

(THE FOREGOING DOCUMENT IS A FULL)
TRUE AND CORRECT COPY OF THE
RECORD IN BOOK 6 PAGE 368
IN THE OFFICE OF COUNTY RECORDER
PERSHING COUNTY, NEVADA

368

WITNESS MY HAND AND SEAL THIS
28 DAY OF MARCH, 1926
JOHN LACA, COUNTY RECORDER
BY [Signature] DEPUTY

THIS INSTRUMENT made this 28th day of April 1926, between Martin Kofod of the City of Lovelock, County of Pershing State of Nevada, party of the first part, and Annie S. Kofod his wife of the same place, party of the second part.

-----WITNESSETH,-----

That the said party of the first part, for and in consideration of the love and affection which he bears toward his wife, the said Annie S. Kofod, and for the purpose of making her a gift, does hereby give, grant, alien and convey unto his said wife, the said party of the second part, the following described property to-wit:

Lots, pieces or parcels of land, bounded and described as follows, to-wit: Lots pieces or parcels of land, bounded and described as follows, commencing at a point on third street, forty five feet South from the North-east corner of Block E, thence running one hundred and fifty feet due west across lots Ten, Eleven and Twelve, thence running fifty two feet six inches South, thence one hundred and fifty feet East, thence fifty two feet six inches North along the West boundary of third street to the point of beginning, being the above described portion of Lots Ten, Eleven and Twelve, in Block E, of the Western Addition to the City of Lovelock, County of Pershing, State of Nevada, according to the Official Map of said Addition on file in the Office of the County Recorder at Winnemucca, County of Humboldt, State of Nevada,

TOGETHER with the tenements, hereditaments and appurtenances thereunto belonging, or appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, together with all improvements thereon situate and being, also all the Furniture and personal property on, in or upon said premises, or situate or being stored or within the improvements thereon situate,

IN WITNESS WHEREOF, the said party of the first part, has hereunto set his hand the day and year first above written.

Signed in presence of,

J. A. McIntosh

Martin Kofod.

STATE OF NEVADA,)
) ss.
County of Pershing.)

On this 28th day of April A. D. one thousand nine hundred and Twenty six personally appeared before me J. A. McIntosh, a Notary Public in and for said County of Pershing, Martin Kofod

known (or proved) to me to be the person described in and who executed the annexed instrument, who acknowledged to me that he executed the same, freely and voluntarily, and for the uses and purposes therein mentioned.

-SEAL-
JAMc

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at my office in the County of Pershing, the day and year in this certificate first above written.

My commission expires March 8th, 1927

J. A. McIntosh
Notary Public in and for the County of Pershing,
State of Nevada.

Recorded at request of Leslie Kofod Sept. 10, 1936, at 40 Min. past 10 o'clock A. M. Book #8, page 368 of Books. W. W. Parke, Recorder, by V. Moreira, Deputy.
File No. 16600.

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W. J. Tobin, as Receiver

to Pacific States Auxiliary Corporation

THIS INSTRUMENT, made and executed as of the 10th day of September, 1936, by W. J. TOBIN, as Receiver of The Reno National Bank, an insolvent banking association, hereinafter called the Grantor, and PACIFIC STATES AUXILIARY CORPORATION, a California corporation, hereinafter called the Grantee,

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WHEREAS, The Reno National Bank is and at all of the times herein mentioned was a national banking association, organized and existing under and by virtue of the laws of the United States, having its principal office and place of business in the City of Reno, County of Washoe, State of Nevada; and

WHEREAS, on or about the 9th day of December, 1932, the Comptroller of the Currency, acting under and in pursuance of the laws of the United States, investigated and examined the condition of said The Reno National Bank, and after said examination, became satisfied and found that said The Reno National Bank was insolvent, and thereupon appointed the Grantor, E. J. Tobin, as Receiver of said The Reno National Bank and of its property and assets; and

