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MTC 45772-KR

STATE OF OREGON

UNIFORM COMMERCIAL CODE

FINANCING STATEMENT

REAL PROPERTY - Form UCC-1A

THIS FORM FOR COUNTY FILING OFFICER USE ONLY

This FINANCING STATEMENT is presented to the county filing officer pursuant to the Uniform Commercial Code

1A. Debtor Name(s): WC RANCH, INC.	2A. Secured Party Name(s): THE TRAVELERS INSURANCE COMPANY	4A. Assignee of Secured Party (if any):
1B. Debtor Mailing Address(es): 17356 Hill Road Klanath Falls, Oregon 97601	2B. Address of Secured Party from which security information is obtainable: One Tower Square 9PB Hartford, Connecticut 06183-2030	4B. Address of Assignee:

3. This financing statement covers the following types (or items) of property (check if applicable): See attached Exhibits "A" & "B".
property

- ☒ The goods are to become fixtures on: Exhibit "A" ☐ The above timber is standing on: _____
- ☐ The above minerals or the like (including gas and oil) or accounts will be financed at the wellhead or minehead of the well or mine located on: (describe real estate)

and the financing statement is to be filed for record in the real estate records. (If the debtor does not have an interest of record) The name of a record owner is:

- ☒ Check box if products of collateral are also covered Number of attached additional sheets: 4

A carbon, photographic or other reproduction of this form, financing statement or security agreement serves as a financing statement under ORS Chapter 79.

See attached Exhibit "B".

Signature(s) of the Debtor required in most cases.

Signature(s) of Secured Party in cases covered by ORS 79.4020

INSTRUCTIONS

1. PLEASE TYPE THIS FORM.

2. If the space provided for any item(s) on this form is inadequate, the item(s) should be continued on additional sheets. Only one copy of such additional sheets need to be presented to the county filing officer. DO NOT STAPLE OR TAPE ANYTHING TO THIS FORM.

3. This form (UCC-1A) should be recorded with the county filing officers who record real estate mortgages. This form cannot be filed with the Secretary of State. Send the Original to the county filing officer.

4. After the recording process is completed the county filing officer will return the document to the party indicated. The printed termination statement below may be used to terminate this document.

5. The RECORDING FEE must accompany the document. The fee is \$5 per page.

6. Be sure that the financing statement has been properly signed. Do not sign the termination statement (below) until this document is to be terminated.

Recording Party contact name: _____

Recording Party telephone number: _____

Return to: (name and address)

Dean P. Gisvold, Esq.
McEwen, Gisvold, Rankin, Carter
& Streinz
1100 SW Sixth Avenue, Suite 1600
Portland, Oregon 97204

Please do not type outside of bracketed area.

TERMINATION STATEMENT

This statement of termination of financing is presented for filing pursuant to the Uniform Commercial code. The Secured Party no longer claims a security interest in the the financing statement bearing the recording number shown above.

By: _____
Signature of Secured Party(ies) or Assignee(s)

EXHIBIT A

DESCRIPTION OF REAL PROPERTY

The following described property situated in Township 40 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon.

- Section 16: S1/2 NE1/4, N1/2 SE1/4; N1/2 SE1/4 SE1/4; S1/2 SE1/4 SE1/4; SE1/4 NW1/4; NE1/4 SW1/4 and SW1/4 SE1/4
 Section 21: Government Lot 4
 Section 22: NW1/4 NW1/4; S1/2 NW1/4; NW1/4 SW1/4, EXCEPTING that portion Southerly of Hill Road; E1/2 SW1/4; W1/2 SE1/4; SW1/4 SW1/4
 Section 23: E1/2 W1/2; W1/2 NE1/4 and NW1/4 SE1/4
 Section 26: NE1/4 NW1/4
 Section 27: Government Lots 5, 6, 7, 8 and 9; SE1/4 SE1/4; N1/2 NW1/4; SE1/4 NW1/4; W1/2 NE1/4

LESS the following: Beginning at a 5/8 inch iron pin marking the Northeast corner of the NW1/4 NE1/4 of said Section 27; thence South 00 degrees 33' 36" West, along the East line of said NW1/4 NE1/4 of said Section 27, 1,382.64 feet, more or less, to the Northerly right of way line of Hill Road, a county road; thence Northwesterly along the Northerly right of way line of said Hill Road 1300 feet, more or less, to a one-inch iron pin at the intersection of said right of way line with a fence running Northeast; thence along said fence and the Northeasterly projection thereof North 42 degrees 12' 33" East 542.46 feet to a one-inch iron pin set in the center of a dirt road; thence leaving said fence line North 35 degrees 05' 31" East 392.34 feet to a point on the North line of said Section 27, said point being marked by a one-inch iron pin; thence North 89 degrees 58' 17" East along the said North line of said Section 27, 420.87 feet to the point of beginning.

