



## MEMORANDUM

TO: Bob Klein, Chair, and Members of the  
Alcoholic Beverage Control Board

DATE: August 14, 2018

FROM: Erika McConnell, Director

RE: #3773 Schwabenhof

**Requested Action:** Involuntary retransfer of license

**Legal Authority:** AS 04.06.090(b): "The board shall review all applications for licenses made under this title and may order the director to issue, renew, revoke, transfer, or suspend licenses and permits authorized under this title."

AS 04.11.360(4): "An application requesting approval of a transfer of a license to another person under this title shall be denied if the transferor has not paid all debts or taxes arising from the conduct of the business licensed under this title unless

(A) the transferor gives security for the payment of the debts or taxes satisfactory to the creditor or taxing authority; or

(B) the transfer is under a promise given as collateral by the transferor to the transferee in the course of an earlier transfer of the license under which promise the transferor is obliged to transfer the license back to the transferee in the event of default in payment for property conveyed as part of the earlier transfer of the license..."

AS 04.11.670: "A license issued under this title is not subject to foreclosure, and may not be used as collateral to secure a debt. However, if a license is transferred to another person, the transferor may secure payment for real and personal property conveyed to the transferee upon the promise of the transferee to transfer the license back to the transferor upon default in payment."

3 AAC 304.107(a): "If a former licensee seeks to compel the transfer of a license because of a promise under [AS 04.11.670](#) given as collateral by the current licensee to the former licensee in the course of an earlier transfer of the license, followed by a default in payment in connection with property conveyed or a lease made in the course of the previous transfer, the board will deny the transfer if creditors are not satisfied under [AS 04.11.360](#)(4)(A) unless it clearly appears that the former licensee,

at the time of the previous transfer, complied with the following notice requirements:

- (1) a leasehold conveyance or contract of sale of property made in the course of the previous license transfer was recorded in the manner provided for recordation of real estate conveyances, and the transferor, at the time of the previous transfer, made a UCC filing statement in which a security interest in the license was claimed under [AS 04.11.670](#) and [AS 04.11.360\(4\)\(B\)](#); the documents recorded under this paragraph must contain the following statement: "Under the terms of [AS 04.11.670](#), [AS 04.11.360\(4\)\(B\)](#), and [3 AAC 304.107](#), the transferor/lessor retains a security interest in the liquor license that is the subject of this conveyance, and may, as a result, be able to obtain a retransfer of the license without satisfaction of other creditors."; and
- (2) all documents prepared in connection with the previous transfer of the liquor license, including all leases, contracts, and other relevant memoranda, were filed with the board at the time of the previous transfer; the documentation must include a statement of the book and page number showing where the lease or contract, and UCC filing statement, bearing the disclosure statement required in (1) of this subsection, are recorded; and
- (3) the notice of the previous transfer required by [AS 04.11.310\(a\)](#) was made in writing and published, as required under [3 AAC 304.125](#), once a week for three weeks in a newspaper of general circulation before the transfer, in addition to any other notice of the application that might have been required by the board at the time of the previous transfer; the published notice must contain the following statement: "Under the terms of [AS 04.11.360\(4\)\(B\)](#), [AS 04.11.670](#), and [3 AAC 304.107](#), the transferor/lessor retains a security interest in the liquor license that is the subject of this conveyance, and may, as a result, be able to obtain a retransfer of the license without satisfaction of other creditors.""

**Staff Rec.:** Approve the retransfer to Schwabenhof, Inc. with delegation to include satisfaction of any creditor or taxing authority.

**Background:** In August of 2006, the ABC Board approved a transfer of this license with a security interest from Schwabenhof, Inc. to Schwabenhoff Two, LLC, which met the requirements set forth in 3 AAC 304.107.

In December of 2010, the ABC Board approved a transfer of this license to Schwabies, Inc. Unrecorded copies of application documents indicate that Schwabies, Inc. would be assuming and paying all obligations of the security interest agreement from Schwabbenhoff Two, LLC (sic), and that Schwabenhof, Inc. would retain the security interest in the license. The public notice of the transfer gave no mention to the public that Schwabenhof, Inc. would be retaining the security interest (or involved in the transfer at all), and indicated that Schwabbenhoff Two, LLC (sic) would be the secured party. However, the public notice documents were accepted and the transfer was effectuated by former staff, even though signed and recorded copies of the documents were never received, as required by 3 AAC 304.107(a)(2).

The board is required under AS 04.11.360(4) to deny an application requesting transfer of ownership of a license if the transferor as not paid all debts or taxes arising from the conduct of the business licensed unless the transferor gives security for the payment of the debts or taxes satisfactory to the creditor or taxing authority. As of August 7, 2018, no creditors or taxing authorities, other than Schwabenhof, Inc., have filed liens against the current licensee. Because the regulatory requirements to secure Schwabenhof, Inc. for the 2010 transfer were not met, the board should approve the transfer of ownership to Schwabenhof, Inc. with delegation to include the satisfaction of any creditor or taxing authority who files a lien against Schwabies, Inc. from August 7 until the date that the transfer is otherwise ready to be effectuated.

Attachment: 2018 involuntary retransfer application  
2010 incomplete security interest transfer application documents



Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

## Form AB-01: Transfer License Application

### What is this form?

This transfer license application form is required for all individuals or entities seeking to apply for the transfer of ownership and/or location of an existing liquor license. Applicants should review **Title 04 of Alaska Statutes** and **Chapter 304 of the Alaska Administrative Code**. All fields of this form must be completed, per AS 04.11.260, AS 04.11.280, AS 04.11.290, and 3 AAC 304.105.

This form must be completed and submitted to AMCO's main office, along with all other required forms and documents, before any license application will be considered complete.

### Section 1 – Transferor Information

Enter information for the **current** licensee and licensed establishment.

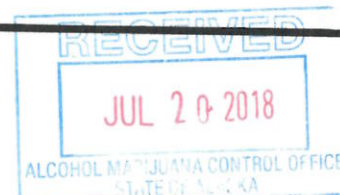
Licensee:	Schwabies, Inc.		License #:	3773	
License Type:	Beverage Dispensary		Statutory Reference:	AS 4.11.090	
Doing Business As:	Schwabenhof				
Premises Address:	4115 E. Palmer Wasilla Hwy				
City:	Wasilla	State:	AK	ZIP:	99654
Local Governing Body:	South Lakes Community Council Matanuska-Susitna Borough				

### Transfer Type:

- ☐ Regular transfer  
☐ Transfer with security interest  
☒ Involuntary retransfer

W  
initial

OFFICE USE ONLY			
Complete Date:		Transaction #:	81297
Board Meeting Date:		License Years:	
Issue Date:		BRE:	







Alaska Alcoholic Beverage Control Board

## Form AB-01: Transfer License Application

### Section 2 – Transferee Information

Enter information for the **new** applicant and/or location seeking to be licensed.

Licensee:	Schwabenhof, Inc.			
Doing Business As:	Schwabenhof			
Premises Address:	4115 E Palmer Wasilla Hwy			
City:	Wasilla	State:	AK	ZIP: 99654
Community Council:	South Lakes Community Council			

Mailing Address:	1425 N. Lazy Lane			
City:	Palmer	State:	AK	ZIP: 99645

Designated Licensee:	William Weith		
Contact Phone:	907 745 4660	Business Phone:	907 745 4660
Contact Email:	weith@mtaonline.net		

Seasonal License? ☐ Yes ☒ No If "Yes", write your six-month operating period: \_\_\_\_\_

### Section 3 – Premises Information

Premises to be licensed is:

☒ an existing facility ☐ a new building ☐ a proposed building

The next two questions must be completed by beverage dispensary (including tourism) and package store applicants only:

What is the distance of the shortest pedestrian route from the public entrance of the building of your proposed premises to the outer boundaries of the nearest school grounds? Include the unit of measurement in your answer.

.8 miles

What is the distance of the shortest pedestrian route from the public entrance of the building of your proposed premises to the public entrance of the nearest church building? Include the unit of measurement in your answer.

.8 miles





Alaska Alcoholic Beverage Control Board

## Form AB-01: Transfer License Application

### Section 4 – Sole Proprietor Ownership Information

This section must be completed by any sole proprietor who is applying for a license. Entities should skip to Section 5.

If more space is needed, please attach a separate sheet with the required information.

The following information must be completed for each licensee and each affiliate (spouse).

This individual is an: ☐ applicant ☐ affiliate

Name:					
Address:					
City:		State:		ZIP:	

This individual is an: ☐ applicant ☐ affiliate

Name:					
Address:					
City:		State:		ZIP:	

### Section 5 – Entity Ownership Information

This section must be completed by any entity, including a corporation, limited liability company (LLC), partnership, or limited partnership, that is applying for a license. Sole proprietors should skip to Section 6.

If more space is needed, please attach a separate sheet with the required information.

- If the applicant is a corporation, the following information must be completed for each *stockholder who owns 10% or more* of the stock in the corporation, and for each *president, vice-president, secretary, and managing officer*.
- If the applicant is a limited liability organization, the following information must be completed for each *member with an ownership interest of 10% or more*, and for each *manager*.
- If the applicant is a partnership, including a limited partnership, the following information must be completed for each *partner with an interest of 10% or more*, and for each *general partner*.

Entity Official:	William F. Weith				
Title(s):	Director, President Secretary, Treasurer	Phone:	745 4660	% Owned:	100
Address:	1425 N. Lazy Lane				
City:	Palmer	State:	AK	ZIP:	99645







Alcohol and Marijuana Control Office

550 W 7<sup>th</sup> Avenue, Suite 1600

Anchorage, AK 99501

[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)

<https://www.commerce.alaska.gov/web/amco>

Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

## Form AB-01: Transfer License Application

Entity Official:					
Title(s):		Phone:		% Owned:	
Address:					
City:		State:		ZIP:	

Entity Official:					
Title(s):		Phone:		% Owned:	
Address:					
City:		State:		ZIP:	

Entity Official:					
Title(s):		Phone:		% Owned:	
Address:					
City:		State:		ZIP:	

This subsection must be completed by any applicant that is a corporation or LLC. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations (DOC) and have a registered agent who is an individual resident of the state of Alaska.

DOC Entity #:	62014D	AK Formed Date:	5/28/97	Home State:	AK
Registered Agent:	William F. Worth	Agent's Phone:	745 4660		
Agent's Mailing Address:	1425 N. Lazy Lane				
City:	Palmer	State:	AK	ZIP:	99645

Residency of Agent:

ALASKA

☒ Yes

☐ No

Is your corporation or LLC's registered agent an individual resident of the state of Alaska?

☒☐



Alaska Alcoholic Beverage Control Board

## Form AB-01: Transfer License Application

### Section 6 – Other Licenses

Ownership and financial interest in other alcoholic beverage businesses:

Yes No

Does any representative or owner named as a transferee in this application have any direct or indirect financial interest in any other alcoholic beverage business that does business in or is licensed in Alaska?

☐☒

If "Yes", disclose which individual(s) has the financial interest, what the type of business is, and if licensed in Alaska, which license number(s) and license type(s):

### Section 7 – Authorization

Communication with AMCO staff:

Yes No

Does any person other than a licensee named in this application have authority to discuss this license with AMCO staff?

☒☐

If "Yes", disclose the name of the individual and the reason for this authorization:

① Patricia R. Helferian: attorney for transferee

② Patricia Weith, wife of William Weith: helps w/paperwork





Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

## Form AB-01: Transfer License Application

### Section 8 – Transferor Certifications

Additional copies of this page may be attached, as needed, for the controlling interest of the current licensee to be represented.

I declare under penalty of perjury that the undersigned represents a **controlling interest** of the current licensee. I additionally certify that I, as the current licensee (either the sole proprietor or the controlling interest of the currently licensed entity) have examined this application, approve of the transfer of this license, and find the information on this application to be true, correct, and complete.

William F. White  
Signature of transferor

William White, power of attorney for transferor  
Printed name of transferor

Subscribed and sworn to before me this 23<sup>rd</sup> day of MARCH, 2018.

Alejandra A. Oyler  
Signature of Notary Public

Notary Public in and for the State of AK.