WHEREAS, the said W. J. Tobin, the Grantor herein, thereafter and on the 12th day of December, 1932, duly qualified as such Receiver and ever since has been and now is the duly appointed, qualified and acting Receiver of said The Reno National Bank, and as such is entitled to the possession of and is in possession of all of the property and assets of said bank; and

WHEREAS, as such Receiver, the Grantor has become vested with title to all and singular the properties hereinafter mentioned or described; and

WHEREAS, the Grantor has heretofore been authorized by the Reconstruction Finance Corporation, the Comptroller of the Currency and the United States District Court for the District of Nevada, as evidenced by the order of said Court duly given and made on the 10th day of September, 1936, a copy of which order is hereunto annexed and marked "Exhibit X", to sell unto the Grantee all and singular the properties hereinafter described or mentioned for the sum of \$636,000.00, on the terms and conditions set forth in said order, and to enter into a contract with the Grantee in form annexed to said order and marked "Exhibit A"; and

WHEREAS, pursuant to said order and the approval of the Comptroller of the Currency and the consent of Reconstruction Finance Corporation, the Grantor has entered into a contract with the Grantee in the form annexed to said order and marked "Exhibit A".

NOW, THEREFORE, the Grantor in his capacity as Receiver of The Reno National Bank, and not individually, for and in consideration of the sum of Six Hundred Thirty-five Thousand Dollars (\$636,000.00), to him in hand paid, the receipt whereof is hereby acknowledged, does hereby, pursuant to said order and contract, and subject to the provisions of each thereof, grant, bargain, sell, convey, assign, transfer and set over unto the Grantee, its successors and assigns forever, without recourse, representation or warranty, all and singular the property real, personal and mixed, which the Grantor, by the aforesaid order of the United States District Court for the District of Nevada, was authorized to convey to the Grantee, including without in any manner limiting the generality of the foregoing all and singular, the following, to-wit:

(a) All property, whether real, personal or mixed, conveyed to the Grantor by that certain deed between Milton J. Reinhart, as Special Master in Chancery, appointed by the United States District Court for the District of Nevada, in that certain suit in equity entitled W. J. Tobin, as Receiver of The Reno National Bank, a national banking association, Complainant, versus John G. Taylor, Inc., a corporation, et al, Defendants, and numbered in the files of said Court No. H-114, as party of the first part, and the Grantor herein, as Receiver of The Reno National Bank as Grantee and party of the second part, which said deed was recorded on the 28th day of March, 1936 in Book 47 of Deeds at pages 661 to 672 inclusive of Records of Elko County, State of Nevada, and on the 2nd day of April, 1936 in Book 59 of Deeds, at page 97, Records of Humboldt County, State of Nevada, and on April 15, 1936 in Book 6 of Deeds at page 255, Records of Pershing County, State of Nevada, excepting therefrom the said property referred to in Section 4 of said contract, which said real property is situate in the County of Humboldt, State of Nevada and is more particularly described as follows:

All of Section Twelve, and all of Section Thirteen lying north and east of the Humboldt River, containing 426 acres, more or less, all in Township thirty-five north of Range forty-two East, M. D. S. & M. Also the South half of the Southwest quarter of Section thirty-four, Township thirty-five North of Range forty-three East, M. D. S. & M.; also the South half of the Southeast quarter, Northwest quarter of the Southeast quarter, Southwest quarter, and the South half of the Northwest quarter of Section 2, all of Section three, all of Sections four and five, the North half, the Southeast quarter, and the Northeast quarter of the Southwest quarter of Section nine, all of Section 10 except the Southwest quarter of the Southwest quarter, all of Section 11, West half of the Southwest quarter of Section 12, all of Section 13 except the Southwest quarter of Southeast quarter, all of Section 14 except the Southwest quarter of Southwest quarter; East half of the Northeast quarter of Section 16 and the West half, and West half of the East half of Section 24, all in Township 34 North of Range 43 East, M. D. S. & M., also the Northwest quarter of the Southeast quarter and the Southeast quarter of the Southeast quarter of Section 12, Township thirty-six North of Range forty-one East, M. D. S. & M.

