not be liable for any action taken by it in good faith and believed by it to be within the discretion or power conferred upon it by this indenture, or be responsible for the consequences of any error of judgment on its part, and shall be answerable only for its own acts, receipts, neglect and defaults, and not for those of any person employed to take charge or possession of the mortgaged property or to perform any duties pursuant to this instrument and not within the scope of the employment of its regular employees, and selected with reasonable

care, nor for any loss unless the same shall happen through its own wilful default or gross negligence.

(g) The Trustee shall not be required to take notice of any default hereunder unless specifically notified in writing of such default by the holders of Twenty-Five (25) per cent. of the bonds secured hereby and then outstanding; and all notices or other instruments required by this indenture to be delivered to the Trustee must, in order to be effective, be delivered at the office of such Trustee.

(h) The Trustee shall not be personally liable for any debts contracted, or for damages to persons or to personal property injured or damaged, or for salaries or non-fulfillment of contracts, during any period in which the Trustee may be in possession of or manage the mortgaged property as in this indenture provided.

(i) At any and all reasonable times the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants, and representatives shall have the right fully to inspect any and all of the mortgaged property, including all books, papers, and contracts of the Company, and to take such memoranda from and in regard thereto as it may desire.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(k) It is further expressly understood and agreed that the Trustee may buy, sell, hold, own, or deal in any of the bonds or coupons issued hereunder and secured hereby and may take or join in any action proper to be taken by any bondholder as freely and with like effect as if such Trustee were not a party hereto.

(l) The Trustee shall not incur any liability whatsoever in consequence of permitting or suffering the Company to retain possession of the property hereby mortgaged or any part thereof, and to use and enjoy the same, and said Trustee shall be under no obligation to seek for or obtain possession of any notes, mortgages, deeds of trust, contracts or personal property transferred or mortgaged to it by this instrument, but shall be in all respects absolved from any liability in reference to any personal property covered hereby and not actually delivered to it by the Company.

(m) The Company agrees to indemnify and hold the Trustee harmless from any liability or expense resulting from the fact that the Trustee shall have taken in or transferred in its name the title to any contract, note, mortgage or property, as well as the costs and expenses of defending against any claim or liability in the premises of any nature whatsoever.

Section 2: The Trustee shall have a first lien hereunder upon the mortgaged property for reasonable compensation, expenses, advances, and counsel fees incurred in and about the execution of the trusts hereby created and the exercise and performance of the powers and duties of the Trustee hereunder and the cost and expense of defending against any liability in the premises of any character whatsoever, including any damages or loss incurred by reason of such liability, and the Company hereby covenants and agrees to pay unto the Trustee reasonable compensation for its services in the premises as well as all advances, counsel fees, and other expenses reasonably paid or incurred in and about the execution of the trusts hereby created.

Section 3: The Trustee may at any time resign from the trust hereby created by giving thirty (30) days' written notice to the Company, and such resignation shall take effect at the end of said thirty (30) days.

Section 4: The Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Trustee, and to the Company, and signed by the holders of a majority in amount of the bonds hereby secured and then outstanding.

Section 5: In case the Trustee hereunder shall resign or be removed, or be dissolved, or otherwise become incapable of acting hereunder, a successor may be appointed by the holders of a majority in interest of the bonds secured hereby and then outstanding by an instrument or concurrent instruments in writing signed by such holders, or by their attorneys in fact duly authorized; provided, nevertheless, that in case of such vacancy the Company by an instrument executed by order of its Board of Directors, and signed by its President or its Vice-President and under its corporate seal, may appoint a Trustee to fill such vacancy who shall continue as Trustee hereunder until a successor Trustee shall within six months be appointed by the bondholders in the manner above provided; and any such temporary Trustee so appointed by the Company shall immediately and without further act be superseded by the Trustee so appointed within said period of six months by such bondholders. Every such temporary Trustee so appointed by the Company shall be a trust company in good standing, having its office in said City and County of San Francisco, if there be such a trust company willing, qualified, and able to accept the trust upon reasonable or customary terms.