My commission expires: 12-25-2018

\_\_\_\_\_  
Signature of transferor

\_\_\_\_\_  
Printed name of transferor

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Signature of Notary Public

Notary Public in and for the State of \_\_\_\_\_.

My commission expires: \_\_\_\_\_





Alaska Alcoholic Beverage Control Board

**Form AB-01: Transfer License Application**

**Section 9 – Transferee Certifications**

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that all proposed licensees (as defined in AS 04.11.260) and affiliates have been listed on this application.

WJW

I certify that all proposed licensees have been listed with the Division of Corporations.

WJW

I certify that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

WJW

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check the identification of a patron will complete an approved alcohol server education course, if required by AS 04.21.025, and, while selling or serving alcoholic beverages, will carry or have available to show a current course card or a photocopy of the card certifying completion of approved alcohol server education course, if required by 3 AAC 304.465.

WJW

I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application.

WJW

As an applicant for a liquor license, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, is true, correct, and complete.

William F. Leitch  
Signature of transferee

William Leitch  
Printed name

Subscribed and sworn to before me this 23<sup>rd</sup> day of March, 2018.

Angela A. Corder  
Signature of Notary Public

Notary Public in and for the State of AK

My commission expires: 12-25-2018





IRREVOCABLE ASSIGNMENT FOR SECURITY PURPOSES  
AND POWER OF ATTORNEY

FOR VALUABLE CONSIDERATION SCHWABIES, INC., whose address is 861 Serrano Drive, Wasilla, AK. 99654, hereinafter "Assignor," as operator of Beverage Dispensary License designated 3773, under the authority of the State of Alaska and State of Alaska Alcoholic Beverage Control Board hereby irrevocably assigns to SCHWABENHOF, INC., whose address is 1425 N. Lazy Lane, Palmer, Alaska 99645, hereinafter "Assignee," all of the current and after-acquired right, title and interest in and to the alcoholic beverage license originally issued in the name of SCHWABENHOF, INC. and then SCHWABENHOFF TWO, LLC. a/k/a SCHWABENHOFF TWO, LLC., and grant the said Assignee a security interest therein, and in reissuance of such license, such assignment and granting of security interest being for the sole purpose of securing the obligations set forth in the following documents:

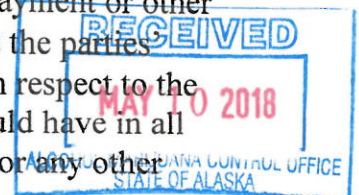
1. Security Agreement, dated July 7, 2006
2. Deed of Trust Note, dated July 7, 2006
3. Deed of Trust, dated July 7, 2006
4. Assumption and Modification of Security Agreement, dated January 21, 2011
5. Modification of Deed of Trust Note and Deed of Trust, dated January 21, 2011

Absent default by the Assignor, this assignment shall be null and void and without force and effect.

Upon default by the Assignor, the Assignor appoints the principals of SCHWABENHOF, INC., i.e. PATRICIA WEITH or WILLIAM WEITH, as Assignor's attorney-in-fact, with full power of substitution, for the purposes of executing and delivering all documents, and otherwise taking any and all steps whatsoever required or pertinent to the operation, use, transfer or renewal of said license, including therein without limitation the powers and authority to retransfer the liquor license.

The purpose of this assignment and power of attorney is to ensure performance of the Assignor's promise if there is a default in payment or other terms of the agreements under which the license was sold. It is the parties' intention that the Assignee has the same rights and powers with respect to the license which are the subject thereof that Assignor has and would have in all instances when the operation, transfer, renewal, operation, use or any other disposition of said license is involved.

PATRICIA R. HEFFERAN  
ATTORNEY AT LAW  
351 WEST SWANSON AVENUE, SUITE 3  
WASILLA, ALASKA 99654-6892  
(907) 376-2439 • FAX 376-2440

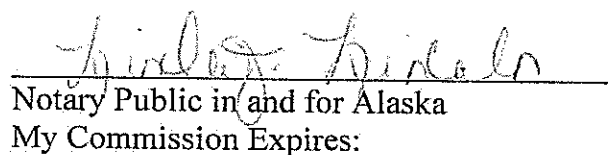


This document is intended to create a method to allow the Assignee to enforce Assignee's purchase money interest in Beverage Dispensary License #3773, in favor of the Assignee as provided by AS 04.11.670 or AS 04.11.360 (4)(B) and applicable regulations, as amended.

ASSIGNOR:

By: [Signature]  
Its: PRESIDENT / SECRETARY

The foregoing instrument was acknowledged before me this 21st day of Jan., 2010, by Thomas Robertson as President/Secretary on behalf of Schwabies, Inc.





Alcoholic Beverage Control Board  
5848 E Tudor Rd  
Anchorage, AK 99507

## Transfer Liquor License

PAGE 1 OF 2

(907) 269-0350

Fax: (907) 272-9412

www.dps.state.ak.us/abc

This application is for:

- ☐ Seasonal - Two 6-month periods in each year of the biennial period beginning \_\_\_\_\_ and ending \_\_\_\_\_  
☒ Full 2-year period \_\_\_\_\_ Mo/Day \_\_\_\_\_ Mo/Day

#6527

SECTION A - LICENSE INFORMATION. Must be completed for all types of applications.			FEES	
License Year: <b>2010</b>	License Type: <b>BEVERAGE DISPENSARY LIQUOR LICENSE</b>	Statute Reference	License Fee: \$	
License #: <b>3773</b>		Sec. 04.11. <b>090</b>	Filing Fee: \$100.00	
Local Governing Body: (City, Borough or Unorganized) <b>MAT-SU BOROUGH</b>		Community Council Name(s) & Mailing Address:		Fingerprint: <b>54.25</b> (\$54.25 per person) <b>Res new permit 50.00</b>
Name of Applicant (Corp/LLC/LP/LLP/Individual/Partnership): <b>Schwabies, Inc.</b>		Doing Business As (Business Name): <b>Schwabenhof</b>		Total Submitted: \$ <b>204.25</b>
Mailing Address: <b>861 SERRANO DRIVE</b>		Business Telephone Number: <b>(907) 357-2739</b>		
City, State, Zip: <b>WASILLA, ALASKA 99654</b>		Fax Number:		
Street Address or Location of Premise: <b>4115 E. Palmer-Wasilla Hwy</b> <b>Mat-Su Borough</b> <b>Wasilla, AK 99654</b>		Email Address: <b>tnrobertson@yahoo.com</b>		
SECTION B - TRANSFER INFORMATION.				
<input type="checkbox"/> Regular Transfer		Name and Mailing Address of CURRENT Licensee: <b>Schwabenhoff Two LLC</b> <b>P.O. Box 876980, Wasilla, AK 99687</b>		
<input checked="" type="checkbox"/> Transfer with security interest: Any instrument executed under AS 04.11.670 for purposes of applying AS 04.11.360(4)(b) in a later involuntary transfer, must be filed with this Application (15 AAC 104.107). Real or personal property conveyed with this transfer must be described. Provide security interest documents.		Business Name (dba) BEFORE transfer: <b>Schwabenhof</b>		
<input type="checkbox"/> Involuntary Transfer. Attach documents which evidence default under AS 04.11.670.		Street Address or Location BEFORE transfer: <b>4115 E. Palmer-Wasilla Hwy, Mat-Su Borough</b>		
SECTION C - PREMISES TO BE LICENSED. Must be completed for RELOCATION applications.				
Closest school grounds:	Distance measured under: <input type="checkbox"/> AS 04.11.410 <b>OR</b> <input type="checkbox"/> Local ordinance No.	<input type="checkbox"/> Premises is GREATER than 50 miles from the boundaries of an incorporated city, borough, or unified municipality.		
Closest church:	Distance measured under: <input type="checkbox"/> AS 04.11.410 <b>OR</b> <input type="checkbox"/> Local ordinance No.	<input type="checkbox"/> Premises is LESS than 50 miles from the boundaries of an incorporated city, borough, or unified municipality.		
Premises to be licensed is:	<input type="checkbox"/> Proposed building <input checked="" type="checkbox"/> Existing facility <input type="checkbox"/> New building	<input checked="" type="checkbox"/> Not applicable		
Does any individual, corporate officer, director, limited liability organization member, manager or partner named in this application have any direct or indirect interest in any other alcoholic beverage business licensed in Alaska or any other state?		<input type="checkbox"/> Plans submitted to Fire Marshall (required for new & proposed buildings) <input checked="" type="checkbox"/> Diagram of premises attached		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, complete the following. Attach additional sheets if necessary.				
Name	Name of Business	Type of License	Business Street Address	State
Has any individual, corporate officer, director, limited liability organization member, manager or partner named in this application been convicted of a felony, a violation of AS 04, or been convicted as a licensee or manager of licensed premises in another state of the liquor laws of that state?				
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, attach written explanation.				

Office use only

Date Approved

Director's Signature

**Corporations, LLCs, LLPs and LPs must be registered with the Dept. of Community and Economic Development.**

Name of Entity (Corporation/LLC/LLP/LP) (or N/A if an Individual ownership): <b>Schwabies, Inc.</b>		Telephone Number: <b>907-357-2739</b>	Fax Number: —
Corporate Mailing Address: <b>861 SERRANO DRIVE</b>	City: <b>WASILLA</b>	State: <b>AK</b>	Zip Code: <b>99654</b>
Name, Mailing Address and Telephone Number of Registered Agent <b>861 SERRANO DRIVE WASILLA, AK 99654</b>		Date of Incorporation OR Certification with DCED: <b>07/12/2010</b>	State of Incorporation: <b>Alaska</b>
Is the Entity in compliance with the reporting requirements of Title 10 of the Alaska Statutes? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, attach written explanation. Your entity <b>must</b> be in compliance with Title 10 of the Alaska Statutes to be a valid liquor licensee.			

**Entity Members (Must include President, Secretary, Treasurer, Vice-President, Manager and Shareholder/Member with at least 10%)**

Name	Title	%	Home Address & Telephone Number	Work Telephone Number	Date of Birth
THOMAS N. ROBERTSON	President	100	861 SERRANO DRIVE WASILLA, AK 99654 907-357-2739	907-357-2739	01/11/1957

NOTE: On a separate sheet provide information on ownership other organized entities that are shareholders of the licensee.

**Individual Licensees/Affiliates (The ABC Board defines an "Affiliate" as the spouse or significant other of a licensee. Each Affiliate must be listed.)**

Name: Address:	Applicant <input type="checkbox"/> Affiliate <input type="checkbox"/>	Name: Address:	Applicant <input type="checkbox"/> Affiliate <input type="checkbox"/>
Home Phone: Work Phone:	Date of Birth:	Home Phone: Work Phone:	Date of Birth:
Name: Address:	Applicant <input type="checkbox"/> Affiliate <input type="checkbox"/>	Name: Address:	Applicant <input type="checkbox"/> Affiliate <input type="checkbox"/>
Home Phone: Work Phone:	Date of Birth:	Home Phone: Work Phone:	Date of Birth:

**Declaration**

- I declare under penalty of perjury that I have examined this application, including the accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete, and this application is not in violation of any security interest or other contracted obligations.
- I hereby certify that there have been no changes in officers or stockholders that have not been reported to the Alcoholic Beverage Control Board. The undersigned certifies on behalf of the organized entity, it is understood that a misrepresentation of fact is cause for rejection of this application or revocation of any license issued.
- I further certify that I have read and am familiar with Title 4 of the Alaska statutes and its regulations, and that in accordance with AS 04.11.450, no person other than the licensee(s) has any direct or indirect financial interest in the licensed business.
- I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application.