(b) All of the right, title and interest of the Grantor in and to the lands referred to in Section 4 of said contract as hereinbefore described.

(c) The following shares of corporate stock, together with all water rights and other interests represented or evidenced thereby, to-wit:

37,273 shares of Class A stock of Humboldt-Levelock Irrigation Light & Power Company.

2,857 shares of the capital stock of the Young Ditch Company.

1,121 1/3 shares of the capital stock of the Old Channel Ditch Company.

150 shares of the capital stock of the Union Canal Ditch Company.

(d) All materials, supplies, equipment and properties produced, purchased or otherwise acquired by the Grantor for use in connection with the operation of the properties acquired by the Grantor by the deed referred to in Subdivision (a) hereof and all increase of crops and all increase of livestock so acquired by the Grantor, and all wool on or clipped from sheep so acquired by the Grantor, or the increase thereof, together with all receivables and the proceeds of any contract for the sale of such wool heretofore made by the Grantor.

TO HAVE AND TO HOLD the same unto the Grantee, its successors and assigns forever.

TOGETHER WITH the appurtenances thereunto belonging or in anywise appertaining, and the remainder and remainders, reversion and reversions, rents, issues and profits thereof.

The Grantor hereby covenants to execute such further assurances as may be necessary to vest in the Grantee all of the right, title and interest of the Grantor in the properties authorized by the said United States District Court by the order, copy of which is hereto annexed, to be conveyed by the Grantor unto the Grantee.

IN WITNESS WHEREOF, the Grantor in his capacity as Receiver of The Reno National Bank, has hereunto subscribed his name, the day and year first hereinabove written.

W. J. Tobin
As Receiver of The Reno National Bank

STATE OF NEVADA,)
) ss
COUNTY OF WASHOE)

On this 10th day of September, 1936, before me, a Notary Public in and for the County of Washoe, State of Nevada, residing therein, duly commissioned and sworn, personally appeared W. J. TOBIN, personally known to me to be the Receiver of The Reno National Bank, and known to me to be the same person whose name is subscribed to the foregoing instrument, and he duly acknowledged to me that he executed the same, as Receiver of The Reno National Bank, 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 in my office in the County of Washoe, State of Nevada the day and year first above written.

-SEAL-
WEB

Walter E. Butler
Notary Public in and for the County

of Washoe, State of Nevada.

My Commission expires Jan. 17, 1939.

Filed _____, 1936
_____, Clerk,
By _____, Deputy.

No. H-150

IN THE DISTRICT COURT OF THE UNITED STATES OF AMERICA, IN AND FOR THE DISTRICT OF NEVADA

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IN THE MATTER OF THE RECEIVERSHIP
OF
THE RENO NATIONAL BANK, a corpo-
ration organized and existing un-
der the laws of the United States
of America

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ORDER AUTHORIZING SALE BY W. J. TOBIN,
AS RECEIVER OF THE RENO NATIONAL BANK,
OF CERTAIN PROPERTIES OF HIS TRUST
KNOWN AS THE JOHN G. TAYLOR, INC. PROP-
ERTIES.

W. J. Tobin, as Receiver of The Reno National Bank, a corporation organized and existing under the laws of the United States of America, having filed herein his petition praying for an order of this Court authorizing and empowering him to sell to Pacific States Auxiliary Corporation the properties formerly known as the John G. Taylor, Inc. properties mentioned or described in Section 1 of the agreement annexed to said petition and marked "Exhibit B" for a cash consideration of \$525,000.00, subject to the terms and conditions set forth in said "Exhibit B" annexed to said petition; and

It appearing that said Receiver had received a letter from the Comptroller of the Currency under date of June 20, 1936 authorizing and empowering; said Receiver to petition the Court for an order setting a certain date for a public hearing on his petition to sell said properties described in said Section 1 of said agreement annexed to said petition and marked "Exhibit B" if no better offer were received on the date of the hearing; and