Section 6: Any Trustee appointed hereunder as successor to a Trustee shall execute, acknowledge, anddeliver to its predecessor and also to the Company, an instrument in writing accepting such appointment thereunder, and thereupon such successor Trustee, without any further act, deed, or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties, and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Company, or of the successor Trustee, execute and deliver an instrument transferring to such successors Trustee, all the estate, properties, rights, powers and trusts of such predecessor hereunder, and shall duly assign, transfer and deliver all property and moneys held by it to its successor. Should any deed, conveyance, or instrument in writing from the Company be required by any successor Trustee for more fully and certainly vesting in such Trustee the estate, rights, powers, and duties hereby vested in the Trustee, any and all such deeds, conveyances, and instruments in writing shall, on request, be executed, acknowledged, and delivered by the Company. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor Trustee hereunder, together with all deeds, conveyances, and other instruments provided for in this article, shall, at the expense of the Company, be forthwith filed for record in the county wherein the mortgaged properties are located.

Section 7: In case the Company shall fail seasonably to pay any rent, tax,

assessment, or governmental or other charge upon any part of the mortgaged property, or any rent, royalty, license tax, or franchise dues, or shall fail to pay when due the principal or interest of any indebtedness constituting a lien prior to this indenture on any part of the mortgaged property, or in case the Company shall fail to pay any federal income tax herein agreed to be paid by it, the Trustee may pay such rent, tax, dues, royalty, assessment, governmental charge, or income tax, or principal or interest, without prejudice, however, to any rights of the Trustee or the bondholders hereunder arising in consequence of such failure; and any amount at any time so paid under this section with interest thereon from the date of payment at the rate of ten (10) per cent. per annum shall be repaid by the Company upon demand, and shall become so much additional indebtedness secured by this indenture, and the same shall be given a preference in payment over any of said bonds, and shall be paid out of the proceeds of any sale of the mortgaged property, if not otherwise paid by the Company; but the Trustee shall be under no obligation to make such payment unless indemnified to its satisfaction against the expense thereof or furnished with means therefor; provided, however, that the Trustee shall not make any such payment while the Company may in good faith be contesting the validity of the claim upon which such payment would be based.

Section 8: In the event that said Anglo-California Trust Company, or its successor hereunder, at any time merges or consolidates with another corporation, the corporation resulting from such merger or consolidation shall thereupon become and be the Trustee thereunder without the execution, or filing or recording of any instrument and without any action on the part of the Company or the holders of bonds hereunder, anything herein contained to the contrary notwithstanding.

ARTICLE VII.

DEFEASANCE.

Section 1: Unless and until an event of default shall have occurred, the Company shall be suffered and permitted to retain actual possession and control of all the mortgaged property, and to manage, operate, and use the same, and every part thereof, with the rights appertaining thereto, and to collect, receive, take, use, and enjoy the tolls, earnings, income, rents, issues and profits thereof.

Section 2: When all of the bonds and coupons hereby secured shall have been paid or redeemed, or the Company shall have provided for such payment or redemption by depositing in cash with the Trustee the entire amount necessary for such payment or redemption, and shall also have paid, or caused to be paid, all sums accrued and payable hereunder by the Company, then and in that case all the mortgaged property shall revert to the Company, and the estate, rights, title and interest of the Trustee in respect hereof shall thereupon cease, determine, and become void; and the Trustee, in such case, upon cancellation of all bonds and coupons for the payment of which cash shall not have been deposited in accordance with the provisions of this indenture, shall, upon request of the Company and at the Company's cost and expense, execute and deliver to the Company or its order proper instruments acknowledging satisfaction of this indenture, and surrender to the Company, or its order, all cash and deposited securities which shall then be held by it hereunder as a part of the mortgaged property. Cash deposited for the payment of bonds and coupons under the provisions of this section shall be held by the Trustee as a special trust fund for the account of the holder of holders of said bonds and coupons and be applied to the payment of such bonds and coupons upon presentation and surrender thereof, and said bonds and coupons shall not be entitled to any further lien hereunder.