**Signature of Current Licensee(s)**

Signature: *David S. Grathwohl*  
Signature: *David S. Grathwohl*  
Name & Title (Please Print): **OWNER DAVID S. GRATHWOHL**

Subscribed and sworn to before me this

*5th* day of *August*, 2010

Notary Public in and for the State of Alaska

*Dennina L. Frey*  
My commission expires:  
*11-05-2011*



Transfer App 3/09

**Signature of Transferee(s)**

Signature: *Thomas N. Robertson*  
Signature: *Larry W. Burgess*  
Name & Title (Please Print): **THOMAS N. ROBERTSON  
LARRY W. BURGESS**

Subscribed and sworn to before me this

*5th* day of *August*, 2010

Notary Public in and for the State of Alaska

*Dennina L. Frey*  
My commission expires:  
*11-05-2011*



**STATE OF ALASKA  
ALCOHOLIC BEVERAGE CONTROL BOARD**

**AFFIDAVIT IN CONNECTION WITH POSTING LIQUOR LICENSE APPLICATION  
Section 04.11.260, 04.11.310, & AAC 104.125 Alaska Statutes, Title 4**

**POSTING AFFIDAVIT**

I, the undersigned, being first duly sworn on oath, depose and say that:

1. a. Posting of application for a new \_\_\_\_\_ liquor license  
for \_\_\_\_\_  
located at \_\_\_\_\_  
(address and/or location)

OR

- b. Posting of application for transfer of a BEVERAGE DISPENSARY liquor license  
currently issued to Schwabenhoff Two LLC whose business name (d/b/a)  
is Schwabenhof located at 4115 E. PALMER-WASILLA HWY -  
WASILLA, AK (address and/or location)  
99654 - MAT-SU BOROUGH

2. Has been completed by me for the following 10 FULL day period:

08-05-2010 to 08-19-2010

\*\*\* Prior to the filing of said application, a true copy of the application was posted at the following described locations: (name and address of location)

- a. Location of premises to be licensed Schwabenhof  
b. Other conspicuous location in the area Carrs-Safeway - Parks HWY - Wasilla, AK

3. I believe that with the approval of this application population would not at one time exceed in the aggregate of one license of the type requested for population as provided by law. AS 04.11.400 (check one)

- a. ☐ a radius of five (5) miles of the proposed location.  
b. ☐ an incorporated city, organized borough or unified municipality.  
c. ☐ does not apply (application filed under AS 04.11.400(d)(e)(g) or transfer of license holder or location within an incorporated city or unified municipality or organized borough).  
d. ☐ established village.

[Signature]  
(signature)

SUBSCRIBED and SWORN to me this 20th day of August, 20 10.



Terrainna L. Frey  
Notary Public in and for Alaska  
My commission expires: 11-05-2011

*Growing with the Valley since 1947.*

PO Box 873509  
Wasilla, AK 99654

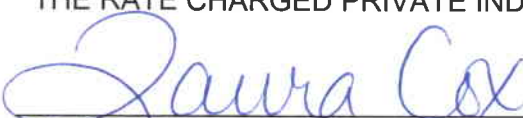
(907) 352-2250 ph  
(907) 352-2277 fax

## **AFFIDAVIT OF PUBLICATION**

UNITED STATES OF AMERICA, STATE OF ALASKA, THIRD DIVISION  
BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC, THIS DAY  
PERSONALLY APPEARED BEFORE **LAURA COX** WHO, BEING  
FIRST DULY SWORN, ACCORDING TO LAW, SAYS THAT SHE IS THE  
LEGAL AD CLERK OF THE **FRONTIERSMAN** AND THE **VALLEY SUN**  
PUBLISHED AT WASILLA, IN SAID DIVISION THREE AND STATE OF ALASKA  
AND THAT THE ADVERTISEMENT, OF WHICH THE ANNEXED IS A TRUE  
COPY, WAS PUBLISHED ON THE FOLLOWING DAYS:

**JULY 13, 20 & 27, 2010**

AND THAT THE RATE CHARGED THEREIN IS NOT IN EXCESS OF  
THE RATE CHARGED PRIVATE INDIVIDUALS.

  
\_\_\_\_\_  
SUBSCRIBED AND SWORN TO BEFORE ME  
THIS 27th DAY OF JULY, 2010.

  
\_\_\_\_\_  
NOTARY PUBLIC FOR STATE OF ALASKA

THOMAS ROBERTSON





# **NOTICE OF LIQUOR LICENSE TRANSFER with Security Agreement**

Schwabenhoff Two, LLC d/b/a  
Schwabenhoff, located at 4115 E.  
Palmer-Wasilla Hwy, Wasilla, AK  
99654 is applying for a transfer  
of a Beverage Dispensary AS  
04.11.090 to Schwables, Inc.

The transferor/lessor retains a security interest in the liquor  
license which is the subject of this conveyance under the  
terms of AS 04.11.360 (4)(B); AS 04.11.670 and 13 AAC  
104.107 and may as a result be able to obtain a retransfer  
of the license without satisfaction of other creditors. Inter-  
ested persons should submit written comment to their local  
governing body, the applicant and to the Alcoholic Beverage  
Control Board at 5848 E Tudor Rd, Anchorage, AK 99507.

PUBLISH: July 13, 20, 27, 2010

MODIFICATION OF DEED OF TRUST NOTE  
AND DEED OF TRUST; ASSUMPTION

For valuable consideration, it is hereby agreed by and between  
**THOMAS ROBERTSON**, a \_\_\_\_\_ man, LARRY BURGESS, a  
\_\_\_\_\_, man, SCHWABIES, INC., and CHEROKEE, LLC.,  
\_\_\_\_\_, **"Guarantor/Payor,"** whose address is \_\_\_\_\_  
SCHWABBENHOFF TWO, LLC. aka SCHWABBENHOFF TWO, LLC., an Alaska  
Business Organization, and **DAVID GRATHWOHL**, a single man, **"Payor/Trustor,"**  
whose address is PO Box 876980, Wasilla, AK. 99687, and WILLIAM F. WEITH, a  
married man, **PATRICIA A. WEITH**, a married woman, and SCHWABBENHOF, INC.  
an Alaska Corporation, **"Payee/Beneficiary,"** whose address is 1425 N. Lazy Lane,  
Palmer, AK. 99645, that the Deed of Trust Note and Deed of Trust dated July 7, 2006,  
in the amount of \$513,000.00, secured by Deed of Trust dated July 7, 2006, and  
recorded at Reception #2006-019393-0, on July 13, 2006, and covering the following  
described property:

Lot 1 A, Block 2, Country Field Estates V, Plat No.  
2000-126, in the Palmer Recording District, Third  
Judicial District, State of Alaska, along with  
Beverage Dispensary License No. 3773.

The parties acknowledge that, under the terms of  
AS 04.11.670, AS 04.11.360(4)(B), and  
13AAC104.107, the Beneficiaries retain a security  
interest in the beverage dispensary license 3773, and  
may, as a result, be able to obtain retransfer of the  
license without satisfaction of other creditors.

are hereby amended in the following respect, to wit:

1. The principal balance is agreed to be \$498,000.00 (**minus payments, but not including payments to reimburse Payee's costs**) as of (to fill in closing date for David's Sale), 2010, and
2. As of (Closing date), 2010, the interest rate will increase to 7% per annum, and will remain at 7%, until the obligation is paid in full, and
3. Beginning (30 days from closing date), 2010, and on the same day of each month thereafter, monthly payments are due in the amount to amortize full payoff before 8/31/30, including interest, when the entire amount of principal and interest must be paid in full. It is agreed and acknowledged that the "date of maturity" is changed to 3 years after the due date of August 31, 2030.
4. Payee/Beneficiary hereby consents to the simultaneous transfer by Payor/Trustor of the property described herein.

5. THOMAS ROBERTSON, LARRY BURGESS, SCHWABIES, INC.

and CHEROKEE, LLC. hereby agree to assume and pay all obligations under the said Deed of Trust and Note, and to save and hold harmless GRATHWOHL and SCHWABBENHOFF TWO, LLC. therefrom.

6. SCHWABBENHOFF TWO, LLC hereby confirms transfer of the entirety of its interest in the property subject hereto without prejudice to Payee/Beneficiary's priority security/interest in said properties.

7. Except as expressly modified above, the terms of the original Deed of Trust and Note shall remain unchanged and in full force and affect. Consent by Payee/Beneficiary to this Modification does not waive Payee/Beneficiary's right to require strict performance of the Deed of Trust and Note as changed above nor obligate Payee/Beneficiary to make any future modifications.

Payee/Beneficiary:

**DRAFT**

\_\_\_\_\_  
Date

\_\_\_\_\_  
WILLIAM F. WEITH

**DRAFT**

\_\_\_\_\_  
Date

\_\_\_\_\_  
PATRICIA A. WEITH

**DRAFT**

\_\_\_\_\_  
Date

\_\_\_\_\_  
SCHWABENHOF, INC.

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

Payor/Trustor:

**DRAFT**

\_\_\_\_\_  
Date

\_\_\_\_\_  
DAVID GRATHWOHL

**DRAFT**

\_\_\_\_\_  
Date

\_\_\_\_\_  
SCHWABBENHOFF TWO, LLC aka  
SCHWABENHOFF TWO, LLC.

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

Guarantor/Payor:

**DRAFT**

\_\_\_\_\_  
Date

\_\_\_\_\_  
THOMAS ROBERTSON

**DRAFT**

Date \_\_\_\_\_

LARRY BURGESS

**DRAFT**

Date \_\_\_\_\_

SCHWABIES, INC.

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

**DRAFT**

Date \_\_\_\_\_

CHEROKEE, LLC.

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

STATE OF ALASKA )

)ss.

THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2010, by WILLIAM F. WEITH.

**DRAFT**

Notary Public in and for Alaska

My Commission expires: \_\_\_\_\_

STATE OF ALASKA )

)ss.

THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2010, by PATRICIA A. WEITH.

**DRAFT**

Notary Public in and for Alaska

My Commission expires: \_\_\_\_\_

STATE OF ALASKA )

)ss.

THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2010, by \_\_\_\_\_, as authorized representative on behalf of SCHWABENHOF, INC.

**DRAFT**

Notary Public in and for Alaska

My Commission expires: \_\_\_\_\_



STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2010, by DAVID GRATHWOHL.

**DRAFT**

Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_

STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2010, by \_\_\_\_\_, as authorized representative on behalf of SCHWABENHOFF TWO, LLC aka SCHWABENHOFF TWO, LLC.

**DRAFT**

Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_

STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2010, by THOMAS ROBERTSON.

**DRAFT**

Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_

STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2010, by LARRY BURGESS.

**DRAFT**

Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_

STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2010, by \_\_\_\_\_, as authorized representative on behalf of SCHWABIES, INC.

Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_

[illegible]

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2010, by \_\_\_\_\_, as authorized representative on behalf of CHEROKEE, LLC.

**DRAFT**

Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_

### Record in the Palmer Recording District

**RETURN TO:** First National Escrow #52-756871  
P.O. Box 100720  
Anchorage, AK 99510-0720

A  
L  
A  
S  
K  
A

CC

DEED OF TRUST

MS70328

THIS DEED OF TRUST, made this 7<sup>th</sup> day of July, 2006,  
between SCHWABBENHOFF TWO, LLC a/k/a SCHWABENHOFF TWO, LLC,

herein called TRUSTOR, whose address is **P O Box 876980,** Wasilla AK 99687,

and MAT SU TITLE INSURANCE AGENCY, INC.,

herein called TRUSTEE; and **WILLIAM F. WEITH and PATRICIA A. WEITH,**  
husband and wife, and SCHWABENHOF, INC., an Alaska Corporation,

herein called BENEFICIARY, whose address is 1425 N. Lazy Lane, Palmer, AK 99645.

**WITNESSETH:**

That Trustor GRANTS, BARGAINS, SELLS AND CONVEYS TO  
TRUSTEE IN TRUST WITH POWER OF SALE, THAT PROPERTY IN THE PALMER  
Recording District, State of Alaska, described as:

Lot 1A, Block 2, Country Field Estates V, Plat No.  
2000-126, in the Palmer Recording District, Third  
Judicial District, State of Alaska, along with Beverage  
Dispensary License No. 3773.

The parties acknowledge that, under the terms of AS  
04.11.670, AS 04.11.360(4)(B), and 13AAC 104.107,  
the Beneficiaries retain a security interest in the  
beverage dispensary license 3773, and may, as a result,  
be able to obtain retransfer of the license without  
satisfaction of other creditors.

TOGETHER with the tenements, hereditaments and appurtenances thereunto  
belonging, or in anywise appertaining, and the rents, issues and profits thereof, SUBJECT,  
HOWEVER, to the right, power and authority hereinafter given to and conferred upon  
Beneficiary to collect and apply such rents, issues and profits. To have and to hold the same,  
with the appurtenances, unto Trustee.