It further appearing that this Court having on the 24th day of June, 1936 made and entered an order that the hearing of said petition be set for Saturday, the 11th day of July, 1936 at the hour of ten o'clock A. M. in the Court Room of said Court in the Federal Building in the City of Carson, State of Nevada, and the Court having further ordered that three notices of such hearing be published within ten days or two weeks prior to the date of the hearing on said petition, and said hearing having been by the Court continued from July 11, 1936 to July 20, 1936 and the Comptroller of the Currency of the United States having requested the said Receiver to give further notice of said hearing and to advertise for further bids for said properties, and the Court having continued said hearing to September 4, 1936, and said hearing having been further continued from September 4, 1936 to September 9, 1936 by order of said Court; and

It further appearing to the Court that said Receiver gave the notice required by said order of the Court by publication thereof for the time and in the manner required by said order for said hearing on the 9th day of September, 1936; and

It appearing that certain protests to said sale were filed by Leo F. Schmitt, Receiver of Bank of Nevada Savings & Trust Company, Bank of Sparks, Inc., Carson Valley Bank, Tonop

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Banking Corporation, The Riverside Bank, United Nevada Bank and Virginia City Bank, and by Henderson Banking Company Mortgage Corporation; and said matter coming on regularly for hearing on the 9th day of September, 1936 at the Court Room of the above entitled Court in the Federal Building in the City of Carson, State of Nevada, at which time W. J. Tobin, as such Receiver, appeared with his counsel, H. J. Barry, and said protestant Henderson Banking Company Mortgage Corporation appearing by and through its attorney, Morley Griswold, and said Leo F. Schmitt, as Receiver of Bank of Nevada Savings & Trust Company, Bank of Sparks, Inc., Carson Valley Bank, Tonopah Banking Corporation, The Riverside Bank, United Nevada Bank and Virginia City Bank, appearing in person and by and through his attorney, John Sinal, the Court proceeded to the hearing of said petition and said protests, and evidence having been introduced on the part of said Receiver of the authorization from the Comptroller of the Currency to petition the Court for an order of the sale of said properties, and the protestants having made statements to the Court as to what they expected to prove on the part of protestants, said hearing was by the Court continued to September 10, 1936 at 10:30 A. M. at the Court Room of the above entitled Court in the Federal Building in the City of Carson, State of Nevada, at which time all said parties appeared in Court and numerous bids were made by different parties, and said Pacific States Auxiliary Corporation having raised its bid to the sum of \$635,000.00 for all of said properties mentioned or described in Section 1 of said agreement annexed to said petition of W. J. Tobin, as Receiver of The Reno National Bank, and marked "Exhibit B", and having offered to purchase the same in accordance with the terms of the form of agreement hereunto annexed and marked "Exhibit A", and said protestants having withdrawn their protests and stated their satisfaction with said bid; and

It appearing to the Court that the said bid of said Pacific States Auxiliary Corporation in the sum of \$635,000.00 was the highest and best bid received, and said Receiver having stated to the Court that he was satisfied with said bid, and that he believed it to be for the best interest of his trust that the same be accepted, and the Court being satisfied that it is for the best interest of said trust that a sale of said properties be made to said Pacific States Auxiliary Corporation for the sum of \$635,000.00, in accordance with the terms and conditions set forth in the form of agreement hereunto annexed and marked "Exhibit A".