ARTICLE VIII.

SUCCESSOR COMPANY.

Section 1: All the covenants, stipulations, agreements and provisions in this indenture contained shall bind and inure to the benefit of the successors and assigns of the parties hereto whether so expressed or not.

Section 2: Nothing contained in this indenture, or in any of the bonds secured hereby, shall prevent any consolidation or merger of the Company with any other corporation, or any sale, conveyance, lease or transfer, subject to the continuing lien of this indenture, and to all the provisions hereof, of all the mortgaged estates and properties as an entirety to a corporation authorized to acquire the same; provided, however, than any such consolidation, merger, sale, or lease shall not in any manner diminish or impair the lien and security of this indenture, or any of the rights or powers of the Trustee or of the bondholders hereunder.

Section 3: In the event of any consolidation, merger, sale, conveyance, lease or transfer, and as a condition precedent thereto, the successor Company shall execute and cause to be recorded an indenture with the Trustee, satisfactory to the Trustee, whereby such successor Company shall expressly assume the due and punctual payment of the principal and interest of all the bonds secured by this indenture and the performance of all the covenants, stipulations, agreements and conditions hereof to be kept and performed by the Company, and thereupon the successor Company shall succeed to and shall have, possess and from time to time may exercise each and every right and power of the Company hereunder in its own name, or in the name of the Company.

Section 4: In case of any such consolidation, merger or sale, and the execution and recording of such indenture by the successor Company, the term "Company" whenever used in this indenture shall be construed to include such successor Company and any act or proceeding by any provision of this indenture required to be done or performed by any board or officer of the Company shall and may be done and performed with like force and effect by the corresponding board or officer of any such successor Company and may be done by such board or officer in the name of the successor Company or of the Company.

Section 5: In the event of any such consolidation, merger or sale and the execution by the successor Company of such an indenture as additional security, this indenture and such indenture to be executed by the successor Company shall cover only those estates and properties of the successor Company acquired by it from the Company, and property which is acquired in exchange for, or purchased or constructed with the proceeds derived from the sale of, other property which at the time of such exchange or sale was subject to the lien of this indenture, ~~and such property or sale was subject to the lien of this indenture~~, and such repairs and additional property as may be acquired by the successor Company in pursuance of the covenant herein contained to keep the property subject to this indenture in good order and repair, or acquired in pursuance of some other covenant or agreement hereof, to be kept and performed by the Company, and shall not cover other estates or properties of the successor Company unless the successor Company shall

by said instrument to be executed by it or by other instrument or instruments, specifically extend the lien of this indenture.

Section 6: The words "Successor Company" as used in this Article shall be construed to designate such corporation as may succeed to or acquire in any lawful manner the estate or properties which may at the time of such succession or acquisition be subject to the lien of this indenture: but the Trustee shall be under no obligation to inquire into the legality of such succession or acquisition, and the provisions of Article VI hereof shall be applicable to any action of the Trustee taken at the request of the successor Company.

ARTICLE IX.

MISCELLANEOUS PROVISIONS.

Section 1: Nothing expressed or mentioned in or to be implied from this indenture, or the bonds issued hereunder, is intended or shall be construed to give any person or corporation, other than the parties hereto, and the holders of the bonds and coupons secured by this indenture, any legal or equitable right, remedy or claim under or in respect of this indenture, or any covenant, condition, or provision herein contained; this indenture and all the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and the holders of the bonds and coupons hereby secured as herein provided.

Section 2: The words "bonds", "owner", "holder" and "bondholder" shall include the plural as well as the singular number, unless otherwise expressly indicated. The word "Coupons" refers to the interest coupons attached to the bonds secured hereby. The word "person" shall include associations and corporations. The word "Trustee" means the Trustee for the time being, whether original or successor.