Trustor shall be entitled to possession of the above described premises from  
and after the date of execution of this Trust Deed, and for so long as all payments on the  
promissory note herein referred to are currently paid and all promises, conditions and covenants  
of the Trustor herein are faithfully kept and performed.

**FOR THE PURPOSE OF SECURING:** 1. Performance of each agreement  
of Trustor herein contained; and 2. Payment of the indebtedness evidenced by one promissory  
note of even date, herewith, in the principal sum of FIVE HUNDRED THIRTEEN  
THOUSAND 00/100 DOLLARS (\$513,000.00), payable to Beneficiary or order. 3.  
Performance of the terms of a security agreement between the parties of even date herewith.

**A. TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES:**

1. To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay, when due, all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to maintain in an orderly manner, paint, repair, keep free from freezing, and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

2. To provide, maintain and deliver to Beneficiary, fire insurance satisfactory to and with loss payable to Beneficiary in an amount at least equal to the balance owing at all times under this Deed of Trust.

The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any proceeding brought by Beneficiary to foreclose this Deed.

4. To pay at least ten days before delinquency, all taxes and assessments affecting said property; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.

5. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, with interest from date of expenditure at Six and One-Half (6.5%) percent per annum.

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

**B. IT IS MUTUALLY AGREED THAT:**

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

2. By accepting payment of any sum secured hereby after its due date,





Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure to pay.

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

4. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in any reconveyance executed under this Deed of Trust of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto".

5. As additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues, and profits as they become due and payable. Upon any such default, Beneficiary may, at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less cost and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. In addition to all of the other rights and powers provided herein, Beneficiary may in his discretion commence legal proceedings to recover possession of the property.

6. Upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In the event of default, Beneficiary shall execute or cause the Trustee to execute a written notice of such default and of his election to cause to be sold the herein described property to satisfy the obligation hereof, and shall cause such notice to be recorded in the office of the Recorder for the recording district in which said property or some part thereof is located.

Notice of sale having been given as then required by law and not less than the time then required by law having elapsed after recordation of such notice of default, Trustee, without demand on Trustor, shall sell said property in Alaska at the place provided by law at the time fixed by it in said notice of sale, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest and best bidder for cash in lawful money of the United States, payable at time of sale. Beneficiary shall have the right to make an offset bid without cash in an amount equal to the balance owed on the obligation at the time of the sale, including any sums expended by Beneficiary and Trustee under the deed of trust with interest, attorney's fees, and costs of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to the purchaser its deed conveying the property so sold,



but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary, as hereunder defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title and reasonable counsel fees in connection with sale, Trustee shall apply the proceeds of sale to payment of all sums expended under the terms hereof, not then repaid with accrued interest at Six and One-Half (6.5%) percent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereof.

7. Nothing contained herein shall be construed to limit the right of Beneficiary to foreclose this deed of trust by judicial action. Beneficiary shall further be entitled to bring an action upon the note secured by this Deed of Trust without attempting to foreclose this Deed of Trust either by judicial action or by exercise of the power of sale. Trustor shall be liable for and agrees to pay any deficit.

8. This deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the holder and owner including pledgee, of the note secured hereby, whether or not named as a beneficiary herein, or, if the note has been pledged, the pledgee thereof in this Deed, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

9. Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

10. Beneficiary may, from time to time, as provided by statute, appoint another Trustee in place and stead of Trustee herein named, and thereupon, the Trustee herein named shall be discharged and Trustee so appointed shall be substituted as Trustee hereunder with the same effect as if originally named Trustee herein.

11. If two or more persons be designated as Trustee herein, any, or all, powers granted herein to trustee may be exercised by any of such persons, if the other person or persons is unable, for any reason, to act, and any recital of such inability in any instrument executed by any of such persons shall be conclusive against Trustor, his heirs and assigns.

12. Trustee shall release and reconvey this Deed of Trust on notice from FIRST NATIONAL BANK OF ALASKA or subsequent agents, that the debt secured hereby has been satisfied.

13. The promissory note secured by this deed of trust instrument is all due and payable on or before the 13 day of July, 2026. It is agreed and acknowledged that the "date of maturity" of this instrument, as that term is used in AS 34.20.150, is 3 years after the due date specified above.

#### C. SPECIAL CONDITIONS & COVENANTS:

A. No interest in the property described herein shall be assumed, transferred, or sold without paying off in full and releasing this Deed of Trust. This condition and restriction is a part of the bargained-for consideration between





B. This instrument maybe foreclosed in conjunction with a security agreement between the parties of even date herewith, covering miscellaneous personal property and liquor license No. 3773.

The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to him at his address hereinbefore set forth.

**BENEFICIARY:**

SCHWABENHOF, INC.

William F. Weith  
WILLIAM F. WEITH, Individually and as  
President for Schwabenhof, Inc.

Patricia A. Weith  
PATRICIA A. WEITH

**TRUSTOR:**

David S. Grathwohl  
DAVID GRATHWOHL

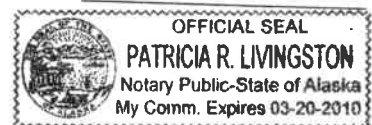
SCHWABBENHOFF TWO, LLC  
a/k/a SCHWABENHOFF TWO LLC

By: David S. Grathwohl  
Its: Member

STATE OF ALASKA )  
 ) ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this 7<sup>th</sup> day of July, 2006, by WILLIAM F. WEITH, Individually and as President on behalf of Schwabenhof, Inc.

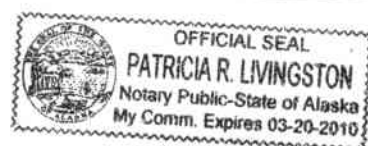
Patricia R. Livingston  
Notary Public in and for Alaska  
My Commission Expires: \_\_\_\_\_



STATE OF ALASKA )  
 ) ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this 7<sup>th</sup> day of July, 2006, by PATRICIA A. WEITH.

Patricia R. Livingston  
Notary Public in and for Alaska  
My Commission Expires: \_\_\_\_\_



STATE OF ALASKA )  
 ) ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this 7<sup>th</sup> day of July, 2006, by DAVID GRATHWOHL.

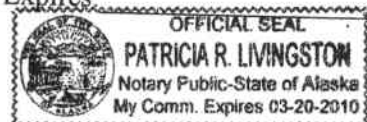
*Patricia R. Livingston*  
Notary Public in and for Alaska  
My Commission Expires:



STATE OF ALASKA )  
 ) ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this 7<sup>th</sup> day of July, 2006, by David S. Grathwohl, as member on behalf of SCHWABENHOFF TWO, LLC a/k/a SCHWABENHOFF TWO, LLC.

*Patricia R. Livingston*  
Notary Public in and for Alaska  
My Commission Expires:



Return to:  
First National Bank of Anchorage  
Escrow Dept.  
P O Box 100720  
Anchorage, AK 99510



MODIFICATION OF DEED OF TRUST NOTE  
AND DEED OF TRUST; ASSUMPTION

MS83681

For valuable consideration, it is hereby agreed by and between THOMAS ROBERTSON, a married man, SCHWABIES, INC., and CHEROKEE LLC., "Guarantor/Payor," whose address is 861 Serrano Drive, Wasilla, AK. 99654, SCHWABENHOFF TWO, LLC. aka SCHWABENHOFF TWO, LLC., an Alaska Business Organization, and DAVID GRATHWOHL, a single man, "Payor/Trustor", whose address is PO Box 876980, Wasilla, AK. 99687, and WILLIAM F. WEITH, a married man, PATRICIA A. WEITH, a married woman, and SCHWABENHOF, INC. an Alaska Corporation, "Payee/Beneficiary", whose address is 1425 N. Lazy Lane, Palmer, AK. 99645, that the Deed of Trust Note and Deed of Trust dated July 7, 2006, in the amount of \$513,000.00, secured by Deed of Trust dated July 7, 2006, and recorded at Reception #2006-019393-0, on July 13, 2006, and assigned by instrument dated September 27, 2006, recorded at Reception #2006-027936-0, on September 28, 2006, and covering the following described property:

Lot 1 A, Block 2, Country Field Estates V, Plat No. 2000-126, in the Palmer Recording District, Third Judicial District, State of Alaska; along with Beverage Dispensary License No. 3773.

The parties acknowledge that, under the terms of AS 04.11.670, AS 04.11.360(4)(B), and 13AAC104.107, the Beneficiaries retain a security interest in the beverage dispensary license 3773, and may, as a result, be able to obtain retransfer of the license without satisfaction of other creditors.

are hereby amended in the following respect, to wit:

1. The principal balance is agreed to be \$498,000.00 as of January 26, 2011, and
2. As of January 26, 2011, the interest rate will increase to 7% per annum, and will remain at 7%, until the obligation is paid in full, and
3. Beginning January 25, 2011, and on the same day of each month thereafter, monthly payments are due in the amount of \$ 3861.00, to amortize full payoff before December 25, 2030 including interest, when the entire amount of principal and interest must be paid in full. It is agreed and acknowledged that the "date of maturity" is hereby changed to 3 years after the due date of
4. Payee/Beneficiary hereby consents to the simultaneous transfer by Payor/Trustor of the property described herein, subject to all terms hereof.
5. THOMAS ROBERTSON, SCHWABIES, INC. and CHEROKEE,

LLC. hereby agree to assume and pay all obligations under the said Deed of Trust and Note, and to save and hold harmless DAVID GRATHWOHL and SCHWABBENHOFF TWO, LLC. therefrom.

6. SCHWABBENHOFF TWO, LLC hereby confirms transfer of the entirety of its interest in the property subject hereto without prejudice to Payee/Beneficiary's priority security/interest in said properties.

7. Except as expressly modified above, the terms of the original Deed of Trust and Note shall remain unchanged and in full force and affect. Consent by Payee/Beneficiary to this Modification does not waive Payee/Beneficiary's right to require strict performance of the Deed of Trust and Note as changed above nor obligate Payee/Beneficiary to make any future modifications.

Payee/Beneficiary:

01-06-2011  
Date

William F. Weith  
WILLIAM F. WEITH

01-06-2011  
Date

Patricia A. Weith  
PATRICIA A. WEITH

01-06-2011  
Date

SCHWABENHOF, INC.  
BY: William F. Weith  
ITS: PRESIDENT

Payor/Trustor:

21 FEB 11  
Date

David S. Grathwohl  
DAVID GRATHWOHL

21 FEB 11  
Date

David S. Grathwohl  
SCHWABBENHOFF TWO, LLC aka  
SCHWABENHOFF TWO, LLC.  
BY: \_\_\_\_\_  
ITS: member/manager

Guarantor/Payor:

01-21-2011  
Date

THOMAS ROBERTSON  
THOMAS ROBERTSON



01-21-2011  
Date

SCHWABIES, INC  
BY: [Signature]  
ITS: PRES. / SECRETARY

01-21-2011  
Date

CHEROKEE LLC  
BY: [Signature]  
ITS: MEMBER

STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this 6<sup>th</sup> day of Jan, 2011, ~~2010~~, by WILLIAM F. WEITH.

[Signature]  
Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_

STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )



The foregoing instrument was acknowledged before me this 6<sup>th</sup> day of Jan, 2011, ~~2010~~, by PATRICIA A. WEITH.

[Signature]  
Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_

STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )



The foregoing instrument was acknowledged before me this 6<sup>th</sup> day of Jan, 2011, ~~2010~~, by William F. Weith, as authorized representative on behalf of SCHWABENHOF, INC.



[Signature]  
Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_



STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of Jan, 2011, 2010, by DAVID GRATHWOHL.



Linda J. Lincoln  
Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_

STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of Jan, 2011, 2010, by David Grathwohl, as authorized representative on behalf of SCHWABENHOFF TWO, LLC aka SCHWABENHOFF TWO, LLC.



Linda J. Lincoln  
Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_

STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of Jan, 2011, 2010, by THOMAS ROBERTSON.



Linda J. Lincoln  
Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_

STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of Jan, 2011, 2010, by Thomas Robertson, as authorized representative on behalf of SCHWABIES, INC.



Linda J. Lincoln  
Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_



STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this 21st day of Jan, 2011, 2010, by Thomas Robertson, as authorized representative on behalf of CHEROKEE LLC.