NOW, THEREFORE, IT IS ORDERED that the said W. J. Tobin, as Receiver of The Reno National Bank, be and he is hereby authorized to accept said bid of said Pacific States Auxiliary Corporation for the sum of \$635,000.00, and to make and enter into an agreement with the said Pacific States Auxiliary Corporation in the form hereunto annexed and Marked "Exhibit A", and to sell to said Pacific States Auxiliary Corporation all and singular the said properties for the sum of \$635,000.00 upon the terms and conditions set forth in the form agreement hereto annexed and marked "Exhibit A", and to make, execute and deliver to said Pacific States Auxiliary Corporation appropriate instruments conveying, transferring and/or assigning all of said Receiver's interest in and to the aforesaid properties, which said conveyances, transfers and/or assignments shall be without recourse, representation or warranty on the part of said Receiver, and said Receiver is hereby authorized and empowered to take all steps requisite and necessary for the completion and consummation of said sale in accordance with the terms and conditions set forth in the form agreement hereto annexed and marked "Exhibit A".

DATED:

September 11, 1936

Frank H. Horgess
Judge of the United States District
Court for the District of Nevada.

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THIS AGREEMENT, made this 10th day of September, 1936, by and between W. J. TOBIN,
as Receiver of The Reno National Bank, (hereinafter for convenience called the "Seller"),
party of the first part, and PACIFIC STATES AUXILIARY CORPORATION, a corporation organized
and existing under and by virtue of the laws of the State of California (hereinafter for
convenience called the "Buyer"), party of the second part,

W I T N E S S E T H

1. Definitions

The term Taylor Properties, as used in this agreement shall mean and include all
properties, whether real, personal or mixed and wheresoever situated, conveyed to the Sell
in pursuance of the sale made under that certain Decree of Foreclosure and Sale, duly made
and entered by the United States District Court for the District of Nevada, in that certai
proceeding entitled "W. J. Tobin, as Receiver of The Reno National Bank v. John G. Taylor,
Inc., a corporation, et al", and numbered in the files of said Court No. H-114, and in
addition thereto all materials, supplies, equipment, and properties, produced, purchased,
otherwise acquired by the Seller for use in connection with the operation of said properti
and all increase of crops and all increase of livestock so acquired by the Seller and all
wool on or clipped from sheep so acquired by the Seller or the increase thereof, together
with all receivables and the proceeds of any contracts for the sale of such wool heretof
made by the Seller.

2. Purchase Price.

The Seller hereby agrees to sell and the Buyer hereby agrees to purchase all of
Taylor Properties for the total purchase price of Six Hundred and Thirty-five Thousand Do
(\$635,000.00), subject to the terms and conditions hereinafter mentioned. The Seller a
to execute and deliver, as soon as practicable after the execution and delivery of this
agreement and payment of the purchase price by the Buyer, appropriate instruments convey
transferring and/or assigning all the Seller's interest in and to the aforesaid Taylor
Properties, such conveyance, transfer and/or assignments to be without recourse, repres
or warranty on the part of the Seller. It is expressly understood and agreed tha notw
standing anything to the contrary herein, title to and possession of the Taylor Properti
shall pass and be vested in the Buyer upon execution and delivery of this agreement and
ment of the purchase price by the Buyer.

The Buyer represents that no broker either initiated or negotiated this trans
and agrees to indemnify and save harmless the Seller against the payment of any claims
that may be payable to any person as a result of the aforesaid sale and the Buyer furth
agree to pay all expenses in connection with the operation and management of said prop
accruing from and after the date of the execution and delivery of this agreement and p
of the purchase price by the Buyer. The Buyer further agrees to pay, in any event, the
expense incident to shearing all of the sheep included within the Taylor Properties dur
the calendar year 1936. The Buyer agrees to pay for all unused materials, supplies, e
ment and properties purchased by the Seller for use in connection with the operation o
Taylor Properties since the first day of March, 1936, not heretofore paid for, togeth
all material and supplies heretofore contracted for by the Seller and not yet delivere
shall hereafter be delivered to the Buyer.

All taxes, rentals, forest permit fees and insurance premiums paid or payabl
respect to the said Taylor Properties or their operation, shall be apportioned betwee
parties hereto as of March 1, 1936. All wages, salaries and other recurring charges

included within taxes, rentals, forest permit fees and insurance premiums) paid or payable in respect to the Taylor Properties or their operation shall be apportioned between the parties hereto as of the date of the execution of this agreement and payment of the purchase price by the Buyer.