AND ALSO SAVING AND EXCEPTING THEREFROM a parcel of land situated in the SE1/4 SE1/4, in Lot 5, and in Lot 6 all being in Section 27, Township 40 South, Range 10 East of the Willamette Meridian, and being more particularly described as follows: Beginning at a point where the South line of said Section 27 intersects the Westerly right of way line of the Burlington Northern Railroad, from which the Southeast corner of said Section 27 bears South 89 degrees 38' 24" East, 1097.43 feet; thence North 28 degrees 45' 24" West, along said right of way line, 1029.75 feet; thence South 61 degrees 14' 36" West 50.00 feet; thence North 28 degrees 45' 24" West, 655.60 feet; thence along the arc of a 5629.65 foot radius curve to the left (delta equals 01 degrees 10' 05"), 114.77 feet to the South line of a drainage easement; thence South 57 degrees 42' West along the South line of said drainage easement, 275.64 feet, more or less, to a point on the mean high water line of the left bank of Lost River; thence Southeast along said mean high water line to a point on the South line of said Section 27; thence South 89 degrees 38' 24" East, along said South line 751.73 feet, more or less, to the point of beginning.

Section 28: Government Lot 4

EXCEPTING FROM the above described lands, Right of Way for Great Northern Railroad as set out in Transcript of Decree dated June 6, 1931, recorded November 2, 1931 in Volume 96, Page 246 Deed Records of Klamath County, Oregon.

ALSO EXCEPTING THEREFROM that portion lying within public roads and highways and within the USBR canals and drains.

EXHIBIT "B"
TO FINANCING STATEMENT

Loan No. 207617-0

SECURED PARTY:

THE TRAVELERS INSURANCE COMPANY,
a Connecticut corporation

DEBTOR:

WC RANCH, INC.

This Financing Statement covers all of Debtor's right, title, and interest in the following Collateral:

1. All rents, issues, profits, royalties, income and other benefits derived from the real property; all leases or subleases covering the real property or any portion thereof, now or hereafter existing or entered into, and all right, title and interest of Debtor thereunder; all interests, estates or other claims, both in law and in equity, which Debtor now has or may hereafter acquire in the real property; all easements, rights-of-way, tenements, hereditaments and appurtenances thereof and thereto.
2. All right, title, and interest of Debtor in all leases, permits, allotments, licenses, and privileges pertaining to the real property, whether or not appurtenant, from the United States or the State of Oregon or any department or other agency of either for the purpose of grazing, pasturing or feeding livestock on any of the public lands of the United States or the State of Oregon.
3. All oil, gas, and mineral rights and profits pertaining to the real property; all Water Rights (as such term is defined in paragraph 10 of the Trust Deed); all cotton histories, all acreage rice allotments, corn allotments, wheat or barley allotments pertaining to the real property presently held or hereafter acquired by Debtor; and all rights of Debtor under Conservation Reserve Contracts (CRP) now existing or hereafter made that affect the real property; all right, title, and interest of Debtor, now owned or hereafter acquired, in and to any land lying within the right-of-way of any road, street, or highway adjoining the real property; any and all buildings, fixtures, improvements, and appurtenances now or hereafter erected thereon or belonging thereto (herein referred to as "Improvement" or "Improvements").
4. All right, title, and interest of Debtor in and to all water production, distribution, irrigation and drainage equipment, and facilities, all frost protection equipment and facilities, all crop storage equipment and facilities, all livestock handling facilities, including gates, panels, chutes and fences, and including all pumps, pumping stations, motors, panels, switchboxes, gearheads, booster pumps, transformers, engines, machinery, tanks, reservoirs, sumps, pivots,

hoses, drip hoses, underground pipeline, fan jets, pipes, sprinklers, flumes, wheel lines, drip irrigation lines, wind machines, grain bins, grain augers and elevators and other machinery and equipment now or hereafter affixed (whether actually or constructively) to the real property, or used for the production of water on said real property or for the irrigation or drainage thereof, and all additions thereto and replacements thereof, all of which, to the extent permitted by applicable law, shall be deemed an accession to the freehold and a part of the real property as between the parties hereto. All of the foregoing property and interests conveyed to Secured Party are herein collectively referred to as the "Property."