Sindley Kinkadee  
Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_

Record in the Palmer Recording District

**RETURN TO:** First National Escrow #~~52-756877~~  
P.O. Box 100720  
Anchorage, AK 99510-0720  
Escrow Dept.

MODIFICATION OF DEED OF TRUST NOTE AND DEED OF TRUST  
PAGE 5 OF 5



5 of 5  
2011-001757-0

ASSUMPTION AND MODIFICATION  
OF SECURITY AGREEMENT

This agreement is entered this 24 day of Jan., 2011, ~~2010~~, by and between DAVID GRATHWOHL and SCHWABBENHOFF TWO, LLC. a/k/a SCHWABENHOFF, TWO, LCC., "Debtor", and THOMAS ROBERTSON, SCHWABIES, INC., and CHEROKEE LLC., "ASSUMPTORS/DEBTORS", and SCHWABENHOF, INC., WILLIAM F. WEITH and PATRICIA A. WEITH, "Secured Parties".

WHEREAS, GRATHWOHL and SCHWABBENHOFF TWO, LLC a/k/a SCHWABENHOFF TWO, LLC have agreed to transfer certain assets to ASSUMPTORS/DEBTORS, subject to a Security Agreement naming WEITHS and SCHWABENHOF, INC. as Secured Parties, dated July 7, 2006, and

WHEREAS, the parties have reviewed and updated a list of the property which is subject to the said Security Agreement, and

WHEREAS, ASSUMPTORS/DEBTORS intend hereby to assume and fulfill all obligations of the Debtor under the said Security Agreement.

NOW THEREFORE, for the mutual promises herein and other good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

1. ASSUMPTORS/DEBTORS assume all obligations under the said Security Agreement. They will defend and hold DEBTOR harmless therefrom.
2. The parties agree that the property subject hereto, in addition to liquor license #3773, is described on the attached Exhibit A, including replacements, additions and inventory.
3. The Secured Parties hereby acknowledge and confirm the simultaneous transfer from DEBTOR shall not be deemed a default under the Security Agreement.
4. Unless inconsistent herewith, all other terms and conditions of the Security Agreement, dated July 7, 2006, are hereby ratified and confirmed.

Payee/Beneficiary/Secured Parties:

01-06-2011  
Date

William F. Weith  
WILLIAM F. WEITH

01-06-2011  
Date

Patricia A. Weith  
PATRICIA A. WEITH

01.06.2011  
Date

SCHWABENHOF, INC.  
BY: William F. Weith  
ITS: PRESIDENT

Payor/Trustor/Debtor:

21 JAN 11  
Date

David S. Grathwohl  
DAVID GRATHWOHL

21 JAN 11  
Date

David S. Grathwohl  
SCHWABENHOFF TWO, LLC aka  
SCHWABENHOFF TWO, LLC.  
BY: DAVID GRATHWOHL  
ITS: Authorized Representative

Guarantor/Payor/Assumptors/Debtors:

01-21-2011  
Date

TH  
THOMAS ROBERTSON

01-21-2011  
Date

TH  
SCHWABIES, INC.  
BY: THOMAS ROBERTSON  
ITS: Authorized Representative

01-21-2011  
Date

TH  
CHEROKEE LLC.  
BY: THOMAS ROBERTSON  
ITS: Authorized Representative

STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this 6th day  
of Jan., 2011, 2010, by WILLIAM F. WEITH.



Linda J. Lincoln  
Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_

STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this 6<sup>th</sup> day  
of Jan, 2011, ~~2010~~, by PATRICIA A. WEITH.  
el



Linda J. Lincoln  
Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_

STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this 6<sup>th</sup> day  
of Jan, 2011, ~~2010~~, by William F. Weith, as  
authorized representative on behalf of SCHWABENHOF, INC.



Linda J. Lincoln  
Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_

STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this 24 day  
of Jan, 2011, ~~2010~~, by DAVID GRATHWOHL.  
el



Linda J. Lincoln  
Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_

STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this 24 day  
of Jan, 2011, ~~2010~~, by David S. Grathwohl, as  
authorized representative on behalf of SCHWABENHOFF TWO, LLC aka  
SCHWABENHOFF TWO, LLC.



Linda J. Lincoln  
Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_



The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of Jan, 2011, ~~2010~~, by THOMAS ROBERTSON.

Kindy Kinceln  
Notary Public in and for Alaska  
My Commission expires: \_\_\_\_\_

The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of Jan, 2011 ~~2010~~, by Thomas Robertson, as authorized representative on behalf of SCHWABIES, INC.

Linley Lincoln  
Notary Public in and for Alaska  
My Commission expires:

The foregoing instrument was acknowledged before me this 21st day of Jan. 2011 ~~2010~~, by Thomas Robertson, as authorized representative on behalf of CHEROKEE LLC.

Linley Lincoln  
Notary Public in and for Alaska  
My Commission expires:

Equipment List 2010

DISHWASHER Hobart model: WM-5H serial #:27-110-564

3 BAY STAINLESS STEEL SINK: 6 foot (2)

HOT WATER HEATER: gas Bradford White "Defender"

REFRIGERATOR: commercial stainless steel, 5 foot CRC model: C-2RDA-25-8HGD serial # A-8427500

ICEMAKER: Manitowoc series 600 model: GY0604E serial # 901264328

BAR SINK: stainless

HOT WATER TAP: ISE .5gal model : 770-10 serial: SK3689546

JAGERMEISTER MACHINE J99-12845

ICEWELL: stainless steel

REFRIGERATORS: Stainless steel under counter (3)

BOTTLE COOLER: 8 foot Beverage-Air model: 6W94 serial:# 2726653

COFFE MAKER Bunn 3pot UP 17146493

FREEZER: Kenmore WB82853828

STORAGE RACKS: Stainless Steel 2x3x7 foot

FOOD WARMERS: server stainless steel with inserts (3)

SOUP WARMER: commercial

FOOD SLICER Univex model: 805-6509 serial #: 80509-0810

CHEESE CUTTER

PLATES: 3 section round (90)

GLASSWARE: Varied beer glasses and mugs and drink glasses

SILVERWARE: knives, forks, & spoons (approx. 60each)

DSG



COOKING UTENSILS: inc. knives and other implements

COOKERS: Nesco (2)

MICROWAVE: Emerson serial #909005102mm

RICE MAKER: Elite model:DRC-100X

PIZZA OVENS: Pizza Pal electric Wisco Industries model: MUD 412-SHCT serial #'s: 50444 &51649 (2)

CASH REGISTER Royal A710MC

TAP SYSTEM: 5 HP compressor with condenser and evaporator, 20 pressure control valves, 18 beer taps with handles, Warsteiner Pedestal tap, Spaten Pedestal tap

BEER STEINS: Variety

STORAGE CABINETS: 6 foot 72x30x18 inches (2), 5 foot 60x30x18 (2), 3 foot with drawer 36x30x18 (4)

LIGHT FIXTURES: Tear Drop with single bulb (2), 3 light stained glass (3)

BAR STOOLS: 12 Custom Log with upholstered seats

CHAIRS: Custom Log on casters with upholstered seats (22), folding chairs (67) wooden chairs for deck with naughehyde seats

TABLES: Plastic Foldable 6 foot round (2), round on custom "root" base 3 foot (4), wooden rectangular 3 foot(2), 2foot square wooden (1), 2.5 foot square wooden (4)

DECK TABLE : custom round wooden with custom stools (8)

~~GAS BAR-B-QUE Kenmore~~

~~ALARM SYSTEM~~

~~SECURITY CAMERA~~

BUR L POLE 35 foot in middle of deck with many burls

056



BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS:

That, SCHWABBENHOFF TWO, LLC. a/k/a SCHWABBENHOFF TWO, LLC., herein referred to as the Seller, for and in consideration of TEN AND NO/100 DOLLARS (\$10.00), lawful money of the United States of America, and other good and valuable consideration in hand paid by Schwabies, Inc., herein referred to as the Buyer, the receipt of which is hereby acknowledged, does by these presents GRANT, BARGAIN, SELL, and CONVEY, unto the Buyer, its successors and assigns, all of the Seller's right title and interest, if any, to the following described property, to-wit:

All personal property described on Exhibit A attached hereto.

SUBJECT TO a lien on behalf of WILLIAM F. WEITH and PATRICIA A. WEITH, husband and wife, and SCHWABBENHOF, INC., an Alaska Corporation, as set forth on the Security Agreement covering said purchase debt. Seller agrees to hold Buyer harmless from any other debt covering the subject property.

TO HAVE AND TO HOLD the same unto the said Buyer, its successors and assigns FOREVER.

The personal property transferred hereby is sold in a strictly "AS-IS" condition, without any warranties, whatsoever. Buyer acknowledges herein that they have fully inspected the property and agree to accept the same in an "AS-IS" condition and with no warranties of any type, expressed or implied.

IN WITNESS WHEREOF, the Seller signs this 21st day of Jan. 2011, 2010.

SELLER:

SCHWABBENHOFF TWO, LLC.  
a/k/a SCHWABBENHOFF TWO, LLC.  
BY: David S. Huthwohl  
ITS: Member / Manager

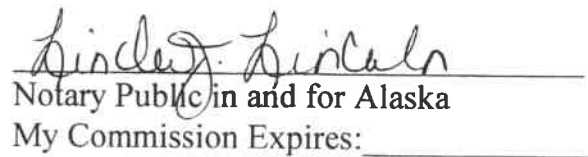
BUYER:

BUYER HAS INSPECTED AND AGREES  
TO ACCEPT THE PROPERTY TRANSFERRED  
IN AND "AS-IS" CONDITION; AS SET FORTH:

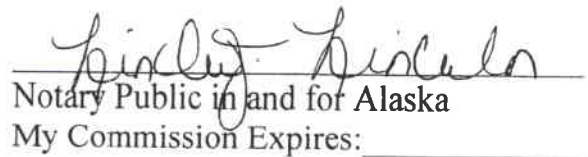
SCHWABIES, INC.  
BY: [Signature]  
ITS: President / Secretary



The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of Jan, 2011, 2010, by David S. Grathwohl, authorized representative for SCHWABBENHOFF TWO, LLC.




The foregoing instrument was acknowledged before me this 21st day of Jan, 2011, ~~2010~~, by Thomas Robertson, authorized representative for SCHWABIES, INC.



Equipment List 2010

DISHWASHER Hobart model: WM-5H serial #: 27-110-564.  
3 BAY STAINLESS STEEL SINK: 6 foot (2).  
HOT WATER HEATER: gas Bradford White "Defender"  
REFRIGERATOR: commercial stainless steel, 5 foot CRC model: C-2RDA-25-8HGD serial # A-8427500  
ICEMAKER: Manitowoc series 600 model: GY0604E serial # 901264328.  
BAR SINK: stainless  
HOT WATER TAP: ISE .5gal model : 770-10 serial: SK3689546  
JAGERMEISTER MACHINE J99-12845  
ICEWELL: stainless steel  
REFRIGERATORS: Stainless steel under counter (3)  
BOTTLE COOLER: 8 foot Beverage-Air model: 6W94 serial:# 2726653  
COFFE MAKER Bunn 3pot UP 17146493  
FREEZER: Kenmore WB82853828.  
STORAGE RACKS: Stainless Steel 2x3x7 foot  
FOOD WARMERS: server stainless steel with inserts (3)  
SOUP WARMER: commercial  
FOOD SLICER Univex model: 805-6509 serial #: 80509-0810  
CHEESE CUTTER  
PLATES: 3 section round (90)  
GLASSWARE: Varied beer glasses and mugs and drink glasses  
SILVERWARE: knives, forks, & spoons (approx. 60each)



COOKING UTENSILS: inc. knives and other implements

COOKERS: Nesco (2)

MICROWAVE: Emerson serial #909005102mm

RICE MAKER: Elite model:DRC-100X

PIZZA OVENS: Pizza Pal electric Wisco Industries model: MUD 412-SHCT serial #'s: 50444 &51649 (2)

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DECK TABLE : custom round wooden with custom stools (8)

GAS BAR-B-QUE Kenmore

ALARM SYSTEM

SECURITY CAMERA

BUR L POLE 35 foot in middle of deck with many burls



# IRREVOCABLE ASSIGNMENT FOR SECURITY PURPOSES AND POWER OF ATTORNEY

FOR VALUABLE CONSIDERATION SCHWABIES, INC., whose address is 861 Serrano Drive, Wasilla, AK. 99654, hereinafter "Assignor," as operator of Beverage Dispensary License designated 3773, under the authority of the State of Alaska and State of Alaska Alcoholic Beverage Control Board hereby irrevocably assigns to SCHWABENHOF, INC., whose address is 1425 N. Lazy Lane, Palmer, Alaska 99645, hereinafter "Assignee," all of the current and after-acquired right, title and interest in and to the alcoholic beverage license originally issued in the name of SCHWABENHOF, INC. and then SCHWABBENHOFF TWO, LLC. a/k/a SCHWABENHOFF TWO, LLC., and grant the said Assignee a security interest therein, and in reissuance of such license, such assignment and granting of security interest being for the sole purpose of securing the obligations set forth in the following documents:

1. Security Agreement, dated July 7, 2006
2. Deed of Trust Note, dated July 7, 2006
3. Deed of Trust, dated July 7, 2006
4. Assumption and Modification of Security Agreement, dated January 21, 2011
5. Modification of Deed of Trust Note and Deed of Trust, dated January 21, 2011

Absent default by the Assignor, this assignment shall be null and void and without force and effect.