3. Livestock and Count

It is the intent of the parties that the Seller shall deliver to the Buyer as part of the Taylor Properties the following quantities of livestock:

Sheep - 25,000 ewes and bucks;
Cattle - 7,200, not including 1036 calves;
Draft horses, mules and stallions - two years
or older, broken or unbroken - 400 head;
Saddle ponies and burros, two years or older,
broken or unbroken - 100 head.

The Buyer agrees to commence the count of sheep, horses, mules, stallions, ponies and burros, immediately after possession is delivered and to continue and complete such count with due diligence it being understood that the cattle count shall be completed not later than December 15, 1936. Any livestock which at time of count is not able to walk or stand or is certified by a veterinarian satisfactory to Seller as fit only for destruction shall not be included in any count. All such counts of livestock shall be made jointly by a representative of the Seller and a representative of the Buyer, who shall jointly report in writing to both the Seller and the Buyer the results of such count, and such report or reports shall be conclusive on the parties hereto. Immediately after the completion of the cattle count there shall be an adjustment between the parties, and the Seller shall pay Buyer for all deficiencies under the above number of each class of livestock and the Buyer shall pay the Seller for all excess livestock over and above the above number of each class of livestock, an amount calculated as follows:

Sheep, \$5. per head long or short;
Cattle, not including 1036 calves, \$25.
per head long or short;
Draft horses, mules and stallions, two
years old or older, broken or unbroken,
\$50 per head long or short;
Saddle ponies, and burros, two years
old or older, broken or unbroken, \$20.
per head long or short.

It is expressly understood, notwithstanding anything to the contrary herein contained, that the Seller shall be obligated to deliver to the Buyer all livestock of every kind and nature acquired by the Seller at the sale under the foreclosure decree hereinabove referred to in Section 1, together with the increase thereof, subject to the adjustments herein mentioned. All 1936 increases in livestock of all classes shall be for the account of the Buyer and it is expressly understood and agreed that the Buyer shall not be under any obligation to pay the Seller for any part of such increases.

The Buyer shall be chargeable for all determinable losses of cattle, whether by death, theft or otherwise, between the date of delivery of the aforesaid properties and the date of the cattle count hereinbefore provided for.

4. Exempted Lands

It is expressly understood that John O. Taylor, Inc. has heretofore sold and conveyed to the United States Government approximately 6686 acres of land formerly owned by John O. Taylor, Inc., together with water rights and other rights appurtenant thereto, save and except the right to graze and pasture livestock on said lands, which was expressly reserved to John O. Taylor, Inc. It is the intent of the parties hereto that the Seller will convey to the Buyer all rights so reserved, but that the Buyer shall not be entitled to any greater rights in or to said lands than the rights so reserved.

5. Exceptions to Title

It is further understood and agreed that the Buyer shall accept the Taylor Properties subject to the following exceptions:

- (a) The lien of taxes not delinquent.
- (b) The rights, if any, of one Seth Baldwin who is occupying some 600 acres of land formerly owned by said John G. Taylor, Inc., under an alleged disseisor's claim of right.
- (c) The following pending litigation:
 - (i) Litigation relating to priority water rights in the Humboldt River involving the so-called Lovelock and Rye Patch properties;
 - (ii) Litigation relating to the priority water rights in the Owyhee River, involving Elvo County properties;
 - (iii) Litigation involving the title of the Seller to capital stock of certain water companies specifically described in Division 3 of Exhibit B attached to the decree referred to in Section numbered one hereof. It is expressly agreed and understood that the Seller shall, at its own cost and expense, prosecute said litigation with due diligence and use all reasonable effort to bring such litigation to a close. The Seller agrees to execute appropriate assignments or other instruments necessary to transfer his title to such capital stocks and to deliver such instruments to the Buyer as an integral part of the property to be acquired by the Buyer under the terms of this agreement provided that the Seller's obligation to prosecute said litigation to a conclusion shall terminate upon the entry of a final order by the United States District Court for the District of Nevada. In the event of the entry of a final order adverse to the plaintiff of record in the aforesaid litigation in the U. S. District Court for the District of Nevada, the Buyer agrees that it will vigorously prosecute all rights of appeal at its own expense and, further, in event appeal is taken from final order in the aforesaid court favorable to the plaintiff of record, the Buyer agrees that such appeal will be vigorously defended at its own expense. It is further agreed that the Seller shall not be liable for any failure or delay in establishing his title thereto, or for any error of judgment or negligence of counsel employed in the prosecution of such litigation.
- (d) Any liens existing by reason of any of the Taylor Properties being within the boundaries of the Pershing County Water Conservation District of Nevada.
- (e) Existing rights of way including, but without limitation, rights of way for any railroad, road, highway, pipe line, ditch, transmission line or pole line.