Section 3: Any request, direction or other instrument required by this indenture to be signed and executed by the bondholders maybe in any number of concurrent writings of similar tenor, and may be signed or executed by such bondholders in person or by attorney appointed in writing.

Section 4: Any notice or demand required hereby to be given to the Company by the Trustee shall be sufficiently given and served by mailing the same in San Francisco in a sealed envelope, postage prepaid, addressed: "J. J. Hylton Ranching Company, Elko, Nevada," but may also be given in any other manner allowed by law.

Section 5: In order to facilitate the recording of this indenture it may be simultaneously executed in any number of counterparts, each of which shall be deemed to be an original, and such counterparts shall singly or together constitute one and the same instrument.

Anglo-California Trust Company, Trustee, party of the second part, hereby accepts the trusts in this indenture declared and provided, and agrees to perform the same only upon the terms and conditions hereinbefore set forth.

In Witness Whereof, said J. J. Hylton Ranching Company, has caused its corporate name and seal to be hereunto affixed, and this indenture to be signed by its President and attested by its Secretary; and the Trustee, to show its acceptance of the trusts hereby created, has caused its corporate name and seal to be hereunto affixed, and this indenture to be signed by its Vice-President and Secretary, all as of the first day of December, in the year 1921.

(Corporate Seal)

J. J. HYLTON RANCHING COMPANY,

By J J Hylton
President.

Attest:
Jessie C. Hylton
Secretary.

ANGLO-CALIFORNIA TRUST COMPANY,
By T C Tilden
Vice-President.

(Corporate Seal)

By Fred V. Vollmer
Secretary.

Signed, sealed and delivered in the presence of:

STATE OF CALIFORNIA,

CITY AND COUNTY OF SAN FRANCISCO. --ss.

T. C. Tilden and Fred V. Vollmer, being first duly sworn, depose and say: That said T. C. Tilden is the Vice-President, and said Fred V. Vollmer is Secretary of Anglo-California Trust Company, one of the parties to the foregoing mortgage, and that said mortgage is made in good faith, and without any design to hinder, delay or defraud creditors.

Subscribed and sworn to before me this 17th day of February, 1922.

T. C. Tilden
Fred V. Vollmer.

Charles E. Reith
Notary Public in and for the City and
(Seal) County of San Francisco, State of California.
My Commission Expires June 30, 1923.

State of California,

City and County of San Francisco,--ss.

On this 17th day of February, in the year 1922, before me, Charles E. Reith, a Notary Public in and for the City and County of San Francisco, residing therein, duly

commissioned and sworn, personally appeared T. C. Tilden, known to me to be the Vice-President of Anglo-California Trust Company, one of the corporations that executed the within instrument, and Fred V. Vollmer, known to me to be the Secretary of said Corporation, and known to me to be the persons who executed the within instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal at my office in said City and County the day and year in this Certificate first above written.

(Seal)

Charles E. Reith
Notary Public in and for the City and County of San Francisco, State of California.
My Commission Expires June 30, 1922.

STATE OF NEVADA,)
; SS.
COUNTY OF ELKO.)

J. J. HYLTON, being duly sworn, deposes and says: That said J. J. HYLTON, is the President of J. J. HYLTON RANCHING COMPANY, one of the parties to the foregoing Mortgage; and that said Mortgage is made in good faith and without any design to hinder, delay or defraud any creditors of the mortgagor, and is given to secure a debt of Four Hundred Thousand ($400,000.00) Dollars, now actually owed by said J. J. Hylton Ranching Company, because of the issuance of the bonds set forth and described in said Mortgage, and given as part payment for the property described in said Mortgage.

J J Hylton

Subscribed and sworn to before me this 13th. day of January, A. D. 1922.

(Seal)

Delpha M. Jewell
Notary Public in and for the County of Elko, State of Nevada.
My Commission expires June 18, 1923.