Upon default by the Assignor, the Assignor appoints the principals of SCWABENHOF, INC., i.e. PATRICIA WEITH or WILLIAM WEITH, as Assignor's attorney-in-fact, with full power of substitution, for the purposes of executing and delivering all documents, and otherwise taking any and all steps whatsoever required or pertinent to the operation, use, transfer or renewal of said license, including therein without limitation the powers and authority to retransfer the liquor license.

The purpose of this assignment and power of attorney is to ensure performance of the Assignor's promise if there is a default in payment or other terms of the agreements under which the license was sold. It is the parties' intention that the Assignee has the same rights and powers with respect to the license which are the subject thereof that Assignor has and would have in all instances when the operation, transfer, renewal, operation, use or any other disposition of said license is involved.

Subject to the foregoing, this assignment and power of attorney shall bind and inure to the benefit of the parties herein named, their heirs, administrators, executors, assigns or other successors in interest.

This assignment and power of attorney is coupled with an interest

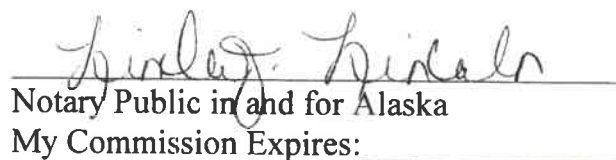


This document is intended to create a method to allow the Assignee to enforce Assignee's purchase money interest in Beverage Dispensary License #3773, in favor of the Assignee as provided by AS 04.11.670 or AS 04.11.360 (4)(B) and applicable regulations, as amended.

ASSIGNOR:

By: [Signature]  
Its: PRESIDENT / SECRETARY

The foregoing instrument was acknowledged before me this 21st day of Jan., 2011, 2010, by Thomas Robertson, as President/Secretary on behalf of Schwabies, Inc.



UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional] Linda Lincoln	
B. SEND ACKNOWLEDGMENT TO: (Name and Address) <div>Mat-Su Title Insurance Agency, Inc. 1981 E. Palmer Wasilla Hwy. #100 Wasilla, AK 99654 MS83681</div> <div>FIXTURE</div>	

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE # 2006-019394-0 Recorded 7/13/06		1b. This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. <input checked="" type="checkbox"/>			
2. <input type="checkbox"/> TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement.					
3. <input type="checkbox"/> CONTINUATION: Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law.					
4. <input type="checkbox"/> ASSIGNMENT (full or partial): Give name of assignee in item 7a or 7b and address of assignee in item 7c; and also give name of assignor in item 9.					
5. AMENDMENT (PARTY INFORMATION): This Amendment affects <input checked="" type="checkbox"/> Debtor or <input type="checkbox"/> Secured Party of record. Check only <u>one</u> of these two boxes. Also check <u>one</u> of the following three boxes and provide appropriate information in items 6 and/or 7. <input type="checkbox"/> CHANGE name and/or address: Please refer to the detailed instructions in regards to changing the name/address of a party. <input type="checkbox"/> DELETE name: Give record name to be deleted in item 6a or 6b. <input checked="" type="checkbox"/> ADD name: Complete item 7a or 7b, and also item 7c; also complete items 7e-7g (if applicable).					
6. CURRENT RECORD INFORMATION:					
6a. ORGANIZATION'S NAME					
OR					
6b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
7. CHANGED (NEW) OR ADDED INFORMATION:					
7a. ORGANIZATION'S NAME					
OR					
7b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
Robertson		Thomas	N.		
7c. MAILING ADDRESS		CITY	STATE	POSTAL CODE	COUNTRY
861 Serrano Dr.		Wasilla	AK	99654	USA
7d. SEE INSTRUCTIONS	ADD'L INFO RE ORGANIZATION DEBTOR	7e. TYPE OF ORGANIZATION	7f. JURISDICTION OF ORGANIZATION		7g. ORGANIZATIONAL ID #, if any
					<input type="checkbox"/> NONE
8. AMENDMENT (COLLATERAL CHANGE): check only <u>one</u> box. Describe collateral <input type="checkbox"/> deleted or <input checked="" type="checkbox"/> added, or give entire <input type="checkbox"/> restated collateral description, or describe collateral <input type="checkbox"/> assigned.					

See Exhibit A

Lot 1A, Block 2, Country Field Estates V, according to Plat No. 2000-126, located in the Palmer Recording District, Third Judicial District, State of Alaska.

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT (name of assignor, if this is an Assignment). If this is an Amendment authorized by a Debtor which adds collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor, check here <input checked="" type="checkbox"/> and enter name of DEBTOR authorizing this Amendment.				
9a. ORGANIZATION'S NAME Schwabbenhoff Two, LLC				
OR				
9b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX

10. OPTIONAL FILER REFERENCE DATA

UCC FINANCING STATEMENT AMENDMENT ADDITIONAL PARTY  
FOLLOW INSTRUCTIONS (front and back) CAREFULLY

14. INITIAL FINANCING STATEMENT FILE # (same as item 1a on Amendment form)		
2006-019394-0		
15. NAME OF PARTY AUTHORIZING THIS AMENDMENT (same as item 9 on Amendment form)		
15a. ORGANIZATION'S NAME		
Schwabbenhoff Two, LLC		
OR	15b. INDIVIDUAL'S LAST NAME	FIRST NAME
		MIDDLE NAME, SUFFIX
16. MISCELLANEOUS		

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

17. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only <u>one</u> name (17a or 17b) - do not abbreviate or combine names				
17a. ORGANIZATION'S NAME				
Cherokee LLC				
OR	17b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
17c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
861 Serrano Dr.		Wasilla	AK	99654
17d. SEE INSTRUCTIONS		17e. TYPE OF ORGANIZATION	17f. JURISDICTION OF ORGANIZATION	17g. ORGANIZATIONAL ID #, if any
ADD'L INFO RE ORGANIZATION DEBTOR				<input type="checkbox"/> NONE
18. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only <u>one</u> name (18a or 18b) - do not abbreviate or combine names				
18a. ORGANIZATION'S NAME				
Schwabies, Inc.				
OR	18b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
18c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
861 Serrano Dr.		Wasilla	AK	99654
18d. SEE INSTRUCTIONS		18e. TYPE OF ORGANIZATION	18f. JURISDICTION OF ORGANIZATION	18g. ORGANIZATIONAL ID #, if any
ADD'L INFO RE ORGANIZATION DEBTOR				<input type="checkbox"/> NONE
19. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only <u>one</u> name (19a or 19b) - do not abbreviate or combine names				
19a. ORGANIZATION'S NAME				
OR	19b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
19c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
19d. SEE INSTRUCTIONS		19e. TYPE OF ORGANIZATION	19f. JURISDICTION OF ORGANIZATION	19g. ORGANIZATIONAL ID #, if any
ADD'L INFO RE ORGANIZATION DEBTOR				<input type="checkbox"/> NONE
20. ADDITIONAL SECURED PARTY'S NAME (or Name of TOTAL ASSIGNEE) - insert only <u>one</u> name (20a or 20b)				
20a. ORGANIZATION'S NAME				
OR	20b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
20c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
21. ADDITIONAL SECURED PARTY'S NAME (or Name of TOTAL ASSIGNEE) - insert only <u>one</u> name (21a or 21b)				
21a. ORGANIZATION'S NAME				
OR	21b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
21c. MAILING ADDRESS		CITY	STATE	POSTAL CODE

Equipment List 2010

DISHWASHER Hobart model: WM-5H serial #: 27-110-564.

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ICEMAKER: Manitowoc series 600 model: GY0604E serial # 901264328.

BAR SINK: stainless

HOT WATER TAP: ISE 5gal model : 770-10 serial: SK3689546

JAGERMEISTER MACHINE J99-12845

ICEWELL: stainless steel

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BOTTLE COOLER: 8 foot Beverage-Air model: 6W94 serial:# 2726653

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FREEZER: Kenmore WB82853828.

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FOOD WARMERS: server stainless steel with inserts (3)

SOUP WARMER: commercial

FOOD SLICER Univex model: 805-6509 serial #: 80509-0810.

CHEESE CUTTER

PLATES: 3 section round (90)

GLASSWARE: Varied beer glasses and mugs and drink glasses

SILVERWARE: knives, forks, & spoons (approx. 60each)

Exhibit A  
pg 1 of 2



COOKING UTENSILS: Inc. knives and other implements

COOKERS: Nesco (2)

MICROWAVE: Emerson serial #909005102mm

RICE MAKER: Elite model:DRC-100X

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CHAIRS: Custom Log on casters with upholstered seats (22), folding chairs (67) wooden chairs for deck with naugahyde seats

TABLES: Plastic Foldable 6 foot round (2), round on custom "root" base 3 foot (4), wooden rectangular 3 foot (2), 2 foot square wooden (1), 2.5 foot square wooden (4).

DECK TABLE : custom round wooden with custom stools (8).

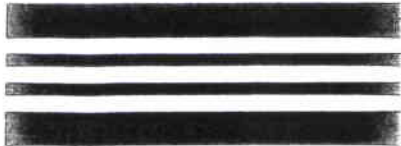
GAS BAR-B-QUE Kenmore

ALARM SYSTEM

SECURITY CAMERA

BUR L POLE 35 foot in middle of deck with many burls

Exhibit A  
pg 2 of 2



UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional) Linda Lincoln	
B. SEND ACKNOWLEDGMENT TO: (Name and Address) <div>Mat-Su Title Insurance Agency, Inc. 1981 E. Palmer Wasilla Hwy. #100 Wasilla, AK 99654 MS83681</div> <div>FIXTURE</div>	

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE # 2006-019394-0 Recorded 7/13/06				1b. This FINANCING STATEMENT AMENDMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. <input checked="" type="checkbox"/>	
2. <input type="checkbox"/> TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to security interest(s) of the Secured Party authorizing this Termination Statement					
3. <input type="checkbox"/> CONTINUATION: Effectiveness of the Financing Statement identified above with respect to security interest(s) of the Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law.					
4. <input type="checkbox"/> ASSIGNMENT (full or partial): Give name of assignee in item 7a or 7b and address of assignee in item 7c; and also give name of assignor in item 9.					
5. AMENDMENT (PARTY INFORMATION): This Amendment affects <input checked="" type="checkbox"/> Debtor or <input type="checkbox"/> Secured Party of record. Check only one of these two boxes. Also check one of the following three boxes and provide appropriate information in items 6 and/or 7. <input type="checkbox"/> CHANGE name and/or address: Please refer to the detailed instructions in regards to changing the name/address of a party. <input type="checkbox"/> DELETE name: Give record name to be deleted in item 6a or 6b. <input checked="" type="checkbox"/> ADD name: Complete item 7a or 7b, and also item 7c; also complete items 7e-7g (if applicable).					
6. CURRENT RECORD INFORMATION:					
6a. ORGANIZATION'S NAME					
OR					
6b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
7. CHANGED (NEW) OR ADDED INFORMATION:					
7a. ORGANIZATION'S NAME					
OR					
7b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
Robertson		Thomas	N.		
7c. MAILING ADDRESS		CITY	STATE	POSTAL CODE	COUNTRY
861 Serrano Dr.		Wasilla	AK	99654	USA
7d. SEE INSTRUCTIONS	ADD'L INFO RE ORGANIZATION DEBTOR	7e. TYPE OF ORGANIZATION	7f. JURISDICTION OF ORGANIZATION		7g. ORGANIZATIONAL ID #, if any
					<input type="checkbox"/> NONE

8. AMENDMENT (COLLATERAL CHANGE): check only one box.  
Describe collateral ☐ deleted or ☒ added, or give entire ☐ restated collateral description, or describe collateral ☐ assigned.