6. Delivery of Evidence of Title

The Seller agrees to furnish at his expense to the Buyer a policy of title insurance issued by the Washoe County Title Guaranty Company or a company of equal standing in the business of issuing policies of title insurance, guaranteeing in the amount of Two Hundred Thousand Dollars (\$200,000.00) that the Buyer is vested with fee simple title, free and clear of all liens, defects and encumbrances except those set forth in Section 5 hereof and those included in the usual and standard printed exceptions contained in title insurance policies issued by said Washoe County Title Guaranty Company, to at least 95% of the total lands described in Division 1 of Exhibit B attached to the Decree referred to in Section 1 hereof, measured at the option of the Seller, either in acreage or value, such value being determined from assessed valuations for 1936 real estate tax purposes.

7. Buyer's Rights of Rescission

In the event that the Seller shall fail or be unable, on or before March 1, 1937, to deliver to the Buyer a policy of title insurance as referred to under Section 6 hereof, then, in either of such cases, the Buyer may, at its option, by delivering written notice to the Seller before March 15, 1937, rescind this entire agreement, and, in such event, the Buyer shall forthwith assign, transfer and convey to the Seller or cause to be assigned, transferred and conveyed to the Seller all of the right, title and

interest in and to the Taylor Properties, assigned, transferred and conveyed to the Buyer or its assignee by the Seller except such of the livestock, crops and wool included in said Taylor Properties as have been sold in accordance with this agreement, and the Seller agrees to pay to the Buyer in such event the sum of Six Hundred Thirty-Five Thousand Dollars (\$635,000.00) with appropriate adjustments to reflect an actual count of livestock, as hereinabove provided in connection with the purchase of such property by the Buyer and the Seller agrees, in the event of rescission of this agreement, to reimburse the Buyer for all unreimbursed expenses or disbursements, which may have been incurred in connection with the operation of the properties hereunder by the Buyer, and the Buyer shall account to the Seller for all revenues derived by the Buyer from the operation of said properties, including proceeds of all sales of livestock, crops and wool. It is further understood and agreed that in the event the Buyer exercises its option to rescind, as defined herein, only the actual reasonable costs of operating the Taylor Properties shall be reimbursable by the Seller or chargeable against the monies derived from the Taylor Properties and that no salaries, commission or other compensation for administration or supervision shall be taken into consideration. In the event the Buyer exercises its option to rescind this agreement in accordance with the provisions herein contained, the Buyer shall not be liable for any loss, liability or expense caused by acts of God, disease, or death of livestock, floods, storms, or any other cause beyond the reasonable control of the Buyer. The Buyer agrees to keep full and complete books of account of all receipts and expenditures in connection with the operation of such properties and the Buyer further agrees that it will not, without the consent of the Seller, prior to the date of the expiration of the Buyer's right of rescission hereunder, convey, mortgage, or encumber any of said properties except to a permitted assignee as provided by Section 9 hereof; provided, however, that the Buyer may sell such livestock, crops and wool, as may be deemed expedient or necessary in the ordinary course of business. Any such sales so made by the Buyer subsequent to the execution of this agreement and payment of the purchase price by the Buyer and prior to expiration of right of rescission of this agreement shall be subject to the prior approval of the Seller. The Buyer's books of account as hereinabove referred to shall be open to inspection by the Seller or his representative at all reasonable times during the period in which the Buyer's option to rescind may be exercised, and in the event the Buyer exercises its option to rescind, such books of account, together with all the records described in Section 8 hereof, shall be delivered to the Seller concurrently with the transfers, conveyances, and/or assignments of the Buyer's interest in the Taylor Properties. In the event the Seller is unable to deliver the title described in Section 6 hereof, the Buyer's right of rescission as herein defined shall constitute the Buyer's sole and exclusive remedy against the Seller.