5. All contracts and agreements pertaining to or affecting the Property including, but not limited to, management, operating, and franchise agreements, licenses, trade names, and trademarks.

6. All of the following property, whether now owned or hereafter acquired, affixed to, located on or at the Property, and used in connection with the operation of the Property or the Improvements:

[X] CROP STORAGE, IRRIGATION, DRAINAGE, LIVESTOCK HANDLING AND FROST PROTECTION EQUIPMENT: All right, title and interest of Debtor in and to all water rights, water production, distribution, irrigation, and drainage equipment and facilities, all frost protection equipment and facilities, all crop storage equipment and facilities, all livestock handling facilities, including gates, panels, chutes and fences, and including all pumps, pumping stations, motors, panels, switchboxes, transformers, engines, gearheads, booster pumps, machinery, tanks, reservoirs, sumps, pivots, hoses, fan jets, pipes, sprinklers, flumes, wheel lines, drip irrigation lines, drip hose, underground pipeline, fences, gates, chutes, wind machines, grain bins, grain augers and elevators, and other machinery, equipment and facilities now or hereafter installed on, affixed to (whether actually or constructively), placed upon, or used in connection with or for the benefit of the Property, including any such items not located on the property but used to deliver water to the Property, whether now owned or hereafter acquired, and all replacements, additions and substitutions made thereto, and including all insurance proceeds on any of said collateral, including, but not limited to, those items described in Exhibit "C" attached hereto and by this reference incorporated herein.

[X] FARM PRODUCTS: All farm products of Debtor, including 1) all poultry and livestock; 2) all feed, seed fertilizer, medicines and other supplies used or produced by Debtor in farming operations; 3) all crops; and 4) all crop insurance payments. "Livestock" includes but is not limited to all products, natural increase, purchase, exchange and issue thereof; all feed, both hay and grain owned by Debtor; all water privileges, all equipment used in feeding and handling said livestock; all of Debtor's rights, title, and interest in all contracts and leases covering lands for pasture and grazing purposes; all rights in brands and in all documents referring to or relating to registration of brands; and all documents referring or relating to livestock breeds and purebred

registration "Crops" includes annual and perennial crops growing or to be grown, whether harvested or unharvested, regardless of where stored; all products, purchases and exchanges thereof; all seed, fertilizers, herbicides, insecticides, chemicals and supplies used in connection therewith; all warehouse receipts, letters of entitlement issued by the Commodity Credit Corporation, or other documents issued for grain stored or to be stored, including all of Debtor's rights, title, and interest in said receipts, letters and documents; and all government subsidy payments of whatever kind or form, including payment-in-kind, storage, deficiency and interest payments.

[X] **WATER RIGHTS:** The ground water on, under, pumped from or otherwise available to the Property or any other water rights appurtenant to the Property, whether as a result of groundwater rights, contractual rights, or otherwise and whether riparian, appropriative, or otherwise; the right to remove or extract any such ground water including any permits, rights or licenses granted by any governmental authority or agency and any rights granted or created by any easement, covenant, agreement or contract with any person or entity; and any rights to which the Property is entitled with respect to surface water, whether such rights are appropriative, riparian, prescriptive or otherwise and whether or not pursuant to permit or other governmental authorization; the right to store any such water; any water right, water allocation for water not yet delivered, distribution right, delivery right, water storage right, or other water-related entitlement appurtenant to or otherwise applicable to the Property by virtue of the Property being situated within the boundaries of any governmental water district or within the boundaries of any private water company, mutual water company, or other non-governmental entity; and any shares, or any rights under such shares, of any private water company, mutual water company, or other non-governmental entity pursuant to which TRUSTOR or the Property may receive water, including those water rights described in Exhibit "E" attached hereto and by this reference incorporated herein. (The property and rights referred to in this paragraph are the "Water Rights.")

7. All substitutions and replacements for and products of any of the foregoing property and together with proceeds of any and all of the foregoing property and all improvements, accessions, additions to, accessories, attachments, parts, and repairs now or hereafter attached or affixed to or used in connection with any such property.

DEBTOR: **WC RANCH, INC.**

By: [Signature]
Its: SEC

3 - EXHIBIT "B" to FINANCING STATEMENT

tlcwo4362.ucc

STATE OF OREGON : COUNTY OF KLAMATH: ss.

Filed for record at request of Amerititle the 29th day
of January A.D. 1999 at 11:54 o'clock A.M. and duly recorded in Vol. M99
of Mortgages on Page 3452

FEE

\$25.00

Linda Smith, County Clerk

by Kathleen Broad