See Exhibit A

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT (name of assignor, if this is an Assignment). If this is an Amendment authorized by a Debtor which adds collateral or adds the authorizing Debtor, or if this is a Termination authorized by a Debtor, check here <input checked="" type="checkbox"/> and enter name of DEBTOR authorizing this Amendment			
9a. ORGANIZATION'S NAME Schwabbenhoff Two, LLC			
OR			
9b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME

10. OPTIONAL FILER REFERENCE DATA

UCC FINANCING STATEMENT AMENDMENT ADDITIONAL PARTY  
FOLLOW INSTRUCTIONS (front and back) CAREFULLY

14. INITIAL FINANCING STATEMENT FILE # (same as item 1a on Amendment form)		
2006-019394-0		
15. NAME OF PARTY AUTHORIZING THIS AMENDMENT (same as item 9 on Amendment form)		
15a. ORGANIZATION'S NAME		
Schwabbenhoff Two, LLC		
OR	15b. INDIVIDUAL'S LAST NAME	FIRST NAME
		MIDDLE NAME, SUFFIX
16. MISCELLANEOUS		

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

17. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only <u>one</u> name (17a or 17b) - do not abbreviate or combine names				
17a. ORGANIZATION'S NAME				
Cherokee LLC				
OR	17b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
17c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
861 Serrano Dr.		Wasilla	AK	99654
17d. SEE INSTRUCTIONS	ADD'L INFO RE ORGANIZATION DEBTOR	17e. TYPE OF ORGANIZATION	17f. JURISDICTION OF ORGANIZATION	17g. ORGANIZATIONAL ID #, if any
				USA
				<input type="checkbox"/> NONE

18. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only <u>one</u> name (18a or 18b) - do not abbreviate or combine names				
18a. ORGANIZATION'S NAME				
Schwabies, Inc.				
OR	18b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
18c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
861 Serrano Dr.		Wasilla	AK	99654
18d. SEE INSTRUCTIONS	ADD'L INFO RE ORGANIZATION DEBTOR	18e. TYPE OF ORGANIZATION	18f. JURISDICTION OF ORGANIZATION	18g. ORGANIZATIONAL ID #, if any
				USA
				<input type="checkbox"/> NONE

19. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only <u>one</u> name (19a or 19b) - do not abbreviate or combine names				
19a. ORGANIZATION'S NAME				
OR	19b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
19c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
19d. SEE INSTRUCTIONS	ADD'L INFO RE ORGANIZATION DEBTOR	19e. TYPE OF ORGANIZATION	19f. JURISDICTION OF ORGANIZATION	19g. ORGANIZATIONAL ID #, if any
				<input type="checkbox"/> NONE

20. ADDITIONAL SECURED PARTY'S NAME (or Name of TOTAL ASSIGNEE) - insert only <u>one</u> name (20a or 20b)				
20a. ORGANIZATION'S NAME				
OR	20b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
20c. MAILING ADDRESS		CITY	STATE	POSTAL CODE

21. ADDITIONAL SECURED PARTY'S NAME (or Name of TOTAL ASSIGNEE) - insert only <u>one</u> name (21a or 21b)				
21a. ORGANIZATION'S NAME				
OR	21b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
21c. MAILING ADDRESS		CITY	STATE	POSTAL CODE

Equipment List 2010

DISHWASHER Hobart model: WM-5H serial #: 27-110-564

3 BAY STAINLESS STEEL SINK: 6 foot (2)

HOT WATER HEATER: gas Bradford White "Defender"

REFRIGERATOR: commercial stainless steel, 5 foot CRC model: C-2RDA-25-8HGD serial # A-8427500

ICEMAKER: Manitowoc series 600 model: GY0604E serial # 901264328

BAR SINK: stainless

HOT WATER TAP: ISE .5gal model : 770-10 serial: SK3689546

JAGERMEISTER MACHINE J99-12845

ICEWELL: stainless steel

REFRIGERATORS: Stainless steel under counter (3)

BOTTLE COOLER: 8 foot Beverage-Air model: 6W94 serial:# 2726653

COFFE MAKER Bunn 3pot UP 17146493

FREEZER: Kenmore WB82853828

STORAGE RACKS: Stainless Steel 2x3x7 foot

FOOD WARMERS: server stainless steel with inserts (3)

SOUP WARMER: commercial

FOOD SLICER Univex model: 805-6509 serial #: 80509-0810

CHEESE CUTTER

PLATES: 3 section round (90)

GLASSWARE: Varied beer glasses and mugs and drink glasses

SILVERWARE: knives, forks, & spoons (approx. 60each)

Exhibit A  
pg 1 of 2



COOKING UTENSILS: inc. knives and other implements

COOKERS: Nesco (2)

MICROWAVE: Emerson serial #909005102mm

RICE MAKER: Elite model: DRC-100X

PIZZA OVENS: Pizza Pal electric Wisco Industries model: MUD 412-5HCT serial #'s: 50444 & 51649 (2)

CASH REGISTER Royal A710MC

TAP SYSTEM: 5 HP compressor with condenser and evaporator, 20 pressure control valves, 18 beer taps with handles, Warsteiner Pedestal tap, Spaten Pedestal tap

BEER STEINS: Variety

STORAGE CABINETS: 6 foot 72x30x18 inches (2), 5 foot 60x30x18 (2), 3 foot with drawer 36x30x18 (4)

LIGHT FIXTURES: Tear Drop with single bulb (2), 3 light stained glass (3)

BAR STOOLS: 12 Custom Log with upholstered seats

CHAIRS: Custom Log on casters with upholstered seats (22), folding chairs (67) wooden chairs for deck with naugahyde seats

TABLES: Plastic Foldable 6 foot round (2), round on custom "root" base 3 foot (4), wooden rectangular 3 foot (2), 2 foot square wooden (1), 2.5 foot square wooden (4)

DECK TABLE : custom round wooden with custom stools (8)

GAS BAR-B-QUE Kenmore

ALARM SYSTEM

SECURITY CAMERA

BUR L POLE 35 foot in middle of deck with many burls

Exhibit A  
pg 2 of 2

# First National Bank Alaska

## Escrow Instructions

Dated: 1/21/11

Account No.: \_\_\_\_\_

(check squares or fill in blanks **only** if applicable - **do not alter form or refer to provisions of other documents**)

To The First National Bank Alaska: The undersigned payer is obligated to pay money to the undersigned payee. You are instructed to receive and disburse it. Bank's duties are determined from these instructions alone and without reference to other agreements, including deposited documents, regardless whether such other agreements differ from (as to parties or otherwise), or are more complete than, these instructions.

### Our payment arrangement is of the: (Required)

- ☐ "interest only" type, and its terms are stated in Exhibit C
- ☒ "including interest" type, or "non-installment" type and its terms are stated below:
- ☐ "plus interest" type (see note 1) and its terms are stated below:
- Note 1.** If this is a "plus interest" type of account, interest is due on the same day that an installment, regular or irregular, is due. Except to the extent that is has accrued, interest cannot be paid prior to its due date. Since money paid is first applied to interest accrued as of the date of the application, an installment cannot be satisfied unless the amount paid at least equals the installment plus accrued interest.

Terms ("including interest" type or "non-installment" type or "plus interest" type)

- Beginning principal is **\$498,000.00**
- Annual interest rate 7% daily interest rate is 1/365 of that rate (see note 2).
- Interest accrues from 1/26/11
- There is no interest on interest.
- Regular installment period is ☒ monthly ☐ quarterly ☐ semi-annually ☐ annually.
- First regular installment is due on 1/25/11
- Regular installments are due on the same day of the calendar month.
- Regular installment amount is **\$3861.00** (see note 3).
- Irregular installments are as follows (if due on the same date as regular installment, it is in addition to regular installment):
 

Amount	Due Date
\$ _____	_____
\$ _____	_____
\$ _____	_____
\$ _____	_____

(not more than 5)
- All unpaid principal and interest is due on 12/25/30 (despite the schedule of installments if any).
- There is a discount of \$n/a if all principal and interest is paid on or before \_\_\_\_\_
- Any amount of money may be paid at any time.
- Money paid is applied on the day that cash, check, or other item is received, or as soon thereafter as practicable.
- Money paid satisfies installments in their scheduled order. Of installments not yet due, money paid satisfies an unlimited number, or **Unless checked below.**

☒ only one (and if that installment has been satisfied, none)
- Money paid is applied to accrued interest and then to principal.

Note 2. If interest rate changes during term, or if it floats after a certain date, state initial rate and attach Exhibit D.

Note 3. If regular installment amount changes during term, attach Exhibit D.

Original signatures of all parties required. Type name and address below signature line)

S/ [Signature]  
Cherokee LLC, Payer  
861 Serrano Dr. Address  
WASILLA AK 99654 Address  
S/ [Signature]  
Schwabes, Inc. Payer  
Same AS ABOVE Address  
Address  
Address

### (Required)

#### ☒ Payee(s) Disbursement Instructions:

##### \*Complete attached Exhibit A-Payee Disbursement Instructions

The following documents are deposited herewith:

Deed of Trust Note, Deed of Trust (copy),  
Warranty Deed (copy), Request for Reconveyance, Modification  
of Deed of trust and Security Agreement, UCC's, Bill of Sale,  
Assn. for Security Purposes

#### Paid in Full:

When all principal and interest has been paid, cancel any promissory note and deliver above listed documents to payer (any of the payers), or order.

#### Close for Delinquency: (Required)

Upon written notice from payee, terminate the account and deliver the deposited documents as directed in the notice; but do so **ONLY** if the account is delinquent.

☐ 10 days ☐ 20 days ☒ 30 days ☐ \_\_\_\_\_ days

#### Close by Mutual Consent:

Upon written notice from all of us, terminate the account and deliver the deposited documents as directed in the notice.

#### Fees: (Required)

Receipt of your current fee schedule is acknowledged. Your setup and first year's annual fee are tendered herewith. Collect future annual fees as follows: ☒ all from payer ☐ all from payee  
☐ one-half from payer and one-half from payee.

#### Late Charges. (Available only in connection with "including interest" type, payment arrangement.)

Commencing with the installment due 1/25/11, if an installment is unsatisfied for 10 days (not fewer than 5 or more than 90), there is a late charge of

☒ \$ 10 % of the unsatisfied part of the installment.  
A late charge is based on failure to satisfy an installment or part of an installment (when an amount exceeds \$15.00) within a prescribed time. If your instructions specify a date on which all unpaid principal and interest is then due, there is no late charge for failure to pay the same, within any time period. There is only one late charge with respect to a particular installment. There is no interest on late charges, and late charges are in addition to interest. Money paid (after deduction of fees due from payer) is applied to late charges, interest and principal, in that order. Money paid, and not applied to late charges, satisfies installments in scheduled order.

Attached hereto are Exhibits: ☒ \*\*Customer Identification Form(s) (Required) ☐ C (interest only) ☐ D (payment arrangement changes) ☐ E (partial release) ☐ F (security assignment) ☐ G (prior mortgage).

Such exhibits, the terms and conditions stated on the reverse side, and the above are your instructions.