8. Records, et cetera

Prior to or concurrently with the delivery of said instruments of conveyance as provided for by Section 2 hereof, the Seller shall deliver to the Buyer all maps, livestock and cattle records, et cetera, in his possession or under his control pertaining to the Taylor Properties, and/or the operation or management thereof.

9. Permitted Assignees

Notwithstanding anything to the contrary herein contained, it is expressly understood and agreed that the Buyer may assign all of its right, title and interest under this agreement to Pacific States Savings & Loan Company, or, with the written consent of the

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Seller, to any other corporation affiliated with the Buyer, and in the event of such transfer and assignment all instruments conveying, transferring and assigning the property and rights hereunder shall run to such assignee and such assignee shall be bound by all obligations of the Buyer hereunder. The Buyer may, in order to facilitate the financing of its obligations hereunder, transfer by way of trust or pledge, or otherwise hypothecate all of its right, title and interest under this agreement or in the properties subject hereto to a reputable bank or trust company to secure an indebtedness not exceeding the purchase price hereunder, and in the event of the creation of any such liens or encumbrances the Buyer's right to rescind shall be further conditioned upon the discharge and release of all such liens or encumbrances. No fees, commissions, or other expenses paid or incurred by the Buyer or its assignee in connection with the creation, discharge or release of such liens or encumbrance and no interest accrued on the indebtedness secured thereby shall, in the event of rescission of this agreement, be deemed an expense of operation of the Taylor Properties.

10. Capacity of Seller

The term "Seller" wherever used herein shall refer to W. J. Tobin in his capacity as Receiver of The Reno National Bank and, notwithstanding anything to the contrary herein contained, said W. J. Tobin shall not have any individual liability hereunder. It is expressly understood that this agreement is executed by W. J. Tobin in his capacity as Receiver of The Reno National Bank, subject to the approval of the Reconstruction Finance Corporation, the Comptroller of the Currency of the United States and a court of record of competent jurisdiction, as provided in Section 192 of Title 12, U.S.C.A., U.S.R.S. 5234.

IN WITNESS WHEREOF, the parties hereto have executed these presents the day and year first above written.

As Receiver of The Reno National Bank,
as aforesaid.

PACIFIC STATES AUXILIARY CORPORATION

By _____
Vice-President

Attest:

Assistant Secretary

This is to certify that the attached deed executed by W. J. Tobin, Receiver of Reno National Bank, conveying certain lands and chattels located in the Counties of Elko, Humboldt and Pershing, Nevada, more particularly described in said Deed, was made pursuant to the liquidation of The Reno National Bank, an insolvent bank, the assets of which are sufficient for the full payment of depositors. The Commissioner of Internal Revenue has ruled that under Section 22 of the Act of March 1, 1879, no stamp tax liability will be incurred by the parties to such transaction. No Federal stamps are therefore attached.

W. J. Tobin
Receiver, The Reno National Bank

Dated at Reno, Nevada
September 11, 1936.

Recorded at request of Washoe County Title Guaranty Co. Sept. 12, 1936, at 5 Min. past 9 o'clock A. M. Book #6, page 368 of DEEDS. W. W. Parks, Recorder. File No. 16590.