STATE OF NEVADA,)
; SS.
COUNTY OF ELKO.)

On this 13th day of January, 1922, before me, DELPHA M. JEWELL, a Notary Public, in and for said County of Elko, residing therein, duly commissioned and sworn, personally appeared, J. J. HYLTON, known to me to be the President of J. J. HYLTON RANCHING COMPANY, one of the Corporations that executed the within instrument, and JESSIE G. HYLTON, known to me to be the Secretary of said Corporation, and known to me to be the persons who executed the within instrument on behalf of said Corporation, and upon oath, did severally depose and say, each for himself and not one for the other, that he is the officer of said Corporation as above designated; that he is acquainted with the seal of said Corporation and that the seal affixed to said instrument is the corporate seal of said Corporation; that the signatures to said instrument were made by officers of said Corporation as indicated after said signatures; and that the said Corporation executed the said instrument freely and voluntarily, and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal, the day and year in this Certificate first above written.

(Seal)

Delpha M. Jewell
Notary Public in and for the County of Elko, State of Nevada.
My Commission expires June 18, 1923.

State of California,)
City and County of San Francisco.) ss.

T. C. TILDEN and FRED V. VOLLMER, being first duly sworn, depose and say: That said T. C. Tilden is the vice president, and said Fred V. Vollmer is secretary, of Anglo-California Trust Company, one of the parties to the foregoing mortgage; and that said mortgage is made in good faith and without any design to hinder, delay or defraud any creditor or creditors of said J. J. Hylton Ranching Company, and is given to secure a debt in the principal amount of four hundred thousand dollars now actually owed by said J. J. Hylton Ranching Company evidenced by the bonds described in said mortgage, which bonds are issued in part payment for the property described in said mortgage.

Subscribed and sworn to before me,
this 17th day of February, 1922.

T. C. Tilden
Fred V. Vollmer.

M. V. Collins
(Seal) Commissioner of Deeds for the State of Nevada in the State of California, residing at San Francisco.
My Commission will expire Aug 31, 1923.

State of California,)
City and County of San Francisco.) ss.

On this 17thday of February, 1922, before me, M. V. Collins, a Commissioner of Deeds for the State of Nevada in the State of California, residing at San Francisco, California, duly commissioned and sworn, personally appeared T. C. Tilden, known to me to be the vice president of Anglo-California Trust Company, one of the corporations that executed the within instrument, and Fred V. Vollmer, known to me to be the secretary of said corporation, and known to me to be the persons who executed the within instrument on behalf of said corporation, and upon oath, did severally depose and say, each for himself and not one for the other, that he is the officer of said corporation as above designated; that he is acquainted the the seal of said corporation, and that the seal affixed to said instrument is the corporate seal of said corporation; that the signatures to said instrument were made by officers of said corporation as indicated after said signatures; and that the said corporation executed the said instrument freely and voluntarily, and

CERTIFICATION OF COPY
STATE OF NEVADA)
COUNTY OF ELKO) SS.
I, JERRY D. REYNOLDS, the duly elected and qualified Recorder of Elko County, in the State of Nevada, do hereby certify that this is a true, full and correct copy of the instrument now on record in this office. IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of my office, in Elko, Nevada this
SEP 1 8 1983 day of A.D. 19
JERRY D. REYNOLDS, COUNTY RECORDER
By
(SEAL)

for the uses and purposes therein mentioned.

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

(Seal)

M. Y. Colline
Commissioner of Deeds for the State of Nevada in the State of California, residing at San Francisco.
My commission expires Aug 31, 1923.

Description of lands and execution approved.
California Pacific Title Insurance Company
Feb.9th,1922 by G. H. Neal

(Rev. Stamp $200 attached and cancelled J.J. H. By D M J 12/1/21)

Filed for record at request of E. E. Caine on the 20 day of Febry 1922 at 11-26 o'clock A.M.,

W G Greenhouse
County Recorder.