\*\*Section 326 of the U.S. Patriot Act-To help the government fight the funding of terrorism and money laundering activities. Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

S/ [Signature]  
William W. Weith, Payee  
Patricia A. Weith, Payee  
1425 N. Lazy Ln. Address  
Palmer AK 99645 Address  
S/ [Signature]  
Schwabenhof, Inc. Payee  
Same AS ABOVE Address  
Address  
Address

Date accepted: \_\_\_\_\_

By: \_\_\_\_\_

First National Bank Alaska

Rec'd \$: \_\_\_\_\_

**Interpretation of instructions.** These instructions are to be interpreted strictly.

**Effective date.** The effective date hereof is the date of acceptance of the account, or the first installment due date, or the first interest due date, or the date that money, if any, was paid (on the account) directly by payer to payee prior to acceptance, whichever is earliest. Money received by bank prior to acceptance is deemed to be received on the date of acceptance.

**Changes in fee schedule.** Future changes by bank in its schedule of fees (basic and special) are applicable to fees that become due thereafter.

**Annual fee.** An annual fee is due and earned when each full or partial account year begins. The first account year begins on the effective date hereof.

**Deduction for fees.** Fees and other claims in connection with the account, due bank from payer, may be deducted from money received, leaving the balance for application to interest and principal. Fees, and other claims in connection with the account, due bank from payee, may be deducted from money otherwise available for disbursement.

**Uncollected check.** The amount of an uncollected check or other item is applied without waiting for collection, but disbursement may be delayed. If a check or other item is not collected, and disbursement has occurred, bank may recover the amount disbursed and bank's fee from payer or payee (or a security assignee).

**Set-off and security interest.** Fees and other claims in connection with the account, due bank from payer, payee, or security assignee, may be set-off against any deposit account that the debtor has with bank. Also, to secure the payment of such fees and other claims due bank from payee, payee grants to bank a security interest in any promissory note deposited herewith.

**Payments directly to payee.** Bank is not required to apply to balances money paid by payer directly to payee. However, as to money so paid prior to acceptance of the account and reported to bank in writing by payer and payee prior to acceptance, the bank will apply to balances.

**Adjustment of balances.** Upon written notice from payer, payee, and security assignee, bank may, at its discretion, adjust balances to reflect money paid by payer directly to payee or assignee, forgiveness of debt, or other transaction.

**Directions by payers as to application of money.** Money received with directions to apply to interest and principal or allocate to installments in a manner inconsistent with the payment arrangement, or to disburse in a manner inconsistent with disbursement instructions, will not be applied and will be disbursed back to the person who paid it.

**Satisfaction of installments.** For purposes of satisfaction of installments, a regular installment is considered to be scheduled before an irregular installment due on the same date. For purposes of a limitation on the number of future installments that money paid satisfies, regular and irregular installments due on the same date are considered to be one installment.

**Substitution of payer.** Bank is not required to recognize a substitute payer unless payer acknowledges the substitution in writing. However, without such acknowledgment, bank may recognize a person as a substitute for payer if it is reasonable to do so. The substitute payer must join in these instructions and acknowledge in writing that bank has no responsibility as to the validity of any transfer of property from payer to substitute payer.

**Absolute transfer by payee.** Bank is not required to recognize an absolute transfer of payee unless payee acknowledges the transfer in writing. However, without such acknowledgment, bank may recognize a person whom it reasonably determines to be the absolute transfer of payee. The transferee must join in these instructions as a payee, deposit for delivery to payer, or order, executed documents in the same form (but warranties may be omitted) as the documents originally deposited by payee for that purpose, and authorize bank to execute and deliver documents of partial release or transfer in accordance with an arrangement, if any, between payer and payee for that purpose.

**Transfer by bank.** Bank may assign its duties hereunder (and thereby be released from its duties) to any corporation regularly engaged in the business of providing, in Alaska, the service the bank is required to provide hereunder.

**Termination by bank.** Bank may terminate the account upon 30 days notice to payer and payee, without opportunity to cure, either if a delinquency continues for a period of one year, or if fees, or other claims in connection with the account, due bank remain unpaid for a period of 60 days, or if the account has been in existence for 30 years or longer.

**Security assignment.** Bank is not required to recognize a security assignee of payee if bank is notified of the assignment after the date of acceptance hereof. Among the terms and conditions of any such recognition are that the account cannot be terminated by notice from payer and payee unless all assignees join in the notice; that where all payees have assigned, termination for delinquency is upon notice from the assignee only; that where fewer than all payees have assigned, termination for delinquency is by notice from the assignee and the non-assigning payees; that a priority assignee (first to notify bank) is the only assignee who can give notice of termination for delinquency; that the security assignee deposit with bank, for delivery to payer, or order, a document in the same form (but warranties may be omitted) as the release or transfer document deposited by payee; and that, if Exhibit E (FID105) is a part of these instructions, the assignee authorizes bank to execute and deliver partial release documents.

**Partial release/prior mortgage.** Bank is not required to administer a partial release arrangement or disburse to a prior mortgagee except upon terms and conditions prescribed by bank, if bank is notified of the partial release arrangement or the prior mortgage after the date of acceptance hereof.

**Amendment.** With the bank's approval, instructions may be amended by the parties apparently affected.

**Deposited documents.** Bank is not required to determine (or consider) the effectiveness, correctness, validity, adequacy, or appropriateness, of any document that it is instructed to execute and / or deliver. As an alternative to the delivery of a document to payer, or order, bank may, at its discretion, deliver to a title company, public recorder, or filing officer.

**Corporate stock held for delivery.** Where a document for delivery is a certificate of corporate stock, bank is not required to vote or otherwise exercise rights with respect to the stock, transmit dividends, or transmit notices.

**Destruction of documents after termination by Bank.** After termination by bank, bank will deliver deposited documents as directed in writing by payer and payee; and, in the absence of such direction, bank may destroy deposited documents that remain undelivered seven years after termination by bank.

**Recording costs.** Payer will reimburse bank for recording or filing costs incurred.

**Bank's right to retain documents.** Bank may retain documents until it is paid fees, and other claims in connection with the account, due from a party entitled to delivery.

**Notice to bank.** Bank is deemed to have notice only when notice actually is received at its Escrow Department office, which does not include any branch office of bank.

**Notice to payer upon termination for delinquency.** Bank is not required to notify payer prior to termination for delinquency.

**Claim against bank after termination.** A claim against bank is unenforceable unless an action is commenced within 90 days after termination.

**Bank's liability.** Bank's failure to perform or fulfill the covenants or conditions hereof is not actionable unless it is willful or constitutes gross negligence.

**Entire agreement.** These instructions constitute the entire agreement between parties. Bank has not made representations or assurances to payer or payee not stated herein.

**Interpleader.** If there is a dispute between or among any two or more other parties with respect to a duty of the bank, the bank may bring an interpleader action, and recover its costs, including attorney fees.

**Singular includes plural.** Wherever the context requires, the singular includes the plural.

**Multiple payer/payee.** Where there is more than one payer (payee), notice to the prime payer (prime payee) is notice to all of them. The payer (payee) whose name appears first on the instructions is the prime payer (prime payee) unless bank is otherwise advised in writing by all payers (payees). Notice includes demand.

**Electronic Funds Transfer.** Disbursement will be governed by the rules of the Northwest Clearing House Associates then in effect. If a check or other item upon which EFT disbursement was based is not collected, you may recover from the undersigned by an adjusting debit entry, which you are hereby authorized to initiate in accordance with said rules. The undersigned will hold you harmless from, and will defend and indemnify you against, any and every claims or loss that may arise from your complying with this authorization. Acceptance of these instructions by The First National Bank Alaska is subject to acceptance of the EFT disbursement by the receiving financial institution. In accordance with the said rules, The First National Bank Alaska will send a pre-note test to the receiving financial institution, and if such test is accepted, these instructions will be implemented within 20 days of receipt. In the event the receiving financial institution will not accept the pre-note test, and upon notification to the undersigned, alternate written disbursement instructions will be provided.

Please initial here:      Payer \_\_\_\_\_ Payer \_\_\_\_\_ Payee \_\_\_\_\_ Payee \_\_\_\_\_

For Title Company Use:  
Prepared by: \_\_\_\_\_ Title Co: Mat-Su Title on \_\_\_\_\_  
Mailing Address: 1981 E. Palmer-Wasilla Hwy. #100, Wasilla, AK 99654  
Title Company Reference Number: MS83681  
FID 100 1/01/84 70-231 (Rev 1-04) page 2 of 2 **©1983 The First National Bank Alaska**  
Release 1998 version 1.0



# First National Bank Alaska

## Escrow /Collection Instructions - Exhibit A

(Disbursements to payee(s))

Dated: 1/6/11

Account No.: \_\_\_\_\_

**To The First National Bank Alaska:** Of money remaining for disbursement, after disbursement to prior mortgagee and/or security assignee, if any. Funds are disbursed by percentage only. The total of all percentages must equal 100%.

### Payee(s) Disbursements

Disburse 37.3 % to William F. Weith, payee(s), by

☐ depositing to FNBA account # \_\_\_\_\_ ☐ Checking ☐ Savings

☐ mailing cashier's check payable to \_\_\_\_\_

at \_\_\_\_\_

☒ EFT: Financial Institution MVFCU

Routing # 325272335

Address \_\_\_\_\_

For Deposit to: ☐ Checking ☒ Savings Account No.: 6670

(Please attach a deposit slip, if possible)

Disburse 37.3 % to Patricia A. Weith, payee(s), by

☐ depositing to FNBA account # \_\_\_\_\_ ☐ Checking ☐ Savings

☐ mailing cashier's check payable to \_\_\_\_\_

at \_\_\_\_\_

☒ EFT: Financial Institution MVFCU

Routing # 325272335

Address \_\_\_\_\_

For Deposit to: ☐ Checking ☒ Savings Account No.: 25998

(Please attach a deposit slip, if possible)

Disburse 25.4 % to Schwabenhof, Inc., payee(s), by

☒ depositing to FNBA account # 70427877 ☐ Checking ☒ Savings

☐ mailing cashier's check payable to \_\_\_\_\_

at \_\_\_\_\_

☐ EFT: Financial Institution \_\_\_\_\_

Routing # \_\_\_\_\_

Address \_\_\_\_\_

For Deposit to: ☐ Checking ☐ Savings Account No.: \_\_\_\_\_

(Please attach a deposit slip, if possible)

Disburse \_\_\_\_\_ % to \_\_\_\_\_, payee(s), by

☐ depositing to FNBA account # \_\_\_\_\_ ☐ Checking ☐ Savings

☐ mailing cashier's check payable to \_\_\_\_\_

at \_\_\_\_\_

☐ EFT: Financial Institution \_\_\_\_\_

Routing # \_\_\_\_\_

Address \_\_\_\_\_

For Deposit to: ☐ Checking ☐ Savings Account No.: \_\_\_\_\_

(Please attach a deposit slip, if possible)

### Consecutive Disbursement Balance Record

Account No.: \_\_\_\_\_

Disburse \_\_\_\_\_ % to \_\_\_\_\_, payee(s), by

☐ depositing to FNBA account # \_\_\_\_\_ ☐ Checking ☐ Savings

☐ mailing your cashier's check payable to \_\_\_\_\_

at \_\_\_\_\_

with instructions (if any) to deposit to \_\_\_\_\_

☐ EFT: Financial Institution \_\_\_\_\_

Routing # \_\_\_\_\_

Address \_\_\_\_\_

For Deposit to: ☐ Checking ☐ Savings Account No.: \_\_\_\_\_

(Please attach a deposit slip, if possible)

until \_\_\_\_\_ and an amount equal to \_\_\_\_\_ % a year (from \_\_\_\_\_) of the declining balance thereof has been disbursed;

thereafter, disburse the same percentage to \_\_\_\_\_, payee(s), by

☐ depositing to FNBA account # \_\_\_\_\_ ☐ Checking ☐ Savings

☐ mailing your cashier's check payable to \_\_\_\_\_

at \_\_\_\_\_

with instructions (if any) to deposit to \_\_\_\_\_

☐ EFT: Financial Institution \_\_\_\_\_

Routing # \_\_\_\_\_

Address \_\_\_\_\_

For Deposit to: ☐ Checking ☐ Savings Account No.: \_\_\_\_\_

(Please attach a deposit slip, if possible)

s/ William F. Weith  
Schwabenhof, Inc., Payee

s/ \_\_\_\_\_  
, Payee

s/ William F. Weith  
William F. Weith, Payee

s/ Patricia A. Weith  
Patricia A. Weith, Payee